

**CITY OF SANTA BARBARA
CITY COUNCIL**

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



Paul Casey
City Administrator

Ariel Pierre Calonne
City Attorney

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

**FEBRUARY 24, 2015
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 regular meetings (cancelled) of January 20, and February 17, 2015, the regular meetings of January 27, February 3, and February 10, 2015, and the special meeting of January 26, 2015.

2. Subject: Adoption Of Ordinance For Access License And Lease Agreement With High Sierra Grill Santa Barbara, Inc. (330.04)

Recommendation: That Council adopt, by reading of title only, An Ordinance Of The Council Of The City Of Santa Barbara Approving And Authorizing the Airport Director To Execute A Ten-Year Access License And Lease Agreement, With Three Five-Year Options, With High Sierra Grill Santa Barbara, Inc., A California Corporation, For 79,752 Square Feet Of Land, Including 8,695 Square Feet Of Building 252, At 521 Norman Firestone Road, At The Santa Barbara Airport, Effective Upon The Earlier Of The Completion Of City Improvements Or Nine Months After The License Commencement Date, For A Monthly Rental Of \$12,694.

3. Subject: January 2015 Investment Report (260.02)

Recommendation: That Council accept the January 2015 Investment Report.

CONSENT CALENDAR (CONT'D)

4. **Subject: Purchase Order For UCP / Work, Incorporated (570.03)**

Recommendation: That Council find it in the City's best interest to waive the formal bid procedure as authorized by Municipal Code Section 4.52.070 (L), and authorize the General Services Manager to issue a purchase order to UCP / Work, Incorporated for janitorial services at the Waterfront Department for Fiscal Year 2016 in an amount not to exceed \$291,066 and for Fiscal Year 2017 in an amount not to exceed \$307,541.

5. **Subject: Contract For Design Of Cacique And Soledad Pedestrian/Bicycle Bridges And Corridor Improvements Project (530.04)**

Recommendation: That Council:

- A. Authorize the Public Works Director to execute a City Professional Services contract with Bengal Engineering, Inc., in the amount of \$442,702 for design services of the Cacique and Soledad Pedestrian/Bicycle Bridges and Corridor Improvements Project, and authorize the Public Works Director to approve expenditures of up to \$44,270 for extra services of Bengal Engineering, Inc., that may result from necessary changes in the scope of work;
- B. Appropriate \$86,972 from Streets Capital Fund Reserves to cover the City's costs associated with the design phase; and
- C. Increase appropriations and estimated revenues related to the Active Transportation Program Grant by \$400,000 in the Fiscal Year 2015 Streets Grant Fund for the Cacique and Soledad Pedestrian/Bicycle Bridges and Corridor Improvements Project.

6. **Subject: Rejection Of Community Development Block Grant Westside Center Bathroom Renovation Project Bids (610.04)**

Recommendation: That Council reject the bids for the construction of the Community Development Block Grant Westside Center Bathroom Renovation Project, Bid No. 3769, and authorize the Public Works Director to re-bid the project.

CONSENT CALENDAR (CONT'D)

7. Subject: Approval Of Amendments To The Agreements For An Energy Efficiency Revolving Fund Study (630.06)

Recommendation: That Council:

- A. Authorize the Public Works Director to amend the Professional Services Agreement for an Energy Efficiency Revolving Fund Study between the Cadmus Group and the City of Santa Barbara extending the agreement completion date for an additional year; and
- B. Authorize the Public Works Director to negotiate and execute an amendment to agreement with Southern California Edison (SCE) for Energy Efficiency Revolving Fund Study Award.

8. Subject: Appropriation Of Community Development Block Grant Funds For Youth Apprenticeship And Santa Barbara Arts Alliance Programs (610.05)

Recommendation: That Council increase appropriations and estimated revenues in the Fiscal Year 2015 Parks and Recreation Department General Fund in the amount of \$15,000 for two Community Development Block Grant (CDBG) awards.

9. Subject: Amendment To Agreement With Collision And Injury Dynamics, Inc. For Consulting Services Relating To *Delgadillo v. City Of Santa Barbara* (160.01)

Recommendation: That Council authorize the City Attorney to execute an amendment to the agreement for consultant/expert witness services (Contract No. 21400161) with Collision and Injury Dynamics, Inc., to amend the Compensation and Costs provision, increasing the contract amount by \$54,751.80, from \$15,000 to \$69,751.80.

10. Subject: Donation From The Van Donge Family For The Police Memorial Statue Project (520.04)

Recommendation: That Council accept a donation of \$5,000 from the Van Donge family for the Police Department's Memorial Statue Project; and increase appropriations and estimated revenues by \$5,000 in the Police Department Miscellaneous Grants Fund.

CONSENT CALENDAR (CONT'D)

11. **Subject: Set A Date For Public Hearing Regarding Single Family Design Board's Project Design Approval for 1912 Mission Ridge Road (640.07)**

Recommendation: That Council:

- A. Set the date of March 3, 2015, at 2:00 p.m. for hearing the appeal filed by Susan M. Basham of Price, Postel & Parma, LLP of the Single Family Design Board's Project Design Approval for project owned by Craig Morrison and located at 1912 Mission Ridge Road, Assessor's Parcel No.: 019-083-021, A-1 Zone; Application No. MST2014-00585. This project proposes a 22 square foot first-floor addition and a 530 square foot second-floor addition to an existing 2,146 square foot one-story, single-family residence with an attached 658 square foot garage. The proposal includes one new uncovered parking space, a 194 square foot covered patio at the entry, a 158 square foot second-story deck, a raised pool and surrounding deck, and interior remodel work. It also includes permitting an "as-built" air conditioning condenser unit, relocation of the pool equipment enclosure, and a new driveway and pedestrian gate; and
- B. Set the date of March 2, 2015, at 1:30 p.m. for a site visit to the property located at 1912 Mission Ridge Road.

12. **Subject: Set A Date For Public Hearing Regarding Appeal Of Historic Landmarks Commission Approval For 1320 Olive Street (640.07)**

Recommendation: That Council:

- A. Set the date of April 7, 2015, at 2:00 p.m. for hearing the appeal filed by Mindy Wolfe, et. al., of the Historic Landmarks Commission's Project Design Approval of an application for property owned by Brian McInerney and located at 1320 Olive Street, Assessor's Parcel No. 029-091-034, R-3 Limited Multiple-Family Zone, General Plan Designation: Medium-High Density Residential (15-27 Dwelling Units/Acre). The project proposes construction of a new 1,820 square-foot, two-story duplex building on the northern side of the property, under the Average Unit Density (AUD) Program. New construction will be comprised of a 544 square-foot one-bedroom unit above a 400 square-foot two-car garage, and an attached two-story, 684 square-foot one-bedroom unit with a one-car carport. The lot is currently developed with a 1,785 square-foot, one-story duplex building which will remain with no alterations; this existing building is a contributing resource to the potential Bungalow Haven Historic District. The proposal will result in a total of four residential units and four parking spaces. The project also addresses violations identified in a Zoning Information Report; and
- B. Set the date of April 6, 2015, at 1:30 p.m. for a site visit to the property located at 1320 Olive Street.

CONSENT CALENDAR (CONT'D)

NOTICES

13. The City Clerk has on Thursday, February 19, 2015, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concludes the Consent Calendar.

PUBLIC HEARINGS

14. **Subject: Request For Designation Of 6100 Hollister Avenue (Direct Relief) As A Community Benefit Project (610.04)**

Recommendation: That Council find the proposed development of 6100 Hollister Avenue for Direct Relief, a Community Benefit Project pursuant to Santa Barbara Municipal Code §28.85.020.A.1, allocate 80,000 square feet of nonresidential floor area to the project, and reserve an additional 30,000 square feet for future development from the Community Benefit Project category.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

15. **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**

**REGULAR MEETING
January 20, 2015
COUNCIL CHAMBER, 735 ANACAPA STREET**

The regular meeting of the City Council, scheduled for 2:00 p.m. on January 20, 2015, was cancelled by the Council on November 18, 2014.

The next regular meeting of the City Council is scheduled for January 27, 2015, at 2:00 p.m. in the Council Chamber.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST: _____
GWEN PEIRCE, CMC
CITY CLERK SERVICES MANAGER



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING January 26, 2015 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 1:45 p.m.

ROLL CALL

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

Councilmembers absent: Dale Francisco.

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

PUBLIC COMMENT

No one wished to speak.

NOTICES

The City Clerk has on Thursday, January 22, 2015, 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: 511 Brosian Way

Recommendation: That Council make a site visit to the property located at 511 Brosian Way, which is the subject of an appeal hearing scheduled for January 27, 2015, 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 2:03 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

DEBORAH L. APPLGATE
DEPUTY CITY CLERK



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING January 27, 2015 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:00 p.m. (The Finance Committee met at 12:30 p.m., and 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, Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White (2:02 p.m.), Mayor Schneider.

Councilmembers absent: None.

Staff present: Acting City Administrator Paul Casey, City Attorney Ariel Pierre Calonne, Deputy City Clerk Deborah L. Applegate.

RECESS

Mayor Schneider recessed the meeting at 2:02 p.m. in order for the Council to reconvene in closed session for Agenda Item No. 1, and she stated that reportable action is anticipated.

CLOSED SESSIONS

1. **Subject: Public Employee Appointment And Compensation Negotiations (170.01)**

Recommendation: That Council hold a closed session with Dave Morgan from Ralph Andersen and Associates, and Kristine Schmidt, Administrative Services Director, pursuant to CA Government Code Section 54957(b)(1) and Section 54957.6 regarding the appointment of a City Administrator and negotiations regarding the salary and fringe benefits for the City Administrator.

(Cont'd)

1. (Cont'd)

Scheduling: Duration, 30 minutes; anytime
Report: Yes

Documents:

January 27, 2015, report from the City Attorney.

Time:

2:01 p.m. – 2:13 p.m.

Announcement:

Mayor Schneider reported that after conducting a rigorous nationwide search, and two rounds of interviews, the Council voted seven to zero to appoint Paul Casey as the City Administrator for the City of Santa Barbara.

PUBLIC COMMENT

Speakers: Etelvina Menchaca; Dante Omar, Omar's Travel; Michael Baner, United Boys and Girls Clubs; Bob Hanson; Tom Widroe, Santa Barbara City Watch; Olivia Carranza; Rosemary Munoz; Jared Gorin, Milpas Community Association; Heribetel Villarreal.

CONSENT CALENDAR (Item Nos. 2 - 19)

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

Motion:

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

Vote:

Unanimous roll call vote.

2. Subject: Minutes

Recommendation: That Council waive further reading and approve the minutes of the regular meetings of December 9, 2014, and January 13, 2015, and the special meetings of January 12, and January 16, 2015.

Action: Approved the recommendation.

3. Subject: Revision To Records Management Program To Add Retention Policy For Video Feed From Security Cameras (160.06)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Amending the City's Records Management Program to Add a Retention Policy for Video Feed From Security Cameras.

Action: Approved the recommendation; Resolution No. 15-003 (January 27, 2015, report from the Administrative Services Director; proposed resolution).

4. Subject: December 31, 2014, Investment Report And December 31, 2014, Fiscal Agent Report (260.02)

Recommendation: That Council:

- A. Accept the December 31, 2014, Investment Report; and
- B. Accept the December 31, 2014, Fiscal Agent Report.

Action: Approved the recommendation (January 27, 2015, report from the Acting Assistant City Administrator).

5. Subject: Fiscal Year 2015 Interim Financial Statements For The Five Months Ended November 30, 2014 (250.02)

Recommendation: That Council accept the Fiscal Year 2015 Interim Financial Statements for the Five Months Ended November 30, 2014.

Action: Approved the recommendation (January 27, 2015, report from the Acting City Administrator).

6. Subject: Adoption Of Ordinance To Approve The Extension For The South Coast Energy Efficiency Partnership Agreement (630.06)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Authorizing the Public Works Director to Execute an Extension of the 2010-2014 Energy Partnership Agreement Between the Southern California Edison Company, the Southern California Gas Company, and the City of Santa Barbara to Cover the 2015 Transition Period.

Action: Approved the recommendation. Ordinance No. 5679; Agreement No. 23,275.2.

7. Subject: Donation From The Santa Barbara Police Foundation For The Purchase Of Surveillance Equipment (520.04)

Recommendation: That Council accept a donation of \$5,000 from the Santa Barbara Police Foundation for the purchase of night vision and surveillance equipment for the Criminal Impact Team; and thereby increase appropriations and estimated revenues by \$5,000 in the Police Department Miscellaneous Grants Fund.

Action: Approved the recommendation (January 27, 2015, report from the Chief of Police).

8. Subject: Accept Donation To Fund Police Canine Unit Trust Fund (520.04)

Recommendation: That Council accept an anonymous donation of \$500 from a private donor for the Police Canine Unit Trust Fund.

Action: Approved the recommendation (January 27, 2015, report from the Chief of Police).

