

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



Paul Casey
Acting City Administrator

Ariel Pierre Calonne
City Attorney

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

NOVEMBER 25, 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: If you need auxiliary aids or services or staff assistance to attend or participate in this meeting, please contact the City Administrator's Office at 564-5305. If possible, notification at least 48 hours prior to the meeting will usually enable the City to make reasonable arrangements. Specialized services, such as sign language interpretation or documents in Braille, may require additional lead time to arrange.

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
- 2:00 p.m. - City Council Meeting

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

Subject: Fiscal Year 2015 First Quarter Review

Recommendation: That Finance Committee recommend that Council:

- A. Accept the Fiscal Year 2015 Interim Financial Statements for the Three Months Ended September 30, 2014; and
- B. Approve the proposed first quarter adjustments to Fiscal Year 2015 appropriations and estimated revenues as detailed in the attached Schedule of Proposed First Quarter Adjustments.
(See Council Agenda Item No. 5)

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

1. Subject: Minutes

Recommendation: That Council waive further reading and approve the minutes of the regular meeting of November 4, 2014.

2. Subject: Adoption Of Ordinance To Amend Municipal Code Title 16, Liquid And Industrial Waste Disposal (540.13)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the Municipal Code By Repealing Title 16 in its Entirety and Adding Title 16 Pertaining to Liquid and Industrial Waste Disposal.

3. Subject: Introduction Of Ordinance To Amend Municipal Code To Require The Payment Of Prevailing Wages On Public Works Projects As Defined By California Senate Bill 7 (210.01)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara to Amend Municipal Code Section 4.52.160 to Require the Payment of Prevailing Wages on Public Works Projects as Defined and Required by California Senate Bill 7.

CONSENT CALENDAR (CONT'D)

4. Subject: Banking Services Agreement (210.03)

Recommendation: That Council approve a three-year contract with Union Bank to provide banking services for the period of January 1, 2015, through December 31, 2017.

5. Subject: Fiscal Year 2015 First Quarter Review (250.02)

Recommendation: That Council:

- A. Accept the Fiscal Year 2015 Interim Financial Statements for the Three Months Ended September 30, 2014; and
- B. Approve the proposed first quarter adjustments to Fiscal Year 2015 appropriations and estimated revenues as detailed in the attached Schedule of Proposed First Quarter Adjustments.

6. Subject: October 2014, Investment Report (260.02)

Recommendation: That Council accept the October 2014, Investment Report.

7. Subject: Self-Insured Workers' Compensation Program Annual Report (350.08)

Recommendation: That Council receive the Annual Self-Insured Workers' Compensation Program Annual Report for the year ended June 30, 2014.

8. Subject: Approval Of City Charter Findings For Alameda Park Groundwater Well Siting (540.10)

Recommendation: That Council:

- A. Find that the design proposed for the Alameda Park Well Relocation Project is compatible with the use and character of Alameda Park; and
- B. Make the following findings pursuant to City Charter Section 520: The well relocation is compatible with and accessory to the purposes to which the property is devoted because: A) a portion of the water supply developed by the well will be devoted to park irrigation and maintenance, thus rendering the well accessory to the park use; B) the findings made above pursuant to Santa Barbara Municipal Code section 28.37.025 demonstrate that the well location is compatible with park uses; C) the use of the well will be by agreement between the Parks and Recreation and Public Works Departments and fully regulated by the City; and D) permission for the well will be contingent upon the Parks and Recreation and Public Works Departments reaching an agreement to the satisfaction of the City Administrator on all relevant construction and use issues, including appropriate compensation for the use of the park land.

CONSENT CALENDAR (CONT'D)

9. Subject: Contract For Construction Of Santa Barbara Police Department Heating, Ventilation, And Air Conditioning Replacement Project (320.01)

Recommendation: That Council:

- A. Award a contract with ACCO Engineered Systems in their low bid amount of \$1,234,567 for construction of the Santa Barbara Police Department Heating, Ventilation and Air Conditioning Replacement Project, Bid No. 3755; and
- B. Authorize the Public Works Director to execute the contract and approve expenditures up to \$185,000 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment.

10. Subject: Water Main Replacement Program Funding (540.06)

Recommendation: That Council appropriate \$1,500,000 from Water Fund Reserves to the Water Capital Fund to address the need for ongoing water distribution system maintenance and repair projects.

NOTICES

- 11. The City Clerk has on Thursday, November 20, 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.
- 12. Cancellation of the regular City Council meeting of December 2, 2014.

This concludes the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

13. Subject: Casa Esperanza Review Of Operations (660.04)

Recommendation: That Council accept a report prepared by City and County of Santa Barbara staff based on a review of Casa Esperanza Homeless Shelter's operations, and release the remaining contingency funds pursuant to Agreement Number 24,952.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS (CONT'D)

FINANCE DEPARTMENT

- 14. Subject: Public Meeting On The Proposed Modification Of 2011-2015 Santa Barbara South Coast Tourism Business Improvement District (290.00)**

Recommendation: That Council hold a public meeting to hear comments on the proposed modification of the 2011-2015 Santa Barbara South Coast Tourism Business Improvement District for the District to expire on December 31, 2014.

PUBLIC HEARINGS

- 15. Subject: Appeal Of Single Family Design Board Denial Of A Residence On Lot 2 Of The 3626 San Remo Drive Subdivision (640.07)**

Recommendation: That Council uphold the appeal of Jarrett Gorin, agent on behalf of Capital Pacific Development Group, granting Project Design Approval for a new single-family residence on a vacant lot at 3626 San Remo Drive.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

- 16. Subject: Conference With City Attorney - 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 *Joseph M. Hicks v. City of Santa Barbara, et al.*, USDC Case No. CV 13-9016 FMO(RZx).

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

- 17. Subject: Conference With City Attorney - 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 *Camille Carter v. City of Santa Barbara, et al.*, SBSC Case No. 1438672.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

ADJOURNMENT

CITY OF SANTA BARBARA

FINANCE COMMITTEE

MEETING AGENDA

DATE: November 25, 2014

Dale Francisco, Chair

TIME: 12:30 P.M.

Bendy White

PLACE: David Gebhard Public Meeting Room
630 Garden Street

Gregg Hart

Paul Casey
Acting City Administrator

Robert Samario
Finance Director/Acting Assistant
City Administrator

ITEMS TO BE CONSIDERED:

Subject: Fiscal Year 2015 First Quarter Review

Recommendation: That Finance Committee recommend that Council:

- A. Accept the Fiscal Year 2015 Interim Financial Statements for the Three Months Ended September 30, 2014; and
- B. Approve the proposed first quarter adjustments to Fiscal Year 2015 appropriations and estimated revenues as detailed in the attached Schedule of Proposed First Quarter Adjustments.

(See Council Agenda Item No. 5)



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING November 4, 2014 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:01 p.m. (The Finance Committee and Ordinance Committee, which ordinarily meet at 12:30 p.m., did not meet on this date.)

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

Councilmembers present: Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.

Councilmembers absent: Dale Francisco.

Staff present: Acting City Administrator Paul Casey, City Attorney Ariel Pierre Calonne, City Clerk Services Manager Gwen Peirce.

CEREMONIAL ITEMS

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

Recommendation: That Council authorize the Acting City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through November 30, 2014.

Documents:

November 4, 2014, report from the Administrative Services Director.

Speakers:

Staff: Acting City Administrator Casey, Police Captain David Whitham, Accounting Assistant Gerry Morozowsky.

(Cont'd)

1. (Cont'd)

By consensus, the Council approved the recommendation, and the following employees were recognized:

10-Year Pin

Christie Lanning, Human Resources Analyst II, Administrative Services Department

15-Year Pin

Samuel Blackwell, Building Inspector, Community Development Department

Brian Gronnebeck, Senior Building Inspector, Community Development Department

Darrell Shon, Laboratory Analyst II, Public Works Department

20-Year Pin

John Gordon, Senior Streets Maintenance Worker, Public Works Department

25-Year Pin

David Hedges, Police Officer, Police Department

David Whitham, Police Captain, Police Department

30-Year Pin

John Krohta, Airport Patrol Officer II, Airport Department

PUBLIC COMMENT

Speakers: Kenneth Loch, Clint Orr, Phil Walker.

CONSENT CALENDAR (Item Nos. 2 – 7)

The titles of the resolutions and ordinances related to Consent Calendar items were read.

Motion:

Councilmembers White/Rowse to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote (Absent: Councilmember Francisco).

CONSENT CALENDAR

2. Subject: Minutes

Recommendation: That Council waive further reading and approve the minutes of the regular meeting of October 21, 2014.

Action: Approved the recommendation.

3. Subject: Adoption Of Ordinance To Amend Municipal Code Section 4.52.160 Pertaining To Certain Water-Related Public Works Contracts (540.10)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the Municipal Code By Amending Section 4.52.160 Pertaining to Public Works Contracts.

Action: Approved the recommendation; Ordinance No. 5673.

4. Subject: Adoption Of Ordinance Approving Grant Agreements For Storm Water Infiltration Projects And The Clean Water State Revolving Fund Financing Agreements (540.10)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving and Ratifying the Grant Agreements and the Clean Water State Revolving Fund Financing Agreements Between the City of Santa Barbara and the State Water Resources Control Board That Were Authorized by City Council Resolution Nos. 07-033, 07-043, 12-088, 14-056, 14-057, 09-013, and 09-090 (as Amended by Resolution No. 10-089).

Action: Approved the recommendation; Ordinance No. 5674.

5. Subject: Resolution Naming A Private Way As Meadows Lane (530.04)

Recommendation: That Council:

- A. Hold a public hearing to approve the request of the Las Positas Meadows Homeowners Association to name the private way, accessed from Las Positas Road and fronting units 1502 to 1546 Las Positas Road, "Meadows Lane;" and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Acknowledging the Non-Public Status of the Private Way Located Adjacent to Las Positas Road Within the City Limits and Naming It "Meadows Lane."

Public Comment Opened:
2:15 p.m.

No one indicated a desire to speak.

Public Comment Closed:
2:15 p.m.

Action: Approved the recommendations; Resolution No. 14-075 (November 4, 2014, report from the Public Works Director; proposed resolution).

6. Subject: Safe Drinking Water State Revolving Fund Loan Application For The Reactivation Of The Charles E. Meyer Desalination Plant (540.10)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Designating the Acting City Administrator to Execute and Deliver an Application to the State Water Resources Control Board for a Safe Drinking Water State Revolving Fund Loan for the Reactivation of the Charles E. Meyer Desalination Plant.

Action: Approved the recommendation; Resolution No. 14-076 (November 4, 2014, report from the Public Works Director; proposed resolution).

NOTICES

7. The City Clerk has on Thursday, October 30, 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 concluded the Consent Calendar.

CITY COUNCIL AND SUCCESSOR AGENCY REPORTS

8. Subject: Status Report And Contract Services For The Cabrillo Pavilion And Bathhouse Renovation Project (620.06)

Recommendation: That the Successor Agency:

- A. Receive a status report on the Cabrillo Pavilion and Bathhouse Renovation Project;
- B. Authorize the Executive Director to execute a contract between the Successor Agency and Dudek, in the amount of \$1,895, to prepare a Phase 1 Archaeological Investigation for the above project and authorize the Executive Director to approve extra work, as necessary, in an amount not to exceed \$500; and
- C. Authorize the Executive Director to execute a contract between the Successor Agency and Leidos, Incorporated, in the amount of \$13,265, to prepare a Biological Resources Report for the above project, and authorize the Executive Director to approve extra work, as necessary, in an amount not to exceed \$1,326, or 10 percent.

Documents:

- November 4, 2014, report from the Parks and Recreation Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Assistant Parks and Recreation Director Jill Zachary.
- Members of the Public: Joe Howell, representing the East Beach Grill.

(Cont'd)

8. (Cont'd)

Motion:

Councilmembers Murillo/White to approve recommendations B and C; Contract Nos. 25,013 and 25,014.

Vote:

Unanimous voice vote (Absent: Councilmember Francisco).

9. Subject: Contract For Construction Of The Bath Street Pocket Park (570.05)

Recommendation: That Council and Successor Agency authorize the Executive Director to enter into a construction contract with Heathcote Construction, in the amount of \$158,574, for the construction of the Bath Street pocket park and authorize the Executive Director to approve extra work, if necessary, in an amount of \$15,857, or 10 percent.

Documents:

- November 4, 2014, report from the Parks and Recreation Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

Staff: Assistant Parks and Recreation Director Jill Zachary.

Councilmember Francisco arrived at 3:16 p.m.

Motion:

Councilmembers White/Rowse to approve the recommendation; Contract No. 25,015.

Vote:

Unanimous voice vote.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

CITY ADMINISTRATOR

10. Subject: Citywide Performance Highlights For Fiscal Year 2014 And Comparative Indicators Report For Fiscal Year 2015 (170.01)

Recommendation: That Council:

- A. Receive a summary of department performance management results and highlights for Fiscal Year 2014; and
- B. Receive a report on how the City of Santa Barbara compares with similar California communities on key indicators.

(Cont'd)

10. (Cont'd)

Documents:

- November 4, 2014, report from the Acting City Administrator.
- PowerPoint presentation prepared and made by Staff.

Speakers:

Staff: Assistant to the City Administrator Nina Johnson, Administrative Analyst Kate Whan.

The Council received the presentation and their questions were answered.

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Francisco reported on his attendance at a recent Cachuma Conservation and Release Board meeting.
- Councilmember Hart reported on his attendance at the opening of The Wayfarer Hostel in the Funk Zone.
- Councilmember Murillo spoke regarding her attendance at: 1) a recent New Zoning Ordinance (NZO) Subcommittee meeting; 2) Dias de los Muertos event at Casa de la Raza; and 3) a Santa Barbara Youth Council anti-bullying event.
- Councilmember White spoke regarding feedback that has been provided by attendees of the City's Infrastructure Meetings.

RECESS

The Mayor recessed the meeting at 4:02 p.m. in order for the Council to reconvene in closed session for Agenda Item No. 11, and she stated that no reportable action is anticipated.

CLOSED SESSIONS

- 11. Subject: Conference With City Attorney – Anticipated Litigation – Government Code Section 54956.9(d)(2) & (e)(3): Significant Exposure To Litigation Arising Out Of The Tort Claim Of Universal North America And Jose Cofino (160.03)**

Recommendation: That Council hold a closed session to consider anticipated litigation pursuant to Government Code Section 54956.9(d)(2) & (e)(3) and take appropriate action as needed.

Scheduling: Duration, 10 minutes; anytime

Report: None anticipated

Documents:

November 4, 2014, report from the Finance Director.

Time:

4:05 p.m. – 4:15 p.m.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 4:15 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST: _____
GWEN PEIRCE, CMC
CITY CLERK SERVICES MANAGER

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING THE MUNICIPAL CODE BY REPEALING TITLE 16 IN ITS ENTIRETY AND ADDING TITLE 16 PERTAINING TO LIQUID AND INDUSTRIAL WASTE DISPOSAL.

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

SECTION 1. Title 16 of the Santa Barbara Municipal Code is amended by repealing Title 16 in its entirety and adding Title 16 which reads as follows:

Chapter 16.02 General Provisions.

16.02.010. Purpose.

The purpose of this Title is to protect the Waters of the State; provide against pollution of streams, creeks and storm drains; control and regulate Discharges to storm drains; and to control and regulate all Discharges of Waste or Wastewater into, either directly or indirectly, the sewerage system and Publicly Owned Treatment Works (POTW) of the City of Santa Barbara.

16.02.020. Scope; Conflict with Other Provisions of Code.

A. GENERAL APPLICABILITY. This Title establishes rules, regulations, and standards for the elimination of Pollutants, and governs the quality and quantity of discharged Wastes, the degree of waste pretreatment required, the issuance of Wastewater Discharge Permits, the assessment of fees and charges and the imposition of penalties for violation of this Title. Subject to the exception of subsection B hereof, the provisions of this Title shall apply to all Discharges, directly or indirectly into the ocean, creeks, lagoons, storm drains and other Waters of the State, and to all Discharges of Wastes and Wastewater directly or indirectly into any Community Sewer

or POTW of the City. To the extent that the provisions of this Title are in conflict with any other provisions of this Code, this Title shall prevail. It is not intended, however, that this Title shall operate to repeal any other provisions of this Code or to relieve any responsibility or liability imposed by or incurred under any other provision of this Code.

B. AIRPORT DISCHARGE REGULATIONS. The provisions of this Title that control Discharges into the Community Sewer or POTW of the City shall not apply to Discharges of Wastes and Wastewater into a wastewater treatment system for those areas of the City that are provided sewer service by the Goleta Sanitary District (primarily the City Airport). Rules, regulations and standards governing the quality and quantity of discharged Wastes, the degree of required pretreatment, the issuance of Wastewater Discharge Permits, the assessment of fees and charges for discharge into the Goleta Sanitary District treatment or wastewater system, and the enforcement of applicable ordinances, rules and regulations for the Goleta Sanitary District shall be determined by the Goleta Sanitary District and as described in Ordinances of the Goleta Sanitary District as presently enacted or hereinafter amended.

16.02.030. Policy.

A. PROTECTION OF HEALTH, WELFARE AND SAFETY. The City of Santa Barbara protects the health, welfare and safety of its residents by constructing, operating and maintaining a system of local Sewers, pump stations, trunk sewers and interceptors, and liquid waste treatment and disposal facilities that serve homes, industries, commercial establishments, and institutional facilities throughout the City and surrounding area and in accordance with the requirements of State and Federal law. The following policies apply to all Sewage and liquid and industrial Waste discharged

directly or indirectly into the POTW:

1. Sewage and liquid and industrial Waste will be accepted into the City sewer system, provided their acceptance will not: (a) threaten or endanger public health, (b) result in Pass Through, (c) create nuisances such as odors, insects, etc., (d) damage structures, (e) impose excessive or unnecessary collection, treatment or disposal costs on the City, (f) significantly interfere with Wastewater collection or treatment processes, (g) interfere with Wastewater and biosolids reclamation processes, (h) exceed quality limits and quantity requirements set forth in this Title or other Applicable Regulations, or (i) cause the City to violate its NPDES Permit.

2. The highest and best use of the sewerage system is the collection, treatment and reclamation or disposal of Commercial, Domestic and Industrial Wastewater.

3. Industrial Users are encouraged to meet the limitations on discharges of industrial Waste and Wastewater through the development and use of recovery and reuse procedures rather than procedures designed solely to meet Discharge limitations.

4. The City is committed to a policy of Wastewater renovation and reuse designed to provide an additional source of water supply and to reduce overall costs of Wastewater treatment and disposal.

5. Optimum use of City facilities may require scheduling discharge of Wastewater during periods of low flow in the sewerage system as established by the Public Works Director.

6. Provisions are made in this Title to regulate industrial and other

waste Discharges, to comply with applicable State and Federal government requirements and policies regarding industrial Discharges of Wastes and Wastewaters to Sewers and POTW, and to meet increasingly higher standards for treatment plant effluent quality and related environmental considerations. This Title establishes quantity and quality limitations on Sewage, liquid waste and industrial waste Discharges where such Discharges may adversely affect the sewerage system or the effluent quality. Methods of cost recovery are also established where industrial waste Discharges impose on the City additional, unnecessary or unreasonable collection, treatment, monitoring or disposal costs. Fees and charges for issuance of permits and fines for violations of the provisions of this Title shall be established by resolution of the City Council.

16.02.040. Definitions.

Unless otherwise defined herein, terms shall be as adopted in the most recent edition of *Standard Methods for the Examination of Water and Wastewater*, published by the American Public Health Association, the American Water Works Association, and the Water Environment Federation. Waste constituents and characteristics shall be measured in accordance with the procedures established by the Administrator under Section 304(h) of the Federal Act, and as set forth in detail in methods promulgated or approved pursuant to 40 CFR Part 136, Test Procedures for the Analysis of Pollutants. Methods for sampling and analysis of wastewater may deviate from these regulations only when 40 CFR Part 136 fails to address sampling or analytical techniques for a particular Pollutant or when alternative methods of analysis have been approved by the Administrator as equivalent procedures. Unless the context requires a different

meaning, the following words shall have the meaning indicated:

A. ADMINISTRATOR. The EPA Administrator or his or her designee.

B. APPLICABLE REGULATION(S). All City, State, and Federal regulations, rules, laws, ordinances, and codes as they apply to Discharges by Users to, on, or in the POTW and/or any Community Sewer.

C. AUTHORIZED OR DULY AUTHORIZED REPRESENTATIVE OF THE USER.

1. If the User is a corporation:

a. The president, secretary, treasurer, or a vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation; or

b. The manager of one or more manufacturing, production, or operating facilities, provided the manager is authorized to make management decisions that govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; can ensure that the necessary systems are established or actions taken to gather complete and accurate information for Wastewater Discharge Permit requirements; and where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.

2. If the User is a partnership or sole proprietorship:

a. A general partner or proprietor, respectively.

3. If the User is a Federal, State, or local government facility:

a. A director or highest official appointed or designated to oversee the operation and performance of the activities of the government facility, or their designee.

4. The individuals described in subdivisions 1 through 3 above, may designate a duly authorized representative, if the authorization is in writing. The authorization specifies the individual or position responsible for the overall operation of the facility from which the Discharge originates or having overall responsibility for environmental matters for the facility. This authorization must be made in writing by the principal executive officer or ranking elected official, and submitted to the City prior to or together with any document being submitted.

D. BATCH DUMP or BATCH DISCHARGE. The Discharge of concentrated, Non-Compatible Pollutants of a quality or in a manner or method which does not comply with this Title or other applicable State or Federal laws and regulations.

E. BEST MANAGEMENT PRACTICES or BMPs. The schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to implement the prohibitions listed in 40 CFR Part 403.5(a)(1) and (b). BMPs include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage.

F. BUILDING SEWER. A Sewer conveying Wastewater from the Premises of a User to a Community Sewer.

G. BENEFICIAL USES. Any and all use of the Waters of the State that are protected against quality degradation, including but not limited to domestic, municipal,

and agricultural use, use for industrial supply, power generation, recreation, aesthetic enjoyment, or navigation, use for the preservation and enhancement of fish, wildlife and other aquatic resources or reserves, and other beneficial uses, tangible and intangible, as specified by Federal or State law or other Applicable Regulations.

H. BIOCHEMICAL OXYGEN DEMAND or BOD. The quantity of oxygen required for the biochemical oxidation of organic matter under standard laboratory procedures for five (5) days at twenty (20) degrees centigrade, usually expressed as a concentration (e.g., mg/L).

I. BYPASS. The intentional diversion of waste streams from any portion of a User's treatment facility.

J. CALIFORNIA CODE OF REGULATIONS or CCR. The publication of the State of California government containing finalized State regulations.

K. CATEGORICAL INDUSTRIAL USER. Any User subject to a Categorical Pretreatment Standard or Categorical Standard.

L. CATEGORICAL PRETREATMENT STANDARD or CATEGORICAL STANDARDS. Any regulation containing Pollutant Discharge limits promulgated by EPA in accordance with Sections 307(b) and (c) of the Federal Act (33 U.S.C. 1317) that apply to specific category of Users and that appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.

M. CODE OF FEDERAL REGULATIONS or CFR. The publication of the United States government that contains finalized Federal regulations.

N. CITY. City of Santa Barbara.

O. COMMERCIAL USER. Any source of Wastewater Discharge originating

from a commercial business.

P. COMMERCIAL WASTEWATER. Liquid wastes originating from a commercial business, excluding Domestic Wastewater and Industrial Wastewater.

Q. COMMUNITY SEWER or SEWER. A sewer owned and operated by the City or other public agency and tributary to the POTW operated by the City.

R. COMPATIBLE POLLUTANT. Pollutants that include Biochemical Oxygen Demand, suspended solids, pH and fecal coliform bacteria. Compatible Pollutants are non-compatible when discharged in quantities that have an adverse effect on the City's collection system, treatment plant or NPDES Permit.

S. CONTAMINATION. An impairment of the quality of the Waters of the State by Waste to a degree which creates a hazard to the public health through poisoning or through the spread of disease, aquatic life, or beneficial uses. Contamination shall include any equivalent effect resulting from the disposal of Wastewater, whether or not Waters of the State are affected.

T. DISCHARGE (including Discharged, Discharging, Discharges). Any spilling, leaking, pumping, pouring, emitting, emptying, injecting, escaping, leaching, dumping, disposing or releasing of any Waste or Wastewater to, on or in the POTW or any Community Sewer.

U. DOMESTIC WASTEWATER. Liquid Wastes (a) from the non-commercial preparation, cooking, and handling of food; or (b) containing human excrement and similar matter from the sanitary conveniences of dwellings, commercial buildings, industrial facilities and institutions and as are distinct from Industrial Wastewater.

V. ENVIRONMENTAL PROTECTION AGENCY or EPA. The United States

Environmental Protection Agency or, where appropriate, the Regional Water Management Division Director, the Regional Administrator, or other duly authorized official of said agency.

W. EXISTING SOURCE. Any source of Discharge that is not a “New Source”.

X. FEDERAL ACT. The Federal Water Pollution Control Act, PL 92-500, also known as the Clean Water Act, codified as amended at 33 USC Section 1251 et seq., and any amendments thereto; as well as any guidelines, limitations and standards promulgated by EPA pursuant to the Federal Act.

Y. FOOD ESTABLISHMENT. Any restaurant, kitchen or other similar facility, whether or not operated commercially or for profit, which is required by the County of Santa Barbara to have a permit for the preparation or provision of food for human consumption.

Z. GRAB SAMPLE. A sample that is taken from the wastestream without regard to the flow in the wastestream and over a period of time not to exceed fifteen (15) minutes.

AA. HOLDING TANK WASTE. Any waste discharged from a holding tank, including but not limited to vessels, chemical toilets, recreational vehicles, septic tanks, and vacuum pump tank trucks.

BB. INCOMPATIBLE POLLUTANT or NON-COMPATIBLE POLLUTANT. Any Pollutant which is not a Compatible Pollutant as defined in Section 16.02.040 of this Title. Incompatible Pollutants shall be regulated by applicable Pretreatment Standards, as set forth in this Title.

CC. INDUSTRIAL USER. Any source of Industrial Wastewater Discharge.

DD. INDUSTRIAL WASTEWATER. All water-carried Wastes, excluding Domestic Wastewater and Commercial Wastewater, resulting from the processing or manufacture of goods or products.

EE. INTERFERENCE. A Discharge that, alone or in conjunction with a Discharge or Discharges from other sources, inhibits or disrupts the POTW's treatment processes or operations or the processing, use or disposal of sludge by the POTW; or which causes a violation of the City's NPDES Permit or prevents lawful sludge disposal or use in compliance with any of the following statutory/regulatory provisions or permits issued thereunder, or any more stringent State or local regulations: Section 405 of the Federal Act; the Solid Waste Disposal Act, including Title II commonly referred to as the Resource Conservation and Recovery Act (RCRA); any State regulations contained in any State sludge management plan prepared to Subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research, and Sanctuaries Act.

FF. LOCAL LIMIT. Specific Discharge limits developed and enforced by the City upon a permitted User to implement general and specific Discharge prohibitions listed in 40 CFR Part 403.5(a)(1) and (b).

GG. LOWER EXPLOSIVE LIMIT or LEL. The minimum concentration of a combustible gas or vapor (usually expressed in percent by volume at sea level) which will ignite if an ignition source (sufficient ignition energy) is present. These concentrations can be found in the National Institute of Occupational Safety and Health Pocket Guide to Chemical Hazards.

HH. MASS EMISSION RATE. The weight of material discharged to the Community Sewer during a given time interval. Unless otherwise specified, the Mass Emission Rate shall mean pounds per day of a particular constituent or combination of constituents.

II. MEDICAL WASTE. Isolation wastes, infectious agents, human blood and blood products, pathological wastes, sharps, body parts, contaminated bedding, surgical wastes, potentially contaminated laboratory wastes, and dialysis wastes.

JJ. NATIONAL PRETREATMENT STANDARD, PRETREATMENT STANDARD or STANDARD. Any regulation containing Pollutant Discharge limits promulgated by the EPA in accordance with Sections 307 (b) and (c) of the Federal Act, which applies to Industrial Users. This term includes prohibitive Discharge limits.

KK. NEW SOURCE.

1. Any building, structure, facility or installation from which there is (or may be) a Discharge of Pollutants, the construction of which commenced after the publication of proposed Pretreatment Standards under Section 307(c) of the Federal Act that will be applicable to such source if such Standards are thereafter promulgated in accordance with that section, *provided that:*

a. The building, structure, facility, or installation is constructed at a site at which no other source is located; or

b. The building, structure, facility, or installation totally replaces the process or production equipment that causes the Discharge of Pollutants at an Existing Source; or

c. The production or Wastewater generating processes of the

building, structure, facility, or installation are substantially independent of an Existing Source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general type of activity as the Existing Source should be considered.

2. Construction on a site at which an Existing Source is located results in a modification rather than a New Source if the construction does not create a new building, structure, facility, or installation meeting the criteria of paragraphs 16.02.040(KK)(1)(b) or (c) of this Title, but otherwise alters, replaces, or adds to existing process or production equipment.

3. Construction of a New Source as defined under this paragraph has commenced if the owner or operator has:

a. Begun, or caused to begin as part of a continuous onsite construction program:

(1) Any placement, assembly, or installation of facilities or equipment; or

(2) Significant site preparation work including clearing, excavation, or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of New Source facilities or equipment; or

b. Entered into a binding contractual obligation for the purchase of facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do

not constitute a contract under this paragraph.

LL. NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT or **NPDES PERMIT.** The permit issued to control Discharges from the POTW to Waters of the United States.

MM. NUISANCE. Anything which is injurious to health or is indecent or offensive to the senses or an obstruction to the free use of property so as to interfere with the comfort or enjoyment of life or property or which affects at the same time an entire community or neighborhood or any considerable number of Persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

NN. PASS THROUGH. A Discharge which exits the POTW into waters of the United States in quantities or concentrations, which alone or in conjunction with a Discharge or Discharges from other sources, is a cause of a violation of any requirement of the City's NPDES Permit, including an increase in the magnitude or duration of a Discharge.

OO. PATTERN OF NON-COMPLIANCE.

1. Six or more Discharges during a twelve- (12-) month period, at least thirty-three percent (33%) of which contain the same Non-Compatible Pollutant in a concentration which exceeds the amount allowed by any applicable regulation; or
2. the failure of a User on three (3) or more occasions within a twelve- (12-) month period to file timely any report or other document required to be filed by the User pursuant to any applicable regulation.

PP. PERSON. Any individual, partnership, co-partnership, firm, company, association, corporation, joint stock company, trust, estate, government entity, or any

other legal entity, or their legal representatives, agents, or assigns. This definition includes all Federal, State, and local government entities.

QQ. POLLUTANT. Dredged spoil, solid waste, incinerator residue, filter backwash, sanitary sewage, garbage, sewage sludge, munitions, Medical Waste, chemical waste, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, municipal, agricultural, and industrial waste, and certain characteristics of Wastewater (e.g., pH, temperature, TSS, turbidity, color, BOD, COD, toxicity, or odor).

RR. POLLUTION. An alteration of the quality of the Waters of the State by waste to a degree which unreasonably affects or impairs such waters for Beneficial Use or facilities which serve such Beneficial Uses. Pollution may include Contamination.

SS. PREMISES. Any land, including any improvements or structures thereon, which is owned, used, occupied, leased or operated by a User and from or on which Discharges occur or Wastewater is created.

TT. PRETREATMENT. The reduction of the amount of Pollutants, the elimination of Pollutants, or the alteration of the nature of pollutant properties in Wastewater prior to, or in lieu of, introducing such Pollutants into the POTW. This reduction or alteration can be obtained by physical, chemical, or biological processes; by process changes; or by other means, except by diluting the concentration of the Pollutants unless allowed by an Applicable Pretreatment Standard.

UU. PRETREATMENT FACILITY. Any wastewater treatment system consisting of one or more treatment devices designed to remove sufficient Pollutants from waste streams to allow a User to comply with effluent limits.

VV. PRETREATMENT REQUIREMENTS. Any substantive or procedural requirement related to Pretreatment, other than a National Pretreatment Standard, imposed on a User.

WW. PRETREATMENT STANDARD or STANDARDS. Prohibited Discharge Standards, Categorical Pretreatment Standards, and Local Limits.

XX. PROCESS WASTEWATER. Any water, which during manufacturing or processing, comes into direct contact with or results from the production or use of any raw material, intermediate product, finished product, by-product, or waste product from any industrial, commercial, institutional, or agricultural source.

YY. PROHIBITED DISCHARGE STANDARDS. Absolute prohibitions against Discharge of certain substances, as specified in this Title.

ZZ. PUBLICLY OWNED TREATMENT WORKS or POTW. A treatment works, as defined by Section 212 of the Federal Act (33 USC Section 1292), which is owned by the City. This definition includes any devices or systems used in the collection, storage, treatment, recycling, and reclamation of Sewage or Industrial Wastewater and any conveyances, which convey Wastewater to a treatment plant.

AAA. PUBLIC WORKS DIRECTOR. The Director of Public Works for the City of Santa Barbara or his or her designated representative.

BBB. SEWAGE. Human excrement and gray water (household showers, dishwashing operations, etc.).

CCC. STANDARD INDUSTRIAL CLASSIFICATION or SIC. The system of classifying industries as identified in the SIC Manual, 1972, Office of Management and Budget and as may be amended.

DDD. SIGNIFICANT INDUSTRIAL USER or SIU.

1. Any User who has Waste Discharge subject to Categorical Pretreatment Standards under 40 CFR Part 403.6 and 40 CFR chapter I, subchapter N;
or

2. Any User who:

a. Discharges an average of 10,000 gallons per day or more of Process Wastewater to the POTW, excluding sanitary, non-contact cooling, and boiler blowdown wastewater; or

b. Contributes a process waste stream that makes up five percent (5%) or more of the average dry weather hydraulic or organic capacity of the POTW; or

c. Is designated by the City on the basis that the User:

(1) Has a reasonable potential, either individually or in combination with other contributing industries, for adversely affecting the POTW operation or the quality of effluent from the POTW; or

(2) May cause or threaten to cause the City to violate its NPDES Permit; or

(3) Has a reasonable potential to violate any Pretreatment Standard; or

(4) Has in its Waste Discharge, an Incompatible Pollutant.

3. The City may determine that an Industrial User subject to categorical Pretreatment Standards is a Non-Significant Categorical Industrial User rather than a

Significant Industrial User on a finding that the Industrial User never discharges more than 100 gallons per day (gpd) of total categorical Wastewater, excluding sanitary, non-contact cooling and boiler blowdown Wastewater, unless specifically included in the Pretreatment Standard, and the following conditions are met:

a. The Industrial User, prior to the City's finding, has consistently complied with all applicable categorical Pretreatment Standards and Requirements;

b. The Industrial User annually submits the certification statement required in this Title, together with any additional information necessary to support the certification statement; and

c. The Industrial User never discharges untreated concentrated Wastewater.

EEE. SIGNIFICANT NONCOMPLIANCE or SNC. Any action or conduct by a User which constitutes a violation of any applicable regulation and which consists of one or more of the following:

1. Chronic violations of Wastewater Discharge limits, defined here as those in which 66 percent (66%) or more of all of the measurements taken for the same Pollutant parameter during a 6-month period exceed (by any magnitude) a numeric Pretreatment Standard or Requirement, including instantaneous limits, as defined by 40 CFR Part 403.3(l);

2. Technical Review Criteria (TRC) violations, defined here as those in which 33 percent (33%) or more of all of the measurements taken for the same Pollutant parameter during a 6-month period equal or exceed the product of the numeric

Pretreatment Standard or Requirement including instantaneous limits, as defined by 40 CFR Part 403.3(l) multiplied by the applicable TRC (TRC=1.4 for BOD, TSS, fats, oil, and grease, and 1.2 for all other Pollutants except pH);

3. Any other violation of a Pretreatment Standard or Requirement as defined by 40 CFR Part 403.3(l) (daily maximum, long-term average, instantaneous limit, or narrative Standard) that the City determines has caused, alone or in combination with other Discharges, Interference, or Pass Through (including endangering the health and safety of City personnel or the general public);

4. Any Discharge of a Pollutant that has caused imminent endangerment to human health, welfare or to the environment or has resulted in the City's exercise of its emergency authority to halt or prevent such a Discharge;

5. Failure to meet, within 90 days after the schedule date, a compliance schedule milestone contained in a local control mechanism or enforcement order for starting construction, completing construction, or attaining final compliance;

6. Failure to provide, within 45 days after the due date, required reports such as baseline monitoring reports, 90-day compliance reports, periodic self monitoring reports, and reports on compliance with compliance schedules;

7. Failure to accurately report noncompliance; or

8. Any other violation or group of violations, which may include a violation of BMPs, which the City determines will adversely affect the operation or implementation of its Pretreatment Program.

FFF. SLUG LOAD or SLUG DISCHARGE. Any Discharge at a flow rate or concentration, which could cause a violation of the Prohibited Discharge Standards in

Chapter 16.04 of this Title. A Slug Discharge is any Discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary Batch Discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate the City's regulations, Local Limits or Wastewater Discharge Permit conditions.

GGG. STATE. The State of California, including any department or agency thereof.

HHH. STORM WATER. Any flow occurring during or following any form of natural precipitation, and resulting from such precipitation, including snowmelt.

III. TOTAL TOXIC ORGANICS. The sum of all quantifiable values greater than 0.01 mg/L for the toxic organics listed below:

Acenaphthene	4-Chlorophenyl ether	phenyl	Benzo(ghi) perylene
Acrolein	4-Bromophenyl ether	phenyl	Fluorene
Acrylonitrile	Bis(2-chloroisopropyl) ether		Phenanthrene
Benzene	Bis(2-chloroethoxy) ether		Dibenzo(a,h) anthracene
Benzidine	Methylene chloride		Indeno(1,2,3-cd) pyrene
Carbon tetrachloride	Methyl chloride		Pyrene
Chlorobenzene	Methyl bromide		Tetrachloroethylene
1,2,4-Trichlorobenzene	Bromoform		Toluene
Hexachlorobenzene	Dichlorobromomethane		Trichloroethylene
1,2-Dichloroethane	Chlorodibromomethane		Vinyl chloride
1,1,1-Trichloroethane	Hexachlorobutadiene		Aldrin
Hexachloroethane	Hexachlorocyclopentadiene		Dieldrin
1,1-Dichloroethane	Isophorone		4,4'-DDT
1,1,2-Trichloroethane	Naphthalene		4,4'-DDE
1,1,2,2-Tetrachloroethane	Nitrobenzene		4,4'-DDD
Chloroethane	2-Nitrophenol		alpha-Endosulfan
Bis(2-chloroethyl) ether	4-Nitrophenol		beta-Endosulfan
2-Chloroethyl vinyl ether	2,4-Dinitrophenol		Endosulfan sulfate
2-Chloronaphthalene	4,6-Dinitro-o-cresol		Endrin
p-Chloro-m-cresol	N-nitrosodimethylamine		Endrin aldehyde
Chloroform	N-nitrosodiphenylamine		Heptachlor

2-Chlorophenol	N-nitrosodi-n-propylamine	Heptachlor epoxide
1,2-Dichlorobenzene	Pentachlorophenol	alpha-BHC
1,3-Dichlorobenzene	Phenol	beta-BHC
1,4-Dichlorobenzene	Bis(2-ethylhexyl) phthalate	gamma-BHC
3,3'-Dichlorobenzidine	Butyl benzyl phthalate	delta-BHC
1,1-Dichloroethylene	Di-n-butyl phthalate	Arochlor 1242
1,2-trans-Dichloroethylene	Di-n-octyl phthalate	Arochlor 1254
2,4-Dichlorophenol	Diethyl phthalate	Arochlor 1221
1,2-Dichloropropane	Dimethyl phthalate	Arochlor 1232
1,3-Dichloropropylene	Benzo(a)anthracene	Arochlor 1248
2,4-Dimethylphenol	Benzo(a)pyrene	Arochlor 1260
2,4-Dinitrotoluene	Benzo(b)fluoranthene	Arochlor 1016
2,6-Dinitrotoluene	Benzo(k)fluoranthene	Toxaphene
1,2-Diphenylhydrazine	Chrysene	Fluoranthene
Ethylbenzene	Acenaphthylene	Anthracene
Chlordane (tech and metabolites)		

JJJ. TOTAL SUSPENDED SOLIDS or SUSPENDED SOLIDS. The total suspended matter that floats on the surface of, or is suspended in, water, Wastewater, or other liquid, and that is removable by laboratory filtering.

KKK. UNPOLLUTED WATER. Water to which no constituent has been added, either intentionally or accidentally, which would render such water unacceptable to the City having jurisdiction thereof for disposal to storm or natural drainages or directly to surface waters.

LLL. USER. Any Person who discharges from any Premises used, in whole or in part, and whether intermittently or continuously, for any commercial, industrial, manufacturing, or institutional purpose.

MMM. WASTE. Sewage and any and all other waste substances, liquid, solid, gaseous or radioactive, associated with human habitation, or of human or animal origin, or from any producing, manufacturing or processing operation of whatever nature, including such Waste placed within containers of whatever nature prior to, and for

purposes of, disposal.

NNN. WASTEWATER. Liquid and water-carried industrial Wastes and Sewage from residential dwellings, commercial buildings, industrial and manufacturing facilities, and institutions, whether treated or untreated, which contribute to the POTW.

OOO. WASTEWATER CONSTITUENTS AND CHARACTERISTICS. The individual chemical, physical, bacteriological and radiological parameters, including volume and flow rate and such other parameters, that serve to define, classify or measure the contents, quality, quantity and strength of Wastewater.

PPP. WASTEWATER DISCHARGE PERMIT. A permit issued to a User that allows it to discharge Wastewater to the Community Sewer and POTW.

QQQ. WATERS OF THE STATE. Any water, surface or underground, including saline waters within the boundaries of the State as defined in 40 CFR Part 230.3(s).

Chapter 16.04 Regulations.

16.04.010. General Prohibitions on Discharges.

No Person shall introduce or cause to be introduced into a Community Sewer or the POTW any Waste or Wastewater which causes Pass Through or Interference. Additionally, no User shall introduce or cause to be introduced into the POTW the following Pollutants, substances, or Wastewater:

A. That create a fire or explosive hazard in the POTW, including, but not limited to, wastestreams with a closed-cup flashpoint of less than 140 degrees Fahrenheit (60 degrees centigrade) using the test methods specified in 40 CFR Part 261.21. Closed-cup flashpoint values may be found in the National Institute of Occupational Safety and Health (NIOSH) *Pocket Guide to Chemical Hazards*;

B. That have a pH lower than 6.0 or greater than 10.0, or otherwise causing corrosive structural damage to the POTW or equipment;

C. That contain solids or viscous substances in amounts which will cause obstruction of flow in the POTW resulting in Interference or damage;

D. That include oxygen-demanding substances (BOD, etc.) which are released at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause Interference with the POTW;

E. That cause the temperature at the POTW to be greater than 104 degrees Fahrenheit (40 degrees centigrade), impairment or inhibition of biological treatment processes or temperatures of greater than 140 degrees Fahrenheit (60 degrees centigrade) at the point of Discharge;

F. That include petroleum oil, non-biodegradable cutting oil, or products of mineral oil origin, in amounts that will cause Interference or Pass Through;

G. That result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems;

H. From any trucked or hauled Pollutants, except at Discharge points designated by the City;

I. That are noxious or malodorous liquids, gases, solids, or other Wastewater which, either singly or by interaction with other Wastes, are sufficient to create a public nuisance or a hazard to life, or to prevent entry into the Community Sewer for maintenance and repair;

J. That causes the City's effluent or any other product of the treatment

process, residues, sludges, or scums, to be unsuitable for reclamation and reuse or to interfere with the reclamation process;

K. That causes a detrimental environmental impact or a nuisance in the Waters of the State or a condition unacceptable to any public agency having regulatory jurisdiction over the City;

L. That create conditions at or near the City's POTW which violate any statute or any rule, regulation, or ordinance of any public agency or State or Federal regulatory body, or which cause the City to violate its NPDES Permit;

M. Quantities or rates of flow which overload the City's collection or treatment facilities, cause excessive City collection or treatment costs, or use a disproportionate share of the City facilities;

N. That causes an LEL reading of greater than ten percent (10%) as hexane at any point within the POTW. LEL values may be found in the NIOSH *Pocket Guide to Chemical Hazards*;

O. That causes obstruction or increased treatment costs due to the presence of any sand, grit, straw, metal, glass, rags, feathers, tar, plastic, wood, manure, dead animals, offal or any other solid viscous substance which in any way interferes with the proper operation of the POTW; or

P. That causes toxicity at the treatment plant or in the collection system due to the presence of toxic or poisonous substances in sufficient quantities to constitute a hazard to humans or animals or to create a hazard at the treatment plant or to injure or interfere with any sewage treatment processes.

Q. Medical Wastes, except as specifically authorized by Public Works

Director in a Wastewater Discharge Permit.

R. Hazardous Waste, which meets the definition under CCR Title 22, Article 11, except as specifically authorized by the Public Works Director in a Wastewater Discharge Permit.

S. Radioactive waste

T. Containing gasoline, naphtha, petroleum oils or any volatile, flammable or explosive gas, liquid or solid in sufficient quantities or combinations to constitute a hazard to humans or animals, to create a hazard in the POTW or to injure or interfere with any sewage treatment process.

Pollutants, substances, or Wastewater prohibited by this Section shall not be processed or stored in such a manner that it could be discharged to the POTW.

16.04.040. Prohibition on Unpolluted Water.

A. PROHIBITED DISCHARGE INTO COMMUNITY SEWER. No Person shall discharge or cause to be discharged any Storm Water, surface water, ground water, subsurface drainage, or any uncontaminated, unseptic, or non-septic cooling water, boiler exhaust, blow-off water, non-septic wash-rack drainage, or uncontaminated and non-septic industrial process water, directly or indirectly, to, on or into a Community Sewer unless a permit has previously been issued thereof by the City. The City may approve the Discharge of such water only when no reasonable alternative method of disposal is available.

If a permit is granted for the Discharge of such water into a Community Sewer, the Person shall pay the applicable user charges and fees and meet such other conditions as required by the City.

16.04.050. Slug Discharges.

No User shall discharge or cause to be discharged any Slug Load of materials, chemicals, products, or Waste into the POTW.

16.04.070. Limitations on the Use of Commercial Garbage Grinders.

Waste from commercial garbage grinders shall not be discharged into a Community Sewer.

16.04.080. Requirement for Interceptors.

A. Sand and Oil Interceptors.

Sand and oil, interceptors shall be provided when, in the opinion of the Public Works Director, they are necessary for the removal of sand or oil. All interceptors units shall be of a type and capacity approved by the Public Works Director shall be located to be easily accessible for cleaning and inspection. Such interceptors shall be installed, utilized and properly maintained in continuous and efficient operation at all times and at the expense of the User.

B. Food Establishments.

Grease and oil interceptors shall be provided at all Food Establishments, or when the Health Officer of the County or the Public Works Director determines that they are necessary for the proper handling of liquid waste containing excessive amounts of grease or oil. No such interceptor shall be required for private dwellings. Grease and oil interceptors shall be installed, utilized and properly maintained in continuous and efficient operation at all times and at the expense of the User. All interceptors shall be of a type, capacity and construction approved in writing by the Public Works Director. Interceptors shall be located so as to be readily and easily accessible for cleaning and

inspection and shall be accessible at all times to personnel from the City and the Health Officer of the County for inspection and sampling. Food Establishments which do not have a dishwashing machine or garbage grinder and which show that the Discharge does not contribute grease or oil in excess of the limitations of this Title may apply for a variance from the requirement to install an interceptor.

