

**CITY OF SANTA BARBARA
CITY COUNCIL**

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



Paul Casey
City Administrator

Ariel Pierre Calonne
City Attorney

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

**MARCH 1, 2016
AGENDA**

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

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

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

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

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

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

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

ORDER OF BUSINESS

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

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

Subject: Options For Increasing Streets Program Infrastructure Funding (120.03)

Recommendation: That the Finance Committee provide input to staff on options to increase funding for street-related capital infrastructure.

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

Subject: Amendment To Section 7.16.320 Of The Santa Barbara Municipal Code To Allow The Combination Of Discrete Water, Sewer And Refuse Services Onto One Utility Bill (120.03)

Recommendation: That the Ordinance Committee forward to Council for introduction, An Ordinance of the Council of the City of Santa Barbara Amending Section 7.16.320, Billing and Collection, of the Santa Barbara Municipal Code to Allow the City, at Its Own Discretion, to Join Discrete Water, Sewer and/or Refuse Accounts When the Discrete Accounts Contain Corresponding Customer Identification Information and Corresponding Service Locations.

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CEREMONIAL ITEMS

1. **Subject: Proclamation Declaring Santa Barbara Museum Of Natural History's 100th Anniversary (120.04)**
2. **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 March 31, 2016.

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

3. **Subject: Minutes**

Recommendation: That Council waive further reading and approve the minutes of the regular meeting of February 9, 2016.

4. **Subject: Adoption Of An Ordinance For A Lease Agreement With Chandlery On The Breakwater, Inc. (570.03)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving a Five-Year Lease Agreement with One Five-Year Option with Chandlery on the Breakwater, Inc., at an Average Initial Base Rent of \$1,541.15 per Month, for the Premises Located at 125 Harbor Way, Suites #3, 4, and 5, Effective April 1, 2016.

CONSENT CALENDAR (CONT'D)

5. **Subject: Adoption Of Ordinance Extending Lease Agreements With Santa Barbara Unified School District For Fire Station No. Five And Eastside Library (570.04)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Authorizing the City Administrator to Execute Amendments Extending the Term of Lease Agreement No. 4,840, for Use and Maintenance of Fire Station No. 5 with the Santa Barbara Unified School District, and Lease Agreement No. 24,336 with the Santa Barbara Unified School District for Its Use of a Portion of the Eastside Library and Franklin Center Real Property, Both Through April 30, 2018.

6. **Subject: Grant From California State Parks Division Of Boating And Waterways For Replacement Of Pumpout Facilities (570.03)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Requesting a Grant in the Amount of \$73,000 from the California State Parks Division of Boating and Waterways for the Replacement of Boat Pumpout Facilities at Santa Barbara Harbor.

7. **Subject: Resolution Accepting Grant Deed From The Trust For Public Land For Vacant Land Along Lower Arroyo Burro Watershed (330.03)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Accepting a Grant Deed from the Trust for Public Land for Real Property Along the Lower Arroyo Burro Watershed.

8. **Subject: Award Of Independent Audit Contract Of The City's Financial Statements (220.03)**

Recommendation: That Council approve, and authorize the Finance Director to execute, an extension of the existing professional services agreement for two years with Lance, Soll & Lunghard, LLP, Certified Public Accountants (LSL), to perform independent audits of the City of Santa Barbara for the fiscal years ending June 30, 2016, and June 30, 2017, in a total two-year amount not to exceed \$140,714.

CONSENT CALENDAR (CONT'D)

9. Subject: State Grant Provided To Address Underage Drinking, Excessive Drinking, And Alcohol-Related Vehicle Accidents (520.04)

Recommendation: That Council:

- A. Accept an additional \$1,832 for a total of \$30,330 from the County of Santa Barbara Alcohol, Drug, & Mental Health Services (ADMHS) Strategic Prevention Framework State Incentive Grant in order to address underage and excessive drinking, and alcohol-related motor vehicle accidents for Fiscal Year 2016; and
- B. Increase appropriations and estimated revenues by \$1,832 in the Police Miscellaneous Grants Fund for Fiscal Year 2016.