9. Subject: Acceptance Of Grant Funds For Gang Reduction, Intervention, And Prevention Activities In 2015 (520.04)

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Accepting a One-Year \$246,852 Grant from the Board Of State and Community Corrections (BSCC) to Implement the California Gang Reduction, Intervention, And Prevention (CalGRIP) Program to Administer the Santa Barbara South Coast Youth Empowerment Internship for 2015;
- B. Increase Fiscal Year 2015 estimated revenues and appropriations in the Miscellaneous Grants Fund by \$246,852; and
- C. Authorize the City Administrator to enter into an agreement with the Board of State and Community Corrections (BSCC) to accept and distribute the CalGRIP calendar year 2015 grant funds.

Action: Approved the recommendations; Resolution No. 15-004; Agreement No. 25,078 (January 27, 2015, report from the Acting City Administrator; proposed resolution).

10. Subject: Parks And Recreation Community Foundation Contributions (570.05)

Recommendation: That Council:

- A. Accept a contribution from the Parks and Recreation Community (PARC) Foundation in the amount of \$32,266.83 for Parks and Recreation Department programs; and
- B. Increase appropriations and estimated revenues in the Fiscal Year 2015 Parks and Recreation Department Miscellaneous Grants Fund in the amount of \$32,266.83.

Action: Approved the recommendations (January 27, 2015, report from the Parks and Recreation Director).

11. Subject: Appropriate Reserves For The El Estero Wastewater Treatment Plant Digester Lining Project (540.13)

Recommendation: That Council:

- A. Appropriate \$502,941 from Wastewater Fund Reserves to the El Estero Wastewater Treatment Plant Digester Lining Project to address the need for unplanned maintenance and repair; and
- B. Authorize the Public Works Director to increase the contract with MNS Engineering, Inc., in the amount of \$36,070 for construction support service; for a total contract amount of \$96,130.

Action: Approved the recommendations; Agreement No. 25,031.1 (January 27, 2015, report from the Public Works Director).

12. Subject: Introduction Of Ordinance Approving An Amendment To The Agreement To Use Recycled Water For Pilgrim Terrace Homes (540.13)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving the Amendment to the Agreement Between the City of Santa Barbara and Pilgrim Terrace Homes for Purchase, Use, and Delivery of the City's Recycled Water.

Action: Approved the recommendation (January 27, 2015, report from the Public Works Director; proposed ordinance).

13. Subject: Approve HVAC Controls Standardization And Professional Services Agreement (320.01)

Recommendation: That Council:

- A. Find it in the City's best interest to standardize to the Carrier I-Vu Building Automation System for all new buildings and major heating, ventilation and air conditioning systems; and

(Cont'd)

13. (Cont'd)

- B. Authorize the Public Works Director to negotiate with and execute a professional services agreement with West Coast Power Solutions for the design, supply and integration of the Carrier I-Vu Building Automation Systems for one year in an amount not to exceed \$75,000, with four one-year renewal options.

Action: Approved the recommendations; Agreement No. 25,079 (January 27, 2015, report from the Public Works Director).

14. Subject: Authorization Pledging Wastewater Fund Net Revenue To Payment Of A Clean Water State Revolving Fund Financing Agreement (540.13)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Pledging the Wastewater Fund Net Revenue to Payment of a Clean Water State Revolving Fund Financing Agreement.

Action: Approved the recommendation; Resolution No. 15-005 (January 27, 2015, report from the Public Works Director, proposed resolution).

15. Subject: Appropriation Of Funds And Authorization For Deposit Of Funds For Condemnation Action For The Cabrillo Boulevard Bridge Replacement (530.04)

Recommendation: That Council:

- A. Increase appropriations and estimated revenues related to the Federal Highway Administration Grant by \$3,673,995 in the Fiscal Year 2015 Streets Capital Fund for the Cabrillo Boulevard Bridge Replacement Project;
- B. Authorize an increase in estimated revenues and appropriations of \$200,000 in the Streets Capital Fund to cover the cost of legal services to the City on matters related to the Cabrillo Boulevard Bridge Replacement Project funded from anticipated future sale of surplus properties acquired for current bridge replacement projects; and
- C. Authorize the Public Works Director to make a deposit of the probable condemnation compensation amount of Three Million Five Hundred Forty Seven Thousand Dollars (\$3,547,000) to the State of California Treasury, or directly to the property owner of the properties at 13 (AKA 15) East Cabrillo Boulevard (APN: 033-111-012), 21 Helena Avenue (APN: 033-111-004), and 6 State Street (APN: 033-111-011), as determined by the Stipulation for Possession.

Action: Approved the recommendations; Agreement No. 25,080 (January 27, 2015, report from the Public Works Director).

16. Subject: Approval Of Professional Services Agreement For Citywide Wayfind Directional Signage Program (530.05)

Recommendation: That Council authorize the Public Works Director to execute a Professional Services Agreement with Hunt Design in the amount of \$91,300 to review the City's existing directional signage, offer suggestions for elimination and/or retention of the current inventory, and design a comprehensive, attractive, and cohesive Citywide Wayfind Directional Signage Program to improve multi-modal access, identification and connectivity within and about Santa Barbara, and authorize the Public Works Director to approve expenditures of up to \$14,895 for extra services of Hunt Design that may result from necessary changes in the scope of work.

Action: Approved the recommendation; Agreement No. 25,081 (January 27, 2015, report from the Public Works Director).

17. Subject: Adoption Of Ordinance For Lease Agreement With The U.S. Department Of Commerce, National Oceanic And Atmospheric Administration (NOAA) (330.04)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving and Authorizing the Airport Director to Execute a Ten-Year Lease Agreement with the United States Department of Commerce, National Oceanic and Atmospheric Administration, for 2,500 Square Feet of Unimproved Land at 1605 Cecil Cook Place, at the Santa Barbara Airport, Effective Upon the Adoption of the Enabling Ordinance, for a Monthly Rental of \$312.50, Exclusive of Utilities.

Action: Approved the recommendation; Ordinance No. 5679; Agreement No. 25,082.

18. Subject: Authorization For Agreement For Legal Services With Nielsen Merksamer Parrinello Gross & Leoni, LLP (160.01)

Recommendation: That Council:

- A. That Council authorize the City Attorney to execute a legal services agreement with Nielsen Merksamer Parrinello Gross & Leoni, LLP, in an amount not to exceed \$400,000 for special counsel services to the City on matters related to the pending California Voting Rights Act litigation, *Banales, et al. v. City of Santa Barbara*; and
- B. Increase appropriations in the General Fund, City Attorney's Office, by \$400,000 from unappropriated reserves to cover the cost of the contract for legal services.

Action: Approved the recommendations; Agreement No. 25,083 (January 27, 2015, report from the City Attorney).

NOTICES

19. The City Clerk has on Thursday, January 22, 2015, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concluded the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

Finance Committee Chair Francisco stated that the Finance Committee accepted the December 31, 2014, Investment Report and Fiscal Agent Report and provided recommendations to Staff regarding options to improve the long-term financial sustainability of the municipal golf course which will be presented to Council at a future date.

MAYOR AND COUNCIL REPORTS

20. Options For Filling Unscheduled Vacancy On The Single Family Design Board (140.05)

Recommendation: That Council provide direction to staff on filling an unscheduled vacancy on the Single Family Design Board.

Documents:

January 27, 2015, report from the Administrative Services Director and the Community Development Director.

Speakers:

- Staff: Senior Planner II Jaime Limon, City Attorney Calonne.
- Members of the Public: Jarrett Gorin, VanGuard Planning.

Motion:

Councilmember Francisco/Hotchkiss to direct staff to return to the next Council meeting with an item to make an interim appointment of Paul Zink.

Vote:

Unanimous voice vote.

21. Subject: Report From Infrastructure Committee On Public Outreach Findings (320.01)

Recommendation: That Council:

- A. Receive a report from the Council Infrastructure Committee on findings from the public outreach effort on the City's street, park and facility needs; and

(Cont'd)

21. (Cont'd)

- B. Direct staff to return to Council with a proposal to hire a consultant to conduct a formal poll to get more community input on infrastructure funding options.

Documents:

January 27, 2015, report from the Acting City Administrator.

Speakers:

- Staff: Assistant to City Administrator Nina Johnson.
- Members of the Public: Bonnie Raisin.

Motion:

Councilmember White/Rowse to approve the staff recommendations.

Vote:

Unanimous voice vote.

PUBLIC HEARINGS

22. Subject: Appeal Of Planning Commission And Single Family Design Board Approvals Of 511 Brosian Way (640.07)

Recommendation: That Council deny the appeal of Patricia Foley of the application of Brian Cearnal, architect for John and Grace Park, and uphold the Planning Commission's approval of a Coastal Development Permit and the Single Family Design Board's Project Design Approval for the proposed single-family residence; and direct staff to return to Council with Decision and Findings reflecting the outcome of the appeal.

Documents:

- January 27, 2015, report from the Community Development Director.
- PowerPoint presentation prepared and made by Staff.
- Letters and e-mails:
 - January 17, 2015, from Jim Breen.
 - January 20, 2015, from Curry Sawyer.
 - January 20, 2015, from Allied Neighborhoods Association, by Joe Rution, President.
 - January 20, 2015, from Carl A. Kocher.
 - January 20, 2015, from Andrew & Penelope Gottlieb.
 - January 20, 2015, from Don Santee.
 - January 20, 2015, from Margaret Niehaus.
 - January 20, 2015, from Marcia Hanson.
 - January 21, 2015, from Karen McElwain.
 - January 21, 2015, from Patricia Foley.
 - January 21, 2015, from Laura Carlos Pomerantz.

(Cont'd)

22. (Cont'd)

- January 21, 2015, from Kail Wathne.
- January 22, 2015, from Dr. & Mrs. Ronald F. Green.
- January 22, 2015, from Lori Rafferty.
- January 22, 2015, from Walter Knapp.
- January 22, 2015, from Curry Sawyer.
- January 23, 2015, from Lori Rafferty.
- January 26, 2015, from Mary Weisman.
- January 14, 2015, from Ayesha Shaikh, M.D.
- January 20, 2015, from Robert and Barbara Corlett.
- January 20, 2015, from Jennifer Conrow.
- January 21, 2015, from Nancy L. Marr.
- January 21, 2015, from Ry Chung.
- January 19, 2015, from Grace and John Park.
- January 22, 2015, from Andrew Osburn.
- January 22, 2015, from Tim Collins.
- January 26, 2015, from Daniel Gullett.
- January 26, 2015, from Lori Rafferty.
- January 27, 2015, from Cindy Evans.

Public Comment Opened:
4:39 p.m.

Speakers:

- Staff: Assistant Planner Anthony Boughman.
- Single Family Design Board: Chair Fred Sweeney.
- Appellant: Patricia Foley.
- Applicant: Brian Cearnal, AIA; Dr. John Park.
- Members of the Public: Taka Nomvra; Pat Marquart; Kitch Wilson; Robert Foronzandeh; (David Young, note read); Lori Rafferty; Joe Rution, Allied Neighborhood Association.

Public Comment Closed:
4:59 p.m.

Motion:

Councilmember White/Hotchkiss to deny the appeal thereby upholding the Coastal Development Permit and the Project Design Approval for the project located at 511 Brosian Way, making the findings required by Sections 28.44.150 and 22.69.050 of the Santa Barbara Municipal Code; and directed the City Attorney to draft a Resolution of Findings and return to Council for approval.

Vote:

Unanimous voice vote.

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Hotchkiss reported on his attendance at the following meetings
1) the Airport Commission where they approved the new tenant, High Sierra Grill House to locate in the former space of the Elephant Bar Restaurant; 2) Visit Santa Barbara where they gave a presentation on the progress of the Santa Barbara Inn construction; and 3) Milpas Action Task Force where they announced that Casa Esperanza Homeless Shelter has merged with People Assisting The Homeless (PATH), a 501 (c)(3) organization based in Los Angeles.
- Councilmember Murillo spoke regarding her attendance at the following meetings and events: 1) Santa Barbara Trust For Historic Preservation meeting where Donald Sharpe, member of the Historical Landmarks Commission, was recognized for his many contributions in preserving and restoring historic sites in Santa Barbara County; 2) South Coast Affordable Housing Task Force meeting; 3) League of Women Voters event; 4) Martin Luther King March; 5) Protest of the Newspress; and 6) Neighborhood Advisory Council meeting.
- Councilmember Rowse reported on his attendance at the Downtown Parking Committee meeting and the Mesa Neighborhood group.
- Mayor Schneider reported on her attendance at the United States Conference of Mayors' 83rd Winter Meeting in Washington D.C. where as co-chair of the Task Force on Hunger and Homelessness, she gave a report on the Santa Barbara's Summer Meals Program which provides free breakfast and lunch to needy children.

RECESS

The Mayor recessed the meeting at 5:30 p.m. in order for the Council to reconvene in closed session for Item Nos. 23 and 24, and she stated that no reportable action is anticipated.

