

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>

DECEMBER 16, 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.

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 adjourned regular meeting of November 24, 2014, and the regular meeting of November 25, 2014.

2. Subject: Adoption Of Ordinance For Business Tax Exemption For Artists Earning Less Than \$5,000 In Annual Gross Receipts (210.01)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Adding Section 5.04.735 of the Santa Barbara Municipal Code to Create a Business Tax Exemption For Artists Earning Less Than \$5,000 in Annual Gross Receipts.

3. Subject: Adoption Of Ordinance For Hotel And Related Commerce Zone Amendment (Clean-Up Amendment) For Area A Of The Cabrillo Plaza Specific Plan (640.09)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Section 28.22.030 of Chapter 28.22 of Title 28 of the Santa Barbara Municipal Code.

CONSENT CALENDAR (CONT'D)

4. Subject: November 2014 Investment Report (260.02)

Recommendation: That Council accept the November 2014 Investment Report.

5. Subject: Fiscal Year 2015 Interim Financial Statements For The Four Months Ended October 31, 2014 (250.02)

Recommendation: That Council accept the Fiscal Year 2015 Interim Financial Statements for the Four Months Ended October 31, 2014.

6. Subject: Contract For Construction Of The Alameda Park Well Relocation Project - Infrastructure And Site Restoration (540.10)

Recommendation: That Council:

- A. Reject the apparent low bid for construction from Aguilera Brothers Construction, Inc., as non-responsive for the Alameda Park Well Relocation Project - Infrastructure and Site Restoration; and
- B. Award a contract with Brough Construction, Inc., in their lowest responsive bid amount of \$180,855 for construction of the Alameda Park Well Relocation Project - Infrastructure and Site Restoration, Bid No. 3728; and authorize the Public Works Director to execute the contract and approve expenditures up to \$18,100 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.

7. Subject: Contract For Construction Of Voluntario Street Curb Cuts Project (530.04)

Recommendation: That Council award a contract with Lash Construction, Inc., in their low bid amount of \$210,890 for construction of the Voluntario Street Curb Cuts Project, Bid No. 3739, and authorize the Public Works Director to execute the contract and approve expenditures up to \$21,089 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.

8. Subject: Contract For El Estero Wastewater Treatment Plant Stormwater Master Plan (540.13)

Recommendation: That Council authorize the Public Works Director to execute a City Professional Services contract, subject to approval as to form by the City Attorney, with CDM Smith in the amount of \$134,728 for design services of the El Estero Wastewater Treatment Plant Stormwater Master Plan, and authorize the Public Works Director to approve expenditures of up to \$13,472 for extra services of CDM Smith that may result from necessary changes in the scope of work.

CONSENT CALENDAR (CONT'D)

9. Subject: Contract For Final Design Of El Estero Wastewater Treatment Plant Secondary Process Improvements Project - Phase II (540.13)

Recommendation: That Council:

- A. Authorize the Public Works Director to execute a City Professional Services contract with Brown and Caldwell in the amount of \$788,683 for final design of the El Estero Wastewater Treatment Plant Secondary Process Improvements Project - Phase II, and authorize the Public Works Director to approve expenditures of up to \$78,868 for extra services of Brown and Caldwell that may result from necessary changes in the scope of work; and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Finding that the El Estero Wastewater Treatment Plant Secondary Treatment Process Improvement Project is Substantially Complex and, Therefore, Requires a Construction Contract Retention of Ten Percent.

10. Subject: Armored Car Transportation Services Agreement (210.03)

Recommendation: That Council authorize the Finance Director to negotiate and execute a one-year contract, in a form acceptable to the City Attorney, with Brinks Security Services to provide Armored Car Transportation services for the period of January 1, 2015, through December 31, 2015, for an annual amount of \$36,120.

11. Subject: Set A Date For Public Hearing Regarding Appeal Of Planning Commission Approval For 511 Brosian Way (640.07)

Recommendation: That Council:

- A. Set the date of January 27, 2015, at 2:00 p.m. for hearing the appeal filed by Patricia Foley of the Planning Commission approval of an application for property owned by John Park and located at 511 Brosian Way, Assessor's Parcel No. 047-030-011, A-1 One-Family Residence Zone, General Plan Designation: Low Density Residential. The project proposes construction of a two-story, 5,886 square-foot, single-family residence and attached three-car garage on a vacant 2.2-acre lot in the Hillside Design District. The project includes 3,870 cubic yards of fill grading and 510 yards of cut grading. The discretionary application required for the project is a Coastal Development Permit to allow the proposed development in the Appealable Jurisdiction of the City's Coastal Zone; and
- B. Set the date of January 26, 2015, at 1:30 p.m. for a site visit to the property located at 511 Brosian Way.

CONSENT CALENDAR (CONT'D)

CONSENT PUBLIC HEARINGS

12. Subject: Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing For Cottage Health Systems Debt Issuance (280.01)

Recommendation: That Council hold a public hearing and adopt, by reading of title only, A Resolution of the City Council of the City of Santa Barbara Approving the Issuance of the California Statewide Communities Development Authority Revenue Bonds (Cottage Health System Obligated Group), Series 2015, in an Aggregate Principal Amount Not to Exceed \$150,000,000 for the Purpose of Financing and Refinancing the Acquisition, Construction, Improvement, Equipping, Renovation, Rehabilitation and Remodeling of Certain Health Support Facilities of Santa Barbara Cottage Hospital and Certain Other Matters Related Thereto.

13. Subject: Request For Designation Of 400 Hitchcock Way (Tesla Motors, Inc.) As A Community Benefit Project (640.09)

Recommendation: That Council find the proposed development at 400 Hitchcock Way for Tesla Motors, Inc., a Community Benefit Project pursuant to Santa Barbara Municipal Code Section 28.85.020.A.3 and allocate 8,700 square feet of nonresidential floor area to the project from the Community Benefit Project category.

NOTICES

14. The City Clerk has on Thursday, December 11, 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.
15. Cancellation of the regular City Council meetings of December 23 and December 30, 2014, and January 6, 2015.

This concludes the Consent Calendar.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

FINANCE DEPARTMENT

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

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Modifying the Santa Barbara South Coast Tourism Business Improvement District; and
- B. Adopt the Modified Santa Barbara South Coast Tourism Business Improvement District Management District Plan.

PUBLIC WORKS DEPARTMENT

17. Subject: Stage Two Drought Update (540.05)

Recommendation: That Council receive an update on the status of the current drought and related efforts.

COMMUNITY DEVELOPMENT DEPARTMENT

18. Subject: Consideration Of Drought-Related Restrictions And Regulations (640.02)

Recommendation: That Council:

- A. Receive a report outlining possible water use and development restrictions to be considered in response to drought;
- B. Direct Planning Division staff to further develop options for development-related regulations in consultation with the Planning Commission, and return to Council for action in 2015 pending persistent or worsening drought conditions; and
- C. Direct Water Resources staff to work with the Water Commission on further water use restrictions and return to Council for action in 2015 pending persistent or worsening drought conditions.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

19. 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 *Frank Banales, Sebastian Aldana Jr., Jacqueline Inda, Cruzito Herrera Cruz, and Benjamin Cheverez, v. City of Santa Barbara, et al.*, SBSC Case No.1468167.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

ADJOURNMENT



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

ADJOURNED REGULAR MEETING November 24, 2014 3626 SAN REMO DRIVE

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 1:40 p.m.

ROLL CALL

Councilmembers present: Frank Hotchkiss, Cathy Murillo, Randy Rowse, Mayor Schneider.

Councilmembers absent: Dale Francisco, Gregg Hart, Bendy White.

Staff present: Acting City Administrator Paul Casey, City Attorney Ariel Pierre Calonne.

PUBLIC COMMENT

No one wished to speak.

NOTICES

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.

SITE VISIT

Subject: 3626 San Remo Drive

Recommendation: That Council make a site visit to the property located at 3626 San Remo Drive, which is the subject of an appeal hearing scheduled for November 25, 2014, at 2:00 p.m.

Discussion:

Staff led Councilmembers on a walk around the project site and answered questions about the proposed development.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 1:55 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

SUSAN TSCHECH, CMC
DEPUTY CITY CLERK



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING November 25, 2014 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

Councilmembers present: Dale Francisco (2:05 p.m.), Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.

Councilmembers absent: None.

Staff present: Acting City Administrator Paul Casey, City Attorney Ariel Pierre Calonne, Deputy City Clerk Susan Tschech.

PUBLIC COMMENT

Speakers: Phil Walker, Ethan Shenkman.

CONSENT CALENDAR (Item Nos. 1 – 12)

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

Motion:

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

Vote:

Unanimous roll call vote.

1. Subject: Minutes

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

Action: Approved the recommendation.

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.

Action: Approved the recommendation; Ordinance No. 5675.

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.

Action: Approved the recommendation (November 25, 2014, report from the Acting Assistant City Administrator; proposed ordinance).

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.

Action: Approved the recommendation; Contract No. 25,036 (November 25, 2014, report from the Acting Assistant City Administrator).

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

(Cont'd)

5. (Cont'd)

- 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.

Action: Approved the recommendations (November 25, 2014, report from the Acting Assistant City Administrator).

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

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

Action: Approved the recommendation (November 25, 2014, report from the Acting Assistant City Administrator).

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.

Action: Approved the recommendation (November 25, 2014, report from the Acting Assistant City Administrator).

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.

(Cont'd)

8. (Cont'd)

Action: Approved the recommendations (November 25, 2014, report from the Public Works Director).

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.

Speakers:

Staff: Supervising Engineer Michael Wiltshire.

Action: Approved the recommendations; Contract No. 25,037 (November 25, 2014, report from the Public Works Director).

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.

Speakers:

Members of the Public: Phil Walker.

Action: Approved the recommendation (November 25, 2014, report from the Public Works Director).

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 concluded the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

Finance Committee Chair Dale Francisco reported that the Committee met to review financial statements for the first quarter of Fiscal Year 2015 as well as proposed adjustments to Fiscal Year 2015 appropriations and estimated revenues. The Committee accepted the statements and approved the adjustments, and both items were also approved by the Council as part of this agenda's Consent Calendar (Item No. 5).

Councilmember Francisco left the meeting at 2:10 p.m.

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.

Documents:

- November 25, 2014, report from the Community Development Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Community Development Business Manager Sue Gray.
- Casa Esperanza Homeless Shelter: Interim Executive Director Joseph Tumbler, Executive/Managing Director Jessica Wishan.
- Members of the Public: Jason Colbert, Jose Arturo Gallegos, Dorothy.

Motion:

Councilmembers Murillo/Hart to approve the recommendation.

Vote:

Unanimous voice vote (Absent: Councilmember Francisco).

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.

(Cont'd)

14. (Cont'd)

Documents:

- November 25, 2014, report from the Acting Assistant City Administrator.
- Affidavit of Publication.

Speakers:

- Staff: Treasury Manager Genie Wilson.
- Civitas (Consultant to City): Project Manager Cheryl Cuming.

Public Comment was opened and closed at 3:07 p.m. No one wished to speak.

A public hearing will be held on December 16, 2014, to complete the process to modify the 2011-2015 Santa Barbara South Coast Tourism Business Improvement District.

Councilmember Francisco returned to the meeting at 3:08 p.m.

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.

Councilmember Murillo stated she would not participate in this item due to a conflict of interest related to a family member's ownership of property in close proximity to the subject property; she left the meeting at 3:08 p.m.

Documents:

- November 25, 2014, report from the Community Development Director.
- PowerPoint presentation prepared and made by Staff.
- Letters and e-mails supporting the appeal and proposed project:
 - November 18, 2014, from Henry Lenny/Robert Adams/ Detty Peikert.
 - November 20, 2014, from Patricia Larkins, Jeff Venegas.
 - November 21, 2014, from Tom Ochsner, Steve Fisher, Lorie Bartron.
- Letters and e-mails opposing the proposed project:
 - October 4, 2014, from Michael Ward.
 - October 7, 2014, from Bob Feitt, Sharon Samski, Margaret C. Cornett, June Gill.
 - November 20, 2014, from Joan and Bob Jacobs, Peter and Shirley Edwards, Robert Westwick.
 - November 25, 2014, from John Steen.

(Cont'd)

15. (Cont'd)

Documents (Cont'd):

- November 24, 2014, letter from the Santa Barbara Association of Realtors.

Public Comment Opened:

3:09 p.m.

Speakers:

- Staff: Project Planner Daniel Gullett, City Attorney Ariel Calonne.
- Appellant/Applicant: Jarrett Gorin, Henry Lenny.
- Members of the Public: Peter Edwards, Shirley Edwards, Bob Westwick, John Steen, Molly Steen, Edward de Vicente.

Public Comment Closed:

4:24 p.m.

Motion:

Councilmembers Hotchkiss/Hart to uphold the appeal, with a condition directing the Single Family Design Board, in its consideration of the project for final approval, to pay particular attention to the landscaping for the western edge of the subject property to provide screening for the neighborhood.

Vote:

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

Councilmember Murillo returned to the meeting at 4:59 p.m.

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Hart commented on his attendance at the "State of the Schools" breakfast sponsored by the Santa Barbara Unified School District and at a recent Fire and Police Commission meeting.
- Councilmember Murillo reported on her attendance at: 1) a Restorative Court ceremony celebrating accomplishments of the City's Restorative Policing Program; and 2) a meeting of the Santa Barbara City College Task Force about issues with the college's surrounding neighborhood.
- Councilmember Hotchkiss reported on his attendance at meetings of the Airport and Harbor Commissions.
- Councilmember White commented on recent meetings of the Council committees working on matters related to infrastructure and sustainability.

RECESS

Mayor Schneider recessed the meeting at 5:04 p.m. in order for the Council to reconvene in closed session for Agenda Item Nos. 16 and 17. She stated that no reportable action is anticipated.

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

Documents:

November 25, 2014, report from the City Attorney.

Time:

5:06 p.m. – 5:14 p.m.

No report made.

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

Documents:

November 25, 2014, report from the City Attorney.

Time:

5:14 p.m. – 5:20 p.m.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 5:20 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

SUSAN TSCHECH, CMC
DEPUTY CITY CLERK

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA ADDING SECTION 5.04.735 OF THE SANTA BARBARA MUNICIPAL CODE TO CREATE A BUSINESS TAX EXEMPTION FOR ARTISTS EARNING LESS THAN \$5,000 IN ANNUAL GROSS RECEIPTS

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

SECTION 1. Section 5.04.735 of Chapter 4 of Title 5 of the Santa Barbara Municipal Code is added to read as follows:

5.04.735 Artists Tax Exemption.

Notwithstanding any other provision of this chapter, Artists, as the term is used in section 5.04.420, shall not be taxed if their annual gross receipts are less than five thousand dollars (\$5,000.00). Artists with gross annual receipts of five thousand dollars (\$5,000.00) or more shall be taxed in accordance with section 5.04.390 or 5.04.420, as applicable.

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.

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE
CITY OF SANTA BARBARA AMENDING
SECTION 28.22.030 OF CHAPTER 28.22 OF
TITLE 28 OF THE SANTA BARBARA
MUNICIPAL CODE.

WHEREAS, the HRC-2 (Hotel and Related Commerce - 2) Zone was adopted by the City Council in 1983 allowing residential uses within the area bounded by Helena Avenue on the west, the existing railroad right-of-way on the south, the Garden Street extension on the east and Highway 101 on the north.

WHEREAS, in 2005 the City Council adopted Ordinance No. 5343 rezoning a portion of the HRC-2 Zone to the OC (Ocean Commercial) Zone.

WHEREAS, Ordinance No. 5343 was not intended to affect the real property within the Cabrillo Plaza Specific Plan (SP-2).

WHEREAS, Ordinance No. 5343 unintentionally deleted a provision from Section 28.22.030 of the Municipal Code which allowed residential uses within a portion of the HRC-2 Zone that is located within Area A of the Cabrillo Plaza Specific Plan.

WHEREAS, the City Council wishes to correct the unintended deletion of the residential use allowance within Area A of the Cabrillo Plaza Specific Plan.

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

SECTION 1. The Environmental Analyst has determined that the project is exempt from further environmental review pursuant to the California Environmental Quality Act Guidelines Section 15305. The City's adopted list of projects that are consistent with this exemption class include:

- Creation of minor new, and minor amendments to existing land use plans, ordinances, guidelines, regulations and/or development standards which do not result in any changes in land use density and which have no potential for significant environmental effects.
- Minor Zoning Ordinance amendments that do not significantly change plan uses in an area.

The Ordinance Amendment is limited to re-instituting residential use as an allowed use on a property located within Area A of the Cabrillo Plaza Specific Plan. The Ordinance Amendment would not affect or change adopted land use designations or densities identified in the General Plan or Local Coastal Plan, or the Cabrillo Plaza Specific Plan. Therefore, it would not result in significant environmental effects because these potential effects have already been considered as part of prior land use decisions.

SECTION 2. Section 28.22.030 of Chapter 28.22 of Title 28 of the Santa Barbara Municipal Code is hereby amended to read as follows:

28.22.030 Land Uses Permitted.

The following land uses are allowed in the HRC zones indicated:

A. HRC-1 ZONE:

Hotels, motels and tourist courts, including related recreational, conference center and other auxiliary uses primarily for use by hotel guests and as permitted in Section 28.21.030.B.2 of this code. In addition, restaurants, including those with entertainment facilities used in conjunction with the restaurant, are allowed.

B. HRC-2 ZONE:

1. General. Any use permitted in the HRC-1 Zone and subject to the restrictions and limitations contained therein.

2. Specific. Any of the following uses which are primarily visitor-serving or of a commercial recreational nature specific to the Coastal Zone are allowed:

a. Bicycle, roller skating, moped, dive gear and other recreational equipment rental stores.

b. Stores which sell liquor, groceries and food, which do not exceed 2,500 sq. ft. in gross floor area.

c. Specialty and gift shops.

d. Art galleries.

e. Bait and tackle shops, sales of boats, marine supplies and related equipment.

f. Other visitor-serving or commercial recreational uses deemed appropriate by the Planning Commission.

3. General Office Use. The second and third floors of commercial buildings are allowed to be used for general office uses upon issuance of a Conditional Use Permit. A Conditional Use Permit may be granted by the Planning Commission or City Council on appeal for such uses in accordance with the provisions of Chapter 28.94 of this Code, subject to the following additional findings:

a. The use is compatible with visitor-serving uses;

b. Visitor-serving uses remain the primary use of the building; and

c. Non-visitor-serving uses shall not exceed fifty (50) percent of the total square footage of the building.

4. Restriction on Residential Use. Residential use is prohibited in the HRC-2 Zone except in the following areas:

a. The area bounded by Cabrillo Boulevard on the southeast, Los Patos Way on the southwest and the existing railroad right-of-way on the north.

b. The area identified as Area A of the Cabrillo Plaza Specific Plan as specified in Resolution No. 83-155.

Any use permitted in the R-3 Zone is allowed in these areas subject to the restrictions and limitations contained therein.

5. Special Treatment Area. The following additional restrictions shall apply in the area bounded by Cabrillo Boulevard on the southeast, Los Patos Way on the southwest and the existing railroad right-of-way on the north, due to concerns about protection of the sensitive habitat character and aesthetics of the Andree Clark Bird

Refuge:

- a. High Intensity Uses. The following high-intensity uses shall be prohibited:
 - i. fast food restaurants
 - ii. stores which sell liquor, groceries and food, except that off-site sale of beer and wine and picnic items may be allowed only when incidental to and related to the primary use of the establishment.
 - iii. automobile service station.
- b. Front Setback. There shall be a front setback of not less than:
 - i. Ten (10) feet for one-story buildings that do not exceed fifteen (15) feet in height; and
 - ii. one hundred (100) feet for the second-story portion of any building that exceeds fifteen (15) feet in height.
- c. Building Height. Three-story buildings and buildings in excess of thirty (30) feet in height shall be prohibited.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: November 2014 Investment Report

RECOMMENDATION:

That Council accept the November 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 November 30, 2014.