10. Subject: Loan Restatement Request On Property Located At 1018-1028 Castillo Street (Castillo Homes) (660.04)

Recommendation: That Council:

- A. Approve a Restatement of a 1986 Loan Agreement funded with Redevelopment Agency Housing Set-aside Funds;
- B. Approve a Restatement of the Deed of Trust securing the Restated Loan Agreement;
- C. Approve Amendments to the Existing Affordability Covenant; and
- D. Authorize the Community Development Director to execute, subject to approval as to form by the City Attorney, such agreements and related City documents as necessary.

11. Subject: Amendment To The Professional Services Contract For Background Investigations Regarding Police Department Personnel (520.04)

Recommendation: That Council authorize the Interim Chief of Police to execute an amendment to the professional services agreement with Sintra Group, increasing the contract from \$10,000 to \$50,000 to conduct background investigations for prospective Police Department personnel for Fiscal Year 2016.

NOTICES

- 12. The City Clerk has on Thursday, February 25, 2016, 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.
- 13. A City Council site visit is scheduled for Monday, March 7, 2016, at 1:30 p.m. to the property located at 1818 Castillo Street, which is the subject of an appeal hearing set for March 8, 2016, at 2:00 p.m.

This concludes the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

REPORT FROM THE ORDINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

CITY ATTORNEY

14. Subject: Vacation Rental Enforcement Update (640.09)

Recommendation: That Council review and receive a report from staff on the status of the City's enforcement efforts on vacation rentals.

PUBLIC WORKS DEPARTMENT

15. Subject: Capital Improvement Program Status Report Second Quarter Fiscal Year 2016 (230.01)

Recommendation: That Council accept the Capital Improvement Program Status Report for the Second Quarter of Fiscal Year 2016.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

PUBLIC COMMENT (IF NECESSARY)

CLOSED SESSIONS

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

Recommendation: That Council hold a closed session to consider whether to initiate litigation (one potential case), pursuant to Government Code sections 54956.9(d)(4), arising out of damages incurred as a result of Southern California Edison's delay of the City's Punta Gorda Bridge Project.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

ADJOURNMENT

To Monday, March 7, 2016, at 1:30 p.m. at 1818 Castillo Street. (See Agenda Item No. 13)

CITY OF SANTA BARBARA

FINANCE COMMITTEE

MEETING AGENDA

DATE: March 1, 2016

Gregg Hart, Chair

TIME: 12:30 P.M.

Bendy White

PLACE: David Gebhard Public Meeting Room
630 Garden Street

Jason Dominguez

Paul Casey
City Administrator

Robert Samario
Finance Director

ITEMS TO BE CONSIDERED:

Subject: Options For Increasing Streets Program Infrastructure Funding

Recommendation: That the Finance Committee provide input to staff on options to increase funding for street related capital infrastructure.



CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Finance Committee

FROM: Transportation Division, Public Works Department

SUBJECT: Options For Increasing Streets Program Infrastructure Funding

RECOMMENDATION:

That the Finance Committee provide input to staff on options to increase funding for street related capital infrastructure.

DISCUSSION:

At its meeting of February 2, 2016, Council directed staff to work with the Finance Committee to develop options for increasing the amount of funding available to fund streets, sidewalks, storm drains, street lights, traffic signals, and other related infrastructure (Streets Infrastructure).

At this first meeting with the Finance Committee, staff will present a list of identified options for increasing the amount of money available for Streets Infrastructure and receive input from the Finance Committee regarding priorities and additional options for consideration.

Staff intends to meet frequently with the Finance Committee, with the goal of developing a recommendation for consideration by Council by July of 2016.

BUDGET/FINANCIAL INFORMATION:

Streets infrastructure is funded entirely from special purpose or restricted funds. These include Utility Users Tax, Measure A Sales Tax, Gas Tax, and several other smaller revenue sources. These funds also support the operational programs related to the maintenance of the streets and right of way. Funds for street infrastructure are flat or declining while costs continue to increase. Deferral of maintenance for streets in particular accelerates the rate of deterioration.