CLOSED SESSIONS (CONT'D)

23. 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, 30 minutes; anytime

Report: None anticipated

Documents:

January 27, 2015, report from the City Attorney.

(Cont'd)

23. (Cont'd)

Time:

5:30 p.m. – 5:45 p.m.

No report made.

24. Subject: Conference With City Attorney - Anticipated Litigation (160.03)

Recommendation: That Council hold a closed session to consider anticipated litigation pursuant to subsections 54956.9(d)(2) & (e)(2) of the Government Code and take appropriate action as needed. Significant exposure to litigation arising out of Mr. Scott Steepleton's request for public records relating to the deliberative process of Councilmember Cathy Murillo.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

Documents:

January 27, 2015, report from the City Attorney.

Time:

5:45 p.m. – 6:05 p.m.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 5:29 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST: _____
DEBORAH L. APPLIGATE
DEPUTY CITY CLERK



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING February 3, 2015 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:01 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, Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.

Councilmembers absent: None.

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

CEREMONIAL ITEMS

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

Recommendation: That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through February 28, 2015.

Documents:

February 3, 2015, report from the Administrative Services Director.

Speakers:

Staff: City Administrator Paul Casey, Award Recipient Sarah Dunn.

(Cont'd)

1. (Cont'd)

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

10-Year Pin

Chelsea Swanson, Assistant Planner, Public Works Department
Joe Gonzales, Facilities Maintenance Supervisor, Public Works Department
Mary Lou Chavez Sanabria, Waterfront Maintenance Worker I, Waterfront Department

15-Year Pin

Adrian Gutierrez, Police Officer, Police Department
Linda West, Senior Public Works Inspector, Public Works Department
Shawn Martin, Water Treatment Plant Operator III, Public Works Department

25-Year Pin

Randy Webb, Survey Technician II, Public Works Department

35-Year Pin

Jose Marquez, Water Distribution Supervisor, Public Works Department
Sarah Dunn, Senior Library Technician, Library Department

2. **Subject: 2015 Historic Landmarks Commission Design Awards (640.03)**

Recommendation: That Council join the Historic Landmarks Commission in presenting its 2015 Design Awards.

Documents:

- February 3, 2015, report from the Community Development Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Senior Planner Jaime Limón.
- Award Recipients: Brian Cearnal; Jason Currie, PMSM Architects; Derek Westen, Ensemble Theatre Company; Phil Suding, representing Katie O-Reilly Rogers; Courtney Jane Miller; Barbara Lowenthal and Anthony Spann, Harrison Design Associates; Donald Sharpe.

The Mayor presented the award recipients with personalized tile plaques.

CHANGES TO THE AGENDA

Item Removed from Agenda

City Administrator Paul Casey recommended that the following item be continued to February 10, 2015:

14. Subject: Mission Park To Mission Canyon Multimodal Improvements Plan (670.08)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Making the Mission Park to Mission Canyon Multimodal Improvements Plan a Project in the City's Capital Improvement Program and Direct Public Works Staff to Work with the County of Santa Barbara to Seek Funding for Design and Construction.

Motion:

Councilmembers Rowse/White to continue Item No. 14 to February 10, 2015.

Vote:

Unanimous voice vote.

PUBLIC COMMENT

Speakers: Lee Moldaver; Melody Joy Baker; Lori Gaskin, Santa Barbara City College; Phil Walker; Tom Widroe, City Watch; Marta Cruz, speaking for Elena Hernández.

CONSENT CALENDAR (Item Nos. 3 – 9)

The titles of the ordinance and resolution related to Consent Calendar items were read.

Motion:

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

Vote:

Unanimous roll call vote.

3. Subject: Adoption Of Ordinance Approving An Amendment To The Agreement To Use Recycled Water For Pilgrim Terrace Homes (540.13)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving the Amendment to the Agreement Between the City of Santa Barbara and Pilgrim Terrace Homes for Purchase, Use, and Delivery of the City's Recycled Water.

Action: Approved the recommendation; Ordinance No. 5681; Agreement No. 24,113.1.

4. Subject: Contract For Construction Of The Cota Street Bridge Replacement Project (530.04)

Recommendation: That Council:

- A. Award a contract with Granite Construction Company in their low bid amount of \$4,956,146 for construction of the Cota Street Bridge Replacement Project, Bid No. 3589, and authorize the Public Works Director to execute the contract and approve expenditures up to \$495,615 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;
- B. Authorize the Public Works Director to execute a City Professional Services contract with Filippin Engineering in the amount of \$620,070 for construction management services for the Cota Street Bridge Replacement Project, and authorize the Public Works Director to approve expenditures of up to \$62,007 for extra services that may result from necessary changes in the scope of work;
- C. Authorize the Public Works Director to execute a City Professional Services contract with Bengal Engineering, Inc., in the amount of \$86,313 for engineering design support services for the Cota Street Bridge Replacement Project, and authorize the Public Works Director to approve expenditures of up to \$8,631 for extra services that may result from necessary changes in the scope of work;
- D. Increase appropriations and estimated revenues related to the Federal Highway Administration Grant by \$5,489,520 in the Fiscal Year 2015 Streets Capital Fund for the Cota Street Bridge Replacement Project;
- E. Authorize an increase in appropriations and estimated revenues of \$758,617 in the Streets Capital Fund from revenues anticipated through the future sale of surplus properties acquired for current bridge replacement projects to cover the City's share of the cost of construction;
- F. Authorize the Public Works Director to execute a Protect in Place and Release of Liability Agreement with Verizon California; and
- G. Increase appropriations and estimated revenues by \$247,500 in the Fiscal Year 2015 Streets Capital Fund, representing Verizon California's share of the construction contract for the Cota Street Bridge Replacement Project pursuant to the Protect in Place and Release of Liability Agreement.

Action: Approved the recommendations; Contract Nos. 25,087 - 25,089; Agreement No. 25,090 (February 3, 2015, report from the Public Works Director).

5. Subject: City Administrator Employment Agreement And Amendment Of City Attorney Employment Agreement (450.01)

Recommendation: That Council:

- A. Approve, and authorize the Mayor to execute, an employment agreement with Paul Casey to serve as the City Administrator effective February 3, 2015; and
- B. Approve, and authorize the Mayor to execute, an amended and restated employment agreement between the City and Ariel Pierre Calonne, City Attorney, to remove sections of Agreement No. 24,713 attaching health and welfare benefit changes to those provided to other management employees.

Action: Approved the recommendations; Agreement Nos. 25,091 and 24,713.1 (February 3, 2015, report from the Administrative Services Director).

6. Subject: Amend Position and Salary Control Resolution To Include Salary Range For City Administrator (410.06)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Amending Resolution No. 14-046, the Position and Salary Control Resolution for Fiscal Year 2015, to Add a Salary Range for the City Administrator.

Speakers:

Members of the Public: Tom Widroe, City Watch.

Action: Approved the recommendation; Resolution No. 15-006 (February 3, 2015, report from the Administrative Services Director; proposed resolution).

7. Subject: Emergency Appointment Of Paul Zink To The Single Family Design Board (640.03)

Recommendation: That Council confirm the emergency appointment of Paul Zink to the Single Family Design Board on an interim basis until the Council makes a final appointment.

Action: Approved the recommendation (February 3, 2015, report from the Administrative Services Director).

8. Subject: Authorize Actions Regarding Agreements For Professional Services Relating To Reactivating The Charles E. Meyer Desalination Facility (540.10)

Recommendation: That Council:

- A. Authorize the City Attorney to amend Professional Services Agreement Number 24,835 with Hanson Bridgett, LLP, to increase the not-to-exceed amount from \$100,000 to \$150,000 for legal support services related to contracting for services to design, build, and operate the Desalination Facility, and other contractual requirements as needed;
- B. Authorize the City Attorney to execute a Professional Services Agreement with Orrick, Herrington & Sutcliffe, LLP, in the not-to-exceed amount of \$30,000 to provide bond counsel services to assist the City with financing for reactivation of the Charles E. Meyer Desalination Facility; and
- C. Appropriate \$155,000 from Water Fund reserves for the transfer of funds to the Water Drought Fund for professional services related to the reactivation of the Charles E. Meyer Desalination Facility.

Action: Approved the recommendations; Agreement Nos. 24,835.2 and 25,092 (February 3, 2015, joint report from the City Attorney and Public Works Director).

NOTICES

- 9. The City Clerk has on Thursday, January 29, 2015, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concluded the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

Finance Committee Chair Dale Francisco reported that the Committee met to consider a Staff recommendation for approval of additional funds for the development of low income rental housing at 510-520 N. Salsipuedes Street and 601 E. Haley Street. The Committee approved the recommendation, which will be submitted to the full Council on February 10, 2015. The Committee also received a Staff report on the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2014, which will be presented to the full Council as Agenda Item No. 12.

PUBLIC HEARINGS

10. Subject: Designation Of Joseph Knowles Mural, First Church Of Christ, Scientist, And Mont Joie Residence As City Landmarks (640.06)

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Designating the Joseph Knowles Mural at 38 West Victoria Street (Formerly Known as 34 West Victoria Street Along 1200 Block of Chapala Street) as a City Landmark;
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Designating the First Church of Christ, Scientist, at 116-120 East Valerio Street as a City Landmark; and
- C. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Designating the Mont Joie Residence at 931 Las Alturas Road as a City Landmark.

Documents:

- February 3, 2015, report from the Community Development Director.
- Proposed Resolutions.
- Affidavit of Publication.
- PowerPoint presentation prepared and made by Staff.

The titles of the resolutions were read.

Public Comment Opened:
2:45 p.m.

Speakers:

- Staff: Associate Planner Nicole Hernandez.
- Members of the Public: Richard Kentro, First Church of Christ, Scientist.

Public Comment Closed:
2:57 p.m.

Motion:

Councilmembers White/Hotchkiss to approve the recommendations;
Resolution Nos. 15-007 – 15-009.

Vote:

Unanimous roll call vote.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

ADMINISTRATIVE SERVICES DEPARTMENT

11. **Subject: Civic Engagement Plan Regarding District Elections (110.03)**

Recommendation: That Council:

- A. Consider and approve, in concept, an outreach plan to ensure civic engagement in the question of implementing by-district Council elections; and
- B. Direct the Administrative Services Director to negotiate and return to Council with an agreement with National Demographics Corporation, Inc., in an amount to be determined, to develop tools to facilitate the public input process.

Documents:

February 3, 2015, report from the Administrative Services Director.

Speakers:

- Staff: Administrative Services Director Kristine Schmidt, City Attorney Ariel Calonne.
- Members of the Public: Tom Widroe, City Watch; Lanny Ebenstein; Lucas Zucker, CAUSE.

Discussion:

City Attorney Calonne advised Council that the Staff report should not have included the issue of even-year elections as a question for input at Community Workshop No. 1.

Motion:

Councilmembers Murillo/Hart to not foreclose the consideration of even-year elections at Community Workshop No. 1, and, depending on public input, direct Staff to report to Council on this issue from the workshop.

Vote:

Majority voice vote (Noes: Councilmembers Francisco, Hotchkiss).

Motion:

Councilmembers Rowse/Hart to approve the recommendations.

Vote:

Unanimous voice vote.

Councilmember Francisco left the meeting at 3:35 p.m. and returned at 3:53 p.m.

FINANCE DEPARTMENT

12. Subject: Comprehensive Annual Financial Report For The Fiscal Year Ended June 30, 2014 (250.02)

Recommendation: That Council:

- A. Receive a report from staff on the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2014; and
- B. Accept the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2014.

Documents:

- February 3, 2015, report from the Acting Assistant City Administrator/ Finance Director.
- Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2014.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Accounting Manager Julie Nemes, Acting Assistant City Administrator/Finance Director Robert Samario.
- Independent Auditor (Lance, Soll & Lunghard): Richard Kikuchi.

Motion:

Councilmembers Murillo/Rowse to approve recommendation B.

Vote:

Unanimous voice vote.

PUBLIC WORKS DEPARTMENT

13. Subject: Contract For Design Of Montecito-Yanonali Street Bridge Replacement And Pedestrian Improvements (530.04)

Recommendation: That Council authorize the Public Works Director to execute a City Professional Services contract with Drake Haglan & Associates, Inc., in the amount of \$651,771, for design services of the Montecito-Yanonali Street Bridge Replacement and Pedestrian Improvements Project, and authorize the Public Works Director to approve expenditures of up to \$65,177 for extra services that may result from necessary changes in the scope of work.

Documents:

- February 3, 2015, report from the Public Works Director.
- PowerPoint presentation prepared and made by Staff.

(Cont'd)

13. (Cont'd)

Speakers:

Staff: Principal Engineer John Ewasiuk.

Motion:

Councilmembers White/Francisco to approve the recommendation;
Contract No. 25,093.

Vote:

Unanimous voice vote.

15. Subject: Stage Two Drought Update (540.05)

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

Documents:

- February 3, 2015, report from the Public Works Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

Staff: Water Resources Manager Joshua Haggmark, City Attorney Ariel Calonne, Acting Water Conservation Coordinator Madeline Ward, Acting Water Resources Supervisor Kelley Dyer.