16.04.090. Requirement for Installation of Sampling Box.

When directed by the Public Works Director, Food Establishments shall install a sampling box of a size and type to be specified by the Public Works Director.

16.04.100. Limitations on Point of Discharge.

No Person shall discharge any substances directly into a manhole or other opening in a Community Sewer other than through a City-approved Building Sewer. The User must submit a written application and payment of the applicable User charges and fees to the City.

16.04.110. Holding Tank Waste.

A User proposing to discharge Holding Tank Waste into a Community Sewer must obtain a City permit. Unless allowed by the City under the terms and conditions of the permit, a separate permit must be obtained for each separate Discharge. This permit will state the specific location of Discharge, the time of day the Discharge is to occur, the volume of the Discharge and the Wastewater Constituents and Characteristics. If a permit is granted for Discharge of such waste into a Community Sewer, the User shall pay the applicable User charges and fees and shall meet such other conditions as required by the City.

16.04.120. Local Limitations on Wastewater Strength.

A. LIMITS ON WASTEWATER STRENGTH. No Person shall discharge

Wastewater containing an excess of (as a daily maximum):

- 0.27 milligrams per liter (mg/L) arsenic
- 0.09 mg/L cadmium
- 1.1 mg/L copper
- 0.97 mg/L cyanide
- 2.0 mg/L lead
- 0.032 mg/L mercury
- 1.86 mg/L nickel
- 0.59 mg/L silver
- 2.64 mg/L total chromium
- 7.11 mg/L zinc
- 9.37 mg/L selenium
- 0.189 mg/L chlorinated phenolics
- 42.47 mg/L phenolics
- 100 mg/L oil or grease of animal or vegetable origin
- 100 mg/L oil or grease of mineral or petroleum origin
- 1.3 micrograms per liter ($\mu\text{g/L}$) endosulfan
- 0.6 $\mu\text{g/L}$ endrin
- 0.7 $\mu\text{g/L}$ HCH, or
- 0.222 mg/L PCBs.

The above limits apply at the point where the Wastewater is discharged to the Community Sewer. All concentrations for metallic substances are for total metal, unless indicated otherwise. The City may impose mass limitation in addition to the concentration-based limitations above.

B. DILUTION PROHIBITED.

No User shall ever increase the use of process waste, or in any way attempt to dilute a Discharge, as a partial or complete substitute for adequate treatment to achieve compliance with a Discharge limitation unless expressly authorized by an applicable Pretreatment Standard or Requirement. The City may impose mass limitations on

Users who are using dilution to meet applicable Pretreatment Standards or Requirements, or in cases when the imposition of mass limitation is appropriate.

C. NATIONAL CATEGORICAL PRETREATMENT STANDARDS.

Users must comply with the categorical Pretreatment Standards found in 40 CFR Chapter I, Subchapter N, Parts 405-471.

D. BMPS. The Public Works Director may develop BMPs, by ordinance or in Wastewater Discharge Permits to implement Local Limits and the requirements of Chapter 16.04.

16.04.140. Fire Precautions.

Smoking, open fires, the striking of matches, open flame lamps or lanterns, and electrical equipment and appliances that will generate or produce sparks or fire shall not be permitted in any tunnel, storm drain, Sewer or portion thereof where there is or may be an accumulation of flammable gas in explosive quantities.

16.04.150. Right to Revision.

The City reserves the right to establish, by ordinance or in Wastewater Discharge Permits, more stringent Standards or Requirements on Discharges to the POTW consistent with the purpose of this Title.

Chapter 16.08 Administration.

16.08.010. Baseline Monitoring Report.

A. REQUIRED REPORTING. Within 180 days after the effective date of a Categorical Pretreatment Standard or 180 days after the final administrative decision made upon a category determination submission under 40 CFR Part 403.6(a)(4), whichever is later, Existing Sources subject to such Categorical Pretreatment Standards

and currently discharging to or scheduled to discharge to the POTW shall be required to submit to the City a report which contains the information listed in Sections 16.08.010 (B)(1)-(8) of this Title. At least ninety (90) days prior to commencement of Discharge, New Sources, and sources that become Categorical Industrial Users subsequent to the promulgation of an applicable Categorical Standard, shall be required to submit to the City a report which contains the information listed in Sections 16.08.010(B)(1)-(5) of this Title. New Sources shall report the method of pretreatment they intend to use to meet applicable Categorical Standards. New Sources shall give estimates of the information requested in Sections 16.08.010(B)(4) and (5) of this Title:

B. REQUIRED REPORTING INFORMATION. Users, including Existing Users and New Sources, shall submit to the City within the time limits set forth above, the information provided below:

1. Identifying information. The User shall submit the name and address of the facility including the name of the operator and owners;
2. Permits. The User shall submit a list of any environmental control permits held by or for the facility;
3. Description of operation. The User shall submit a brief description of the nature, average rate of production, and Standard Industrial Classification of the operation(s) carried out by such Industrial User. This description should include a schematic process diagram which indicates points of Discharge to the POTW from the regulated processes.
4. Flow measurement. The User shall submit information showing the measured average daily and maximum daily flow, in gallons per day, to the City from

each of the following:

- a. Regulated process streams; and
- b. Other streams as necessary to allow use of the combined

waste stream formula of 40 CFR Part 403.6(e). (See paragraph (B)(5)(f) of this section.)

5. Measurement of Pollutants.

a. The User shall identify the Categorical Pretreatment Standards applicable to each regulated process and any new categorically-regulated processes for Existing Sources;

b. The User shall submit the results of sampling and analysis identifying the nature and concentration (or mass, where required by the City) of regulated Pollutants in the Discharge from each regulated process.

c. Instantaneous, daily maximum, and long-term average concentrations (or mass, where required) shall be reported.

d. The sample shall be representative of daily operations. In cases where the Standard requires compliance with a BMP or pollution prevention alternative, the User shall submit documentation as required by the City or the applicable Standards to determine compliance with the Standard;

e. The User shall take a minimum of one representative sample to compile that data necessary to comply with the requirements of this paragraph.

f. Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated Wastewater prior to pretreatment the User should measure the flows and

concentrations necessary to allow use of the combined wastestream formula of 40 CFR Part 403.6(e) in order to evaluate compliance with the Pretreatment Standards. Where an alternate concentration or mass limit has been calculated in accordance with 40 CFR Part 403.6(e) this adjusted limit along with supporting data shall be submitted to the City;

g. Sampling and analysis shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto. Where 40 CFR Part 136 does not contain sampling or analytical techniques for the Pollutant in question, or where the Administrator determines that the 40 CFR Part 136 sampling and analytical techniques are inappropriate for the Pollutant in question, sampling and analysis shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures approved by the Administrator, including procedures suggested by the City or other parties;

h. The City may allow the submission of a baseline report which utilizes only historical data as long as the data provides information sufficient to determine the need for industrial Pretreatment measures;

i. The baseline report shall indicate the time, date and place of sampling and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected Pollutant Discharges to the POTW.

6. Compliance Certification. A statement, reviewed by an Authorized Representative of the User and certified to by a qualified professional, indicating whether Pretreatment Standards are being met on a consistent basis, and, if not, whether additional operation and maintenance (O&M) and/or additional pretreatment is

required for the User to meet the Pretreatment Standards and Requirements;

7. Compliance Schedule. If additional pretreatment and/or O&M will be required to meet the Pretreatment Standards, the shortest schedule by which the User will provide such additional pretreatment and/or O&M must be provided. The completion date in this schedule shall not be later than the compliance date established for the applicable Pretreatment Standard.

8. Signature and Report Certification. All baseline monitoring reports must be certified in accordance with Section 16.08.060 of this Title and signed by an Authorized Representative of the User.

16.08.020. Compliance Schedule Progress Report.

The following conditions shall apply to the schedule required by Section 16.08.010(B)(7) of this Title:

A. The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional Pretreatment required for the User to meet the applicable Pretreatment Standards (e.g., hiring an engineer, completing preliminary plans, completing final plans, executing contract for major components, commencing construction, completing construction, etc.);

B. No increment referred to the above shall exceed nine (9) months;

C. The User shall submit a progress report to the City no later than fourteen (14) days following each date in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for delay, and if appropriate, the steps being taken by the User to return to the established

schedule; and

D. In no event shall more than nine (9) months elapse between such progress reports to the City.

16.08.030. Reports on Compliance with Categorical Pretreatment Standard Deadline.

Within ninety (90) days following the date for final compliance with applicable Categorical Pretreatment Standards or in the case of a New Source following commencement of the introduction of Wastewater into the POTW, any User subject to Pretreatment Standards and Requirements shall submit to the City a report containing the information described in Section 16.08.010(B)(4) and (5) of this Title. For Users subject to equivalent mass or concentration limits established by the City in accordance with the procedures in 40 CFR Part 403.6(c), this report shall contain a reasonable measure of the User's long term production rate. For all other Users subject to Categorical Pretreatment Standards expressed in terms of allowable Pollutant Discharge per unit of production (or other measure of operation), this report shall include the User's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with Section 16.08.060 of this Title.

16.08.040. Compliance Reports.

A. INDUSTRIAL USER REPORTS. All Significant Industrial Users (Tier I Users in Section 16.08.120(B)(1)) shall submit reports to the City in accordance with 40 CFR Part 403.12(e) and (h). These reports shall be submitted twice each year for the periods July 1 through December 31; and January 1 through June 30; and shall be due

on January 30 and July 30 of each year, respectively. If a User monitors any regulated Pollutant at the appropriate sampling location more frequently than required, using the procedures specified in Section 16.08.130 of this Title, the results of this monitoring shall be included in these reports.

B. PERMITTED USER REPORTS. All other permitted Users (Tier II and Tier III as defined in Section 16.08.120(B)(2) and (3)) shall submit reports to the City in accordance with its Wastewater Discharge Permit requirements.

C. REQUIRED CERTIFICATION OF REPORTS. All periodic compliance reports must be signed and certified in accordance with Section 16.08.060 of this Title.

16.08.050. Hauled Waste Reporting/Requirements.

Industrial waste haulers must provide a waste-tracking form for every load. This form shall include, at a minimum, the name and address of the industrial waste hauler, permit number, truck identification, names and address of sources of waste, and volume and characteristics of waste. The form shall identify the type of industry, known or suspected waste constituents, and whether any wastes are RCRA hazardous wastes.

16.08.060. Certification Requirement.

A. Certification of Permit Applications and User Reports. All reports shall include the following certification: "I certify under penalty of perjury that this document and all attachments to it were prepared under my direction or supervision and in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the Person or Persons who manage the system or those Persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief true,

accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations." Reports shall be signed by a responsible corporate officer, general partner, or a duly authorized individual as defined in 40 CFR Part 403.12(l).

B. Annual Certification for Non-Significant Categorical Industrial Users. A facility determined to be a Non-Significant Categorical Industrial User by the City pursuant to Sections 16.02.040.DDD and 16.08.120.D.9 of this Title must annually submit the following certification statement signed in accordance with the signatory requirements in Section 16.02.040 C. This certification must accompany an alternative report required by the City:

"Based on my inquiry of the person or persons directly responsible for managing compliance with the categorical Pretreatment Standards under 40 CFR ____, I certify that, to the best of my knowledge and belief that during the period from ____ to ____ [month, days, year):

(1) The facility described as _____ [facility name] met the definition of a Non-Significant Categorical Industrial User as described in Section 16.02.040 DDD of this Title;

(2) The facility complied with all applicable Pretreatment Standards and requirements during this reporting period; and

(3) The facility never discharged more than 100 gallons of total categorical wastewater on any given day during this reporting period.

This compliance certification is based on the following information."

16.08.070. Notification of Changed Discharge.

All Users shall promptly notify the City in advance of any substantial change in the volume or character of Pollutants in their Discharge, or of any planned significant changes to the User's operations or system which might alter the nature, quality or volume of the Discharge. The City may require the User to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a Wastewater Discharge Permit application under Sections 16.08.120 of this Title, if necessary.

16.08.090. Notification of Violation.

If sampling performed by a User indicates a violation, the User must notify the City within twenty-four (24) hours of becoming aware of the violation. The User shall also repeat the sampling and analysis and submit the results of the repeat analysis to the City within thirty (30) days after becoming aware of the violation. Resampling by the User is not required if the City performs sampling at the User's facility at least once a month, or if the City performs sampling at the User's facility between the time when the initial sampling was conducted and the time when the User or the City receives the results of this sampling, or if City has performed the sampling and analysis in lieu of the User.

If the City performed the sampling and analysis in lieu of the User, the City will perform the repeat sampling and analysis unless it notifies the User of the violation and requires the User to perform the repeat sampling and analysis.

16.08.100. Notification of Potential Problems.

A. REQUIRED NOTICE OF DISCHARGE. In case of any Discharge, including, but not limited to, accidental Discharges, Discharges of a non-routine, episodic nature, a noncustomary Batch Discharge, a Slug Discharge or Slug Load, that might cause potential problems for the POTW, the User shall immediately telephone and notify the Public Works Director of the incident. This notification shall include the location of the Discharge, type of waste, concentration, and volume, if known, and corrective actions taken by the User.

B. REPORT ON DISCHARGE. Within five (5) days following such Discharge, the User shall, unless waived by the Public Works Director, submit a detailed written report describing the cause(s) of the Discharge and measures to be taken by the User to prevent similar future occurrences. Such notification shall not relieve the User of any expense, loss, damage, or other liability that might be incurred as the result of damage to the POTW, natural resources, or any other damage to Person or property; nor shall such notification relieve the User of any fines, penalties, or other liability which may be imposed pursuant of this Title.

C. NOTIFICATION PROTOCOL. A notice shall be permanently posted on the User's bulletin board or other prominent place advising employees who to call in the event of a Discharge described in Section 16.08.100(A). Employers shall ensure that all employees, who cause such a Discharge to occur, are advised of the emergency notification procedure.

D. NOTICE OF SLUG DISCHARGE. Users are required to notify the Public Works Director immediately of any changes at its facility affecting the potential for a Slug Discharge.

16.08.120. Wastewater Discharge Permits.

A. PERMIT ADMINISTRATION. All permits under this Title shall be administered by Public Works Director or designee.

B. MANDATORY PERMITS. Users proposing to connect or to discharge into a Community Sewer must obtain a Wastewater Discharge Permit prior to discharge:

1. Tier I Significant Industrial User - Any User who meets any of the following conditions:

a. Has a Waste Discharge subject to Categorical Pretreatment Standards;

b. Has an average Discharge flow of 10,000 gallons per day or more of Process Wastewater to the POTW, excluding sanitary, non-contact cooling water, and boiler blowdown wastewater;

c. Contributes a process waste stream that makes up five percent (5%) or more of the average dry weather hydraulic or organic capacity of the POTW; or

d. Is designated by the City on the basis that the User:

(1) Has a reasonable potential, either individually or in combination with other contributing industries, for adversely affecting the POTW operation or upon the quality of effluent from the POTW;

(2) May cause or threaten to cause the City to violate its

NPDES permit;

(3) Has reasonable potential to violate any Pretreatment

Standard; or

(4) Has in its Waste Discharge, a toxic Pollutant.

2. Tier II Non-Significant Industrial User - Any User who meets any of the following criteria:

a. Is not required to obtain a Tier I Permit;

b. Is a Non-Significant Categorical Industrial User;

c. Has Discharge characteristics greater than typical Domestic Wastewater;

d. Discharges industrial or commercial wastewater which may have potential effects on the City's POTW; or

e. Has a reasonable potential to violate any Local Limit, Pretreatment Standard, or Pretreatment Requirement.

3. Tier III Groundwater Dischargers - Any User who discharges groundwater to the POTW.

C. OPTIONAL PERMITS. The Public Works Director may issue a Wastewater Discharge Permit, upon application and in accordance with the terms of this Title, for any of the following kinds of Users:

1. A User who has elected that user charges and fees be based on an estimation of Wastewater flow;

2. A User who has installed or been required to install equipment designed or intended to reduce Wastewater strength; or

3. A User for whom the Public Works Director has determined that monitoring is required to ensure that Discharges comply with all Applicable Regulations.

D. PERMIT APPLICATION. Prospective or existing Users seeking a Wastewater Discharge Permit shall complete and file with the City an application in the form prescribed by the Public Works Director, accompanied by the applicable fees. The applicant shall be required to submit, in units and terms appropriate for evaluation, the following information:

1. Identifying Information.

a. The name and address of the facility, including the name of the operator and owner.

b. Contact information, description of activities, facilities, and plant production processes on the Premises.

2. Environmental Permits.

A list of any environmental control permits held by or for the facility.

3. Description of Operations, including all of the information listed below.

a. A brief description of the nature, average rate of production (including each product produced by type, amount, processes, and rate of production), and SIC number(s) of the operation(s) carried out by such User. This description should include a schematic process diagram, which indicates the points of Discharge to the POTW from regulated processes.

b. Types of wastes generated, and a list of all raw materials and chemicals used or stored at the facility which are, or could accidentally or

intentionally be, discharged to the POTW.

c. Number and type of employees, hours of operation, and proposed or actual hours of operation.

d. Type and amount of raw materials processed (average and maximum per day).

e. Site plans, floor plans, mechanical and plumbing plans, and details to show all Sewers, floor drains, and appurtenances by size, location, and elevation, and all points of Discharge.

4. Time and duration of Discharges.

5. The location of monitoring all Wastes covered by the Wastewater Discharge Permit.

6. Flow Measurement. Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula (40 CFR Part 403.6(e)). Flow rates should also include the 30-minute peak wastewater flow rate and monthly and seasonal variations if they exist.

7. Measurement of Pollutants.

a. The User shall identify the Categorical Pretreatment Standards applicable to each regulated process and any new categorically-regulated processes for Existing Sources.

b. The User shall submit the results of sampling and analysis identifying the nature and concentration (or mass, where required by the City) of regulated Pollutants in the Discharge from each regulated process.

c. Instantaneous, daily maximum, and long-term average concentrations (or mass, where required) shall be reported.

d. The sample shall be representative of daily operations. In cases where the Standard requires compliance with a BMP or pollution prevention alternative, the User shall submit documentation as required by the City or the applicable Standards to determine compliance with the Standard.

8. Any other information deemed by the Public Works Director to be necessary to evaluate the permit application.

9. Application Signatories and Certifications. All Wastewater Discharge Permit applications must be certified in accordance with Section 16.08.060 of this Title and signed by an Authorized Representative of the User.

A facility determined to be a Non-Significant Categorical Industrial User by the Public Works Director pursuant to 16.02.040.DDD must annually submit the signed certification statement in Section 16.08.060.B.

E. PUBLIC WORKS DIRECTOR PERMIT REVIEW AND DETERMINATION.

The Public Works Director will evaluate the data furnished by the User. After evaluation and acceptance of the data furnished, the Public Works Director may issue a Wastewater Discharge Permit subject to terms and conditions provided herein. The Public Works Director may deny issuance of a permit where the Discharge alone, or in combination with other Discharges, has the potential to cause:

1. Interference;
2. Pass Through;
3. Insufficient capacity; or

4. Risk to health and safety.

F. PERMIT CONDITIONS.

Wastewater Discharge Permits shall be subject to all Applicable Regulations, User charges and fees established by the City. The conditions of Wastewater Discharge Permits shall be enforced by the Public Works Director in accordance with all Applicable Regulations.

Wastewater Discharge Permits must contain the following:

1. A statement that indicates the Wastewater Discharge Permit issuance date, expiration date, and effective date.
2. A statement that the Wastewater Discharge Permit is nontransferable.
3. Effluent limits, including BMPs, based on applicable Pretreatment Standards.
4. Self-monitoring, sampling, reporting, notification, and recordkeeping requirements. These requirements shall include an identification of Pollutants (or BMPs) to be monitored, sampling location, sampling frequency, and sample type based on Federal, State, and local law.
5. A statement of applicable civil and criminal penalties for violation of Pretreatment Standards and Requirements, and any applicable compliance schedule. Such schedule may not extend the time for compliance beyond that required by applicable Federal, State, or local law.
6. Requirements to control Slug Discharge, if determined by the Public Works Director to be necessary.

7. Compliance with the Wastewater Discharge Permit does not relieve the User of responsibility for compliance with all applicable Federal and State Pretreatment Standards, including those which become effective during the term of the Wastewater Discharge Permit.

8. Wastewater Discharge Permits may include any of the following:

a. Limits on rate and time of discharge and/or requirements for flow regulations and equalization;

b. Requirements for the installation of Pretreatment technology, pollution control, or construction of appropriate containment devices designed to reduce, eliminate, or prevent the introduction of Pollutants into the POTW;

c. Requirements for the development and implementation of spill control plans or other special conditions including BMPs necessary to adequately prevent accidental, unanticipated, or non-routine Discharges;

d. Development and implementation of waste minimization plans to reduce the amount of Pollutants discharged to the POTW;

e. Requirements for installation and maintenance of inspection and sampling facilities and equipment, including flow measurement devices;

f. Statements of applicable administrative, civil, and criminal penalties for violation of Pretreatment Standards and Requirements, and any applicable compliance schedule. Such schedule may not extend the time for compliance beyond that requirement by applicable Federal, State, or local law; and

g. Other conditions as deemed appropriate by the Public Works Director to ensure compliance with this Title, and State and Federal laws, rules, and

regulations.

G. DURATION OF PERMITS. Permits shall be issued for a specified time period, not to exceed five (5) consecutive years from the effective date of the permit. If the User wants to continue discharge after the expiration of the Wastewater Discharge Permit, a Wastewater Discharge Permit application must be submitted a minimum of forty-five (45) days prior to the expiration date of the Wastewater Discharge Permit. If the User submits a completed Wastewater Discharge Permit application and through no fault of the User, a new Wastewater Discharge Permit is not issued prior to the expiration of the existing Wastewater Discharge Permit, the existing Wastewater Discharge Permit will remain in effect until the City reissues, or denies, as the case may be, a new Wastewater Discharge Permit.

All Wastewater Discharge Permits issued to a User are void upon issuance of a new Wastewater Discharge Permit to that User.

H. PERMIT FEES. Wastewater Discharge Permit fees shall be set by a resolution of the City Council and shall reflect all costs associated with administering the permit.

I. PERMIT MODIFICATIONS. The terms and conditions of the Wastewater Discharge Permit are subject to modification and change by the Public Works Director prior to the expiration of the permit. The Public Works Director shall attempt to inform the User of modifications to a Wastewater Discharge Permit at least thirty (30) days prior to the modification effective date. Unless the circumstances require otherwise as determined by the Public Works Director, modifications or new conditions to a Wastewater Discharge Permit shall be issued in writing and shall include a reasonable

time schedule for compliance. A Wastewater Discharge Permit may be modified for any of the following reasons:

1. To incorporate any new or revised Federal, State, or local Pretreatment Standards or Requirements.

2. To address significant alterations or additions to the User's operations, processes, or wastewater volume or character since the time of permit issuance.

3. A change in the POTW that requires either a temporary or permanent reduction or elimination of an authorized Discharge.

4. Information indicating that the permitted User poses a threat to the City's POTW, personnel, or receiving waters.

5. Violation of any terms or conditions of the permit.

6. Misrepresentation or failure to fully disclose all relevant facts in the permit application or in any required reporting.

7. Revision of, or a grant of variance from, any Categorical Pretreatment Standard.

8. To correct typographical or other errors in the permit.

J. NO PERMIT TRANSFER. Wastewater Discharge Permits are issued to a specific User for a specific operation. A Wastewater Discharge Permit shall not be reassigned, transferred or sold to a new or different owner, User, or Premises, or to a new or changed operation at or on any permitted or previously permitted Premises. Wastewater Discharge Permits shall be void upon cessation of operations or transfer to a different User.

K. PERMIT REVOCATION. Any User who violates any of the following conditions of the Wastewater Discharge Permit or of this Title, or applicable State and Federal regulations, is subject to having its permit revoked:

1. Failure to provide prior notification to the Public Works Director of changed conditions pursuant of Section 16.08.070 of this Title;
2. Misrepresentation or failure to fully disclose all relevant facts in the Wastewater Discharge Permit application;
3. Falsifying self-monitoring reports and certification statements;
4. Tampering with monitoring equipment;
5. Refusing to allow the Public Works Director timely access to the facility Premises and/or records;
6. Failure to meet effluent limitations;
7. Failure to pay fines;
8. Failure to pay sewer charges;
9. Failure to meet compliance schedules;
10. Information indicating that the permitted User poses a threat to the City's POTW, personnel, or receiving waters; or
11. Violation of any Pretreatment Standard or Requirement, or any terms of the Wastewater Discharge Permit or this Title.

16.08.130. Monitoring Facilities and Sampling Procedures.

A. INSTALLATION OF MONITORING FACILITIES. The Public Works Director shall require the User to construct, at its own expense, monitoring facilities adequate to allow inspection and sampling of the Sewer or internal drainage systems at,

upon, or in the User's Premises. The Public Works Director may also require the construction of flow measurement facilities and sampling or metering equipment, and may specify which facilities and equipment shall be provided, installed, and operated at the User's expense. The monitoring facility should normally be situated on the User's Premises, but the Public Works Director may, when such a location would be impractical or would cause undue hardship on the User, allow the facility to be constructed in the public street or sidewalk area and located so that it will not be obstructed by landscaping or parked vehicles; provided, however, that the User shall be required to comply with all applicable encroachment and other land use requirements.

B. ACCESS TO MONITORING FACILITIES. If the monitoring facility is inside or on the User's Premises, User shall allow ready access for City personnel. Any change to the accessibility of the User's Premises, such as a new lock or combination, must be provided to the Public Works Director within twenty-four (24) hours following the change.

C. OBSTRUCTION TO ACCESS. Any temporary or permanent obstruction to safe and easy access to the facility to be inspected and/or sampled shall be promptly removed by the User at the request of the Public Works Director and shall not be replaced. The costs of clearing such access shall be paid by the User. All costs of removing temporary or permanent obstructions shall be paid by the User.

D. CONSTRUCTION OF MONITORING FACILITIES. Whether constructed on public or private property, the sampling and monitoring facilities shall be provided in accordance with the City's requirements and all applicable construction standards and specifications. Construction shall be completed within ninety (90) days

following written notification by the City; unless a time extension is otherwise granted by the City.

E. SAMPLING PROCEDURES.

1. Except as provided in Subsection 16.08.130(E)(2) and (3) of this Chapter, the User must collect Wastewater samples using 24-hour flow-proportional composite sampling techniques, unless time-proportional composite sampling or grab sampling is authorized by the Public Works Director. Where time-proportional composite sampling or grab sampling is authorized by the Public Works Director, the samples must be representative of the Discharge. Using protocols (including appropriate preservation) specified in 40 CFR Part 136 and appropriate EPA guidance, multiple Grab Samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols, and sulfides the samples may be composited in the laboratory or in the field; for volatile organics and oil and grease, the samples may be composited in the laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the City, as appropriate. In addition, Grab Samples may be required to show compliance with instantaneous limits.

2. Samples for oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds must be obtained using grab collection techniques. Actual sample type requirements shall be included in the Wastewater Discharge Permit.

3. For sampling required in support of the reports required in Sections 16.08.010 and 16.08.030 of this Chapter, a minimum of four (4) Grab Samples must be

used for pH, cyanide, total phenols, oil and grease, sulfide, and volatile organic compounds for facilities for which historical sampling data do not exist; for facilities for which historical sampling data are available, the Public Works Director may authorize a fewer grab samples.

4. For reports required by Section 16.08.040 of this Title, the User is required to collect the number of Grab Samples necessary to assess and assure compliance with applicable Pretreatment Standards and Requirements.

16.08.140. Recordkeeping.

Users subject to the reporting requirements of this Title shall retain, and make available for inspection and copying, all records of information obtained pursuant to any monitoring activities required by this Title, any additional records of information obtained pursuant to monitoring activities undertaken by the User independent of such requirements, and documentation associated with BMPs established under Section 16.04.120(E) of this Title. Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the results of such analyses. These records shall remain available for a period of at least three (3) years. This period shall be automatically extended for the duration of any litigation concerning the User or the City, or where the User has been specifically notified of a longer retention period by the Public Works Director.

16.08.150. Inspection and Sampling.

The Public Works Director shall have the right to enter the Premises of any User to determine whether the User is complying with all requirements of this Title and any

Wastewater Discharge Permit or order issued hereunder. Users shall allow the Public Works Director access to all parts of the Premises for the purposes of inspection, sampling, records examination and copying, and the performance of any additional duties.

A. USER SECURITY. Where a User has security measures in force which require proper identification and clearance before entry into its Premises, the User shall make necessary arrangements with its security guards so that, upon presentation of suitable identification, the Public Works Director shall be permitted to enter without delay for the purposes of performing specific responsibilities.

B. INSPECTION INSTALLATIONS. The Public Works Director shall have the right to install devices on the User's property, or require installation of devices, as are necessary to conduct sampling and/or metering of the User's operation.

C. DELAY IN ACCESS. Unreasonable delays in allowing the Public Works Director access to the User's Premises shall be a violation of this Title.

D. PUBLIC WORKS DIRECTOR SEARCH WARRANT. If the Public Works Director has been refused access to a building, structure, or property, or any part thereof, and holds a reasonable suspicion that there may be a violation of this Title, or that there is a need to inspect and/or sample as part of a routine inspection and sampling program of the City designed to verify compliance with this Title or any permit or order issued hereunder, or to protect overall public health, safety, and welfare of the City, the Public Works Director may seek issuance of a search warrant from the City Attorney.

16.08.160. Pretreatment.

Users shall meet limitations established herein before Discharging to any Community Sewer. Any facilities required to pretreat Wastewater shall be provided, and maintained and continuously operated at the User's expense. Prior to construction of any facility subject to regulation under the provisions of this Title, detailed plans showing pretreatment facilities and operating procedures shall be submitted to the Public Works Director for review, and shall be approved by the City before construction of the facility. The review of such plans and operating procedures will in no way relieve the User of responsibility for modifying the facility as necessary to produce a wastewater that meets the provisions of this Title. Any subsequent changes in the pretreatment facilities or operation thereof shall be reported to and approved by the Public Works Director prior to implementation.

16.08.170. Protection from Accidental Discharge.

A. ACCIDENTIAL DISCHARGE. Each User shall provide facilities to prevent the accidental Discharge of prohibited materials or other Wastes regulated by this Title. Such facilities shall be provided and maintained at the User's expense. Detailed plans showing facilities and operating procedures to provide this protection shall be submitted to the City for review, and shall be approved by the City before construction of the facility.

B. USER RESPONSIBILITY. The review of such plans and operating procedures shall in no way relieve the User from the responsibility of modifying the facility as needed to provide the protection necessary to meet the requirements of this Title.

16.08.180. Confidential Information.

Information and data regarding a User obtained from reports, surveys, Wastewater Discharge Permit applications, Wastewater Discharge Permits, monitoring programs, and from the Public Works Director's inspection and sampling activities, shall be made available to the public without restriction unless the User specifically requests in writing, and is able to demonstrate to the satisfaction of the Public Works Director, that the release of such information would divulge information, processes, or methods of production entitled to protection as trade secrets under applicable State law. Any such request must be made at the time of submission of the information or data. When sufficiently demonstrated by the User furnishing a report that such information should be held confidential, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public, but shall be made available immediately upon request to governmental agencies for uses related to the NPDES program or Pretreatment program, and in enforcement proceedings involving the person furnishing the report. Notwithstanding the above, Wastewater Constituents and Characteristics and other effluent data as defined in 40 CFR Part 2.302 shall not be recognized as confidential information and shall be made available to the public without restriction.

16.08.190. Users Outside City.

The provisions of the Title shall apply to all Users who discharge Wastewater to, on or into any Community Sewer or the POTW from Premises located inside or outside the City limits.

16.08.200. Special Agreements.

Special agreements and arrangements between the City and any Person may be established when, in the opinion of the Public Works Director, unusual or extraordinary circumstances compel special terms and conditions. However, in no instance, shall special agreements relieve a Person from compliance with Categorical Pretreatment Limits or the National Pretreatment Regulations found in 40 CFR Part 403.

Chapter 16.10 DETERMINATIONS AND CHARGES

16.10.010. Determination of Components.

In order to ensure compliance with the local limitations on Wastewater strength in Section 16.04.120 of this Title, a determination of components contained in Sewage, liquid waste, and industrial waste Discharges will be conducted by the Public Works Director. Monitoring will be performed by means of a sampling device approved by the Public Works Director. Sampling, resampling, and laboratory work performed by the City for monitoring will be performed at the expense of the User.

16.10.020. Tests, Etc., of Sewage Waste Characteristics.

All analyses shall be performed in accordance with procedures established by the Administrator pursuant to Section 304(h) of the Federal Act and contained in 40 CFR Part 136 and amendments thereto or with any other test procedures approved by the Administrator. (See 40 CFR Parts 136.4 and 136.5.) Sampling shall be performed in accordance with the techniques approved by the Administrator. Where 40 CFR Part 136 does not include sampling or analytical techniques for the Pollutants in question, or where the Administrator determines that the 40 CFR Part 136 sampling and analytical techniques are inappropriate for the Pollutant in question, sampling and analyses shall

be performed using validated analytical methods or any other sampling procedures approved by the Administrator, including procedures suggested by the City or other parties.

Chapter 16.12 Enforcement.

16.12.010. Enforcement Response Plan.

The Public Works Director shall investigate instances of noncompliance with any provision of this Title, or with any Pretreatment Standards and Requirements, as indicated in the reports and notices required under 40 CFR Part 403.12, or indicated by analysis, inspection, and surveillance activities performed by the Public Works Director. The City shall conduct enforcement proceedings in accordance with its Enforcement Response Plan. The Enforcement Response Plan, adopted by resolution by the City Council, is incorporated herein by reference and may be amended from time to time to ensure consistent application of the provisions of this Title and Federal and State regulations.

16.12.020. Non-Complying Discharges.

A. NOTIFICATION OF DISCHARGE. Any User who causes or permits a Discharge which violates any applicable law, regulation, or the Wastewater Discharge Permit, shall immediately notify the Public Works Director. Notification by the User as required in this Section, shall not, however, relieve the User of liability for any expense, loss or damage to any Community Sewer or the POTW which occurs, directly or indirectly, as a result of the Discharge. Nor shall notification by the User relieve the User of liability for any expense, fee or fine incurred by the City as a result of the Discharge. No later than fourteen (14) days after the Discharge, the User shall deliver

to the Public Works Director a detailed written statement describing the cause(s) of the Discharge and the measures taken and/or to be taken to prevent similar Discharges.

B. NOTICES TO EMPLOYEES. Each User shall make available to its employees, if any, current copies of this Title and all other information or notices sent to the User by the City that describe or discuss effective water pollution control.

C. PREVENTIVE MEASURES. Each User shall eliminate any direct or indirect connection or entry point in the plumbing and/or drainage system on the User's Premises if the connection or entry point can or does allow any Incompatible Pollutant to enter a Community Sewer. Where it would be impracticable or unreasonable to eliminate this kind of connection or entry point, the User shall label these connections and entry points in a manner designed to prevent Persons from causing Incompatible Pollutants to enter the Community Sewer.

16.12.030. Notice of Violation.

When the Public Works Director finds that any User has violated, or continues to violate, a provision of this Title, a Wastewater Discharge Permit, an order issued hereunder, a Pretreatment Standard or Requirement or any applicable local, State or Federal law, the Public Works Director may serve upon such User a written Notice of Violation. Within fourteen (14) calendar days of the date of the Notice of Violation, User shall submit to the City a written explanation of the violation and a plan for the satisfactory correction and prevention thereof, which shall include specific required actions to be taken. Submission of this plan in no way relieves the User of liability for any violations occurring before or after the date of the notice of violation. Nothing in this Section limits the authority of the City to take emergency action, or any other

enforcement action, without issuing a Notice of Violation.

16.12.040. Cease and Desist Orders.

When the Public Works Director finds that a User has violated, or continues to violate, any provision of this Title, a Wastewater Discharge Permit or order issued hereunder, or any other Pretreatment Standards or Requirement, or that the User's past violations are likely to reoccur, the City may issue an order to the User directing it to cease and desist all violations and directing the User to immediately comply with all requirements of this Title and applicable local, State and Federal law. Nothing in this Section limits the authority of the City to take emergency action, or any other enforcement action, without issuing a Cease and Desist Order.

16.12.050. Submission of Time Schedule.

When the Public Works Director finds that a Discharge of Wastewater has been taking place, in violation of prohibitions or limitations prescribed in this Title, Wastewater source control requirements, effluent limitations or pretreatment standards, or the provisions of a Wastewater Discharge Permit, the City may require the User to submit for approval, with such modifications as it deems necessary, a detailed time schedule of specific actions which the User shall take in order to prevent or correct a violation of any of these requirements.

If the Public Works Director determines that a Discharge has occurred or is occurring and that the Discharge violates any applicable regulation or Wastewater Discharge Permit, the Public Works Director may require the Person who caused or permitted the Discharge to submit to the City a detailed time schedule of specific actions which the Person shall take in order to prevent or correct any violation of any applicable

regulation or Wastewater Discharge Permit.

16.12.060. Appeals.

A. REQUEST FOR RECONSIDERATION. Any User, permit applicant, permit holder, or Person affected by any decision, action or determination, including the assessment of fines and civil penalties, Cease and Desist Orders, revocation of a permit, and other administrative remedies, made by the Public Works Director, interpreting or implementing the provisions of this Title or in any permit issued herein, may file with the Public Works Director a written request for reconsideration within fifteen (15) calendar days of such decision, action, or determination, setting forth in detail the facts supporting the User's or Person's request for reconsideration.

B. PUBLIC WORKS DIRECTOR DECISION REMAINS IN EFFECT PENDING APPEAL. The decision, action or determination of the Public Works Director shall remain in effect during such period of reconsideration and during the period of any appeal or judicial review under the provisions of this Code.

C. APPEAL TO CITY COUNCIL. A decision, action or determination of the Public Works Director, after reconsideration is granted or denied, may be appealed to the City Council under the provisions of Chapter 1.30 of this Code, except that, as to decisions to assess a administrative penalties in accordance with Sections 16.12 herein, the time limit for judicial review that is to be found in California Code of Regulations Section 54740.6, as may be amended from time to time, shall control, to the extent allowed by law.

16.12.070. Affirmative Defenses to Discharge Violations.

A. UPSET.

1. For the purposes of this Section, "upset" means an exceptional incident in which there is unintentional and temporary non-compliance with applicable Pretreatment Standards because of factors beyond the reasonable control of the User. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventive maintenance, or careless or improper operation.

2. An upset shall constitute an affirmative defense to an action brought for noncompliance with applicable Pretreatment Standards if the requirements of Section 16.12.070(A)(3) of this Title are met.

3. A User who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:

a. An upset occurred and the User can identify the cause(s) of the upset;

b. The facility was at the time being operated in a prudent and workman-like manner and in compliance with applicable operation and maintenance procedures; and

c. The User has submitted the following information to the City within twenty-four (24) hours of becoming aware of the upset (if this information is provided orally, a written submission must be provided within five (5) days):

(1) A description of the indirect Discharge and cause of

noncompliance;

(2) The period of noncompliance, including exact dates and times or, if not corrected, the anticipated time the noncompliance is expected to continue; and

(3) Steps being taken and/or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

4. In any enforcement proceeding, the User seeking to establish the occurrence of an upset shall have the burden of proof.

5. Users may seek a judicial determination of a claim of upset only in an enforcement action brought for noncompliance with applicable Pretreatment Standards.

6. Users shall control production of all Discharges to the extent necessary to maintain compliance with applicable Pretreatment Standards upon reduction, loss, or failure of their treatment facility until the facility is restored or an alternative method of treatment is provided. This requirement applies in the situation where, among other things, the primary source of power of the treatment facility is reduced, lost, or fails.

B. PROHIBITED DISCHARGE STANDARDS.

1. A User shall have an affirmative defense to an enforcement action brought against it for noncompliance with the general and specific prohibitions in Chapter 16.04 of this Title if it can prove that it did not know, or have reason to know, that its Discharge, alone or in conjunction with Discharges from other sources, would cause Pass Through or Interference and that either:

a. A Local Limit exists for each Pollutant discharged and the User was in compliance with each limit directly prior to, and during the Pass Through or Interference; or

b. No Local Limit exists, but the Discharge did not change substantially in nature or constituents from the User's prior Discharge when the City was regularly in compliance with its NPDES permit, and in the case of Interference, was in compliance with applicable sludge use or disposal requirements.

C. BYPASS.

1. A User may allow a Bypass to occur which does not cause Pretreatment Standards or Requirements to be violated, but only if it also is essential for maintenance to assure efficient operation. A Bypass meeting this limitation is not subject to the provisions of Sections 16.12.070(C)(2) or (3) of this Title.

2. Bypass Notifications

a. If a User knows in advance of the need for a Bypass, it shall submit prior notice to the Public Works Director, at least ten (10) days before the date of the Bypass, if possible.

b. A User shall submit oral notice to the Public Works Director of an unanticipated Bypass that exceeds applicable Pretreatment Standards within twenty-four (24) hours from the time it becomes aware of the Bypass. A written submission shall also be provided within five (5) calendar days of the time that the User becomes aware of the Bypass. The written submission shall contain a description of the Bypass and its cause; the duration of the Bypass, including exact dates and times, and, if the Bypass has not been corrected, the anticipated time it is expected to

continue; and steps taken or planned to reduce, eliminate, and prevent reoccurrence of the Bypass. The Public Works Director may waive the written report on a case-by-case basis if the oral report has been received within twenty-four (24) hours.

3. Prohibited Bypass

a. Bypass is prohibited and the Public Works Director may take an enforcement action against a User for a Bypass unless all of the following are met:

(1) Bypass is unavoidable to prevent loss of life, personal injury or Severe Property Damage which means substantial physical damage to property, damage to the treatment facilities which causes them to be inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a Bypass. Severe Property Damage does not mean economic loss caused by delays in production;

(2) There was no feasible alternative to the Bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgment to prevent a Bypass which occurred during normal periods of equipment downtime or preventative maintenance; and

(3) The User submitted notices as required by Section 16.12.070(C)(2) of this Title.

b. The Public Works Director may approve an anticipated Bypass after considering its adverse effects, if the Public Works Director determines that the Bypass will meet the three conditions listed in Section 16.12.070(C)(3)(a) of this

Title.

Chapter 16.14 Abatement.

16.14.010. Public Nuisance.

Discharges of Wastewater which in any way violate this Title or any permit or order issued by the Public Works Director pursuant to this Title are a public nuisance and shall be corrected or abated as directed by the Public Works Director.

16.14.020. Injunction.

When the Public Works Director finds that a User has violated, or continues to violate, any provision of this Title, a Wastewater Discharge Permit or order issued hereunder, or any other Pretreatment Standard or Requirement, the Public Works Director may petition the Superior Court through the City Attorney for the issuance of a temporary or permanent injunction, as appropriate, which restrains or compels the specific performance of the Wastewater Discharge Permit, order, or other requirement imposed by this order on activities of the User. The Public Works Director may also seek such other action as appropriate for legal and/or equitable relief, including a requirement for the User to conduct environmental remediation. A petition for injunctive relief shall not be a bar against, or a prerequisite for, taking any other action against a User.

16.14.030. Damage to Facilities.

When a User causes a Discharge of Waste which obstructs, damages or impairs the POTW or a Community Sewer, the City may assess a charge against the User for the work required to clean or repair the facility and add such charge to the User's sewer service charges.

16.14.040. Published Notices of Significant Violators.

The City will publish annually, in a newspaper of general circulation that provides meaningful public notice within the jurisdiction served by the City, a list of the Users which, at any time during the previous twelve (12) months, were in Significant Noncompliance with applicable Pretreatment Standards and Requirements. The term Significant Noncompliance, as defined in Section 16.02.040(EEE) of this Title, shall be applicable to all Tier I Users. This term also shall apply to any other Users that violate Sections 16.02.040(EEE)(3) and (4), or (8) of this Title and those Users will also be included in this list.

16.14.050. Administrative Civil Penalties.

Any provision of this Title may be enforced by the Public Works Director acting through use of administrative procedures and imposing administrative civil penalties for violations, as follows:

A. The Public Works Director may determine violations of this Title by administrative hearing and, based upon the results of that hearing, order administrative civil penalty(ies) to be assessed against the party responsible for the violation, in accord with the provisions of this Title and California Code of Regulations Section 54740.5, as may be amended from time to time.

B. In addition to general enforcement through administrative civil penalties as authorized herein, the Public Works Director is designated to be the hearing officer for administrative enforcement authorized pursuant to the California Code of Regulations Sections 54740.5 and 54740.6.

C. Hearing, waiver of hearing, orders, reconsideration, appeal to the City Council, judicial review, delinquencies, lien, and confirmation regarding administrative remedies shall be as provided in accordance with California Code of Regulations Sections 54740.5 and 54740.6, as may be amended from time to time, and as provided in this Title.

D. In determining the amount of civil liability, the hearing officer or board may take into account all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the nature and persistence of the violation, any economic benefit gained through the User's violation, the length of time over which the violation occurs and corrective actions taken by the User.

E. Civil penalties may be imposed by the City as follows:

1. In an amount which shall not exceed two thousand dollars (\$2,000) for each day for failing or refusing to furnish technical or monitoring reports.

2. In an amount which shall not exceed three thousand dollars (\$3,000) for each day for failing or refusing to timely comply with any compliance schedule established by the City.

3. In an amount which shall not exceed five thousand dollars (\$5,000) per violation for each day for Discharges in violation of any waste Discharge limitation, permit condition, or requirement issued, reissued, or adopted by the local agency.

4. In an amount which does not exceed ten dollars (\$10) per gallon for Discharges in violation of any suspension, cease and desist order or other orders, or prohibition issued, reissued, or adopted by a City.

5. The amount of any civil penalties imposed under this section which

have remained delinquent for a period of 60 days shall constitute a lien against the real property of the discharger from which the Discharge originated resulting in the imposition of the civil penalty. The lien provided herein shall have no force and effect until recorded with the county recorder and when recorded shall have the force and effect and priority of a judgment lien and continue for 10 years from the time of recording unless sooner released, and shall be renewable in accordance with the provisions of law.

6. All moneys collected under this section shall be deposited in a special account of the City and shall be made available for the monitoring, treatment, and control of Discharges into the City's Community Sewer or POTW or for other mitigation measures.

7. Unless appealed, orders setting administrative civil penalties shall become effective and final upon issuance thereof, and payment shall be made within 30 days. Copies of these orders shall be served by personal service or by registered mail upon the party served with the administrative complaint and upon other persons who appeared at the hearing and requested a copy.

8. The City may, at its option, elect to petition the Superior Court to confirm any order establishing civil penalties and enter judgment in conformity therewith in accordance with the provisions of law.

F. Except as provided in this Section, remedies under this Section are in addition to, and do not supersede or limit the use of, any and all other remedies, civil or criminal, available under this Title and under the statutes and regulations of the State of California and the United States of America. No penalties shall be recoverable under

this Section 16.14.050 for any violation for which civil liability is recovered under Section 16.14.060 or California Code of Regulations Section 54740.