SUSTAINABILITY IMPACT:

Well-maintained infrastructure supports a healthy environment by minimizing damage to vehicles. Well-functioning storm drains effectively convey water to creeks and the ocean, while decreasing the amount of transported debris, sediment, and litter.

PREPARED BY: Chris Toth, Transportation Division Manager/RB/mj

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA

ORDINANCE COMMITTEE MEETING

MEETING AGENDA

DATE: March 1, 2016
TIME: 12:30 p.m.
PLACE: Council Chambers

Randy Rowse, Chair
Frank Hotchkiss
Cathy Murillo

Office of the City
Administrator

Office of the City
Attorney

Kate Whan
Administrative Analyst

Ariel Pierre Calonne
City Attorney

ITEMS FOR CONSIDERATION

Subject: Amendment To Section 7.16.320 Of The Santa Barbara Municipal Code To Allow The Combination Of Discrete Water, Sewer And Refuse Services Onto One Utility Bill

Recommendation: That the Ordinance Committee forward to Council for introduction, An Ordinance of the Council of the City of Santa Barbara Amending Section 7.16.320 Billing and Collection of the Santa Barbara Municipal Code to Allow the City, At Its Own Discretion, to Join Discrete Water, Sewer and/or Refuse Accounts When the Discrete Accounts Contain Corresponding Customer Identification Information and Corresponding Service Locations.



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Ordinance Committee

FROM: Environmental Services Division, Finance Department

SUBJECT: Amendment To Section 7.16.320 Of The Santa Barbara Municipal Code To Allow The Combination Of Discrete Water, Sewer And Refuse Services Onto One Utility Bill

RECOMMENDATION:

That the Ordinance Committee forward to Council for introduction, An Ordinance of the Council of the City of Santa Barbara Amending Section 7.16.320, Billing and Collection, of the Santa Barbara Municipal Code to Allow the City, At Its Own Discretion, to Join Discrete Water, Sewer and/or Refuse Accounts When the Discrete Accounts Contain Corresponding Customer Identification Information and Corresponding Service Locations.

DISCUSSION:

The City directly bills ratepayers for water, sewer and refuse services. Section 7.16.320 of the Municipal Code authorizes the City to include charges for refuse service on the same bill for water and sewer service. Over the past decade or more, water service was often established by the City, and trash service was established separately by the City's waste hauler(s), leading to the creation of hundreds of duplicate accounts in the City's Utility Billing System for the same customer at the same service location.

The existence of these duplicate accounts is inefficient and problematic for several reasons. Duplicate accounts: 1) increase the risk of data errors associated with utility billings; 2) complicate reporting and data management when extracting data from the system and; 3) may lead to inconsistent treatment of delinquent utility bills. Whereas protocols for termination of service for delinquent water accounts are under the City's direct control, delinquent trash accounts are pursued by MarBorg, the City's franchised refuse hauler, and other third-party collection agents, whose practices may differ from those set forth in the Municipal Code.

The recommended amendment to Section 7.16.320 of the Municipal Code would allow the City to combine approximately 1,930 discrete water, sewer and refuse accounts into 966 accounts. This action would also improve the efficiency and accuracy of the City's Utility Billing database and would ensure consistent treatment of accounts.

BUDGET/FINANCIAL INFORMATION:

There are no budget or financial impacts associated with the Council action.