Discussion:

Staff's presentation included current rainfall totals and the outlook for continued drought conditions, the community's response to the need for conservation, the status of supplemental water supplies, capital projects, and features of the City's Water Conservation Program. Councilmembers' questions were answered.

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Hotchkiss reported on his attendance at a meeting of the Architectural Board of Review regarding an Airport project, and at interviews for community development and human services grants.
- Councilmember Murillo commented on the Youth Council's work to promote the anti-bullying initiative and on her attendance at a breakfast for the A-OK afterschool program.
- Mayor Schneider extended her thanks to the organizers of the Point-In-Time count of countywide data related to the homeless population; she also mentioned the success of the 30th anniversary of the Santa Barbara Film Festival.

RECESS

Mayor Schneider recessed the meeting at 4:50 p.m. in order for the Council to reconvene in closed session for Item Nos. 16 – 18.

CLOSED SESSIONS

18. Subject: Conference With City Attorney - Anticipated Litigation (160.03)

Recommendation: That Council hold a closed session to decide whether to authorize the initiation of litigation (one potential case) pursuant to Government Code sections 54956.96(a) and take appropriate action as needed.

Scheduling: Duration, 15 minutes; anytime

Report: Possible

Documents:

February 3, 2015, report from the City Attorney.

Time:

4:51 p.m. – 5:25 p.m.

No report made.

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 MHA Garden Street Owners' Association, et al., v. Trabucco General Incorporated, et al., SBSC Case No. 1374378.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

Documents:

February 3, 2015, report from the City Attorney.

Time:

5:25 p.m. – 5:30 p.m.

Report:

No report made.

17. Subject: Conference With City Attorney -- Anticipated Litigation -- Gov. Code § 54956.9(d)(2) & (e)(2)/(3): Significant Exposure To Litigation Arising Out Of The City's Subrogation Claim Against Renee Savalio To Recover Property Damage Costs Paid By The City Of Santa Barbara (160.03)

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

Scheduling: Duration, 10 minutes; anytime

Report: None anticipated

Documents:

February 3, 2015, report from the Finance Director.

Time:

5:30 p.m. – 5:32 p.m.

Report:

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 5:32 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 February 10, 2015 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

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

Councilmembers absent: None.

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

PUBLIC COMMENT

Speakers: John Webby, David Daniel Diaz, Michael Baker, Melody Joy Baker, Lee Moldaver.

CONSENT CALENDAR (Item Nos. 1 – 8)

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

Motion:

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

Vote:

Unanimous roll call vote.

1. Subject: Records Destruction For Police Department (160.06)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Police Department.

Action: Approved the recommendation; Resolution No. 15-010 (February 10, 2015, report from the Police Chief; proposed resolution).

2. Subject: Introduction Of Ordinance For Access License And Lease Agreement With High Sierra Grill Santa Barbara, Inc. And Rehabilitation Funding For 521 Norman Firestone Road (330.04)

Recommendation: That Council:

- A. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving and Authorizing the Airport Director to Execute an Access License and Ten-Year Lease Agreement, with Three Five-Year Options, with High Sierra Grill Santa Barbara, Inc., a California Corporation, for 79,752 Square Feet of Land, Including 8,695 Square Feet of Building 252, at 521 Norman Firestone Road, at the Santa Barbara Airport, Effective Upon the Earlier of the Completion of the "City Improvements" or Nine Months after the License Commencement Date, for a Monthly Rental of \$12,694; and
- B. Increase appropriations by \$750,000 in the Airport's Capital Fund for Rehabilitation of 521 Norman Firestone Road to be funded from Airport Capital Fund reserves.

Action: Approved the recommendations (February 10, 2015, report from the Airport Director; proposed ordinance).

3. Subject: Additional HOME Funds To Peoples' Self-Help Housing Corporation For A New Affordable Housing Project At 510-520 N. Salsipuedes And 601 E. Haley Street (660.04)

Recommendation: That Council approve a preliminary award of an additional \$500,000 of the City's Home Investment Partnership Program (HOME) funds to Peoples' Self-Help Housing Corporation (PSHHC) for the development and construction of low income rental housing at 510-520 N. Salsipuedes Street and 601 E. Haley Street (Project) known as Jardin de las Rosas.

Speakers:

- Staff: Housing Project Planner David Rowell.
- Members of the Public: Trevor Martinson; Morgen Benevedo, Peoples' Self-Help Housing Corporation.

Action: Approved the recommendation (February 10, 2015, report from the Community Development Director).

4. Subject: Contract For Civic Engagement Regarding District Elections (110.03)

Recommendation: That Council:

- A. Authorize the Administrative Services Director to negotiate and execute, subject to approval by the City Attorney, an agreement with National Demographics Corporation, Inc. (NDC) in an amount not to exceed \$65,000 for the development of public input tools related to by-district elections, and authorize up to \$10,000 for extra services of NDC that may be necessary, for a total authorized amount not to exceed \$75,000; and
- B. Allocate \$75,000 of General Fund appropriated reserves to the Fiscal Year 2015 Administrative Services Department, City Clerk's Office, budget to fund the contract with National Demographics Corporation and other expenses related to the public input process.

Action: Approved the recommendations; Agreement No. 25,098 (February 10, 2015, report from the Administrative Services Director).

5. Subject: Resolution Accepting Findings For 511 Brosian Way Appeal (640.07)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Denying the Appeal and Upholding the Decision of the Planning Commission to Grant a Coastal Development Permit and the Decision of the Single Family Design Board to Grant Project Design Approval for a Proposed Single Family Residence at 511 Brosian Way.

Action: Approved the recommendation; Resolution No. 15-011 (proposed resolution).

6. Subject: Set A Date For Public Hearing Regarding Appeal Of Planning Commission's Approval Of The Conditional Use Permit Amendment For 2559 Puesta Del Sol (Santa Barbara Museum Of Natural History) (640.07)

Recommendation: That Council:

- A. Set the date of March 24, 2015, at 2:00 p.m. for hearing the appeal filed by Mark and Lauren Carey of the Planning Commission's approval of the Conditional Use Permit Amendment for the Museum Master Plan and the associated environmental review for property owned by Santa Barbara Museum of Natural History located at 2559 Puesta Del Sol, Assessor's Parcel Nos.: 023-271-003 & 004; 023-250-039, 056, 066, & 068, County Zoning: 20-R-1 (Single Family Residential, 20,000 square feet Minimum Lot Size), City Zoning: E-1 (One Family Residence), County General Plan Designation: RES 1.8 (Residential, 1.8 Dwelling Units/Acre), City General Plan Designation: Low Density Residential (Max. Density 3 Dwelling Units/Acre). The Museum Master Plan anticipates various improvements over 10-15 years, and includes annexation of three parcels to the City of Santa Barbara. The applications required for the project include 1) Reorganization; 2) General Plan Amendment; 3) Zoning Map Amendment; 4) Conditional Use Permit Amendment; and 5) Parking Modification; and
- B. Set the date of March 23, 2015, at 1:30 p.m. for a site visit to the property located at 2559 Puesta Del Sol.

Action: Approved the recommendations (January 20, 2015, letter of appeal).

NOTICES

- 7. The City Clerk has on Thursday, February 5, 2015, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
- 8. Receipt of communication advising of vacancy created on the Community Development and Human Services Committee with the resignation of Michael Just; the vacancy will be part of the next City Advisory Groups recruitment.

This concluded the Consent Calendar.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

9. Subject: Zoning Information Report (ZIR) Process Improvements (640.09)

Recommendation: That Council:

- A. Hold a public hearing and review the Planning Commission recommendations on ZIR process improvements; and
- B. Initiate an Ordinance to establish an Administrative Zoning Approval process.

Documents:

- February 10, 2015, report from the Community Development Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: City Planner Bettie Weiss, Senior Planner Susan Reardon, Assistant City Attorney Scott Vincent.
- Santa Barbara Association of Realtors: President Reyne Staplemann.
- Members of the Public: Adrienne Schuele, Jarrett Gorin.

Motion:

Councilmembers Francisco/Hart to initiate an Ordinance to establish an administrative zoning approval process and to consider the creation of an appeal process for violations identified in Zoning Information Reports.

Vote:

Unanimous voice vote.

FINANCE DEPARTMENT

10. Subject: Agreement With Milpas Community Association To Install Artwork On City-Owned Trash Containers (630.01)

Recommendation: That Council approve and authorize the City Administrator to execute the Agreement for Production and Installation of City Artwork between the City and Milpas Community Association to allow for the installation of artwork on City-owned trash containers along Milpas Street.

Documents:

- February 10, 2015, report from the Acting Assistant City Administrator/ Finance Director.
- PowerPoint presentation prepared and made by Milpas Community Association.

(Cont'd)

10. (Cont'd)

Speakers:

- Staff: Environmental Services Manager Matt Fore.
- Milpas Community Association: Executive Director Sharon Byrne.
- Members of the Public: Ginny Brush, Santa Barbara County Arts Commission; Bea Molina; Juanita Hernandez, Adelante Charter School.

Motion:

Councilmembers Rowse/Francisco to approve staff's recommendation; Agreement No. 25,099.

Vote:

Unanimous voice vote.

PUBLIC WORKS DEPARTMENT

11. Subject: Mission Park To Mission Canyon Multimodal Improvements Plan (670.08)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Making the Mission Park to Mission Canyon Multimodal Improvements Plan a Project in the City's Capital Improvement Program and Direct Public Works Staff to Work with the County of Santa Barbara to Seek Funding for Design and Construction

Documents:

- February 10, 2015, report from the Public Works Director.
- Proposed Resolution.
- PowerPoint presentation prepared and made by Staff.
- January 30, 2015, letter from Fred Sweeney, Upper East Association.
- February 4, 2015, letter from Florence J. Sanchez.
- February 10, 2015, letter from Lanny Ebenstein.
- February 10, 2015, email from Milly Turner.

The title of the resolution was read.

Speakers:

- Staff: Principal Transportation Planner Rob Dayton, Supervising Transportation Engineer Derrick Bailey, Assistant Public Works Director/City Engineer Pat Kelly.

(Cont'd)

11. (Cont'd)

Speakers (Cont'd):

- Members of the Public: Paulina Conn; Lanny Ebenstein; Christine Nelsen-Thuresson; Virginia Guess; Nancy Bertelsen; Stephen Sherrill; Fran Galt; Lisa Knox Burns, Upper East Association; Jon Wilcox; Sean Hutchinson; George Bajor; Kellam deForest; Tom Jacobs; Luke Swetland, Santa Barbara Museum of Natural History; Karl Hutterer, Mission Heritage Trail Association; Cass Ensberg; Fred Sweeney, Mission Heritage Trail Association; Sue Wood; Susan Chamberlin; Kim Stanley; Steve Forsell, Mission Heritage Trail Association; Shelley Bookspan; Beth Perry; Rich Untermann; Frank Arredondo.

Motion:

Councilmembers Francisco/Hart to approve staff's recommendation; Resolution No. 15-012.

Vote:

Majority roll call vote (Noes: Councilmember Hotchkiss).

Motion:

Councilmember Murillo/Hotchkiss to direct staff to organize an additional evening community meeting to present the proposed project, and to include information on transportation engineering options.

Vote:

Unanimous voice vote.

POLICE DEPARTMENT

12. Subject: Police Department Update (520.04)

Recommendation: That Council receive an oral presentation from the Police Chief regarding the Santa Barbara Police Department.

Documents:

- February 10, 2015, report from the Police Chief.
- PowerPoint presentation prepared and made by Staff.

Speakers:

Staff: Police Chief Camerino Sanchez, Deputy Police Chief Frank Mannix, Lieutenants Marylinda Arroyo and William Marazita, Captain Alex Altavilla, Sergeant Riley Harwood.

(Cont'd)

12. (Cont'd)

Discussion:

Staff's presentation included: 1) Trends in violent and property crimes; 2) a staffing and hiring update; 3) information on the activities of the Patrol and Investigative Divisions; 4) an update on homeless camp clean-up efforts; 5) the status of several department programs; and 6) information on the memorial project that honors officers who have died in the line of duty. Councilmembers' questions were answered.

PUBLIC HEARINGS

13. Subject: 2015 Housing Element Update (650.06)

Recommendation: That Council adopt by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving the 2015 General Plan Housing Element Update Incorporating Revisions Requested by the Planning Commission and California Department of Housing and Community Development and Making Environmental Findings Pursuant to the California Environmental Quality Act.

Documents:

- February 10, 2015, report from the Community Development Director.
- Proposed Resolution.
- Affidavit of Publication.
- PowerPoint Presentation prepared and made by Staff.

The title of the resolution was read.

Public Comment Opened:

6:41 p.m.

Speakers:

Staff: City Administrator Casey, Project Planner Irma Unzueta.

Public Comment Closed:

6:52 p.m.

Motion:

Councilmembers White/Francisco to approve the recommendation; Resolution No. 15-013.