G. Administrative remedies, fines and other civil penalties imposed pursuant to the provisions of this Title may, at the sole discretion of the Public Works Director, be added to and collected with the applicable User's sewer service charges.

H. Except as provided in this Section, issuance of an administrative penalty shall not be a bar against, or a prerequisite for, taking any other action against the User.

16.14.060. Judicial Civil Penalties.

A. CIVIL PENALTIES. Any User who violated, or continues to violate, any provision of this Title, a Wastewater Discharge Permit or order issued hereunder, or any other Pretreatment Standard or Requirement shall be liable to the City for a maximum civil penalty of \$25,000 a day for each violation. In the case of an exceedance of a monthly or other long-term average Discharge limit, penalties shall accrue for each day during the period of the violation. The City Attorney, upon order of the City Council, shall petition the Superior Court to impose, assess and recover such sums.

B. ATTORNEY'S FEES. The City may recover reasonable attorneys' fees, court costs, and other expenses associated with enforcement activities, including sampling and monitoring expenses, and the cost of any actual damages incurred by the City.

C. FACTORS RELEVANT TO LIABILITY. In determining the amount of civil liability, the Court shall take into account all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the magnitude and duration of the violation, any economic benefit gained through the User's violation, corrective actions

taken by the User, the compliance history of the User, and any other factor as justice requires.

D. REMEDIES NOT EXCLUSIVE. Filing a suit for civil penalties shall not be a bar against, or a prerequisite for, taking any other action against a User; provided, however, no liability shall be recoverable under this Section for any violation for which liability is recovered under Section 16.14.050, herein, or California Code of Regulations Section 54740.

16.14.070. Criminal Penalties.

Any Person who intentionally or negligently violates any provision of this Title, a Wastewater Discharge Permit or an order issued hereunder, or any other Pretreatment Standard or Requirement, upon conviction, shall be liable for a sum not less than \$1,000 per violation per day, or for imprisonment for not more than six (6) months in the County jail, or both.

16.14.080. Falsifying of Information.

It is unlawful for any Person to make or file, or cause to be made or filed, any statement, representation, record, report, plan or other document which is false and which is required to be made or filed pursuant to any applicable regulation or Wastewater Discharge Permit, or to falsify, tamper with, or knowingly render inaccurate any monitoring device, sampling or method required under this Title and shall be subject to any and all enforcement provisions provided in this Title.

16.14.090. Emergency Suspension.

The Public Works Director may immediately suspend a User's Discharge, after informal notice to the User, whenever such suspension is necessary to stop an actual or

threatened Discharge, which reasonably appears to present, or cause an imminent or substantial endangerment to the health or welfare of persons. The Public Works Director may also immediately suspend a User's Discharge after notice and opportunity to respond that threatens to interfere with the operation of the Community Sewer or POTW, or which presents, or may present, an endangerment to the environment. Nothing in this Section shall be interpreted as requiring a hearing prior to any emergency suspension under this Title.

A. NOTIFICATION OF SUSPENSION. Any User notified of a suspension of its Discharge shall immediately stop or eliminate its Discharge. In the event of a User's failure to immediately voluntarily comply with the suspension order, the Public Works Director may take such steps as deemed necessary, including immediate severance of the Sewer connection, or turning off water supply, to prevent or minimize damage to the Community Sewer or POTW, its receiving stream, danger to any individuals or to prevent continued violation of this Title or Wastewater Discharge Permit. The Public Works Director may allow the User to recommence its Discharge when the User has demonstrated to the satisfaction of the Public Works Director that the violation has passed, unless termination proceedings in accordance with Section 16.14.100 of this Title are initiated against the User.

B. USER RESPONSIBILITY. A User responsible, in whole or in part, for any Discharge presenting imminent danger shall submit a detailed written statement, describing the causes of the harmful contribution and the measures taken to prevent any future occurrence, to the Public Works Director prior to the date of any termination hearing under Section 16.14.100 of this Title.

C. COST TO SUSPEND OR MITIGATE. The User is responsible for any costs incurred to suspend or mitigate the impact of the Discharge. Such costs may be added to the User's sewer service charges.

16.14.100. Termination of Discharge.

Any User who violates any of the following conditions is subject to Discharge termination:

- A. Violation of Wastewater Discharge Permit conditions.
- B. Failure to accurately report Wastewater Constituents and Characteristics of its Discharge.
- C. Failure to report significant changes in operations or Wastewater Constituents, and Characteristics prior to discharge.
- D. Refusal of reasonable access to the User's Premises for the purpose of inspection, monitoring, or sampling.
- E. Violation of the Pretreatment Standards in Chapter 16.04 of this Title.

Such User shall be notified of the proposed termination of its Discharge and be offered an opportunity to show why the proposed action should not be taken. Termination of the User's Discharge by the Public Works Director shall not be a bar, or a prerequisite for, taking any other action against the User.

Chapter 16.15 Urban Pollution Controls Non-PointSource Discharge Restrictions.

16.15.010. Water Pollution Prohibited.

No Person, who does not possess a current and valid permit or agreement for the discharge, shall throw, discharge or otherwise deposit or place or cause or permit to be placed into the Waters of the State or into any drain, drop inlet, conduit, or natural or

artificial watercourse flowing into any storm drain, creek, lagoon or other Waters of the State, any Waste, Medical Waste, Contamination or Pollution or other substance which impairs the quality of the drainage, including without limitation:

A. Any Pollution or Contamination or any substance, matter, or thing, liquid, solid or gas, which materially impairs the aesthetics or usefulness of such water, except as may be provided for in this Chapter;

B. Any commercial or industrial waste, including, without limitation, any fuel, solvent, detergent, plastic pieces or other pellets, hazardous substances, fertilizers, pesticides, slag, ash, or sludge;

C. Any measurable quantity of heavy metals including without limitation, any cadmium, lead, zinc, copper, silver, nickel, mercury or chromium, or the elements of phosphorous, arsenic, or nitrogen;

D. Any animal feces, any animal waste or animal discharge from confinement facilities for animals, kennel, coup, pen, stable, or recreational or show facilities;

E. Any human feces, diseased matter or matter containing significant concentrations of fecal coliform, fecal streptococcus, or enterococcus;

F. Any substance having a pH of less than 6 or greater than 9;

G. Any quantity of petroleum hydrocarbons, including without limitation, any crude oil or any fraction thereof, hydrocarbon fuel, solvent, lubricants, surfactants, waste oil, coolant, or grease;

H. Any water or other solvent or substance used for commercial or industrial processing; for commercial washing of automobiles or parts of automobiles; for cleaning industrial or commercial operations or Premises; for cleaning debris, Waste or residue

collectors; for cleaning carpets, pads, flooring or walkways; or for cleaning construction, pavement, concrete, paint or plaster;

I. Any residue or collection from portable toilets or water softeners;

J. Any water or other solvent or substance collected after the use of the substance to clean, cleanse, flush, rinse or otherwise treat any commercial or industrial premises, process or equipment, or food production;

K. Any water for swimming pools, spas or Jacuzzis; or

L. Any economic poison, toxic or hazardous material.

Any permit for such discharge must be approved by the Public Works Director, or a California State official or U.S. Government Official having jurisdiction over such discharge.

16.15.020. Discharges Exempt from Prohibition.

The following discharges are exempt from the prohibitions of Section 16.15.010 of this Title:

A. Uncontaminated discharges from landscape irrigation;

B. Uncontaminated discharges from water line flushing;

C. Uncontaminated discharges from potable water sources;

D. Uncontaminated discharges from foundation drains;

E. Uncontaminated discharges from footing drains;

F. Uncontaminated discharges from air conditioning condensate;

G. Uncontaminated discharges from irrigation water;

H. Uncontaminated discharges from lawn watering;

I. Uncontaminated discharges from crawl space pumps;

J. Uncontaminated discharges from individual residential automobile washing; and

K. Uncontaminated discharges from street washing, including sidewalk washing.

16.15.030. Discharge of Hazardous Substances Prohibited.

No Person shall throw, discharge or otherwise deposit or cause or permit to be placed into the Waters of the State or into any drain, drop inlet, conduit, or natural or artificial watercourse flowing into any storm drain, creek, lagoon or other Waters of the State, any quantity of hazardous substance as included or defined in CCR Section 25316, without a permit or agreement approved by the Public Works Director, a California State official or U.S. Government Official having jurisdiction over the Discharge.

Chapter 16.16 SEVERABILITY.

16.16.010. Severability.

If any provision of this Title is invalidated by any court of competent jurisdiction, the remaining provisions of this Title shall not be affected and shall continue in full force and effect.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014

TO: Mayor and Councilmembers

FROM: General Services Division, Purchasing Department

SUBJECT: Introduction Of Ordinance To Amend Municipal Code To Require The Payment Of Prevailing Wages On Public Works Projects As Defined By California Senate Bill 7

RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara to Amend Municipal Code Section 4.52.160 to Require the Payment of Prevailing Wages on Public Works Projects as Defined and Required by California Senate Bill 7.

DISCUSSION:

In 2012, the California Supreme Court ruled that the state's prevailing wage law does not apply to charter cities that exempt themselves from the prevailing wage requirements for local public works projects. In 2013, Governor Brown signed into law Senate Bill 7, enacting Labor Code section 1782, which becomes effective January 1, 2015. The new law expressly prohibits a charter city from receiving state funding or financial assistance for public works projects (e.g., construction) if the city has a charter provision or ordinance that authorizes a contractor to not comply with the provisions of Senate Bill 7 on any public works contracts. Senate Bill 7 requires the Director of Industrial Relations to maintain a list of charter cities that may receive and use state funding or financial assistance for their construction projects.

The City's past practice for over 25 years has been to pay prevailing wages on its construction projects. Therefore, Senate Bill 7 will have minimal, if any, impact on City operations. Nonetheless, Senate Bill 7 requires the City to enact an ordinance indicating its intention to pay prevailing wages pursuant to Labor Code section 1782.

BUDGET/FINANCIAL INFORMATION:

Although Senate Bill 7 includes maintenance and repair activities, there should be minimal impact, if any, since the City already includes prevailing wage requirements in its construction, maintenance, and repair bids.

PREPARED BY: Bill Hornung, General Services Manager

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator

APPROVED BY: City Administrator's Office

ORDINANCE NO. _____

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA
BARBARA TO AMEND MUNICIPAL CODE SECTION 4.52.160
TO REQUIRE THE PAYMENT OF PREVAILING WAGES ON
PUBLIC WORKS PROJECTS AS DEFINED AND REQUIRED
BY CALIFORNIA SENATE BILL 7**

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

SECTION 1. Section 4.52.160 of Chapter 52 of Title 4 of the Santa Barbara
Municipal Code is amended to read as follows:

4.52.160 Public Works Contracts.

A. COMPLIANCE WITH THE CHARTER. Bidding and advertising and award of
contracts for public works, excluding maintenance and repair, shall be as required by
Section 519 of the City Charter.

B. PREVAILING WAGES REQUIRED IN COMPLIANCE WITH SB 7. The state prevailing wage law requires contractors on public works projects to be paid the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed. Under California Constitution, Article XI, Section 5, the laws of chartered cities supersede state law with respect to municipal affairs of the city. The City of Santa Barbara is a chartered city duly organized and validly existing under the laws of the State of California, and thus the city may exempt itself from prevailing wage requirements. California Senate Bill No. 7 ("SB 7"), approved October 13, 2013, provides that the state has limited financial resources and resolves only to extend financial assistance to construction projects of those chartered cities that require compliance with the prevailing wage law on all their municipal construction projects. Effective January 1, 2015, unless the contract was advertised for bid prior to that date, chartered cities are additionally disqualified from receiving financial assistance under SB 7 if the city has awarded, within the prior two (2) years, a public works contract without requiring the contractor to comply with prevailing wage requirements. Chartered cities that have charter provisions exempting city projects from prevailing wage requirements may adopt a local prevailing wage ordinance with requirements equal to or greater than state prevailing wage law in order to avoid disqualification.

For at least the last 25 years, the City has generally required prevailing wages to be paid on capital improvement projects. Compliance with SB 7, however, requires the adoption of an ordinance and the payment of prevailing wages beyond capital improvement projects to include maintenance and repair work, as described in the Labor

Code. Notwithstanding the City's constitutional right to exempt locally funded projects from prevailing wage, the City Council finds that the City's financial interests are best served by complying with California's prevailing wage law as delineated in SB 7.

C. Prevailing wages shall be paid on all public works contracts in accordance with Labor Code section 1782 (SB 7).

E. The provisions of this ordinance do not restrict the city from receiving or using state funding or financial assistance awarded prior to January 1, 2015, or from receiving or using state funding or financial assistance to complete a contract awarded prior to January 1, 2015. Further, this ordinance does not disqualify or amend any contracts awarded prior to January 1, 2015.

F. If SB 7 is, for any reason, held to be invalid or inapplicable to charter cities by any court of competent jurisdiction or is otherwise repealed, this ordinance shall automatically sunset and be of no further effect immediately thereafter.

SECTION 2. CEQA. This ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15060(c)(2) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations) because the activity will not result in a direct or reasonable foreseeable indirect physical change in the environment, and Section 15060(c)(3) because the activity is not a project as defined in Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change to the environment, directly or indirectly.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: Banking Services Agreement

RECOMMENDATION:

That Council approve a three-year contract with Union Bank to provide banking services for the period of January 1, 2015, through December 31, 2017.

DISCUSSION:

Banking Services

Banking services for the City are currently provided by Union Bank (UB). Previously, the City had a long term banking relationship with Santa Barbara Bank and Trust (SBB&T) which officially became part of UB on December 1, 2012. UB continued to honor the City's then existing contract which was scheduled to expire on February 28, 2014, which essentially waived all fees for services valued at approximately \$114,000 after an interest earning credit of \$30,000, annually. Thereafter, the City executed a ten-month contract with UB through December 31, 2014 for fees not to exceed \$78,000 and a waiver of all transportation related costs such as armored car and courier service valued at approximately \$58,000 annually. UB agreed to discounted fees in recognition of the City's previous long standing relationship with SBB&T. In contrast, over the past few years, the value of banking services has averaged approximately \$12,000 per month.

UB has now provided the City with a proposal for banking services and fees for the three-year period of January 1, 2015 through December 31, 2017. UB has proposed the same level of banking services that the City is currently receiving. The proposed fees for these services would be approximately \$9,088 per month based on the price per unit of activity as set forth in the fee schedule without the investment of City funds to offset the banking fees with an interest earnings credit. The actual fees will vary on a month to month basis based on actual volume of banking activity. The City can choose to maintain City funds for the purpose of earning interest to offset the monthly service fee however, there is a cost for maintaining funds with the bank.

During the past few months, City staff has taken the opportunity to reevaluate overall banking services and costs after considering the efficiencies provided by the City's new financial management software. Staff surveyed several other agencies and informally compared banking fees to determine the reasonableness of the fees proposed by UB. Although services vary from one agency to another, the fees proposed by UB appear to be equal to or lower overall in key banking services categories. In addition, staff feels that the Government Services Division of UB has been responsive to the needs of the City's municipal operations. After reevaluating the City's banking service needs, informally comparing fees and reviewing the ability of UB to provide ongoing responsive customer service, staff is recommending a three-year contract. During the proposed contract period, staff anticipates a continued effort in evaluating UB's services to take advantage of automation and to streamline business processes in an effort to reduce banking service costs.

Transportation Services

Armored car services have been provided by Brinks Security for a number of years and, UB is currently paying for and waiving those fees for the armored car services provided to the City's seven pick-up locations. The current transportation fees for Brinks Security are \$3,010 per month, or \$36,120 per year. These fees have remained at this level for the past several years and were lower than another provider when staff compared pricing. Brinks Security has proposed an annual contract at the current rates for continued armored car services. Staff is recommending continuing armored car services with Brinks Security for a period of one year and thereafter, staff will evaluate the fees and other service providers. Staff is in the process of finalizing an agreement for these services and will bring forward a contract for the City Council approval by mid December.

In addition, the City uses courier services to transport utility billing payments to the UB lockbox location in Monterey Park. These payments are remitted to the local post office box in Santa Barbara and sent daily to Monterey Park for processing. The current cost for courier services is \$1,847 per month, or \$22,166 per year. Staff recommends continuing with a courier service, however, staff will evaluate the costs provided by area courier service companies before moving forward with a new contract.

Aside from the City's banking relationship with UB, the City also has a trustee relationship with them. UB serves as the City's custodian for its securities in the City's investment portfolio. In January 2006, UB offered to provide these services at no additional cost to the City insofar as the City maintains its depository arrangement with them. Since the City is also satisfied with UB's trustee performance, this no-cost arrangement is an added benefit to continuing the banking services agreement.

BUDGET/FINANCIAL INFORMATION:

Banking services costs will be charged to the various City funds based on a cost allocation method that reflects services received by each fund. The total cost impact to the General Fund for banking and all transportation related costs would be approximately \$17,878 in Fiscal Year 2015 and \$35,800 annually, thereafter. The table below outlines the fees to the General Fund and all other funds. An increase to appropriations will be brought to City Council in connection with the mid-year report since these costs were not previously budgeted. Similarly, budget appropriations will be requested for other impacted funds for their proportionate share of the costs.

	General Fund	All Other Funds	FY 2015 Total	FY 2016 Total
Union Bank fees	\$ 10,658	\$ 43,872	\$ 54,529	\$ 109,059
Brinks Security Armored Car fees	\$ 7,220	\$ 10,842	\$ 18,058	\$ 36,120
Courier Service fees		\$ 11,083	\$ 11,083	\$ 22,166
Total	\$ 17,878	\$ 65,797	\$ 83,670	\$ 167,345

A copy of the Union Bank agreement is available for review in the City Clerk's Office.

PREPARED BY: Genie Wilson, Treasury Manager

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014
TO: Mayor and Councilmembers
FROM: Accounting Division, Finance Department
SUBJECT: Fiscal Year 2015 First Quarter Review

RECOMMENDATION: That Council:

- A. Accept the Fiscal Year 2015 Interim Financial Statements for the Three Months Ended September 30, 2014; and
- B. Approve the proposed first quarter adjustments to Fiscal Year 2015 appropriations and estimated revenues as detailed in the attached Schedule of Proposed First Quarter Adjustments.

DISCUSSION:

Each month, staff presents the interim financial statements (Attachment 1) showing the status of revenues and expenditures in relation to budget for each of the City's Funds. The interim financial statements cover the first three months of the fiscal year. As such, it is premature to make any meaningful projections for the fiscal year. However, it appears that General Fund revenues will end the year over budget, and expenditures are currently in line with expectations at September 30.

In addition to the interim financial statements, staff brings forward recommended adjustments for City Council approval. These adjustments are the result of new information and/or unanticipated events that occurred since the adoption of the budget in June 2014. A listing and description of each proposed adjustment to the current year budget is provided in Attachment 2.

ATTACHMENTS:

1. Interim Financial Statements for the Three Months Ended September 30, 2014
2. Schedule of Proposed First Quarter Adjustments

PREPARED BY: Julie Nemes, Accounting Manager

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
GENERAL FUND					
Revenue	116,920,531	22,489,542	-	94,430,988	19.2%
Expenditures	<u>117,581,780</u>	<u>30,820,149</u>	<u>2,105,283</u>	84,656,347	28.0%
<i>Addition to / (use of) reserves</i>	<u>(661,249)</u>	<u>(8,330,607)</u>	<u>(2,105,283)</u>		
SOLID WASTE FUND					
Revenue	20,645,776	5,059,656	-	15,586,120	24.5%
Expenditures	<u>20,613,368</u>	<u>4,875,308</u>	<u>313,153</u>	15,424,907	25.2%
<i>Addition to / (use of) reserves</i>	<u>32,408</u>	<u>184,348</u>	<u>(313,153)</u>		
WATER OPERATING FUND					
Revenue	39,347,669	10,016,520	-	29,331,149	25.5%
Expenditures	<u>46,044,462</u>	<u>11,350,425</u>	<u>2,674,451</u>	32,019,586	30.5%
<i>Addition to / (use of) reserves</i>	<u>(6,696,793)</u>	<u>(1,333,905)</u>	<u>(2,674,451)</u>		
WASTEWATER OPERATING FUND					
Revenue	18,883,613	4,822,825	-	14,060,788	25.5%
Expenditures	<u>20,092,724</u>	<u>4,261,362</u>	<u>2,097,891</u>	13,733,471	31.6%
<i>Addition to / (use of) reserves</i>	<u>(1,209,111)</u>	<u>561,463</u>	<u>(2,097,891)</u>		
DOWNTOWN PARKING					
Revenue	7,922,546	2,088,389	-	5,834,157	26.4%
Expenditures	<u>8,437,044</u>	<u>2,012,748</u>	<u>538,046</u>	5,886,250	30.2%
<i>Addition to / (use of) reserves</i>	<u>(514,498)</u>	<u>75,641</u>	<u>(538,046)</u>		
AIRPORT OPERATING FUND					
Revenue	15,469,349	4,174,095	-	11,295,254	27.0%
Expenditures	<u>15,786,050</u>	<u>3,530,682</u>	<u>688,310</u>	11,567,058	26.7%
<i>Addition to / (use of) reserves</i>	<u>(316,701)</u>	<u>643,413</u>	<u>(688,310)</u>		
GOLF COURSE FUND					
Revenue	2,091,048	546,444	-	1,544,604	26.1%
Expenditures	<u>2,061,048</u>	<u>626,782</u>	-	1,434,266	30.4%
<i>Addition to / (use of) reserves</i>	<u>30,000</u>	<u>(80,338)</u>	-		
INTRA-CITY SERVICE FUND					
Revenue	5,317,135	1,514,173	-	3,802,962	28.5%
Expenditures	<u>5,722,079</u>	<u>1,374,579</u>	<u>252,986</u>	4,094,514	28.4%
<i>Addition to / (use of) reserves</i>	<u>(404,944)</u>	<u>139,594</u>	<u>(252,986)</u>		

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
FLEET REPLACEMENT FUND					
Revenue	2,731,151	679,831	-	2,051,320	24.9%
Expenditures	<u>5,916,966</u>	<u>235,666</u>	<u>1,998,458</u>	3,682,842	37.8%
<i>Addition to / (use of) reserves</i>	<u>(3,185,815)</u>	<u>444,165</u>	<u>(1,998,458)</u>		
FLEET MAINTENANCE FUND					
Revenue	2,640,697	665,190	-	1,975,507	25.2%
Expenditures	<u>3,328,709</u>	<u>577,965</u>	<u>283,695</u>	2,467,049	25.9%
<i>Addition to / (use of) reserves</i>	<u>(688,012)</u>	<u>87,225</u>	<u>(283,695)</u>		
SELF INSURANCE TRUST FUND					
Revenue	6,507,674	1,623,901	-	4,883,773	25.0%
Expenditures	<u>6,178,328</u>	<u>1,782,923</u>	<u>387,301</u>	4,008,105	35.1%
<i>Addition to / (use of) reserves</i>	<u>329,346</u>	<u>(159,023)</u>	<u>(387,301)</u>		
INFORMATION SYSTEMS ICS FUND					
Revenue	3,120,588	780,147	-	2,340,441	25.0%
Expenditures	<u>3,352,141</u>	<u>824,353</u>	<u>62,042</u>	2,465,745	26.4%
<i>Addition to / (use of) reserves</i>	<u>(231,553)</u>	<u>(44,206)</u>	<u>(62,042)</u>		
WATERFRONT FUND					
Revenue	12,661,137	4,333,328	-	8,327,809	34.2%
Expenditures	<u>13,644,226</u>	<u>3,463,750</u>	<u>887,357</u>	9,293,118	31.9%
<i>Addition to / (use of) reserves</i>	<u>(983,089)</u>	<u>869,578</u>	<u>(887,357)</u>		
TOTAL FOR ALL FUNDS					
Revenue	254,258,914	58,794,041	-	195,464,873	23.1%
Expenditures	<u>268,758,924</u>	<u>65,736,693</u>	<u>12,288,972</u>	190,733,259	29.0%
<i>Addition to / (use of) reserves</i>	<u>(14,500,011)</u>	<u>(6,942,652)</u>	<u>(12,288,972)</u>		

*** It is City policy to adopt a balanced budget. In most cases, encumbrance balances exist at year-end. These encumbrance balances are obligations of each fund and must be reported at the beginning of each fiscal year. In addition, a corresponding appropriations entry must be made in order to accommodate the 'carried-over' encumbrance amount. Most differences between budgeted annual revenues and expenses are due to these encumbrance carryovers.*

CITY OF SANTA BARBARA
General Fund
Interim Statement of Budgeted and Actual Revenues
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Remaining Balance</u>	<u>Percent Received</u>	<u>Previous YTD</u>
TAXES					
Sales and Use	21,726,115	4,153,737	17,572,378	19.1%	3,875,853
Property Taxes	27,164,000	-	27,164,000	0.0%	-
Utility Users Tax	7,257,800	1,802,847	5,454,953	24.8%	1,772,035
Transient Occupancy Tax	17,641,400	6,285,752	11,355,648	35.6%	5,688,255
Business License	2,571,200	494,475	2,076,725	19.2%	471,541
Real Property Transfer Tax	678,000	170,632	507,368	25.2%	188,687
<i>Total</i>	<u>77,038,515</u>	<u>12,907,442</u>	<u>64,131,073</u>	16.8%	<u>11,996,371</u>
LICENSES & PERMITS					
Licenses & Permits	233,500	59,642	173,858	25.5%	40,461
<i>Total</i>	<u>233,500</u>	<u>59,642</u>	<u>173,858</u>	25.5%	<u>40,461</u>
FINES & FORFEITURES					
Parking Violations	2,681,987	741,278	1,940,709	27.6%	673,008
Library Fines	105,500	26,405	79,095	25.0%	33,775
Municipal Court Fines	120,000	9,674	110,326	8.1%	28,117
Other Fines & Forfeitures	300,000	91,036	208,964	30.3%	89,067
<i>Total</i>	<u>3,207,487</u>	<u>868,392</u>	<u>2,339,095</u>	27.1%	<u>823,967</u>
USE OF MONEY & PROPERTY					
Investment Income	627,224	142,331	484,893	22.7%	153,567
Rents & Concessions	398,797	91,851	306,946	23.0%	98,420
<i>Total</i>	<u>1,026,021</u>	<u>234,182</u>	<u>791,839</u>	22.8%	<u>251,987</u>
INTERGOVERNMENTAL					
Grants	225,780	61,000	164,780	27.0%	213,385
Vehicle License Fees	-	-	-	0.0%	39,945
Reimbursements	437,654	-	437,654	0.0%	-
<i>Total</i>	<u>663,434</u>	<u>61,000</u>	<u>602,434</u>	9.2%	<u>253,330</u>
FEES & SERVICE CHARGES					
Finance	949,905	239,186	710,719	25.2%	225,842
Community Development	4,587,515	1,128,088	3,459,427	24.6%	1,054,717
Recreation	3,049,474	807,444	2,242,030	26.5%	848,433
Public Safety	653,827	146,597	507,230	22.4%	133,647
Public Works	5,951,301	1,517,962	4,433,339	25.5%	1,472,946
Library	762,398	2,792	759,606	0.4%	12,222
Reimbursements	4,471,212	1,119,048	3,352,164	25.0%	1,107,178
<i>Total</i>	<u>20,425,632</u>	<u>4,961,117</u>	<u>15,464,515</u>	24.3%	<u>4,854,985</u>
OTHER REVENUES					
Miscellaneous	1,660,410	637,700	1,022,710	38.4%	563,481
Franchise Fees	3,771,000	922,694	2,848,306	24.5%	896,493
Indirect Allocations	6,411,155	1,602,789	4,808,366	25.0%	1,573,185
Operating Transfers-In	1,283,377	234,584	1,048,793	18.3%	346,022
Anticipated Year-End Variance	1,200,000	-	1,200,000	0.0%	-
<i>Total</i>	<u>14,325,942</u>	<u>3,397,766</u>	<u>10,928,175</u>	23.7%	<u>3,379,181</u>
TOTAL REVENUES	<u>116,920,531</u>	<u>22,489,542</u>	<u>94,430,988</u>	19.2%	<u>21,600,282</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
GENERAL GOVERNMENT						
<u>Mayor & City Council</u>						
MAYOR & CITY COUNCIL	792,975	192,908	4,208	595,859	24.9%	
ARTS AND COMMUNITY PROMOTIONS	2,615,532	697,413	375,208	1,542,911	41.0%	
<i>Total</i>	<u>3,408,507</u>	<u>890,321</u>	<u>379,416</u>	<u>2,138,770</u>	37.3%	<u>885,682</u>
<u>City Attorney</u>						
CITY ATTORNEY	2,241,695	584,588	14,286	1,642,821	26.7%	
<i>Total</i>	<u>2,241,695</u>	<u>584,588</u>	<u>14,286</u>	<u>1,642,821</u>	26.7%	<u>561,787</u>
<u>Administration</u>						
CITY ADMINISTRATOR	1,709,162	389,878	48,730	1,270,554	25.7%	
CITY TV	575,011	131,959	57,881	385,171	33.0%	
<i>Total</i>	<u>2,284,173</u>	<u>521,837</u>	<u>106,611</u>	<u>1,655,725</u>	27.5%	<u>605,214</u>
<u>Administrative Services</u>						
CITY CLERK	501,662	141,399	11,069	349,194	30.4%	
HUMAN RESOURCES	1,486,320	329,917	33,126	1,123,277	24.4%	
EMPLOYEE DEVELOPMENT	49,468	5	3,450	46,013	7.0%	
<i>Total</i>	<u>2,037,450</u>	<u>471,321</u>	<u>47,645</u>	<u>1,518,484</u>	25.5%	<u>456,686</u>
<u>Finance</u>						
ADMINISTRATION	260,409	56,293	45,342	158,775	39.0%	
REVENUE & CASH MANAGEMENT	519,455	126,234	17,600	375,621	27.7%	
CASHIERING & COLLECTION	488,983	125,672	-	363,311	25.7%	
LICENSES & PERMITS	499,751	131,516	10,618	357,616	28.4%	
BUDGET MANAGEMENT	475,712	115,670	31,000	329,042	30.8%	
ACCOUNTING	644,696	149,124	12,557	483,015	25.1%	
PAYROLL	317,283	83,534	-	233,749	26.3%	
ACCOUNTS PAYABLE	239,384	61,133	-	178,251	25.5%	
CITY BILLING & CUSTOMER SERVICE	729,975	133,594	35,547	560,834	23.2%	
PURCHASING	643,166	168,431	4,088	470,646	26.8%	
CENTRAL WAREHOUSE	194,491	50,715	138	143,638	26.1%	
MAIL SERVICES	116,186	27,691	6,149	82,346	29.1%	
<i>Total</i>	<u>5,129,491</u>	<u>1,229,606</u>	<u>163,039</u>	<u>3,736,845</u>	27.1%	<u>1,147,739</u>
TOTAL GENERAL GOVERNMENT	<u>15,101,316</u>	<u>3,697,673</u>	<u>710,997</u>	<u>10,692,646</u>	29.2%	<u>3,657,108</u>
PUBLIC SAFETY						
<u>Police</u>						
CHIEF'S STAFF	1,114,970	287,942	2,621	824,407	26.1%	
SUPPORT SERVICES	687,279	182,480	3,085	501,713	27.0%	
RECORDS BUREAU	1,424,883	364,673	14,088	1,046,122	26.6%	
ADMIN SERVICES	1,035,459	325,539	9,653	700,267	32.4%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
PUBLIC SAFETY						
<u>Police</u>						
PROPERTY ROOM	213,855	54,047	232	159,577	25.4%	
TRAINING/RECRUITMENT	541,866	133,452	31,935	376,479	30.5%	
RANGE	1,372,724	330,120	57,806	984,798	28.3%	
COMMUNITY & MEDIA RELATIONS	862,784	216,842	-	645,942	25.1%	
INFORMATION TECHNOLOGY	1,261,880	451,680	14,292	795,909	36.9%	
INVESTIGATIVE DIVISION	4,956,320	1,316,938	660	3,638,722	26.6%	
CRIME LAB	159,784	41,700	-	118,084	26.1%	
PATROL DIVISION	15,748,702	4,120,232	204,662	11,423,808	27.5%	
TRAFFIC	1,413,132	340,944	1,100	1,071,088	24.2%	
SPECIAL EVENTS	858,861	401,977	-	456,884	46.8%	
TACTICAL PATROL FORCE	1,640,617	388,519	-	1,252,098	23.7%	
STREET SWEEPING ENFORCEMENT	349,699	90,519	-	259,180	25.9%	
NIGHT LIFE ENFORCEMENT	323,946	55,224	-	268,722	17.0%	
PARKING ENFORCEMENT	996,316	238,303	20,000	738,013	25.9%	
COMBINED COMMAND CENTER	2,563,865	588,664	17,001	1,958,200	23.6%	
ANIMAL CONTROL	690,845	145,227	7,500	538,118	22.1%	
<i>Total</i>	<u>38,217,788</u>	<u>10,075,020</u>	<u>384,634</u>	<u>27,758,133</u>	27.4%	<u>10,155,216</u>
<u>Fire</u>						
ADMINISTRATION	885,869	232,054	5,306	648,509	26.8%	
EMERGENCY SERVICES AND PUBLIC ED	318,743	84,109	-	234,634	26.4%	
PREVENTION	1,149,258	304,682	-	844,576	26.5%	
WILDLAND FIRE MITIGATION PROGRAM	196,752	51,402	1,800	143,550	27.0%	
OPERATIONS	18,035,119	5,244,442	45,538	12,745,140	29.3%	
TRAINING AND RECRUITMENT	437,757	105,514	-	332,243	24.1%	
ARFF	1,965,145	518,246	-	1,446,899	26.4%	
<i>Total</i>	<u>22,988,643</u>	<u>6,540,449</u>	<u>52,643</u>	<u>16,395,551</u>	28.7%	<u>6,380,726</u>
TOTAL PUBLIC SAFETY	<u>61,206,430</u>	<u>16,615,469</u>	<u>437,278</u>	<u>44,153,684</u>	27.9%	<u>16,535,942</u>
PUBLIC WORKS						
<u>Public Works</u>						
ADMINISTRATION	1,132,859	249,109	6,628	877,123	22.6%	
ENGINEERING SVCS	5,190,401	1,279,925	10,562	3,899,913	24.9%	
PUBLIC RT OF WAY MGMT	1,097,734	279,134	5,974	812,626	26.0%	
ENVIRONMENTAL PROGRAMS	477,377	54,879	252,955	169,543	64.5%	
<i>Total</i>	<u>7,898,371</u>	<u>1,863,047</u>	<u>276,118</u>	<u>5,759,205</u>	27.1%	<u>1,835,317</u>
TOTAL PUBLIC WORKS	<u>7,898,371</u>	<u>1,863,047</u>	<u>276,118</u>	<u>5,759,205</u>	27.1%	<u>1,835,317</u>
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
REC PROGRAM MGMT	759,266	197,793	11,524	549,949	27.6%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
FACILITIES & SPECIAL EVENTS	776,403	208,089	3,463	564,851	27.2%	
YOUTH ACTIVITIES	1,070,140	439,822	2,313	628,006	41.3%	
ACTIVE ADULTS	717,758	182,860	1,515	533,383	25.7%	
AQUATICS	1,320,503	513,892	33,513	773,099	41.5%	
SPORTS	568,670	140,167	2,232	426,271	25.0%	
TENNIS	289,547	66,225	21,425	201,897	30.3%	
NEIGHBORHOOD & OUTREACH SERV	1,205,643	292,231	-	913,412	24.2%	
ADMINISTRATION	738,630	199,081	2,495	537,054	27.3%	
PROJECT MANAGEMENT TEAM	425,848	108,578	1,209	316,061	25.8%	
PARK OPERATIONS MANAGEMENT	367,305	83,851	3,326	280,129	23.7%	
GROUNDS & FACILITIES MAINTENANCE	4,956,440	1,194,520	143,144	3,618,776	27.0%	
FORESTRY	1,205,841	327,279	55,988	822,574	31.8%	
BEACH MAINTENANCE	160,875	36,135	10,572	114,168	29.0%	
MEDIANS PARKWAYS & CONTRACTS	1,211,051	222,358	35,009	953,685	21.3%	
<i>Total</i>	<u>15,773,921</u>	<u>4,212,880</u>	<u>327,727</u>	<u>11,233,314</u>	28.8%	<u>4,042,933</u>
<u>Library</u>						
ADMINISTRATION	478,261	127,310	-	350,951	26.6%	
PUBLIC SERVICES	2,770,010	687,471	-	2,082,539	24.8%	
SUPPORT SERVICES	1,717,781	440,078	129,193	1,148,510	33.1%	
<i>Total</i>	<u>4,966,052</u>	<u>1,254,859</u>	<u>129,193</u>	<u>3,582,000</u>	27.9%	<u>1,150,722</u>
TOTAL COMMUNITY SERVICES	<u>20,739,973</u>	<u>5,467,739</u>	<u>456,920</u>	<u>14,815,314</u>	28.6%	<u>5,193,655</u>
COMMUNITY DEVELOPMENT						
<u>Community Development</u>						
ADMINISTRATION	695,290	223,893	1,229	470,169	32.4%	
RENTAL HOUSING MEDIATION	190,415	53,757	-	136,658	28.2%	
HUMAN SERVICES	1,001,899	71,520	146,350	784,029	21.7%	
HOUSING PRESERVATION AND DEV	37,784	2,421	35,364	(1)	100.0%	
LONG RANGE PLAN & SPEC STUDY	888,268	220,260	10,870	657,137	26.0%	
DEVEL & ENVIRONMENTAL REVIEW	1,397,024	352,208	7,422	1,037,394	25.7%	
ZONING INFO & ENFORCEMENT	1,411,287	359,326	4,518	1,047,443	25.8%	
DESIGN REV & HIST PRESERVATION	1,167,654	276,864	3,539	887,251	24.0%	
BLDG INSP & CODE ENFORCEMENT	1,179,595	293,785	604	885,207	25.0%	
RECORDS ARCHIVES & CLER SVCS	585,566	136,340	8,171	441,055	24.7%	
BLDG COUNTER & PLAN REV SVCS	1,433,031	388,525	5,903	1,038,603	27.5%	
<i>Total</i>	<u>9,987,813</u>	<u>2,378,898</u>	<u>223,970</u>	<u>7,384,945</u>	26.1%	<u>2,188,932</u>
TOTAL COMMUNITY DEVELOPMENT	<u>9,987,813</u>	<u>2,378,898</u>	<u>223,970</u>	<u>7,384,945</u>	26.1%	<u>2,188,932</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
OTHER	-	1,749	-	(1,749)	100.0%	
TRANSFERS OUT	198,500	49,625	-	148,875	25.0%	
DEBT SERVICE TRANSFERS	351,276	314,699	-	36,577	89.6%	
CAPITAL OUTLAY TRANSFER	1,725,000	431,250	-	1,293,750	25.0%	
APPROP.RESERVE	373,101	-	-	373,101	0.0%	
<i>Total</i>	<u>2,647,877</u>	<u>797,323</u>	<u>-</u>	<u>1,850,554</u>	30.1%	<u>570,231</u>
TOTAL NON-DEPARTMENTAL	<u>2,647,877</u>	<u>797,323</u>	<u>-</u>	<u>1,850,554</u>	30.1%	<u>570,231</u>
 TOTAL EXPENDITURES	 <u>117,581,780</u>	 <u>30,820,149</u>	 <u>2,105,283</u>	 <u>84,656,347</u>	 28.0%	 <u>29,981,185</u>

*** The legal level of budgetary control is at the department level for the General Fund. Therefore, as long as the department as a whole is within budget, budgetary compliance has been achieved. The City actively monitors the budget status of each department and takes measures to address potential over budget situations before they occur.*

For Enterprise and Internal Service Funds, the level of budgetary control is at the fund level. The City also monitors and addresses these fund types for potential over budget situations.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Special Revenue Funds
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
TRAFFIC SAFETY FUND					
Revenue	525,000	65,202	-	459,798	12.4%
Expenditures	<u>525,000</u>	<u>65,342</u>	<u>-</u>	<u>459,658</u>	12.4%
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>(140)</u>	<u>-</u>	<u>140</u>	
CREEK RESTORATION/WATER QUALITY IMPRVMT					
Revenue	3,625,652	1,287,254	-	2,338,398	35.5%
Expenditures	<u>4,072,687</u>	<u>794,204</u>	<u>417,486</u>	<u>2,860,997</u>	29.8%
<i>Revenue Less Expenditures</i>	<u>(447,035)</u>	<u>493,051</u>	<u>(417,486)</u>	<u>(522,600)</u>	
COMMUNITY DEVELOPMENT BLOCK GRANT					
Revenue	1,188,961	57,046	-	1,131,915	4.8%
Expenditures	<u>1,206,854</u>	<u>155,314</u>	<u>17,423</u>	<u>1,034,117</u>	14.3%
<i>Revenue Less Expenditures</i>	<u>(17,893)</u>	<u>(98,268)</u>	<u>(17,423)</u>	<u>97,798</u>	
COUNTY LIBRARY					
Revenue	1,910,415	190,157	-	1,720,258	10.0%
Expenditures	<u>2,080,454</u>	<u>509,617</u>	<u>2,060</u>	<u>1,568,777</u>	24.6%
<i>Revenue Less Expenditures</i>	<u>(170,039)</u>	<u>(319,460)</u>	<u>(2,060)</u>	<u>151,481</u>	
STREETS FUND					
Revenue	10,216,835	2,586,683	-	7,630,152	25.3%
Expenditures	<u>13,401,649</u>	<u>2,400,247</u>	<u>2,776,298</u>	<u>8,225,104</u>	38.6%
<i>Revenue Less Expenditures</i>	<u>(3,184,814)</u>	<u>186,435</u>	<u>(2,776,298)</u>	<u>(594,951)</u>	
MEASURE A					
Revenue	3,376,976	570,021	-	2,806,955	16.9%
Expenditures	<u>5,037,484</u>	<u>921,664</u>	<u>1,618,762</u>	<u>2,497,058</u>	50.4%
<i>Revenue Less Expenditures</i>	<u>(1,660,508)</u>	<u>(351,643)</u>	<u>(1,618,762)</u>	<u>309,897</u>	

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

SOLID WASTE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service charges	20,092,765	5,057,373	-	15,035,392	25.2%	4,959,047
Other Fees & Charges	297,342	-	-	297,342	0.0%	-
Investment Income	-	1,215	-	(1,215)	100.0%	-
Grants	20,000	-	-	20,000	0.0%	-
Miscellaneous	235,669	1,067	-	234,602	0.5%	221,315
TOTAL REVENUES	<u>20,645,776</u>	<u>5,059,656</u>	<u>-</u>	<u>15,586,120</u>	24.5%	<u>5,180,362</u>
EXPENSES						
Salaries & Benefits	1,021,244	241,805	-	779,439	23.7%	230,962
Materials, Supplies & Services	18,711,809	4,611,029	310,803	13,789,977	26.3%	4,409,658
Special Projects	555,532	8,909	44	546,579	1.6%	4,679
Transfers-Out	50,000	12,500	-	37,500	25.0%	12,500
Capital Outlay Transfers	-	-	-	-	0.0%	4,389
Equipment	149,783	1,065	2,306	146,412	2.3%	-
Other	100,000	-	-	100,000	0.0%	-
Appropriated Reserve	25,000	-	-	25,000	0.0%	-
TOTAL EXPENSES	<u>20,613,368</u>	<u>4,875,308</u>	<u>313,153</u>	<u>15,424,907</u>	25.2%	<u>4,662,188</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

WATER OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Water Sales- Metered	34,869,458	9,631,129	-	25,238,329	27.6%	9,764,521
Service Charges	606,500	232,254	-	374,246	38.3%	165,586
Cater JPA Treatment Charges	2,516,860	-	-	2,516,860	0.0%	491,989
Investment Income	529,200	122,889	-	406,311	23.2%	128,127
Rents & Concessions	22,872	5,718	-	17,154	25.0%	5,718
Reimbursements	782,779	10,460	-	772,319	1.3%	7,011
Miscellaneous	20,000	14,070	-	5,930	70.3%	9,213
TOTAL REVENUES	<u>39,347,669</u>	<u>10,016,520</u>	<u>-</u>	<u>29,331,149</u>	25.5%	<u>10,572,165</u>
EXPENSES						
Salaries & Benefits	8,724,787	2,198,868	-	6,525,919	25.2%	2,090,954
Materials, Supplies & Services	10,816,686	1,727,413	2,440,675	6,648,599	38.5%	1,767,836
Special Projects	794,959	53,309	68,402	673,248	15.3%	85,832
Water Purchases	8,716,165	2,093,633	111,462	6,511,070	25.3%	1,733,024
Debt Service	5,087,163	1,714,917	-	3,372,246	33.7%	16,338
Transfer-Out	911,346	911,346	-	-	100.0%	-
Capital Outlay Transfers	10,469,228	2,617,307	-	7,851,921	25.0%	2,797,308
Equipment	206,953	25,288	17,566	164,098	20.7%	9,281
Capitalized Fixed Assets	132,175	7,795	36,346	88,035	33.4%	7,571
Other	35,000	550	-	34,450	1.6%	1,555
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>46,044,462</u>	<u>11,350,425</u>	<u>2,674,451</u>	<u>32,019,586</u>	30.5%	<u>8,509,699</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

WASTEWATER OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service Charges	17,928,555	4,419,178	-	13,509,377	24.6%	4,482,679
Fees	775,071	355,106	-	419,965	45.8%	281,360
Investment Income	158,100	39,725	-	118,375	25.1%	38,622
Rents & Concessions	20,887	-	-	20,887	0.0%	6,955
Miscellaneous	1,000	8,816	-	(7,816)	881.6%	(407)
TOTAL REVENUES	<u>18,883,613</u>	<u>4,822,825</u>	<u>-</u>	<u>14,060,788</u>	25.5%	<u>4,809,209</u>
EXPENSES						
Salaries & Benefits	5,893,242	1,437,423	-	4,455,819	24.4%	1,380,816
Materials, Supplies & Services	7,401,610	1,462,028	1,951,782	3,987,800	46.1%	1,186,243
Special Projects	745,482	31,648	143,041	570,793	23.4%	11,691
Debt Service	1,848,322	342,452	-	1,505,870	18.5%	471
Capital Outlay Transfers	3,928,500	982,125	-	2,946,375	25.0%	1,038,682
Equipment	96,568	2,936	1,568	92,064	4.7%	2,835
Capitalized Fixed Assets	26,000	-	1,500	24,500	5.8%	486
Other	3,000	2,750	-	250	91.7%	1,000
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>20,092,724</u>	<u>4,261,362</u>	<u>2,097,891</u>	<u>13,733,471</u>	31.6%	<u>3,622,224</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