ATTACHMENT: Redline of Section 7.16.320 of the Santa Barbara Municipal Code

PREPARED BY: Matthew R. Fore, Environmental Services Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

ORDINANCE NO.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING SECTION 7.16.320 BILLING AND COLLECTION OF THE SANTA BARBARA MUNICIPAL CODE TO ALLOW THE CITY, AT ITS OWN DISCRETION, TO JOIN DISCRETE WATER, SEWER AND/OR REFUSE ACCOUNTS WHEN THE DISCRETE ACCOUNTS CONTAIN CORRESPONDING CUSTOMER IDENTIFICATION INFORMATION AND CORRESPONDING SERVICE LOCATIONS

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

Section 1. Section 7.16.320 of Chapter 7.16 of Title 7 of the Santa Barbara Municipal Code is amended to read as follows:

7.16.320 Billing and Collection.

The City shall cause the refuse billing of all commercial and residential occupants or owners to be made on suitable forms. Refuse service charges on all accounts may be added to and collected with the charges for water and/or sewer service furnished by the City for said premises. In such cases, the charges shall be billed upon the same bill as submitted for the charges for water service and/or sewer service and shall be due and payable bi-monthly at the same time and in the same manner that such charges for water and/or sewer service are due and payable; providing, however, separate bills are not to be prepared for residential premises which are not provided water and/or sewer service by the City. In cases where the same City utility customer receives multiple utility services (refuse, water, or sewer service, or any combination thereof) at the same service location, the charges for all utility services provided to the customer by the City

at the particular service location shall be combined on the same bill. In the event of delinquency of twenty (20) days after presentation of billing for refuse service by the City to the service customer, the City may instruct the contractor to cease pickup of refuse, and may discontinue water service to the premises for which payment is delinquent. In such event, water and refuse services shall be resumed only upon payment of all arrearages for said services, plus a service resumption fee ~~of fifteen dollars (\$15.00) for water turn-on as provided in Chapter 14.16 of this Code (Ord. 3990, 1979; Ord. 3568 §3, 1972.)~~ as set by a resolution of the City Council.



**Santa Barbara Museum of Natural History
100th Anniversary**

WHEREAS, the Santa Barbara Museum of Natural History, founded in 1916, aims to spark curiosity and ignite a passion for nature by expand our understanding of the natural world, share the process of discovery, and communicate the interconnectedness of all species; and

WHEREAS, the Santa Barbara Museum of Natural History promotes the preservation of the Earth's natural systems as an urgent priority and fosters a sense of collective responsibility, necessary for maintaining biodiversity and for the well-being of our own species; and

WHEREAS, the Santa Barbara Museum of Natural History is a community resource and a welcoming, accessible center for community engagement that uses the full range of the human experience to reach and connect people of all ages and backgrounds, transcending geographic, economic, and cultural boundaries; and

WHEREAS, the Santa Barbara Museum of Natural History strives to encourage community involvement and foster an appreciation for Santa Barbara's distinct natural history through its substantial collections and research, exhibits, public education events and lectures, and public school programs.

NOW, THEREFORE I, MAYOR HELENE SCHNEIDER, by virtue of the authority invested in me as Mayor of the City of Santa Barbara, California, do hereby acknowledge and thank the Santa Barbara Museum of Natural History for its 100 years of service of providing science and nature education to generations of visitors throughout California. The Museum's mission to inspire a thirst for discovery and a passion for the natural world has created an impact in Santa Barbara and beyond.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of the City of Santa Barbara, California, to be affixed this 1st day of March 2016.

A handwritten signature in black ink, appearing to read 'Helene Schneider', written over a horizontal line.

**HELENE SCHNEIDER
MAYOR**



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016
TO: Mayor and Councilmembers
FROM: City Administrator's Office
SUBJECT: Employee Recognition – Service Award Pins

RECOMMENDATION:

That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through March 31, 2016.

DISCUSSION:

The City appreciates the loyalty to the community and the dedication to public service that are demonstrated by City employees throughout the organization every day. Since 1980, the City Employees' Recognition Program has recognized length of City Service. Service award pins are presented to employees for every five years of service. Those employees achieving 25 years of service or more are eligible to receive their pins in front of the City Council.

Attached is a list of those employees who will be awarded pins for their service through March 31, 2016.