Vote:

Unanimous roll call vote.

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Hotchkiss spoke regarding a tour of State Street that he took with the Police Department. He also spoke regarding films he attended at the Santa Barbara International Film Festival.
- Mayor Schneider reported on her attendance at: 1) the closing film of the Santa Barbara International Film Festival, *MacFarland, USA*; and 2) the Santa Barbara Foresters Annual Hall of Fame dinner.
- Councilmember White reported on his attendance at: 1) a recent Infrastructure Subcommittee meeting where upgrades from Southern California Edison on the City's electrical system were discussed; and 2) a tour of Police Department gun range.

RECESS

The Mayor recessed the meeting at 6:58 p.m. in order for the Council to reconvene in closed session for Item No. 14. She stated that no reportable action is anticipated.

CLOSED SESSIONS

14. 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

Documents:

February 10, 2015, report from the City Attorney.

Time:

7:00 p.m. – 7:30 p.m.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 7:30 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

GWEN PEIRCE, CMC
CITY CLERK SERVICES MANAGER



**CITY OF SANTA BARBARA
CITY COUNCIL MINUTES**

**REGULAR MEETING
February 17, 2015
COUNCIL CHAMBER, 735 ANACAPA STREET**

The regular meeting of the City Council, scheduled for 2:00 p.m. on February 17, 2015, was cancelled by the Council on November 18, 2014.

The next regular meeting of the City Council is scheduled for February 24, 2015, at 2:00 p.m. in the Council Chamber.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST: _____
GWEN PEIRCE, CMC
CITY CLERK SERVICES MANAGER

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING AND AUTHORIZING THE AIRPORT DIRECTOR TO EXECUTE A TEN-YEAR ACCESS LICENSE AND LEASE AGREEMENT, WITH THREE FIVE-YEAR OPTIONS, WITH HIGH SIERRA GRILL SANTA BARBARA, INC., A CALIFORNIA CORPORATION, FOR 79,752 SQUARE FEET OF LAND, INCLUDING 8,695 SQUARE FEET OF BUILDING 252, AT 521 NORMAN FIRESTONE ROAD, AT THE SANTA BARBARA AIRPORT, EFFECTIVE UPON THE EARLIER OF THE COMPLETION OF CITY IMPROVEMENTS OR NINE MONTHS AFTER THE LICENSE COMMENCEMENT DATE, FOR A MONTHLY RENTAL OF \$12,694.

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

SECTION 1. In accordance with the provisions of Section 521 of the Charter of the City of Santa Barbara, that certain access license and lease between the City of Santa Barbara and High Sierra Grill Santa Barbara, Inc. which provides for the lease of 79,752 square feet of land including 8,695 square feet of Building 252, for operation of a bar and restaurant, at 251 Norman Firestone Road, at the Santa Barbara Airport, for a period of 10 years, with three five-year options, beginning upon the earlier of the completion of City improvements or nine months after the License Commencement Date, is hereby approved.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: January 2015 Investment Report

RECOMMENDATION:

That Council accept the January 2015 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of January 31, 2015.

ATTACHMENT: January 2015 Investment Report

PREPARED BY: Julie Nemes, Treasury Manager

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
 January 31, 2015

INVESTMENT ACTIVITY**PURCHASES OR DEPOSITS**

1/9 LAIF Deposit - City	\$ 10,000,000
1/12 LAIF Deposit - City	2,000,000
1/22 Federal Farm Credit Bank (FFCB)	2,000,000
1/22 Federal Farm Credit Bank (FFCB)	2,000,000
Total	\$ 16,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

1/27 Federal Home Loan Bank (FHLB) - Call	\$ (1,000,000)
1/29 Federal Home Loan Bank (FHLB) - Maturity	(2,000,000)
Total	\$ (3,000,000)

ACTIVITY TOTAL

\$ 13,000,000

INVESTMENT INCOME**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 162,567
Amortization	(11,437)
Total	\$ 151,131

INCOME TOTAL

\$ 151,131

CITY OF SANTA BARBARA

Investment Portfolio

January 31, 2015

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	-	-	-	-	0.262	0.262	36,000,000.00	36,000,000.00	36,000,000.00	0.00	
Subtotal, LAIF							36,000,000.00	36,000,000.00	36,000,000.00	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	248,972.50	(1,027.50)	FDIC Certificate 35328
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	248,917.50	(1,082.50)	FDIC Certificate 33954
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	248,907.50	(1,092.50)	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	248,922.50	(1,077.50)	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	8,995,720.00	(4,280.00)	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,075.34	2,000,700.00	624.66	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,012,622.62	2,015,940.00	3,317.38	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,119,315.31	2,124,540.00	5,224.69	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,015,563.52	2,020,000.00	4,436.48	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,010,979.89	2,015,000.00	4,020.11	
Subtotal, Treasury Securities							10,000,000.00	10,158,556.68	10,176,180.00	17,623.32	
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	2,042,280.00	42,280.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,059,760.00	59,760.00	
FEDERAL FARM CREDIT BANK	01/22/15	07/22/19	Aaa	AA+	1.720	1.720	2,000,000.00	2,000,000.00	2,003,580.00	3,580.00	Callable 04/22/15, then continuous
FEDERAL FARM CREDIT BANK	07/09/14	07/09/18	Aaa	AA+	1.470	1.470	2,000,000.00	2,000,000.00	2,008,360.00	8,360.00	Callable 07/09/15, then continuous
FEDERAL FARM CREDIT BANK	01/22/15	01/22/19	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,002,080.00	2,080.00	Callable 01/22/16, 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	2,000,080.00	80.00	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	2,037,720.00	37,720.00	
FEDERAL FARM CREDIT BANK	12/16/14	12/16/19	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,015,280.00	15,280.00	Callable 12/16/15, then continuous
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,048,620.00	48,620.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,025,940.00	25,940.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,006,178.58	2,065,640.00	59,461.42	
FEDERAL HOME LOAN BANK	04/17/14	04/17/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,002,440.00	2,440.00	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	3,992,600.00	(7,400.00)	Callable 04/16/15, 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	2,036,720.00	36,720.00	
FEDERAL HOME LOAN BANK	06/26/14	06/26/19	Aaa	AA+	1.250	2.062	2,000,000.00	2,000,000.00	2,002,920.00	2,920.00	SU 1.25%-6% Call 03/26/15, 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	2,007,680.00	7,680.00	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	2,002,900.00	2,900.00	SU 1.125%-2.5% Call 03/27/15, then qtrly
FEDERAL HOME LOAN BANK	05/22/14	05/22/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,000,080.00	80.00	Callable, continuous
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,011,960.00	11,960.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,007,391.11	2,050,460.00	43,068.89	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,841.64	2,015,420.00	15,578.36	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,008,915.76	2,006,080.00	(2,835.76)	

CITY OF SANTA BARBARA

Investment Portfolio

January 31, 2015

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	2,003,340.00	3,340.00	Callable 03/26/15, then qtrly
FEDERAL HOME LOAN MTG CORP	12/18/13	12/18/18	Aaa	AA+	1.500	1.839	1,000,000.00	1,000,000.00	1,001,800.00	1,800.00	SU 1.5%-2.75% Call 03/18/15, then qtrly
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,857.06	2,001,400.00	1,542.94	
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	2,006,040.00	6,040.00	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	2,001,660.00	1,660.00	Callable 03/12/15, 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	4,006,560.00	6,560.00	Callable 04/16/15, 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	2,002,420.00	2,420.00	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	2,003,520.00	3,520.00	Callable 03/26/15, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,213.74	1,006,700.00	7,486.26	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,993,040.00	(6,960.00)	Callable 04/30/15, 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	1,994,620.00	(5,380.00)	Callable 03/12/15, 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	2,001,440.00	1,440.00	Callable 03/19/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,990,004.43	2,006,940.00	16,935.57	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,386.79	2,039,660.00	38,273.21	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,994,580.00	(5,420.00)	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	1,994,580.00	(5,420.00)	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	3,998,280.00	(1,720.00)	Callable 03/26/15, 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	2,023,040.00	23,040.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,993,836.79	2,020,840.00	27,003.21	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,995,320.00	(4,680.00)	Callable 02/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	<u>2,000,000.00</u>	<u>1,989,565.68</u>	<u>2,006,940.00</u>	<u>17,374.32</u>	
Subtotal, Federal Agencies							<u>91,000,000.00</u>	<u>90,996,191.58</u>	<u>91,541,320.00</u>	<u>545,128.42</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,998,691.67	2,035,780.00	37,088.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,020,200.00	20,200.00	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,028,500.00	28,500.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,003,715.61	2,061,340.00	57,624.39	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,010,999.06	2,022,500.00	11,500.94	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	<u>2,000,000.00</u>	<u>2,006,176.23</u>	<u>2,043,260.00</u>	<u>37,083.77</u>	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,019,582.57</u>	<u>12,211,580.00</u>	<u>191,997.43</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>0.00</u>	
Subtotal, SBA Note							<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>5,200,181.75</u>	<u>0.00</u>	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	<u>18,552,392.54</u>	<u>18,552,392.54</u>	<u>18,552,392.54</u>	<u>0.00</u>	
Subtotal, Checking Account							<u>18,552,392.54</u>	<u>18,552,392.54</u>	<u>18,552,392.54</u>	<u>0.00</u>	
TOTALS							<u>181,752,574.29</u>	<u>181,926,905.12</u>	<u>182,677,374.29</u>	<u>750,469.17</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: February 24, 2015

TO: Mayor and Councilmembers

FROM: Business Division, Waterfront Department

SUBJECT: Purchase Order For UCP / Work, Incorporated

RECOMMENDATION:

That Council find it in the City's best interest to waive the formal bid procedure as authorized by Municipal Code Section 4.52.070 (L), and authorize the General Services Manager to issue a purchase order to UCP / Work, Incorporated for janitorial services at the Waterfront Department for Fiscal Year 2016 in an amount not to exceed \$291,066 and for Fiscal Year 2017 in an amount not to exceed \$307,541.

DISCUSSION:

UCP/Work, Inc. (Work, Inc.) has provided janitorial services to the Waterfront since 1992. Work, Inc. is a non-profit organization providing vocational rehabilitation services to individuals with mental, developmental, and physical disabilities. These individuals are referred through the Department of Rehabilitation, Tri-Counties Regional Center, and Mental Health Services.

Work, Inc. provides a clean and safe environment for public enjoyment of the Harbor. The company is responsible for cleaning 20 restrooms, the commercial area of the Harbor, and collecting trash in the marinas. Work, Inc. supervisors oversee their employees seven days a week, including holidays. Work, Inc. employees are dependable, courteous and take their work seriously.

On September 25, 2013, Governor Brown signed Assembly Bill 10 which raised the minimum wage. The wage hike goes into effect in two phases: The first rate hike went into effect on July 1, 2014 lifting the minimum wage from \$8 an hour to \$9 an hour. The second rate hike will take place on January 1, 2016 when minimum wage will be raised from the current \$9 an hour to \$10 an hour. These minimum wage increases directly impact Work, Inc. Unlike retail businesses who adjust their pricing to meet the wage increase, state-funded not-for-profit organizations like Work, Inc. must meet the mandated increase while receiving the same State reimbursement rates that have been frozen for the past ten years. The proposed purchase order with UCP / Work,

Incorporated for janitorial services at the Waterfront Department for Fiscal Year 2016 is \$291,066 and for Fiscal Year 2017 is \$307,541

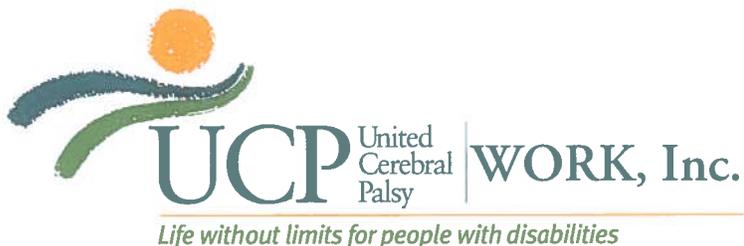
Staff recommends that it is in the best interest of the City to continue providing work opportunities to disabled individuals in the Work, Inc. Vocational Rehabilitation Program. Section 4.52.070 (L) of the Municipal Code authorizes City Council to waive the formal bid procedure and approve the purchase of goods or services without complying with formal bid procedures, "where in the opinion of the Council, compliance with procedure is not in the best interest of the City". Sufficient funds for the Work, Inc contract will be included in the Waterfront Department Fiscal Years 2016 and 2017 budget.

ATTACHMENT: Letter dated January 21, 2015 from Kathy Webb, Executive Director of UCP Work, Inc.