DOWNTOWN PARKING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Improvement Tax	980,000	266,021	-	713,979	27.1%	240,273
Parking Fees	6,535,946	1,717,240	-	4,818,706	26.3%	1,619,531
Other Fees & Charges	3,000	1,024	-	1,976	34.1%	1,024
Investment Income	102,100	24,854	-	77,246	24.3%	25,699
Rents & Concessions	104,000	27,348	-	76,652	26.3%	22,231
Miscellaneous	4,000	3,526	-	474	88.2%	671
Operating Transfers-In	193,500	48,375	-	145,125	25.0%	10,875
TOTAL REVENUES	<u>7,922,546</u>	<u>2,088,389</u>	<u>-</u>	<u>5,834,157</u>	26.4%	<u>1,920,304</u>
EXPENSES						
Salaries & Benefits	4,183,765	1,106,521	-	3,077,244	26.4%	1,059,405
Materials, Supplies & Services	2,338,253	481,703	162,190	1,694,361	27.5%	439,410
Special Projects	558,431	103,354	369,118	85,958	84.6%	63,602
Transfer-Out	309,125	77,281	-	231,844	25.0%	75,766
Capital Outlay Transfers	970,000	242,500	-	727,500	25.0%	376,938
Equipment	27,470	1,388	6,738	19,344	29.6%	-
Appropriated Reserve	50,000	-	-	50,000	0.0%	-
TOTAL EXPENSES	<u>8,437,044</u>	<u>2,012,748</u>	<u>538,046</u>	<u>5,886,250</u>	30.2%	<u>2,015,121</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

AIRPORT OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Leases-Commercial/Industrial	4,545,175	1,066,418	-	3,478,757	23.5%	1,085,275
Leases-Terminal	4,607,134	1,303,704	-	3,303,430	28.3%	1,195,161
Leases-Non-Commercial Aviation	1,819,730	486,237	-	1,333,493	26.7%	417,254
Leases-Commercial Aviation	4,218,655	1,171,185	-	3,047,470	27.8%	991,670
Investment Income	121,300	25,762	-	95,538	21.2%	30,800
Miscellaneous	157,355	120,788	-	36,567	76.8%	33,495
TOTAL REVENUES	<u>15,469,349</u>	<u>4,174,095</u>	<u>-</u>	<u>11,295,254</u>	<u>27.0%</u>	<u>3,753,655</u>
EXPENSES						
Salaries & Benefits	5,723,701	1,417,388	-	4,306,313	24.8%	1,331,595
Materials, Supplies & Services	7,946,701	1,638,608	685,425	5,622,668	29.2%	1,535,104
Special Projects	94,926	-	-	94,926	0.0%	57,038
Transfer-Out	20,354	5,089	-	15,265	25.0%	4,932
Debt Service	1,815,718	453,930	-	1,361,789	25.0%	-
Capital Outlay Transfers	-	-	-	-	0.0%	394,048
Equipment	80,794	15,668	2,885	62,241	23.0%	16,747
Appropriated Reserve	103,856	-	-	103,856	0.0%	-
TOTAL EXPENSES	<u>15,786,050</u>	<u>3,530,682</u>	<u>688,310</u>	<u>11,567,058</u>	<u>26.7%</u>	<u>3,339,464</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

GOLF COURSE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Fees & Card Sales	1,766,876	459,201	-	1,307,675	26.0%	478,200
Investment Income	10,100	2,007	-	8,093	19.9%	2,835
Rents & Concessions	313,572	84,923	-	228,649	27.1%	101,193
Miscellaneous	500	313	-	187	62.5%	(140)
TOTAL REVENUES	<u>2,091,048</u>	<u>546,444</u>	<u>-</u>	<u>1,544,604</u>	<u>26.1%</u>	<u>582,088</u>
EXPENSES						
Salaries & Benefits	1,108,919	296,553	-	812,366	26.7%	267,338
Materials, Supplies & Services	621,441	139,623	-	481,818	22.5%	149,031
Special Projects	363	-	-	363	0.0%	-
Debt Service	245,698	169,522	-	76,176	69.0%	165,865
Capital Outlay Transfers	80,727	20,182	-	60,545	25.0%	53,671
Equipment	3,000	-	-	3,000	0.0%	-
Other	900	901	-	(1)	100.1%	864
TOTAL EXPENSES	<u>2,061,048</u>	<u>626,782</u>	<u>-</u>	<u>1,434,266</u>	<u>30.4%</u>	<u>636,769</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

INTRA-CITY SERVICE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service Charges	2,638,369	659,592	-	1,978,777	25.0%	632,694
Work Orders - Bldg Maint.	2,604,016	629,273	-	1,974,743	24.2%	527,939
Miscellaneous	69,750	224,058	-	(154,308)	321.2%	10,561
Operating Transfers-In	5,000	1,250	-	3,750	25.0%	-
TOTAL REVENUES	<u>5,317,135</u>	<u>1,514,173</u>	<u>-</u>	<u>3,802,962</u>	28.5%	<u>1,171,194</u>
EXPENSES						
Salaries & Benefits	3,618,855	933,510	-	2,685,345	25.8%	873,274
Materials, Supplies & Services	1,566,678	319,819	50,810	1,196,049	23.7%	330,983
Special Projects	481,712	117,729	199,263	164,720	65.8%	162,197
Equipment	15,000	1,235	-	13,765	8.2%	-
Capitalized Fixed Assets	13,349	2,286	2,913	8,150	38.9%	3,648
Appropriated Reserve	26,485	-	-	26,485	0.0%	-
TOTAL EXPENSES	<u>5,722,079</u>	<u>1,374,579</u>	<u>252,986</u>	<u>4,094,514</u>	28.4%	<u>1,370,102</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

FLEET REPLACEMENT FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Vehicle Rental Charges	2,244,137	561,034	-	1,683,103	25.0%	557,201
Investment Income	123,000	28,656	-	94,344	23.3%	31,191
Rents & Concessions	233,966	58,492	-	175,474	25.0%	58,495
Miscellaneous	130,048	31,649	-	98,399	24.3%	25,943
TOTAL REVENUES	<u>2,731,151</u>	<u>679,831</u>	<u>-</u>	<u>2,051,320</u>	24.9%	<u>672,830</u>
EXPENSES						
Salaries & Benefits	200,432	47,558	-	152,874	23.7%	49,938
Materials, Supplies & Services	2,725	456	-	2,269	16.7%	545
Special Projects	-	612	-	(612)	100.0%	5,528
Capitalized Fixed Assets	5,713,809	187,040	1,998,458	3,528,312	38.2%	255,355
TOTAL EXPENSES	<u>5,916,966</u>	<u>235,666</u>	<u>1,998,458</u>	<u>3,682,842</u>	37.8%	<u>311,366</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

FLEET MAINTENANCE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Vehicle Maintenance Charges	2,527,627	631,907	-	1,895,720	25.0%	615,858
Reimbursements	10,000	2,500	-	7,500	25.0%	2,500
Miscellaneous	103,070	30,783	-	72,287	29.9%	26,703
TOTAL REVENUES	<u>2,640,697</u>	<u>665,190</u>	<u>-</u>	<u>1,975,507</u>	25.2%	<u>645,061</u>
EXPENSES						
Salaries & Benefits	1,331,631	299,862	-	1,031,769	22.5%	325,488
Materials, Supplies & Services	1,221,460	258,521	268,518	694,422	43.1%	246,276
Special Projects	61,300	2,169	12,142	46,989	23.3%	3,610
Debt Service	43,070	10,768	-	32,303	25.0%	10,767
Equipment	9,000	-	-	9,000	0.0%	9,990
Capitalized Fixed Assets	646,181	6,646	3,035	636,500	1.5%	-
Appropriated Reserve	16,067	-	-	16,067	0.0%	-
TOTAL EXPENSES	<u>3,328,709</u>	<u>577,965</u>	<u>283,695</u>	<u>2,467,049</u>	25.9%	<u>596,131</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

SELF INSURANCE TRUST FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Insurance Premiums	2,785,022	696,256	-	2,088,766	25.0%	689,028
Workers' Compensation Premiums	3,388,165	847,041	-	2,541,124	25.0%	737,675
OSH Charges	203,462	50,866	-	152,596	25.0%	48,458
Investment Income	55,200	9,782	-	45,418	17.7%	11,415
Miscellaneous	-	1,000	-	(1,000)	100.0%	3,573
Operating Transfers-In	75,825	18,956	-	56,869	25.0%	-
TOTAL REVENUES	<u>6,507,674</u>	<u>1,623,901</u>	<u>-</u>	<u>4,883,773</u>	25.0%	<u>1,490,149</u>
EXPENSES						
Salaries & Benefits	571,460	127,057	-	444,403	22.2%	134,117
Materials, Supplies & Services	5,606,502	1,655,621	387,301	3,563,580	36.4%	1,442,597
Special Projects	121	-	-	121	0.0%	-
Equipment	245	245	-	-	100.0%	-
TOTAL EXPENSES	<u>6,178,328</u>	<u>1,782,923</u>	<u>387,301</u>	<u>4,008,105</u>	35.1%	<u>1,576,714</u>

The Self Insurance Trust Fund is an internal service fund of the City, which accounts for the cost of providing workers' compensation, property and liability insurance as well as unemployment insurance and certain self-insured employee benefits on a city-wide basis. Internal Service Funds charge other funds for the cost of providing their specific services.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

INFORMATION SYSTEMS ICS FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service charges	3,120,588	780,147	-	2,340,441	25.0%	628,749
TOTAL REVENUES	<u>3,120,588</u>	<u>780,147</u>	<u>-</u>	<u>2,340,441</u>	<u>25.0%</u>	<u>628,749</u>
EXPENSES						
Salaries & Benefits	1,950,182	453,660	-	1,496,522	23.3%	434,444
Materials, Supplies & Services	1,017,256	284,100	62,042	671,113	34.0%	215,143
Special Projects	18,400	-	-	18,400	0.0%	-
Capital Outlay Transfers	344,000	86,000	-	258,000	25.0%	53,000
Equipment	8,250	593	-	7,657	7.2%	18,615
Capital Fixed Assets	1,000	-	-	1,000	0.0%	102,748
Appropriated Reserve	13,053	-	-	13,053	0.0%	-
TOTAL EXPENSES	<u>3,352,141</u>	<u>824,353</u>	<u>62,042</u>	<u>2,465,745</u>	<u>26.4%</u>	<u>823,950</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2014 (25% of Fiscal Year)

WATERFRONT FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Leases - Commercial	1,401,007	499,058	-	901,949	35.6%	444,753
Leases - Food Service	2,694,636	988,034	-	1,706,602	36.7%	870,937
Slip Rental Fees	4,204,739	1,063,938	-	3,140,801	25.3%	1,033,074
Visitors Fees	455,000	154,248	-	300,752	33.9%	115,520
Slip Transfer Fees	575,000	483,850	-	91,150	84.1%	141,950
Parking Revenue	2,069,466	857,422	-	1,212,044	41.4%	814,076
Wharf Parking	255,000	78,982	-	176,019	31.0%	76,465
Grants	25,600	-	-	25,600	0.0%	-
Other Fees & Charges	236,723	62,124	-	174,599	26.2%	64,926
Investment Income	117,000	22,074	-	94,926	18.9%	55,026
Rents & Concessions	304,966	77,879	-	227,087	25.5%	94,512
Miscellaneous	322,000	45,719	-	276,281	14.2%	51,386
TOTAL REVENUES	<u>12,661,137</u>	<u>4,333,328</u>	<u>-</u>	<u>8,327,809</u>	<u>34.2%</u>	<u>3,762,625</u>
EXPENSES						
Salaries & Benefits	6,050,691	1,601,844	-	4,448,847	26.5%	1,530,184
Materials, Supplies & Services	4,018,126	967,080	863,317	2,187,729	45.6%	807,031
Special Projects	261,506	24,317	-	237,189	9.3%	21,861
Debt Service	1,729,040	512,529	-	1,216,511	29.6%	351,455
Capital Outlay Transfers	1,385,000	346,250	-	1,038,750	25.0%	386,039
Equipment	82,759	11,729	6,936	64,093	22.6%	5,682
Capital Fixed Assets	17,104	-	17,104	-	100.0%	6,973
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
TOTAL EXPENSES	<u>13,644,226</u>	<u>3,463,750</u>	<u>887,357</u>	<u>9,293,118</u>	<u>31.9%</u>	<u>3,109,225</u>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

City of Santa Barbara
Interim Financial Statements for the Three Months Ended September 30, 2014
Proposed Budget Adjustments

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
GENERAL FUND (1000)			
City Attorney			
Allocate funding from Appropriated Reserves for Employee Loan Forgiveness	\$ 12,000	\$ -	\$ (12,000)
Pursuant to the provisions of the Employee Mortgage Loan Assistance Program (EMLAP), the City is forgiving 50% of the "Points Loan" for an employee in the City Attorney's Office that has achieved the 10-year mark.			
Community Development			
Increase Estimated Revenues for Rental Housing Mediation Services - Donations & Grants	-	16,750	16,750
Increase Appropriations for Salary Costs for Rental Housing Mediation Services	16,750	-	(16,750)
Subsequent to budget adoption in June 2014, additional funding commitments were made for the Rental Housing Mediation Services program from the Housing Authority, County of Santa Barbara, City of Goleta, City Human Services, City of Carpinteria and from fundraising donations. These recommended entries will increase estimated revenues for the additional grants and donations and increase appropriations for salary and benefit costs to provide additional rental housing mediation services.			
General Government			
Allocate funding from Appropriated Reserve to the City Attorney's Office	(12,000)	-	12,000
Total General Fund	<u>\$ 16,750</u>	<u>\$ 16,750</u>	<u>\$ -</u>
CAPITAL OUTLAY FUND (3000)			
Parks and Recreation			
Increase Appropriations for New Dwight Murphy Ball Field Irrigation Renovation Project	\$ 80,000	\$ -	\$ (80,000)
In the prior fiscal year, \$150,000 was budgeted in the Capital Outlay Fund for Pool ADA Regulatory Improvements. The project was delayed until Fiscal Year 2015 and staff determined a budget of only \$70,000 is needed to complete the planned improvements at the Oak Park wading pool. The remaining \$80,000 dropped to reserves at June 30, 2014 and staff is recommending the use of these reserves to increase appropriations for a new Dwight Murphy Ball Field Irrigation Renovation project. This project will improve water conservation with more efficient irrigation and provide an improved quality field for recreational users.			
Total Capital Outlay Fund	<u>\$ 80,000</u>	<u>\$ -</u>	<u>\$ (80,000)</u>
SPECIAL REVENUE FUNDS			
Streets Fund (2400)			
Reduce Estimated Revenues for Utility Users Tax in the Streets Fund	\$ -	\$ (118,009)	\$ (118,009)
Pursuant to City ordinance, 50% of the City's Utility Users Tax (UUT) is restricted to streets and roads and is budgeted in the Streets Fund. Prior to Council adoption of the Fiscal Year 2015 budget, staff projected a reduction in total UUT based on updated projections. General Fund UUT revenues were adjusted and adopted by Council in June 2014; however, UUT revenues in the Streets Fund were not adjusted. This recommended entry is a technical correction to reduce estimated revenues for Utility Users Tax in the Streets Fund to represent estimated UUT revenues for Fiscal Year 2015. The Streets Fund has available reserves to cover the reduction in UUT revenues.			

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
--	--	--	--

SPECIAL REVENUE FUNDS (cont.)

Streets Fund (2400)

Increase Estimated Revenues for X2 Telecom Lease	-	6,973	6,973
Increase Appropriations for Electronic Communications Technician Salaries	6,973	-	(6,973)

Public Works is currently receiving \$6,973 annually in unbudgeted lease revenue from X2 Telecom for an underground fiber optic telecommunications transmission system and certain public street rights-of-way owned by the City of Santa Barbara. Additionally, Public Works is estimating approximately \$6,973 in unbudgeted standby pay salary costs for two Electronic Communication Technicians to respond to traffic signal malfunctions on weekends and holidays. These recommended entries will increase estimated revenues for lease revenues and increase appropriations for the additional salaries.

Transfer to Streets Capital for Cacique & Soledad Project - City Match	25,000	-	(25,000)
Transfer to Streets Capital for Lower Milpas Pedestrian Project - Initiation Costs	25,000	-	(25,000)

Since adoption of the Fiscal Year 2015 budget, Public Works applied for and received four Active Transportation Program grants. These recommended entries will transfer from Streets Fund reserves to the Streets Capital Fund the City Match for the Cacique & Soledad Pedestrian/Bicycle Bridges and fund project initiation costs needed prior to Caltrans's authorization to begin reimbursable work for the Lower Milpas Pedestrian Improvement Project.

Reduce Upper De La Vina Pedestrian Impr. Project for Transfer to Streets Capital - City Match	(51,047)	-	51,047
Transfer Upper De La Vina Pedestrian Improvement Project to Streets Capital - City Match	51,047	-	(51,047)

Beginning in Fiscal Year 2015, the Streets Fund has been split into two funds: Streets and Streets Capital. In the prior fiscal year, staff appropriated \$51,047 in the combined Streets Fund for the City's match for the Measure A grant funded project for crosswalk enhancements at three intersections on upper De La Vina Street. Due to staff workload, the project was postponed until Fiscal Year 2015; therefore, the appropriations were properly carried over from Fiscal Year 2014 to Fiscal Year 2015 in the Streets Fund. Staff has determined that the project and appropriations relate to a capital project and should be accounted for in the new Streets Capital Fund rather than the Streets Fund. These recommended entries will transfer the City's match for the Upper De La Vina Pedestrian Improvement project from the Streets Fund to the Streets Capital Fund.

Total Streets Fund	<u>\$ 6,973</u>	<u>\$ (111,036)</u>	<u>\$ (118,009)</u>
---------------------------	-----------------	---------------------	---------------------

Streets Capital Fund (3400)

Adjust Capital Project Budgets:			
Transfer from Streets Fund and Appropriate for Cacique & Soledad - City Match	25,000	25,000	-
Transfer from Streets Fund and Appropriate for Lower Milpas Project - Initiation Costs	25,000	25,000	-
Reduce Appropriations for State Route 225 Relinquishment Project	\$ (203,000)	\$ -	\$ 203,000
Transfer Available Approp. from State Route 225 Relinq. for Las Positas Multiuse Project for:			
1) City Match	178,000	-	(178,000)
2) Initiation Costs	25,000	-	(25,000)

Since adoption of the Fiscal Year 2015 budget, Public Works applied for and received four Active Transportation Program grants. These recommended entries will transfer from either Streets Fund reserves or available project appropriations in the Streets Capital Fund and increase appropriations for 1) the City Match for the Cacique & Soledad Pedestrian/Bicycle Bridges and Corridor Improvements Project and the Las Positas Road Multiuse Path Project and 2) the initiation costs needed prior to Caltrans's authorization to begin reimbursable work for the Las Positas Road Multiuse Path Project and the Lower Milpas Pedestrian Improvement Project.

Transfer from Streets Fund and Appropriate for Upper De La Vina Ped. Project - City Match	51,047	51,047	-
---	--------	--------	---

Beginning in Fiscal Year 2015, the Streets Fund has been split into two funds: Streets and Streets Capital. In the prior fiscal year, staff appropriated \$51,047 in the combined Streets Fund for the City's match for the Measure A grant funded project for crosswalk enhancements at three intersections on upper De La Vina Street. Due to staff workload, the project was postponed until Fiscal Year 2015; therefore, the appropriations were properly carried over from Fiscal Year 2014 to Fiscal Year 2015 in the Streets Fund. Staff has determined that the project and appropriations relate to a capital project and should be accounted for in the new Streets Capital Fund rather than the Streets Fund. These recommended entries will transfer the City's match for the Upper De La Vina Pedestrian Improvement project from the Streets Fund to the Streets Capital Fund.

Total Streets Capital Fund	<u>\$ 101,047</u>	<u>\$ 101,047</u>	<u>\$ -</u>
-----------------------------------	-------------------	-------------------	-------------

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
SPECIAL REVENUE FUNDS (cont.)			
Streets Grant Capital Fund (3410)			
Adjust Capital Project Budgets:			
New Cacique & Soledad Pedestrian/Bicycle Bridges Project - Grant	\$ 150,000	\$ 150,000	\$ -
New Las Positas Road Multiuse Path Project - Grant	354,000	354,000	-
New Lower Milpas Pedestrian Improvement Project - Grant	125,000	125,000	-
New Montecito-Yanonali Bridge Replacement and Pedestrian Imp. Project - Grant	597,000	597,000	
Since adoption of the Fiscal Year 2015 budget, Public Works applied for and received four Active Transportation Program grants. These recommended entries will increase estimated revenues and appropriations for the following four Caltrans grants: Cacique & Soledad Pedestrian/Bicycle Bridges and Corridor Improvements Project, Las Positas Road Multiuse Path Project, Lower Milpas Pedestrian Improvement Project, and Montecito-Yanonali Bridge Replacement and Pedestrian Improvements Project.			
Total Streets Grant Capital Fund	<u>\$ 1,226,000</u>	<u>\$ 1,226,000</u>	<u>\$ -</u>
County Library Fund (2500)			
Increase Estimated Revenues for the Carpinteria Branch for:			
1) City of Carpinteria Additional Contribution	\$ -	\$ 20,000	\$ 20,000
2) Friends of Carpinteria Libraries Additional Donation	-	20,000	20,000
Subsequent to budget adoption in June 2014, both the City of Carpinteria and Friends of the Carpinteria Libraries pledged additional revenues to the Carpinteria Branch. The additional funds were pledged in order to lessen the use of gift and trust funds in Fiscal Year 2015. These recommended entries with increase estimated revenues for the additional contribution and donation made by the City of Carpinteria and Friends of Carpinteria Libraries for the Carpinteria Branch for Fiscal Year 2015.			
Total County Library Fund	<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>
Miscellaneous Grants - Parks and Recreation Fund (2860)			
Increase Appropriations for Joint Use Projects Agreement with Santa Barbara Unified			
	\$ 5,054	\$ -	\$ (5,054)
Prior to Fiscal Year 2015, the City and the Santa Barbara Unified School District maintained a Joint Use agreement whereby the City would provide administration and certain field maintenance services. The City was responsible for scheduling and collecting fees for school fields and the agreement required a payout of any remaining fees upon completion of the agreement. The agreement entered into for Fiscal Year 2015 does not call for the City to provide scheduling services, thus the remaining fees are now due. This recommended entry will increase appropriations from the Joint Use reserve in the Miscellaneous Grants Fund for distribution to the Santa Barbara Unified School District.			
Total Miscellaneous Grants - Parks and Recreation Fund	<u>\$ 5,054</u>	<u>\$ -</u>	<u>\$ (5,054)</u>
ENTERPRISE FUNDS			
Water Fund (5000)			
Reduce Appropriations in Salaries & Benefits for Staff Performing Drought Work			
	\$ (75,000)	\$ -	\$ 75,000
Transfer Permanent Salaries & Benefits to Drought Fund			
	75,000	-	(75,000)
In Fiscal Year 2015, there are two permanent City employees who are performing drought activities in place of their regular duties. Their time is being charged to the Drought Fund rather than their home program. These recommended entries will transfer salary and benefit appropriations from the Water Fund to the Drought Fund where the costs are being incurred.			
Total Water Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
ENTERPRISE FUNDS (cont.)			
Water Drought Fund (5011)			
Transfer from Water Fund and Appropriate for Salaries & Benefits - Drought Work	\$ 75,000	\$ 75,000	\$ -
In Fiscal Year 2015, there are two permanent City employees who are performing drought activities in place of their regular duties. Their time is being charged to the Drought Fund rather than their home program. These recommended entries will transfer salary and benefit appropriations from the Water Fund to the Drought Fund where the costs are being incurred.			
Total Water Drought Fund	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ -</u>
Wastewater Fund (5100)			
Reduce Appropriations for Debt Service - State Revolving Fund Loan Principal	\$ (43,824)	\$ -	\$ 43,824
Prior to Fiscal Year 2015, the City entered into a State Revolving Fund Loan agreement for the Fats, Oils, and Grease (FOG) project. At the time of budget adoption, staff expected project completion by fiscal year-end which would trigger initiation of principal payments. However, due to changes in the project, staff no longer anticipates completion of the project by year-end. Therefore, no principal payments will be due in Fiscal Year 2015. This recommended entry will eliminate the budget for principal payments on the FOG State Revolving Fund Loan.			
Reduce Appropriations for Debt Service - State Revolving Fund Loan Interest	(12,834)	-	12,834
At the time of budget adoption, staff anticipated entering into a State Revolving Fund Loan agreement for the Bio Solids Improvement Project during Fiscal Year 2015. However, due to changes in timelines, staff does not anticipate receiving the loan prior to year-end. This recommended entry will eliminate the budget for interest only payments on the Bio Solids Improvement Project State Revolving Fund Loan as no principal payments were budgeted.			
Total Wastewater Fund	<u>\$ (56,658)</u>	<u>\$ -</u>	<u>\$ 56,658</u>
Golf Operating Fund (5600)			
Increase Appropriations for Debt Service - Safety Improvement Loan	\$ 19,197	\$ -	\$ (19,197)
At the time of budget adoption in June 2014, the loan amortization schedule used to estimate total principal and interest payments for the Golf Safety Improvement Loan did not include the non-cash accrued interest amount. This recommended entry is a technical correction that will increase appropriations from reserves for accrued interest on the Safety Improvement Loan.			
Total Golf Operating Fund	<u>\$ 19,197</u>	<u>\$ -</u>	<u>\$ (19,197)</u>
Airport Capital Fund (5710)			
Transfer from Airport Capital Grants for Reimbursement of City's Share - Rehab of Taxiways	\$ -	\$ 88,550	\$ 88,550
Increase Appropriations for Federal Aviation Administration Design Development	11,283	-	(11,283)
Upon completion of the Rehab of Taxiways C, H and J project in the Airport Capital Grants Fund, \$88,550 of available appropriations remained representing the City's share of costs budgeted in both the Airport Capital and Airport Capital Grants Fund. At grant initiation, the Airport contributed the entire grant from the Airport Capital Fund to the Airport Capital Grants Fund and the \$88,550 for the City's share was spent out of the Airport Capital Fund. These recommended entries will transfer remaining available appropriations in the Rehab of Taxiways project in the Airport Capital Grants Fund to the Airport Capital Fund for reimbursement of the City's share of costs and will re-appropriate \$11,283 to Federal Aviation Administration Design Development.			
Total Airport Capital Fund	<u>\$ 11,283</u>	<u>\$ 88,550</u>	<u>\$ 77,267</u>

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
ENTERPRISE FUNDS (cont.)			
Airport Capital Grants Fund (5720)			
Reduce Appropriations for Completed Rehab of Taxiways C, H and J Project	\$ (88,550)	\$ -	\$ 88,550
Transfer to Airport Capital Fund for Reimbursement of City's Share - Rehab of Taxiways	88,550	-	(88,550)
Upon completion of the Rehab of Taxiways C, H and J project in the Airport Capital Grants Fund, \$88,550 of available appropriations remained representing the City's share of costs budgeted in both the Airport Capital and Airport Capital Grants Fund. At grant initiation, the Airport contributed the entire grant from the Airport Capital Fund to the Airport Capital Grants Fund and the \$88,550 for the City's share was spent out of the Airport Capital Fund. These recommended entries will transfer remaining available appropriations in the Rehab of Taxiways project in the Airport Capital Grants Fund to the Airport Capital Fund for reimbursement of the City's share of costs and will re-appropriate \$11,283 to Federal Aviation Administration Design Development.			
Total Airport Capital Grants Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Waterfront Fund (5800)			
Increase Appropriations for Debt Service - Marina One State Loan	\$ 51,311	\$ -	\$ (51,311)
At budget adoption in June 2014, total principal and interest payments due on the Marina One State Loan for Fiscal Year 2015 were estimated to be \$337,715. Since budget adoption, the State has provided updated loan amortization schedules with total debt service for Fiscal Year 2015 amounting to \$389,026. This recommended entry will increase appropriations from reserves for principal and interest payments on the Marina One State Loan for Fiscal Year 2015.			
Total Waterfront Fund	<u>\$ 51,311</u>	<u>\$ -</u>	<u>\$ (51,311)</u>
INTERNAL SERVICE FUNDS			
Fleet Replacement Fund (6410)			
Increase Appropriations for Mobile Device Computers Equipment Replacement	\$ 220,000	\$ -	\$ (220,000)
Since Fiscal Year 2008, Fire Department contributions have been made from the General Fund to the Fleet Replacement Fund for Mobile Device Computers (MDC) equipment replacement. The current reserve balance for MDC replacement in the Fleet Replacement Fund amounts to \$242,482. This recommended entry will increase appropriations from the MDC reserve in order to replace MDC equipment on fire apparatuses that have become technologically obsolete and reached the end of their useful life.			
Total Fleet Replacement Fund	<u>\$ 220,000</u>	<u>\$ -</u>	<u>\$ (220,000)</u>



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: October 2014 Investment Report

RECOMMENDATION:

That Council accept the October 2014 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of October 31, 2014.

ATTACHMENT: October 2014 Investment Report
PREPARED BY: Genie Wilson, Treasury Manager
SUBMITTED BY: Robert Samario, Acting Assistant City Administrator
APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
 October 31, 2014

INVESTMENT ACTIVITY**PURCHASES OR DEPOSITS**

10/17 GE Capital Bank (GECB)	\$ 250,000
10/22 Federal Home Loan Bank (FHLB)	2,000,000
10/23 American Express Bank (AMXBK)	250,000
10/27 LAIF Deposit - City	2,000,000
10/29 Goldman Sachs Bank USA (GSB)	250,000
10/29 Capital One Bank USA NA (COB)	250,000
Total	\$ 5,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

10/2 LAIF Withdrawal - City	\$ (4,000,000)
10/24 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
10/24 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
10/28 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
Total	\$ (10,000,000)

ACTIVITY TOTAL

\$ (5,000,000)

INVESTMENT INCOME**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 164,541
Amortization	(10,481)
Total	\$ 154,060

INCOME TOTAL

\$ 154,060

CITY OF SANTA BARBARA

Investment Portfolio

October 31, 2014

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
			MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.261	0.261	22,000,000.00	22,000,000.00	22,000,000.00	0.00	
Subtotal, LAIF							22,000,000.00	22,000,000.00	22,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	248,252.50	(1,747.50)	FDIC Certificate 35328
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	248,147.50	(1,852.50)	FDIC Certificate 33954
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	248,220.00	(1,780.00)	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	248,160.00	(1,840.00)	FDIC Certificate 33124
MONTECITO BANK & TRUST	11/18/13	11/18/15	-	-	0.600	0.600	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/15	-	-	1.230	1.247	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/17	-	-	1.490	1.511	4,000,000.00	4,000,000.00	4,000,000.00	0.00	
Subtotal, Certificates of deposit							9,000,000.00	9,000,000.00	8,992,780.00	(7,220.00)	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,240.38	2,002,040.00	1,799.62	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,016,892.03	2,021,560.00	4,667.97	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,142,720.45	2,146,260.00	3,539.55	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,018,045.05	2,020,000.00	1,954.95	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,012,312.54	2,010,000.00	(2,312.54)	
Subtotal, Treasury Securities							10,000,000.00	10,190,210.45	10,199,860.00	9,649.55	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	10/03/13	10/03/18	-	-	1.720	1.720	2,000,000.00	2,000,000.00	2,019,980.00	19,980.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,029,860.00	29,860.00	
FEDERAL FARM CREDIT BANK	07/09/14	07/09/18	Aaa	AA+	1.470	1.470	2,000,000.00	2,000,000.00	2,000,120.00	120.00	Callable 07/09/15, then continuous
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,990,440.00	(9,560.00)	Callable, continuous
FEDERAL FARM CREDIT BANK	09/18/13	09/18/17	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,027,200.00	27,200.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,056,240.00	56,240.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,019,960.00	19,960.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,006,605.34	2,043,500.00	36,894.66	
FEDERAL HOME LOAN BANK	04/17/14	04/17/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,003,520.00	3,520.00	Callable, 04/17/15 once
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,966,480.00	(33,520.00)	Callable 01/16/15, then qtrly
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,004,500.00	4,500.00	
FEDERAL HOME LOAN BANK	09/30/14	09/30/19	Aaa	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,000,780.00	780.00	Callable 12/30/14, then qtrly
FEDERAL HOME LOAN BANK	05/28/14	05/28/19	Aaa	AA+	1.375	2.288	2,000,000.00	2,000,000.00	2,001,580.00	1,580.00	SU 1.375%-6% Call 11/28/14, then qtrly
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	1,998,777.78	1,999,600.00	822.22	SU 1.25%-6% Call 12/26/14, then qtrly
FEDERAL HOME LOAN BANK	06/27/13	06/27/18	Aaa	AA+	1.250	1.493	2,000,000.00	2,000,000.00	1,999,380.00	(620.00)	SU 1.125%-2.5% Call 12/27/14, then qtrly
FEDERAL HOME LOAN BANK	04/15/14	04/15/19	Aaa	AA+	2.070	2.070	1,000,000.00	1,000,000.00	1,000,100.00	100.00	Callable, continuous
FEDERAL HOME LOAN BANK	05/22/14	05/22/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,996,860.00	(3,140.00)	Callable, continuous
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,007,740.00	7,740.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,020,940.00	20,940.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,007,868.64	2,011,720.00	3,851.36	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,824.84	2,002,160.00	2,335.16	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,010,155.98	2,001,860.00	(8,295.98)	
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	1,995,480.00	(4,520.00)	Callable 12/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	12/18/13	12/18/18	Aaa	AA+	1.500	1.839	1,000,000.00	1,000,000.00	1,001,730.00	1,730.00	SU 1.5%-2.75% Call 12/18/14, then qtrly

CITY OF SANTA BARBARA

Investment Portfolio

October 31, 2014

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
FEDERAL HOME LOAN MTG CORP	12/31/13	12/31/18	Aaa	AA+	1.825	1.825	1,000,000.00	1,000,000.00	1,002,690.00	2,690.00	Callable 12/31/14, once
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,687.78	2,002,860.00	3,172.22	
FEDERAL HOME LOAN MTG CORP	06/30/14	06/30/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,002,540.00	2,540.00	Callable 06/30/15, once
FEDERAL HOME LOAN MTG CORP	09/12/12	09/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,989,620.00	(10,380.00)	Callable 12/12/14, then qtrly
FEDERAL HOME LOAN MTG CORP	01/16/13	01/16/18	Aaa	AA+	1.050	1.050	4,000,000.00	4,000,000.00	3,990,320.00	(9,680.00)	Callable 01/16/15, then qtrly
FEDERAL HOME LOAN MTG CORP	11/26/13	11/26/18	Aaa	AA+	1.000	1.793	1,000,000.00	1,000,000.00	1,000,350.00	350.00	SU 1%-2% Callable 11/26/14, once
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,988,400.00	(11,600.00)	Callable 12/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,139.87	998,760.00	(379.87)	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,975,100.00	(24,900.00)	Callable 01/30/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,000,940.00	940.00	
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,984,580.00	(15,420.00)	Callable 12/12/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	06/19/13	12/19/16	Aaa	AA+	0.750	0.750	2,000,000.00	2,000,000.00	1,996,000.00	(4,000.00)	Callable 12/19/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,989,091.13	1,991,020.00	1,928.87	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,477.49	2,009,140.00	7,662.51	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,986,480.00	(13,520.00)	Callable 11/08/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,986,480.00	(13,520.00)	Callable 11/08/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/26/12	12/26/17	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,969,680.00	(30,320.00)	Callable 12/26/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,031,600.00	31,600.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,991,743.62	2,027,660.00	35,916.38	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,982,220.00	(17,780.00)	Callable 02/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	<u>2,000,000.00</u>	<u>1,988,612.29</u>	<u>1,991,020.00</u>	<u>2,407.71</u>	
Subtotal, Federal Agencies							<u>92,000,000.00</u>	<u>91,992,984.76</u>	<u>92,109,190.00</u>	<u>116,205.24</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,998,316.67	2,043,600.00	45,283.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,001,020.00	1,020.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,036,980.00	36,980.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,950.61	2,033,800.00	29,849.39	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,014,484.68	2,029,620.00	15,135.32	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	<u>2,000,000.00</u>	<u>2,007,128.05</u>	<u>2,043,680.00</u>	<u>36,551.95</u>	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,023,880.01</u>	<u>12,188,700.00</u>	<u>164,819.99</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>0.00</u>	
Subtotal, SBA Note							<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>5,336,966.90</u>	<u>0.00</u>	
CHECKING ACCOUNT											
Union Bank Checking Account	-	-	-	-	0.400	0.400	<u>19,385,507.60</u>	<u>19,385,507.60</u>	<u>19,385,507.60</u>	<u>0.00</u>	
Subtotal, Checking Account							<u>19,385,507.60</u>	<u>19,385,507.60</u>	<u>19,385,507.60</u>	<u>0.00</u>	
TOTALS							<u>169,722,474.50</u>	<u>169,929,549.72</u>	<u>170,213,004.50</u>	<u>283,454.78</u>	

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



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014
TO: Mayor and Council members
FROM: Risk Management Division, Finance Department
SUBJECT: Self-Insured Workers' Compensation Program Annual Report

RECOMMENDATION:

That Council receive the Annual Self-Insured Workers' Compensation Program Annual Report for the year ended June 30, 2014.

DISCUSSION:

California Labor Code Section 3702.6(b) requires staff to advise Council annually about two items relating to the City's self-insured workers' compensation program: (1) the value of the total accrued claim liabilities reported by the City on the State's Self Insurers Annual Report; and (2) whether current accounting and financial reporting of those liabilities is in compliance with the requirements of Government Accounting Standards Board (GASB) Statement 10.

The California Department of Industrial Relations requires all self-insured public agencies to submit an annual report before October 1st of each year that identifies the workers' compensation liabilities as of the prior fiscal year-end. Risk Management staff submitted the Fiscal Year 2014 annual report on September 29, 2014.

The annual report submitted by the City identified results for claims reported during Fiscal Year 2014, plus the results for all claims that remain open that were reported during a previous fiscal year. City employees reported 124 claims during Fiscal Year 2014; 60 of these claims required the City to pay disability compensation for time away from work. The City paid \$977,291 for disability benefits and \$968,314 in medical care on the 124 claims reported during Fiscal Year 14.

The report lists a total of 166 open claims (from all years). The total liability for these 166 claims equals \$5,527,974 – consisting of \$1,442,706 for indemnity (disability payments) and \$4,085,268 for medical payments.

The City accounts for its risk management operations in a separate Internal Service Fund. Every two years, the City contracts with a risk management actuarial firm to prepare an actuarial valuation of the accrued liabilities in the City's self-insured workers' compensation program. The City uses the results of this actuarial valuation as well as claims information from our third party administrator (claims adjuster) to report the workers' compensation accrued liabilities in both the City's annual audit report (the "Comprehensive Annual Financial Report" or "CAFR") and the required annual report submitted to the State of California. The City is partially funded for all of its actuarially determined workers' compensation claim liabilities.

GASB Statement 10 established accounting and financial reporting standards for all City claims, including workers' compensation claims. GASB Statement 10 requires governments to recognize a claim as an expense and liability if both of the following conditions are met:

1. Information available indicates that it is probable that a liability has been incurred; and,
2. The amount of the loss can be reasonably estimated.

In addition, GASB 10 requires certain disclosures in the footnotes to the financial statements. All of the City's workers' compensation claims have been accounted for and reported in accordance with GASB Statement 10.

In summary, the City has met its obligation to file the required Public Self Insurers Annual Report with the State of California Office of Self Insurance Plans. The City also met its legal requirement to report the workers' compensation program liabilities to the City Council with this report. Council will receive a more complete description of the City's self-insured workers' compensation program as part of the Comprehensive Annual Financial Report, or CAFR, for the fiscal year ended June 30, 2014. Finance staff will present a comprehensive presentation about the CAFR for Fiscal Year 2014 in January 2015.

PREPARED BY: Mark W. Howard, Risk Manager

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Approval Of City Charter Findings For Alameda Park Groundwater Well Siting

RECOMMENDATION: That Council:

- A. Find that the design proposed for the Alameda Park Well Relocation Project is compatible with the use and character of Alameda Park; and
- B. Make the following findings pursuant to City Charter Section 520: The well relocation is compatible with and accessory to the purposes to which the property is devoted because: A) a portion of the water supply developed by the well will be devoted to park irrigation and maintenance, thus rendering the well accessory to the park use; B) the findings made above pursuant to Santa Barbara Municipal Code section 28.37.025 demonstrate that the well location is compatible with park uses; C) the use of the well will be by agreement between the Parks and Recreation and Public Works Departments and fully regulated by the City; and D) permission for the well will be contingent upon the Parks and Recreation and Public Works Departments reaching an agreement to the satisfaction of the City Administrator on all relevant construction and use issues, including appropriate compensation for the use of the park land.

DISCUSSION:

Background

The City of Santa Barbara (City) relies on groundwater as an important water supply to meet the needs of its customers. Groundwater is especially important during times of drought, when surface water supplies may be restricted. The Alameda Park Well was constructed in 1990 to access the City's groundwater supply. The original construction was permitted by the Community Development Department and approved by Council. In February of this year, the well began pumping sand due to a failure in the well structure. The well has since been out of service.

Proposed Project

Considering Santa Barbara is currently experiencing a record drought, the Public Works Department desires to relocate a new Alameda Park Well within the vicinity of the failed well to re-establish the Alameda Park Well as a productive City groundwater facility.

The Engineering Division contracted with Pueblo Water Resources (PWR) to develop design plans and specifications for relocating the groundwater well. As recommended by Parks staff, PWR was required to retain the services of a licensed Landscape Architect and Certified Arborist for the project. Per standard well drilling practices, the new well must be drilled at least 25 feet from the existing failed well.

The design team developed a well-siting study, a tree protection plan, landscape restoration plans, construction plans, and specifications for public bidding. The well-siting study determined a location for the new well that maintains the appropriate hydrogeology and minimizes the impacts to park landscape and recreational use. The proposed well location is approximately 100 feet from the existing failed well (see Attachment). The tree protection plan, developed by a Certified Arborist, was used for the well-siting study. The plan defines appropriate protection measures for trees in or near the proposed construction area. The landscape restoration plans, developed by a licensed Landscape Architect, incorporate all tree planting recommendations from the Street Tree Advisory Committee (STAC).

Understanding the importance of the park to the community, Engineering staff has worked with Parks and Recreation staff to determine a project timeline that minimizes the impact of the well construction to park services.

Project Review and Approval

At their regular meeting on July 14, 2014, the Board of Water Commissioners supported staff's recommendation of the conceptual design for the Alameda Well Relocation Project (Project).

At their regular meeting on August 7, 2014, the STAC recommended approval to the Parks and Recreation Commission to remove five trees, providing that they be replaced with:

- One Giant Bird of Paradise with five trunks at least half the size of the original tree to be removed
- One Giant Bird of Paradise with three trunks at least half the size of the original tree
- Two King Palms with at least eight feet of brown trunk height
- One Butia Capitata Palm with at least eight feet of brown trunk height

At its regular meeting on September 10, 2014, the Historic Landmarks Commission approved the project design for the Project.

At its regular meeting on September 24, 2014, the Parks and Recreation Commission approved the tree removals and the proposed project landscape plan, made findings pursuant to Santa Barbara Municipal Code (SBMC) section 28.37.025 to approve relocation of the existing groundwater well, and recommended that Council make the findings pursuant to City Charter section 520 that the well relocation is compatible with and accessory to the purposes to which the property is devoted.

At its regular meeting on November 10, 2014, the Board of Water Commissioners voted 5-0-0 in concurrence with the Parks and Recreation Commission's recommendation of supporting the Project.

The contractor will obtain a building permit issued by the Building and Safety Division and a Public Works permit issued by the Public Works Department, for the Alameda Park Well Relocation Project.

Recommendation to Council

That Council make findings supporting the relocation of the groundwater well in Alameda Park, and that the project is compliant with City Charter Section 520, Disposition of Real Property or a Public Utility. The well relocation project is "compatible with and accessory to the purposes to which the property is devoted", as the well provides a public benefit in the form of clean, safe, drinking and irrigation water directly to the park as well as the surrounding community. The existing well will be destroyed, and the park land that was encumbered by the well will be returned to park use. The relocated well will occupy the same size area as the original well, but in a different location, thereby maintaining the conditions of the permitted use. Moreover, the well will be installed after an appropriate agreement is reached between the Parks and Recreation and Public Works Departments. The City Attorney advises that this agreement must be to the satisfaction of the City Administrator on all relevant construction and use issues, including appropriate compensation for the use of the park land. The proposed project meets all the requirements of Subsection A, Section 28.37.025 of the SBMC for findings of appropriate usage for property zoned for Park and Recreation.

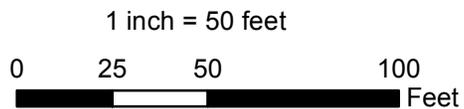
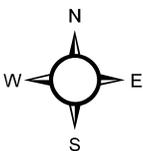
Council approval of these recommendations is needed to award contracts for the Drilling and Construction, and the Infrastructure and Site Restoration. Staff anticipates returning to Council in December to award the contract for construction of the well. Project construction would begin in January 2015 and be completed by April 2015.

- ATTACHMENT:** Layout Of Well Siting
- PREPARED BY:** Linda Sumansky, Principal Civil Engineer/AF/mj
- SUBMITTED BY:** Rebecca J. Bjork, Public Works Director
- APPROVED BY:** City Administrator's Office



LEGEND

-  Replacement Well
-  Existing Well
-  Sewer Main
-  25 ft. Radius
-  50 ft. Radius
-  100 ft. Radius



PREFERRED RELOCATION SITE SETBACKS (25 - 100 FT.)
Alameda Park Well Relocation Project
City of Santa Barbara



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014

TO: Mayor and Councilmembers

FROM: Facilities Division, Public Works Department

SUBJECT: Contract For Construction Of Santa Barbara Police Department Heating, Ventilation, And Air Conditioning Replacement Project

RECOMMENDATION: That Council:

- A. Award a contract with ACCO Engineered Systems in their low bid amount of \$1,234,567 for construction of the Santa Barbara Police Department Heating, Ventilation and Air Conditioning Replacement Project, Bid No. 3755; and
- B. Authorize the Public Works Director to execute the contract and approve expenditures up to \$185,000 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment.

DISCUSSION:

PROJECT DESCRIPTION

The City of Santa Barbara Police Department building is over 50 years old. Most of the heating, ventilation, and air conditioning (HVAC) system, including the boiler, chiller, cooling and air handling systems, are over 50 years old, in poor condition, and need to be replaced. Replacing the inefficient heating and cooling system is estimated to save the City approximately \$70,000 a year.

On December 10, 2013, Council authorized the Public Works Director to execute a Professional Services Agreement with Mechanical Engineering Consultants (MEC) in the amount of \$150,000 for the final design of the Police Department HVAC Replacement Project at the Santa Barbara Police Department, at 215 East Figueroa Street. This design has since been completed, approved, and permitted by the City.

City Staff has undergone a thorough process of selecting a contractor to complete the construction for this project. The project was advertised and competitively bid as per the City's public contracting guidelines. Nineteen construction contractors attended the bid walk, and there were two official bid submittals. ACCO Engineered Systems (ACCO) bid was below the independent engineer's cost estimate supplied by the designer. ACCO's

detailed cost breakdown is considered fair and reasonable and reflects the cost breakdown for similar projects.

CONTRACT BIDS

A total of two bids were received for the subject work, ranging as follows:

BIDDER	BID AMOUNT
1. ACCO Engineered Systems	\$1,234,567
2. Smith Electric Services	\$1,370,000

The low bid of \$1,234,567 submitted by ACCO, is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

BUDGET/FINANCIAL INFORMATION:

This project is funded in the Fiscal Year 2015 Facilities Capital Fund budget.