ATTACHMENT: March 2016 Service Awards
PREPARED BY: Nicole Grisanti, City Administrator's Office Supervisor
SUBMITTED BY: Kristine Schmidt, Administrative Services Director
APPROVED BY: City Administrator's Office

March 2016 SERVICE AWARDS

March 1, 2016 Council Meeting

10 YEARS

Crystal Bedolla, Police Officer, Police Department

Michael Cloonan, Senior Engineering Technician, Public Works Department

Gary Gaston, Police Officer, Police Department

Nicole Kasper, Building Inspector Aide, Community Development Department

Michelle Sanchez, Accounting Assistant, Finance Department

David Thornburgh, Senior Real Property Agent, Public Works Department

15 YEARS

Barrett Hoffman, Fire Captain, Fire Department

Chad Hunt, Police Officer, Police Department

Robert Jensen, Fire Engineer, Fire Department

Trever Jones, Fire Engineer, Fire Department

Bradley Waters, Fire Captain, Fire Department

Matthew Wilson, Fire Captain, Fire Department

Susan Young, Neighborhood and Outreach Services Supervisor I,
Parks and Recreation Department

20 YEARS

Carlos Lamas, Meter Reader/Water Distribution Operator II, Public Works Department

Shaun Mapes, Fleet Services Technician I, Public Works Department

Robert Samario, Finance Director, Finance Department

25 YEARS

Fernando Banales, Streets Maintenance Worker II, Public Works Department

John Booth, Streets Maintenance Worker II, Public Works Department

Georgia Lopez, Streets Maintenance Coordinator, Public Works Department

Leif Reynolds, Project Engineer II, Public Works Department



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING February 9, 2016 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

Councilmembers present: Jason Dominguez, Frank Hotchkiss, Cathy Murillo, Bendy White, Mayor Schneider.

Councilmembers absent: Gregg Hart, Randy Rowse.

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

CHANGES TO THE AGENDA

Item Removed from Agenda

City Administrator Paul Casey requested that the following item be removed from the agenda:

9. Subject: Contract For Storage Of Pass-Through Water In Lake Cachuma (540.10)

Recommendation: That Council authorize the Public Works Director to negotiate and execute a Warren Act contract with the U.S. Bureau of Reclamation, in a form approved by the City Attorney, to provide for the storage and conveyance of a portion of the City's Gibraltar Reservoir water as non-project water in and through Cachuma Project facilities, pursuant to the provisions of the 1989 Upper Santa Ynez River Operations Agreement.

(Cont'd)

9. (Cont'd)

Motion:

Councilmembers Murillo/Hotchkiss to remove Item No. 9 from the agenda.

Vote:

Unanimous voice vote (Absent: Councilmembers Hart, Rowse).

PUBLIC COMMENT

Speakers: Kenneth Loch; Pete Dal Bello; Phil Walker; Tom Widroe, City Watch; W. Scott Burns and Joe Darga, Donate Life California; Andrea Roselinsky; Rick Morse; Clint Orr; Cruzito Herrera Cruz; American Contender.

ITEM REMOVED FROM CONSENT CALENDAR

3. Subject: Contract For Streets Maintenance Planning Support Services (530.04)

Recommendation: That Council authorize the Public Works Director to execute a City Professional Services contract in the amount of \$100,326 with LA Consulting, Inc., for Streets Maintenance Planning Support Services, and authorize the Public Works Director to approve expenditures of up to \$10,033 for extra services of LA Consulting, Inc., that may result from necessary changes in the scope of work.

Documents:

February 9, 2016, report from the Public Works Director.

Speakers:

- Staff: Transportation Manager Christopher Toth, City Administrator Paul Casey, Public Works Director Rebecca Bjork.
- Members of the Public: Cynthia Goena, Service Employees International Union Local 620.

Motion:

Councilmembers Murillo/Hotchkiss to approve the recommendation and direct Staff to return to Council with a report on the implementation of the contractor's recommendations; Contract No. 25,406.

Vote:

Unanimous voice vote (Absent: Councilmembers Hart, Rowse).

CONSENT CALENDAR (Item Nos. 1, 2, and 4 – 7)

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

Motion:

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

Vote:

Unanimous roll call vote (Absent: Councilmembers Hart, Rowse).