ATTACHMENT: November 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
November 30, 2014

INVESTMENT ACTIVITY**PURCHASES OR DEPOSITS**

11/26 Federal Home Loan Mortgage Corp (FHLMC)	\$ 2,000,000
11/26 Federal Home Loan Bank (FHLB)	2,000,000
Total	\$ 4,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

11/17 Federal National Mortgage Association (FNMA) - Maturity	\$ (2,000,000)
11/26 Federal Home Loan Mortgage Corp (FHLMC) - Call	(1,000,000)
11/28 Federal Home Loan Bank (FHLB) - Call	(2,000,000)
Total	\$ (5,000,000)

ACTIVITY TOTAL

\$ (1,000,000)

INVESTMENT INCOME**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 160,540
Amortization	(10,426)
Total	\$ 150,113

INCOME TOTAL

\$ 150,113

CITY OF SANTA BARBARA

Investment Portfolio

November 30, 2014

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
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	248,672.50	(1,327.50)	FDIC Certificate 35328
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	248,572.50	(1,427.50)	FDIC Certificate 33954
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	248,640.00	(1,360.00)	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	248,582.50	(1,417.50)	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	8,994,467.50	(5,532.50)	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,186.57	2,001,720.00	1,533.43	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,015,499.83	2,020,460.00	4,960.17	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,135,088.34	2,141,100.00	6,011.66	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,017,235.86	2,021,400.00	4,164.14	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,011,877.98	2,012,500.00	622.02	
Subtotal, Treasury Securities							10,000,000.00	10,179,888.58	10,197,180.00	17,291.42	
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	2,027,420.00	27,420.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,040,860.00	40,860.00	
FEDERAL FARM CREDIT BANK	07/09/14	07/09/18	Aaa	AA+	1.470	1.470	2,000,000.00	2,000,000.00	2,004,900.00	4,900.00	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	1,997,060.00	(2,940.00)	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	2,033,420.00	33,420.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,054,200.00	54,200.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,022,340.00	22,340.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,006,463.09	2,050,560.00	44,096.91	
FEDERAL HOME LOAN BANK	04/17/14	04/17/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,001,840.00	1,840.00	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	3,976,320.00	(23,680.00)	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	2,010,420.00	10,420.00	
FEDERAL HOME LOAN BANK	09/30/14	09/30/19	Aaa	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,002,840.00	2,840.00	Callable 12/30/14, then qtrly
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	1,999,444.44	2,001,620.00	2,175.56	SU 1.25%-6% Call 12/26/14, then qtrly
FEDERAL HOME LOAN BANK	11/26/14	11/26/19	Aaa	AA+	1.500	2.102	2,000,000.00	2,000,000.00	2,006,500.00	6,500.00	SU 1.5%-5% Call 05/26/15, 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	2,001,360.00	1,360.00	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	1,998,700.00	(1,300.00)	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	2,005,240.00	5,240.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,018,020.00	18,020.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,007,709.47	2,025,960.00	18,250.53	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,830.44	2,007,420.00	7,589.56	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,009,742.57	2,003,600.00	(6,142.57)	

CITY OF SANTA BARBARA

Investment Portfolio

November 30, 2014

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
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	2,000,520.00	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	1,000,670.00	670.00	SU 1.5%-2.75% Call 12/18/14, then qtrly
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	1,001,400.00	1,400.00	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	1,999,744.21	2,002,920.00	3,175.79	
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	2,005,240.00	5,240.00	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	1,993,660.00	(6,340.00)	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	3,997,920.00	(2,080.00)	Callable 01/16/15, then qtrly
FEDERAL HOME LOAN MTG CORP	11/26/14	11/26/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,005,300.00	5,300.00	Callable 02/26/15, then qtrly
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	2,001,620.00	1,620.00	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	999,164.49	1,000,210.00	1,045.51	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,982,690.00	(17,310.00)	Callable 01/30/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,989,080.00	(10,920.00)	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	2,000,560.00	560.00	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	1,989,395.57	1,994,440.00	5,044.43	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,447.26	2,018,620.00	17,172.74	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,990,840.00	(9,160.00)	Callable 02/08/15, 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	1,990,840.00	(9,160.00)	Callable 02/08/15, 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	3,986,640.00	(13,360.00)	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	2,029,660.00	29,660.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,992,441.34	2,025,140.00	32,698.66	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,987,320.00	(12,680.00)	Callable 02/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,988,930.08	1,994,440.00	5,509.92	
Subtotal, Federal Agencies							<u>91,000,000.00</u>	<u>90,994,312.96</u>	<u>91,290,430.00</u>	<u>296,117.04</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,998,441.67	2,042,080.00	43,638.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,007,340.00	7,340.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,034,280.00	34,280.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,872.28	2,043,340.00	39,467.72	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,013,322.81	2,028,440.00	15,117.19	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,006,810.78	2,044,260.00	37,449.22	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,022,447.54</u>	<u>12,199,740.00</u>	<u>177,292.46</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	5,336,966.90	5,336,966.90	5,336,966.90	0.00	
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											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	20,615,892.22	20,615,892.22	20,615,892.22	0.00	
Subtotal, Checking Account							<u>20,615,892.22</u>	<u>20,615,892.22</u>	<u>20,615,892.22</u>	<u>0.00</u>	
TOTALS							<u>169,952,859.12</u>	<u>170,149,508.20</u>	<u>170,634,676.62</u>	<u>485,168.42</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: December 16, 2014

TO: Mayor and Councilmembers

FROM: Accounting Division, Finance Department

SUBJECT: Fiscal Year 2015 Interim Financial Statements For The Four Months Ended October 31, 2014

RECOMMENDATION:

That Council accept the Fiscal Year 2015 Interim Financial Statements for the Four Months Ended October 31, 2014.

DISCUSSION:

The interim financial statements for the four months ended October 31, 2014 (33.3% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the General Fund, Enterprise Funds, Internal Service Funds, and select Special Revenue Funds.

ATTACHMENT: Interim Financial Statements for the Four Months Ended October 31, 2014

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 Four Months Ended October 31, 2014 (33.3% 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	30,340,629	-	86,579,902	25.9%
Expenditures	<u>117,606,780</u>	<u>40,018,214</u>	<u>2,610,638</u>	74,977,927	36.2%
<i>Addition to / (use of) reserves</i>	<u>(686,249)</u>	<u>(9,677,585)</u>	<u>(2,610,638)</u>		
SOLID WASTE FUND					
Revenue	20,645,776	6,739,006	-	13,906,770	32.6%
Expenditures	<u>20,613,368</u>	<u>6,487,769</u>	<u>310,277</u>	13,815,322	33.0%
<i>Addition to / (use of) reserves</i>	<u>32,408</u>	<u>251,238</u>	<u>(310,277)</u>		
WATER OPERATING FUND					
Revenue	39,347,669	13,273,827	-	26,073,842	33.7%
Expenditures	<u>46,116,621</u>	<u>14,673,330</u>	<u>2,559,590</u>	28,883,701	37.4%
<i>Addition to / (use of) reserves</i>	<u>(6,768,952)</u>	<u>(1,399,503)</u>	<u>(2,559,590)</u>		
WASTEWATER OPERATING FUND					
Revenue	18,883,613	6,306,725	-	12,576,888	33.4%
Expenditures	<u>20,092,724</u>	<u>5,653,131</u>	<u>2,130,511</u>	12,309,082	38.7%
<i>Addition to / (use of) reserves</i>	<u>(1,209,111)</u>	<u>653,594</u>	<u>(2,130,511)</u>		
DOWNTOWN PARKING					
Revenue	7,922,546	2,912,556	-	5,009,990	36.8%
Expenditures	<u>8,437,044</u>	<u>2,600,702</u>	<u>487,386</u>	5,348,956	36.6%
<i>Addition to / (use of) reserves</i>	<u>(514,498)</u>	<u>311,855</u>	<u>(487,386)</u>		
AIRPORT OPERATING FUND					
Revenue	15,469,349	5,446,630	-	10,022,719	35.2%
Expenditures	<u>15,786,050</u>	<u>4,757,931</u>	<u>769,345</u>	10,258,774	35.0%
<i>Addition to / (use of) reserves</i>	<u>(316,701)</u>	<u>688,699</u>	<u>(769,345)</u>		
GOLF COURSE FUND					
Revenue	2,091,048	686,884	-	1,404,164	32.8%
Expenditures	<u>2,061,048</u>	<u>781,780</u>	<u>18,051</u>	1,261,217	38.8%
<i>Addition to / (use of) reserves</i>	<u>30,000</u>	<u>(94,896)</u>	<u>(18,051)</u>		
INTRA-CITY SERVICE FUND					
Revenue	5,467,927	1,730,040	-	3,737,887	31.6%
Expenditures	<u>5,722,079</u>	<u>1,787,048</u>	<u>233,382</u>	3,701,649	35.3%
<i>Addition to / (use of) reserves</i>	<u>(254,152)</u>	<u>(57,008)</u>	<u>(233,382)</u>		

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Four Months Ended October 31, 2014 (33.3% 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	920,002	-	1,811,149	33.7%
Expenditures	<u>6,096,966</u>	<u>958,523</u>	<u>1,314,695</u>	3,823,749	37.3%
<i>Addition to / (use of) reserves</i>	<u>(3,365,815)</u>	<u>(38,521)</u>	<u>(1,314,695)</u>		
FLEET MAINTENANCE FUND					
Revenue	2,640,697	885,738	-	1,754,959	33.5%
Expenditures	<u>3,328,709</u>	<u>798,668</u>	<u>762,087</u>	1,767,954	46.9%
<i>Addition to / (use of) reserves</i>	<u>(688,012)</u>	<u>87,071</u>	<u>(762,087)</u>		
SELF INSURANCE TRUST FUND					
Revenue	6,507,674	2,165,818	-	4,341,856	33.3%
Expenditures	<u>6,178,328</u>	<u>2,498,662</u>	<u>293,878</u>	3,385,789	45.2%
<i>Addition to / (use of) reserves</i>	<u>329,346</u>	<u>(332,844)</u>	<u>(293,878)</u>		
INFORMATION SYSTEMS ICS FUND					
Revenue	3,120,588	1,040,196	-	2,080,392	33.3%
Expenditures	<u>3,352,141</u>	<u>1,015,583</u>	<u>46,828</u>	2,289,729	31.7%
<i>Addition to / (use of) reserves</i>	<u>(231,553)</u>	<u>24,613</u>	<u>(46,828)</u>		
WATERFRONT FUND					
Revenue	12,661,137	5,772,135	-	6,889,002	45.6%
Expenditures	<u>13,644,226</u>	<u>4,954,775</u>	<u>847,807</u>	7,841,644	42.5%
<i>Addition to / (use of) reserves</i>	<u>(983,089)</u>	<u>817,360</u>	<u>(847,807)</u>		
TOTAL FOR ALL FUNDS					
Revenue	254,409,706	78,220,188	-	176,189,518	30.7%
Expenditures	<u>269,036,083</u>	<u>86,986,116</u>	<u>12,384,475</u>	169,665,492	36.9%
<i>Addition to / (use of) reserves</i>	<u>(14,626,377)</u>	<u>(8,765,928)</u>	<u>(12,384,475)</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 Four Months Ended October 31, 2014 (33.3% 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	5,272,199	16,453,916	24.3%	5,002,440
Property Taxes	27,164,000	1,020,647	26,143,353	3.8%	1,214,320
Utility Users Tax	7,257,800	2,415,079	4,842,721	33.3%	2,383,081
Transient Occupancy Tax	17,641,400	7,969,305	9,672,095	45.2%	7,198,588
Business License	2,571,200	663,051	1,908,149	25.8%	635,433
Real Property Transfer Tax	678,000	225,389	452,611	33.2%	243,703
<i>Total</i>	<u>77,038,515</u>	<u>17,565,669</u>	<u>59,472,846</u>	22.8%	<u>16,677,565</u>
LICENSES & PERMITS					
Licenses & Permits	233,500	76,152	157,348	32.6%	66,359
<i>Total</i>	<u>233,500</u>	<u>76,152</u>	<u>157,348</u>	32.6%	<u>66,359</u>
FINES & FORFEITURES					
Parking Violations	2,681,987	975,620	1,706,367	36.4%	889,544
Library Fines	105,500	33,653	71,847	31.9%	42,319
Municipal Court Fines	120,000	9,674	110,326	8.1%	28,117
Other Fines & Forfeitures	300,000	120,398	179,602	40.1%	120,512
<i>Total</i>	<u>3,207,487</u>	<u>1,139,346</u>	<u>2,068,141</u>	35.5%	<u>1,080,492</u>
USE OF MONEY & PROPERTY					
Investment Income	627,224	186,122	441,102	29.7%	201,001
Rents & Concessions	398,797	121,248	277,549	30.4%	130,827
<i>Total</i>	<u>1,026,021</u>	<u>307,370</u>	<u>718,651</u>	30.0%	<u>331,828</u>
INTERGOVERNMENTAL					
Grants	225,780	64,630	161,150	28.6%	69,856
Vehicle License Fees	-	-	-	0.0%	39,945
Reimbursements	437,654	75,030	362,624	17.1%	600,682
<i>Total</i>	<u>663,434</u>	<u>139,660</u>	<u>523,774</u>	21.1%	<u>710,483</u>
FEES & SERVICE CHARGES					
Finance	949,905	318,341	631,564	33.5%	309,142
Community Development	4,587,515	1,482,513	3,105,002	32.3%	1,418,410
Recreation	3,049,474	1,042,157	2,007,317	34.2%	1,061,316
Public Safety	653,827	196,896	456,931	30.1%	171,866
Public Works	5,951,301	2,091,329	3,859,972	35.1%	1,957,263
Library	762,398	4,001	758,397	0.5%	13,334
Reimbursements	4,471,212	1,751,105	2,720,107	39.2%	1,455,862
<i>Total</i>	<u>20,425,632</u>	<u>6,886,342</u>	<u>13,539,290</u>	33.7%	<u>6,387,193</u>
OTHER REVENUES					
Miscellaneous	1,660,410	762,357	898,053	45.9%	657,124
Franchise Fees	3,771,000	1,033,221	2,737,779	27.4%	1,036,322
Indirect Allocations	6,411,155	2,137,052	4,274,103	33.3%	2,097,580
Operating Transfers-In	1,283,377	293,460	989,917	22.9%	403,409
Anticipated Year-End Variance	1,200,000	-	1,200,000	0.0%	-
<i>Total</i>	<u>14,325,942</u>	<u>4,226,090</u>	<u>10,099,852</u>	29.5%	<u>4,194,435</u>
TOTAL REVENUES	<u>116,920,531</u>	<u>30,340,629</u>	<u>86,579,902</u>	25.9%	<u>29,448,355</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Four Months Ended October 31, 2014 (33.3% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
GENERAL GOVERNMENT						
<u>Mayor & City Council</u>						
MAYOR & CITY COUNCIL	792,975	248,229	4,075	540,671	31.8%	
ARTS AND COMMUNITY PROMOTIONS	2,615,532	1,520,627	305,208	789,697	69.8%	
<i>Total</i>	<u>3,408,507</u>	<u>1,768,856</u>	<u>309,283</u>	<u>1,330,368</u>	61.0%	<u>1,290,435</u>
<u>City Attorney</u>						
CITY ATTORNEY	2,291,695	769,985	27,123	1,494,587	34.8%	
<i>Total</i>	<u>2,291,695</u>	<u>769,985</u>	<u>27,123</u>	<u>1,494,587</u>	34.8%	<u>726,547</u>
<u>Administration</u>						
CITY ADMINISTRATOR	1,709,162	501,881	39,590	1,167,692	31.7%	
CITY TV	575,011	176,287	54,499	344,225	40.1%	
<i>Total</i>	<u>2,284,173</u>	<u>678,167</u>	<u>94,089</u>	<u>1,511,917</u>	33.8%	<u>766,141</u>
<u>Administrative Services</u>						
CITY CLERK	501,662	176,198	9,816	315,647	37.1%	
HUMAN RESOURCES	1,486,320	423,259	29,596	1,033,465	30.5%	
EMPLOYEE DEVELOPMENT	49,468	4,152	3,450	41,866	15.4%	
<i>Total</i>	<u>2,037,450</u>	<u>603,609</u>	<u>42,862</u>	<u>1,390,978</u>	31.7%	<u>627,141</u>
<u>Finance</u>						
ADMINISTRATION	260,409	73,084	45,342	141,983	45.5%	
REVENUE & CASH MANAGEMENT	519,455	160,878	17,600	340,977	34.4%	
CASHIERING & COLLECTION	488,983	161,083	-	327,900	32.9%	
LICENSES & PERMITS	499,751	166,232	9,334	324,185	35.1%	
BUDGET MANAGEMENT	475,712	166,641	12,750	296,321	37.7%	
ACCOUNTING	644,696	195,693	12,557	436,447	32.3%	
PAYROLL	317,283	106,613	-	210,670	33.6%	
ACCOUNTS PAYABLE	239,384	78,816	-	160,568	32.9%	
CITY BILLING & CUSTOMER SERVICE	729,975	183,960	20,458	525,558	28.0%	
PURCHASING	643,166	216,235	3,997	422,933	34.2%	
CENTRAL WAREHOUSE	194,491	66,092	109	128,290	34.0%	
MAIL SERVICES	116,186	37,733	6,121	72,332	37.7%	
<i>Total</i>	<u>5,129,491</u>	<u>1,613,061</u>	<u>128,267</u>	<u>3,388,162</u>	33.9%	<u>1,500,442</u>
TOTAL GENERAL GOVERNMENT	<u>15,151,316</u>	<u>5,433,679</u>	<u>601,625</u>	<u>9,116,012</u>	39.8%	<u>4,910,706</u>
PUBLIC SAFETY						
<u>Police</u>						
CHIEF'S STAFF	1,114,970	373,679	2,271	739,020	33.7%	
SUPPORT SERVICES	687,279	234,237	2,887	450,155	34.5%	
RECORDS BUREAU	1,424,883	467,071	10,832	946,980	33.5%	
ADMIN SERVICES	1,103,716	407,643	78,464	617,609	44.0%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Four Months Ended October 31, 2014 (33.3% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
PUBLIC SAFETY						
<u>Police</u>						
PROPERTY ROOM	213,855	68,953	232	144,670	32.4%	
TRAINING/RECRUITMENT	541,866	168,839	28,468	344,559	36.4%	
RANGE	1,372,724	435,549	61,402	875,773	36.2%	
COMMUNITY & MEDIA RELATIONS	862,784	272,057	-	590,727	31.5%	
INFORMATION TECHNOLOGY	1,261,880	522,206	11,552	728,122	42.3%	
INVESTIGATIVE DIVISION	4,956,320	1,679,950	3,031	3,273,339	34.0%	
CRIME LAB	159,784	51,169	400	108,215	32.3%	
PATROL DIVISION	15,748,702	5,258,414	205,365	10,284,923	34.7%	
TRAFFIC	1,413,132	440,887	1,100	971,145	31.3%	
SPECIAL EVENTS	858,861	588,732	-	270,129	68.5%	
TACTICAL PATROL FORCE	1,640,617	500,129	-	1,140,488	30.5%	
STREET SWEEPING ENFORCEMENT	349,699	115,458	-	234,241	33.0%	
NIGHT LIFE ENFORCEMENT	323,946	71,018	-	252,928	21.9%	
PARKING ENFORCEMENT	996,316	296,864	20,000	679,452	31.8%	
COMBINED COMMAND CENTER	2,495,608	753,881	9,033	1,732,694	30.6%	
ANIMAL CONTROL	690,845	167,191	7,330	516,324	25.3%	
<i>Total</i>	<u>38,217,788</u>	<u>12,873,928</u>	<u>442,367</u>	<u>24,901,492</u>	34.8%	<u>13,326,824</u>
<u>Fire</u>						
ADMINISTRATION	885,869	299,996	4,722	581,152	34.4%	
EMERGENCY SERVICES AND PUBLIC ED	318,743	108,422	2,390	207,931	34.8%	
PREVENTION	1,149,258	388,467	-	760,791	33.8%	
WILDLAND FIRE MITIGATION PROGRAM	196,752	64,788	1,800	130,164	33.8%	
OPERATIONS	18,035,119	6,635,539	43,843	11,355,736	37.0%	
TRAINING AND RECRUITMENT	437,757	134,935	-	302,822	30.8%	
ARFF	1,965,145	669,656	-	1,295,489	34.1%	
<i>Total</i>	<u>22,988,643</u>	<u>8,301,803</u>	<u>52,755</u>	<u>14,634,085</u>	36.3%	<u>8,085,253</u>
TOTAL PUBLIC SAFETY	<u>61,206,430</u>	<u>21,175,731</u>	<u>495,122</u>	<u>39,535,577</u>	35.4%	<u>21,412,077</u>
PUBLIC WORKS						
<u>Public Works</u>						
ADMINISTRATION	1,132,859	315,110	74,886	742,863	34.4%	
ENGINEERING SVCS	5,190,401	1,655,743	11,851	3,522,806	32.1%	
PUBLIC RT OF WAY MGMT	1,097,734	358,101	3,361	736,271	32.9%	
ENVIRONMENTAL PROGRAMS	477,377	70,227	249,935	157,215	67.1%	
<i>Total</i>	<u>7,898,371</u>	<u>2,399,181</u>	<u>340,034</u>	<u>5,159,156</u>	34.7%	<u>2,381,905</u>
TOTAL PUBLIC WORKS	<u>7,898,371</u>	<u>2,399,181</u>	<u>340,034</u>	<u>5,159,156</u>	34.7%	<u>2,381,905</u>
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
REC PROGRAM MGMT	759,266	247,192	6,328	505,746	33.4%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Four Months Ended October 31, 2014 (33.3% 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	273,312	-	503,091	35.2%	
YOUTH ACTIVITIES	1,070,140	500,870	6,132	563,138	47.4%	
ACTIVE ADULTS	717,758	232,833	1,334	483,591	32.6%	
AQUATICS	1,320,503	571,457	37,859	711,188	46.1%	
SPORTS	568,670	182,630	9,576	376,464	33.8%	
TENNIS	289,547	85,092	21,425	183,030	36.8%	
NEIGHBORHOOD & OUTREACH SERV	1,205,643	389,671	-	815,972	32.3%	
ADMINISTRATION	738,630	258,643	2,317	477,670	35.3%	
PROJECT MANAGEMENT TEAM	425,848	137,800	1,209	286,839	32.6%	
PARK OPERATIONS MANAGEMENT	367,305	108,711	2,882	255,713	30.4%	
GROUND & FACILITIES MAINTENANCE	4,956,440	1,579,708	88,461	3,288,271	33.7%	
FORESTRY	1,205,841	414,873	49,468	741,499	38.5%	
BEACH MAINTENANCE	160,875	48,570	6,695	105,609	34.4%	
MEDIANS PARKWAYS & CONTRACTS	1,211,051	312,133	32,481	866,437	28.5%	
<i>Total</i>	<u>15,773,921</u>	<u>5,343,495</u>	<u>266,168</u>	<u>10,164,258</u>	35.6%	<u>5,076,267</u>
<u>Library</u>						
ADMINISTRATION	478,261	163,273	-	314,988	34.1%	
PUBLIC SERVICES	2,770,010	862,003	-	1,908,007	31.1%	
SUPPORT SERVICES	1,717,781	584,761	127,432	1,005,588	41.5%	
<i>Total</i>	<u>4,966,052</u>	<u>1,610,037</u>	<u>127,432</u>	<u>3,228,583</u>	35.0%	<u>1,517,773</u>
TOTAL COMMUNITY SERVICES	<u>20,739,973</u>	<u>6,953,532</u>	<u>393,601</u>	<u>13,392,841</u>	35.4%	<u>6,594,040</u>
COMMUNITY DEVELOPMENT						
<u>Community Development</u>						
ADMINISTRATION	695,290	275,635	1,082	418,573	39.8%	
RENTAL HOUSING MEDIATION	190,415	69,972	-	120,443	36.7%	
HUMAN SERVICES	1,001,899	169,560	708,171	124,168	87.6%	
HOUSING PRESERVATION AND DEV	37,784	4,111	33,674	(1)	100.0%	
LONG RANGE PLAN & SPEC STUDY	888,268	279,937	10,882	597,448	32.7%	
DEVEL & ENVIRONMENTAL REVIEW	1,397,024	451,976	6,844	938,204	32.8%	
ZONING INFO & ENFORCEMENT	1,411,287	460,932	4,052	946,303	32.9%	
DESIGN REV & HIST PRESERVATION	1,167,654	356,214	3,337	808,103	30.8%	
BLDG INSP & CODE ENFORCEMENT	1,179,595	370,016	552	809,027	31.4%	
RECORDS ARCHIVES & CLER SVCS	585,566	174,104	8,043	403,419	31.1%	
BLDG COUNTER & PLAN REV SVCS	1,433,031	486,020	2,961	944,050	34.1%	
<i>Total</i>	<u>9,987,813</u>	<u>3,098,477</u>	<u>779,597</u>	<u>6,109,738</u>	38.8%	<u>3,263,320</u>
TOTAL COMMUNITY DEVELOPMENT	<u>9,987,813</u>	<u>3,098,477</u>	<u>779,597</u>	<u>6,109,738</u>	38.8%	<u>3,263,320</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Four Months Ended October 31, 2014 (33.3% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
OTHER	-	1,749	660	(2,409)	100.0%	
TRANSFERS OUT	198,500	66,167	-	132,333	33.3%	
DEBT SERVICE TRANSFERS	351,276	314,699	-	36,577	89.6%	
CAPITAL OUTLAY TRANSFER	1,725,000	575,000	-	1,150,000	33.3%	
APPROP.RESERVE	348,101	-	-	348,101	0.0%	
<i>Total</i>	<u>2,622,877</u>	<u>957,614</u>	<u>660</u>	<u>1,664,603</u>	36.5%	<u>657,191</u>
TOTAL NON-DEPARTMENTAL	<u>2,622,877</u>	<u>957,614</u>	<u>660</u>	<u>1,664,603</u>	36.5%	<u>657,191</u>
 TOTAL EXPENDITURES	 <u>117,606,780</u>	 <u>40,018,214</u>	 <u>2,610,638</u>	 <u>74,977,927</u>	 36.2%	 <u>39,219,239</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 Four Months Ended October 31, 2014 (33.3% 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>67,757</u>	-	<u>457,243</u>	12.9%
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>(2,555)</u>	-	<u>2,555</u>	
CREEK RESTORATION/WATER QUALITY IMPRVMT					
Revenue	3,625,652	1,633,893	-	1,991,759	45.1%
Expenditures	<u>4,072,687</u>	<u>1,054,197</u>	<u>395,629</u>	<u>2,622,862</u>	35.6%
<i>Revenue Less Expenditures</i>	<u>(447,035)</u>	<u>579,697</u>	<u>(395,629)</u>	<u>(631,103)</u>	
COMMUNITY DEVELOPMENT BLOCK GRANT					
Revenue	1,188,961	112,609	-	1,076,352	9.5%
Expenditures	<u>1,206,854</u>	<u>231,232</u>	<u>84,804</u>	<u>890,818</u>	26.2%
<i>Revenue Less Expenditures</i>	<u>(17,893)</u>	<u>(118,623)</u>	<u>(84,804)</u>	<u>185,534</u>	
COUNTY LIBRARY					
Revenue	1,910,415	206,237	-	1,704,178	10.8%
Expenditures	<u>2,080,454</u>	<u>673,674</u>	<u>20,598</u>	<u>1,386,182</u>	33.4%
<i>Revenue Less Expenditures</i>	<u>(170,039)</u>	<u>(467,437)</u>	<u>(20,598)</u>	<u>317,996</u>	
STREETS FUND					
Revenue	10,216,835	3,465,276	-	6,751,559	33.9%
Expenditures	<u>13,371,508</u>	<u>3,272,004</u>	<u>2,788,071</u>	<u>7,311,433</u>	45.3%
<i>Revenue Less Expenditures</i>	<u>(3,154,673)</u>	<u>193,272</u>	<u>(2,788,071)</u>	<u>(559,874)</u>	
MEASURE A					
Revenue	3,376,976	1,160,596	-	2,216,380	34.4%
Expenditures	<u>5,037,484</u>	<u>1,215,800</u>	<u>1,548,278</u>	<u>2,273,406</u>	54.9%
<i>Revenue Less Expenditures</i>	<u>(1,660,508)</u>	<u>(55,204)</u>	<u>(1,548,278)</u>	<u>(57,026)</u>	