PREPARED BY: Brian J. Bosse, Waterfront Business Manager

SUBMITTED BY: Scott Riedman, Waterfront Director

APPROVED BY: City Administrator's Office



January 21, 2015

Mr. Brian J. Bosse
Waterfront Business Manager
City of Santa Barbara, Waterfront Department
P. O. Box 1990
Santa Barbara, CA 93102

Re: Waterfront Department Janitorial Services Contract

Dear Brian,

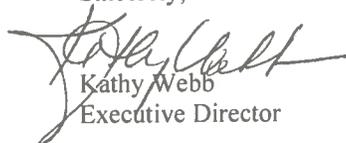
As always, we thank you and the City of Santa Barbara Waterfront Department, for your continued collaboration, in providing meaningful employment opportunities to people with disabilities. The City of Santa Barbara, truly does lead by example, by ensuring that people with disabilities receive the best possible training, to ensure stable employment; this is what Workforce Investment is all about. It is remarkable, that we are moving into our 22nd year at the Harbor. Please know that we continue to be grateful for this incredible partnership – we feel secure, and humbled by your continued investment in the success of Supported Employment and the many people we serve.

Last week, Governor Brown presented his budget for 2015, and the Department of Rehabilitation and Tri-Counties Regional Center providers did not receive any reimbursement rate increases; yet we will be expected to increase minimum wage to \$10.00 per hour, in January of 2016. As you can expect, we were very disheartened by this news, given that our rates have been frozen for 10 years, while our expenses continue to increase. Last year, I hoped for a silver lining ahead of the Governor's proposed budget, but alas, our system was once again placed at the lowest priority.

The current contract is at an annual rate of \$274,590, and given that the increase in minimum wage will not go into effect until January of 2016, we are not asking for an increase for 2015 (7/2-12/31/15). In January of 2016, we are requesting a 6% increase, which will bring the annual budget to \$291,066. Then on July 1, 2016, we are asking for an additional 6% (adjusting to the increase in minimum wage) for the total year, for a new total of \$307,541 for Fiscal Year 2017.

Again, we can't thank you enough for supporting UCP WORK, Inc. We are extremely grateful to be working with all of you. If you have any further questions, please don't hesitate to contact me directly.

Sincerely,



Kathy Webb
Executive Director

Cc: Karl Treiberg, Waterfront Facilities Manager
Scott Riedman, Harbor Master
Judd Conley, Waterfront Maintenance Superintendent



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Design Of Cacique And Soledad Pedestrian/Bicycle Bridges And Corridor Improvements Project

RECOMMENDATION: That Council:

- A. Authorize the Public Works Director to execute a City Professional Services contract with Bengal Engineering, Inc., in the amount of \$442,702 for design services of the Cacique and Soledad Pedestrian/Bicycle Bridges and Corridor Improvements Project, and authorize the Public Works Director to approve expenditures of up to \$44,270 for extra services of Bengal Engineering, Inc., that may result from necessary changes in the scope of work;
- B. Appropriate \$86,972 from Streets Capital Fund Reserves to cover the City's costs associated with the design phase; and
- C. Increase appropriations and estimated revenues related to the Active Transportation Program Grant by \$400,000 in the Fiscal Year 2015 Streets Grant Fund for the Cacique and Soledad Pedestrian/Bicycle Bridges and Corridor Improvements Project.

DISCUSSION:

BACKGROUND

On September 27, 2014, the City was awarded \$2,703,000 in Active Transportation Program (ATP) grant funds for the design and construction of the Cacique and Soledad Pedestrian/Bicycle Bridges and Corridor Improvements Project (Project). The purpose of the ATP is to increase the proportion of trips accomplished by biking and walking, increase the safety of non-motorized users, achieve greenhouse gas reduction goals, enhance public health, and benefit disadvantaged (minority and low income) communities.

Effective December 10, 2014, the California Transportation Commission (CTC) has given Caltrans approval to distribute the ATP grant funds, allowing the City to proceed with reimbursable work on the Project Approval and Environmental Document phase of this Project. As part of the grant requirements, ATP funds must be appropriated within two years from CTC approval, with no more than a one-year extension for each phase.

PROJECT DESCRIPTION

The Project will include the construction of two pedestrian/bicycle bridges over Sycamore Creek, along Cacique Street and Soledad Street, the construction of approximately 500 feet of sidewalk along Soledad Street, and the installation of pedestrian and bicycle-oriented lighting throughout the Cacique and Soledad corridors and at the bridges. The main objective of the Project is to provide a safe route to schools and enhance the pedestrian and bicycle environment while preserving, protecting, and enhancing adjacent riparian habitat. The Project is currently scheduled to begin construction in spring of 2017.

DESIGN PHASE CONSULTANT ENGINEERING SERVICES

Bengal Engineering, Inc., (Bengal) was selected as part of a Request for Qualifications process that followed strict Caltrans' Local Assistance Procedures Manual requirements. Consultants were rated based upon their qualifications and technical proposals. Three consultants submitted proposals, and all three candidates were interviewed. Based upon the proposals and interview, Bengal was ranked as the most qualified consultant. Bengal was asked to provide a cost proposal to perform the design services work. Negotiations with Bengal produced a fair and reasonable price.

COMMUNITY OUTREACH

The Project was developed and affirmed through an extensive community outreach process, the Eastside Neighborhood Transportation Management Plan, adopted by Council in July 2013. The Project was considered one of the top longer-term Capital Improvement Projects that is needed to enhance the walking and biking experience, safety, and lighting of the corridor.

A Project Development Team (PDT) will be assembled for the Project, consisting of the City's Project Engineer and other City representatives, along with the Consultant's Project Manager and Caltrans Local Assistance. The PDT will review and approve the Project through three distinct design phases: Conceptual, Preliminary, and Final. The level of environmental documentation will be based on the National Environmental Policy Act. The Project will continue through the City's community-based public participation process and will be reviewed by the Architectural Board of Review.

Additional public information will be disseminated throughout the Project in a timely manner, similar to what has been done for other recently completed bridge replacement projects. In addition, information will be available on the Public Works Department,

Engineering Division's Interactive Map of Design and Construction Projects Map
 (santabarbaraca.gov/gov/depts/pw/engineering/major_projects.asp).

FUNDING

The following summarizes all estimated total Project costs:

ESTIMATED TOTAL PROJECT COST

	City Share	ATP Share	Total
Design Services (by Contract)	\$86,972	\$400,000	\$486,972
City Staff Costs - Design	0	150,000	150,000
Subtotal	\$86,972	\$550,000	\$636,972
Estimated Construction Contract w/Change Order Allowance	\$0	\$1,833,000	\$1,833,000
Estimated Construction Management/Inspection	0	275,000	275,000
Estimated Other Construction Costs	0	45,000	45,000
Subtotal	\$0	\$2,153,000	\$2,153,000
TOTAL PROJECT COST	\$86,972	\$2,703,000	\$2,789,972

The ATP Grant Funds and the City's Streets Fund budget will cover the cost for engineering design. In the first quarter of Fiscal Year 2015, \$150,000 of ATP Grant Funds were appropriated in the Streets Grant Fund for this Project. Staff recommends that the balance of \$400,000 of ATP Grant Funds for the design phase of this Project, be appropriated in the Fiscal Year 2015 Streets Grant Fund. Staff also recommends appropriating \$86,972 in Streets Capital Fund Reserves to cover the additional design costs beyond the available ATP Grant Funding. Construction costs are anticipated to be fully funded by ATP Grant Funds.

Effective January 20, 2015, Caltrans has approved the distribution of ATP funds, allowing the City to proceed with reimbursable work on the Project Approval and Environmental Document phase of this Project.

SUSTAINABILITY IMPACT:

The Project will improve safety and accessibility for pedestrians and will contribute to the City's sustainability goals by encouraging more people to walk and ride bicycles, which will reduce energy consumption, and air pollution.

ATTACHMENT(S): Site Plan

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

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



SITE PLAN

LEGEND:

- SIDEWALK INFILL
- LIGHTING CORRIDOR – SEE TYPICAL LIGHTING CORRIDOR DETAIL A/C3
- NEW PEDESTRIAN BRIDGE – SEE TYPICAL PROFILE G/C4
- RECENT SAFE ROUTES TO SCHOOL IMPROVEMENTS

*ALL DISTANCES SHOWN ARE APPROXIMATE WALKING DISTANCES FROM NEAREST PROPOSED PEDESTRIAN IMPROVEMENT TO SCHOOL ENTRANCE.



PUBLIC WORKS
DEPARTMENT
ENGINEERING DIVISION

APPROVED:	DATE
CITY ENGINEER	ORIGINAL SIGNED DATE

DESIGN	AG	AG
DRAWN	AG	AG
CHECKED	BD	BD
30 % DRAFT		

NO.	DATE	APPROVED	REVISIONS

CACIQUE-SOLEIDAD PEDESTRIAN AND BICYCLE IMPROVEMENTS
SITE PLAN

2014-XXXX	PBW. NO.
XXXX	C1
C-1-XXXX	SHT. DES.
	DWG. NO.
SHT. 2	OF 5



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015

TO: Mayor and Councilmembers

FROM: Facilities Division, Public Works Department

SUBJECT: Rejection Of Community Development Block Grant Westside Center Bathroom Renovation Project Bids

RECOMMENDATION:

That Council reject the bids for the construction of the Community Development Block Grant Westside Center Bathroom Renovation Project, Bid No. 3769, and authorize the Public Works Director to re-bid the project.

DISCUSSION:

PROJECT DESCRIPTION

The work consists of renovating over 300 square feet of interior space at the Westside Center. The Westside Center is located within the eligible Community Development Block Grant (CDBG) census tracts. The City has applied for and received CDBG funding. Renovation work shall include Americans with Disabilities Act (ADA) and finish upgrades to the existing men's and women's bathrooms, hazardous material abatement, minor exterior work to include replacing two existing window openings with doors and replacing existing sidewalk paving at the new doors. The design documents were completed by Paul Poirier & Associates Architects (PPAA) in June 2013, with a construction cost estimate of \$149,282.97.

CONTRACT BIDS

A total of 4 bids were received for the subject work, ranging as follows:

	BIDDER	BID AMOUNT
1.	Southwest Construction Company Santa Barbara, CA	\$154,294.00
2.	Blackstar Construction Group Oxnard, CA	\$178,416.00
3.	EJS Construction Carpinteria, CA	\$209,000.00
4.	Ardalan Construction Company Thousand Oaks, CA	\$211,570.00

The lowest bidder, Southwest Construction Company, withdrew their proposal. Southwest asserted they were unable to obtain the necessary insurance. The second lowest bidder, Blackstar Construction Group, submitted a proposal that did not include all the necessary signatures and was therefore deemed non-responsive. The third and fourth lowest bidders provided proposal amounts far above PPAA's construction cost estimate and available project funding.

Since the City reserves the right to reject all bids (Charter Section 519), staff feels it prudent to re-bid the project. The project will be promptly re-bid, and a new proposed contract will be presented to Council for approval in the next 60 to 90 days.

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

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015

TO: Mayor and Councilmembers

FROM: Facilities Division, Public Works Department

SUBJECT: Approval Of Amendments To The Agreements For An Energy Efficiency Revolving Fund Study

RECOMMENDATION: That Council:

- A. Authorize the Public Works Director to amend the Professional Services Agreement for an Energy Efficiency Revolving Fund Study between the Cadmus Group and the City of Santa Barbara extending the agreement completion date for an additional year; and
- B. Authorize the Public Works Director to negotiate and execute an amendment to agreement with Southern California Edison (SCE) for Energy Efficiency Revolving Fund Study Award.

DISCUSSION:

On September 9, 2014, Council authorized the Public Works Director to enter into an agreement with the Cadmus Group for an Energy Efficiency Revolving Fund Feasibility Study. According to the original agreement, the project needed to be completed by December 15, 2014. This deadline was imposed because of funding restrictions associated with the award funding from Southern California Edison (SCE), which is being used to fund this project.

The California Public Utilities Commission and SCE have since extended the timeline for fund use to December 31, 2015. Staff is requesting to extend both the agreement with Cadmus for an additional year, until December 15, 2015, and with Southern California Edison until December 31, 2015, in order to be able to continue working on the project.

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

SUBMITTED BY: Rebecca Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015

TO: Mayor and Councilmembers

FROM: Recreation Division, Parks and Recreation Department

SUBJECT: Appropriation Of Community Development Block Grant Funds for Youth Apprenticeship and Santa Barbara Arts Alliance Programs

RECOMMENDATION:

That Council increase appropriations and estimated revenues in the Fiscal Year 2015 Parks and Recreation Department, General Fund, in the amount of \$15,000 for two Community Development Block Grant (CDBG) awards.

DISCUSSION:

The Parks and Recreation Department was the recipient of two Community Development Block Grant (CDBG) awards in Fiscal Year 2015 totaling \$15,000. These funds are to support the following programs:

\$10,000 for Youth Job Apprenticeship program

The Youth Job Apprenticeship Program provides job training and job placement to approximately 60 at-risk community youth annually. Participating youth receive approximately 160 hours of paid employment. This funding will be utilized to pay hourly salaries of the youth who participate in the program.