1. Subject: Update To Records Management Policies And Procedures Manual (160.06)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving the City of Santa Barbara Records Management Policies and Procedures Manual, and Rescinding Resolution No. 14-006.

Action: Approved the recommendation; Resolution No. 16-005 (February 9, 2016, report from the Administrative Services Director; proposed resolution).

2. Subject: Authorization To Request Correction Of Department Of Water Resources Groundwater Basin Map For The Foothill Basin (540.10)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Authorizing the Public Works Director to Submit a Request to the California Department of Water Resources for a Groundwater Basin Boundary Modification for the Foothill Groundwater Basin.

Action: Approved the recommendation; Resolution No. 16-006 (February 9, 2016, report from the Public Works Director; proposed resolution).

4. Subject: Service Agreement With Interim Police Chief (440.03)

Recommendation: That Council authorize the City Administrator to execute a service agreement with John Crombach to act as Interim Police Chief, subject to Mr. Crombach's prior successful completion of a background investigation and other required pre-employment examinations.

Action: Approved the recommendation; Agreement No. 25,407 (February 9, 2016, report from the City Administrator).

5. Subject: Set A Date For Public Hearing Regarding Appeal Of Architectural Board Of Review Approval For 1818 Castillo Street (640.07)

Recommendation: That Council:

- A. Set the date of March 8, 2016, at 2:00 p.m. for hearing the appeal filed by Eric and Elenor Wernicke of the Architectural Board of Review's project design approval of an application for property owned by DB Partners and located at 1818 Castillo Street, Assessor's Parcel No. 027-012-023, R-4 Hotel-Motel-Multiple Residential Zone, General Plan Designation: Residential (15-27 dwelling units/acre). The project proposes the demolition of existing buildings and the construction of a two-unit, two-story duplex and a five-unit two- and partial three-story residential apartment building under the Average Unit Size Density Incentive Program. The seven-unit project will comprise 2 two-bedroom units and 5 three-bedroom units totaling 6,609 square feet. The 12,656 square-foot parcel is designated as Medium-High Density with a maximum average density allowed of 945 square feet per unit; the average unit size for this project will be 944 square feet. There will be eight uncovered parking spaces, including one accessible parking space between the two proposed buildings along the southerly property line; and
- B. Set the date of March 7, 2016, at 1:30 p.m. for a site visit to the property located at 1818 Castillo Street.

Action: Approved the recommendation (December 21, 2015, letter of appeal, received January 14, 2016).

NOTICES

- 6. The City Clerk has on Thursday, February 4, 2016, 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.
- 7. Cancellation of the regular City Council meeting of February 16, 2016.

This concluded the Consent Calendar.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

8. Subject: Amendment To The Noise Ordinance Defining Noise Disturbance And Administrative Citations For Violations (640.09)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Chapter 9.16 of the Santa Barbara Municipal Code in its Entirety Pertaining to Noise.

(Cont'd)

8. (Cont'd)

Documents:

- February 9, 2016, report from the Community Development Director.
- Proposed ordinance.
- PowerPoint presentation prepared and made by Staff.
- February 8, 2016, e-mails from Robert Burke, Sophie Foot, Laurie Marx.

The title of the ordinance was read.

Speakers:

- Staff: Project Planner Andrew Bermond, Community Development Director George Buell, Parks and Recreation Director Jill Zachary, City Attorney Ariel Calonne, City Administrator Paul Casey.
- Members of the Public: Laura Nissley; Michael Nelson, Elings Park Foundation; Bill Oliphant; Robert Burke; Luz Reyes-Martin; Gwen Stauffer; Tamara Erickson, Hotel Santa Barbara; Joe Sullivan; Dianna Bottoms; Tom Widroe, City Watch; Beebe Longstreet; Laurie Marx; Nadine Turner, Hotel Santa Barbara; Emily Gribble; Lexi Valas; Marianne Kugler, Santa Barbara City College; Mark Taylor; John Jostes; Bob Stout.