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2014 (33.3% 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	6,734,621	-	13,358,144	33.5%	6,605,971
Other Fees & Charges	297,342	-	-	297,342	0.0%	-
Investment Income	-	2,512	-	(2,512)	100.0%	-
Grants	20,000	-	-	20,000	0.0%	-
Miscellaneous	235,669	1,873	-	233,796	0.8%	221,315
TOTAL REVENUES	<u>20,645,776</u>	<u>6,739,006</u>	<u>-</u>	<u>13,906,770</u>	<u>32.6%</u>	<u>6,827,286</u>
EXPENSES						
Salaries & Benefits	1,021,244	310,906	-	710,338	30.4%	291,704
Materials, Supplies & Services	18,711,809	6,147,947	307,927	12,255,935	34.5%	6,024,088
Special Projects	555,532	8,762	44	546,726	1.6%	9,674
Transfers-Out	50,000	16,667	-	33,333	33.3%	16,667
Capital Outlay Transfers	-	-	-	-	0.0%	5,852
Equipment	149,783	3,487	2,306	143,990	3.9%	622
Other	100,000	-	-	100,000	0.0%	-
Appropriated Reserve	25,000	-	-	25,000	0.0%	-
TOTAL EXPENSES	<u>20,613,368</u>	<u>6,487,769</u>	<u>310,277</u>	<u>13,815,322</u>	<u>33.0%</u>	<u>6,348,607</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2014 (33.3% 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	12,731,263	-	22,138,195	36.5%	12,939,516
Service Charges	606,500	286,990	-	319,510	47.3%	208,430
Cater JPA Treatment Charges	2,516,860	663	-	2,516,197	0.0%	633,680
Investment Income	529,200	157,485	-	371,715	29.8%	174,522
Rents & Concessions	22,872	7,624	-	15,248	33.3%	7,624
Reimbursements	782,779	74,789	-	707,990	9.6%	7,011
Miscellaneous	20,000	15,013	-	4,987	75.1%	19,552
TOTAL REVENUES	<u>39,347,669</u>	<u>13,273,827</u>	<u>-</u>	<u>26,073,842</u>	<u>33.7%</u>	<u>13,990,335</u>
EXPENSES						
Salaries & Benefits	8,724,787	2,791,581	-	5,933,206	32.0%	2,688,681
Materials, Supplies & Services	10,786,686	2,763,045	2,308,520	5,715,121	47.0%	2,423,288
Special Projects	867,118	53,443	89,282	724,393	16.5%	106,770
Water Purchases	8,716,165	2,902,317	111,462	5,702,386	34.6%	2,391,105
Debt Service	5,087,163	1,715,153	-	3,372,010	33.7%	1,763,300
Transfer-Out	911,346	911,346	-	-	100.0%	-
Capital Outlay Transfers	10,469,228	3,489,743	-	6,979,485	33.3%	3,729,744
Equipment	236,953	38,112	12,981	185,860	21.6%	14,148
Capitalized Fixed Assets	132,175	8,011	36,346	87,819	33.6%	7,697
Other	35,000	580	1,000	33,420	4.5%	1,555
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>46,116,621</u>	<u>14,673,330</u>	<u>2,559,590</u>	<u>28,883,701</u>	<u>37.4%</u>	<u>13,126,288</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 Four Months Ended October 31, 2014 (33.3% 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	5,867,676	-	12,060,879	32.7%	5,950,587
Fees	775,071	373,174	-	401,897	48.1%	298,729
Investment Income	158,100	53,032	-	105,068	33.5%	52,734
Rents & Concessions	20,887	-	-	20,887	0.0%	6,956
Miscellaneous	1,000	12,843	-	(11,843)	1284.3%	1,331
TOTAL REVENUES	<u>18,883,613</u>	<u>6,306,725</u>	<u>-</u>	<u>12,576,888</u>	<u>33.4%</u>	<u>6,310,337</u>
EXPENSES						
Salaries & Benefits	5,893,242	1,838,750	-	4,054,492	31.2%	1,783,309
Materials, Supplies & Services	7,401,610	2,119,737	1,874,871	3,407,002	54.0%	1,789,939
Special Projects	745,482	36,593	225,126	483,763	35.1%	32,760
Debt Service	1,848,322	342,609	-	1,505,713	18.5%	628
Capital Outlay Transfers	3,928,500	1,309,500	-	2,619,000	33.3%	1,384,909
Equipment	96,568	2,976	28,015	65,577	32.1%	2,835
Capitalized Fixed Assets	26,000	216	1,500	24,284	6.6%	3,213
Other	3,000	2,750	1,000	(750)	125.0%	1,000
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>20,092,724</u>	<u>5,653,131</u>	<u>2,130,511</u>	<u>12,309,082</u>	<u>38.7%</u>	<u>4,998,593</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 Four Months Ended October 31, 2014 (33.3% 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	493,755	-	486,245	50.4%	403,104
Parking Fees	6,535,946	2,259,705	-	4,276,241	34.6%	2,106,651
Other Fees & Charges	3,000	1,024	-	1,976	34.1%	1,024
Investment Income	102,100	33,530	-	68,570	32.8%	34,499
Rents & Concessions	104,000	36,014	-	67,986	34.6%	33,642
Miscellaneous	4,000	24,029	-	(20,029)	600.7%	5,113
Operating Transfers-In	193,500	64,500	-	129,000	33.3%	14,500
TOTAL REVENUES	<u>7,922,546</u>	<u>2,912,556</u>	<u>-</u>	<u>5,009,990</u>	<u>36.8%</u>	<u>2,598,533</u>
EXPENSES						
Salaries & Benefits	4,183,765	1,415,541	-	2,768,224	33.8%	1,366,830
Materials, Supplies & Services	2,338,253	608,586	156,987	1,572,680	32.7%	655,570
Special Projects	558,431	144,544	327,929	85,958	84.6%	100,428
Transfer-Out	309,125	103,042	-	206,083	33.3%	101,021
Capital Outlay Transfers	970,000	323,333	-	646,667	33.3%	502,584
Equipment	27,470	5,656	2,470	19,344	29.6%	-
Appropriated Reserve	50,000	-	-	50,000	0.0%	-
TOTAL EXPENSES	<u>8,437,044</u>	<u>2,600,702</u>	<u>487,386</u>	<u>5,348,956</u>	<u>36.6%</u>	<u>2,726,433</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 Four Months Ended October 31, 2014 (33.3% 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	1,407,095	-	3,138,080	31.0%	1,709,120
Leases-Terminal	4,607,134	1,678,635	-	2,928,499	36.4%	1,677,655
Leases-Non-Commercial Aviation	1,819,730	649,525	-	1,170,205	35.7%	566,414
Leases-Commercial Aviation	4,218,655	1,544,815	-	2,673,840	36.6%	1,472,991
Investment Income	121,300	34,902	-	86,398	28.8%	41,035
Miscellaneous	157,355	131,657	-	25,698	83.7%	37,044
TOTAL REVENUES	<u>15,469,349</u>	<u>5,446,630</u>	<u>-</u>	<u>10,022,719</u>	<u>35.2%</u>	<u>5,504,259</u>
EXPENSES						
Salaries & Benefits	5,723,701	1,793,693	-	3,930,008	31.3%	1,717,262
Materials, Supplies & Services	7,944,701	2,335,991	759,161	4,849,549	39.0%	2,223,525
Special Projects	94,926	-	-	94,926	0.0%	154,127
Transfer-Out	20,354	6,785	-	13,569	33.3%	6,576
Debt Service	1,815,718	605,239	-	1,210,479	33.3%	-
Capital Outlay Transfers	-	-	-	-	0.0%	404,409
Equipment	82,794	16,223	10,184	56,387	31.9%	16,972
Appropriated Reserve	103,856	-	-	103,856	0.0%	-
TOTAL EXPENSES	<u>15,786,050</u>	<u>4,757,931</u>	<u>769,345</u>	<u>10,258,774</u>	<u>35.0%</u>	<u>4,522,871</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 Four Months Ended October 31, 2014 (33.3% 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	576,926	-	1,189,950	32.7%	612,680
Investment Income	10,100	2,657	-	7,443	26.3%	3,576
Rents & Concessions	313,572	106,254	-	207,318	33.9%	101,192
Miscellaneous	500	1,047	-	(547)	209.4%	5,479
TOTAL REVENUES	<u>2,091,048</u>	<u>686,884</u>	<u>-</u>	<u>1,404,164</u>	<u>32.8%</u>	<u>722,927</u>
EXPENSES						
Salaries & Benefits	1,108,919	378,168	-	730,751	34.1%	346,656
Materials, Supplies & Services	621,441	206,280	17,711	397,450	36.0%	202,625
Special Projects	363	-	-	363	0.0%	-
Debt Service	245,698	169,522	-	76,176	69.0%	165,865
Capital Outlay Transfers	80,727	26,909	-	53,818	33.3%	71,562
Equipment	3,000	-	-	3,000	0.0%	-
Other	900	901	340	(341)	137.9%	864
TOTAL EXPENSES	<u>2,061,048</u>	<u>781,780</u>	<u>18,051</u>	<u>1,261,217</u>	<u>38.8%</u>	<u>787,572</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 Four Months Ended October 31, 2014 (33.3% 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	879,456	-	1,758,913	33.3%	843,590
Work Orders - Bldg Maint.	2,604,016	819,968	-	1,784,048	31.5%	718,802
Grants	27,527	0	-	27,527	0.0%	-
Miscellaneous	193,015	28,950	-	164,066	15.0%	41,692
Operating Transfers-In	5,000	1,667	-	3,333	33.3%	-
TOTAL REVENUES	<u>5,467,927</u>	<u>1,730,040</u>	<u>-</u>	<u>3,737,887</u>	31.6%	<u>1,604,084</u>
EXPENSES						
Salaries & Benefits	3,618,855	1,186,025	-	2,432,830	32.8%	1,128,310
Materials, Supplies & Services	1,566,678	428,640	46,859	1,091,179	30.4%	421,854
Special Projects	481,712	168,344	184,066	129,302	73.2%	195,100
Equipment	15,000	1,277	-	13,723	8.5%	-
Capitalized Fixed Assets	13,349	2,762	2,458	8,129	39.1%	3,873
Appropriated Reserve	26,485	-	-	26,485	0.0%	-
TOTAL EXPENSES	<u>5,722,079</u>	<u>1,787,048</u>	<u>233,382</u>	<u>3,701,649</u>	35.3%	<u>1,749,137</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2014 (33.3% 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	748,046	-	1,496,091	33.3%	742,935
Investment Income	123,000	38,520	-	84,480	31.3%	41,741
Rents & Concessions	233,966	77,989	-	155,977	33.3%	77,993
Miscellaneous	130,048	55,447	-	74,601	42.6%	29,532
TOTAL REVENUES	<u>2,731,151</u>	<u>920,002</u>	<u>-</u>	<u>1,811,149</u>	33.7%	<u>892,201</u>
EXPENSES						
Salaries & Benefits	200,432	61,231	-	139,201	30.5%	64,604
Materials, Supplies & Services	2,725	608	-	2,117	22.3%	727
Special Projects	75,000	1,296	-	73,704	1.7%	9,457
Capitalized Fixed Assets	5,818,809	895,387	1,314,695	3,608,728	38.0%	623,107
TOTAL EXPENSES	<u>6,096,966</u>	<u>958,523</u>	<u>1,314,695</u>	<u>3,823,749</u>	37.3%	<u>697,895</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2014 (33.3% 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	842,542	-	1,685,085	33.3%	821,145
Reimbursements	10,000	3,333	-	6,667	33.3%	3,333
Miscellaneous	103,070	39,863	-	63,207	38.7%	55,697
TOTAL REVENUES	<u>2,640,697</u>	<u>885,738</u>	<u>-</u>	<u>1,754,959</u>	<u>33.5%</u>	<u>880,175</u>
EXPENSES						
Salaries & Benefits	1,331,631	388,855	-	942,776	29.2%	422,012
Materials, Supplies & Services	1,221,460	377,438	224,950	619,073	49.3%	317,389
Special Projects	61,300	6,897	9,103	45,300	26.1%	7,048
Debt Service	43,070	14,357	-	28,713	33.3%	14,356
Equipment	9,000	-	-	9,000	0.0%	9,990
Capitalized Fixed Assets	646,181	11,121	528,035	107,025	83.4%	-
Appropriated Reserve	16,067	-	-	16,067	0.0%	-
TOTAL EXPENSES	<u>3,328,709</u>	<u>798,668</u>	<u>762,087</u>	<u>1,767,954</u>	<u>46.9%</u>	<u>770,795</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2014 (33.3% 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	928,341	-	1,856,681	33.3%	918,704
Workers' Compensation Premiums	3,388,165	1,129,388	-	2,258,777	33.3%	983,567
OSH Charges	203,462	67,821	-	135,641	33.3%	64,611
Investment Income	55,200	12,993	-	42,207	23.5%	15,167
Miscellaneous	-	2,000	-	(2,000)	100.0%	3,573
Operating Transfers-In	75,825	25,275	-	50,550	33.3%	-
TOTAL REVENUES	<u>6,507,674</u>	<u>2,165,818</u>	<u>-</u>	<u>4,341,856</u>	33.3%	<u>1,985,622</u>
EXPENSES						
Salaries & Benefits	571,460	162,844	-	408,616	28.5%	172,666
Materials, Supplies & Services	5,606,502	2,335,573	293,878	2,977,052	46.9%	1,868,622
Special Projects	121	-	-	121	0.0%	-
Equipment	245	245	-	-	100.0%	-
TOTAL EXPENSES	<u>6,178,328</u>	<u>2,498,662</u>	<u>293,878</u>	<u>3,385,789</u>	45.2%	<u>2,041,288</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 Four Months Ended October 31, 2014 (33.3% 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	1,040,196	-	2,080,392	33.3%	838,332
TOTAL REVENUES	<u>3,120,588</u>	<u>1,040,196</u>	<u>-</u>	<u>2,080,392</u>	<u>33.3%</u>	<u>838,332</u>
EXPENSES						
Salaries & Benefits	1,950,182	580,679	-	1,369,503	29.8%	550,315
Materials, Supplies & Services	1,017,256	317,914	46,828	652,514	35.9%	242,700
Special Projects	18,400	-	-	18,400	0.0%	-
Capital Outlay Transfers	344,000	114,667	-	229,333	33.3%	70,667
Equipment	8,250	2,309	-	5,941	28.0%	18,689
Capital Fixed Assets	1,000	14	-	986	1.4%	121,345
Appropriated Reserve	13,053	-	-	13,053	0.0%	-
TOTAL EXPENSES	<u>3,352,141</u>	<u>1,015,583</u>	<u>46,828</u>	<u>2,289,729</u>	<u>31.7%</u>	<u>1,003,716</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 Four Months Ended October 31, 2014 (33.3% 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	692,411	-	708,596	49.4%	608,539
Leases - Food Service	2,694,636	1,320,396	-	1,374,240	49.0%	1,166,866
Slip Rental Fees	4,204,739	1,417,722	-	2,787,017	33.7%	1,378,674
Visitors Fees	455,000	206,319	-	248,681	45.3%	168,096
Slip Transfer Fees	575,000	550,825	-	24,175	95.8%	188,200
Parking Revenue	2,069,466	1,035,802	-	1,033,664	50.1%	1,000,035
Wharf Parking	255,000	102,164	-	152,836	40.1%	100,346
Grants	25,600	-	-	25,600	0.0%	-
Other Fees & Charges	236,723	88,349	-	148,374	37.3%	91,345
Investment Income	117,000	30,101	-	86,899	25.7%	59,881
Rents & Concessions	304,966	103,515	-	201,451	33.9%	119,103
Miscellaneous	322,000	224,529	-	97,471	69.7%	64,223
TOTAL REVENUES	<u>12,661,137</u>	<u>5,772,135</u>	<u>-</u>	<u>6,889,002</u>	45.6%	<u>4,945,308</u>
EXPENSES						
Salaries & Benefits	6,050,691	2,041,654	-	4,009,037	33.7%	1,978,775
Materials, Supplies & Services	4,018,126	1,300,229	829,625	1,888,273	53.0%	1,160,185
Special Projects	261,506	32,423	-	229,083	12.4%	29,148
Debt Service	1,729,040	1,095,838	-	633,202	63.4%	1,300,999
Capital Outlay Transfers	1,385,000	461,667	-	923,333	33.3%	514,718
Equipment	82,759	22,965	78	59,715	27.8%	7,347
Capital Fixed Assets	17,104	-	17,104	-	100.0%	6,973
Other	-	-	1,000	(1,000)	100.0%	1,000
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
TOTAL EXPENSES	<u>13,644,226</u>	<u>4,954,775</u>	<u>847,807</u>	<u>7,841,644</u>	42.5%	<u>4,999,145</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