\$5,000 for Santa Barbara Arts Alliance program

The Santa Barbara Arts Alliance program is a free art-based afterschool mentoring program that provides leadership and life skills development opportunities through hands-on community service projects. Based at the Franklin Neighborhood Center, approximately 40 low income and under-served youth are served by this program annually. Program curricula includes art workshops, field trips, neighborhood clean-ups, and in the program year and culminates with the creation and installation of public murals in areas plagued by graffiti vandalism. This funding will be utilized to pay the hourly salaries of the artist mentors who lead the program.

BUDGET/FINANCIAL INFORMATION:

Appropriations and estimated revenues in the Fiscal Year 2015 Parks and Recreation Department General Fund will be increased by \$15,000 as a result of these CDBG grant funds.

PREPARED BY: Judith McCaffrey, Recreation Programs Manager

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

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015

TO: Mayor and Councilmembers

FROM: City Attorney's Office

SUBJECT: Amendment To Agreement With Collision And Injury Dynamics, Inc. For Consulting Services Relating To *Delgadillo v. City of Santa Barbara*

RECOMMENDATION:

That Council authorize the City Attorney to execute an amendment to the agreement for consultant/expert witness services (contract no. 21400161) with Collision and Injury Dynamics, Inc., to amend the Compensation and Costs provision, increasing the contract amount by \$54,751.80, from \$15,000 to \$69,751.80.

DISCUSSION:

This contract is for expert witness and accident reconstruction services in the *Delgadillo v. City of Santa Barbara* civil lawsuit, a personal injury case arising out of a bicycle v. vehicle accident occurring around 12:30 p.m. on March 21, 2012 at the intersection of Calle Caesar Chavez and Yanonali Streets. Delgadillo claimed that a large City truck ran a stop sign which caused him to have a collision with another vehicle, resulting in very serious injuries to Mr. Delgadillo.

Due to the serious injuries involved, and the fact that the City denied that it was liable for the accident, it was necessary to retain the services of Collision and Injury Dynamics, Inc., to provide accident reconstruction and expert witness services to the City so it could defend itself in this case. Due to the complexity of the accident reconstruction and the complexity of the trial exhibits prepared, the work exceeded the original contract amount; Council is requested to approve the requested contract increase.

PREPARED BY: Ariel Calonne, City Attorney

SUBMITTED BY: Ariel Calonne, City Attorney

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015

TO: Mayor and Councilmembers

FROM: Chief's Staff, Police Department

SUBJECT: Donation From The Van Donge Family For The Police Memorial Statue Project

RECOMMENDATION:

That Council accept a donation of \$5,000 from the Van Donge family for the Police Department's Memorial Statue Project; and increase appropriations and estimated revenues by \$5,000 in the Police Department Miscellaneous Grants Fund.

DISCUSSION:

Over the course of the Santa Barbara Police Department's history, five officers lost their lives in the line of duty. In order to honor these five officers, a memorial in the form of a life size statue will be constructed. The total cost of the memorial will be approximately \$60,000. The Department is working with community partners to raise the funds needed for the police memorial statute project.

The generous donation of \$5,000 from the Van Donge Family will cover the startup costs of the sculptor's work.

BUDGET/FINANCIAL INFORMATION:

The Police Memorial Statue Project will be funded by community partners and donations. This generous donation of \$5,000 from the Van Donge Family will cover the startup costs of the sculptor's work.

PREPARED BY: Camerino Sanchez, Chief of Police

SUBMITTED BY: Camerino Sanchez, Chief of Police

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Request For Designation Of 6100 Hollister Avenue (Direct Relief) As A Community Benefit Project

RECOMMENDATION:

That Council find the proposed development of 6100 Hollister Avenue for Direct Relief, a Community Benefit Project pursuant to Santa Barbara Municipal Code §28.85.020.A.1, allocate 80,000 square feet of nonresidential floor area to the project, and reserve an additional 30,000 square feet for future development 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 Community Priority Project for purposes of allocating nonresidential floor area (see Attachment).

Proposed Project

The project site is located at 6100 Hollister Avenue, between Frederic Lopez Road and David Love Place. The project site is located north of Hollister Avenue in Sub-area 3 of the Airport Specific Plan (SP-6), and is currently owned by the City of Santa Barbara Airport Department. The parcel is located in the A-1-1 and A-1-2 (Airport Industrial) Zones. The parcel would be subdivided, and the northern portion (approximately 8.5 acres) would be purchased by Direct Relief, pursuant to the terms and conditions of the Purchase and Sale Agreement between the City and Direct Relief dated October 9, 2014. All discretionary permits for the proposed project are required to be obtained

within 18 months of the agreement date; however, a six month extension may be granted.

The project involves construction of a new facility for Direct Relief, a nonprofit organization, including a new 100,000 square-foot warehouse (with a potential increase to 130,000 square feet) with an attached two-story 25,000 square-foot administrative office building, a secure truck yard loading area, 152 parking spaces, and approximately 4,970 square feet of outdoor dining area to serve as an amenity for staff and volunteers. The existing six main buildings and five outbuildings on-site would be demolished. The project also includes construction of a new public street that would run east-west between the newly subdivided parcels.

Of the 155,000 square feet of nonresidential square footage required for the proposal, 45,000 square feet would be provided from the following categories:

Airport Demolition Bank Allocation	30,420 SF
Vacant Property (from Specific Plan area)	6,500 SF
Future Onsite Demolition (6160 Wallace Becknell Rd)	6,080 SF
Small Addition Category	<u>2,000 SF</u>
	<u>TOTAL 45,000 SF</u>

The remaining 110,000 square feet (80,000 square feet with an additional reservation of 30,000 square feet) would be allocated from the Community Benefit category. Square footage from the Community Benefit category can be reserved without applying for a land use permit as long as the overall project exceeds 10,000 square feet and is a component of a Master Plan that can be fully implemented within ten years. In this case, the project site is located within the Airport Specific Plan area. The reservation of square footage may be granted by a resolution of the City Council for a period not to exceed five years.

Community Benefit Project

The applicant requests that City Council designate the proposal a Community Benefit Project. A project that is either a Community Priority Project or an Economic Development Project can be designated by the City Council as a Community Benefit Project. A Community Priority Project is a project that has a broad public benefit, is not principally operated for private profit, and is necessary to meet a present or projected need directly related to public health, safety or general welfare (e.g., museums, childcare facilities, health clinics).

Direct Relief, founded in 1948, is a nonprofit, nonpartisan organization that provides medical assistance to people around the world who have been affected by poverty, natural disasters, and civil unrest. As described, the proposal qualifies as a Community Priority Project.

To-date, Council has allocated 18,690 square feet from the Community Benefit category to two projects (Santa Barbara Museum of Art and Tesla, Inc.), leaving 581,310 square feet for the remaining term of the Nonresidential Growth Management Program. The total request for 110,000 square feet from the Community Benefit category represents approximately 19% of the 581,310 square feet available for these types of projects over the next 18 years. Although the request represents a significant portion of the remaining square footage in this category, Direct Relief, a unique organization that provides medical assistance throughout the world, would be better able to meet future needs with the proposed project.

ATTACHMENT: Letter from Suzanne Elledge Planning & Permitting Services,
dated February 6, 2015

PREPARED BY: Kathleen Kennedy, Associate Planner

SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office



6 February 2015

Mayor and Council Members
City of Santa Barbara
735 Anacapa Street
Santa Barbara, CA 93101

RE: Direct Relief, 6100 Hollister Avenue – Request for Designation as a Community Benefit Project

Dear Mayor and Council Members,

On behalf of Direct Relief, we are pleased to submit this letter requesting a Community Benefit designation by City Council and an allocation of 110,000 SF of non-residential floor area to the project from the Community Priority Category, which includes a reservation of 30,000 SF of floor area for a future warehouse expansion.

I. Direct Relief – Background and Mission

Direct Relief, founded in Santa Barbara in 1948, is among the world's largest nonprofit humanitarian aid organizations and is apolitical, secular in character, and privately funded. Over the past decade, Direct Relief has established the nation's largest charitable medicines program which serves as a critical resource in local, state and national emergencies. The mission of Direct Relief is to improve the health and lives of people affected by poverty or emergency situations by mobilizing and providing essential medical resources needed for their care. It works to strengthen the efforts of partner healthcare organizations by providing them with essential resources at no cost - medicines, supplies, and equipment. These materials enable healthcare providers to more effectively serve low-income and underserved people who otherwise would not be able to afford appropriate care or have access to critical medications.

Direct Relief's medical assistance programs equip health professionals working in resource-poor communities to better meet the challenges of diagnosing, treating, and caring for people without regard to politics, religion, gender, race, or ability to pay. Further, Direct Relief works with locally-run healthcare facilities in over 70 countries and each of the 50 U.S. states.

Direct Relief initiatives involve a wide range of functions that require specialized expertise and licensing. Capabilities include identifying key local healthcare providers; working to identify the unmet needs of people; mobilizing essential medicines, supplies,

and equipment that are requested and appropriate for the circumstances; and managing the many details inherent in storing, transporting, and distributing such goods to the partner organizations in the most efficient manner possible. Direct Relief enjoys the unique distinction of being the only nonprofit accredited and licensed to distribute prescription medications in all 50 states.

Existing Facilities

Direct Relief currently operates from their property located at 27 S. La Patera Lane, Goleta, at the northerly terminus of South La Patera Lane, adjacent to the Southern Pacific Railroad right of way and U. S. Highway 101. The property is 2.48 acres, zoned M-1, Light Industry, and is under the jurisdiction of the City of Goleta. The building was constructed in 1967 and is a metal industrial building with a total gross building area of 39,800 SF, which includes 13,200 SF of offices and 27,800 SF of warehouse area. There are 54 parking spaces, including three (3) ADA spaces, with an overflow area in the back lot that can accommodate 60 vehicles.

Additionally, Direct Relief leases the property located at 30 S. La Patera, which contains a 23,000 SF warehouse, 2 trailers that provide an additional 1,440 SF of office area, and there are 10 parking spaces.

Due to current demands to provide critical medical supplies to address the Ebola crisis, Direct Relief has recently leased another warehouse facility consisting of 17,442 SF on Los Carneros Road. This operational measure has had to be implemented various times over the course of the last 10 years to handle surge supplies and avoid an operational standstill when the existing warehouse facilities are full and there is insufficient space in which to stage, sort and pack supplies.

In summary, the existing Direct Relief facility operates with a total warehouse area of 50,800 SF, 14,640 SF of office space, and 64 parking spaces, with area at 27 S. La Patera to provide for an additional 60 vehicles along with a temporary warehouse area of 17,442 SF located on Los Carneros Road.

II. Proposed Project/Needs Assessment

In order to maintain its current and projected activities, two years ago Direct Relief began searching for a new site and ultimately identified the subject site as a potentially suitable location. It is important to note that Direct Relief continues to grow both in terms of an increase in staff as well as an increase in demand to provide critical medications and medical supplies domestically and internationally. Below is a summary and recap of the purchase agreement process that took place between the City of Santa Barbara and Direct Relief. Direct Relief contacted the City of Santa

Barbara Airport to evaluate a potential lease of the subject site (referred to as Parcel 22 and described in greater detail below). However, a 50-year lease option would not meet the future needs for Direct Relief so an offer was made to purchase a portion of Parcel 22. (See Attachment 1, City Council Agenda Report, August 5, 2014). Parcel 22 encompasses approximately 15 acres which includes:

- Approximately 8.5 acres needed to accommodate the new facility for Direct Relief¹;
- An area of approximately 4.72 acres that contains street frontage along Hollister Avenue that will be retained by the City of Santa Barbara Airport;
- A 0.52 acre area developed with a pocket park at the corner of David Love Place and Frances Botello Road; and,
- An area of approximately 0.62 acres that encompasses a proposed new public street.

City Council approved the purchase agreement on September 9, 2014. As part of the agreement terms, Direct Relief is currently in the midst of an 18-month due diligence period during which it is seeking to secure the necessary discretionary approvals. If it is necessary, a six month extension to the due diligence period is provided in the purchase agreement.

The project site is located at 6100 Hollister Avenue (APN 073-080-036), zoned A-I-1/A-I-2 Airport Industrial 1 and 2/Airport Specific Plan Designation, Industrial. The Direct Relief project proposes to construct a 100,000 SF warehouse structure with an attached two-story 25,000 SF administrative office building and a 30,000 SF warehouse expansion area that will be constructed in the future (for a total floor area of 155,000 SF) . Development of the site will include a secure truck yard and loading area with approximately 152 surface parking spaces that will include six (6) van accessible spaces, and approximately 118,871 SF of landscaped area (includes retention basin areas for storm water treatment). In addition, there will be an outdoor dining area of approximately 4,970 SF as an amenity for employees and volunteers.

The proposed structure will be designed to achieve compatibility with the surrounding manufacturing and industrial structures consistent with the Airport Specific Plan design guidelines and will be subject to review by the City's Architectural Board of Review. Green and sustainable and building design features and elements will be incorporated to the extent feasible.