ESTIMATED TOTAL PROJECT COST

**Cents have been rounded to the nearest dollar in this table.*

Design by Contract (Completed)	\$150,000
City Staff Costs (Completed)	\$5,000
Subtotal	\$155,000
Construction Contract	\$1,234,567
Construction Change Order Allowance	\$185,000
Subtotal	\$1,419,567
Construction Management/Inspection (by City Staff)	\$7,500
Subtotal	\$7,500
TOTAL PROJECT COST	\$1,582,067

SUSTAINABILITY IMPACT:

Staff anticipates significant energy and cost savings to result from upgrading the 50-year old outdated system to a new, state-of-the-art variable HVAC system.

PREPARED BY: Jim Dewey, Facilities & Energy Manager/MW/mh

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Water Main Replacement Program Funding

RECOMMENDATION:

That Council appropriate \$1,500,000 from Water Fund Reserves to the Water Capital Fund to address the need for ongoing water distribution system maintenance and repair projects.

DISCUSSION:

Background

On May 13, 2014, Council approved the creation of a Drought Fund to track all drought-related costs under a single fund. The intention was to make it possible for the City to be reimbursed for some portion of drought-related costs, in the event of a federal and/or State declared emergency.

The Drought Fund includes both capital and operational costs related to the City's response to the drought. Expenditures within the Drought Fund include work related to the preliminary design for the desalination plant reactivation, groundwater well rehabilitation and replacements, supplemental water purchases, additional temporary staffing to assist with water conservation, and other miscellaneous operating costs.

The Drought Fund was created by making significant budget reductions within the Water Capital Fund. Many planned capital improvement projects and programs were either greatly reduced or postponed. The majority of the funding was diverted from the Water Main Replacement Program (Main Program), which is generally annually funded with approximately \$4,000,000 to keep pace with Council's goal of replacing one percent of the City's water mains each year. The Main Program also funds the Meter Replacement Program, water distribution system support and planning projects, as well as unanticipated water main replacements and roadway repairs in response to emergency water main breaks.

To create the Drought Fund, the Fiscal Year 2014 Main Program was reduced by 72-percent, from \$4,025,000 to \$725,000, with \$3,300,000 being directed to the Drought Fund. For continued support of the Drought Fund, the Fiscal Year 2015 Main Program was reduced by 87.5-percent, from \$4,000,000 to \$500,000, with \$3,500,000 being transferred to the Drought Fund.

Current Status

After review of current and upcoming expenses at the end of the first quarter of Fiscal Year 2015, the majority of the reduced Main Program budget has been expended on the Meter Replacement Project and the Hydraulic Water Distribution Model calibration. The remaining Main Program budget has insufficient funding for planned projects and emergency work related to water main breaks. Planned expenditures include \$65,000 for the repairs and stabilization of a creek bank and a roadway section that resulted from a City fire hydrant failure in the Caltrans right of way; and \$275,000 for the development of an Asset Management Program for the City's water distribution system. This is the second phase of an ongoing Asset Management Program that is being developed for the water distribution system. The proposed work includes:

- Development of a Computer Maintenance Management System (CMMS) to create work orders for the optimization of work practices and to ensure assets are being properly maintained on a set schedule for the benefit of extending asset life cycles;
- CMMS configuration and establishment of a GEODATA connection between the CMMS and the City's Geographic Information System;
- Creation of a water main replacement program that ranks the City's water mains based on the risk of failure, fire protection needs, and water age; and
- Creation of a replacement and rehabilitation model for water distribution assets for long-term planning purposes that includes a Distribution System Risk and Cost of Failure Analysis.

As for emergency work, the water main on the 100 block of East Yanonali Street suffered a significant break on November 5, 2014. The resulting water flows severely damaged the roadway. City water crews responded and made the needed repairs to the water main. The main broke again, in a different location, on November 7, 2014. City water crews again responded and made the needed repairs to the main. To expedite repairs to the roadway, an Emergency Purchase Order was issued to Lash Construction (Lash). Lash was able to complete the roadway repair work prior to the weekend, which is generally a time of increased traffic and tourist activity in the area. Staff is concerned that the 500 feet of cast iron water main, installed in 1962, has outlived its useful life and is in need of replacement. Staff is planning to have the 500 feet of water main replaced by a contractor in January 2015. The estimated cost of the recent roadway repair work by Lash is \$50,000; and the upcoming main replacement work is estimated at \$150,000, for a total cost of \$200,000.

Proposed Action

The following table lists planned and emergency work in the Main Program that requires an additional \$540,000 in Fiscal Year 2015. Staff recommends transferring an additional \$960,000 into the Program, for a total transfer amount of \$1,500,000. This would increase the Fiscal Year 2015 Main Program funding to \$2,000,000, which is 50 percent of the budget levels planned for the Main Program prior to the drought

Project	Amount	Reason
Sycamore Canyon Roadway and Creek Bank Repair – planned	\$ 65,000	Damage resulting from a City fire hydrant failure
Distribution System Asset Management Program – planned	\$ 275,000	FY 2015 planned work
Emergency main replacement and repairs: 100 E Yanonali St. – planned for January 2015	\$ 200,000	Main has out lived its useful life
Subtotal	\$ 540,000	
Emergency water main work.	\$ 960,000	To address emergency water main repairs and replacements as they arise.
Subtotal	\$ 960,000	
Total	\$1,500,000	From Water Fund Reserves

There are sufficient Water Fund reserves to cover this transfer. Water Fund reserves for Fiscal Year 2014 ended approximately \$2,000,000 higher than projected as a result of operational savings related to the delayed operation of the Ortega Groundwater Treatment Plant, higher than anticipated revenues from water sales, and the restructuring of debt in the Water Fund.

The Board of Water Commissioners heard this item at their November meeting, held on November 10, 2014. They voted 5-0-0 in favor of staff’s recommendation.

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

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator’s Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014

TO: Mayor and Councilmembers

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

SUBJECT: Casa Esperanza Review Of Operations

RECOMMENDATION:

That Council accept a report prepared by City and County of Santa Barbara staff based on a review of Casa Esperanza Homeless Shelter's operations; and release the remaining contingency funds pursuant to Agreement Number 24,952.

DISCUSSION:

The City of Santa Barbara provides annual funding to Casa Esperanza through a General Fund contribution of \$77,100 for the annual winter shelter, a \$51,000 Community Development Block grant and a \$39,000 Human Services grant. During the Fiscal Year 2015 budget approval process, Casa Esperanza received \$125,000 of additional one-time General Fund support from the City of Santa Barbara and \$120,000 from the County of Santa Barbara. City Council authorized an initial disbursement of \$60,000, with the caveat that the balance be disbursed after an analysis of Casa Esperanza's operations was completed by City and County staff and approved by Council.

On August 5, 2014, Council approved an agreement with Casa Esperanza in the amount of \$202,100, which combined the additional \$125,000 approved for Fiscal Year 2015 with Casa Esperanza's annual allocation of \$77,100 for the winter shelter. On September 4, 2014, the City disbursed the initial \$60,000 as part of that agreement.

City staff worked with County staff to complete the review, which included the following:

- Program Overview
- Financial Overview
- Debt Overview/Restructure Plan
- Staffing
- Shelter Comparisons
- Challenges & Opportunities
- Conclusions/Recommendations

Review Summary

Due to ongoing financial challenges, Casa Esperanza has undergone several programmatic and administrative changes. They currently operate a sobriety-based shelter program for their 100-bed year-round shelter program, which operates from April to November and expands to a 200-bed winter shelter from December to March.

Casa Esperanza is currently in a financial crisis due to six years of borrowing in excess of \$2.5 million from foundations, primarily the Gildea Foundation, to pay for annual operating expenses that were not adequately supported by either grant or contribution revenue.

In July 2013, Casa Esperanza's Board of Directors formed a Finance Committee and invited two outside advisors to assist in crafting a plan to stabilize its finances. This committee developed, and the board approved, a three-part financial rescue plan which included the following basic components:

1. **Raise enough money to meet current payroll.** The goal was to raise a minimum of \$300,000 through an appeal to the community and funders. A total of \$428,000 was raised.
2. **Develop and implement a budget which includes funding only from sources with a "reasonable expectation" of receiving.** In Fiscal Year 2014, Casa Esperanza's budget was reduced by approximately \$1 million. They eliminated the drop-in day center services and lunch program for non-shelter residents; reduced staffing levels; and reduced the salaries for staff that remained. In March 2014, the top two management employees at Casa Esperanza were laid off. Since that time, the shelter has been operating under two separate volunteer Executive Directors.
3. **Restructure their balance sheet and deal with the large amount of debt that had accumulated over the previous six years.** Casa Esperanza negotiated a direct debt-reduction plan with their lenders. Their largest lender, the Gildea Foundation, forgave \$1 million in principal and \$126,000 in interest, and they agreed to reduce the interest on the remaining \$1,153,900 from 5% to 3% on a fully amortized ten-year loan. They also agreed to donate \$75,000 per year for ten years to help offset interest expense and repayments of the balance on their loan. The other foundation debt totaling \$391,172 was previously interest only at 5%, with no provision for systematic repayment. Casa Esperanza has restructured these to be fully amortized and repaid by June 30, 2024, and they have a small Business First Line of Credit (\$39,352 at June 30, 2014) which is anticipated to be fully repaid by August 2015.

Casa Esperanza has recently recruited a new full-time Executive/Managing Director, Jessica Wishan, who will begin this month. Jessica brings significant relevant experience to the organization.

Casa Esperanza is also exploring the possibility of a merger with People Assisting the Homeless (PATH), a 501(c)(3) organization based in Los Angeles, to realize operational and cost efficiencies. Any merger would be conditioned on community and funder acceptance and further conditioned on all funds raised in Santa Barbara staying in Santa Barbara. Whether or not this merger is completed, Casa Esperanza will need to be on solid financial ground moving forward.

Casa Esperanza's Board of Directors has made progress in turning the organization around to become financially stable. Their relationship with the Milpas neighborhood has improved due to the closing of the day center and the drop-in lunch programs, as well as positive changes in operational responsiveness to neighborhood concerns.

An analysis of comparable homeless shelters in California counties with similar population and bed capacity is included in the full review. Staff found no objective basis upon which the City could determine an appropriate funding contribution level; therefore, this is a Council policy decision.

Staff recommends that the City release the remaining \$65,000 of one-time funding allocated for Fiscal Year 2015 in order to give Casa adequate time to increase their fundraising capacity.

Council has the option to consider additional funding for Fiscal Year 2016 and beyond, if requested. Council also has the option to request an update on the merger talks, and Casa Esperanza's financial situation, including their success in obtaining Fiscal Year 2015 budgeted contributions and private grants, at the time of any request for additional funding.

ATTACHMENT: Casa Esperanza Review of Operations

PREPARED BY: Sue Gray, Community Development Business Manager

SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office

Casa Esperanza Homeless Center

Review of Operations

Completed by:

City of Santa Barbara
County of Santa Barbara
November 2014

1. Introduction

Due to ongoing financial challenges, Casa Esperanza has undergone several programmatic and administrative changes. On September 17, 2013, Casa Esperanza closed its drop-in day center services for non-shelter residents and suspended the Community Kitchen lunch program for non-shelter residents. They currently operate a sobriety-based shelter program for their 100-bed year-round shelter program (April – November); which expands to a 200-bed winter shelter (December – March). In March 2014, the top two management positions at Casa Esperanza were laid off. Since that time, the shelter has been operating under two separate volunteer directors.

During the Fiscal Year 2015 budget approval process, Casa Esperanza requested an additional funding increase of \$125,000 in General Fund support from both the County of Santa Barbara and the City of Santa Barbara. City Council approved \$125,000 and authorized an initial disbursement totaling \$60,000, with the balance to be disbursed upon completion and approval of a review of Casa Esperanza's operations to be conducted by the City of Santa Barbara and the County of Santa Barbara. The County Board of Supervisors approved \$120,000 to be disbursed upon completion of the review as well.

The Review is organized in the following sections:

- Section 2, Program Overview
- Section 3, Financial Overview
- Section 4, Debt Overview/Restructure Plan
- Section 5, Staffing
- Section 6, Shelter Comparisons
- Section 7, Challenges & Opportunities
- Section 8, Conclusions/Recommendations

2. Program Overview

Casa Esperanza Homeless Center (Casa) has been providing services in Santa Barbara since 1999. Their mission is to help as many people as possible move from homelessness to housing. They operate under a Conditional Use Permit (CUP), which limits the number of beds they can provide to a maximum of 230 winter shelter beds (December 1 – March 31) and a maximum of 100 program beds during the remainder of the year (April 1 – November 30). Their CUP also allows the provision of day center services and lunch for a maximum of 200 individuals.

As mentioned in the introduction, Casa Esperanza has recently changed their operations from serving anyone in need to providing sobriety-based shelter, meals and related services for individuals who are ready to improve their lives and reintegrate into society. They currently operate as a 24 hour per day/7 day per week homeless shelter offering 48,000 bed nights

annually. Casa provides services to help prevent homelessness, provide safe shelter, and assist homeless households in securing and maintaining stable, independent housing and economic self-reliance.

The year-round shelter program provides 100 beds per night year round. These beds are allocated as follows: 60 homeless to housing (Transitional Living), which includes 2 beds for AB109 (Probation); 15 beds for (Mental Health); 5 beds which are made available for Social Services; and 20 medical respite beds which are comprised of ten beds which are provisionally available to Cottage Hospital and ten beds for people who are evaluated as medically fragile, requiring additional assistance during recuperation.

The 60 Homeless to Housing beds offered consist of a 100-day transitional living program for homeless individuals who seek to be sober and are ready to move forward into a productive life. The program provides case-management which includes housing, job development, recovery, and mental health services. Volunteer “navigators” augment the services provided by case managers. The navigators are trained and supervised by experienced staff regarding mental health programs, substance abuse programs, housing options, legal services, job development and other community services available to the residents of Casa Esperanza. Each navigator creates a relationship with the client to support the weekly goals made by their case manager.

Casa Esperanza contracts with County Alcohol Drug and Mental Health Services (ADMHS) to provide 15 mental health beds and case management services for homeless individuals with mental illness. In addition to case management services, these individuals are assisted with personal hygiene and medication management, and they are monitored for physical health issues, dental and vision issues.

Casa previously had a contract with County Social Services to provide 5 beds for their referrals, and Social Services had a rotating case worker who assigned clients and reviewed client progress. A contract with Social Services is scheduled to come before the Board of Supervisor’s on December 9, 2014 that revises this agreement to 3 beds on a per bed billable basis.

The 20 bed Medical Respite Program provides shelter for homeless patients from the streets or discharged from the hospital or clinics. This program provides a clean, safe place for patients to recuperate and continue with self-care rather than trying to recuperate on the streets. The program provides an opportunity for making linkages to other services offered including permanent housing and case management. Most clients are enrolled in Med Cal insurance while at Casa Esperanza. Individuals with chronic conditions, disabilities or those who are vulnerable take priority. A registered nurse from Parrish Nursing supervises the medical beds and ensures that each patient is evaluated on intake and an appropriate plan is implemented for their recovery, thus ensuring each patient receives the care they need until they can care for themselves.

Additional on-site services include meal provision and medical services. Community Kitchen provides meals (breakfast, lunch and dinner) to the men, women and families participating in their programs. Casa Esperanza receives food donations daily from various sources and distributes all excess food to other homeless agencies. The Santa Barbara County Public Health

Department operates out of Casa Esperanza to provide acute medical services year round. Hours are Monday through Friday, 8:00 am to 12:00 noon. Health and support services are provided to people experiencing homelessness throughout the county.

From December 1st through March 31st, Casa Esperanza expands its capacity from 100 to 200 beds. The services mentioned above are available for the additional 100 people who enter the shelter during the winter months.

Casa estimates that it will serve 850 unduplicated clients this year; provide 144,000 meals, and 48,000 bed nights; provide medical respite care to over 400 individuals; secure housing for than 70 clients; secure placement of 70 clients in treatment facilities; and reunite 70 clients with their families.

Casa Esperanza’s proposed outcomes for Fiscal Year 2015 are represented below. Their progress in meeting these goals will be tracked by Casa and reported to the City and County.

PROGRAM OUTPUTS – Number of Persons receiving service, i.e. meals served, clients counseled, meetings held, etc.

Output Goal	Annual Goal #
1. Out of 850 clients, 650 will receive case management, medical and social services.	76%

MEASURABLE OUTCOMES – The expected *change or result* client will experience from program outputs.

Outcome Measure	% Outcome Goal
1. Out of 650 clients, 70 will secure placement in treatment facilities.	11%
2. Out of 650 clients, 70 will secure permanent housing.	11%
2. Out of 650 clients, 70 will be reunited with family.	11%
2. Out of 650 clients, 300 will obtain employment, benefits/entitlements, and/or receive education benefits.	46%
2. Out of 650 clients, 200 will retain employment, benefits or entitlements.	31%

Casa Esperanza’s actual Fiscal Year 2014 accomplishments are shown below, as reported on their Community Development Block grant and County Human Services grant programs:

CASA ESPERANZA

July 1, 2013 – June 30, 2014		YTD
Output		
960 clients will accept help from (over 85,000 duplicated visits) providers from public health, social services, legal aid, domestic violence, rape crisis, alcohol & drug services, adult protective services, mental health services and/or VA.		783
650 will receive case management, medical and social services.		691
Outcome		
300 out of 650 clients will secure permanent housing and/or placement in treatment facilities.		107
300 out of 650 persons will obtain employment, benefits/entitlements, be reunited with family, receive education benefits.		244

3. Financial Overview

Over a period of six (6) years, Casa Esperanza borrowed a total of \$2,153,900 from the Gildea Foundation and \$391,172 from other foundations in order to pay the annual operating expenses of services for the homeless that were not adequately supported by grant or contribution revenues. An additional \$1,994,212 was owed on their building, which brought their total outstanding debt to \$4,578,636. As of June 30, 2014, the value of their property, net of depreciation, was \$4,198,487. In an effort to keep the debt from increasing, Casa Esperanza has reduced their annual operating expenses by 42% over the past two years; from \$3.1 million (Fiscal Year 2012 actual) to \$1.8 million (Fiscal Year 2015 budgeted) (see Table 2).

According to their approved Fiscal Year 2015 budget, Casa Esperanza receives support equaling 34% from Foundations, 24% from Contributions and 42% from Government (see Table 1). This compares to 22% from Foundations, 30% from Contributions and 47% from Government in Fiscal Year 2012. They lost a Housing and Urban Development (HUD) Continuum of Care grant totaling approximately \$170,000 when they closed the day center in Fiscal Year 2014, which accounts for the reduction in government funding. Also, contributions were higher in Fiscal Year 2014 due to an Emergency Appeal that brought in \$428,000 (see Table 2).

Although they show an excess for Fiscal Year ending June 30, 2014 of \$1,126,052, all but \$846 was due to loan forgiveness of principal and interest from the Gildea Foundation (see Table 2).

Table 1 also indicates the amount of funding that was secured as of November 11, 2014. Casa anticipates receiving the balance of funds by June 30, 2015.

Table 2 shows a continued decrease in the cost per bed night from Fiscal Year 2012 to Fiscal Year 2015. This is due to the reduction of staff and the elimination of the drop-in day center and lunch programs for non-shelter residents.

Table 1
Estimated Fiscal Year 2015 Revenue Sources

	Funding Source	Approved Budget	% of Budget	Secured as of 11-11-14	% Secured
	Cottage Hospital	121,000		121,000	100%
	S.B. Foundation Thrive	19,640		-	0%
	St. Francis Foundation	150,000		-	0%
	Gildea Foundation	75,000		75,000	100%
	Other Foundations	250,000		136,500	55%
	Foundation Total	\$ 615,640	34%	\$ 332,500	54%
	Contributions Total	\$ 449,500	25%	\$ 138,046	31%
	City of S.B. CDBG	51,000		51,000	100%
	City of S.B. General Fund Human Services	39,000		39,000	100%
	City of S.B. General Fund - Winter Shelter	77,100		77,100	100%
	City of S.B. General Fund - Additional Funds	125,000		125,000	100%
	County of S.B. General Fund Com Services	110,700		110,700	100%
	County of S.B. General Fund Human Services	20,000		11,481	57%
	County of S.B. General Fund ADMHS Beds	66,000		66,000	100%
	County of S.B. General Fund Addional Funds	120,000		120,000	100%
	County of S.B. Probation	60,000		60,000	100%
	County of S.B. ADMHS Mental Health	61,200		61,200	100%
	County of S.B. HCD ESG Shelter	11,190		11,190	100%
	County of S.B. HCD ESG Rapid Rehousing	11,190		11,190	100%
	County of S.B. Public Health Subs Abuse	15,000		15,000	100%
	City/County Total	\$ 767,380	42%	\$ 758,861	99%
	TOTAL REVENUE	\$ 1,832,520		\$ 1,229,407	67%

Notes: Pending contract with the County for 3 Social Service beds to be billed on per bed basis, not to exceed 27,100
County of S.B. General Fund Human Services grant is approved at \$11,481.

Table 2
Revenue and Expense Comparison

	6/30/2012	6/30/2013	6/30/2014	6/30/2015
	Audited FS	Audited FS	Audited FS	Budget
Revenue				
Foundation	\$ 494,279	\$ 590,489	\$ 1,584,147 ¹	\$ 615,640
Contributions	587,011	502,746	885,749 ²	449,500
City of Santa Barbara-General Fund	137,981	127,575	130,075	241,100
City of Santa Barbara-CDBG, HOME & HPRP	336,229	167,528	96,121	51,000
County of Santa Barbara-General Fund	Unknown	Unknown	Unknown	316,700
County of Santa Barbara-Prob, ADMHS, ESG	403,378	453,605	426,620	158,580
Housing and Urban Development	160,210	172,083	9,878	-
Other	71,742	56,314	8,823	-
Total Revenue	\$ 2,190,830	\$ 2,070,340	\$ 3,141,413	\$ 1,832,520
Expense				
Salaries	\$ 1,130,617	\$ 957,579	\$ 657,692	\$ 773,416
Other employee benefits	154,390	149,329	135,440	141,787
Payroll Taxes	106,521	95,986	75,192	90,876
Client Expenses	21,378	14,719	7,617	5,484
Advertising and Promotion	2,102	1,900	-	-
Automobile	2,428	4,268	2,939	6,386
Bus Tokens	2,147	19,412	5,459	4,933
Office Expenses	10,225	5,994	4,869	4,436
Supplies	57,208	38,240	31,782	52,668
Computer Expense	20,076	15,186	8,449	5,262
Interest	171,553	198,234	206,964	130,247
Depreciation and Amortization	144,146	144,760	141,733	139,012
Equipment Rental	9,778	12,292	5,062	4,331
Grant Writing	-	-	-	9,000
Insurance	32,634	32,618	54,257	109,000
Utilities	90,384	99,960	96,503	103,000
Food Expense	23,335	6,694	3,618	22,284
Penalties	7,025	-	-	-
Printing Expense	25,078	17,521	15,598	24,673
Postage	15,415	5,448	3,918	6,415
Project Healthy Neighbor	14,103	10,708	-	-
Rent	11,828	11,128	4,423	-
Relocation Expense	16,286	14,261	780	-
Repairs & Maintenance	54,327	81,515	18,999	25,000
Security	3,285	780	3,450	2,800
Telephone	42,440	30,545	24,766	23,665
Medical Services	57,861	54,531	27,231	4,000
Community Kitchen	364,495	407,712	202,481	-
Client Housing Assistance	154,930	110,202	70,732	11,190
Professional Services (Accounting, Legal, etc.)	186,502	147,891	109,148	21,000
Ten-Year Plan	172,062	103,150	75,084	-
Miscellaneous expenses	32,803	23,402	21,175	111,633
Total Expense	\$ 3,137,362	\$ 2,815,965	\$ 2,015,361	\$ 1,832,498
Gain/(Loss)	\$ (946,532)	\$ (745,625)	\$ 1,126,052 ¹	\$ 22
Annual Cost/ Bed	\$ 23,949	\$ 21,496	\$ 15,384	\$ 13,989
Daily Bed Rate	\$ 66	\$ 59	\$ 42	\$ 38
Notes:				
1 - Includes \$1,125,206 Loan Forgiveness from Gildea Foundation				
2 - Includes \$428,000 from Emergency Appeal				

4. Debt Overview/Restructure Plan

In July 2013, Casa Esperanza realized it needed to dramatically restructure its operations because they had borrowed \$2.5 million to fund their operations, and they could no longer afford the diversity of programs they were providing. The Board of Directors (Exhibit A) formed a Finance Committee and invited two outside advisors to assist in crafting a plan to stabilize Casa's finances and keep them solvent. This committee developed, and the board approved, a three part financial rescue plan which included the following basic components:

1. **Raise enough money to meet current payroll.** The goal was to raise a minimum of \$300,000 through an appeal to the community and funders. A total of \$428,000 was raised.
2. **Develop and implement a budget which includes funding only from sources with a "reasonable expectation" of receiving.** In Fiscal Year 2014, their budget was reduced by approximately \$1 million, and their day center and open lunch programs were discontinued. They reduced staffing levels and reduced the salaries for the staff that remained.
3. **Restructure their balance sheet and deal with the large amount of debt that had accumulated over the previous six years.** They negotiated a direct debt reduction plan with their lenders. Their largest lender, the Gildea Foundation, forgave \$1 million in principal and \$126,000 in interest, and they agreed to reduce the interest on the remaining \$1,153,900 from 5% to 3% on a fully amortized 10 year loan. They also agreed to donate \$75,000 per year for 10 years to help offset interest expense and repayments of the balance on their loan. The other foundation debt totaling \$391,172 was previously interest only at 5%, with no provision for systematic repayment. Casa Esperanza has restructured these to be fully amortized and repaid by June 30, 2024, and they have a small Business First Line of Credit (\$39,352 at June 30, 2014) which is anticipated to be fully repaid by August 2015.

In addition to the debt described above, Casa has an outstanding mortgage with Business First totaling \$994,212 at a 7% interest rate with a balloon payment due on August 1, 2017. They plan to refinance as soon as possible and obtain a 20-year or 30-year amortized loan, which will reduce their monthly mortgage expense.

At the end of Fiscal Year 2014, Casa Esperanza's debt totaled \$3,578,636 (Table 3). Of that amount, \$1,000,000 was forgiven by the County of Santa Barbara and the City of Santa Barbara on September 30, 2014 per the deed of trust. Their debt is now approximately \$2,578,636.

This restructuring plan will allow Casa to fully pay all outstanding debt, excluding mortgage, in ten years in amounts that are less than they budget for depreciation. They feel that this will allow them to effectively fundraise for current and future programs.

Table 3
Long Term Liabilities as of June 30, 2014.

	Long Term Liabilities	Amount
Note Payables		
	County of S.B.	500,000
	City of S.B.	200,000
	City of S.B.	300,000
	Business First	994,212
	Gildea Foundation	1,153,900
	Other Foundations	391,172
	Business First LOC	39,352
Total		3,578,636

5. Staffing

As mentioned in Section 4, in the summer of 2014 Casa Esperanza reduced their staffing levels and reduced the salaries for the staff that remained. They also laid off their top two management positions, the Executive Director and the Operations Manager. Since March 2014, Casa Esperanza has been operating under two separate unpaid volunteer Interim Directors, first Bob Bogle and now Joe Tumbler. Casa has recently recruited a new full time Executive/Managing Director, Jessica Wishan, who will begin this month. Jessica comes to Casa with significant experience dealing with the homeless population. Her most recent position was Project Director for the San Diego Continuum of Care. Prior to that, she was the Director of PATH's San Diego homeless shelter. Her professional summary is attached as Exhibit B.

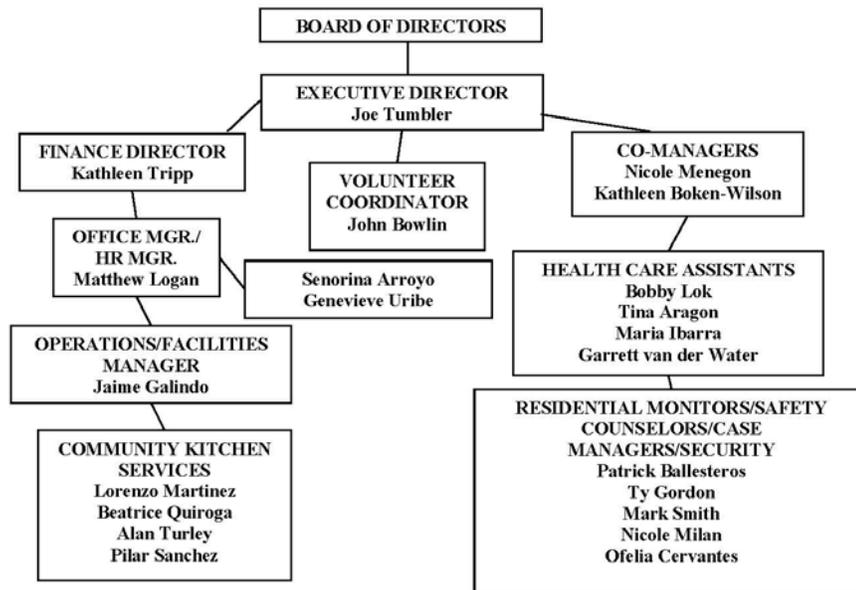
Casa employs fourteen (14) full-time and eight (8) part-time employees (see Organization Chart below). The positions are broken down as follows:

Administration:	3 FTE	Executive Director, Finance Director & Office/HR Manager
Operations/Facilities:	1 FTE	Operations/Facilities Manager
Program Support:	3.25 FTE	2.25 FTE Community Kitchen/1FTE Volunteer Coordinator
Program:	7.5 FTE	Case Managers/Residential Monitors/Health Care Assistants
Off Site Program:	.5 FTE	Family Advocate, La Cumbre Jr. High School
Security:	1.75 FTE	Security Counselors

Hourly rates range from \$11.00 per hour to \$34.85 per hour (excluding Executive Director).

In addition, as mentioned in Section 2, Casa currently has 6 volunteer Navigators who work one-on-one with clients to support the weekly goals made by their case manager; 4 have completed training and 2 who are almost midway through the training; most are from the Psychology Department at UCSB.

**CASA ESPERANZA HOMELESS CENTER
ORGANIZATIONAL CHART**



6. Shelter Comparisons

Four homeless shelters were chosen from the California Homeless Shelters and Social Services website (<http://www.homelessshelterdirectory.org/california.html>) for comparison purposes (see Table 4). Selection was based on counties comparable to Santa Barbara by population, number of beds, and those that served individuals, not just families. This was a somewhat difficult process as there are many different shelter models.

Three of the four comparison shelters receive a smaller percentage of overall government funding than Casa Esperanza. The Santa Cruz shelter receives proportionately an equal percentage of overall government funding, as well as local (county, cities) and federal/state funding as Casa. The bed rate for Casa Esperanza is higher than each of the four comparison shelters; however their cost for the comparison year includes the day center and open lunch programs. Casa's bed rate is calculated at \$38 per night for Fiscal Year 2015, which is more in

line with the comparison shelters and reflects the operational changes that have been made during the past few years.

Casa submitted their own list of comparable shelters; however they were much larger organizations in larger counties, with budgets averaging \$6 million per year. For this reason, they are not included in the review.

Table 4
Shelter Comparisons by County

	Casa Esperanza	Homeless Services Center	Mission Solano Rescue Mission	The Gathering Inn	Committee on the Shelterless	Casa Esperanza
County	Santa Barbara	Santa Cruz	Solano	Placer	Sonoma	Santa Barbara
	7/1/12-6/30/13	7/1/11-6/30/12	1/1/12-12/31/12	10/1/12-09/30/13	7/1/12-6/30/13	7/1/14-6/30/15
# of Beds	100-200	180-280	269	60	234-339	100-200
Revenue						
Government grants	\$ 920,791	\$ 946,819	\$ 664,122	\$ 154,420	\$ 807,444	\$ 767,380
Other contributions, gifts, grants	1,093,228	847,406	1,178,824	446,500	1,063,580	1,065,140
Capital fundraising	-	798,690	-	-	-	-
Rent & Fees income	5,900	184,627	-	14,157	167,557	-
Donated auto sales	-	-	121,562	-	-	-
Thrift store	-	-	344,618	-	-	-
Investment income	7	35	-	220	74,661	-
Fundraising events	-	-	44,308	112,311	708,988	-
Other income	50,414	95,422	105,080	-	-	-
Total Revenue	\$ 2,070,340	\$ 2,872,999	\$ 2,458,514	\$ 727,608	\$ 2,822,230	\$ 1,832,520
Expenses						
Payroll	\$ 1,202,894	\$ 1,294,442	\$ 1,095,264	\$ 543,186	\$ 2,051,590	\$ 1,006,079
Fees for services	147,891	-	137,295	-	185,455	21,000
Office expenses	5,994	9,918	26,274	36,553	100,154	4,436
Occupancy/Utilities	142,413	158,140	480,077	47,050	272,236	129,465
Travel/Transportation Services	19,412	43,908	1,793	50,601	53,185	4,933
Interest	198,234	-	50,464	50,950	37,892	130,247
Depreciation	144,760	227,490	131,161	46,577	294,718	139,012
Insurance	32,618	23,224	35,362	20,850	29,554	109,000
Equipment and supplies	12,292	-	37,828	50,054	72,175	4,331
Food & related supplies	6,694	53,972	-	-	-	22,284
Repair & Maintenance	81,515	155,339	-	-	-	25,000
Auto and truck expense	4,268	-	80,234	-	-	6,386
Taxes and licenses	-	-	9,541	-	-	-
Ten-Year Plan	103,150	-	-	-	-	-
Client Housing Assistance	110,202	-	-	-	-	11,190
Community Kitchen	407,712	-	-	-	-	-
Other expenses	195,916	198,106	137,573	45,366	118,400	219,135
Total Expenses	\$ 2,815,965	\$ 2,164,539	\$ 2,222,866	\$ 891,187	\$ 3,215,359	\$ 1,832,498
Net Income (loss)	(745,625)	708,460	235,648	(163,579)	(393,129)	22
Annual Cost/ Bed	21,496 ²	\$ 12,025 ¹	\$ 8,263	\$ 14,853	\$ 13,741	13,989
Daily Bed Rate	59	\$ 33	\$ 23	\$ 41	\$ 38	38
Total Government Grants	44%	46%	27%	21%	29%	42%
Fed/State Government Grants/Total Revenue	24%	24%	unknown	21%	12%	12%
Local Government Grants/Total Revenue	20%	22%	unknown	0%	17%	30%
1 Excludes Capital fundraising						
2 Includes day center and open lunch programs						

7. Challenges and Opportunities

Merger Potential

In order to realize operational and cost effectiveness, Casa Esperanza is exploring the possibility of a merger with People Assisting the Homeless (PATH), a 501(c)(3) organization based in Los Angeles. Any merger would be conditioned on community and funder acceptance and further conditioned on all funds raised in Santa Barbara staying in Santa Barbara.

PATH is a family of agencies working together to end homelessness for individuals, families, and communities throughout Southern California. They provide housing and supportive services from San Diego to San Luis Obispo, although they are relatively new to the Central Coast.

PATH is in the process of reviewing and considering the overall status of Casa Esperanza. The two organizations are also in discussions regarding entering into a Management Agreement for PATH to provide programmatic advice and support while merger talks progress. Whether or not this merger is completed, Casa Esperanza must be on solid financial ground moving forward.

Neighborhood Relations

Largely due to Casa Esperanza's programmatic and administrative changes, their relationship with the Milpas neighborhood has greatly improved over the past year. Casa's semi-annual report the City Planning Commission was held on October 16, 2014. There were no members of the public speaking in opposition of the shelter as they have in past years. In addition, the Milpas Action Task Force (MATF) report was favorable and indicated a much better relationship between Casa and the neighborhood.

Ongoing Funding

Casa Esperanza has described a funding plan for the future that includes:

- Applying to prior funders, describing Casa's improved circumstances, and asking for ongoing support for their shelter operations.
- Applying to new funding sources that have not been available due to Casa's previous programs and outcomes.
- Approaching the City, County and Cottage Hospital with a clear description of their costs of operations and ask for reimbursement at levels that cover their costs of service delivery.

8. Conclusions/Recommendations

Casa Esperanza has undergone significant changes during the past year. After operating for six years in a deficit, they ended Fiscal Year 2014 with a slight surplus, and they have adopted a realistic balanced budget for Fiscal Year 2015. They have made progress in strengthening their finances and operations, and they are dealing with their outstanding debt. The changes have made them better neighbors in the Milpas community. They have recruited an experienced Director and are considering a merger with a well- established homeless service organization.

In light of the progress Casa Esperanza has made to turn its organization around and become financially stable, our recommendation is that the County and City release the restriction on the extra one-time funding allocated for Fiscal Year 2015 and allocate the remaining funds on a monthly basis through June 2015.

Should Casa Esperanza require additional funding for Fiscal Year 2016 and beyond, our recommendation is that they approach the County and City during their respective budget processes and provide each jurisdiction an update on the merger discussions and Casa Esperanza's current financial status, including success in obtaining budgeted contributions and private grants.

There has been much debate as to how much government support is needed to make Casa Esperanza viable for the long term. The Urban Institute's *Human Service Nonprofits and Government Collaboration* report in 2010, reported that "although human service nonprofits have a myriad of revenue sources, such as fees, donations and investment income, government revenues are the largest single source of funding for three out of five nonprofits". Forty-three percent of nonprofits with budgets over \$1 million report that government is the single largest source of income for their agencies. The report did not, however, indicate specific percentages of government funding or the government funding source (federal/state or local county/city). Other sources that did indicate specific percentages of government support were not comparable because they include health and educational non-profit organizations that generate significant user fees.

Neither the research or shelter comparison information was useful in determining an overall level of funding that local government should provide for Casa Esperanza. Rather, it will be up to each jurisdiction to make its own policy decisions.

Casa Esperanza Homeless Center				
Board of Directors (as of 7/17/14)				
Name	Phone	Fax	Address	Email
Adams, Sue	682-4415 Cell 450-4992	682-6187 fax	755 Mission Canyon Rd Santa Barbara, CA 93105	sbsueadams@gmail.com
Allen, Barbara	682-2023 hm		212 W. Anapamu St. Santa Barbara, Ca 93101	bbainsb@gmail.com
Asman, Mark, President	965-7419	965-8840 fax	Trinity Episcopal Church 1500 State Street Santa Barbara, Ca 93101	masman@trinitysb.org
Bacon, Denny	966.3695 Home 206.909.3597 Cell	866.714.9436 fax	1733 Las Canoas Rd Santa Barbara, CA 93105	dennybacon@hotmail.com
Dixon, John	965-4558	564-6939 fax	335 S. Milpas St Santa Barbara, CA 93103	john@tcpsb.com
Hay, David	245-9016		201 W. Montecito St Santa Barbara, CA 93101	davidhay914@gmail.com
Manion, Mark, Secretary	962-0011	965-3978 fax	C/O Price, Postel & Parma 200 E. Carrillo Street 4th Floor	msm@ppplaw.com
McFarland, Nadine	617-6505			
Minsky, Juliana	687-3322 office 689-6618 Cell	687-3344 fax	351 S Hitchcock Way, Ste B-200 Santa Barbara, CA 93105	jm@surfmedia.com
Pearson, Robert G.	897-1025	564-7041 fax	808 Laguna Street Santa Barbara, CA 93101	rpearson@hacsb.org
Peri, David L., Treasurer	563-1049	563-1158 fax	P. O. Box 422557 Santa Barbara, CA 93121	peri@pacpa.com
Ring, Richard, Vice President	565-0958 Cell 698- 5400		2931 Hidden Valley Lane Santa Barbara, CA 93108	richardring@cox.net
Williams, Vickie	452-5238		6180 Via Real Carpinteria, CA 93013	vpw55@icloud.com



Casa Esperanza Homeless Center ^{Exhibit B}

Offering hope and help every day!

Jessica Wishan, Managing Director, Casa Esperanza Homeless Center

Professional Summary

Jessica is a graduate of UC Santa Barbara and has dedicated her career to ending homelessness for individuals and communities. Jessica returned to Santa Barbara to serve as Managing Director of Casa Esperanza Homeless Center in November of 2014.

Most recently, Jessica was the Project Director for San Diego's Continuum of Care where she focused on regional planning efforts across 18 cities, promoting systems-change to increase collaboration, and decrease homelessness in the region.

Jessica also worked for PATH (People Assisting the Homeless) for several years, most recently as the Director of Community Engagement in Southern California where she concentrated on fundraising and communications, strategic partnerships, veterans programs, re-entry projects, and employment and job-training initiatives.

Jessica was also responsible for managing and opening PATH's project, Connections Housing in Downtown San Diego, in her role as Director for PATH San Diego. Connections Housing is a 14-floor integrated service and residential community that provides housing, services and healthcare to 223 chronically homeless individuals. The project opened in an atypical part of the community – the centre city core of downtown San Diego, where many of the financial businesses are located. Working closely with community stakeholders, the project was responsive to neighborhood concerns and was able to decrease homelessness by more than 50 percent in the quarter mile radius surrounding the building.

In Los Angeles, Jessica helped PATH lead campaigns in 5 cities under the national 100,000 Homes Campaign which aimed to identify and house vulnerable homeless individuals. She also lead *Our Faith Matters*, an interfaith alliance that mobilizes faith leaders to promote ending homelessness through housing solutions.

Before PATH, Jessica worked for an LA-based nonprofit called Chrysalis, where she spent time on employment services and social enterprise programs serving low-income and homeless adults.

Jessica is honored to return to the town of her alma mater and help work with the community to find creative solutions to decrease homelessness and help neighborhoods thrive.

Board of Directors

*Rev. Mark Asman
President*

Sue Adams

Barbara Allen

Denny Bacon

John Dixon

David Hay

Mark Manion, Esq.

Secretary

Nadine McFarland

Juliana Minsky

Robert Pearson

David Peri

Treasurer

Richard Ring

Vice-President

Vickie Williams

Board of Directors Emeritus

David Borgatello

*Naomi Schwartz
(Dec.)*

Sandra Tripp-Jones

Managing Director

Jessica Wishan

Executive Director

Joseph Tumbler

(Interim)

PO Box 24116
Santa Barbara, CA 93121
(805) 884-8481
www.casa-esperanza.org



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

SUBJECT: Public Meeting On The Proposed Modification Of 2011-2015 Santa Barbara South Coast Tourism Business Improvement District

RECOMMENDATION:

That Council hold a public meeting to hear comments on the proposed modification of the 2011-2015 Santa Barbara South Coast Tourism Business Improvement District for the District to expire on December 31, 2014.

DISCUSSION:

Overview

On September 28, 2010 the Santa Barbara City Council approved Resolution No.10-080 establishing the Santa Barbara South Coast Tourism Business Improvement District (TBID) and approved the TBID Management District Plan. The TBID is a benefit assessment district designed to increase tourism by creating a supplemental funding source for marketing the south coast region of Santa Barbara County. The TBID region includes the Cities of Santa Barbara, Goleta, and Carpinteria, and the nearby unincorporated areas of the County of Santa Barbara, with the City of Santa Barbara designated as the lead jurisdiction.

The five-year term of the 2011-2015 TBID is set to expire on January 1, 2016. In late 2013, VSB began the TBID renewal process by meeting with lodging industry focus groups and stakeholders to provide an overview of the TBID accomplishments, answer questions, and get input regarding changes to the TBID assessment.

On October 28, 2014 the Santa Barbara City Council approved resolution No.14-072 renewing the Santa Barbara South Coast Tourism Business Improvement District (TBID) and approved the 2015-2020 TBID Management District Plan. The City of Carpinteria did not consent to be included in the TBID and therefore is no longer a participant in the TBID.

Modification Process

The renewed 2015-2020 TBID will take effect January 1, 2015. This is one full year before the existing 2011-2015 TBID expires on December 31, 2015. In order to effectuate the early renewal, it is necessary to dissolve the current TBID. If the current TBID is not dissolved, both would exist simultaneously. The City Council adopted a Resolution of Intention to Modify the Management District Plan of the TBID on October 28, 2014, which was the first step in the dissolution process. The resolution also fixed the place and time of a public meeting and public hearing. These items are proposed to be held on November 25 and December 16, respectively.

The public meeting, today marks the second step required to modify the TBID. At this meeting, Council will hear testimony from the public and affected business owners on the proposed TBID modification. Council will not be asked to take any action at the public meeting.

The final step in the legal process is scheduled for December 16, 2014 when the public hearing will be held. Council would consider the adoption of the Resolution to Modify, the TBID Management District Plan to shorten the duration of the 2011-2015 TBID, from five years to four years. The modification will cause the TBID to expire on December 31, 2014.

BUDGET/FINANCIAL INFORMATION:

The current TBID generates approximately \$1.75 million for marketing outreach; the renewal will generate an additional \$1.38 million for marketing efforts.

PREPARED BY: Genie Wilson, Treasury Manager

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Appeal Of Single Family Design Board Denial Of A Residence On Lot 2 Of The 3626 San Remo Drive Subdivision

RECOMMENDATION:

That Council uphold the appeal of Jarrett Gorin, agent on behalf of Capital Pacific Development Group, granting Project Design Approval for a new single-family residence on a vacant lot at 3626 San Remo Drive.

EXECUTIVE SUMMARY:

On September 22, 2014, upon the applicant's request, the Single Family Design Board (SFDB) denied Project Design Approval of the subject residence. The SFDB initially moved to continue the project requesting that the house size be further reduced, when the applicant asked that the SFDB deny the project instead, allowing for an appeal hearing before City Council.

The subject parcel is part of a four lot subdivision of 3626 San Remo Drive originally approved by the Planning Commission in 2010. Houses on each of the lots have been reviewed concurrently by Historic Landmarks Commission (HLC) and SDFB.

The house was reviewed at five separate SFDB hearings which included various objections by adjacent neighbors on the proposed size of the two-story house. The SFDB visited the site to view storypoles requested by the neighbors and the Board. At each of the previous hearings, the Board asked for this house to be redesigned and reduced in size. The applicant redesigned the house, and the floor area was reduced by a total of 189 square feet (5.9%) from the initial proposal reviewed in January. The house that was denied is a two-story, 2,652 square foot house with a 480 square foot attached garage, which is 74% of the maximum floor area allowed by the Zoning Ordinance.

Staff's recommendation is to uphold the appeal for various reasons: the proposed home size is reasonable (approximately 3,100 sq. ft.) and is consistent with FAR standards for the size of lots. In addition, the SFDB successfully worked with applicant to adequately reduce the volume, mass, bulk and scale of the proposed residence and stated this

determination as part of the record. Staff believes that additional square footage reductions would not significantly reduce the appearance of the house.

PROJECT:

The proposal is for construction of a two-story, 2,652 square foot, single-family residence and an attached 480 square foot, two-car garage, located on a vacant 14,094 square foot lot. The proposed total of 3,132 square feet is 74% of the maximum floor-to-lot area ratio (FAR).

BACKGROUND:

The subject property is located in the San Roque neighborhood and is referred to as Lot 2 of the four-lot, 1.53-acre subdivision at 3626 San Remo Drive originally approved by the Planning Commission in October 2010 and subsequently amended in August 2014. (See Attachment 2 for subdivision plan.) Subdivision improvements include habitat restoration along San Roque Creek, which flows along the eastern side of the subdivision, and replication of the historically-significant façade of the 1927 Edwards, Plunkett and Howell-designed house on Lot 3. The subdivision conditions also require establishment and maintenance of a public view easement to the house on Lot 3 from San Remo Drive.