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Construction Of The Alameda Park Well Relocation Project – Infrastructure And Site Restoration

RECOMMENDATION: That Council:

- A. Reject the apparent low bid for construction from Aguilera Brothers Construction, Inc., as non-responsive for the Alameda Park Well Relocation Project – Infrastructure and Site Restoration; and
- B. Award a contract with Brough Construction, Inc., in their lowest responsive bid amount of \$180,855 for construction of the Alameda Park Well Relocation Project – Infrastructure and Site Restoration, Bid No. 3728; and authorize the Public Works Director to execute the contract and approve expenditures up to \$18,100 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:

BACKGROUND

The Alameda Park Well (Well) was constructed in 1990 and draws water from Storage Unit 1 in the Downtown area. The City relies on this Well as one of the many potable water sources meeting the needs of its customers. In the last months of 2013, corrosion of the Well component led to the well no longer being viable for water production.

PROJECT DESCRIPTION

The work consists of the installation of connective piping and electrical conduit for the relocated Well and restoration of the site post construction. The work includes replacement of removed trees, installation and removal of tree protection measures, along with landscaping and restoration of all construction impacted areas.

On November 25, 2014, Council approved the City Charter Findings for the Well site, which required that an agreement be in place prior to the beginning of construction between the Parks and Recreation and Public Works Departments for the use of parkland.

BID REJECTION

The apparent low bid received from Aguilera Brothers Construction, Inc. is non-responsive for lack of compliance with Section A2.10 Qualification of Bidders, in reference to the three years experience requirement. Aguilera Brothers submitted two-years of stated experience, referencing only two previous completed projects. Neither reference represents the full character of work experience as required.

The bid submitted by Brough Construction, Inc. is the lowest responsive bid.

CONTRACT BIDS

A total of (number) bids were received for the subject work, ranging as follows:

	BIDDER	BID AMOUNT
1.	Aguilera Brothers Const. Inc. Santa Paula, CA	*\$161,115
2.	Brough Construction, Inc. Arroyo Grande, CA	\$180,855
3.	Lash Construction, Inc. Santa Barbara, CA	\$191,111
4.	Sansone Company, Inc. San Luis Obispo, CA	\$202,896

*Bid rejected as non-responsive

The low bid of \$180,855, submitted by Brough Construction, Inc., is an acceptable bid that is responsive to and meets the requirements of the bid specifications. The change order funding recommendation of \$18,100, or 10 percent, is typical for this type of work and size of project.

COMMUNITY OUTREACH

There are multiple methods of community outreach being performed during the construction phase of this project. Staff sent out mailers to all residents on adjacent blocks to the construction site on November 6, 2014. Closure signs will be posted two to three weeks ahead of construction to alert residents, homeowners, and patrons of the park of the pending work. During construction, a large informational construction sign will be placed at the site.

FUNDING

This project is funded by the Drought Fund. There are sufficient appropriated funds in the Drought Fund to cover the cost of this project.

The following summarizes the expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

	Basic Contract	Change Funds	Total
Brough Const., Inc.	\$180,855	\$18,100	\$198,955
TOTAL RECOMMENDED AUTHORIZATION			\$198,955

The following summarizes all project design costs, construction contract funding, and other project costs:

ESTIMATED TOTAL PROJECT COST

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

	Drilling *	Infrastructure	Total
Design (by Contract)			\$89,836
City Staff Costs			\$143,404
Subtotal			\$233,240
Construction Contract	\$1,094,725	\$180,855	\$1,275,580
Construction Change Order Allowance	\$110,000	\$18,100	\$128,100
Subtotal	\$1,204,725	\$198,955	\$1,403,680
Other Construction Costs (testing, etc.)	\$25,000	\$5,000	\$30,000
Construction Management/Inspection (by Contract)	\$104,665	\$30,000	\$134,665
Construction Management/Inspection (by City Staff) **	\$53,934	\$35,956	\$89,890
Subtotal	\$183,599	\$70,956	\$254,555
TOTAL PROJECT COST			\$1,891,475

* Awarded as a separate project on December 9, 2014.

SUSTAINABILITY IMPACT:

The City relies on groundwater as one the many potable water sources meeting the needs of its customers. The Well provides one of the more substantial production capacities compared to the other wells within the City.

PREPARED BY: Linda Sumansky, Principal Civil Engineer/AF/mj

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Construction Of Voluntario Street Curb Cuts Project

RECOMMENDATION:

That Council award a contract with Lash Construction, Inc., in their low bid amount of \$210,890 for construction of the Voluntario Street Curb Cuts Project, Bid No. 3739, and authorize the Public Works Director to execute the contract and approve expenditures up to \$21,089 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 Voluntario Street Curb Cuts Project (Project) consists of constructing a total of eighteen new sidewalk access ramps at six intersections along Voluntario Street between East De La Guerra and Haley Streets (see the attached map). Fourteen of the new access ramps are located within a CDBG-eligible census tract, while four of the access ramps are outside, but immediately adjacent to the CDBG-eligible boundary and will complete the Voluntario Street corridor.

The proposed access ramps are located within three blocks of both Santa Barbara High School and Santa Barbara Junior High, and two blocks from the Eastside's commercial corridor along Milpas Street. Voluntario Street is also a main neighborhood street for travel to and from the Franklin Neighborhood Center, Eastside Library, and Adelante and Franklin Elementary Schools. Once these ramps are constructed, vulnerable users (i.e. disabled, elderly, and pedestrians with strollers) will no longer be forced to walk into Voluntario Street until there is a driveway or an access ramp where they can safely navigate to the sidewalk. The access ramps will be constructed in accordance with Title II of the Americans with Disabilities Act and per City Standard Details.

CONTRACT BIDS

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

	BIDDER	BID AMOUNT
1.	Lash Construction, Inc. Santa Barbara, CA	\$210,890.00
2.	Granite Construction Santa Barbara, CA	\$284,995.00

The low bid of \$210,890 submitted by Lash Construction, Inc. is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

The change order funding recommendation of \$21,089 or 10 percent is typical for this type of work and size of project.

COMMUNITY OUTREACH

The access ramps being constructed with this Project were requested by the Eastside community as part of the Council-adopted Eastside Neighborhood Transportation Management Plan (NTMP) to improve traffic, bicyclist, and pedestrian safety in the neighborhood. The Eastside neighborhood includes avid walkers, and it is important to provide accessible paths of travel. Although 2010 Census Data does not include disability information at the census tract level, approximately eight percent of the population is less than five years of age (stroller bound) and seven percent of the population is 65 years old and greater within the census tract where the proposed access ramps are located. Additionally, a large school-aged population lives in the Eastside neighborhood, with 19 percent of the residents within the census tract being school-aged.

In November 2013, the Neighborhood Advisory Committee and Access Advisory Committee recommended that Public Works staff submit a Community Development Block Grant (CDBG) grant application for the access ramps along Voluntario Street. The Community Development and Human Service Committee reviewed the grant application in February 2014, and recommended that City Council approve CDBG funding for the Project's construction costs. On March 25, 2014, City Council approved the \$140,000 CDBG funding request for the access ramps.

In January 2015, staff will notify the property owners and residents located near the Project locations of the construction via mailers. Prior to construction, the contractor will be responsible for the final notice via door hangers 72 hours prior to construction.

FUNDING

This Project is funded by CDBG funds and the Streets Capital Fund. The CDBG amount of \$140,000 will fund the construction of the 14 access ramps located within the CDBG-eligible census tract. The Streets Capital Fund will be used to cover the remaining Project costs and construction of the four access ramps that are located outside, but immediately adjacent to, the CDBG-eligible boundary. There are sufficient funds in the CDBG Fund and Streets Capital Fund to cover the cost of this Project.

The following summarizes the expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

	Basic Contract	Change Funds	Total
Lash Construction, Inc.	\$210,890	\$21,089	\$231,979
TOTAL RECOMMENDED AUTHORIZATION			\$231,979

The following summarizes all Project design costs, construction contract funding, and other Project costs:

ESTIMATED TOTAL PROJECT COST

	CDBG Share	City Share	Total
City Staff Costs - Survey	\$0	\$10,000	\$10,000
City Staff Costs - Design	\$0	\$15,000	\$15,000
Subtotal	\$0	\$25,000	\$25,000
Construction Contract	\$140,000	\$70,890	\$210,890
Construction Change Order Allowance	\$0	\$21,089	\$21,089
Subtotal	\$140,000	\$91,979	\$231,979
Construction Management/Inspection (by City Staff)	\$0	\$35,000	\$35,000
Subtotal	\$0	\$35,000	\$35,000
TOTAL PROJECT COST	\$140,000	\$151,979	\$291,979

SUSTAINABILITY IMPACT:

The Project will improve safety and accessibility for pedestrians within the CDBG eligible census tracts and will contribute to the City's sustainability goals by encouraging more people to walk, reducing energy consumption and air pollution.

ATTACHMENT(S): Voluntario Street Sidewalk Access Ramp Project Location Map

PREPARED BY: John Ewasiuk, Principal Civil Engineer/LY/sk

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For El Estero Wastewater Treatment Plant Stormwater Master Plan

RECOMMENDATION:

That Council authorize the Public Works Director to execute a City Professional Services contract, subject to approval as to form by the City Attorney, with CDM Smith in the amount of \$134,728 for design services of the El Estero Wastewater Treatment Plant Stormwater Master Plan, and authorize the Public Works Director to approve expenditures of up to \$13,472 for extra services of CDM Smith that may result from necessary changes in the scope of work.

DISCUSSION:

BACKGROUND

The El Estero Wastewater Treatment Plant (El Estero) has several current and upcoming capital improvement projects that must comply with the City's Storm Water Management Plan (SWMP) and municipal code, as well as California stormwater regulations.

A Storm Water Assessment Report was prepared by CDM Smith (CDM) as part of their work on the Tertiary Filtration Replacement Project. The primary goal of the Assessment Report was to quantify existing and potential changes to stormwater flows as a result of the proposed capital improvement project. The Assessment also outlined proposed stormwater improvements to address both the quantity and quality of stormwater at El Estero.

A comprehensive stormwater implementation plan is now needed to provide a systematic stormwater program approach, which includes preliminary design solutions for El Estero to implement as future projects are constructed.

PROJECT DESCRIPTION

The work generally consists of developing the initial programmatic framework for implementation at El Estero, preparing a facility stormwater management plan, preliminary design report with drawings, and permitting support. The Tertiary Filtration Replacement Project, currently in construction, and the Secondary Process Improvements Project, currently in final design, both have Coastal Development Permit requirements that must be met as a condition of approval. The Storm Water Master Plan will be used to address these requirements.

CONSULTANT ENGINEERING SERVICES

Staff recommends that Council authorize the Public Works Director to execute a contract with CDM in the amount of \$134,728 for design and \$13,472 for potential extra services, for a total amount of \$148,200. CDM is experienced in this type of work and prepared the Assessment Report.

FUNDING

The following summarizes all estimated total Project costs:

ESTIMATED TOTAL PROJECT COST

Design (by Contract)	\$148,200
Other Design Costs - City staff	\$22,000
TOTAL PROJECT COST	\$170,200

There are sufficient appropriated funds in the Wastewater Capital Fund to cover these costs.

PREPARED BY: Linda Sumansky, Principal Civil Engineer/LA/mh

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Final Design Of El Estero Wastewater Treatment Plant Secondary Process Improvements Project – Phase II

RECOMMENDATION: That Council:

- A. Authorize the Public Works Director to execute a City Professional Services contract with Brown and Caldwell in the amount of \$788,683 for final design of the El Estero Wastewater Treatment Plant Secondary Process Improvements Project – Phase II, and authorize the Public Works Director to approve expenditures of up to \$78,868 for extra services of Brown and Caldwell that may result from necessary changes in the scope of work; and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Finding that the El Estero Wastewater Treatment Plant Secondary Process Improvements Project is Substantially Complex and, Therefore, Requires a Construction Contract Retention of Ten Percent.

EXECUTIVE SUMMARY:

The El Estero Wastewater Treatment Plant (El Estero) has longstanding issues with its secondary treatment process. Over the past few years, Brown and Caldwell (B&C), through a competitive process, was selected and awarded contracts to evaluate and develop recommendations to improve the secondary treatment process, prepare preliminary design reports (PDR) and, most recently, for Phase I final design services for the Secondary Process Improvements Project (Project). A \$20 million State Revolving Fund (SRF) loan has now been executed and will be used to finance design and construction of this Project. Staff recommends that Council authorize the Public Works Director to execute a City Professional Services contract with B&C for the Phase II final design services.

Staff has evaluated the Project and believes it to be substantially complex. Although the California Public Contract Code was amended in 2012 to limit retention from ten percent to five percent, if a project is deemed substantially complex by the governing

body, a higher amount may be retained. To comply with the Public Contract Code, staff recommends that Council adopt a resolution deeming the Project substantially complex, and approve the increase of retention to 10 percent.

DISCUSSION:

BACKGROUND

El Estero processes approximately 8 million gallons of wastewater each day. El Estero was originally constructed in 1952; however, a majority of its current infrastructure was constructed in 1978 to meet 1972 Clean Water Act requirements. Although subsequent capital improvements have been completed in past years, El Estero has longstanding issues with highly variable secondary effluent quality, operational inflexibility, energy inefficiency and secondary treatment capacity.

On June 29, 2010, Council awarded a contract to B&C to prepare an Assessment Report to evaluate and develop recommendations to improve the secondary treatment process at El Estero. B&C, working with staff, evaluated several alternative operational approaches for improving the secondary treatment process, which resulted in staff's recommendation to pursue the Project.

On October 11, 2011, Council awarded a contract to B&C to prepare a PDR for the Project, and subsequently awarded a contract for a second phase PDR on January 15, 2013. Combined, these two PDRs form the basis for the design, which provides for refurbishment of the major air process equipment associated with the secondary treatment process aeration basins, and for the upgrades to the secondary clarifiers, including improvements to return-activated sludge pumping equipment and piping. These process improvements will improve and stabilize the secondary effluent quality and address El Estero's long standing issues with operational inflexibility, energy efficiency and secondary treatment capacity.

On September 9, 2014, Council awarded a contract to B&C for Phase I of the final design for the Project. At that time, the City had initiated an application for a \$20 million SRF loan to finance design and construction of this Project, and anticipated an executed agreement with the State of California within a few months. The SRF agreement has now been executed, and staff is seeking approval for Final Design Phase II.

PROJECT DESCRIPTION

The final design work consists of modifications to El Estero's secondary treatment process to a nitrification/denitrification system, upgrades to the existing aeration and secondary clarifier sludge withdrawal systems, and implementation of nitrate return to address odor control issues and clarifier performance issues. This Project will address the longstanding issues with highly variable secondary effluent quality, operational

inflexibility, energy inefficiency, and secondary treatment capacity. The nitrification/denitrification process will produce a more stable secondary effluent, create higher-quality process water for subsequent production of recycled water, and will yield a higher quality of treated effluent discharge into the Pacific Ocean.

CONSTRUCTION CONTRACT RETENTION

Contract retention is the withholding of a portion of payment that is due to a contractor on a Public Works project to ensure that there are sufficient funds to complete the project and pay any claims of non-payment by subcontractors against the general contractor. The California Public Contract Code was amended in 2012 to limit retention from ten percent to five percent of the total construction contract price. However, if a project is deemed substantially complex by the governing body, a higher amount may be retained. The finding must be made during a properly noticed and scheduled public hearing, prior to advertising for bids, and the bid documents must include the finding and designated retention amount.

Staff has evaluated the Project and believes it to be substantially complex for the following reasons:

- The Project construction cost is estimated to be approximately \$17 million and is funded by an SRF Agreement;
- The Project involves significant upgrades to the secondary treatment process within an operational wastewater treatment facility;
- Construction requires coordination between multiple disciplines (including structural, mechanical, process, electrical, civil, and instrumentation); and
- The Contractor must comply with Coastal Development Permit requirements.

To comply with the Public Contract Code, staff recommends that Council adopt a resolution deeming the Project substantially complex, and approve the increase of retention to 10 percent.

FUNDING

The City has received a \$20 million SRF loan to finance design and construction of this Project. Staff recommends that Council authorize the Public Works Director to execute a contract with B&C in the amount of \$788,683 for preliminary design, and for \$78,868 for potential extra services, for a total amount of \$867,551.

B&C was selected as the most qualified firm through a competitive Request for Proposal process. Staff has reviewed the costs and the scope of work for the preliminary design and determined that both are appropriate for the size and complexity of the Project.