Motion:

Councilmembers Murillo/Hotchkiss to introduce the ordinance with the following revision to Section 9.16.110 (Enforcement):

“B. VIOLATIONS. Any violation of the provisions of this Chapter shall be a ~~misdemeanor~~ an infraction or be subject to administrative code enforcement pursuant to Chapter 1.25 of this code. Each hour such violation is committed or permitted to continue shall constitute a separate offense and shall be punishable as such.”

Vote:

Unanimous voice vote (Absent: Councilmembers Hart, Rowse).

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember White commented on current vacancies in management positions for both the Cachuma Conservation Release Board and Cachuma Operation and Maintenance Board.
- Councilmember Murillo reported on: 1) the recent meeting of the Metropolitan Transit District Board, during which a drop in ridership was discussed; 2) the Women in Sports luncheon; and 3) United Way's new Financial Empowerment partnership.

RECESS

Mayor Schneider recessed the meeting at 4:28 p.m. in order for the Council to reconvene in closed session for Agenda Item No. 10, and she stated that no reportable action is anticipated.

CLOSED SESSIONS

10. Subject: Conference With City Attorney - Existing And Anticipated Litigation (160.03)

Recommendation: That Council:

- A. Hold a closed session to confer with the City Attorney regarding existing litigation pursuant to Government Code section 54956.9(d)(1), and take appropriate action as needed.

The existing litigation is:

- *Ron Bochner v. City of Santa Barbara*, SBSC Case No. 15CV02939
- *Linda Curtiss v. City of Santa Barbara, et al.*, SBSC Case No. 15CV00345
- *Debra A. Corral, et al. v. City of Santa Barbara*, SBSC Case No. 1466439; Related to Case No. 1343636
- *Patricia Dzukola v. City of Santa Barbara*, SBSC Case No. 15CV04677
- *Nestor Galvan v. City of Santa Barbara, et al.*, SBSC Case No. 15CV00968
- *Susan Guerguy v. City of Santa Barbara*, SBSC Case No. 15CV04677
- *Silbia Limon v. City of Santa Barbara, et al.*, SBSC Case No. 15CV00135
- *Trevor Martinson, et al. v. City of Santa Barbara, et al.*, SBSC Case No. 15CV044465
- *Lizette Padilla-Lee v. Lux; Lux v. City of Santa Barbara*, SBSC Case No. 1486999
- *Toni M. Reyes v. City of Santa Barbara, et al.*, SBSC Case No. 1416050
- *Andrew Furst v. City of Santa Barbara, et al.*, USDC Case No. 5:15-CV-02428 VAP(SP_x)
- *Jesus Reyes Herrera v. City of Santa Barbara, et al.*, USDC Case No. 2:15-CV-08402 DMG(PLA_x)
- *Travis Middleton v. Santa Barbara Police Department, et al.*, USDC Case No. CV15-09818 SVW(AGR)
- *Home on Wheels, et al. v. City of Santa Barbara*, COA Case No. 2656630
- *Rolland Jacks v. City of Santa Barbara, et al.*, COA Case No. B253474

(Cont'd)

10. (Cont'd)

A. (Cont'd):

- *Passion Moore v. City of Santa Barbara, et al.*, COA Case No. 15-55316
- *Jun Yang v. City of Santa Barbara*, COA Case No. B267587
- *City of Santa Barbara v. Virginia Castagnola, et al.*, SBSC Case No. 1469840

B. Hold a closed session to confer with the City Attorney regarding anticipated litigation pursuant to Government Code section 54956.9(d)(2)&(3), and take appropriate action as needed.

The anticipated litigation is based upon:

- Significant exposure to litigation arising out of the tort claim of David Anduri, Sr.
- Significant exposure to litigation arising out of the claim of Kendra L. Feshbach
- Significant exposure to litigation arising out of the claim of Jennifer McKenzie

C. Hold a closed session to confer with the City Attorney regarding anticipated litigation pursuant to Government Code section 54956.9(d)(2)&(e)(2), and take appropriate action as needed.