The subdivision was approved in 2010 without any proposed residences. In 2014, Capital Pacific Development Group, as the new applicant, requested changes to the subdivision including minor changes to the lot lines, removal of a private creekside pedestrian path, and changes to the Planning Commission conditions of approval. On August 14, 2014, the Planning Commission approved the requested changes and required that the applicant provide guest parking on Lots 1, 2 and 4, in response to neighbor concerns and design board comments. Capital Pacific concurrently applied for design review of similar-sized, two-story houses on each of the four lots. Since the existing house on Lot 3 is on the City's List of Potential Historic Resources, HLC approval was required on Lot 3. Review of the proposed residences on Lots 1, 2, and 4 are within SFDB's purview.

On October 22, 2014, HLC granted Project Design and Final Approvals for a house on Lot 3 that includes reconstruction of the historically-significant south and east-facing façades. The approved house is 3,210 square feet, 74% of the maximum floor area. The existing house, to be demolished, is 2,907 square feet (without covered parking).

The houses on Lots 1 and 4 were most recently reviewed by SFDB on June 2, 2014 and were proposed at 3,136 square feet (74% of the maximum floor area) and 3,292 square feet (75% of the maximum floor area), respectively. SFDB provided similar direction to reduce the sizes of the houses proposed on Lots 1 and 4. Staff expects that the outcome of this appeal will influence the SFDBs review of the proposed houses pending on Lots 1 and 4. SFDB also granted Project Design Approval for the overall subdivision grading plan in September 2014. The approvals for the Subdivision and the HLC approval for Lot 3 were not appealed.

DISCUSSION:

A primary goal of the Single Family Design Board (SFDB) is to promote neighborhood compatibility. The Single Family Residence Design Guidelines (Guidelines) provide a framework for the design review process and a foundation for public, City staff, SFDB, HLC, Planning Commission and City Council project evaluation. The Guidelines recognize the need of the City to balance desired home improvements and changes to established neighborhoods with respect for design features and characteristics of surrounding properties.

The Guidelines state that new houses can maintain a desirable living environment within a neighborhood, when they have an appropriate volume, bulk, massing and scale and have a size appropriate for its lot size and not significantly larger than the immediate neighborhood. The Guidelines define these terms and discuss their relationship (see Attachment 3.)

House Size

The size of a single-family house is limited by Zoning Ordinance with formulas relating house size to lot size. This is referred to as the Floor Area Ratio or FAR. For lots less than 15,000 square feet, houses may not exceed the maximum floor area without special approval from the Planning Commission.

The Single Family Residential Design Guidelines encourage applicants to design homes under 85% of the maximum square footage for their lot size. The Guidelines recognize that houses proposed over 85% of the maximum area are more likely to pose neighborhood compatibility issues and are generally discouraged. Additional information is required for houses proposed to exceed 85% of the maximum area, including a study of the 20 closest home sizes and FARs, story poles, and perspective drawings. In this case, the maximum floor area of a house for the subject property is 4,262 square feet. The proposed 3,132 square foot house is 74% of the maximum floor area.

The Guidelines state that an FAR should be reduced where development is closer to property boundaries or more visible to the public and to neighbors. The subject house is located more than 190 feet from San Remo Drive and would be well screened from public view from San Remo Drive because of its location behind the historically-significant house on Lot 3. The house may be partially visible up the driveway and partially visible above the single-story homes along Adair Drive (the cul-de-sac immediately west of the subdivision). Due to the driveway location along the west side of the subdivision, the house is setback substantially from the closest existing neighbors along the western property line. The applicant addressed privacy concerns with existing neighbors with sizing and placement of windows, placement of trees and a new eight foot tall fence between the properties.

The Guidelines indicate that lower FARs may also be appropriate when the buildable portion of a site is small relative to the lot size. While the required conservation easement along San Roque Creek provides a substantial amount of open space for the subject property, it also limits the developable area of the parcel. The creek setback, driveway, and interior setbacks effectively reduce the developable area of the lot to approximately 4,517 square feet, which is equivalent to the developable area of a standard 7,480 square foot lot with no physical constraints. A 7,480 square foot lot has a maximum floor area of 3,070 square feet. The proposed house on a 7,480 square foot lot would be 87% of the maximum allowable floor area, which is within the range of house sizes generally found acceptable by the Single Family Design Board.

Though not required, the applicant provided a 20 closest homes study (Attachment 4), which shows an average house size of 2,406 square feet and an average FAR of .24. While the proposed house would be the second largest of the homes studied and approximately 30% larger than the average, its FAR is just below the average at .22. The neighboring subdivisions to the north and west were developed in the late 1950s/early 1960s and are primarily developed with single-story homes on lots smaller than the subject lot. The subdivision to the east, on the opposite side of San Roque Creek was developed with larger homes on lots slightly larger than the subject lot. The 20 closest homes study does not consider the large condominium buildings located across San Remo Drive.

SFDB Review

Minutes from the five SFDB hearings are included as Attachment 5. The SFDB and neighbors consistently asked for the size of the house to be reduced. Neighbors and board members also asked for single-story designs to be considered. Architect Henry Lenny was hired to help further reduce the mass, scale and height of the proposed residence. From the initial hearing in January, through direction of the SFDB, the house size was reduced by a total of 189 square feet (5.9%), the house height was reduced by 2.8 feet, the massing of the house was better-articulated, and the scale of the house was reduced with design changes. Over the course of the review of the project, the SFDB and Mr. Lenny's changes were successful in improving and refining the architecture to provide a high-quality design with appropriate massing and scale (See comparative elevations in Attachment 5.)

In review of the house size at the last SFDB hearing, Mr. Lenny argued that the proposed floor plan was designed efficiently, making further size reductions difficult with a four bedroom design. Mr. Lenny discussed the possibility of thickening of exterior walls, which would reduce the net size of the house, but result in no perceptible change to its exterior appearance. To reduce the size, a board member suggested that the applicant remove 110 square foot area on the first floor that includes a bathroom and closet, which would also be imperceptible from public right-of-way due to its location on the first floor and on the far side of the house.

While staff fully supported the initial SFDB direction to the applicant to reduce home size and redesign the house to be smaller in appearance, staff believes the revisions to the house massing design were responsive to the Board's direction and resulted in a house that is compatible with the neighborhood. Finally, the size and FAR conform to the City's Guidelines and are appropriate to the site and the neighborhood. Draft Neighborhood Preservation Findings are included below to support Staff's recommendation to grant Project Design Approval.

Neighborhood Preservation Findings

To grant Project Design Approval, City Council must make each of the following findings:

1. **Consistency and Appearance.** The proposed development is consistent with the scenic character of the City and will enhance the appearance of the neighborhood with an architectural style consistent with the style of the historically-significant elements of the adjacent house.
2. **Compatibility.** The proposed development is compatible with the neighborhood, and its size, bulk, and scale are appropriate to the site and neighborhood. The neighborhood has a variety of building sizes and lot sizes. The proposed house is 74% of the maximum house size, which is well within the City's adopted floor area restrictions.
3. **Quality Architecture and Materials.** The proposed buildings and structures are designed with quality architectural details.
4. **Trees.** The proposed project does not include the removal of or significantly impact any designated Specimen Tree, Historic Tree or Landmark Tree. The proposed project and the subdivision grading plan, to the maximum extent feasible, preserve and protect healthy, non-invasive trees with a trunk diameter of four inches (4") or more measured four feet (4') above natural grade, and the subdivision grading plan and Planning Commission conditions of approval mitigate the impacts of tree removals by planting replacement trees in accordance with appropriate tree replacement ratios.
5. **Health, Safety, and Welfare.** The public health, safety, and welfare are appropriately protected and preserved with the restoration of the conservation easement area on the site and the high quality design of the new house.
6. **Good Neighbor Guidelines.** The project generally complies with the Good Neighbor Guidelines regarding privacy, landscaping, noise and lighting. The choice and placement of windows facing the neighbors, the landscaping provided along the driveway and selection of driveway lighting are consistent with the direction of the Good Neighbor Guidelines.

7. **Public Views.** The development, including proposed structures and grading, does not affect any significant public scenic views of and from the hillside.

Conflict of Interest

The applicant asked staff to request that the SFDB Chair Sweeney, recuse himself from the review of the project due to perceived conflicts of interest related to the nature of his prior work relationship with the project designer, and his personal relationship with an adjacent neighbor who has participated in the public review of the project. The applicant also requested that SFDB member Pierce recuse herself, as she is that same neighbor's niece. Planning staff and the City Attorney's office communicated these requests to Chair Sweeney and Board Member Pierce. Chair Sweeney declined the request to step down, stating that he believed he could use fair judgment in his review. Board Member Pierce has not participated in any subsequent design review hearings since the request was made.

NOTE: The project file and plans were delivered separately to City Council for review and are available for public review at the City Clerk's office.

- ATTACHMENTS:**
1. Appellant letter dated October 2, 2014 (without attachments)
 2. Reduced subdivision plan, site plan, floor plans, and elevations
 3. Single Family Residential Design Guidelines Excerpts
 4. 20 Closest Homes Study
 5. SFDB Minutes with elevations

PREPARED BY: Daniel Gullett, Project Planner

SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office

October 2, 2014

Page 1 of 14

Mayor Helene Schneider & City Council Members
c/o City Clerk's Office
735 Anacapa Street
Santa Barbara, CA 93101-2203

Hand Delivered

**RE: Appeal of Single Family Design Board September 22nd Denial of Single Family Residence
3626 San Remo Drive, Lot 2 (Case No. MST2013-00505)**

Madame Mayor and Councilmembers:

Vanguard Planning LLC (hereinafter "VPLLC") Represents Capital Pacific Development Group, Inc (hereinafter "Appellant") the applicant for a single family residence (the "Residence") proposed for construction on the above referenced property (the "Subject Property"). This is an Appeal to the City Council (the "Appeal") of the Single Family Design Board (the "SFDB") action to deny the Project on September 22, 2014, and is made pursuant to Santa Barbara Municipal Code (the "SBMC") Sections 22.69.080 and 1.30.

The Subject Property is Lot 2 of a four lot subdivision originally approved October 14, 2010 per Planning Commission Resolution No. 015-10 incorporated herein by reference. A revised four lot subdivision was approved August 14, 2014 per Planning Commission Resolution No. 022-14 incorporated herein by reference. Planning Commission approval of the revised subdivision was not appealed by any party and that approval is now final and non-appealable.

1.0 SUMMARY OF BASIS FOR APPEAL

Appellant has pursued approval of the Residence by the City of Santa Barbara (the "City") SFDB since January of 2014. As set forth in Section 2.0 below, the SFDB did not provide an objective review of the Residence consistent with adopted City ordinances, standards, and guidelines. The SFDB also repeatedly ignored substantial evidence presented at multiple hearings, and which is now part of the administrative record. The SFDB's denial of the Project on September 22, 2014 was arbitrary and was made without reference to facts or evidence presented during any SFDB hearing at which the Residence was considered. The SFDB simply stated that the "mass and bulk" of the residence were acceptable and compatible with the surrounding neighborhood, and that the Residence was being denied purely due to its square footage statistic. The SFDB did not provide even a cursory explanation that would allow the Appellant or any other party to understand how the square footage of the Residence, considered in isolation, affects its compatibility/incompatibility with the surrounding neighborhood or serves as a legitimate basis for the SFDB's action. Specifically, the SFDB did not identify how any feature or characteristic of the Residence, including its square footage, would prevent the SFDB from making the Neighborhood Preservation Findings set forth in SBMC 22.69.050 (the "Required Findings"). A copy of the Required Findings is included as **ATTACHMENT A**.

Furthermore, Fred Sweeney (hereinafter “Mr. Sweeney”) the current chairperson of the SFDB, refused to step down from the SFDB’s review of the Project despite having two prior relationships that create an obvious perception of conflict of interest as identified in the Code of Conduct section of the City’s adopted Guidelines for the City of Santa Barbara Advisory Groups (hereinafter the “Code of Conduct”). A copy of the Code of Conduct is included as **ATTACHMENT B**. Appellant provided written notice to the City of this apparent conflict of interest on two occasions, and City Staff discussed the issue with Mr. Sweeney. Rather than stepping down, as provided for in the Code of Conduct, Appellant believes Mr. Sweeney insisted on participating during consideration of the Residence so that he could directly influence the outcome of the hearings *in favor of a project opponent* with whom Mr. Sweeney has a long-term business and personal relationship, and *against the Residence architect*, who elected to terminate her previous employment with Mr. Sweeney’s firm due to a hostile work environment. This is discussed further in Section 3.0 below. Mr. Sweeney, as chairperson of the SFDB, had the unique ability to control and manipulate the manner in which hearings for the Residence were carried out.

2.0 SFDB’s DENIAL IS ARBITRARY AND IS NOT SUPPORTED BY EVIDENCE IN THE ADMINISTRATIVE RECORD

2.1 Evidence in the Administrative Record

The following facts were presented to the SFDB at multiple hearings and are part of the administrative record for the Residence preceding its September 22nd action to deny the Residence:

- The area directly adjacent to the approved subdivision within which the Residence is proposed includes two-story attached condominiums, two-story garden apartments, two-story single family dwellings (hereinafter “SFD’s”) and one-story SFD’s. An aerial photograph of the approved subdivision property and the surrounding neighborhood, and photographs of existing structures adjacent to the property are included in **ATTACHMENT C**.
- Condominiums and Apartments are located directly across San Remo Drive from the approved subdivision.
- The proposed Residence cannot be seen from any public street.
- The proposed Residence is not visible to the public in context with any existing structure near the Subject Property.
- The proposed Residence will be on a 14,094 s.f. lot. This lot is substantially larger than many lots in the surrounding neighborhood.
- The Residence has a 0.22 Floor Area Ratio (hereinafter “FAR”) calculated using the City’s adopted FAR formulas. An FAR calculation performed using the City’s standard spreadsheet template is included as **ATTACHMENT D**.
- The proposed 0.22 FAR falls in the 43rd percentile of FAR’s for the 20 closest existing homes to the Subject Property (i.e. 11 existing SFD’s out of the 20 home sample have larger FAR’s).
- The City’s adopted methodology for performing a “20-Closest-Homes Analysis” excludes all existing structures other than SFD’s (condominiums and apartment structures are not included).
- Existing visible multi-family structures are part of everyone’s perception of the neighborhood surrounding the Residence.
- FAR is the standard tool used by the SFDB to determine whether any proposal is compatible with the surrounding neighborhood.
- The City’s adopted Single Family Residence Design Guidelines (the “Design Guidelines”) encourage applicants to “...*design homes under 85% of the maximum square footage for their lot size whenever possible to help ensure neighborhood compatibility.*” The Design Guidelines are incorporated herein in their entirety by reference. Excerpts from the Design Guidelines are included as **ATTACHMENT E**.
- The proposed residence is 74% of the maximum FAR calculated using the City’s adopted formulas.
- The City’s Single Family Residence Design Guidelines Worksheet (the “Design Guidelines Worksheet”) does not require an FAR compatibility analysis (i.e. “20-Closest-Homes Analysis”) unless a proposal is greater than 85% of the maximum FAR. A copy of the Design Guidelines Worksheet is included as **ATTACHMENT F**.

- The Design Guidelines Worksheet asks applicants: *“Have excessive building heights (25’ in most neighborhoods) been avoided?”*
- Maximum height of the proposed Residence is 22’-4”.
- There are no direct sight lines from the proposed Residence into existing homes or yards nearby.
- The closest existing residence in the surrounding neighborhood (216 Adair Drive) is located approximately 60’ away from the proposed Residence. Its rear property line is located approximately 36’ from the proposed Residence.
- No modifications are required for the proposed Residence. It complies with all applicable ordinances and standards of the E-3 zone district, which is the zoning for the Subject Property. The design surpasses ordinance requirements in most cases (e.g. provides larger setbacks than required). A copy of the City’s E-3 zone district is included as **ATTACHMENT G**.

2.2 SFDB Review

The SFDB considered the proposed Residence at five public hearings:

- January 13, 2014
- March 24, 2014
- June 2, 2014
- July 14, 2014
- September 22, 2014

Minutes for the September 22, 2014 hearing are not yet available as of the date of this Appeal. Minutes for the other SFDB hearings listed above are included in **ATTACHMENT H**. All of the hearings listed above were also videotaped by the City. The proceedings are available on the City’s website and are incorporated herein, in their entirety, by reference. In the following sections, all previous design iterations of the proposed single family dwelling and the current design are collectively referred to as the Residence.

2.2.1 January 13, 2014 SFDB Hearing

The proposed Residence concept presented at the January 13th hearing included 2,820 s.f. of habitable area within a two story structure, and a 500 s.f. attached garage for a total area 3,230 s.f. area. The minutes for the hearing erroneously reflect a 3,230 s.f. residence *and* a 500 s.f. attached garage resulting in a 3,820 s.f. area. The FAR for the Residence is also erroneously listed as *“90% of the required floor-to-lot-area ratio (FAR).”* in the adopted minutes. The actual FAR of the Residence presented at this hearing is 78% of the maximum allowable FAR per the City’s adopted formulas. FAR calculations for both the erroneous statistics in the minutes, and the actual statistics of the Residence considered at the January 13th SFDB hearing, created using the City’s FAR calculation spreadsheet, are included as **ATTACHMENT I**.

Currently, Appellant does not believe that the incorrect project statistics cited in the minutes were intentionally misrepresented by City staff, but rather that these are the result of a simple math error which resulted in the garage being counted twice. However, Appellant does assert that the presentation of inaccurate size and FAR statistics, the first time the Residence was considered before the SFDB, is *substantive* in this case in light of the City’s adopted guideline that instructs applicants to *“Strive for a project which falls in the ‘less than 85% of maximum FAR’ range for the project lot size.”* The initial concept for the Residence came in well within this guideline but the SFDB appears to have believed that it did not comply.

Although the proposed Residence would not be visible from any public street, and complied with all applicable City ordinances and guidelines, the SFDB asked the Appellant to “*Study reducing square footage*” without articulating any specific design goal to be accomplished by the reduction, or how the such reduction related to the SFDB’s ability to make the Required Findings. Other direction from the SFDB was far more specific.

2.2.2 March 24, 2014 SFDB Hearing

At the March 24th SFDB hearing, Appellant presented a modified design for the Residence comprising 2,792 s.f. of habitable area and a 499 s.f. attached garage. The statistics for the Residence were accurately cited in the agenda and minutes: a proposed total of 3,292 s.f. representing 78% of the maximum allowed FAR.

Vince Amore, project manager for the Appellant, indicated to the SFDB that the statistics previously cited in the January 13th minutes were incorrect and that the proposed Residence had never been over the 85% of maximum FAR target identified in the Design Guidelines Worksheet.

The SFDB again requested a reduction in the proposed square footage, and again failed to cite any basis for the reduction. Specifically, no member of the SFDB provided any information to indicate why a proposed single family home, not visible to the public, and well under the 85% of maximum FAR design standard needed to be made smaller in order to be compatible with the surrounding neighborhood of SFD’s, condominiums, and apartments. Other direction provided by the SFDB was more specific and directly related to clearly identified components of the proposed design.

Additionally, Appellant was required to provide story poles for the proposed Residence. Given: a) the location of the Residence, over 190 feet from San Remo drive, and behind existing structures on Adair Drive; b) the fact that the Residence was well under the 85% of maximum FAR design goal specified in the Design Guidelines; and c) the fact that there are no public views of the Residence, this was an extraordinary request.

The City’s Visual Aid Requirements for Development Applications (hereinafter the “Story Pole Requirements”) are included as **ATTACHMENT J**. The Story Pole Requirements indicate that Story Poles:

“will be required for new single family residential buildings...when the floor:lot area ratio exceeds 0.40, the height of the building substantially exceeds that of surrounding buildings, the building will block or reduce important public scenic views, is very visible to the public or is proposed on or to project above a topographic ridgeline...”

At the time this requirement was imposed by the SFDB, the proposed Residence concept had 0.23 “*floor:lot ratio*” which is 43% less than the 0.40 trigger identified in the Story Pole Requirements. The height of the proposed Residence was 25’-2” which is a typical two-story SFD height, and similar to the heights of existing two-story SFD’s, condominiums and apartments immediately surrounding the Subject Property. The structure had no potential whatsoever to “*block or reduce important public scenic views*” and was not “*very visible to the public.*” The proposed Residence is not visible from any public viewing location, and is not located on or near a “*topographic ridgeline.*”

The Story Pole Requirements also identify five criteria for exceptions even in cases where story poles might otherwise be required. Any one exception may be used to exempt a project. The Residence concept reviewed at the March 24th SFDB hearing clearly qualifies for three of the listed exceptions:

“2. The proposed structure is the same height as or smaller than other existing buildings in the neighborhood.”

;and,

“3. The proposed structure(s) will not involve blockage or substantial reduction of an important public scenic view.”

:and,

“4. The proposed structures will not be on or project above a topographic ridgeline.”

The Story Pole Guidelines identify a defined set of circumstances under which Story Poles may be required, and then establish who has authority to require them. The Story Pole Guidelines do not simply provide for staff, a design review board, or the Planning Commission to require Story Pole installations on a whim. It is evident upon review of the Story Pole Guidelines that the City’s intent is for Story Poles to be erected when there is potential that a proposal might significantly impact critical views, and in particular *public* views. In light of the requirements and exceptions set forth in the Story Pole Guidelines, the SFDB’s requirement for the Appellant to install Story Poles was unwarranted and completely arbitrary. The proposed Residence: 1) meets *none of the criteria* for installation; and 2) qualifies for *three out of five exceptions*.

Appellant complied with the SFDB’s arbitrary requirement to erect story poles, at a significant expense. The poles were erected by Coastal Builders dba California Story Poles, a contractor who specializes in such installations. The installation was completed as specified in the Story Pole Guidelines. **ATTACHMENT K** includes photographs of the story poles representing the Residence as seen from Adair Drive, the only public viewing location from which the Residence might potentially be visible. These photos clearly demonstrate that visibility of the structure is limited to an insignificant portion of the roof.

2.2.3 June 2, 2014 SFDB Hearing

At the outset of this hearing, VPLLC was forced to address Mr. Sweeney’s unusual and inappropriate comments and behavior during the agenda item that immediately preceded the Residence (i.e. Lot 1 in the same subdivision). Mr. Sweeney:

- Introduced into the record, negative statements made by *individuals* on the Historic Landmarks Commission (the “HLC”) during the HLC’s consideration of a Historic Sites and Structures Report (the “HSSR”) for a different proposal (i.e. not the Residence). Mr. Sweeney mischaracterized these individual opinions as the collective opinion of the HLC. Specifically, Mr. Sweeney stated that he had watched the HLC hearing on “*this project*” and that the HLC “*is not happy about this project. ...how these houses scale to the Edwards & Plunkett house*” and then claimed that those comments “*were kind of the side set of comments*” and that even though this was the HLC’s opinion, they couldn’t put it in the record. If this had been the HLC’s opinion, the HLC could have rejected the HSSR that was before them for consideration. Instead, the HLC’s motion was to approve and accept the HSSR: a report that determined the sizes and locations of the new homes in the approved subdivision, including the Residence, were compatible with, and would not adversely impact the historic structure in question. This is precisely the *opposite* of what Mr. Sweeney presented as the HLC’s conclusion.
- Stated that “*the story poles were unacceptable*” but failed to indicate what was lacking other than to provide the vague comment that the installation was “*half done*”. The story pole plan was prepared by a specialized qualified contractor, and reviewed and approved by City staff prior to erection of the story poles. A licensed surveyor then staked the locations for all poles and later, when poles were in place, identified the accurate the heights to be demonstrated.
- Frequently raised his voice and acted angrily and aggressively toward Appellant and Appellant’s project team, including making an impromptu speech about how Appellant’s installation of a residential wooden perimeter fence, which was previously reviewed and approved by the SFDB, and which no public speakers from the neighborhood had mentioned, was “*not cool*” and “*didn’t win any friends on my side.*”

The adopted minutes correctly reflect that VPLLC requested “*comments be put on record regarding the inappropriate and unusual manner of one board member’s view on how another board may have*”

observed a project, the unnecessary anger asserted over a land-use project, and the misguided comments about the inaccuracy of the story pole set-ups.”

VPLLC presented the Residence using PowerPoint and discussed the following facts:

- The revised design incorporated specific architectural direction from previous SFDB hearings.
- Net structure area was reduced by 188 s.f.
- FAR was reduced from 78% of the maximum allowed to 74% of the maximum allowed.
- The Residence is not visible from any public streets or areas.

The SFDB indicated that changes in the exterior architecture were appreciated and then discussed square footage of the Residence again. As before the SFDB asked for a blanket reduction in square footage without specifying why this was necessary to achieve neighborhood compatibility, or any identified goals to be accomplished other than changing the statistic itself. Appellant was also asked to reduce plate heights and study locations for guest parking.

2.2.4 July 14, 2014 SFDB Hearing

Appellant hired Henry Lenny (Mr. Lenny), a highly respected and nationally renowned Santa Barbara based architect, to assist with refining the design for the Residence following the June 2, 2014 SFDB hearing. The exterior elevations, plate heights, and roof forms of the Residence were substantially modified to address the specific aesthetic comments provided by the SFDB at previous hearings.

The revised residence was presented to the SFDB by Mr. Lenny at the July 14, 2014 hearing. Mr. Lenny stated that he disagreed with previous statements by an SFDB member (Mr. Sweeney) that the floor plans were *“inefficient”* and *“designed from the inside out.”* Mr. Lenny also indicated that in his opinion, having lived in an Edward and Plunkett house, the proposed Residence incorporated several hallmarks of Edwards and Plunkett design, contrary to assertions made by SFDB members at previous hearings. His presentation proceeded to highlight significant changes in plate heights, roof massing, and window and door placement that had occurred since the last SFDB hearing.

The SFDB was highly appreciative of the revised architecture and acknowledged that much of their previous direction was now incorporated. The SFDB and Mr. Lenny engaged in an extended dialogue during the portion of the hearing normally reserved for SFDB comments. During this dialogue, Mr. Sweeney indicated that his primary concern about the Residence, was how it would be viewed from the immediately adjacent neighbor (at 216 Adair Drive): a private party's view (Peter Edwards hereinafter referred to as “Mr. Edwards”). Another Board member (Denise Woolery) made the statement that in terms of neighborhood compatibility, the Appellant is *“never going to build what's in the surrounding neighborhood again...that was an era and it's gone...they are not going to build the tract homes on Capri...(the project) is a separate entity.”* Mr. Sweeney subsequently discussed, in great detail, the wide variety of development sizes and types in the surrounding neighborhood.

Appellant was asked to *“continue on the same vein”* and to again study reducing the square footage and plate heights.

2.2.5 September 22, 2014 SFDB Hearing

At this hearing, Mr. Lenny and VPLLC presented the current version of the Residence, which incorporates additional refinements requested by the SFDB. Plate heights and roof forms were brought down even further and some building masses were eliminated entirely. Windows and doors were also

fine-tuned and simplified. The Residence considered at the September 22nd hearing comprises 2,652 s.f. of living area and a 479 s.f. attached garage.

Mr. Lenny presented the architectural details and issues. He identified that people live differently in homes in the modern era than they did in the early 1960's and that there are many examples of applicants seeking to enlarge homes that were built long ago for this very reason. Mr. Lenny also discussed the fact that he studied reductions in square footage and determined that these had no appreciable effect upon the exterior appearance of the Residence. VPLLC re-capped the applicable land-use issues including the following:

- FAR is the City's standard yardstick to evaluate neighborhood compatibility.
- FAR addresses the relationship between the size of a home and the size of its lot.
- The Residence is in the middle of the range of FARs for the twenty closest homes based on the City's standard methodology.
- The City's specified target FAR is 85% of the maximum allowable FAR.
- The City's formulas include the entire lot area.
- The entire lot is visible to and perceived by anyone that can potentially see the Residence.
- The Residence as proposed has a 0.22 FAR or 74% of the maximum allowed FAR for its lot size using adopted City formulas.
- The SFDB had previously discussed application of a unique project-specific FAR standard for the San Remo development which excludes large portions of the lots that are within the creek area.
- Using the SFDB's unique project-specific standard, the Residence has a 0.29 FAR or 81% of the maximum allowed, still well under the City's 85% target.
- The Residence does not include excessive plate heights (i.e. 10 feet or more), consistent with the Design Guidelines.
- The building height is 22'-4", substantially less than the "25' in most neighborhoods" height identified in the Design Guidelines as acceptable.
- Exterior decks are designed consistent with the "Good Neighbor" guidelines component of the Design Guidelines.
- Project is consistent with all applicable City guidelines and ordinance requirements and no modifications are required.

VPLLC also asked the SFDB to deny the Residence if the Board still insisted that it could not grant approval at the hearing.

Four neighborhood opponents spoke against the Residence, stating that it was incompatible with the neighborhood because the square footage statistic is larger than the size of early 1960's tract homes nearby. Three of the neighborhood opponents (John and Molly Steen, and Bob Westwick) are co-owners of 3609 Capri Drive, located immediately North of Lot 1 of the approved subdivision. The fourth (Mr. Edwards) is the owner of 216 Adair Drive, located West of the proposed Residence. Three of the neighbors claimed the square footage needed to be substantially reduced. Mr. Steen presented an "FAR Analysis" that: uses formulas and methodologies he developed himself (not the adopted City methodologies....he "calculated the FAR different than you folks do"); is based on incomplete data about sizes of homes in the study (excludes garage s.f.); and, compares the project exclusively to the 1960's tract homes located on Adair Drive and Capri Drive. Neighbors also said that even with added guest parking, they were still concerned about parking.

The SFDB discussed the Residence. Board member Bernstein indicated that the current design felt much more compatible with the neighborhood than previous designs and that modern designs are bigger and different than fifty year old designs. Board member Miller conceded that "*in terms of square footage, (Mr. Lenny) has a point about lifestyle and demographics...*" (i.e. that modern homes are larger

than tract homes built in the 1960's) and proceeded to discuss several highly specific aesthetic issues, not including the square footage statistic. Miller also praised the architecture overall. Board member James indicated that she appreciated the architecture and Appellant's efforts to reduce the size, and that her primary concern was parking.

Mr. Sweeney then provided his comments. These were almost exclusively related to the square footage statistic for the Residence. He indicated that he believes "*neighborhood compatibility is not just the FAR and there are many other things*" the SFDB must look at, although he did not specify what those are. Mr. Sweeney proceeded to state that that the "*scale and massing are now where it needs to be.*" Then, as with previous hearings, his comments drifted back to a discussion of the square footage statistic, and that the Appellant simply needed to further reduce it. He also provided information about how he thought the square footage should be reduced. The changes Mr. Sweeney identified would reduce the second story width of the Residence (which is 50' feet wide) by one foot, and would eliminate a 7' x 17' 1-story projection on the ground floor that is not visible even to the closest adjacent neighbor. He did not indicate why these specific reductions would allow him to determine the Residence compatible with the neighborhood, or how one foot of width and a small ground floor pop out made the Residence incompatible with the neighborhood. Mr. Sweeney continued to say that he believed the Residence was compatible with the neighborhood in terms of "*the scale and the bulk*" but that the size was too large. He did not indicate why he believed the size, in isolation from "*the scale and the bulk*" makes the Residence incompatible even after stating that *size alone* is a "*legitimate compatibility measurement that we can apply to this project.*"

The SFDB initially attempted to continue the project with direction for another blanket reduction in square footage. Appellant indicated to City staff that it was unwilling to further reduce the square footage as the Residence already complied with all applicable guidelines and standards. Mr. Sweeney then asked the audience if they understood that "*this Applicant is not being cooperative.*" He also asked if the SFDB could choose *not* to deny the project. Staff explained that the only purpose that would accomplish would be to "*delay the process.*"

Board Member Bernstein made a motion to deny the Residence, but did not specify any basis for the denial. Mr. Sweeney stated "*I think it would be important that if you deny the project, you need to explain the reason for your denial.*" (emphasis added). Bernstein's motion did not go forward. Miller then made a motion to deny the project based on the Appellant's "*unwillingness to reduce the square footage of the project.*" Mr. Sweeney requested that Miller include language in the motion that the SFDB "*was approvable of the massing and the scale that was presented today.*" The language was included.

Before the SFDB voted on their motion, Mr. Sweeney addressed project opponents in the audience. He briefly explained how the appeals process works, and encouraged them to appear before the City Council.

The SFDB subsequently voted to deny the Residence. Mr. Sweeney opposed the motion, and all other members present approved it. No discussion occurred regarding: 1) how the single identified basis for the SFDB's denial related to the Required Findings; or 2) how the square footage statistic makes the Residence incompatible with the neighborhood when the SFDB concurrently determined its "*massing and scale*" are compatible. The Required Findings were not even mentioned during the course of the hearing.

2.3 Square Footage in Isolation Has No Bearing on Neighborhood Compatibility

Throughout the SFDB's review of this project, Appellant has asserted that square footage, as an isolated statistic, does not have any direct relevance to any proposal's compatibility with its surrounding neighborhood. Square footage only affects neighborhood compatibility insofar as it contributes to two other critical characteristics: bulk and scale.

Square footage, on its own, is not perceptible by the public, or by neighbors living adjacent to any given structure. A 2,500 s.f. two-story home looks identical to a 3,500 s.f. two-story home that has the same configuration above ground, and *also* includes a 1,000 s.f. finished basement below ground. A person walking their dog on the adjacent street can't tell the difference between the two, even though the 3,500 s.f. home has a square footage statistic that is 45% *larger* than the 2,500 s.f. home. The square footage of each structure is not advertised on a yard sign or painted on the front curb. Therefore, no-one observing a given structure knows what the "size" of the structure is, other than experiencing how its square footage is distributed in terms of the structure's "bulk" and "scale".

The language presented in the Required Findings confirms that "size" is intended to be considered in conjunction with "bulk" and "scale", not independently. SBMC Sec. 22.69.050.A.s states: "Compatibility. The proposed development is compatible with the neighborhood, and its size, bulk, and scale are appropriate to the site and neighborhood." The language of this finding, which is the critical finding in the case of the proposed Residence, exhibits a conjunctive construction: "size, bulk and scale" are linked together as a combined concept rather than three separate concepts to be evaluated in isolation.

"Size, bulk, and scale" is a single concept as enumerated in the Required Findings, and only "bulk and scale" are perceptible to the public. The SFDB's motion to deny the Residence, as shown in the draft minutes for the September 22nd hearing states: "The Board is supportive of the massing and scale of the house but finds the size too large." The SFDB failed to articulate how the "size" (i.e. the square footage statistic) for the proposed residence, in isolation, affects "neighborhood compatibility" in any way whatsoever. This includes, and is not limited to, the SFDB's failure to address, or even acknowledge the fact that the Residence cannot be seen from any location in the surrounding neighborhood. As set forth above "size" considered separately from "bulk and scale", has no potential to affect neighborhood compatibility, which is particularly relevant in this case because the proposed Residence will not be visible to the public.

2.4 "Size" vs. "Neighborhood Compatibility" was a Non-Issue when the SFDB approved a 2013 Proposal with Characteristics Nearly Identical to This Case

VPLLC obtained approval for an SFD proposal at 1716 Anacapa Street (the "Anacapa Project") in February of 2013. The Anacapa Project shares several common characteristics with the proposed Residence:

- Both are new larger 2-story homes proposed in established older neighborhoods with many smaller one-story homes.
- Both are located on sites that are in proximity to multi-family structures.
- Both have habitable areas exceeding 2,600 s.f. and attached garages.
- Both exceed 3,000 s.f. in total structural area.
- Both exceed the average size of homes in their respective 20-Closest-Homes studies by approximately 30%.
- Both are located on new lots created by recently approved subdivisions.
- Both are located on interior lots that are not readily visible to the public.

The following table presents a side-by-side comparison of the Anacapa Project and the proposed Residence:

Statistic	Anacapa Project	Proposed Residence
Number of Stories	2	2
Habitable Area (s.f.)	3,060	2,652
Attached Garage Area (s.f.)	762	479
Total Structure Area (s.f.)	3,822	3,131
Lot Size (s.f.)	7,500	14,094
FAR	.51	.22
% of Maximum FAR	125%	74%
FAR Percentile Compared To 20-Closest Homes	100 th	43 rd
Average Size 20-Closest Homes Including Proposal	2,972	2,406
Proposed / Neighborhood Size Ratio Comparison	3,822 / 2,972 = 1.28	3,131 / 2,406 = 1.30

Copies of the 20-Closest-Homes analysis for both projects are included in **ATTACHMENT L**. The February 25, 2013 SFDB minutes, which document Project Design Approval granted to the Anacapa Project are included as **ATTACHMENT M**.

The SFDB members who reviewed and approved the Anacapa Project in February 2013 are the same members that have reviewed the proposed Residence. Denise Woolery served as Chair when the Anacapa Project was reviewed. The size of the Anacapa Project, and the fact the proposal was 125% of the guideline FAR were primary topics of discussion during the SFDB’s review. Ultimately, the SFDB approved the Anacapa Project at its first and only hearing.

Mr. Sweeney, during his comments, indicated that he supported the Anacapa Project due to: 1) its location (on an interior lot); and, 2) the fact that a large portion of the square footage was in the attached garage. He went on to state that he was *“not particularly concerned about the 125% FAR”* because the home was located adjacent to multi-family development and some larger houses. No other SFDB members had comments prior to unanimously adopting the motion to approve the Anacapa Project. Additionally, the SFDB made reference to the language of the Required Findings in its motion for approval.

The proposed Residence is also located on an interior lot, has an attached garage comprising 15% of its square footage, and is on a site that is surrounded by dense multi-family development (to the South across San Remo Drive), large SFD’s (to the East along Ontare Road), and smaller SFD’s to the North and West (on Adair Drive and Capri Drive). The Residence is 691 s.f. *smaller* than the approved Anacapa Project, and is located on a lot that is roughly *twice the size* of the Anacapa Project’s lot. Even though both proposals are located on interior lots, there are limited public views of the Anacapa Project, whereas there will be no public views of the proposed Residence.

The SFDB’s unanimous approval of the Anacapa Project confirms that a new SFD which exceeds the average size of SFD’s in the surrounding neighborhood by 30% is not *“significantly larger than the immediate neighborhood”* as discussed in the Introduction to the City’s adopted Design Guidelines. The sizes of the proposed Residence and the approved Anacapa Project are nearly *identical* relative to the average size of existing SFD’s in the surrounding neighborhood.

The SFDB determined the Anacapa Project was compatible with its neighborhood in terms of *“size, bulk and scale.”* The same SFDB members now claim that the proposed Residence is compatible with the surrounding neighborhood in terms of *“bulk and scale”* but incompatible in terms of *“size.”* A review board that implements the City’s Design Guidelines consistently and fairly should not reach completely

opposite conclusions regarding “Neighborhood Compatibility” based on “size” for two proposals that are the same size relative to their surrounding neighborhoods.

3.0 MR. SWEENEY’S DECISION TO PARTICIPATE IN THE REVIEW OF THE RESIDENCE IS INCONSISTENT WITH THE CODE OF CONDUCT

3.1 *Prior Relationship with Peter Edwards (Project Opponent)*

Mr. Edwards, owner of 216 Adair Drive, attended the March 24th SFDB hearing to speak in opposition to the subdivision. Upon conclusion of Mr. Edwards’ remarks, Mr. Sweeney stated “*Just so we are at full disclosure here, I’ve known you for 40 years now?*” at which point Mr. Sweeney and Mr. Edwards joked about Mr. Sweeney’s age. Mr. Sweeney proceeded “*Mr. Edwards and I go back, we are both colleagues, he is part of the heritage of the Edwards Howell & Plunkett and I’m the Howell, Arendt, Mosher & Grant piece of that.*” Mr. Edwards stated “*It’s good seeing you again*” and Mr. Sweeney replied “*It’s good to see you too Peter.*” Based on his “*full disclosure*” statement at the March 24th hearing, it appears evident, at least to Mr. Sweeney, that his relationship with Mr. Edwards is unique and different than a typical relationship between an SFDB member and a project opponent.

3.2 *Prior Relationship with Kate Svensson (Project Designer)*

Kate Svensson (hereinafter “Ms. Svensson”), the designer of the Residence, came to the United States from Sweden in October of 2005 to work for PMSM Architects (hereinafter “PMSM”). Ms. Svensson and her husband entered the United States with an H1B non-immigrant visa. This type of visa allows domestic employers to employ foreign workers in specialty occupations on a temporary basis. Additionally, if a foreign worker resigns their position, or is fired by their sponsoring employer, they must either find a new job, receive approval of another type of non-immigrant status, or leave the country.

During Ms. Svensson’s tenure at PMSM, she experienced workplace conditions that resulted in her eventual decision to consult with both an immigration attorney and an employment attorney. Ms. Svensson states that a managing Principal at PMSM (not Mr. Sweeney) regularly brought up Ms. Svensson’s H1B visa and the firm’s ability to cause that visa to be revoked. The same individual also indicated that PMSM had the purported ability to jeopardize her application for permanent resident status (i.e. a Green Card). These issues were used as “motivation” for Ms. Svensson to work extra hours without asking for overtime compensation.

Ms. Svensson states she felt threatened enough that she recorded several of the frequent informal “performance review” meetings she was required to attend. At these meetings, she was reminded that PMSM controlled both her, and her husband’s ability to remain in this country. According to Ms. Svensson, Mr. Sweeney, her direct supervisor at PMSM, attended many of these meetings although he did not to her knowledge initiate the meetings. Once Ms. Svensson informed PMSM that she had recordings of the meetings, and that she had spoken with legal counsel, the meetings stopped.

Ms. Svensson subsequently resigned her position at PMSM in September of 2007 as soon as she secured her Green Card. Although she provided the customary two weeks’ notice, she was asked to leave immediately.

3.3 *Formal Notice of Perceived Conflict Ignored*

Two separate written notices were provided to the City informing Jaime Limon, the City’s Design Review Supervisor, that Mr. Sweeney’s 40 year collegial and personal relationship with Mr. Edwards, and his

former employment of Ms. Svensson each create the appearance of a conflict of interest as set forth in the Code of Conduct. Correspondence on this matter is included in **ATTACHMENT N**.

The City's response to the initial notice, dated March 31, 2014, was that Mr. Sweeney did not have a conflict of interest because he does not have a "material financial interest" in the outcome of Appellant's proposal. "Material financial interest" is the standard identified in the State Political Reform Act. The City's response ignores the fact that its adopted Code of Conduct sets a much higher standard for avoiding potential conflicts of interest, and is intended to go well beyond the requirements of the Political Reform Act. The City's Code of Conduct specifically identifies the following as conflicts that are not regulated by the Political Reform Act, but that are covered by the Code of Conduct:

**A "personal relationship"; and,
A "prior business relationship."**

The Code of Conduct states that either relationship above *"can be perceived as the appearance of an improper conflict of interest or as a potential for the public official to be biased (i.e. either for or against) a particular applicant."*

Mr. Sweeney, who refers to himself as being a "colleague" of Mr. Edwards for 40 years, and announced this to achieve "full disclosure" during a hearing, clearly has an established long-term relationship with Mr. Edwards. Their interaction at the March 24, 2014 SFDB hearing, and subsequent hearings indicates that they think of each other as friends, and that Mr. Sweeney has a great deal of respect for Mr. Edwards. Mr. Edwards, whose home is adjacent to Appellant's property, has opposed Appellant's proposals at almost every public hearing associated with the San Remo subdivision and the Residence. The fact that Mr. Sweeney has a decades-long relationship with Mr. Edwards creates the appearance of a conflict that could bias Mr. Sweeney against Appellant's proposal.

Mr. Sweeney's firm, PMSM, is the former employer of Ms. Svensson: a "prior business relationship." He was also Ms. Svensson's direct supervisor at PMSM. It is reasonable to say that Ms. Svensson's employment with PMSM ended on bad terms. It is also reasonable to assume that this could potentially cause Mr. Sweeney to be biased against the Appellant's proposal, which was primarily designed by Ms. Svensson.

The Code of Conduct sets forth the City's goal with respect to potential conflicts of interest as follows:

"The City believes that it is a good ethical practice to avoid even the appearance of a conflict or impropriety in these situations...by stepping down and abstaining..." (emphasis added)

City staff claims that they discussed the Code of Conduct and the apparent conflicts above with Mr. Sweeney. However, Mr. Sweeney refused to step down from consideration of the Appellant's proposal.

4.0 CONCLUSION AND REQUEST

As set forth above, Appellant's proposed Residence did not receive an objective review by the SFDB. The SFDB applied different standards to the Residence than it applied to another recent project with nearly identical characteristics.

Evidence in the administrative record indicates the SFDB's demands for Appellant to make blanket reductions to the square footage of the Residence are completely arbitrary. These demands are unrelated to the City's ordinances, adopted Design Guidelines, or any physical aspect of the proposed Residence that could affect its compatibility with the surrounding neighborhood.

The SFDB is tasked with ensuring that the “*size, bulk and scale*” of new residential structures is compatible with the surrounding neighborhood. During its review of the Residence, and in direct contrast to its review of the similar Anacapa Project, the SFDB ignored large two-story multi-family developments that are major visual features of the neighborhood that surrounds Appellant’s property in its assessment of neighborhood compatibility. The Board has also consistently dismissed the fact that the proposed Residence will not be visible from any location outside Appellant’s property.

Section 2.3 above discusses how square footage, in isolation, cannot be perceived by a person viewing the exterior of a given structure. “*Size,*” in terms of square footage, can only be perceived based on how it contributes to the “*bulk and scale*” of a structure. The SFDB did not make any findings to support its decision to deny the Residence on September 22nd, and did not attempt to explain how the board could determine that the “*bulk and scale*” of the proposed Residence is compatible with the neighborhood, but the “*size*” is not compatible. SFDB members discussed the fact that modern homes are frequently larger than homes built decades ago, and that new residential projects are no longer going to be the same as the old neighborhoods within which they are located. The SFDB’s action to approve the Anacapa Project, discussed in Section 2.4, confirms that a new home 30% larger than the average size of homes in the existing neighborhood remains compatible with the neighborhood and is fully consistent with the City’s adopted Design Guidelines. Appellant agrees with Mr. Sweeney’s statement on September 22nd that “*...if you deny the project, you need to explain the reason for your denial.*” Appellant asserts that this is even more critical when the SFDB’s singular purported basis for denial is an imperceptible square footage statistic for a structure that cannot be seen from any adjacent street.

The only explanation provided by the SFDB for its decision to deny the Residence is the Appellant’s unwillingness to comply with the board’s arbitrary requests to “*reduce square footage.*” Appellant initially reduced the size of the structure, but subsequently determined that further reductions are unwarranted. The Residence is well within the limitations of all applicable City development standards, and consistent with the Design Guidelines.

Continued arbitrary size reductions have no potential to affect neighborhood compatibility in this case. However, such reductions have a very real potential to render Appellant’s project infeasible from an economic standpoint. Appellant has reason to believe, based on first-hand interaction with an opponent of Appellant’s development, that this is the specific strategy being pursued by adjacent neighbors who would prefer Appellant’s property to remain as private open space for their continued enjoyment. Mr. Sweeney, who has “led the charge” regarding arbitrary size reduction, has a prior business and personal relationship with one of these opponents.