The following summarizes all estimated total Project costs:

ESTIMATED TOTAL PROJECT COST

Assessment Report (by Contract) – Completed	\$267,820
Project Administration (by Staff) - Completed	\$40,646
Subtotal	\$308,466
Preliminary Design Report Phase 1 (by Contract) – Completed	\$398,886
Preliminary Design Report Phase 2 (by Contract) – Completed	\$285,136
Project Administration (by Staff) – Completed	\$63,471
Environmental Review and Permitting - Completed	\$36,194
Subtotal	\$783,687
Final Design Phase I Design (by Contract)	\$610,508
Final Design Phase II (by Contract)	\$867,551
Project Administration (by Staff)	\$104,060
Subtotal	\$1,582,119
Estimated Construction Contract w/Change Order Allowance	\$17,600,000
Estimated Construction Management/Inspection (by Contract)	\$1,600,000
Estimated Construction Support Services (by Contract)	\$640,000
Estimated Project Administration (by Staff)	\$161,550
Subtotal	\$20,001,550
TOTAL PROJECT COST	\$22,675,822

SUSTAINABILITY IMPACT:

These processes will improve water quality for both recycled water production and treated effluent discharge into the ocean. They will also provide for more energy efficient equipment at El Estero as the blowers, the number one energy demand for El Estero, will be updated to a more energy efficient model.

PREPARED BY: Linda Sumansky, Principal Civil Engineer/LA/mh

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA FINDING THAT THE EL ESTERO WASTEWATER TREATMENT PLANT SECONDARY PROCESS IMPROVEMENTS PROJECT IS SUBSTANTIALLY COMPLEX AND, THEREFORE, REQUIRES A CONSTRUCTION CONTRACT RETENTION OF TEN PERCENT

WHEREAS, the City of Santa Barbara ("City") intends on competitively bidding and awarding a contract for the El Estero Wastewater Treatment Plant Secondary Process Improvement Project ("Project");

WHEREAS, Public Contract Code Section 7201(b)(1) states that retention proceeds withheld from any payment by a public entity from the original contractor shall not exceed five percent of the payment;

WHEREAS, Public Contract Code Section 7201(b)(4) states that the retention proceeds withheld from any payment by a public entity may exceed five percent on specific projects where the governing board approves a finding during a properly noticed and normally scheduled public hearing, and prior to advertising for bids, that a project is substantially complex and, therefore, requires a higher retention amount than five percent, and the public entity includes such findings and the actual retention amount in the bid documents;

WHEREAS, on December 16, 2014, pursuant to Public Contract Code Section 7201, the City finds that the Project is substantially complex and requires a higher retention amount than five percent, based on the facts set forth in this Resolution; and

WHEREAS, the City hereby determines and finds that, since the Project is substantially complex, retention proceeds to be withheld from the general contractor shall not exceed ten percent of the contract amount.

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

SECTION 1. The above recitals are true and correct.

SECTION 2. In accordance with the Public Contract Code Section 7201, the City hereby determines and finds that the Project is substantially complex based on the following facts:

- a. The Project construction cost is estimated to be approximately \$16 million and is funded by a State Revolving Fund agreement;

- b. The Project involves significant upgrades to the secondary treatment process within an operational wastewater treatment facility;
- c. Construction requires coordination between multiple disciplines (including structural, mechanical, process, electrical, civil and instrumentation); and
- d. The Contractor must comply with Coastal Development Permit requirements.

SECTION 3. As the Project is determined and found to be substantially complex, the City hereby approves retention proceeds to be withheld from the general contractor in an amount not to exceed ten percent, and that the total retention proceeds to be withheld from the subcontractors by the general contractor shall not exceed ten percent.

SECTION 4. The bid documents for the Project will include this Resolution, and will state that the retention proceeds to be withheld from the general contractor shall not exceed ten percent (10%) of the contract amount.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: Armored Car Transportation Services Agreement

RECOMMENDATION:

That Council authorize the Finance Director to negotiate and execute a one-year contract, in a form acceptable to the City Attorney, with Brinks Security Services to provide Armored Car Transportation services for the period of January 1, 2015, through December 31, 2015, for an annual amount of \$36,120.

DISCUSSION:

Armored car services have been provided by Brinks Security for a number of years and, Union Bank is currently paying for and waiving those fees for the armored car services provided to the City's seven pick-up locations. However, the current agreement with Union Bank is set to expire on December 31, 2014 and the transportation fees will no longer be waived pursuant to the new agreement with Union Bank approved on November 25, 2014 and effective on January 1, 2015. 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's 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.

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.

BUDGET/FINANCIAL INFORMATION:

Transportation costs for armored car services will be charged to the various City funds based on a cost allocation method that reflects services received by each fund. An increase to appropriations will be brought to City Council in connection with the mid-year report since these costs were not previously budgeted in the General Fund. 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
Brinks Security Armored Car fees	\$ 7,220	\$ 10,842	\$ 18,058	\$ 36,120

A copy of the Brinks Security 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: December 16, 2014

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

SUBJECT: Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing For Cottage Health Systems Debt Issuance

RECOMMENDATION:

That Council hold a public hearing and adopt, by reading of title only, A Resolution of the City Council of the City of Santa Barbara Approving the Issuance of the California Statewide Communities Development Authority Revenue Bonds (Cottage Health System Obligated Group), Series 2015, in an Aggregate Principal Amount Not to Exceed \$150,000,000 for the Purpose of Financing and Refinancing the Acquisition, Construction, Improvement, Equipping, Renovation, Rehabilitation and Remodeling of Certain Health and Support Facilities of Santa Barbara Cottage Hospital and Certain Other Matters Related Thereto.

DISCUSSION:

The California Statewide Communities Development Authority ("Authority") is a joint exercise of powers authority formed to assist local governments and non-profits with their financing needs. The City is a member of the Authority.

The Authority is assisting Cottage Health Systems with a debt issuance in an amount not to exceed \$150 million to refinance existing obligations and to finance additional improvements to Cottage Hospital.

Under Internal Revenue Code, the governing body having jurisdiction over the area in which the facility financed by the bonds is located must: (1) conduct a public hearing and (2) approve the issuance of the debt. Therefore, because the new bond financing will benefit the Cottage Hospital Project, which is located within the City of Santa Barbara, the City Council must hold a public hearing and adopt a resolution approving the debt issuance. Council has held numerous such TEFRA (Tax Equity and Fiscal Responsibility Act) hearings.

Council Agenda Report

Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing For Cottage Health Systems
Debt Issuance

December 16, 2014

Page 2

It is important to understand that the City is in no way associated with the debt issuance and is not obligated to make debt service payments on the bonds. The City Council must hold a public hearing in which interested persons are given an opportunity to be heard on all matters relative to the location, operation and financing of the project. Staff recommends the City Council hold the public hearing and adopt the resolution approving the issuance of bonds by the Authority.

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator

APPROVED BY: City Administrator's Office

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA BARBARA APPROVING THE ISSUANCE OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY REVENUE BONDS (COTTAGE HEALTH SYSTEM OBLIGATED GROUP), SERIES 2015, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$150,000,000 FOR THE PURPOSE OF FINANCING AND REFINANCING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT EQUIPPING, RENOVATION, REHABILITATION AND REMODELING OF CERTAIN HEALTH AND SUPPORT FACILITIES OF SANTA BARBARA COTTAGE HOSPITAL AND CERTAIN OTHER MATTERS RELATED THERETO

WHEREAS, Santa Barbara Cottage Hospital (“SBCH” or the “Borrower”), an affiliate of Cottage Health System, both nonprofit public benefit corporations based in Santa Barbara, California, has requested that the California Statewide Communities Development Authority (the “Authority”) participate in the issuance of one or more series of revenue bonds in an aggregate principal amount not to exceed \$150,000,000 (the “Bonds”) for the financing and refinancing of the acquisition, construction, improvement, equipping, renovation, rehabilitation, and remodeling of certain health and support facilities owned or operated or to be owned and operated by SBCH (the “Facilities”) located within the City of Santa Barbara (the “City”);

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the issuance of the Bonds by the Authority must be approved by the City because the Facilities are located within the territorial limits of the City;

WHEREAS, the City Council of the City (the “Council”) is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code;

WHEREAS, the Authority has requested that the Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 9 of the Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the “Agreement”), among certain local agencies, including the City;

WHEREAS, the Authority is also requesting the City approve the issuance of any refunding bonds hereafter issued by the Authority for the purpose of refinancing the Bonds which financed the Facilities (the “Refunding Bonds”), but only in such cases where federal tax laws would not require additional consideration or approval by the City Council; and

WHEREAS, pursuant to Section 147(f) of the Code, the Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority.

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

SECTION 1. The Council hereby approves the issuance of the Bonds and Refunding Bonds by the Authority. It is the purpose and intent of the Council that this Resolution constitute approval of the issuance of the Bonds and Refunding Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the issuer of the Bonds and the governmental unit having jurisdiction over the area in which the Facilities are located, in accordance with said Section 147(f) and (b) Section 9 of the Agreement.

SECTION 2. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing transaction approved hereby.

SECTION 3. This Resolution shall take effect immediately upon its adoption.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Request For Designation Of 400 Hitchcock Way (Tesla Motors, Inc.)
As A Community Benefit Project

RECOMMENDATION:

That Council find the proposed development at 400 Hitchcock Way for Tesla Motors, Inc., a Community Benefit Project pursuant to Santa Barbara Municipal Code Section 28.85.020.A.3 and allocate 8,700 square feet of nonresidential floor area to the project from the Community Benefit Project category.

DISCUSSION:

As part of implementing the General Plan Update, on March 12, 2013 the City Council adopted the Nonresidential Growth Management Program (GMP) ordinance (SBMC Chapter 28.85). The GMP limits total new nonresidential growth to 1.35 million square feet over 20 years, of which 600,000 square feet is reserved for Community Benefit Projects. Three categories of development are included within the Community Benefit Project designation: Community Priority Projects; Economic Development Projects, and; Development Plan-New Automobile Sales Projects. The project applicant is requesting designation as a Development Plan-New Automobile Sales Project for purposes of allocating nonresidential floor area (see Attachment).

Proposed Project

The three-acre site at 400 Hitchcock Way is zoned E-3 (One-Family Residence)/P-D (Planned Development)/SD-2 (Special District), has been used as an auto dealership since the 1960s, and is currently occupied by Volvo/Buick/GMC. Structures on-site include an 8,377 square-foot showroom and approximately 17,433 square feet of storage and open bay structures.

The applicant proposes to remodel the existing auto dealership showroom and enclose the open service bays to secure its electric automobile repair center. Enclosing the open bays creates 9,700 net square feet of new nonresidential floor area on the site. Since there have been no additions to the buildings since 1989, pursuant to SBMC

§28.85.010 and §28.85.020, the first 1,000 square feet of new nonresidential floor area must be allocated from the Minor Addition category of the GMP. The remaining 8,700 square feet would need to occur either through a Transfer of Existing Development Rights or designation as a Community Benefit Project.

Community Benefit Project

The applicant requests that City Council designate the proposal a Community Benefit Project. One specific category, Planned Development – New Automobile Sales Project, is defined as “a project within a Planned Development zone that proposes a project involving new automobile sales, rental and leasing...” The proposal involves improvements to a site within the Planned Development (PD) Zone and the tenant, Tesla Motors, Inc., intends to utilize the showroom for new automobile display and sales and operate an electric automobile repair and service center from the structures proposed to be enclosed. As described, the proposal qualifies as a Community Benefit Project.

The requested square footage from the Community Benefit category represents 1.4% of the 600,000 square feet available for these types of projects over the next 20 years.

ATTACHMENT: Letter from Suzanne Elledge Planning & Permitting Services,
dated December 1, 2014

PREPARED BY: Renee Brooke, AICP, Senior Planner

SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office



1 December 2014

Suzanne Riegle, Associate Planner
Planning Division
City of Santa Barbara
630 Garden Street
Santa Barbara, CA 93101

**RE: 400 Hitchcock Way – Tesla Motors Inc. - Pre-Application Review Team and
Community Benefit Designation Request**

Dear Ms. Riegle:

On behalf of the Tesla Motors Inc., applicants of 400 Hitchcock Way, we are pleased to submit this letter as part of the Pre-Application Review Team application as well as a request for designation as a Community Benefit Project from the City Council.

History and Background

Tesla Motors, Inc. is an American company that designs, manufactures, and sells electric cars and electric vehicle powertrain components. Tesla's strategy has been to emulate typical technological-product life cycles and initially enter the automotive market with an expensive, high-end product; more recently, Tesla is moving into larger, more competitive markets at lower price points.

Tesla operates stores or galleries that act as showrooms allowing prospective buyers to learn more about Tesla Motors and its vehicles. Once a vehicle purchase has been made, the purchased vehicle is manufactured off site per the buyer's desired specifications. Tesla Motors is the only automaker that sells cars directly to consumers, with all other automakers using independently owned dealerships. Tesla's strategy of direct customer sales and owning its own stores and service centers is a significant departure from the standard dealership model currently dominating the U.S. vehicle marketplace.

Tesla Motors, Inc. operates an Electric Automobile Repair Center in its Service Centers. Tesla's vehicles have no internal combustion engine. Accordingly, there is no exhaust system, no fuel tanks, no liquid fuel usage, no new or used motor oil, no noise from the vehicle, and no emissions like hydrocarbon and carbon monoxide that are emitted from an automobile powered by an internal combustion engine. Instead of an engine, an electric motor powers Tesla's vehicles. Electric motors require little to no maintenance.

Tesla performs its own suspension, tire, brake, electrical and interior repair work, which is comparable to an internal combustion engine automobile model. However, the primary focus of Tesla's work on its automobiles is electrically based, with most technician time spent working on the electrical and computer systems within the vehicle. As such, Tesla is one of the least polluting automobile service operations in the industry.

Site Information and Development History

The property is located at 400 Hitchcock Way (APN 051-240-002) and is zoned Single Family, Planned Development, and Upper State Street Special District (E-3/PD/SD-2). The total property area is 130,680 SF and the total existing building footprint is 25,886 SF which includes an 8,337 SF auto showroom, storage areas and open bay structures. The City's property record files indicate that the subject site has been an auto dealership since the 1960s, and has been improved with multiple approved building additions over the decades. The site is currently developed with a Volvo/Buick/GMC dealership; it is our understanding that the existing dealership owner is retiring and is closing the existing dealership. The site is adjacent to other automobile dealerships along Hitchcock Way.

Proposal

The total existing building area footprint is 25,770 net SF, which includes an 8,337 net SF showroom, storage areas, and open service bays. The Tesla Motors Inc. project proposes to remodel the existing auto dealership showroom including a façade remodel, interior remodel, as well as enclosing the open service bays to secure its Electric Automobile Repair Center for a total 12,976 net SF of improvements. Of this square footage, the proposed enclosure of the service bays totals 10,816 gross SF (9,700 net square feet). The proposed project provides ample parking spaces. An automobile dealership/showroom with service stations requires one parking stall per 250 SF; therefore the project requires 103 spaces (25,770 SF/250 SF). The project provides a total of 200 parking spaces including six ADA parking stalls exceeding the parking requirement.

Enclosing the service bays results with "new" additional nonresidential floor area to the site's total development. According to Chapter 28.85, the Nonresidential Growth Management Program, no application for new nonresidential floor area will be accepted unless the additional square footage is allocated from one or more of the growth management categories – Community Benefit, Small Addition Floor Area, and Vacant Property.

The site is eligible for a Minor Addition Allocation of 1,000 SF. Hence, we are seeking designation as a Community Benefit development project and request a preliminary

allocation of approximately 8,700 net square feet from the Community Benefit, Planned Development – New Automobile Sales Project category per SBMC §28.85.020.A.3.

Community Benefit Justification

The Community Benefit and Planned Development – New Automobile Sales Project category which was established to allow new auto dealerships to carry out improvements, is aligned with the definition of an Economic Development project. Economic development projects are intended to enhance the standard of living for City and South Coast residents while strengthening the local economy by either creating new permanent employment opportunities or enhancing the City's revenue base. The proposed project provides products and services which are currently not available or are in limited supply either locally or regionally. Further, there are a limited number of parcels with the appropriate zoning for new auto dealerships (Planned Development – PD). There is not an alternative location within the City of Santa Barbara for a new automobile dealership, which further underscores the justification for a Community Benefit classification at the subject site via the Planned Development - New Automobile Sales Project category.

There has been an increased demand for more variety of electric and hybrid vehicles at various price points in the automobile industry. Locating a Tesla dealership in the City of Santa Barbara would provide such variety for prospective automobile buyers located in the Central Coast who would otherwise have to travel to Torrance for the closest Tesla Motors dealership. Providing a Tesla dealership within the City of Santa Barbara also enhances the City's revenue base by providing additional tax revenue from increased local economic activity and also provides employment opportunities.

As aforementioned, Tesla is one of the least polluting automobile service operations in the industry as the majority of its required servicing is electrically based. Having an electric- powered automobile repair center in place of a gasoline-powered automobile repair center would benefit the environment and would enhance the standard of living.

For these reasons, we feel that a Community Benefit designation is appropriate for the proposed project.

Discretionary Application for Consideration

The project requests the following discretionary actions for consideration:

- Development Plan Approval to allocate 8,700 net square feet from the Community Benefit, Planned Development – New Automobile Sales Project category per SBMC §28.85.020.A.3.

- Development Plan Approval for an addition in the PD zone per SBMC §28.39.

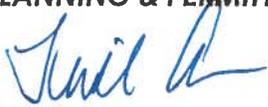
There is great community interest in having a Tesla dealership in the City of Santa Barbara for those who are environmentally minded and aligned with sustainable practices. Tesla Motors Inc. prides itself on being an environmentally friendly automobile company that exceeds the standards of gasoline-powered automobiles. Having a Tesla dealership within our locality will enhance the standard of living and promote environmentally conscious alternatives in the automobile industry.



On behalf of the applicant and project team, we thank you for your review and comments regarding this PRT application and consideration of the Community Benefit designation request.

Sincerely,

SUZANNE ELLEDGE
PLANNING & PERMITTING SERVICES



Trish Allen, AICP
Senior Planner



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

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

RECOMMENDATION: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Modifying the Santa Barbara South Coast Tourism Business Improvement District; and
- B. Adopt the Modified Santa Barbara South Coast Tourism Business Improvement District Management District Plan.

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 TBID is set to expire on December 31, 2015. In late 2013, Visit Santa Barbara (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 were proposed to be held on November 25 and December 16, respectively.

A public meeting was held on November 25, 2014, as required, to modify the 2011-2015 TBID. At that meeting there was no testimony from the public and affected business owners regarding the proposed TBID modification. Council was not asked to take any action at the public meeting.

The public hearing today marks the final step in the legal process. Council will 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.

ATTACHMENT: Santa Barbara South Coast Tourism Business Improvement District
Management District Plan

PREPARED BY: Genie Wilson, Treasury Manager

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator

APPROVED BY: City Administrator's Office



**SANTA BARBARA SOUTH COAST TOURISM
BUSINESS IMPROVEMENT DISTRICT
MANAGEMENT DISTRICT PLAN**

Submitted to the

Santa Barbara Conference & Visitors Bureau and Film Commission

October 13, 2014

by



**SANTA BARBARA SOUTH COAST TOURISM BUSINESS
IMPROVEMENT DISTRICT
MANAGEMENT DISTRICT PLAN**

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I. INTRODUCTION AND OVERVIEW

Developed by the Santa Barbara Conference & Visitors Bureau and Film Commission (SBCVB), the Santa Barbara South Coast Tourism Business Improvement District (SBSCTBID) is a benefit assessment district proposed to help fund marketing and sales promotion efforts for lodging businesses. This approach has been used successfully in other destination areas throughout the country to improve tourism and drive additional room nights.

Location: The Cities of Santa Barbara, Carpinteria, Goleta and portions of unincorporated southern Santa Barbara County (see map on page 7).

Services: Marketing and sales promotions to increase tourism and to market the commercial lodging properties located in the SBSCTBID as a tourist, meeting and event destination. These services are designed to benefit the commercial lodging businesses within the SBSCTBID boundaries.

Budget: The total SBSCTBID budget for year one of its four (5) year operation is a base of approximately \$1,820,000.

Cost: The annual assessment rate for the first year of operation is as follows: lodging businesses with an average daily rate (ADR) of under \$100 shall be assessed \$0.50 per occupied room per night, lodging businesses with an ADR between \$100 and \$150 shall be assessed \$1.00 per occupied room per night, lodging businesses with an ADR over \$150 and up to \$200 shall be assessed \$1.50 per occupied room per night and lodging businesses with an ADR over \$200 shall be assessed \$2.00 per occupied room per night. Lodging properties with 3 or less units shall be exempt from the assessment. Based on the benefit received, assessments will not be collected on lodging stays of more than 30 consecutive days, federal government employees on government business, stays at time shares, and stays booked or contracted for and paid for prior to January 1, 2011. The ADR figures shall be updated annually.

Name: Santa Barbara South Coast Tourism Business Improvement District.