¹ The Direct Relief design team is in the process of evaluating the minimum amount of lot area in which to develop the facility while taking into consideration adequate parking and storm water treatment and anticipates the total land area purchase may be less than the 8.5 acres available.

Existing Conditions and Development/Site History

The property is currently owned and operated by the City of Santa Barbara Airport Department. The site contains six (6) main buildings with five (5) outbuildings located haphazardly throughout the property. Existing uses range from general commercial, research and development to light industrial. The area surrounding the structures is paved and there are approximately 20 striped parking spaces.

Following approval of the Airport Specific Plan in 1997, several development projects on the subject property were processed by the City and two of these, Gateway Center and Citrix Centre, were approved but were never constructed. (Refer to Attachment 1 for additional site development history details).

Airport Specific Plan –Development Program

The Airport Specific Plan includes a development program which analyzed the total floor area available for new development within the Specific Plan Area based on Charter Section 1508 requirements. The analysis took into consideration a variety of factors consistent with the City's non-residential growth ordinance in effect at the time and included demolition of existing structures and minor and small addition allocations. In the case of the proposed development for the Direct Relief facility, Airport Staff has determined that 45,000 SF will be allocated from the Airport Specific Plan Development Program.

The site is currently developed with six (6) main buildings with five (5) outbuildings located haphazardly throughout the property. All existing structures are proposed to be demolished to make way for the proposed Direct Relief Facility. City Airport staff has confirmed the following floor area itemization breakdown:

• Existing development proposed for demolition	6,080 SF
• Previous structures demolished (% to Direct Relief)	25,000 SF
• Airport Demolition Bank (Specific Plan area, off-site)	5,420 SF
• Small Addition	2,000 SF
• Vacant Property (Distribution from Specific Plan Area)	<u>6,500 SF</u>
Total from Airport Specific Plan Area and Site	45,000 SF

The remaining 110,000 SF necessary to construct the new Direct Relief warehouse and administrative offices facility, (including the 30,000 SF warehouse expansion), is therefore requested to be allocated from the Community Benefit allocation category. It is possible, and preferable to Direct Relief, that the 30,000 SF warehouse expansion would be constructed at the same time as the rest of the facility. However, if funding is constrained, Direct Relief requests that the floor area for the expansion be reserved for

a five year period as provided in Section 1. D.(3). of Exhibit A to City Resolution No. 13-010.

III. Community Priority and Needs Assessment

As stated above, the mission of Direct Relief is to improve the health and lives of people affected by poverty or emergency situations which involve a wide range of functions. The proposed new facility will provide nearly double the warehouse and office area from which Direct Relief current operates. Direct Relief's purpose and operation is very much aligned with the intent and purposes of a Community Priority development as set forth in the City's Municipal Code. A Community Priority "is a project that has a broad public benefit, is not principally operated for private profit, and is necessary to meet a present or projected need directly related to public health, safety or general welfare." The proposed project is necessary for Direct Relief to continue to provide support services that serve the Santa Barbara region, the United States as well as the global community. Direct Relief clearly meets the criteria which qualify it as a Community Priority Project.

We respectfully request City Council to designate Direct Relief as a Community Benefit project and for a floor area allocation of 110,000 SF from the Community Priority category which includes a reservation of 30,000 SF of floor area for a future warehouse expansion.

On behalf of the applicant and project team, we thank you for your consideration of Direct Relief's proposed project.

Sincerely,
SUZANNE ELLEDGE
PLANNING & PERMITTING SERVICES, INC.



Suzanne Elledge
Principal Planner

Attachment 1: Council Agenda Report, August 5, 2014



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: August 5, 2014

TO: Mayor and Councilmembers

FROM: Administration, Airport Department

SUBJECT: Introduction Of Ordinance For Purchase And Sale Agreement For Sale Of Land Located At 6100 Hollister Avenue

RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving and Authorizing the City Administrator to Execute the Purchase and Sale Agreement and Related Agreements Between the City of Santa Barbara and Direct Relief, a California nonprofit public benefit corporation, at a base price of \$25 per square foot of land area.

EXECUTIVE SUMMARY:

The City adopted the Airport Specific Plan, City Parcel Map No. 20,608, in 1997 which included the land north of Hollister Avenue incorporating a total of 88 acres. Since 1997 the Airport has received numerous unsolicited proposals for development of portions of this area and has issued two Requests for Proposals to develop a 15-acre parcel in the Specific Plan Area. All development efforts have been unsuccessful for a variety of issues, but primarily due to the Santa Barbara City Charter restriction that limits leases to 50 year terms.

The Airport, at Council direction, investigated developing the property independently. Although construction of small flexible buildings over a five-year interval in phases was possible, financing of the development would require outside financing and the debt service requirements did not provide for a realistic return on investment.

Direct Relief International has submitted a proposal to purchase Airport land at a "fair market value" to construct new offices and a warehouse. The sale of Airport land would set a precedent; however, the proceeds would provide the Airport with the funds necessary to construct debt-free industrial buildings, thereby strengthening the Airports revenue base.

DISCUSSION:

Property Description

The land at 6100 Hollister Avenue, bounded by Hollister Avenue, Frederic Lopez Road, Francis Botello Road and David Love Place, (Parcel 22 of the Airport Specific Plan [City Parcel Map No. 20,608], along with the adjacent 74 acres was transferred to the City by Grant Deed from the War Assets Department in 1949 to be used for the operation, maintenance and capital improvement of the Santa Barbara Airport.

This area has been leased for commercial industrial uses and is separated from the active airfield by Hollister Avenue. In 1983, the City requested that all land north of Hollister Avenue, 88 acres, be released from the FAA requirement that the land be used for aviation purposes. The Federal Aviation Administration approved the release on October 30, 1984 but maintained the requirement that the revenue generated from the land must be at "fair market value" and be used for the operation, maintenance and capital improvement of the Airport.

Development History

In 1997, Council approved the Airport Specific Plan to guide development of the Airport's commercial/industrial zoned property for light industrial and yard uses, commercial recreation, and economic development.

The Airport's efforts to develop this land in accordance with the Specific Plan via long-term lease included:

- 1997 and 2004 - two unsuccessful single tenant development Requests for Proposals
- 2007 – one industrial condo ownership proposal with up to 19 buildings
- 2009 – one 4-acre parcel for Verizon a maintenance and storage facility
- 2010 – one hotel proposal for a portion of the parcel
- 2004- 2010 – four proposals from Target for a retail facility
- 2010 – one proposal from Deckers Corporation for corporate offices

In all cases the proposals were unsuccessful for a variety of reasons, but one major limiting factor is the Charter requirement that any lease be limited to 50 years.

Airport Small Parcel Development

Based on the failure of long-term lease development, on June 15, 2010 Council directed staff to pursue the small parcel development for industrial and commercial tenants consistent with the approved Airport Specific Plan. This approach would continue the Airport's niche in small light industrial space and could be phased in over a period of years. Staff undertook a comprehensive feasibility study including a site layout plan,

stakeholder input on the market as well as political sensitivity, and examination of financial Proforma on leasing and self development for the potential development of this 15 acre parcel.

Local consultants designed a layout plan that fully utilized all available land on Parcel 22 resulting in 13 lots with buildings ranging in size from 6,000 – 15,000 square feet with required parking, landscaping, and on site drainage. Input from stakeholders, including UCSB, Goleta Chamber of Commerce, City of Goleta, local real estate brokers, and others indicated that there had not been any new industrial buildings constructed in the last 25 years and that the size and design would meet the needs for this market with small commercial/industrial units with expansion opportunities.

The financial Proforma was based on outside financing to construct the 13 buildings in four phases, at five-year intervals, assuming pre-leasing and full occupancy upon completion. While possible, this approach to development had a high risk, with a low 50-year return on investment.

Unsolicited Proposal from Direct Relief International (DRI)

Direct Relief, founded in Santa Barbara in 1948, is a nonprofit, nonpartisan organization that provides medical assistance to people around the world who have been affected by poverty, natural disasters, and civil unrest. DRI is currently located at 27 South La Patera Lane and also leases space in a warehouse across the street from DRI offices. DRI employs 57 staff and has 20-25 volunteers daily.

DRI is seeking to build a new state of the art facility consisting of approximately 125,000 square feet in size, of which 100,000 square feet would serve as warehouse and distribution (with 45 foot height) and 25,000 square feet would serve as offices. As is typically required for development in proximity to the Airport, an "Avigation easement" in favor of the City would be required at the time of development to protect the aviation rights at the Airport.

DRI would require 6 to 8.5 acres of land for the new facility which will be determined upon final survey when development plans are more fully prepared. DRI plans to initiate a fundraising campaign for the development project.

DRI and the City explored the option of a long-term 50-year lease on Parcel 22, however, leasing was not an option. DRI subsequently offered to purchase the land at an appraised market value.

FAA Consultation on Airport Land Sale

Inasmuch as the land north of Hollister Avenue was acquired by the military during WWII and conveyed to the City, staff contacted the Compliance Officer with the Los Angeles

Airport District Office to inquire if there were any FAA restrictions on the potential sale of Airport property.

FAA responded that with the 1984 Instrument of Release eliminating all airport/aviation obligations, the land could be sold and converted to another use. Proceeds from the sale must, however, be used for airport purposes.

Purchase and Sale Terms

Following FAA's reply, staff entered into negotiations with DRI regarding the possible sale of between 6 and 8.5 acres of land zoned for commercial industrial development. The following summarizes the key terms and conditions of the Purchase and Sale Agreement:

- **Purchase Price:** Twenty-five dollars (\$25) per square foot (net). This amount reflects the value determined in the City's February 2014 appraisal. Total purchase price will be determined based upon net square footage acquired by DRI but will range from \$6.5 to \$8.5 million. City appraisal may be updated 90-days prior to close of escrow. DRI may either (i) accept City's updated value, or (ii) update DRI's appraisal (\$20/sf) in which case the new purchase price is determined by the average between the two new opinions of value as follows: (i) if the average opinion of value is less than the original base purchase price, the original purchase price remains the purchase price, (ii) if the average is greater than the original purchase price by 10% or less, the average becomes the new purchase price (iii) if the average is more than 10% above the original purchase price, the purchase price is increased by 10%.
- **Deposit:** Within 30 days after execution of Purchase and Sale Agreement, DRI will deposit \$500,000 into escrow which, at the end of an 18-month feasibility period, becomes liquidated damages or returned to DRI if the transaction does not close escrow.
- **Feasibility Period:** 18-month period for DRI to conduct due diligence with regard to the property. Close of escrow 90-days after end of feasibility period. DRI may choose to terminate transaction or extend the 18-month due diligence period for an additional period of 6 months if DRI has not secured approval of all discretionary permits necessary to develop the property with its intended development.
- **Operation of Property:** The Airport shall continue to use property in the usual manner until close of escrow.
- **Right of First Offer:** After close of escrow, if DRI determines to sell the property, it must first offer sale property back to City. City may offer to re-purchase based upon the then appraised value less 10%. Disagreement on the value is to be resolved by the average of three values. After 21 years, and for 10 years thereafter, 10% reduction to repurchase price is decreased by 1%.

- **Community Support Payment:** 12 months after issuance of the certificate of occupancy, DRI shall begin making annual payments to the City in the amount of 12.5% of 1.03% of the sum of the purchase price plus the construction costs (example: \$20,000,000 x 12.5% x 1.03% = \$25,750) increased annually by 2%. The payment is a personal obligation of DRI and terminates upon sale of the property.
- **Access Road:** DRI shall construct, or pay the City the sum of \$473,000 to construct, an access road in accordance with City standards extending from Frederick Lopez Road along the southern frontage of the purchased property. City shall reimburse DRI 50% of the road construction cost upon construction and occupancy of any structures located between the access road and Hollister Avenue on City-retained property.

Utilities: Water service shall be provided to the property by the Airport through a sub-meter connected to the City's meter connection to Goleta Water District. Sewer service shall be provided to the property by the City and connected through the City's facilities to the Goleta Sanitary District.

The Purchase and Sale Agreement and related agreements are available for public review at the City Clerk's Office and at Airport Administration.

Environmental Review

The City's Environmental Analyst has determined that the sale of this City land is categorically exempt from Environmental Review under California Environmental Quality Act Sec. 15312 (MST2011-00255).

Impact of Sale on Airport

While the proposed sale of Airport land is unprecedented, it would provide the necessary space for DRI, a long established local non-profit, to construct a state-of-art facility meeting DRI's unique space needs not available in other facilities.

Equally important to the City, the proceeds from the sale will allow the Airport to begin building out of the remaining land with light industrial uses, thereby strengthening the Airport's revenue base with debt-free buildings.

Escrow

Upon approval of the Purchase Agreement, an escrow account will be opened and administered by Fidelity National Title Company. Title insurance costs will be provided by the City. Upon close of escrow, and the effective date of the approving ordinance, Fidelity National Title Company will be authorized to record the Grant Deed in the Official Records, Santa Barbara County, and transfer of title will be completed.

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SUBMITTED BY: Hazel Johns, Airport Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 24, 2015
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