Appellant asserts there is an obvious appearance of a conflict due to Mr. Sweeney’s previous relationships with both Mr. Edwards, an opponent, and Ms. Svensson, the primary designer of the Residence. The City’s adopted Code of Conduct is very clear on such matters, and states that it is “*good ethical practice to avoid even the appearance of a conflict or impropriety in these situations...*” Appellant did not perceive or assert *any* potential conflict of interest with respect to five of the seven current SFDB members. These five SFDB members are all qualified to evaluate the Residence, and could have done so without generating any potential for or appearance of a conflict of interest.

We respectfully request that the City Council uphold the Appeal, and approve the Residence based on evidence in the administrative record and the ability to make the Required Findings.

If you have any questions regarding this Appeal, you can reach me via E-mail at jarrett.gorin@vanguardplanning.com or via phone at (805) 966-3966.
Thank you for taking the time to review this.

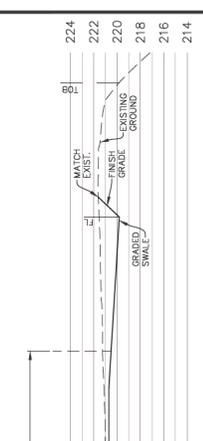
Sincerely,

VANGUARD PLANNING LLC

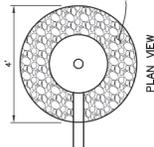
Jarrett Gorin, AICP
Principal

ATTACHMENTS

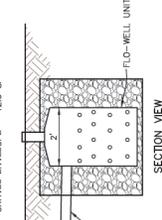
- A. Neighborhood Preservation Findings
- B. Code of Conduct section of the City's adopted Guidelines for the City of Santa Barbara Advisory Groups
- C. Photographs of Site (Aerial) and Adjacent Structures
- D. Floor to Area Ratio Calculation for Proposed Residence
- E. Excerpts from Single Family Residential Design Guidelines
- F. Single Family Residence Design Guidelines Worksheet
- G. E-3 Zone District
- H. Single Family Design Board Minutes for Residence
- I. FAR Calculations for Previous Version of Residence
- J. Visual Aid Requirements for Development Applications
- K. Photographs of Story Poles for Residence
- L. 20-Closest Homes Analysis for Anacapa Project and Proposed Residence
- M. February 25, 2013 SFDB Minutes (Anacapa Project approval)
- N. Correspondence Regarding Conflict of Interest



SECTION C-C
SCALE: H: 1"=10' V: 1"=3'



PLAN VIEW
NOTE: LEACHING AREA OF 4" DIA. GRAVEL ENVELOPE = 12.6 SF



SECTION VIEW
SCALE: H: 1"=2' V: 1"=2'



TYPICAL DRIVEWAY SECTION
SCALE: H: 1"=4' V: 1"=2'



LOW FLOW DIVERSION DETAIL
SCALE: H: 1"=1' V: 1"=1'

CONSTRUCTION NOTES

1. PROTECT EXISTING TREE.
2. REMOVE EXISTING TREE.
3. CONSTRUCT 6" CURB AND 18" CONCRETE OUTLET PER CITY OF SANTA BARBARA STANDARD DETAILS H-01.0 AND H-02.0.
4. CONSTRUCT SIDEWALK PER CITY OF SANTA BARBARA STANDARD DETAILS H-06.0 AND H-06.1.
5. CONSTRUCT COMMERCIAL DRIVEWAY PER CITY OF SANTA BARBARA STANDARD DETAILS H-01.0 AND H-03.1. W=18.0'
6. CONSTRUCT CURB DRAIN OUTLET.
7. CONSTRUCT 2" WATER SERVICE CONNECTION MANHOLE PER CITY OF SANTA BARBARA STANDARD DETAILS W-05.0, W-05.1 AND W-05.2.
8. CONSTRUCT FOUR (4) DOMESTIC SERVICE CONNECTIONS AND ONE IRRIGATION CONNECTION WITH 3/4" METERS PER CITY OF SANTA BARBARA STANDARD DETAILS.
9. CONSTRUCT RESIDENTIAL FIRE HYDRANT PER CITY OF SANTA BARBARA STANDARD DETAILS W-01.0 AND W-01.1.
10. CONSTRUCT 6" SDR 35 PVC PRIVATE SHARED SEWER LATERAL.
11. CONSTRUCT 70 WATT LED TYPE B STREET LIGHT PER CITY OF SANTA BARBARA STANDARD DETAILS L-02.0 AND L-02.1. LIGHT TO BE ENERGIZED FROM PAD MOUNT ON SITE.
12. ABANDON EXISTING WATER SERVICE AND METER WITH CURB DRIVE CUL-DE-SAC FOR REUSE AS IRRIGATION METER ON-SITE.
13. ABANDON EXISTING 4" VOP SEWER LATERAL.
14. REPAIR EXISTING STREET LIGHT ON POWER POLE.
15. CONSTRUCT PERMEABLE INTERLOCKING CONCRETE PAVEMENT DRIVEWAY PER TYPICAL SECTION, THIS SHEET.
16. CONSTRUCT SDR 35 PVC STORM DRAIN PIPE.
17. CONSTRUCT STORM DRAIN DROP INLET WITH FLAGGARD CATCH BASIN AND LOW FLOW DIVERSION TO FLO-WELL PER DETAIL, THIS SHEET.
18. CONSTRUCT FLO-WELL STORM WATER LEACHING SYSTEM PER DETAIL, THIS SHEET.
19. DAYLIGHT STORM DRAIN AND INSTALL ROCK RIP-RAP OUTLET PROTECTION.
20. CONSTRUCT 6" WOODEN FENCE SHALL NOT EXCEED 42" IN HEIGHT WITHIN 20' OF THE PUBLIC ROAD RIGHT-OF-WAY.
21. CONSTRUCT 3" MAX. HEIGHT DRY STACK CORBEL WALL.
22. CONSTRUCT MULTIPLE 1 1/2" DIAMETER POTABLE WATER SERVICE LATERALS.
23. CONSTRUCT 1 1/2" IRRIGATION SERVICE LATERAL.
24. CONSTRUCT REDUCED PRESSURE ASSEMBLY BACKFLOW PREVENTER.
25. CONSTRUCT 4" SDR 35 PVC PRIVATE SEWER LATERAL.
26. CONSTRUCT 6" DIAMETER PRIVATE SEWER GLENDOUT.

DEMOLITION NOTES

1. ALL ON-SITE IMPROVEMENTS ARE TO BE DEMOLISHED. THE FACADE OF EXISTING HISTORIC STRUCTURE SHALL BE REPLICATED IN ITS EXISTING LOCATION.

PRELIMINARY IMPROVEMENT PLAN
TRACT #20,XXX

A SUBDIVISION OF ASSESSOR'S PARCELS
053-231-010 AND 053-231-011
3626 SAN REMO DRIVE
SANTA BARBARA, CALIFORNIA
MST 2009-00325
MARCH 24, 2014



AVERAGE SLOPE CALCULATION

AVERAGE SLOPE CALCULATION BASED ON DISTURBED AREA ONLY.
OVERALL SITE = 6.8%
PARCEL 1 = 3.8%
PARCEL 2 = 9.8%
PARCEL 3 = 9.8%
PARCEL 4 = 7.8%



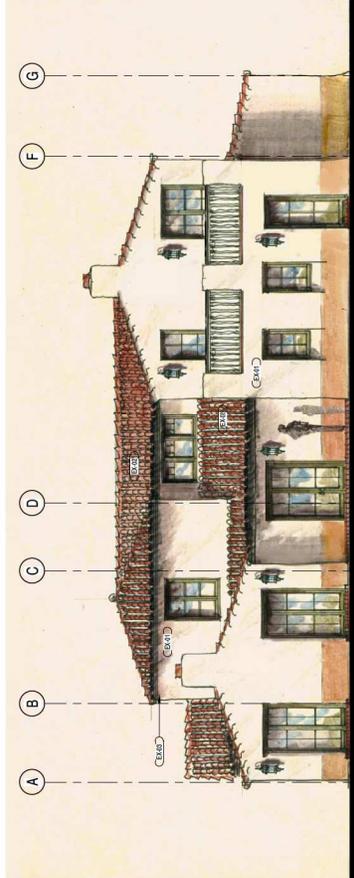
Paul J. Smith
Professional Engineer
No. 60468
State of California
Civil
111 Carl Victor Street
Santa Barbara, CA 93101
Phone: (805) 964-9023
Fax: (805) 964-9661

EXTERIOR FINISH & MATERIAL INDEX

TAG	DESCRIPTION
CE10	EXTERIOR PLASTER REFER TO FINISH SCHEDULE FOR COLOR
CE11	SPANISH STYLE TILE, TERRAZCOTA COLOR
CE12	DETAIL SPANISH TILE, TERRAZCOTA COLOR
CE13	DESCRIPTION MATERIAL / FEATURE / COLOR
CE14	DESCRIPTION MATERIAL / FEATURE / COLOR
CE15	DESCRIPTION MATERIAL / FEATURE / COLOR
CE16	DESCRIPTION MATERIAL / FEATURE / COLOR
CE17	DESCRIPTION MATERIAL / FEATURE / COLOR

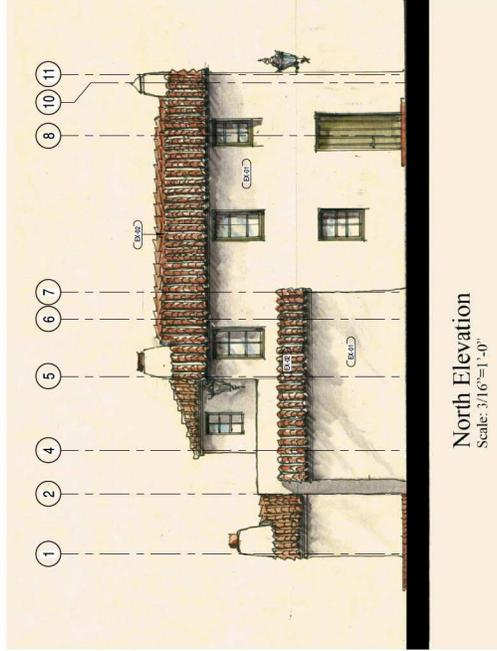
KEYNOTES

1.00 NETWORK DESIGNATION



East Elevation
Scale: 3/16" = 1'-0"

EAST ELEVATION
SCALE: 3/16" = 1'-0"



North Elevation
Scale: 3/16" = 1'-0"

NORTH ELEVATION
SCALE: 3/16" = 1'-0"



KSD LLC INC
961 Miramonte Dr. Ste 1
Santa Barbara, California 93109
www.katesvensson.com
805.708.8052

KSD LLC 07172013

Project Contact: **K. SVENSSON**
Email: **Kate@ksd@msc.com**

Principals: **Gravin Moores, Vincent J. Amore**
Project Designer: **Kate Svensson**

Developer

CAPITAL PACIFIC DEVELOPMENT GROUP
10 E Yarnall St, Ste 2B
Santa Barbara, California 93101
PHONE MAIN 805.892.2096

SAN REMO SUBDIVISION

3626 SAN REMO DRIVE SANTA BARBARA CALIFORNIA

No.	Date	Description
1	11/05/2011	ISSUE FOR CONSTRUCTION
2	11/05/2011	ISSUE FOR CONSTRUCTION
3	11/05/2011	ISSUE FOR CONSTRUCTION
4	11/05/2011	ISSUE FOR CONSTRUCTION
5	11/05/2011	ISSUE FOR CONSTRUCTION
6	11/05/2011	ISSUE FOR CONSTRUCTION
7	11/05/2011	ISSUE FOR CONSTRUCTION
8	11/05/2011	ISSUE FOR CONSTRUCTION
9	11/05/2011	ISSUE FOR CONSTRUCTION
10	11/05/2011	ISSUE FOR CONSTRUCTION
11	11/05/2011	ISSUE FOR CONSTRUCTION

It is the responsibility of the user to verify the accuracy of the information provided in this drawing. The user shall be responsible for any errors or omissions. The user shall be responsible for any errors or omissions. The user shall be responsible for any errors or omissions.

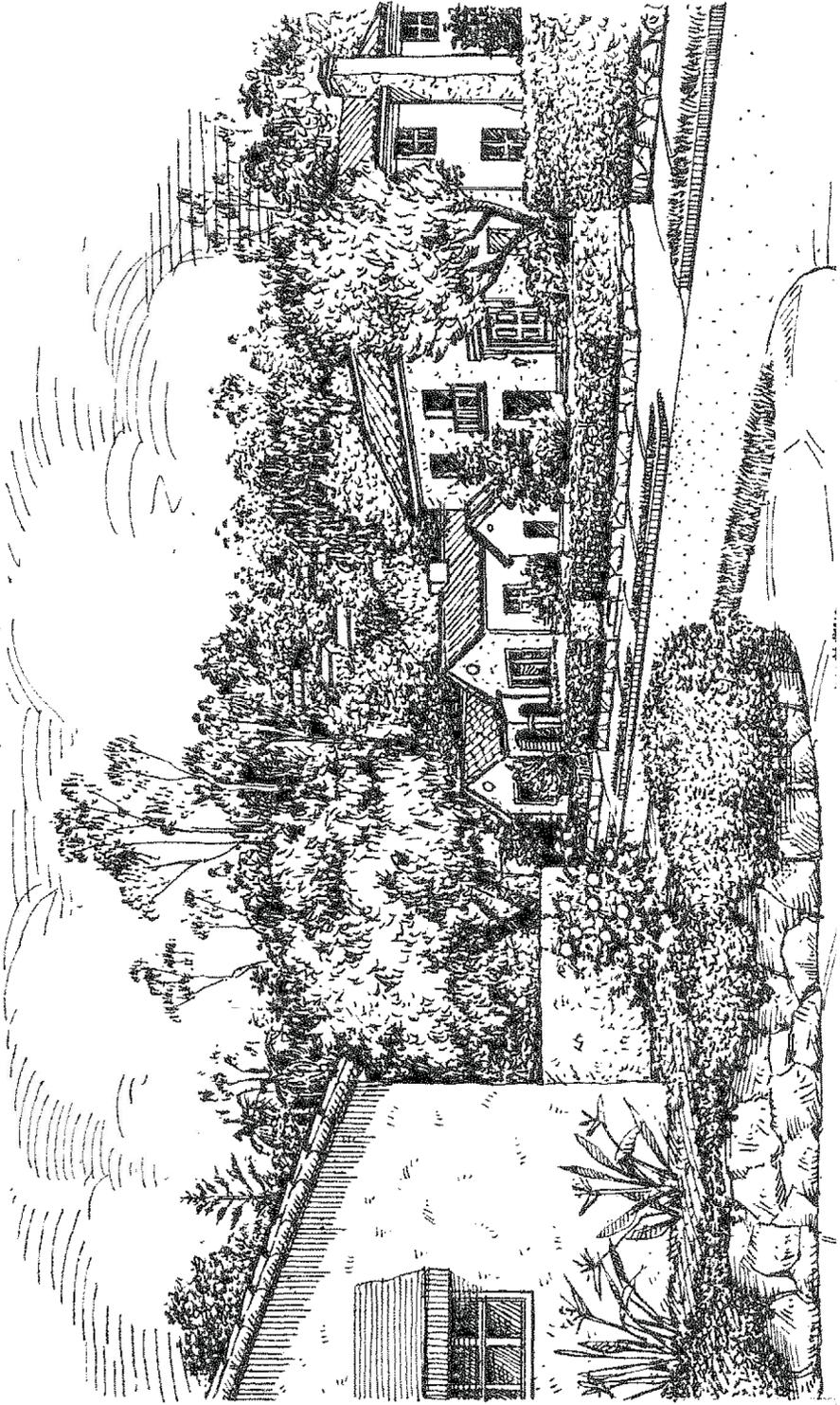
NOT FOR CONSTRUCTION

LOT 2
EXTERIOR ELEVATIONS

A3.42

Updated
Single Family Residence Design Guidelines
City of Santa Barbara

Revised June 17, 2011



INTRODUCTION

INTRODUCTION

According to the City of Santa Barbara General Plan, “Santa Barbara has, as its primary... [goal], the provision of a particularly desirable living environment.” Single family homes have long contributed to the character of many neighborhoods in the City. Home designs which achieve the following contribute to a desirable living environment:

- compatible with the surrounding neighborhood
- preserve the City’s visual resources
- promote long-term sustainability

NEIGHBORHOOD COMPATIBILITY

In recent decades, changes in the various neighborhoods throughout the City have raised quality-of-life concerns. Homes are built or remodeled in order to suit the changing needs and lifestyles of new and existing residents. As a result, neighborhood character gradually changes over time. When a change is made in an established neighborhood, it is essential to properly balance that change with a respect for the design features and characteristics of surrounding properties. Homes are more likely to be compatible when their volume and bulk are at an appropriate scale with their neighbors. This is the concept of neighborhood compatibility. New and remodeled houses can maintain a desirable living environment when they:

- have an appropriate volume, bulk, massing and scale

- have a size that is not significantly larger than the immediate neighborhood
- use materials and designs that are compatible with their surroundings
- are sited such that they do not block light and views for other existing homes
- minimize privacy impacts to surrounding properties

HILLSIDE NEIGHBORHOODS

The City’s hillsides are a unique resource and pose additional design considerations. The General Plan Conservation Element states:

“Hillside developments provide vistas for residents who inhabit those structures. Yet, residential developments render hillsides less natural as topography and vegetation are modified.”

Appropriately designed residential development in hillside areas can avoid threats to visual resources recognized by the Conservation Element, including:

- excessive grading
- views blocked by new structures or overly tall planted trees and hedges
- ridgeline development
- the loss of important trees

Applicants for hillside development projects need to follow the Compatibility, Two-Story Design Guidelines (if applicable) and Good Neighbor Guidelines, as well as the Hillside Design Guidelines.



SUSTAINABILITY

Good design can help ensure that meeting the needs of the current generation does not compromise the ability of future generations to meet their needs. This is the “sustainability” concept. It is important that neighborhoods change in a way that promotes the long-term economic, environmental and social sustainability of the City. Homes help contribute to sustainability when they are at a size that is compatible with the surrounding neighborhood. Smaller, well-designed homes are often more sustainable because they tend to:

- require fewer natural resources in construction
- consume less electricity and natural gas
- require less grading
- provide more affordable housing opportunities

For more information, see the City’s Sustainable Santa Barbara Builder’s Packet, available at 630 Garden Street.

DESIGN REVIEW

The City Charter gives direction to consider “...the preservation and protection as nearly as practicable of the natural charm and beauty of the area in which the City is located and the historical style, qualities and characteristics of the buildings, structures and architectural features associated with and established by its long, illustrious and distinguished past.” The Single Family Design Board (SFDB) Guidelines ensure high design standards are maintained in development and construction.

Within the landmark districts, design review is handled primarily by the Historic Landmarks Commission (HLC),

which reviews designs for consistency with the architectural styles allowed within the districts. See the Lower Riviera Special Design District or El Pueblo Viejo District Design Guidelines for more information.

City Staff reviews designs for adherence to the City’s Municipal Code and relevant guidelines. Staff forwards designs to the SFDB or HLC for further review if required by the Municipal Code.

PURPOSE

The Guidelines are primarily a guide for the homeowner, architect, designer, developer and builder who are designing new single family homes or changing existing houses. These Guidelines are intended to help design homes that are compatible with the surrounding neighborhood, preserve visual resources and promote sustainability. The Guidelines help homeowners design projects that are compatible in both size and design. While Floor to Lot Area Ratio (FAR) regulations inform homeowners of the maximum allowed home size, homes designed smaller than the maximum FAR can still be incompatible, depending on design. Therefore, design is just as important as size.

These Guidelines also provide a framework for the design review process and a foundation for public, City staff, SFDB, HLC, Planning Commission and City Council project evaluation. Whenever SFDB is referenced, the information generally applies to other hearing body reviews. These Guidelines are not meant to discourage unique and inventive design solutions. Rather, these guidelines serve as a tool to help decision makers determine if appropriate findings and approvals can be made for projects.



ADDITIONAL SUBMITTAL REQUIREMENTS

Projects 85% or Less Than Maximum Square Footage

These projects are subject to standard application and processing requirements. Applicants are encouraged to design homes under 85% of the maximum square footage for their lot size whenever possible to help ensure neighborhood compatibility. (See pages 21-C - 25-C for more information).

Projects Over 85% of a Maximum Square Footage

These projects are more likely to pose neighborhood compatibility issues and are generally discouraged. However, careful design and review can sometimes produce projects that are still compatible with the surrounding neighborhood. Due to the special nature of these larger, potentially incompatible projects, special additional processing requirements apply for lots under 15,000 square feet.*

- 20 closest homes County Assessor's report copy
- Panoramic streetscape photo presentation
- Story poles likely to be required
- Street elevation showing building outline silhouettes
- Landscape plans
- Perspective drawing or model

Applications for projects over 85% of a maximum square footage on lots under 15,000 square feet require a Planning Commission modification request if any of the following apply:

* *The SFDB may require some project proposals on properties over 15,000 sq. ft. to include this information if needed.*

- Average property or building site slope is greater than 30%; or
- Height is greater than 25'; or
- In the Hillside Design District & site grading outside the main building footprint is greater than 500 cubic yards.

Projects Over a Maximum Square Footage

Projects proposing square footage over the maximum specified for a property are strongly discouraged in most cases. However, there may be some project sites with special physical features, which when combined with exceptional design, can accommodate an over maximum home compatible with the neighborhood. A Planning Commission modification is required for over maximum square footage proposals. Also, a super majority (five out of seven) of the SFDB members must vote in support of the project approval. The following "findings" must be made for approval of projects proposing to exceed a maximum required square footage.

- The subject lot exhibits a physical condition (such as the location, surroundings, topography, or the size of the lot relative to the other lots in the neighborhood) that does not generally exist on the other lots in the neighborhood
- The physical condition of the lot allows the project to be compatible with existing development within the neighborhood that complies with the net floor area standard

Projects proposing over 100% of a required maximum square footage must submit the following items in addition to normal submittal requirements:

- 20 closest homes analysis of current available data

SUBMITTAL REQUIREMENTS CONT.

- Panoramic streetscape photo presentation which includes a simulation of the proposed project superimposed on the streetscape panoramic photographs
- Full level of story poles
- Street elevation showing building outline silhouettes, including window and door details
- Landscape plans
- Model or three-dimensional computer graphic
- A neighbor workshop is required prior to the first SFDB hearing

See page 21-C for information regarding legal non-conforming as to maximum floor area properties with a project proposal of up to 100 additional square feet.

NEIGHBORHOOD PRESERVATION ORDINANCE FINDINGS

All Neighborhood Preservation Ordinance (NPO) single family projects subject to review and approval by the Single Family Design Board or Historic Landmarks Commission must be consistent with the following set of findings.

GENERAL REQUIRED FINDINGS

(Apply to all NPO projects subject to Design Review.)

1. **Consistency & Appearance:** The proposed development will be consistent with the scenic character of the City and will enhance the appearance of the neighborhood.
2. **Compatibility:** The proposed development will be compatible with the neighborhood, and its

size, bulk and scale will be appropriate to the site and neighborhood.

3. **Quality Architecture & Materials:** The development, including proposed structures and grading, is designed with quality architectural details and quality materials. Proposed materials and colors will maintain the natural appearance of the ridgeline or hillside.
4. **Trees:** The proposed project will not remove or significantly impact any designated Specimen, Historic and Landmark trees. Also, the proposed project, to the maximum extent feasible, preserves and protects healthy, non-invasive mature trees with a minimum trunk diameter of four inches (4”) measured four feet (4’) above natural grade. The project includes a plan to mitigate the impact of the removal of any healthy, non-invasive mature tree with a diameter of four inches (4”) or more at four feet (4’) above natural grade in compliance with applicable tree replacement ratios.
5. **Health, Safety and Welfare:** The public health, safety and welfare will be protected.
6. **Good Neighbor Guidelines:** The project generally complies with applicable privacy, landscaping, noise, and lighting Good Neighbor Guidelines.
7. **Public Views:** The development, including proposed structures and grading, will preserve any existing significant public scenic views of and from the hillside.

HILLSIDE FINDINGS

(Apply to all NPO projects in the Hillside Design District or on lots in other parts of the City with a slope of 15% or greater.)

1. **Appropriate Grading & Natural Topography Protection:** The development, including proposed structures and grading, is appropriate to the site, is designed to avoid visible scarring, and will not significantly modify the natural topography of the site or the natural appearance of any ridgeline or hillside.
2. **Appropriate Development Scale:** The development, including proposed structures and grading, will maintain a scale and form that blends with the hillside area by minimizing the visual appearance of structure(s) and the overall height of structure(s).

SPECIAL DESIGN DISTRICT GRADING AND VEGETATION REMOVAL PROJECTS REQUIRED FINDINGS

(Apply to all NPO projects in a Special Design District requiring a grading or vegetation removal permit.)

1. The proposed vegetation removal will not significantly increase siltation in or decrease the water quality of streams, drainages or water storage facilities to which the property drains; and

2. The proposed vegetation removal will not cause a substantial loss of southern oak woodland habitat; and
3. The proposed vegetation removal is in compliance with all applicable provisions of Chapter 22.10, Vegetation Removal, of the City Municipal Code.

PROJECTS PROPOSING SQUARE FOOTAGE EXCEEDING A REQUIRED MAXIMUM FAR

(Apply only where lot size is under 15,000 square feet in single family zones and either taller than 17' in height or two or more stories.)

1. Not less than five (5) members of the Single Family Design Board or six (6) members of the Historic Landmarks Commission (on projects referred to the Commission pursuant to Section 22.69.030) have voted in support of the modification following a concept review of the project; and
2. The subject lot has a physical condition (such as the location, surroundings, topography, or the size of the lot relative to other lots in the neighborhood) that does not generally exist on other lots in the neighborhood; and
3. The physical condition of the lot allows the project to be compatible with existing development within the neighborhood that complies with the net floor area standard.

COMPATIBILITY GUIDELINES SUMMARY

6. NEIGHBORHOOD

Design a project to be compatible with the immediate neighborhood, and carefully consider the neighborhood study area for a project. p. 15-C

7. VOLUME, BULK, MASSING, AND SCALE

Design structures to be compatible with neighboring houses in terms of volume, bulk, massing, and scale. p. 17-C

8. FLOOR TO LOT AREA RATIO (FAR)

Strive for a project which falls in the “less than 85% of maximum FAR” range for the project lot size. p. 21C

9. HEIGHT

Design building heights to be compatible with the neighborhood. p. 26-C

10. FAÇADE ARTICULATION

Use façade articulation to create appropriate scale and add visual interest. p. 27-C

11. ARCHITECTURAL STYLE

Choose a style compatible with the surrounding neighborhood and use architectural features to create a consistent architectural style. p. 28-C

12. OPENINGS

Use openings such as doors and windows in a manner compatible with the neighborhood. p. 30-C

13. ENTRIES

Main entries should be visible from the street and contribute towards a friendly neighborhood experience. p. 31-C

14. ROOF DESIGN

Carefully plan roof forms on a home for a well-designed structure compatible with the neighborhood. p. 32-C

15. ROOF MATERIALS

Roofing material and color should be consistent with the building architectural style. Eave closures, a.k.a. bird stops, if any are proposed, shall be mortared with natural cement. p. 34-C

16. EXTERIOR MATERIALS AND COLORS

Exterior materials and colors should complement the style of the house and neighborhood, as well as blend with surrounding natural features when viewed from a distance. p. 35-C

17. FENCES, WALLS, AND HEDGES

Integrate fences, walls and hedges with structures and setting. p. 36-C

18. PARTIAL BASEMENT DESIGN

Carefully design partial basements to not create a bulky appearance, or contribute to inappropriate apparent height. p. 37-C

COMPATIBILITY GUIDELINES

6. NEIGHBORHOOD

Design a project to be compatible with the immediate neighborhood, and carefully consider the neighborhood study area for a project.

People think of their “neighborhood” in different ways. There are large areas of the City sometimes referred to as neighborhoods. There are also smaller, immediate neighborhoods. The Neighborhood Preservation Ordinance requires homes to be “compatible with their neighborhood.” To help determine project compatibility with a neighborhood, the Single Family Design Board (SFDB) will generally refer to a “Neighborhood Study Area” defined below. A Neighborhood Study Area allows the SFDB to efficiently review homes for compatibility. Following are three levels of “neighborhood” recognized by the SFDB.

General Plan Neighborhood: Neighborhoods as delineated in the Land Use Element of the City’s General Plan (see next page).

Immediate Neighborhood: Generally, an area smaller than a General Plan neighborhood that has a combination of the following characteristics in common:

- Similar zoning
- Properties built as part of the same original subdivision
- Common access routes

- Walkable radius (15 minutes; usually quarter mile radius)
- Similar architectural styles
- Similar tree and landscaping patterns
- Main streets, bridges, or railroad corridors as a boundary

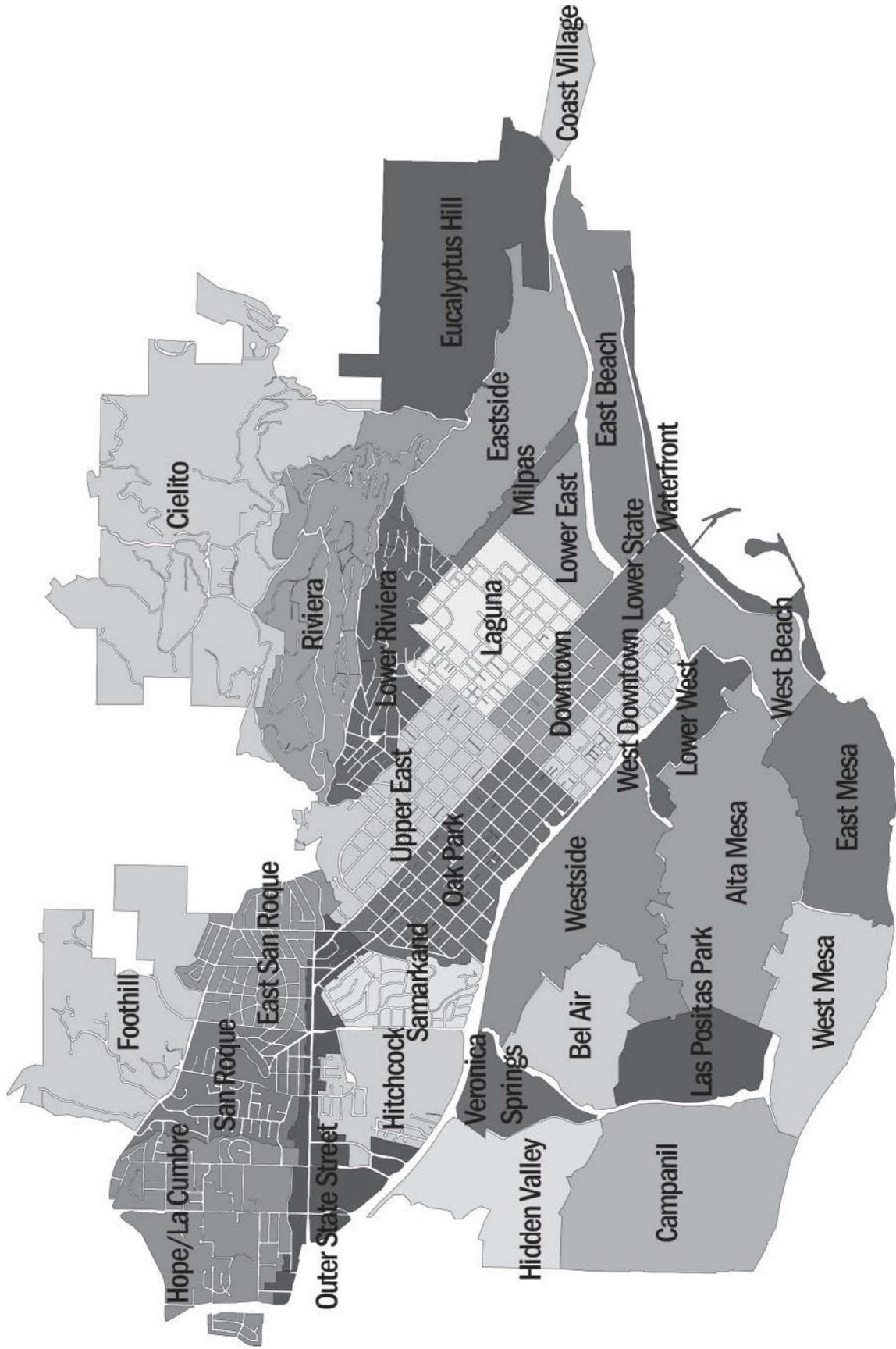
Also, it should be noted that highly visible properties, such as those in hillside areas, can have an impact beyond their immediate neighborhood.

Neighborhood Study Area: The twenty (20) closest lots to a proposed project (see example below). Additional lots may be considered to make a compatibility determination depending on the predominant streetscape, patterns of development, or parcel sizes.



Neighborhood Study Area: 20 Closest Homes Example

GENERAL PLAN NEIGHBORHOODS



7. VOLUME, BULK, MASSING AND SCALE

Design structures to be compatible with neighboring houses in terms of volume, size, massing, scale and bulk.

QUANTITATIVE DEFINITIONS

Volume: The quantitative three-dimensional measurement of a structure's height, width and depth combined.

Size: The quantitative two-dimensional measurement of a structure's length and width combined (i.e. "square feet").

QUALITATIVE DEFINITIONS

Massing: The qualitative arrangement of a structure's bulk, including relative openness and solidity.

Proportion: The quantitative relative sizes and dimensions of architectural elements and details, as they relate to each other and to the entire structure.

Scale: The qualitative proportional relationship of a structure and its architectural elements and details to human beings. [Note: To compare scale to other structures, use the words "compatibility" and "neighborhood".]

Bulk: The qualitative visual perception of the composition and shape of a structure's massing. Bulk is affected by variations in height, setbacks and setbacks of upper stories.

VOLUME VS. BULK

Volume is a structure's quantitative height, width and depth measurement. Bulk, on the other hand, is the qualitative perception of a structure's volumes. These measurements, when compared to a measurement of a lot and measurements in its neighborhood, can provide a guide to a structure's appropriate size. Bulk, on the other

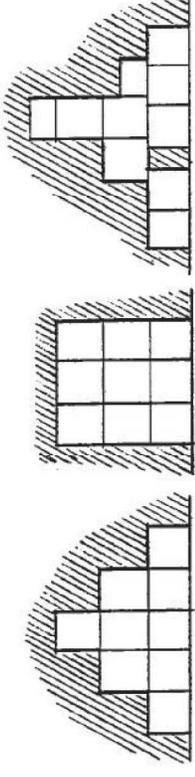


Fig. A

Fig. B

Fig. C

hand, is the qualitative, readily visible composition and perceived shape of the structure's volume, i.e. the design of its architectural composition, shape and scale, including setbacks and setbacks. For example, imagine the nine squares in Figures A through C are actually three-dimensional cubes. The nine squares in Figure B appear bulkier than Figure A even though Figure A is wider. Figure B also appears bulkier than Figure C, even though Figure C is both higher and wider than Figure B. (See page 19-C for addtl. illustrations.)

SCALE VS. PROPORTION

Proportion describes how building parts relate to each other and to a whole structure, as measured by size and dimensions. Scale, on the other hand, is the relationship of a structure or its parts to a definite unit of measure. For most Santa Barbara Infill neighborhoods, the definite unit of measure is a human being's height, i.e. "human scale." A common problem with larger homes is that the architectural elements of a structure should be in proportion to the overall structure size. As a structure gets bigger, its elements such as doors, windows, archways, and towers may need to get bigger as well. As a result, human scale can be lost, leading to neighborhood incompatibility. Another point is that a human scale structure may still lack proportion between its elements. For example, even a small home may have windows or doors so different in size or shape relative to each other or to the home that they detract from the home's appearance.

(Continued on page 19-C)

VOLUME: A QUANTITATIVE MEASUREMENT



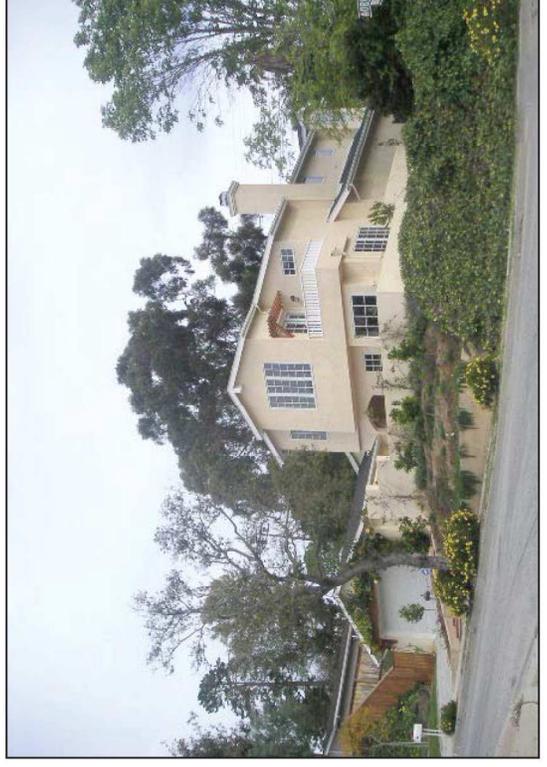
The home above has significantly less measured volume than the home below.



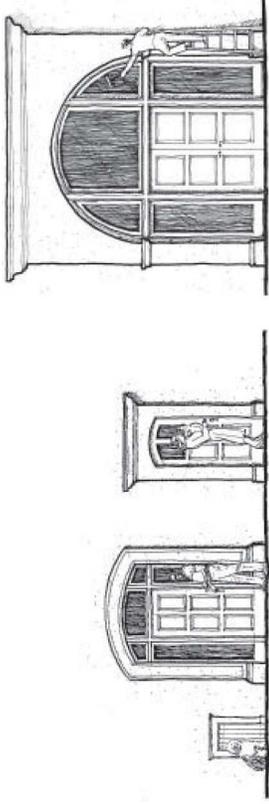
BULK: A QUALITATIVE VISUAL COMPONENT



Although these homes have very similar square footages, the picture below may appear "bulkier," in part because of the volume's massing.



7. VOLUME, BULK, MASSING AND SCALE CONTINUED.



Door openings (areas containing the door, frame, side lights, fan windows, transom, and any recessed or significant feature associated with the door) designed for a human scale should not exceed a width of 8' or a height of 12'.

Visible front door entries, traditional porch features, decorative pedestrian gates, small and medium-sized windows, short fences, minimization of large “blank” architectural features (such as through the use of small garage doors or decorative garage doors) can help provide a sense of “human scale.”

Example Architectural Elements that Can Affect a Home’s “Scale”:

- Windows:** size, proportion, number, placement
- Doors:** single or double, height
- Entrances:** monumental height over 10’ or human scale
- Garages:** number of bays, type of door
- Roof Slopes:** towers, windows, dormers
- Roof Styles:** hip, gable, mansard, gambrel, flat
- Roof Pitches:** slope rise to run, e.g. 4:12
- Columns:** 1 story, 2 story, appropriate to style
- Stairs:** exterior stair quantity and widths
- Pedestal Treatment:** raised house or entrance
- Blank Walls:** major or minor part of structure faces

SCALE



This home relates well to human scale in part because of the appropriately sized and proportioned garage door, chimney and windows, in addition to elements such as the trellis on the upper story deck and modest front porch.



A home illustrating a “monumental scale,” usually inappropriate on small lots. In particular, the size and proportions of the entry stairs, columns, front door, porch, and the significant pedestal (raised house) reflect a monumental scale.

VOLUME, BULK, MASSING AND SCALE ISSUES

Issues that the SFDB considers related to volume, mass, bulk, size and scale include the following:

- **Compatibility:** How compatible is the structure's **volume, bulk, and scale** with the **volume, bulk, and scale** of the existing neighborhood homes and structures?
- **Floor to Lot Area Ratios:** Is a structure's **size** appropriate for its lot size?
- **Second Story Decks:** Do wall elements, guardrails, furniture, or outdoor fireplaces contribute to the bulk or scale of the project?
- **Covered Porches, Loggias, and Covered Decks:** Do the covered porches, loggias, and/or covered decks enhance the building's design, appearance, and function? Do they contribute to excessive mass, scale and bulk? Careful consideration should be given to projects that propose greater than 250 square feet of these areas, or when they are greater than 10% of the total net square footage of the structure. Because they include roof structures these areas might easily be enclosed in the future, possibly without design review. Future enclosure of existing covered areas may contribute to unacceptable size, bulk, and scale, eliminate a desirable architectural feature, or exceed FAR limits.
- **Garage Door Design and Placement:** Does the garage design minimize an appearance of **bulk**? Is the **scale** of the garage appropriate in comparison to the portion of the house visible from the street?
- **Second-Story Setbacks:** How does the second-story **volume** affect the streetscape or neighboring backyards? How **bulky** does a structure appear from the front or the back of a house because of how the **massing** of a building is composed?
- **Canyon Effect:** How close is the **volume** of a proposed second-story structure to the **volume** of any adjacent property's existing second-story **volume**?
- **Wall Size:** How does a large expanse of wall contribute to a structure's appearance of **bulk**? How can a structure's **volume** be articulated consistent with an architectural style? Do building wall heights allow proportional **human scale** window and door details?
- **Roof Size:** How does a large expanse of roof contribute to a structure's appearance of **bulk**? How can a structure's **massing** be changed to avoid large expanses of roof?
- **Plate Height:** Do building plate heights allow for appropriately scaled wall, window and door details?

8. FLOOR TO LOT AREA RATIO (FAR)

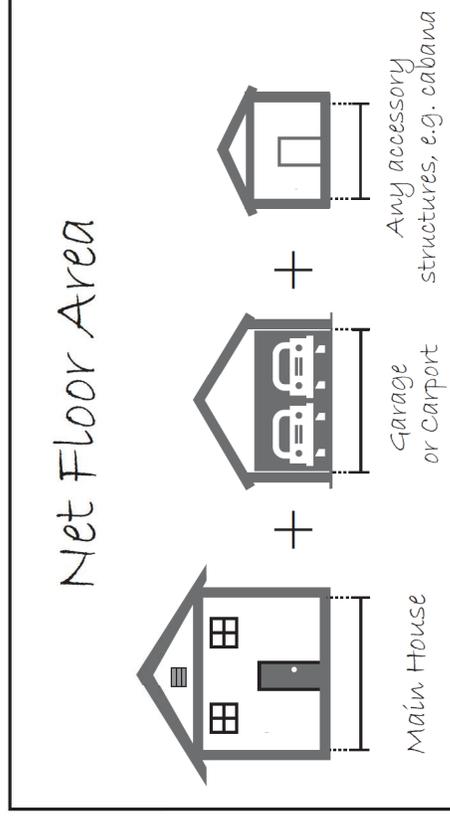
Strive for a project which falls in the “less than 85% of maximum FAR” range for the project lot size.

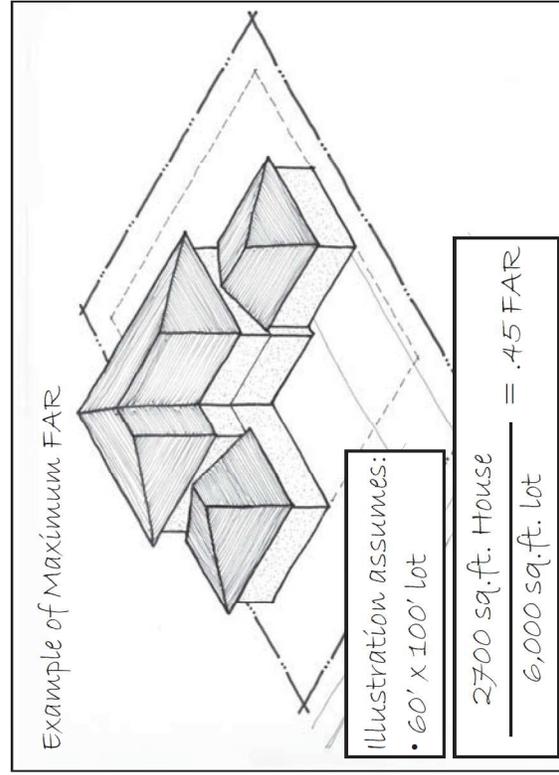
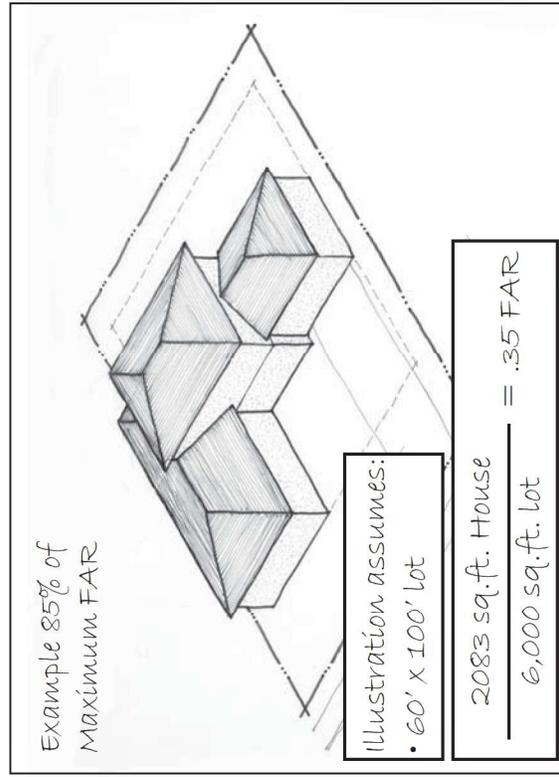
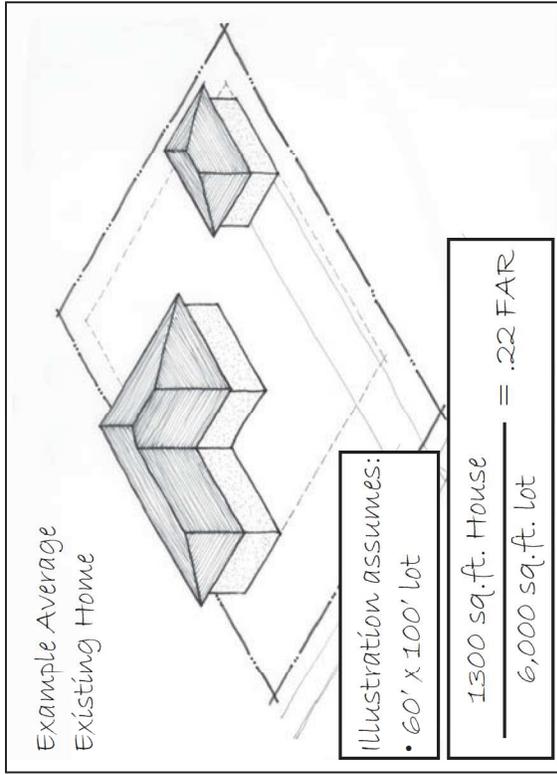
$$\text{FAR} = \frac{\text{Net Floor Area of all Site Structures}}{\text{Lot Area}}$$

FAR is defined as the net square footage of a structure (or structures) divided by the net lot area. Net lot area excludes public road easements and public road rights-of-way.