Formation: TBID formation requires submittal of petitions from lodging businesses representing more than 50% of the total annual assessment followed by a City Council hearing and an opportunity for a written protest. The assessed lodging business owners will receive notice of the public meeting and the public hearing by mail. If there is a majority written protest, the TBID will not be formed. In addition, prior to the City Council hearing, the cities of Carpinteria, Goleta and the County will consider resolutions of consent to the City of Santa Barbara to form the TBID.

Duration: The proposed SBSCTBID will have a four-year life. The SBSCTBID assessment will be implemented beginning January 1, 2011 and will be in effect for four

years, ending on December 31, 2014. After four years, the petition and City Council hearing process must be repeated for the SBSCTBID to be renewed. Also, once per year there is a 30-day period in which owners paying more than 50% of the assessment may protest and terminate the district.

II. WHY A TOURISM BUSINESS IMPROVEMENT DISTRICT?

There are several reasons why now is the right time to form a TBID; the most compelling reasons are as follows:

1. *The Need to Increase Occupancy*

The formation of the SBSCTBID is a proactive effort to provide supplemental funding beyond that provided by the Cities of Santa Barbara, Carpinteria, and Goleta, and the County of Santa Barbara. The funding ensures the SBCVB has adequate financing for the investment required to increase occupancy in the lodging industry and reach competitive in the conference segment of the tourism market. The investment will cover an expanded marketing and promotional budget needed to reach this market segment.

2. *An Opportunity for Increasing Tax Revenues*

As occupancy rates increase, so too will the Transient Occupancy Tax revenues. With stable public/private funding for the SBCVB, annual occupancy rates should increase significantly as the new marketing and sales promotion programs are implemented. Greater occupancy will also produce an increase in sales tax revenues from tourist spending. This represents a substantial return. The formation of a SBSCTBID in partnership with the SBCVB creates a stable funding source tied directly to tourism promotion

3. *The Ability to Grow the Economy without Substantial Development*

The SBCVB expects to achieve the above levels of revenue growth without a proportionate increase in the “footprint” of the tourism industry infrastructure. Little or no development should be required to raise average occupancy rates. Any development required to raise occupancy rates even more should be relatively minor in scope compared to the existing facilities.

4. *An Opportunity to Unite the Lodging Community*

The formation of a BID can unite the local lodging community around mutual goals for the community. The BID is an opportunity for the SBCVB and the lodging industry to work together to grow marketing resources for Santa Barbara.

5. *Funds are Dedicated to a Specific Purpose*

Unlike other sources of funding, monies collected through a tourism BID can only be used for the specific uses set out in this plan. This allows the Board of Directors to choose goals and services that specifically fit the area and benefits the lodging community as a whole, while knowing that these funds will be dedicated to achieving these goals.

III. WHAT IS A TOURISM BUSINESS IMPROVEMENT DISTRICT?

Tourism Business Improvement Districts (TBIDs) utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TBIDs allow lodging and tourism-related business owners to organize their efforts to increase tourism. Tourism-related business owners within the district fund a TBID, and those funds are used to provide services that the businesses desire and that benefit the lodging businesses within the District.

TBID services may include, but are not limited to:

- Marketing of the Area
- Tourism Promotion Activities
- Sales Lead Generation

In California, Tourism BIDs are formed pursuant to the Property and Business Improvement District Law of 1994 (PBID Law). This law allow for the creation of a special benefit assessment district to raise funds within a specific geographic area. *The key difference between TBIDs and other special benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TBIDs:

- Funds cannot be diverted for other government programs;
- TBIDs are customized to fit the needs of each tourism district;
- They allow for a wide range of services, including those listed above;
- TBIDs are *designed, created and governed by those who will pay* the assessment;
- The statute requires petition support from lodging businesses paying over 50% of the annual proposed assessments;
- They provide a stable funding source for tourism promotion.

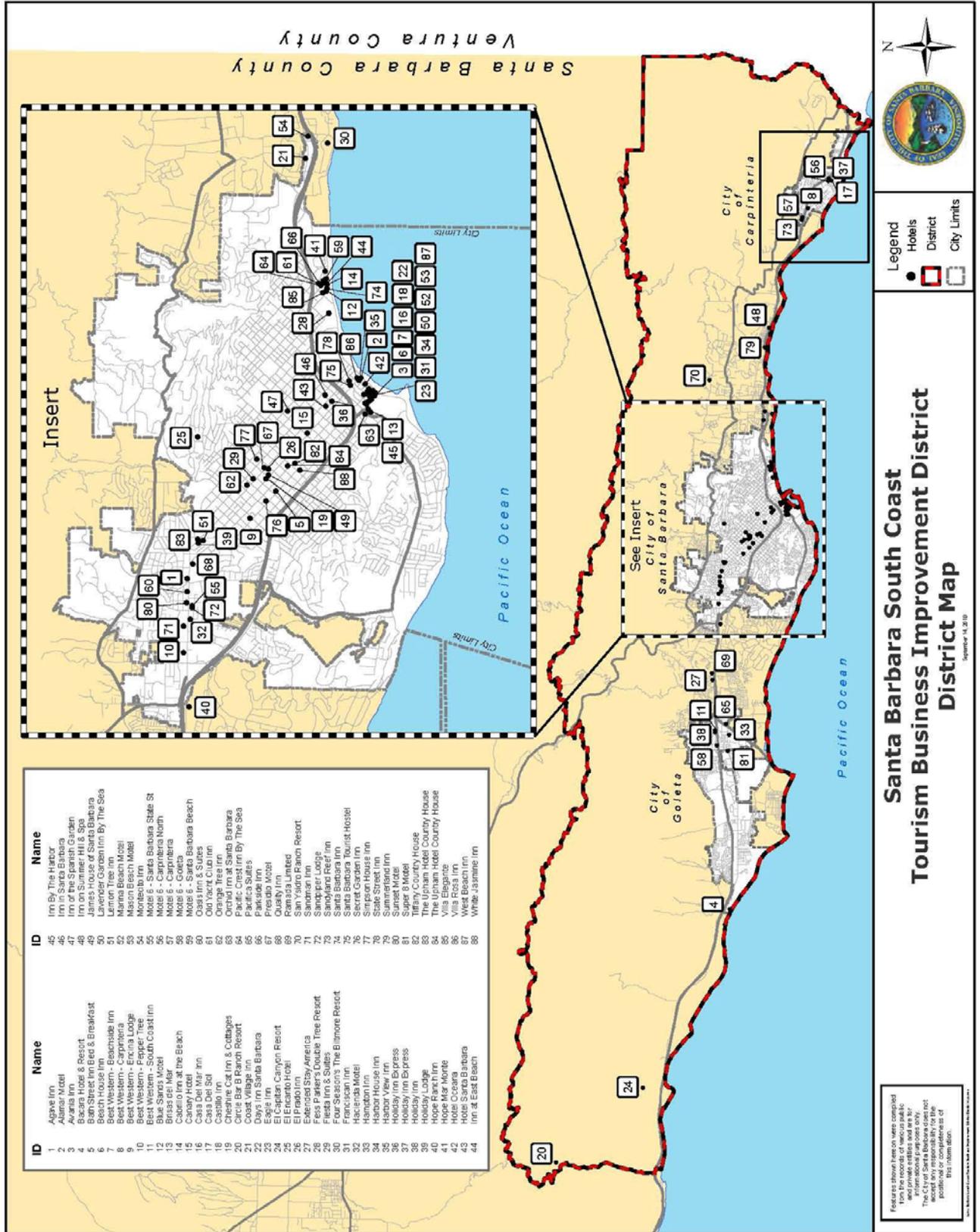
The Property and Business Improvement District Law of 1994 (AB 3754), as amended through January 1, 2010, is provided in Appendix 1 of this document.

IV. SANTA BARBARA SOUTH COAST TBID BOUNDARY

The SBSCTBID will include all commercial lodging businesses with more than three units available for public occupancy within the boundaries of the Cities of Santa Barbara, Carpinteria, and Goleta, and portions of unincorporated southern Santa Barbara County (See Map). The boundaries of the district can be more particularly described as: Refugio Road being the western boundary, the Santa Barbara/Ventura County line being the eastern boundary, the Pacific Ocean being the southern boundary, and Camino Cielo / Juncal Road being the northern boundary.

Please see the map on the following page. Businesses are identified on the map with the numbers listed below. A larger copy of this map can be obtained by calling (916)325-0604 or (800)999-7781.

ID	Hotel Name	Address	ID	Hotel Name	Address
1	Agave Inn	3222 State St, Santa Barbara	45	Inn By The Harbor	433 W. Montecito St, Santa Barbara
2	Alamar Motel	102 W. Cabrillo Blvd, Santa Barbara	46	Inn in Santa Barbara	26 E. Haley St, Santa Barbara
3	Avania Inn	128 Castillo St, Santa Barbara	47	Inn of the Spanish Garden	915 Garden St, Santa Barbara
4	Bacara Hotel & Resort	8301 Hollister Ave, Goleta	48	Inn on Summer Hill & Spa	2520 Lillie Ave, Summerland
5	Bath St Inn B&B	1720 Bath St, Santa Barbara	49	James House of Santa Barbara	1632 Chapala St, Santa Barbara
6	Beach House Inn	320 W. Yanonali St, Santa Barbara	50	Lavender Garden Inn By The Sea	206 Castillo St, Santa Barbara
7	Best Western Beachside Inn	336 W. Cabrillo Blvd, Santa Barbara	51	Lemon Tree Inn	2819 State St, Santa Barbara
8	Best Western Carpinteria Inn	4558 Carpinteria St, Carpinteria	52	Marina Beach Motel	21 Bath St, Santa Barbara
9	Best Western Encina Lodge	2220 Bath St, Santa Barbara	53	Mason Beach Inn	324 W. Mason St, Santa Barbara
10	Best Western Pepper Tree	3850 State St, Santa Barbara	54	Montecito Inn	1295 Coast Village Rd, Santa Barbara
11	Best Western South Coast Inn	5620 Calle Real, Goleta	55	Motel 6 - Santa Barbara State St	3505 State St, Santa Barbara
12	Blue Sands Motel	421 S. Milpas St, Santa Barbara	56	Motel 6 Carpinteria North	5550 Carpinteria Ave, Carpinteria
13	Brisas del Mar	223 Castillo St, Santa Barbara	57	Motel 6 - Carpinteria	4200 Via Real, Carpinteria
14	Cabrillo Inn at the Beach	931 E. Cabrillo Blvd, Santa Barbara	58	Motel 6 - Goleta	5897 Calle Real, Goleta
15	Canary Hotel	31 W. Carrillo St, Santa Barbara	59	Motel 6 - Santa Barbara Beach	443 Corona Del Mar, Santa Barbara
16	Casa Del Mar Inn	18 Bath St, Santa Barbara	60	Oasis Inn & Suites	3344 State St, Santa Barbara
17	Casa Del Sol	5585 Carpinteria Ave, Carpinteria	61	Old Yacht Club Inn	431 Corona Del Mar, Santa Barbara
18	Castillo Inn	22 Castillo St, Santa Barbara	62	Orange Tree Inn	1920 State St, Santa Barbara
19	Cheshire Cat Inn & Cottages	36 W. Valerio St, Santa Barbara	63	Orchid Inn at Santa Barbara	420 W. Montecito St, Santa Barbara
20	Circle Bar B Ranch Resort	1800 Refugio Rd, Santa Barbara Co.	64	Pacific Crest Inn By The Sea	433 Corona Del Mar, Santa Barbara
21	Coast Village Inn	1188 Coast Village Rd, Santa Barbara	65	Pacifica Suites	5490 Hollister Ave, Goleta
22	Days Inn Santa Barbara	116 Castillo St, Santa Barbara	66	Parkside Inn	424 Por La Mar, Santa Barbara
23	Eagle Inn	232 Natoma St, Santa Barbara	67	Presidio Motel	1620 State St, Santa Barbara
24	El Capitan Canyon Resort	11560 Calle Real, Santa Barbara	68	Quality Inn	3055 De La Vina St, Santa Barbara
25	El Encanto Hotel	1900 Lasuen Rd, Santa Barbara	69	Ramada Limited	4770 Calle Real, Santa Barbara
26	El Prado Inn	1601 State St, Santa Barbara	70	San Ysidro Ranch	900 San Ysidro Ln, Montecito
27	Extended Stay America	4870 Calle Real, Goleta	71	Sandman Inn	3714 State St, Santa Barbara
28	Fess Parker's Double Tree Resort	633 E. Cabrillo Blvd, Santa Barbara	72	Sandpiper Lodge	3525 State St, Santa Barbara
29	Fiesta Inn & Suites	1816 State St, Santa Barbara	73	Sandyland Reef Inn	4160 Via Real, Carpinteria
30	Four Seasons The Biltmore Resort	1260 Channel Dr, Santa Barbara	74	Santa Barbara Inn	901 E. Cabrillo Blvd, Santa Barbara
31	Franciscan Inn	109 Bath St, Santa Barbara	75	Santa Barbara Tourist Hostel	134 Chapala St, Santa Barbara
32	Hacienda Motel	3643 State St, Santa Barbara	76	Secret Garden Inn	1908 Bath St, Santa Barbara
33	Hampton Inn - Goleta	5665 Hollister Ave, Goleta	77	Simpson House Inn	121 E. Arrellaga St, Santa Barbara
34	Harbor House Inn	104 Bath St, Santa Barbara	78	State Street Hotel	121 State St, Santa Barbara
35	Harbor View Inn	28 W. Cabrillo Blvd, Santa Barbara	79	Summerland Inn	2161 Ortega Hill Rd, Summerland
36	Holiday Inn Express	17 W. Haley St, Santa Barbara	80	Sunset Motel	3504 State St, Santa Barbara
37	Holiday Inn Express	5606 Carpinteria Ave, Carpinteria	81	Super 8 Motel	6021 Hollister Ave, Goleta
38	Holiday Inn	5650 Calle Real, Goleta	82	Tiffany Country House	1323 De La Vina St, Santa Barbara
39	Holiday Lodge	2825 State St, Santa Barbara	83	Town & Country Inn	2800 State St, Santa Barbara
40	Hope Ranch Inn	4111 State St, Santa Barbara	84	The Upham Hotel Country House	1404 De La Vina St, Santa Barbara
41	Hotel Mar Monte	1111 E. Cabrillo Blvd, Santa Barbara	85	Villa Elegante	402 Onilla Del Mar, Santa Barbara
42	Hotel Oceana	202 W. Cabrillo Blvd, Santa Barbara	86	Villa Rosa Inn	15 Chapala St, Santa Barbara
43	Hotel Santa Barbara	533 State St, Santa Barbara	87	West Beach Inn	306 W. Cabrillo Blvd, Santa Barbara
44	Inn at East Beach	1029 Orilla Del Mar, Santa Barbara	88	White Jasmine Inn	1327 Bath St, Santa Barbara



ID	Name	ID	Name
1	Agave Inn	45	Inn By The Harbor
2	Admiral Motel	46	Inn in Santa Barbara
3	Alamo Motel	47	Inn on Summer Hill & Spas
4	Bacara Lodge & Resort	48	James House of Santa Barbara
5	Bahn Street Inn Bed & Breakfast	49	Lavender Garden Inn By The Sea
6	Beach House Inn	50	Limon Tree Inn
7	Best Western - Beachside Inn	51	Marin Beach Motel
8	Best Western - Carpinteria	52	Marin Beach Motel
9	Best Western - Carpinteria	53	Marin Beach Motel
10	Best Western - Carpinteria	54	Monterey Inn
11	Best Western - Carpinteria	55	Motel 6 - Santa Barbara State St
12	Blue Sands Motel	56	Motel 6 - Carpinteria North
13	Blue Sands Motel	57	Motel 6 - Carpinteria
14	Blue Sands Motel	58	Motel 6 - Santa Barbara Beach
15	Canary Hotel	59	Oasis Inn & Suites
16	Casa Del Mar Inn	60	Old Yacht Club Inn
17	Castillo Inn	61	Orange Tree Inn
18	Castillo Inn	62	Orange Tree Inn
19	Circle Bar & Ranch Resort	63	Orange Tree Inn
20	Coast Village Inn	64	Pacific Coast Inn By The Sea
21	Days Inn Santa Barbara	65	Pacific Coast Inn By The Sea
22	Days Inn Santa Barbara	66	Parkside Inn
23	Eagle Inn	67	Presidio Motel
24	El Prado Hotel	68	Quality Inn Hotel
25	El Prado Hotel	69	Quality Inn Hotel
26	El Prado Hotel	70	San Ysidro Ranch Resort
27	Extended Stay America	71	Sanderson Inn
28	Fess Parker's Double Tree Resort	72	Sandpiper Lodge
29	Fiesta Inn & Suites	73	Sanjose Reef Inn
30	Franciscan Inn	74	Sanjose Reef Inn
31	Franciscan Inn	75	Santa Barbara Tourist Hostel
32	Hacienda Motel	76	Secret Garden Inn
33	Hampton Inn	77	Simpsom House Inn
34	Harbor House Inn	78	State Street Inn
35	Holiday Inn Express	79	State Street Inn
36	Holiday Inn Express	80	Summit Inn
37	Holiday Inn Express	81	Super 8 Motel
38	Holiday Inn Express	82	Super 8 Motel
39	Holiday Inn Express	83	Tiffany Country House
40	Hope Park Inn	84	The Upham Hotel Country House
41	Hotel Oceana	85	The Upham Hotel Country House
42	Hotel Oceana	86	Villa Rosa Inn
43	Hotel Santa Barbara	87	West Beach Inn
44	Inn at East Beach	88	White Jasmine Inn

V. SERVICE PLAN AND BUDGET

Assessment

The SBSCTBID will include all commercial lodging businesses with more than three units, existing or in the future, available for public occupancy within the boundaries of the Cities of Santa Barbara, Carpinteria, and Goleta, and portions of unincorporated southern Santa Barbara County (See Map). The annual assessment rate for the first year of operation is as follows: lodging businesses with an average daily rate (ADR) of under \$100 shall be assessed \$0.50 per occupied room per night, lodging businesses with an ADR between \$100 and \$150 shall be assessed \$1.00 per occupied room per night, lodging businesses with an ADR over \$150 and up to \$200 shall be assessed \$1.50 per occupied room per night and lodging businesses with an ADR over \$200 shall be assessed \$2.00 per occupied room per night. Lodging properties with 3 or less units shall be exempt from the assessment. Based on the benefit received, assessments will not be collected on lodging stays of more than 30 consecutive days, federal government employees on government business, stays at time shares, and stays booked or contracted for and paid prior to January 1, 2011. The ADR figures shall be updated annually.

Bonds will not be issued.

The amount of assessment, if passed on to each transient, shall be separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business.

Determination of Special Benefit

State law provides that the expenses of the district shall be apportioned in proportion to the benefit received by assessed businesses.

A special benefit is defined as a particular and distinct benefit over and above general benefits conferred on the public at large. Conversely, a general benefit is a benefit to businesses in the surrounding community or a benefit to the public in general resulting from the improvement, activity or service to be provided by the assessment levied. Many general benefits to the public at large are conveyed by municipal services, such as fire protection, police services and public transit services. These services are targeted to serve the public at large and do not confer special benefits on particular businesses.

The services in this Management District Plan are designed to provide targeted services to the assessed lodging businesses. These services are tailored not to serve the general public, but rather to serve the specific lodging businesses within the District, e.g., the proposed activities are specifically targeted to increase room nights for assessed lodging businesses within the boundaries of the District, and are narrowly tailored. For example, only the assessed lodging businesses will receive sales leads from the sales efforts paid for with TBID monies. In addition, listing on websites and collateral materials *paid for with TBID monies* will only include the assessed businesses.

The activities paid for from assessment revenue are lodging business services creating special benefit to those businesses. In addition, these activities are not for the benefit of the general public and do not provide general benefit as defined above. All general benefits (if any) to the surrounding

community and general public are intangible and unquantifiable. It is appropriate that these special business-related benefits be funded through business assessments.

Time and Manner for Collecting Assessments

The SBSCTBID assessment will be implemented beginning January 1, 2011 and will continue for four years. The City of Santa Barbara shall be responsible for collecting the assessment (including any delinquencies, penalties and interest) from each lodging business located within its jurisdictional boundary and the jurisdictional boundary of the City of Carpinteria. Each other jurisdiction shall be responsible for collecting the assessment (including any delinquencies, penalties and interest) from each of the lodging businesses located in the boundaries of the TBID. Except as provided herein, each commercial lodging operator shall report and remit the TBID assessments to its jurisdiction.

Except for the City of Santa Barbara which shall also remit assessments collected from lodging businesses located in the City of Carpinteria, each jurisdiction shall forward the assessments to the SBCVB which will have the responsibility of managing TBID programs as provided in this Management District Plan. Jurisdictions may charge a fee of no more than 1% (one percent) of the budget to cover their administrative expenses, except the City of Santa Barbara may charge a fee of up to three percent (3%) to cover its administrative costs from the assessments it collects.

All penalties and interest shall be charged at the same rates as those provided by the Santa Barbara Transient Occupancy Tax, Santa Barbara Municipal Code Title 4, Chapter 4.08. If a jurisdiction so desires, penalties and interest collected on delinquent assessments may be retained by the local jurisdiction for costs associated with collection.

Service Plan Budget and Programs to be Provided:

Service Plan Budget Summary- Fiscal Years 2010-2014

The summary of the fiscal year service plan budget for the SBSCTBID is provided below. The total four year improvement and service plan budget is projected at approximately \$1,820,000 annually. The table below outlines expected revenues from each jurisdiction within the District. Due to the Assessment implementation date of January 1, 2011, the year one (Fiscal Year 2010-2011) service plan budget is estimated to be one-half, approximately \$900,000.00, of the full fiscal year service plan budget.

Jurisdiction	Estimated Collections
Santa Barbara City	\$1,130,000
Santa Barbara County	\$250,000
Goleta	\$340,000
Carpinteria	\$100,000
Total	\$1,820,000.00

E. Annual Service Plan:

In this plan, the City has set out the overarching message of the marketing program and some of its elements, and has left development of the remaining details to the city-appointed owners' association, which is answerable to the City Council. A service plan budget has been developed to deliver service levels throughout the District. An annual service plan and budget will be developed by the TBID Committee of the SBCVB Board. Please see the budget exhibit below. In the first year of operations, the City of Santa Barbara may charge a one-time set-up fee of up to \$5,000 and the SBSCTBID may reimburse the SBCVB for district formation costs of up to \$50,000, which amounts will be deducted from the budget categories pro-rata. If there are funds remaining at the end of the District term and lodging businesses choose to renew, these remaining funds could be transferred to the renewed District. If there are funds remaining at the end of the District and lodging businesses choose not to renew, any remaining funds will be spent consistent with this Plan.

This service plan will only include lodging businesses that are participating in the SBSCTBID.

**SANTA BARBARA SOUTH COAST TBID
Annual Budget, Years One – Four**

Services Provided	Total
Sales and Marketing (10.25%)	\$ 186,550
Advertising and Communication (71.75%)	\$1,305,950
Administration and Advocacy (5.5%)	\$ 100,000
Local Destination Marketing (5.5%)	\$100,000
Contingency/Renewal (4.5%)	\$82,000
Collection Administration Fee (2.5%)	\$45,500
Total Tourism District Annual Budget	\$1,820,000

The City Council hereby directs the implementation of a coordinated program of promotions. By adopting this Management District Plan, the City Council establishes programs that include the messages specified herein. This Management District Plan sets forth the following contemplated activities:

Sales and Marketing

A sales and marketing program will promote the southern coast Santa Barbara area as a tourist destination and attract overnight groups. The sales and marketing program will have a central theme of promoting the southern coast Santa Barbara area as a desirable place to visit, and may include sales missions, trade shows, sales calls and international representation.

Advertising and Communications

An advertising and communications program will build greater awareness of the participating lodging businesses. Advertising and communications programs may include trade promotions, online advertising, and trade advertising.

Local Destination Marketing

A destination marketing organization for each jurisdiction shall receive \$25,000, to be spent on local destination marketing activities consistent with those described in this Management District Plan. The nonprofit destination marketing organization in each jurisdiction that has the primary responsibility for promoting tourism in that jurisdiction shall receive the local funds.

Administration and Advocacy

The administration and advocacy portion of the budget will be utilized for staffing costs, office costs, and other general administrative costs.

Contingency/Renewal

The contingency/renewal fund shall be used for unanticipated costs of SBSCTBID programs, or in the event actual assessments collected are less than the amounts budgeted. In the event there are contingency funds remaining upon the expiration of the district, those funds may be used to renew the district.

Collection Administration Fee

The County of Santa Barbara and the cities of Goleta and Carpinteria, if they collect Assessments, shall each be paid a fee equal to 1% of the amount collected in their respective jurisdictions to cover the costs of collection and administration. The City of Santa Barbara shall be paid a fee equal to 3% of the amount collected to cover the costs of collection and administration.

Adjustments

The City approved marketing plan shall remain consistent with the budget above. Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget above shall remain the same. The City and the SBCVB board shall have the authority to adjust budget allocations between the categories above by no more than fifteen percent (15%) per year.

VI. BID GOVERNANCE

Santa Barbara TBID Corporation Governance

The City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that will implement the proposed program, which shall be the Owners' Association of the TBID as defined in Streets and Highways Code §36614.5. The SBCVB shall serve as the Owners' Association for the SBSCTBID. The President and CEO of the SBCVB shall be charged with the day-to-day operations of the TBID. There shall be a TBID sub-committee charged with developing budgets and priorities for the TBID. The TBID committee shall be comprised of a diverse group taking into consideration the size of lodging properties and geographic area.

Brown Act and California Public Records Act Compliance

The Owners' Association is subject to government regulations relating to transparency namely the Ralph M. Brown Act and the California Public Records Act, designed to promote public accountability. The Owner's Association of a TBID is considered a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the SBCVB board must be held in compliance with the public notice and other requirements of the Brown Act. The Owner's Association is also subject to the record keeping requirements of the California Public Records Act.

Annual Report

The SBCVB board shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1). A copy of the annual report shall also be provided to the cities of Goleta and Carpinteria, and the County of Santa Barbara.

APPENDIX 1 – THE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994 **STREETS AND HIGHWAYS CODE** Division 18. Parking

*** THIS DOCUMENT IS CURRENT THROUGH 2009-2010 EXTRAORDINARY SESSIONS 1-5, ***
AND 7, AND URGENCY LEGISLATION THROUGH CH 4 OF THE 2010 REGULAR SESSION

§ 36600. Citation of part

This part shall be known and may be cited as the "Property and Business Improvement District Law of 1994."

§ 36601. Legislative findings and declarations

The Legislature finds and declares all of the following:

(a) Businesses located and operating within the business districts of this state's communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of the business districts of its cities in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow cities to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that benefits from those improvements.

(d) Assessments levied for the purpose of providing improvements and promoting activities that benefit real property or businesses are not taxes for the general benefit of a city, but are assessments for the improvements and activities which confer special benefits upon the real property or businesses for which the improvements and activities are provided.

§ 36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within a business improvement area. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

§ 36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Major Protest Act of 1931 (Division 4 (commencing with Section 2800)).

§ 36603.5. Part prevails over conflicting provisions

Any provision in this part that conflicts with any other provision of law shall prevail over the other provision of law.

§ 36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

§ 36605. [Section repealed 2001.]

§ 36606. "Assessment"

"Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and promoting activities which will benefit the properties or businesses located within a property and business improvement district.

§ 36607. "Business"

"Business" means all types of businesses and includes financial institutions and professions.

§ 36608. "City"

"City" means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with *Section 6500*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*, the public member agencies of which includes only cities, counties, or a city and county.

§ 36609. "City council"

"City council" means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

§ 36610. 'Improvement'

"Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the area.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

§ 36611. "Property and business improvement district"; "District"

"Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.

§ 36612. "Property"

"Property" means real property situated within a district.

§ 36613. "Activities"

"Activities" means, but is not limited to, all of the following:

- (a) Promotion of public events which benefit businesses or real property in the district.
- (b) Furnishing of music in any public place within the district.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Activities which benefit businesses and real property located in the district.

§ 36614. "Management district plan"; "Plan"

"Management district plan" or "plan" means a proposal as defined in Section 36622.

§ 36614.5. "Owners' association"

"Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement activities and improvements specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with *Section 54950*) of *Part 1 of Division 2 of Title 5 of the Government Code*), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with *Section 6250*) of *Division 7 of Title 1 of the Government Code*), for all documents relating to activities of the district.

§ 36615. "Property owner"; "Owner"

"Property owner" or "owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. The city council has no obligation to obtain other information as to the ownership of land, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this subdivision requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient.

§ 36616. "Tenant"

"Tenant" means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

§ 36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

§ 36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

§ 36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

§ 36621. Initiation of proceedings; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

(1) A map showing the boundaries of the district.

(2) Information specifying where the complete management district plan can be obtained.

(3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

§ 36622. Contents of management district plan

The management district plan shall contain all of the following:

(a) A map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and businesses included. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof.

(e) The total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof, including operation and maintenance. The plan may provide that all or any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.

(l) Any other item or matter required to be incorporated therein by the city council.

§ 36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with *Section 53753 of the Government Code*.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with *Section 54954.6 of the Government Code*, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business. A written protest which does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners of businesses in the proposed district which will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

§ 36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements or activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

§ 36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish the proposed property and business improvement district, the city council shall adopt a resolution of formation that shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement about whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties or businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements and activities to be provided in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements and activities funded by the assessments proposed to be levied.

(b) The adoption of the resolution of formation and recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

§ 36626. Resolution establishing district

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in paragraphs (1) to (8), inclusive, of subdivision (b) of Section 36625, but need not contain information about the preliminary resolution if none has been adopted.

§ 36626.5. [Section repealed 1999.]

§ 36626.6. [Section repealed 1999.]

§ 36626.7. [Section repealed 1999.]

§ 36627. Notice and assessment diagram

Following adoption of the resolution establishing the district pursuant to Section 36625 or 36626, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3114. If the assessment is levied on businesses, the text of the recorded notice shall be modified to reflect that the assessment will be levied on businesses, or specified categories of businesses, within the area of the district. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

§ 36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

§ 36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements and activities.

§ 36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a parking and business improvement area.

§ 36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and a new district established pursuant to this part.

§ 36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution establishing the management district plan described in Section 36622. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part shall be charged interest and penalties.

§ 36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement

district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

§ 36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

§ 36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

§ 36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

§ 36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention; Modification of improvements and activities by adoption of resolution after public hearing

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623 . Notice of all other public meetings and public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public meeting.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public meeting, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

§ 36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

§ 36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with *Section 6584*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

§ 36641. [Section repealed 2001.]

§ 36642. [Section repealed 2001.]

§ 36643. [Section repealed 2001.]

§ 36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements and the activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

§ 36651. Designation of owners' association to provide improvements and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements or activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

§ 36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

§ 36670. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners of real property or of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property

and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

§ 36671. Refund of remaining revenues upon disestablishment of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – LODGING BUSINESSES TO BE ASSESSED WITHIN THE SBSCTBID:

Carpinteria
Best Western Carpinteria Inn
Casa Del Sol Motel
Holiday Inn Express Hotel & Suites - Carpinteria
Motel 6 - Carpinteria North
Motel 6 - Carpinteria South
Sandyland Reef Inn
Goleta
Bacara Resort & Spa
Best Western South Coast Inn
Hampton Inn, Goleta
Holiday Inn Santa Barbara / Goleta
Motel 6 - Goleta
Pacifica Suites Santa Barbara
Super 8 Motel
County
Circle Bar B Guest Ranch and Stables
El Capitan Canyon
Extended Stay America
Four Seasons Resort The Biltmore Santa Barbara
Hope Ranch Motel
Inn on Summer Hill
Ramada Limited
San Ysidro Ranch, a Rosewood Resort
Summerland Inn
Santa Barbara City
A White Jasmine Inn
Agave Inn
Alamar Motel
Avania Inn
Bath Street Inn Bed & Breakfast
Beach House Inn and Apartments

Best Western Beachside Inn
Best Western Encina Lodge
Best Western Pepper Tree
Blue Sands Motel
Brisas del Mar
Cabrillo Inn at the Beach
Canary Hotel
Casa Del Mar Inn
Castillo Inn
Cheshire Cat Inn and Cottages
Coast Village Inn
Days Inn
Eagle Inn
El Encanto
El Prado Inn
Fess Parker's DoubleTree Resort
Fiesta Inn & Suites
Franciscan Inn
Hacienda Motel
Harbor House Inn
Harbor View Inn
Holiday Inn Express - Hotel Virginia
Holiday Lodge
Hotel Mar Monte
Hotel Oceana
Hotel Santa Barbara
Inn at East Beach
Inn By The Harbor
Inn In Santa Barbara (formerly Flower Garden Inn)
Inn of the Spanish Garden
James House Santa Barbara
Lavendar Garden Inn (formerly Colonial Beach Inn)
Lemon Tree Inn
Marina Beach Motel
Mason Beach Inn
Montecito Inn

Motel 6 - SB Beach
Motel 6 - State St.
Oasis Inn & Suites (Guest House Inn)
Old Yacht Club Inn
Orange Tree Inn
Pacific Crest Inn By The Sea
Parkside Inn
Presidio Motel
Quality Inn
Sandman Inn, The
Sandpiper Lodge
Santa Barbara Inn
Santa Barbara Tourist Hostel

Secret Garden Inn & Cottages
Simpson House Inn
State Street Hotel
Sunset Motel/ Town & Country Inn
The Orchid Inn at Santa Barbara Bed & Breakfast
Tiffany Inn
Town & Country Inn
Upham Hotel and Country House, The
Villa Elegante
Villa Rosa Inn
West Beach Inn

RESOLUTION NO. _____

**A RESOLUTION OF THE COUNCIL OF THE CITY OF
SANTA BARBARA MODIFYING THE SANTA BARBARA
SOUTH COAST TOURISM BUSINESS IMPROVEMENT
DISTRICT**

WHEREAS, the City of Santa Barbara created the Santa Barbara South Coast Tourism Business Improvement District (“SBSCTBID”) on September 28, 2010 by Resolution No. 290.00;

WHEREAS, the Property and Business Improvement District Law of 1994, Streets and Highways Code § 36600 et seq., authorizes the City to modify the Management District Plan (“MDP”) upon the written request of the Owners’ Association;

WHEREAS, the SBSC Owners’ Association, the Santa Barbara Convention and Visitors Bureau (DBA “Visit Santa Barbara”), requested in writing that the City Council modify the SBSCTBID Management District Plan;

WHEREAS, a modified Management District Plan has been prepared to change the term from a five (5) year term to a four (4) year term, ending on December 31, 2014;

WHEREAS, on October 28, 2014 at 2:00 PM at 735 Anacapa Street, Santa Barbara, CA 93101, the City Council adopted a Resolution of Intention, Resolution No. 14-073;

WHEREAS, the public meeting and public hearing to consider the modification of the SBSCTBID have been properly noticed in accordance with Streets and Highways Code §36636;

WHEREAS, on November 25, 2014, at 2:00 PM at 735 Anacapa Street, Santa Barbara, CA 93101, the City Council held a public meeting regarding the modification of the SBSCTBID; and

WHEREAS, on December 16, 2014, at 2:00 PM at 735 Anacapa Street, Santa Barbara, CA 93101, the City Council held a public hearing regarding the modification of the SBSCTBID.

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

SECTION 1. The recitals set forth above are adopted by the City Council as findings and they are true and correct.

SECTION 2. The Santa Barbara South Coast Tourism Business Improvement District is hereby modified to have a four (4) year term, beginning January 1, 2011, through December 31, 2014.

SECTION 3. This Resolution shall take effect immediately upon its adoption by the City Council.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Stage Two Drought Update

RECOMMENDATION:

That Council receive an update on the status of the current drought and related efforts.

DISCUSSION:

On February 11, 2014, Council declared a Stage One Drought and asked customers to reduce water use by 20 percent. Council requested that staff keep them informed and report back monthly with a status update on the City's water supplies, conservation efforts, and current work efforts. On May 20, 2014, Council declared a Stage Two Drought in response to a continued water shortage forecasted for next year and the inability of the community to reduce water usage by 20 percent. This report will cover the following items:

- Water Supply Outlook/Weather Forecast
- Drought Response Capital Projects
- Conservation Efforts

Water Supply Outlook

The water supply outlook remains unchanged from the November 18, 2014 drought update presentation. The Santa Barbara area received some moderate rainfall in early December, but the area needs pro-longed wet weather to make a significant impact on water supplies. The National Weather Service is projecting a weak El Nino weather condition and equal chances of above, below, or normal rainfall for Santa Barbara over the next few months. Due to the uncertainty in projected rainfall, staff is planning for continued drought conditions. Staff continues to work on securing additional supplemental water, accelerating drought related capital projects, and sustaining a strong message for extraordinary conservation. The most recent water conservation numbers for October 2014 show an ongoing 20 percent reduction in water use. Staff is

hopeful that the drought water rates that went into effect on July 1, 2014 will encourage the community to continue sustaining the 20 percent water use reduction.

Drought Response Capital Projects

Staff is moving forward with the design and construction of capital work projects to assist with water supply during the drought. This includes the acceleration of groundwater well replacement and projects that use poor quality groundwater in place of potable water for irrigation. Groundwater wells include the Corporation Yard Well, which is currently online and whose water is being treated at the Ortega Groundwater Treatment Plant; Valle Verde Well, whose water is being pumped into the City's recycled water system; and the new Alameda Well, that was recently awarded a contract for construction.

At the direction of Council, staff is moving forward with the reactivation of the City's Desalination Facility. On November 17, 2014, the Request For Proposal to design, build and operate the facility was sent to the three pre-qualified firms. Responses are due back on February 5, 2014. Staff is currently working on applying for a \$40 million State Revolving Fund loan for the project.

Conservation Efforts

Staff has increased the Water Conservation Outreach Program through an enhanced drought media campaign: additional targeted outreach, including increased weekly messaging through social media; online news outlets and industry contacts; presentations to community and industry groups; additional printed materials with drought messaging; targeted utility bill messaging; drought signage at City facilities; and additional trainings and workshops.

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

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 2014

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department
Water Resources Division, Public Works Department

SUBJECT: Consideration Of Drought-Related Restrictions And Regulations

RECOMMENDATION: That Council:

- A. Receive a report outlining possible water use and development restrictions to be considered in response to drought;
- B. Direct Planning Division staff to further develop options for development-related regulations in consultation with the Planning Commission, and return to Council for action in 2015 pending persistent or worsening drought conditions; and
- C. Direct Water Resources staff to work with the Water Commission on further water use restrictions and return to Council for action in 2015 pending persistent or worsening drought conditions.

EXECUTIVE SUMMARY:

Per the City's adopted Water Shortage Contingency Plan, Council should consider regulations of water use and suspension of permit approvals during Stage Two and Stage Three Drought Conditions. On May 20, 2014, a Stage Two Drought Condition was declared, which included restrictions on water use. On October 14, 2014, as part of the monthly Drought Update to Council, staff presented information on potential development restrictions. The Council asked that staff return for a more in-depth discussion at a future meeting.

An inter-departmental staff team has been considering a range of options for possible action by Council to manage water use should a Stage Three Drought Condition be declared. Primary considerations include understanding the context of the water demand associated with new development and the potential water savings that may be achieved through various actions.

Staff is seeking input and direction from Council to further develop possible restrictions and regulations while working with the Planning Commission and Water Commission. It is anticipated that we will have public participation in these meetings through

additional outreach to landscape professionals, project developers, property owners, businesses and residents.

DISCUSSION:

Staff is planning for continued drought conditions and possible Stage Three declaration in 2015. Since July 2014, the community has been successful in meeting the 20 percent water demand reduction goal. However, since water usage doubles in the summer months due to increased demand for outdoor watering, the summer of 2015 offers a significant opportunity to conserve limited water supplies should conditions continue. If the 20 percent reduction in demand is not sustained through the winter, additional demand reductions will be necessary in Summer 2015 in order to meet the annual drought demand target. Additional demand reductions could also be required should the supply condition worsen.

Possible additional drought regulations under consideration include development restrictions, additional water use restrictions, and suspension of approvals of new private groundwater well permits. The development and water use restrictions should be considered within the context of potential demand reductions resulting from the action. Suspension of groundwater well permits is a preventative action for groundwater management purposes.

During the last prolonged drought event (approximately 1986-1992), significant time and effort was spent to determine, on a case by case basis, if a proposed project could be provided sufficient water supplies without significantly impacting the City's ability to provide adequate supplies to existing users. This process required a project specific water use analysis for each development proposal. One of the major differences today, in comparison to the last significant drought, is changes in technology and building code requirements with respect to water use efficiency. As a result, new projects have substantially lower water use due to required water efficient plumbing fixtures and landscaping. Additionally, the City's overall water consumption is less now than it was back then, and there are significantly fewer development proposals in the pipeline. Therefore, the need for development restrictions is not as critical now as it was during the last prolonged drought.