FARs measure and limit a structure’s size based on lot size. FARs do not translate to an accurate measure of volume because plate heights and roof slopes for homes vary. However, they are a useful indication of a structure’s bulk relative to its site. Architectural features such as covered porches, loggias, and covered decks contribute to the mass and bulk of a building. While they are not included in the FAR, they are considered as part of the project’s mass and bulk. FARs provide general parameters of reasonable lot build-out according to lot size. FARs are often used to analyze a proposed project’s potential for neighborhood compatibility. Many communities have implemented FARs to better control size, bulk and scale of development. Ideally FARs can help prevent sudden dramatic incompatible neighborhood changes.

Applicants seeking SFDB or HLC approval are required to provide the proposed project’s floor to lot area ratio. Covered parking is included in the square footage calculations for FAR. For full details of what is included in FAR calculations, see the Project Statistics Form directions and square footage measurements table available at the Community Development Department website and office.





APPLICABILITY

Maximum FARs as requirements apply to a home taller than one story and a basement on lots smaller than 15,000 square feet in single-family zones. The maximum requirements also apply to homes taller than 17' from natural or finished grade, whichever is lower on lots smaller than 15,000 square feet in single-family zones. Other properties, such as those 15,000 square foot lots or larger, or properties in multi-family zones, the FARs are applied as guidelines, rather than requirements.

The only way to exceed a required maximum FAR for most projects would be to request a "Planning Commission Modification" (see page 21-C for exception). However, for any project, no matter the location or height, a review board can request a smaller size if it is necessary in order for an approval to be made, for example to ensure the NPO Findings on page 5-D or other findings on page 6-D can be made.

Table 1: Formula Table

Lot Size in Sq. Ft	Range	Max. Home Size (in sq. ft.) incl. garage/carport
	≤4000 sq. ft.	2200
	4000 - 10000 sq. ft.	1200 + (0.25 x lot size)
	10000 - 14999 sq. ft.	2500 + (0.125 x lot size)
	15000 - 19999 sq. ft.	4180 + (0.013 x lot size)
	≥ 20000 sq. ft.	4430 + (0.013 x lot size)

Garage/Carport Allowance*	
Lot Size	Allowance
< 20000	500
> 20000	750*
≥ 20000	750*

*Where zone district allows, see Municipal Code 28.87.160.4
 **Garage/carport allowance does not need to be used only for garage/carport space for maximum square footage calculations. Max. sq. ft. can be distributed anywhere if consistent with Zoning regulations. Ex.: two-car covered parking minimum space requirement is 400 sq. ft. and 100 sq. ft. of remaining "allowance" could be used in the home instead of in the garage/carport.

Table 2: Example FAR Calculations Table

Lot Size	Proposed			Maximum FAR including garage/carport
	100% Maximum Home Size including garage/carport	Maximum Home Size excluding garage/carport allowance **	85% of Maximum Home Size including garage/carport	
4000	2200	1700	1870	0.55
5000	2450	1950	2083	0.49
6000	2700	2200	2295	0.45
7000	2950	2450	2508	0.42
7499	3075	2575	2614	0.41
7500	3075	2575	2614	0.41
8000	3200	2700	2720	0.40
9000	3450	2950	2933	0.38
10000	3750	3250	3188	0.38
11000	3875	3375	3294	0.35
12000	4000	3500	3400	0.33
13000	4125	3625	3506	0.32
14000	4250	3750	3613	0.30
14999	4375	3875	3719	0.29

REQUIRED

15000	4375	3875	3719	0.29
20000	4690	3940	3987	0.23
1/2 acre	4713	3963	4006	0.22
3/4 acres	4855	4105	4127	0.15
1 acre	4996	4246	4247	0.11
1.5 acres	5279	4529	4488	0.08
2 acres	5563	4813	4728	0.06
2.5 acres	5846	5096	4969	0.05
3 acres	6129	5379	5210	0.05
3.5 acres	6412	5662	5450	0.04
4 acres	6695	5945	5691	0.04
4.5 acres	6978	6228	5932	0.04
5 acres	7261	6511	6172	0.03
5.5 acres	7545	6795	6413	0.03
6 acres	7828	7078	6654	0.03

GUIDELINES

To determine maximum allowed net square footage for a property, follow these steps:

1. Find the lot size range that includes the project lot size on the Formula Table, Table 1, see page 20-C.
2. Complete the formula using the lot size.
3. If you would like to check your work with some example FAR calculations, see Table 2 on page 20-C.

square footage over the maximum FAR are strongly discouraged in most cases. However, there may be some project sites with special physical features, which when combined with exceptional design, can accommodate an over FAR maximum home compatible with the neighborhood. A Planning Commission modification and additional submittal requirements, described briefly on page 4-D and in detail in Planning and Zoning Counter handouts, are required for over maximum FAR proposals.

Projects Under 85% of Maximum FARs Are Encouraged

Project applications under 85% of the maximum FAR are generally easier to design, prepare, process and review because they are more likely to be compatible with the surrounding neighborhood than projects over 85% of the maximum FAR. Projects under 85% of the maximum FAR are generally subject to the simpler standard Design Review submittal requirements listed on page 3-D and described in Planning and Zoning Counter handouts. Design Review fees for projects under 85% of the maximum FAR are lower than fees for larger projects. Projects over 85% of the maximum FAR are more likely to pose neighborhood compatibility issues and are generally discouraged. However, careful design and review can sometimes produce projects that are still compatible with the surrounding neighborhood.

Due to the special nature of these larger, potentially incompatible projects, additional submittal information is required for these projects, described briefly on page 4-D and in detail in Planning and Zoning Counter handouts. Projects proposing

Applicability of FARs as Guidelines

Maximum FARs are applied as guidelines rather than requirements on lots that are 15,000 square feet or larger, or located in multi family or non-residential zones. Site and zoning variables might contribute to less reliability in the use of the 20 closest FAR Study.

Some situations may support higher FARs and projects that approach or exceed guideline FARs might not pose a problem and FAR compatibility may be less critical. Larger lots may allow more space between structures and in some cases may allow the project to be less visible to the public and to neighbors. In multi-family or non-residential zones where density of development is usually higher, single-family residential projects will likely have lower FARs than other types of development. These zones are likely to have more variety of development.

Other situations may support lower FARs. When the buildable portion of a site is small in relationship to the lot size, an FAR lower than what would normally be indicated for the lot size may be more appropriate. On some large lots not all of the lot

area may be developable due to steep slopes or creek or ocean bluff setbacks. These site constraints can push development on a site closer to the street, or closer to neighbors. In the Riviera there are examples where development on larger lots is clustered close together around cul-de-sacs or built close to the public streets. The configuration of the lot may reduce its developable area, for example flag lots. Corner lots or other lots with multiple street frontages have increased area within the front setbacks and development on these lots may be more visible. In situations like these, compatibility with neighboring FARs may be more pertinent. As a general rule, where the development is closer to property boundaries or more visible to the public and to neighbors, the proposed FAR should be reduced.

Properties Legal Non-Conforming as to a Required Maximum Size

Some “legal non-conforming as to FAR” properties can have a one-time addition of up to 100 square feet without a Planning Commission modification being required. Municipal Code 28.87.030.D.1.c allows such additions to reasonably accommodate minor changes in floor plans such as bathroom or closet additions to provide some flexibility for structures legal non-conforming as to a required maximum floor area (FAR standards) without the need for a Planning Commission modification. Consult the Municipal Code and City Staff for more information.

20 Closest FAR Study

When a project proposes to exceed 85% of a maximum required FAR, the applicant must provide a study of the FARs of the 20 closest lots. Using a geographic information system, the 20 closest lots are selected for the project’s neighborhood. This information is a tool used by the review board to assist in determining the compatibility of a project’s size within its neighborhood. Data on square footages and lot sizes are obtained from the County Assessor’s Office or from City records and plan archives. The information is assumed to be approximate due to variations in calculation methods and because many County records reflect original home sizes, but the data allows a general sense of the project’s size and FAR compatibility with nearby development. Factors to consider when using the 20 Closest FAR Study include:

- Variability of square footages in the neighborhood
- Variability of lot sizes and FARs in the neighborhood
- Site constraints; how much of the lot area is developable?
- Is the project near the average for the neighborhood?
- Is the project among the largest in the neighborhood?
- The project’s volume, bulk, scale, height, and massing relative to its square footage
- Closer proximity to neighboring structures and/or denser development in the neighborhood suggests closer adherence to the size of adjacent structures and to the average size of structures in the study.

GOOD NEIGHBOR GUIDELINES & TIPS

The following guidelines and tips can help you remain friends with your neighbors after the completion of your new or remodeled house. They are based on the Golden Rule: “Do unto others as you would have them do unto you.”

Think about what your concerns would be if your next door neighbor were proposing to either build a new house or add on to an existing house. Incorporate those concerns into your thinking as you design your own new or remodeled house.

It is the intent of these guidelines and tips to advance sound planning in building homes and additions with scrutiny of neighborhood compatibility, views and privacy. While it is not the intent to create a right to privacy or views, a compromise that advances these goals is highly desirable.

BEFORE COMPLETING YOUR DESIGN

- Design your addition or your new house as if you were going to live next door to it.
- Talk with your neighbors and show them your proposed design.
- Consider organizing a meeting with your neighbors to encourage neighbor discussions.
- Read the article regarding “Tips for Managing Conflict with Comfort” provided in this section which can help provide guidance for successful discussions.

In General

When your project is reviewed by the Single Family Design Board (SFDB), the SFDB will be looking for general compliance with these Good Neighbor Guidelines (See Finding 6 on page 5-D) along with other Neighborhood Compatibility Findings. The SFDB understands that, in some cases, strong compliance with privacy, landscaping, noise and lighting guidelines may not be possible or necessary. However, in cases where there appear to be significant potential issues raised by a project design that would not be posed with a suitable alternative design more sensitive to neighboring properties, the SFDB may deny the project. It is necessary that you communicate to the SFDB how your project is generally consistent with the Good Neighbor Guidelines. The techniques below will help when you appear before the SFDB:

- Discuss how you have designed your project with your neighbors in mind
- Summarize for the SFDB the results of any discussions you have had with neighbors about your project.

Using these techniques can help the SFDB to see how you have made a “good faith effort” to be generally consistent with the Good Neighbor Guidelines.

This chapter covers the following guideline and tip topics.

Guidelines

1. Privacy
2. Landscaping
3. Noise
4. Lighting

Tips

- Private Views
- Construction Impacts
- Managing Conflict with Comfort

GOOD NEIGHBOR GUIDELINES

36. PRIVACY GUIDELINES

36.1 Visual Distance

Locate structures and additions to increase visual distance between buildings. Avoiding large two-story building masses at the sides and rear of adjacent single family rear yards can help preserve privacy and sunlight access for your home and for neighboring properties.

Rather than simply following Municipal Code minimum setback standards, consider what a comfortable distance between a proposed addition and an existing neighbor's structure would be. Also consider the pattern of building separation in the immediate neighborhood and design a project compatible with this pattern. Locate areas that require more privacy away from your neighbors. Orient active outdoor areas away from neighbors.

36.2 Upper-Story Decks and Balconies

Avoid or minimize the number of decks that overlook neighboring properties. Locate upper-story balconies and decks to minimize the loss of privacy for neighboring properties. Upper-story balconies or decks facing the street are usually preferable to upper-story balconies or decks facing a yard area adjacent to a neighbor. Techniques to lessen impacts to neighboring property privacy include the following:

36.2.1 Meeting with neighbors adjacent to proposed upper-story balconies and decks prior to beginning the City application process is strongly encouraged.

36.2.2 Screen second-story balconies and decks from neighboring property by incorporating architectural screening elements such as enclosing walls, trellises, or awnings. For example, effective enclosures might include walls over 4' and perimeter planters facing neighbor's side or rear yards.

36.2.3 Locate second-story balconies and decks to avoid direct sight lines from the deck or balcony to neighbors' windows, open yard, patio, deck, and/or loggia areas.

36.2.4 Set back upper-story decks or balconies over 20 square feet at least 15' from interior lot lines when possible.

36.2.5 Avoid siting any "free-standing" chimneys on upper-story decks or balconies. Such chimneys look "out of place" architecturally and are better sited adjacent to a structure. Also, such chimney might block neighbors' views. If Building and Safety minimum clearance standards can be met, chimneys are generally recommended to be less than 8' in height.

36.2.6 In Hillside areas, special consideration is needed for decks and outdoor courtyard placement. Depending on topography, these features have the potential to greatly affect downhill neighbors' privacy and noise levels. Often, keeping decks and outdoor courtyards within the Municipal Code setbacks listed for a zone district, even when not required, can help to maintain good neighbor relations.

Positive Neighborhood Amenity	Front Porch
<p>Least Privacy Impact to Neighbors (Preferred)</p> 	First-floor patios & decks inside setback lines
	2nd-Story decks and balconies on front property line
	2nd-story decks and balconies on side or rear of house, more than 15' from a neighbor's property line
<p>Most Privacy Impact to Neighbors (Discouraged)</p>	2nd-story decks and balconies on side or rear of house, less than 15' from property line, less than 3' x 7' in size
	2nd-story decks and balconies on side or rear of house, less than 15' from property line, larger than 3' x 7' in size



Balcony: A platform cantilevered from the wall of a building, usually resting on brackets or consoles, and enclosed with a railing.



Deck: A flat open platform, typically with a railing, either attached to a building or free-standing and supported by pillars, posts, or walls.

GOOD NEIGHBOR GUIDELINES & TIPS

Note: The focus of these photos are the deck privacy features only. Please refer to Compatibility Guidelines and Infill Guideline for information regarding designing compatible two-story homes.



Front yard deck in the East Mesa neighborhood is set forward from neighbors' front building lines and it also features deeply recessed privacy sidewalks. (36.2.2, 36.2.3, 36.2.5)



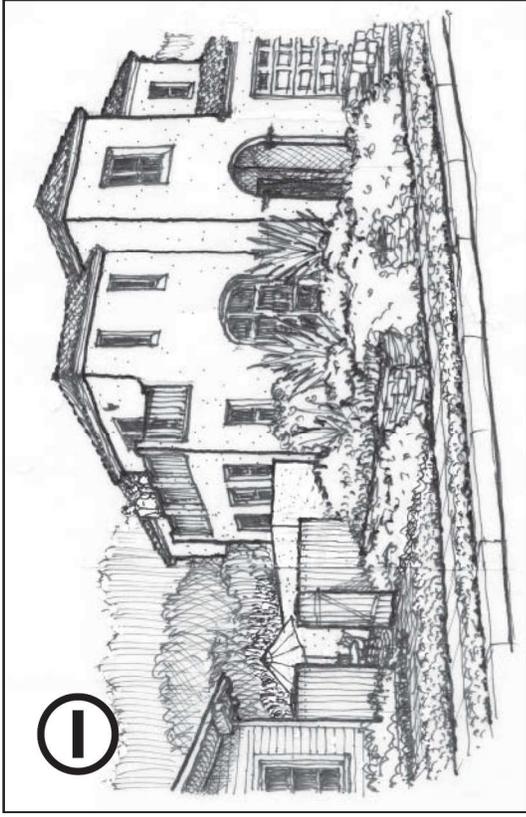
This front yard deck in the East Mesa neighborhood features a privacy screening wall on the edge of the deck closest to an adjacent neighbor. (36.2.2, 36.2.3, 36.2.5)



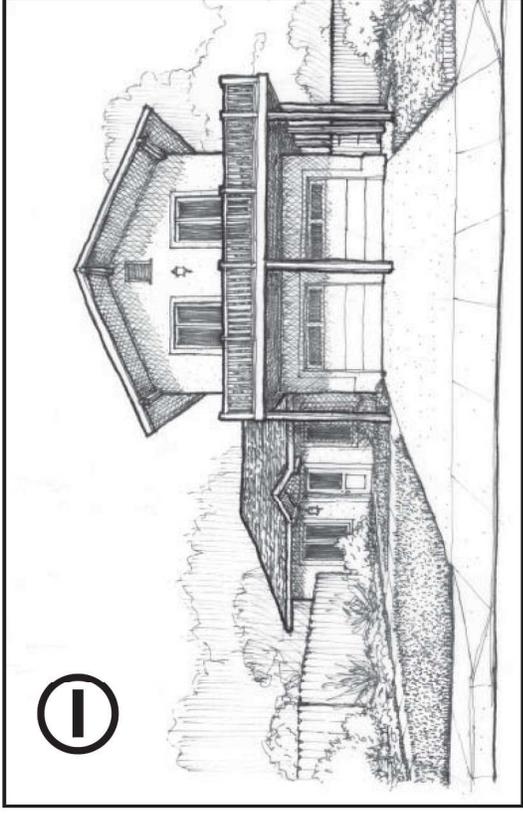
This front yard deck in the Alta Mesa neighborhood is set closer to the street than the adjacent neighbor's home, resulting in less privacy impacts to the neighbor's side yard windows and living space. (36.2.3, 36.2.5)



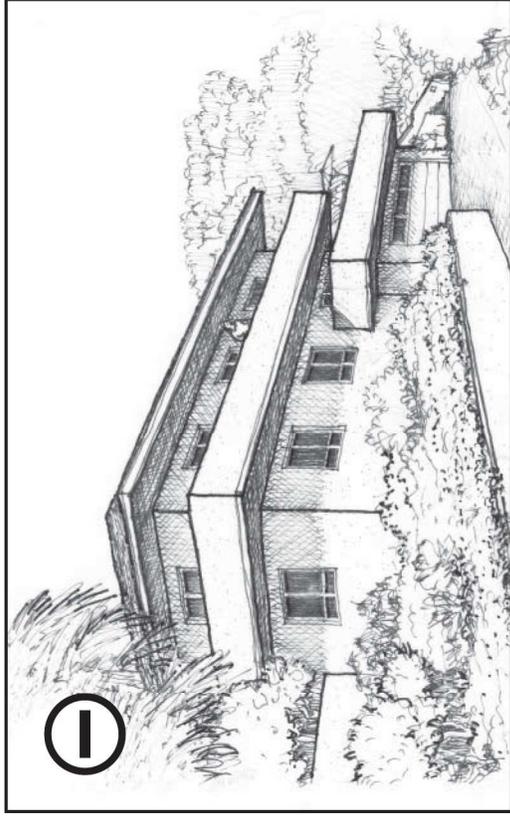
A second floor uncovered deck set into the roof of the first floor maintains the apparent volume of the structure and avoids a "looming" effect in the Samarland neighborhood. (36.2, 36.2.3, 36.2.5)



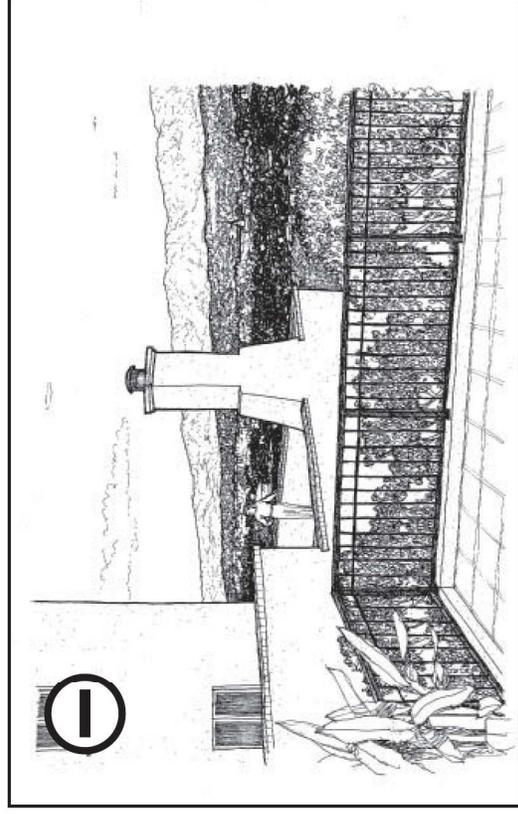
Side yard decks invade privacy. More attention to guidelines 36.2.2 and 36.2.3 is needed for projects and below.



Free-standing decks supported by pillars rather than building elements are less attractive.

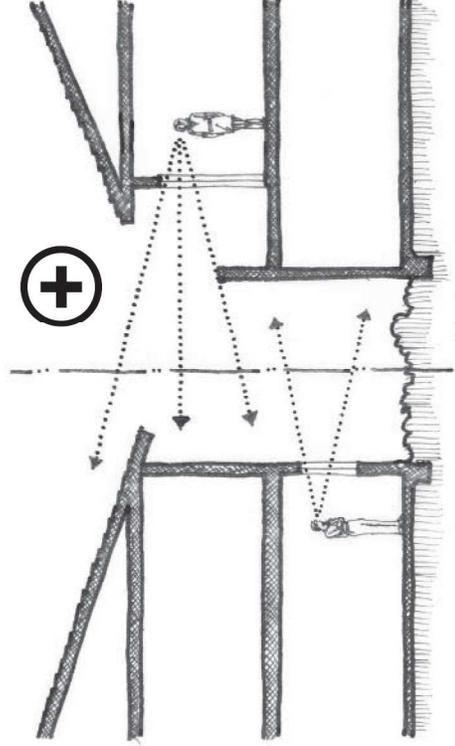


This deck appears to "wrap around" the house, creating the ability for occupants to look over neighboring properties from every point, which can create privacy issues for neighbors.

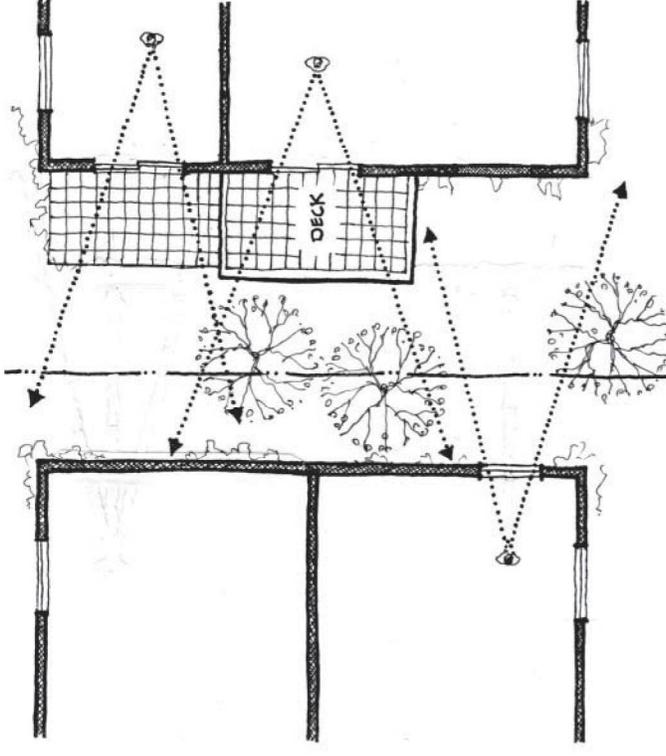


Avoid placing fireplaces with chimneys on outdoor decks separated from the main structure. (36.2.5)

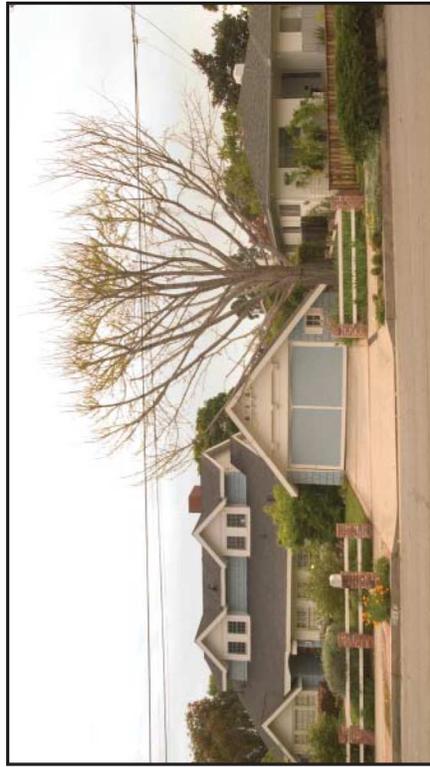
- 36.3 **Upper-Story Windows:** Minimize the number of windows on proposed buildings that overlook neighboring properties. Orient your upper-story windows to protect your neighbor's privacy. You may not want to see them any more than they want to be seen by you.
 - 36.3.1 Place windows to avoid direct views into existing neighboring windows by offsetting or staggering windows facing neighbors' windows.
 - 36.3.2 Avoid large upper-story windows overlooking adjacent rear yards.
 - 36.3.3 Use translucent window glass or high windows to allow illumination while protecting privacy.
 - 36.3.4 Set back upper floors or increase side and rear setbacks to pull windows farther away from neighboring residences.



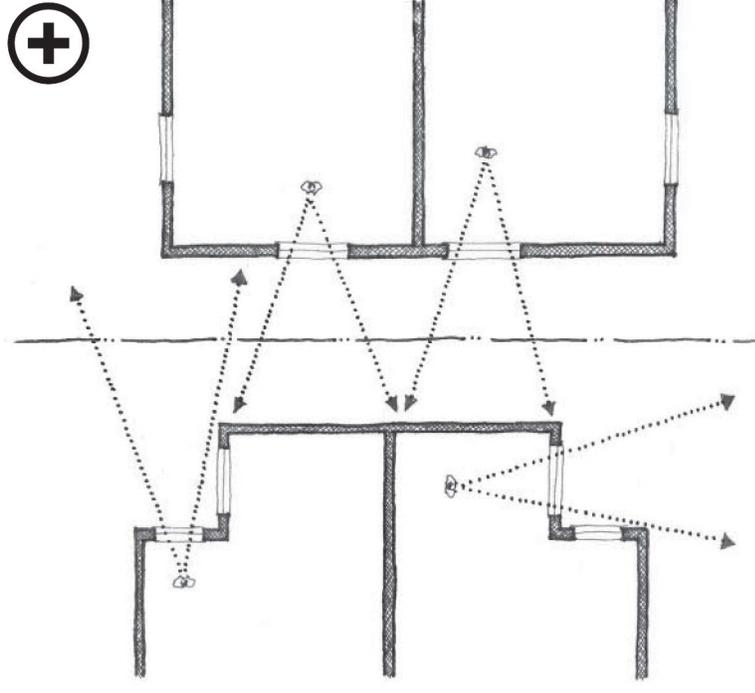
Privacy Views: Setting second stories back further than the first-story requirement will help screen views between adjacent houses. (36.3.1, 36.3.2, 36.3.4)



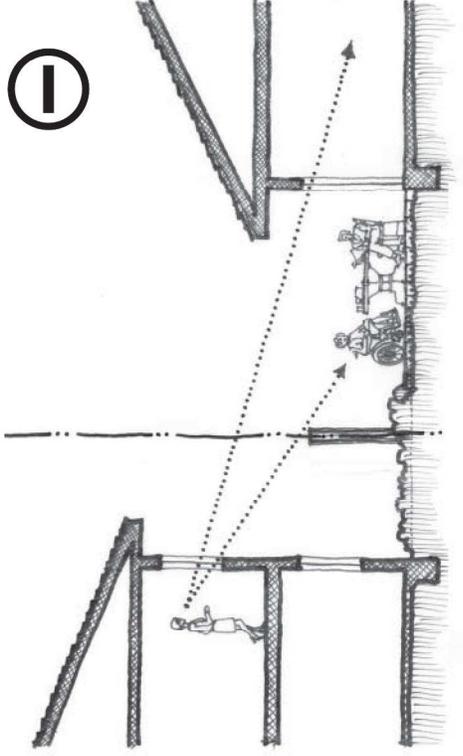
Privacy Views: Offset window location or strategically placed trellises will help prevent views into adjacent houses. (36.3.1)



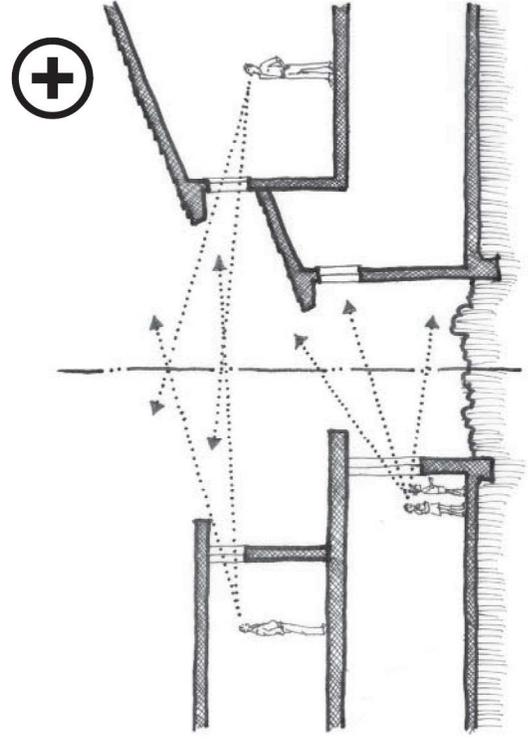
Orient second-story windows to protect neighbor's privacy.



Inset corner windows can help avoid direct alignment with neighbor's windows. (36.3.3.1, 36.3.3.4)



Privacy Views: Avoid placing windows in locations that would look into adjacent windows or active yard spaces, where possible.



High window placement helps prevent views into adjacent houses. (36.3.3.1, 36.3.3.2, 36.3.3.3, 36.3.3.4)

To Sort, press all at same time: CTRL+SHIFT+S

**20 Closest Lots Data Ranked by FAR
for: 3626 San Remo Drive**

Address (Optional)	Data Source (Ex: Co. Assessor's Office)	APN	Lot Size in net sq. ft.	Floors	House	Garage /Carport	Total	FAR	FAR Rank
204 Adair Drive	Co. Assessor's Office	053-231-051	7,405	2	2,228	552	2,780	0.38	1 Largest
211 Adair Drive	Co. Assessor's Office	053-231-044	7,405	1	1,694	641	2,335	0.32	2
210 Adair Drive	Co. Assessor's Office	053-231-050	7,405	1	1,883	420	2,303	0.31	3
219 Adair Drive	Co. Assessor's Office	053-231-045	7,405	1	1,607	681	2,288	0.31	4
230 Adair Drive	Co. Assessor's Office	053-231-047	7,405	1	1,810	460	2,270	0.31	5
216 Adair Drive	Co. Assessor's Office	053-231-049	7,405	1	1,786	441	2,227	0.30	6
3621 Capri Drive	Co. Assessor's Office	053-231-033	7,405	1	1,720	495	2,215	0.30	7
3609 Capri Drive	Co. Assessor's Office	053-231-031	7,405	1	1,681	504	2,185	0.30	8
3615 Capri Drive	Co. Assessor's Office	053-231-032	7,841	1	1,742	528	2,270	0.29	9
3604 Capri	Co. Assessor's Office	053-231-029	7,405	2	1,547	498	2,045	0.28	10
3650 San Remo Drive	Co. Assessor's Office	053-231-043	7,405	1	1,510	459	1,969	0.27	11
Lot 2 San Remo	MST Project - Pending/Proposed		14,094	2	2,652	479	3,131	0.22	12
225 Adair Drive	Co. Assessor's Office	053-231-046	9,583	1	1,643	441	2,084	0.22	13
222 Adair Drive	Co. Assessor's Office	053-231-048	9,583	1	1,578	460	2,038	0.21	14
201 N. Ontare Road	Co. Assessor's Office	053-231-008	16,553	2	2,450	493	2,943	0.18	15
213 N. Ontare Road	Co. Assessor's Office	053-231-006	18,731	2	2,789	408	3,197	0.17	16
121 N. Ontare Road	Co. Assessor's Office	053-231-052	15,682	1	2,240	381	2,621	0.17	17
3603 Capri Drive	Co. Assessor's Office	053-231-030	15,246	1	1,932	578	2,510	0.16	18
209 N. Ontare Road	Co. Assessor's Office	053-231-007	18,295	1	2,506	484	2,990	0.16	19
301 N. Ontare Road	Co. Assessor's Office	053-231-003	16,988	1	1,554	551	2,105	0.12	20
221 N. Ontare Road	Co. Assessor's Office	053-231-005	18,731	1	1,666	360	2,026	0.11	21 Smallest

Average/Mean Total of House + Garage Size (including project proposal):	2,406
Average/Mean FAR (including project proposal):	0.24

SFDB MINUTES WITH ELEVATIONS



 Lot 2 – January 13, 2014 (First Concept Review)
3626 SAN REMO DR**E-3/SD-2 Zone**

Assessor's Parcel Number: 053-231-011

Application Number: MST2013-00505

Owner: Nancy J. Madsen

Designer: Kate Svensson

(Lot 2: Conceptual review for construction of a two-story, 3,320 square foot, single-family residence and an attached, 500 square foot, two-car garage, located on a vacant 14,094 square foot parcel (lot 2). The proposal includes associated flat work, landscaping, and site walls. This proposal is associated with a concurrent application (MST2009-00325) for a four (4) lot subdivision approved by Planning Commission on October 14, 2010 (Resolution No. 015-10) the proposed total of 3,820 square feet is 90% of the required floor-to-lot area ratio (FAR).)

(Concept Review. Project requires compliance with Planning Commission Resolution No. 015-10.)

Motion: Continued indefinitely to Planning Commission for return to Full Board with comments:

- 1) Study reducing the square footage.
- 2) Study adding details to the architecture that create charm and interest.
- 3) Study a reduction and variations of the plate heights.
- 4) Study the front door and surrounding entry area on west elevation.
- 5) Study articulation of the façade to breaking up the straight line (and mass) of the façade.
- 6) Study a variation of colors.

Action: Pierce/Bernstein, 5/1/0. Motion carried. (Sweeney opposed, James absent).

SFDB MINUTES WITH ELEVATIONS
3626 SAN REMO DRIVE LOT 2



Lot 2 – March 24, 2014 (Second Concept Review)

3626 SAN REMO DR

E-3/SD-2 Zone

Assessor's Parcel Number: 053-231-011
Application Number: MST2013-00505
Owner: Nancy J. Madsen
Designer: Kate Svensson

(Lot 2: Proposal for construction of a two-story, 2,792 square foot, single-family residence and an attached 499 square foot two-car garage located on a vacant 14,094 square foot parcel (Lot 2). The proposal includes associated flatwork, landscaping, and site walls. This proposal is associated with a concurrent application (MST2009-00325) for a four (4) lot subdivision approved by Planning Commission on October 14, 2010 (Resolution No. 015-10). The proposed total of 3,292 square feet is 78% of the required floor-to-lot area ratio (FAR).)

(Second concept review. Comments only; project requires Planning Commission review. The project was last reviewed on January 13, 2014.)

Actual time: 7:02 p.m.

Present: Kate Svensson, Designer; Robert Adams, Architect; Vince Amore, Builder; and Dan Gullett, Planner.

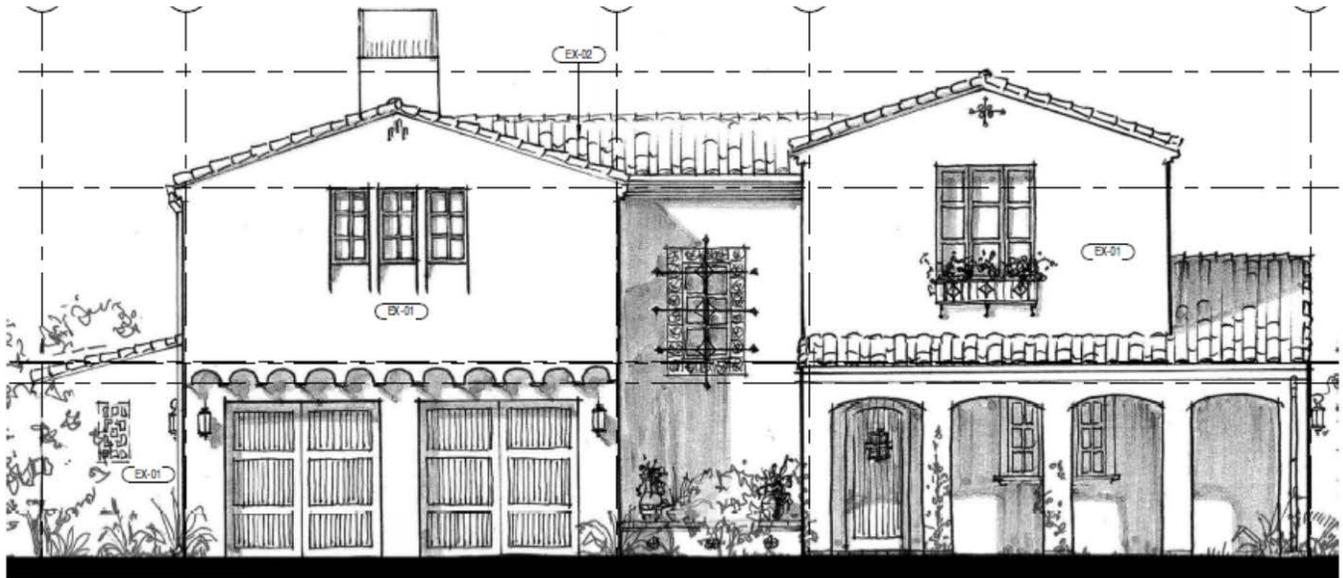
Public comment was presented on Item No. 4.

Motion: Continued indefinitely to Planning Commission with comments:

- 1) Reduce the square footage.
- 2) Study of the second-story.
- 3) Consider reducing the roof height.
- 4) Create an arbor-type entrance to help mitigate the façade.
- 5) Study the sloped walls below the windows.
- 6) Provide story poles.
- 7) Consider Lot 4's design as the design for Lot 2.

Action: Woolery/Zimmerman, 5/0/0. Motion carried. (Miller/Bernstein absent).

SFDB MINUTES WITH ELEVATIONS
3626 SAN REMO DRIVE LOT 2



Lot 2 – June 2, 2014 (Third Concept Review)

3626 SAN REMO DR

E-3/SD-2 Zone

Assessor's Parcel Number: 053-231-011
Application Number: MST2013-00505
Owner: Nancy J. Madsen
Designer: Kate Svensson

(Lot 2: Proposal for construction of a two-story, 2,652 square foot, single-family residence and an attached 479 square foot, two-car garage, located on a vacant 14,094 square foot parcel (Lot 2). The proposal includes associated flatwork, landscaping, and site walls. This proposal is associated with a concurrent application (MST2009-00325) for a four (4) lot subdivision approved by Planning Commission on October 14, 2010 (Resolution No. 015-10). The proposed total of 3,132 square feet is 74% of the required floor-to-lot area ratio (FAR).)

(Third concept review. Comments only; project requires Planning Commission review. Project was last reviewed on March 24, 2014.)

Actual time: 6:19 p.m.

Board member Pierce has stepped down since her relation to a neighbor of the project conflicts with her status

Present: Robert Adams, Landscape Architect; Kate Svensson, Designer; Vince Amore, Project Manager; Jarrett Gorin, Land Use Planner; and Daniel Gullett, Case Planner.

- Jarrett Gorin requested his comments be put on record regarding the inappropriate and unusual manner of one board member's view on how another board may have observed a project, the unnecessary anger asserted over a land-use project, and the misguided comments about the inaccuracy of the story pole set-ups.

Public comment opened at 6:26 p.m. As no one wished to speak, public comment was closed.

SFDB MINUTES WITH ELEVATIONS
3626 SAN REMO DRIVE LOT 2

- Motion:** Continued indefinitely to Planning Commission to return to Full Board with comments:
- 1) The Board appreciates the changes in architecture.
 - 2) Reduce plate height and square footage.
 - 3) Study locations for guest parking.
- Action:** Woolery/James, 6/0/0. Motion carried. (Pierce stepped down).



Lot 2 – July 14, 2014 (Fourth Concept Review)

3626 SAN REMO DR

E-3/SD-2 Zone

Assessor's Parcel Number: 053-231-011
Application Number: MST2013-00505
Owner: Nancy J. Madsen
Designer: Henry Lenny

(Lot 2: Proposal for construction of a two-story, 2,652 square foot, single-family residence and an attached 479 square foot, two-car garage, located on a vacant 14,094 square foot parcel (Lot 2). The proposal includes associated flatwork, landscaping, and site walls. This proposal is associated with a concurrent application (MST2009-00325) for a four (4) lot subdivision approved by Planning Commission on October 14, 2010 (Resolution No. 015-10). The proposed total of 3,132 square feet is 74% of the required floor-to-lot area ratio (FAR).)

(Fourth concept review of exterior architectural details only. Comments only; project requires Planning Commission review. Project was last reviewed on June 2, 2014.)

Actual time: 5:34 p.m.

Board member Pierce stepped down.

Present: Henry Lenny, Designer; and Daniel Gullett, Associate Planner.

Public comment opened at 5:41 p.m.

- 1) Molly Steen, a neighbor at 3609 Capri Drive, expressed concerns that the project had yet to

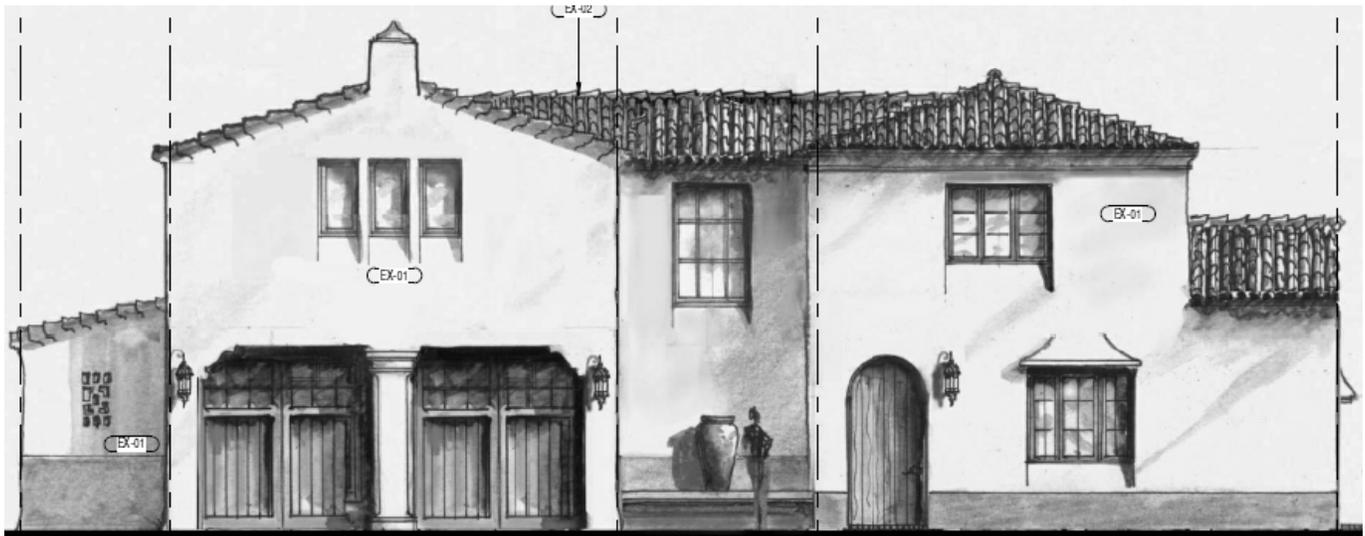
SFDB MINUTES WITH ELEVATIONS
3626 SAN REMO DRIVE LOT 2

- be scaled down per the Board's direction.
- 2) John Steen, a co-owner at 3609 Capri Drive, reserved his comments until further information was provided.
 - 3) Bob Westwick, a neighbor at 3609 Capri Drive, expressed concerns regarding the lack of change in square footage.
 - 4) Joan Jacobs, a neighbor at 210 Adair Drive, expressed concerns that the project had yet to be scaled down per the Board's direction.
 - 5) Shirley Edwards, a neighbor at 216 Adair Drive, expressed concerns that the project had yet to be scaled down per the Board's direction, the inadequate width of the driveway with no turnaround, and the lack of guest parking.
 - 6) Peter Edwards, a neighbor at 216 Adair Drive, expressed concerns regarding the large size of the project in addition to the lack of accessibility relating to the driveway.

Public comment closed at 5:49 p.m.

Motion: **Continued indefinitely to Full Board with comments:**
 1) Study reducing the square footage and plate heights of both floor levels.
Action: James/Miller, 5/0/0. Motion carried. (Pierce stepped down, Zimmerman absent).

SFDB MINUTES WITH ELEVATIONS
3626 SAN REMO DRIVE LOT 2



Lot 2 – September 22, 2014 (Fifth Concept Review)

3626 SAN REMO DR

E-3/SD-2 Zone

Assessor's Parcel Number: 053-231-011
Application Number: MST2013-00505
Owner: Nancy J Madsen
Applicant: Vincent Amore
Architect: Henry Lenny
Designer: Kate Svensson

(Lot 2: Proposal for construction of a two-story, 2,652 square foot, single-family residence and an attached 479 square foot, two-car garage, located on a vacant 14,094 square foot parcel (Lot 2). The proposal includes associated flatwork, landscaping, and site walls. This proposal is associated with a concurrent application (MST2009-00325) for a four (4) lot subdivision approved by Planning Commission on October 14, 2010 (Resolution No. 015-10) and subsequently amended by Planning Commission on August 14, 2014 (Resolution No. 022-14). The proposed total of 3,132 square feet is 74% of the required floor-to-lot area ratio (FAR).)

(Project Design Approval is requested. Project must comply with Planning Commission Resolution No. 022-14. Project was last reviewed on July 14, 2014.)

Actual time: 4:55 p.m.

Present: Robert Adams, Landscape Architect; Vincent Amore, Project Planner, Henry Lenny, Architect; Jarrert Gorin, Planner; and Daniel Gullet, Project Planner.

Public comment opened at 5:16 p.m.

- 7) Bob Westwick,(submitted letter) 3609 Capri Dr., expressed concerns regarding lack of reduction of square footage.
- 8) Molly Steen, 3609 Capri Dr., expressed concerns regarding a lack of reduction of square footage and lack of neighborhood compatibility.
- 9) John Steen, (submitted letter) co-owner of 3609 Capri Dr., expressed concerns regarding size

SFDB MINUTES WITH ELEVATIONS
3626 SAN REMO DRIVE LOT 2

and bulk of this project.

10) Peter Edwards, 216 Adair Dr., expressed concerns regarding availability of guest parking.

Letters of expressed concerns from Robert Westwick and John Steen regarding neighborhood compatibility, size and bulk were acknowledged.

Public comment closed at 5:25 p.m.

Motion: Deny the project based on the applicant's unwillingness to reduce the square footage. The Board approves of the massing and scale, but not the size of the proposal.

Action: Miller/Bernstein, 3/1/1. Motion carried. (Sweeney opposed, Pierce stepped down, Woolery/Zimmerman absent).



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014
TO: Mayor and Councilmembers
FROM: City Attorney's Office
SUBJECT: Conference With City Attorney – 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 *Joseph M. Hicks v. City of Santa Barbara, et al.*, USDC Case No. CV 13-9016 FMO(RZx).

SCHEDULING: Duration, 15 minutes; anytime
REPORT: None anticipated
SUBMITTED BY: Ariel Calonne, City Attorney
APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014
TO: Mayor and Councilmembers
FROM: City Attorney's Office
SUBJECT: Conference With City Attorney – 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 *Camille Carter v. City of Santa Barbara, et al.*, SBSC Case No. 1438672.

SCHEDULING: Duration, 15 minutes; anytime
REPORT: None anticipated
SUBMITTED BY: Ariel Calonne, City Attorney
APPROVED BY: City Administrator's Office