The following table includes a summary of various potential water use regulations and development restrictions, and an estimate as to when they might be considered for implementation. Refer to discussion below for additional information about these potential regulations and restrictions.

Regulation/Restriction	Level of Regulation		
	Status Quo (Stage 2)	Medium	High (Stage 3)
Stage 2 Water Use Regulations	X	X	X
Voluntary Landscape Deferral		X	
Alerting Applicants of potential future development restrictions (i.e. no vested right)		X	
Required Landscape Deferral			X
No new pools			X
No building permits for projects with net new water use, with specified exceptions (i.e. Affordable Housing, Health & Safety)			X
Work with County to apply City development restrictions to out-of-City water customers			X
No new out-of-City water customers			X
Additional Water Use Restrictions (e.g. no watering turf, with some exceptions)			X
Suspend approval of permits for new private groundwater wells			X

Possible Development Restrictions

As noted in the October 14, 2014 Council Agenda Report, new development represents approximately 1% of the City's drought water supply projection (11,440 acre feet per year) for the next three years. As this represents a very small portion of the City's overall water system demands, it is important to balance the need for drought demand management with potential impacts to the local economy.

Staff is proposing a phased approach to restrictions aimed at new development. The first phase would include a voluntary landscape deferral program for aesthetic landscape purposes. Certain landscape features would continue to be required to be installed if they are necessary for compliance with the City's Storm Water Management Program, or were otherwise related to a special condition of approval, or to address a health and safety concern such as significant erosion or landslide threat.

Staff had originally proposed this as a mandatory program; however, in hearing feedback from the Council at the October 14, 2104 meeting, it was determined that this would require a significant amount of effort and would likely result in relatively little water savings overall. Staff has received requests from applicants to defer landscape

installation and we believe it would be helpful to allow that flexibility although little water savings would be expected. Development projects that require design review and include new or altered landscaping are required to comply with the City's adopted Landscape Design Standards for Water Conservation (refer to Attachment 1), so any new/altered landscaping would be water efficient. Generally, outdoor water use is estimated at approximately 50% of total water use, so if all new development postponed landscape and irrigations, it would represent approximately 0.5% of the City's drought water supply projection for the next three years. Staff is seeking Council direction to pursue this approach at present by returning to Council with an amendment to the Stage 2 Drought Resolution.

The next phase would include mandatory landscape deferral (of aesthetic features), suspension of building permits for new pools, and suspension of building permits for projects that result in net new water use (generally, an increase in number of units or commercial floor area). These actions could be implemented as part of a Stage Three Drought declaration, or could be further phased, depending on the drought condition at that time. Suspending building permits for projects that cause net new water use would be a major restriction on the development community, and it is anticipated that there would be exceptions to this suspension, such as for priority projects (e.g. essential services and affordable housing). Staff is seeking initial direction from Council on the parameters of such a permit suspension, and public outreach including the Planning Commission. Any new development restriction regulations would be incorporated into a Council Resolution or Ordinance.

Possible Water Use Regulations

Santa Barbara Municipal Code (SBMC) Chapter 14.20 specifies regulations related to the use of water supplied by the City's water distribution system. Section 14.20.215 establishes water use regulations that become effective upon Council's adoption of a resolution declaring a Stage Two or Stage Three Drought Condition. On May 20, 2014, Council adopted Resolution 14-027 declaring a Stage Two Drought Condition and establishing those water use regulations currently in effect (refer to Attachment 2).

Staff will discuss potential additional water use regulations should they be necessary, including restrictions on: 1) methods of irrigation, and 2) irrigation of certain types of landscaping (e.g. no watering of turf, with some exceptions).

Possible Groundwater Well Regulations

Council may wish to consider imposing groundwater well regulations that might limit or restrict altogether the use of wells in the City during a Stage Three Drought. Many agencies have regulations or ordinances which forbid customers from having both City water supply connections and their own wells. The City could also prevent drilling new wells during a defined drought period.

BUDGET/FINANCIAL INFORMATION:

Additional information on potential impacts to the City budget would be provided prior to implementation of any development restrictions. In general, restricting issuance of building permits would reduce revenue to the Building Division and would require additional staff time to monitor. Implementing a temporary deferral on landscape plans would have minimal financial impact; however, it would require increased staff time to manage the deferrals.

The City's adopted water rates assume a 20 percent reduction in demands during drought. If additional measures are taken to reduce demands beyond 20 percent, there could be financial implications due to reduced revenue to the Water Fund, which is required for cost of service. Loss of revenue can be addressed through use of Water Fund reserves or changes to water rates.

Additional water use restrictions may require additional Water Conservation staffing for enforcement of regulations in a timely and equitable manner.

SUSTAINABILITY IMPACT:

All of the options discussed herein would be in response to water supply shortages associated with the drought. The goal is to minimize additional demands on the City's water supply in order to maintain supplies to existing water customers, while balancing overall impact on the community.

ATTACHMENT(S): 1. Resolution on Landscape Design Standards for Water Conservation
2. Resolution on Stage 2 Drought Declaration and Regulations

PREPARED BY: Bettie Weiss, City Planner
Joshua Haggmark, Water Resources Manager

SUBMITTED BY: George Buell, Community Development Director
Rebecca Bjork, Public Works Director

APPROVED BY: City Administrator's Office

RESOLUTION NO. 08-083

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SANTA BARBARA ADOPTING THE LANDSCAPE
DESIGN STANDARDS FOR WATER CONSERVATION

WHEREAS, it is the policy of the City of Santa Barbara to promote water conservation;

WHEREAS, landscape irrigation represents a significant portion of the water use within the City;

WHEREAS, Sections 14.23.009 and 22.80.020 of the Santa Barbara Municipal Code requires projects subject to design review to comply with adopted Landscape Design Standards for Water Conservation;

WHEREAS, on June 27, 1989, the City of Santa Barbara adopted the Landscape Design Standards for Water Conservation; and

WHEREAS, there has been much advancement achieved through irrigation technology and sustainable landscaping practices in the last 19 years; therefore it is time to bring the standards up-to-date.

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

SECTION 1. The Landscape Design Standards for Water Conservation attached hereto as Exhibit A are hereby adopted as referenced in Santa Barbara Municipal Code Sections 14.23.009 and 22.080.020.

SECTION 2. Resolution Number 89-077, dated June 27, 1989, is hereby repealed.

City of Santa Barbara

**LANDSCAPE DESIGN STANDARDS
FOR WATER CONSERVATION**

Adopted August 12, 2008

I. Introduction

It is the policy of the City of Santa Barbara to promote water conservation. Santa Barbara Municipal Code Chapter 22.80 requires the adoption of the Landscape Design Standards for Water Conservation ("Landscape Design Standards.") These Landscape Design Standards are intended to promote water conservation while allowing the maximum possible flexibility in designing attractive and cost effective water-wise landscapes. The Landscape Design Standards were adopted by the Council of the City of Santa Barbara on June 27, 1989 as Resolution No. 89-077, and were updated on August 12, 2008 as Resolution No. 08-083.

II. Definitions

- A. Landscaped Area: All areas where new or altered landscaping is proposed as a part of a development proposal.
- B. Water Wise Plants: Those plants that are evaluated as needing "low" (10-30% ETo) or "very low" (<10% ETo) amounts of irrigation water as defined and listed by Water Use Classifications of Landscape Species (WUCOLS) at <http://www.owue.water.ca.gov/docs/wucols00.pdf> or other sources of water-wise plant water use classifications as verified by a licensed landscape architect.
- C. Turf: A groundcover surface of mowed grass, with an irrigation water need of >30% ETo.
- D. Weather Based Irrigation Controller: An irrigation controller that automatically adjusts the irrigation schedule based on changes in the weather.
- E. Design Review Body: The Architectural Board of Review, Single Family Design Board or the Historic Landmarks Commission.
- F. Public Works Director: The Director of the Public Works Department or his or her designee.
- G. Landscape Plan: Design plans with a planting plan, an irrigation plan, or both.

III. **Applicability**

Compliance with these landscape design standards is mandatory for all new or altered landscaping proposed as a part of projects that are subject to review by any design review body. (SBMC Section 22.80.020)

IV. **Compliance Requirements**

Applicants proposing new or altered landscaping shall comply with each of the following requirements in the design, installation, and maintenance of the landscaped area, unless an exception is granted pursuant to Section V.

A. Landscape Plan:

Applicants shall submit a landscape plan depicting the landscaped area and all existing landscaping to remain on the lot as determined by the Community Development Department.

B. Turf and Water Wise Plants:

1. The landscaped area of projects proposing exclusively commercial uses shall be designed without the use of turf and with 100% water wise plants.
2. The landscaped area of single family residential, multi-family residential, mixed-use, and institutional type projects shall be designed with no more than 20% of the landscaped area planted in turf or plants that are not water-wise plants.
3. Turf is not permitted in parkways, medians or other areas within the landscaped area with any dimension of less than eight feet. Turf shall not be used on slopes of 20% or greater within the landscaped area.
4. Notwithstanding requirements 1 and 2 above, additional turf areas may be recommended by the design review body to the Public Works Director for approval for areas designed and used for outdoor sporting and recreational activities.

C. Mulch:

The landscaped area, except those portions of the landscaped area planted with turf, groundcover, succulents or other low lying shrubs, shall be covered with mulch material to an average thickness of at least three inches throughout, except in the immediate vicinity of woody trunks. Additional mulch material shall be added from time to time as necessary in order to maintain the required depth of mulch.

- #### D. Irrigation:
- All new or altered irrigation systems proposed as part of a development proposal shall incorporate the following requirements in their design, installation, and maintenance:

1. Irrigation systems shall be designed and installed to avoid overspray and runoff. Valves shall be separated for individual hydrozones based on plant water needs and sun/shade requirements.
2. In the event that an automatic irrigation system is included in the landscape plan, a weather based irrigation controller with a rain shutoff sensor shall be required for the entire irrigation system.
3. ~~Areas less than eight feet wide shall be irrigated only with bubblers, rotating nozzles on pop-up bodies, sub-surface, or drip irrigation.~~
4. Drip irrigation shall be provided on at least 25% of the landscaped area.
5. All sprinklers shall have matched precipitation rates within each valve and circuit. All irrigation systems shall be designed to include optimum distribution uniformity, head-to-head spacing and setbacks from walkways and pavement.
6. All irrigation systems shall provide check valves at the low end of irrigation lines to prevent unwanted draining of irrigation lines.
7. Pressure regulators are required on the irrigation system, unless the Public Works Director determines a pressure regulator is not necessary.

E. Grading:

The grading of the landscaped area shall be designed, conducted, and maintained in order to achieve the following goals:

1. The grading shall encourage water retention and infiltration by preserving open space and creating depressed areas/swales.
2. The grading shall mimic natural, pre-development hydrologic flow paths.
3. The grading shall maintain and/or increase the width of flow paths in order to decrease flow rates.

V. **Exceptions**

Exceptions to these landscape design standards may be granted by the Public Works Director upon a finding that the exception will promote equivalent or greater water conservation than is provided for in the landscape design standards. Requests for exceptions shall be in writing and shall be submitted to the Public Works Director at the time the application is submitted to the design review body. The design review body may make a recommendation to the Public Works Director for consideration of an exception based on plant selection.

VI. **Submittals**

- A. Applicants shall provide all relevant information on the landscape plan, including botanical names for plant and turf species, percentage calculations of allowable areas of turf, medium or high water use plants, and water-wise plants, and specific requests for any exception to the requirements of these Landscape Design Standards. Requests for exceptions must be accompanied by documentation demonstrating that the finding of equivalent or greater water conservation can be made. Areas of existing landscaping to remain unaltered shall be indicated on the landscape plan.
- B. The landscape plan shall be prepared in accordance with the provisions of the California Business and Professions Code relating to the practice of landscape architecture (Business and Professions Code § 5641 et seq.).
- C. The landscape plan shall include a "Statement of Compliance" in a form approved by the City certifying that the landscape design complies with the mandatory elements of these Landscape Design Standards. The Statement of Compliance shall be signed by the person who prepared the plans.

VII. **Determination of Conforming Installation**

The person who prepared the landscape plan shall inspect the installation of the plantings and any irrigation system included in the plan and shall certify in writing that the installation substantially conforms to the approved Landscape Plan.

VIII. **Compliance Verification**

Verification of compliance with the Landscape Design Standards, as applicable, shall be made by the Community Development Department and the design review body in accordance with the following requirements:

- A. No development application shall be scheduled for final review by the design review body unless the landscape plan contains all required information and a statement of compliance in accordance with Section VI above.
- B. No building permit shall be issued unless the statement of compliance required by Section VI above has been included on the final landscape plan submitted for plan check.
- C. No building permit shall be given a final inspection or issued a certificate of occupancy until the Building Official receives a written determination of conformance as required by Section VII above.

RESOLUTION NO. 08-083

STATE OF CALIFORNIA)
)
COUNTY OF SANTA BARBARA) ss.
)
CITY OF SANTA BARBARA)

I HEREBY CERTIFY that the foregoing resolution was adopted by the Council of the City of Santa Barbara at a meeting held on August 12, 2008, by the following roll call vote:

AYES: Councilmembers Iya G. Falcone, Dale Francisco, Roger L. Horton, Helene Schneider, Das Williams; Mayor Marty Blum

NOES: None

ABSENT: Councilmember Grant House

ABSTENTIONS: None

IN WITNESS WHEREOF, I have hereto set my hand and affixed the official seal of the City of Santa Barbara on August 13, 2008.



Cynthia M. Rodriguez

Cynthia M. Rodriguez
City Clerk Services Manager

I HEREBY APPROVE the foregoing resolution on August 13, 2008.

Marty Blum

Marty Blum
Mayor

RESOLUTION NO. 14-027

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SANTA BARBARA DECLARING A STAGE TWO
DROUGHT CONDITION AND ESTABLISHING WATER
USE REGULATIONS TO BE EFFECTIVE DURING A
STAGE TWO DROUGHT CONDITION

WHEREAS, the City of Santa Barbara, along with the rest of the State of California, is experiencing one of the driest three-year periods on record and such conditions have resulted in the depletion of surface water resources that are the City's primary water supply;

WHEREAS, the City's 2010 Urban Water Management Plan sets forth the City's Water Shortage Contingency Plan;

WHEREAS, pursuant to the Water Shortage Contingency Plan, a Stage One Drought Condition was declared by Resolution No. 14-009 on February 11, 2014;

WHEREAS, since such declaration, there has been a continuing lack of rainfall sufficient to make a substantial improvement to the water supply situation, which has exacerbated the current drought, thereby making it increasingly desirable and necessary to conserve existing water supplies to protect the public health, safety and welfare if the current drought continues;

WHEREAS, the Water Shortage Contingency Plan provides that when the City determines that the water supply for the current or impending water year is anticipated to be approximately 10% less than projected normal demand, a Stage Two shall be declared, and such conditions now exist;

WHEREAS, SBMC Section 14.20.215 provides for the establishment, by resolution of the City Council, of water use regulations governing the use of water provided by the City's water distribution system during drought, and provides for exemptions to such regulations; and

WHEREAS, it is the intent of the City Council to minimize inequities resulting from the implementation of water use regulations.

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

SECTION 1. There does now exist within the City of Santa Barbara a Stage Two Drought Condition.

SECTION 2. For the protection of public health and safety, the following drought water use regulations regarding use of water from the City's water system are hereby established and shall remain in effect for the duration of the Stage Two Drought Condition, unless repealed or modified by resolution of the City Council:

a. Any use of water through a hose or outdoor faucet not otherwise addressed by these regulations is prohibited unless the water is delivered by use of a self-closing valve that requires operator pressure to activate the flow of water.

b. The use of running water from a hose, pipe, or faucet for the purpose of cleaning buildings, pavement, tile, wood, plastic, or other hard surfaces is prohibited.

Exceptions:

- i. Such use is allowed as a part of preventive maintenance of buildings and other facilities if accomplished by means of a pressure washer, defined herein to be equipment that boosts incoming water pressure for the purpose of enhancing cleaning capability and minimizing the amount of water used.
- ii. Such use is allowed when it is the only feasible means of correcting a potential threat to health and safety, provided it is accomplished by use of a pressure washer, mop, bucket, brush, and/or other tools to limit the use of running water to the minimum necessary.

No such use of water shall be eligible for exception if the required task can feasibly be accomplished by means other than the use of running water. The use of running water for dust control, including as a part of street sweeping operations, is allowed provided the use of water is the minimum necessary to accomplish the intended control of dust.

c. Irrigation of any grass, shrub, plant, tree, groundcover, or other vegetation by use of an automatically controlled irrigation system is allowed only between the hours of 6:00 p.m. and 8:00 a.m. If manually operated, such irrigation is allowed only between the hours of 4:00 p.m. and 10:30 a.m. Irrigation by hand-held hose is subject to the self-closing valve provision of Section 2.a.

Exception:

i. Irrigation accomplished by use of a water truck that delivers water by injection probe below mulch or below the soil surface is exempt from such scheduling limitations.

d. Vehicles and boats shall be washed only at commercial car washing facilities equipped with water recycling equipment, or by use of a hose, subject to the self-closing valve provision of Section 2.a. Operators of commercial car washing facilities shall post a notice in a conspicuous place advising the public as to whether their operations conform to

such requirements.

e. The use of water in ornamental water features and fountains is prohibited except that such prohibition shall not apply to ornamental water features and fountains that:

- i. Are located indoors or on residential properties; or
- ii. Have a total water surface area less than or equal to twenty five square feet; or
- iii. As of the adoption date of this resolution, are home to aquatic life, provided that water shall be used and circulated only to the extent needed to maintain suitable living conditions for such aquatic life.

f. Swimming pools and spas shall have a cover that conforms to the size and shape of the pool or spa and acts as an effective barrier to evaporation. The cover shall be in place during periods when use of the pool or spa is not reasonably expected to occur..

g. Draining and refilling up to one third of the volume of a pool per year is allowed as necessary to maintain suitable pool water quality. Draining and refilling in excess of such one third per year is prohibited, except as authorized by the Public Works Director based on evidence from qualified maintenance personnel that such further draining is required to make needed repairs, or to prevent equipment damage or voiding of warranties.

h. All restaurants and other eating establishments that provide table service shall post, in a conspicuous place, a Notice of Drought Condition as approved by the Public Works Director and shall refrain from serving water except upon specific request by a customer.

i. Operators of hotels, motels and other commercial establishments offering lodging shall post in each room a Notice of Drought Condition as approved by the Public Works Director.

j. Operators of pools, exercise facilities, and other similar commercial establishments providing showering facilities shall promote limitation of showering time and post a Notice of Drought Condition as approved by the Public Works Director in a conspicuous place.

SECTION 3. Violation of any regulation in this resolution is subject to the penalties and charges set forth in Santa Barbara Municipal Code Section 14.20.226.

RESOLUTION NO. 14-027

STATE OF CALIFORNIA)
)
COUNTY OF SANTA BARBARA) ss.
)
CITY OF SANTA BARBARA)

I HEREBY CERTIFY that the foregoing resolution was adopted by the Council of the City of Santa Barbara at a meeting held on May 20, 2014, by the following roll call vote:

- AYES: Councilmembers Dale Francisco, Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White; Mayor Helene Schneider
- NOES: None
- ABSENT: None
- ABSTENTIONS: None

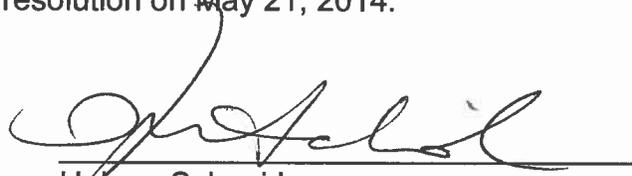
IN WITNESS WHEREOF, I have hereto set my hand and affixed the official seal of the City of Santa Barbara on May 21, 2014.





Susan Tschech, CMC
Deputy City Clerk

I HEREBY APPROVE the foregoing resolution on May 21, 2014.



Helene Schneider
Mayor



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 16, 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 *Frank Banales, Sebastian Aldana Jr., Jacqueline Inda, Cruzito Herrera Cruz, and Benjamin Cheverez, v. City of Santa Barbara, et al.*, SBSC Case No.1468167.

SCHEDULING: Duration, 15 minutes; anytime
REPORT: None anticipated
SUBMITTED BY: Ariel Calonne, City Attorney
APPROVED BY: City Administrator's Office