The anticipated litigation is based upon:

- Significant exposure to litigation arising out of water main break related damage to U.S. Route 101.

Scheduling: Duration, 60 minutes; anytime

Report: None anticipated

Documents:

February 9, 2016, report from the City Attorney.

Time:

4:30 p.m. – 6:00 p.m. Councilmembers Hart and Rowse were absent.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 6:00 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

SUSAN TSCHECH, CMC
DEPUTY CITY CLERK

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING A FIVE-YEAR LEASE AGREEMENT WITH ONE FIVE-YEAR OPTION WITH CHANDLERY ON THE BREAKWATER, INC., AT AN AVERAGE INITIAL BASE RENT OF \$1,541.15 PER MONTH, FOR THE PREMISES LOCATED AT 125 HARBOR WAY, SUITES # 3, 4, AND 5, EFFECTIVE APRIL 1, 2016.

THE CITY 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, An Ordinance of the Council of the City of Santa Barbara Approving a Lease With Chandlery on the Breakwater, Inc., Effective April 1, 2016, is hereby approved.

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE AMENDMENTS EXTENDING THE TERM OF LEASE AGREEMENT NO. 4,840, FOR USE AND MAINTENANCE OF FIRE STATION NO. 5 WITH THE SANTA BARBARA UNIFIED SCHOOL DISTRICT, AND LEASE AGREEMENT NO. 24,336 WITH THE SANTA BARBARA UNIFIED SCHOOL DISTRICT FOR ITS USE OF A PORTION OF THE EAST SIDE LIBRARY AND FRANKLIN CENTER REAL PROPERTY, BOTH THROUGH APRIL 30, 2018

THE CITY 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, the City Council authorizes the City Administrator to execute an amendment to City Lease Agreement No. 4,840 with the Santa Barbara Unified School District (formerly the Santa Barbara High School District) to extend the term of the lease from April 30, 2016 through April 30, 2018 for City's use of the property at La Cumbre Middle School, located at 2505 Modoc Road, for operation of City Fire Station No. 5.

SECTION 2. In accordance with the provisions of Section 521 of the Charter of the City of Santa Barbara, the City Council authorize the City Administrator to execute an amendment to City Lease Agreement No. 24,336 with the Santa Barbara Unified School District to extend the term of the lease from April 30, 2016 through April 30, 2018, for its use of a portion the East Side Library and Franklin Center located at 1102 and 1136 East Montecito Street.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Mayor and Councilmembers

FROM: Facilities Division, Waterfront Department

SUBJECT: Grant From California State Parks Division Of Boating And Waterways For Replacement Of Pumpout Facilities

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara, Requesting a Grant in the Amount of \$73,000 from the California State Parks Division of Boating and Waterways for the Replacement of Boat Pumpout Facilities at Santa Barbara Harbor.

DISCUSSION:

Through funding authorized by the Clean Vessel Act of 1992, the California State Parks Division of Boating and Waterways (DBW) provides grants for the replacement of pumpout stations to help prevent pollution from vessel discharges in California's harbors. The Waterfront has operated five pumpout stations throughout the harbor since 2000. The pumpouts receive significant use diverting approximately 100,000 gallons of vessel sewage per year to the City's sewer system. Several of these pumpout stations have reached the end of their useful life and are in need of significant repairs. This grant would allow the Waterfront to replace the main components of the pumpout stations to ensure many more years of reliable service.

SUSTAINABILITY IMPACT:

Pumpout facilities have been available to boaters in Santa Barbara Harbor for over a decade. These facilities are free to the public and are a key component in the harbor's Clean Marina Program. Replacement, maintenance, and repair of the pumpout facilities makes them reliable and helps ensure good water quality in the harbor and our nearshore waters.

PREPARED BY: Karl Treiberg, Waterfront Facilities Manager

SUBMITTED BY: Scott Riedman, Waterfront Director

APPROVED BY: City Administrator's Office

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA, REQUESTING A GRANT IN THE AMOUNT OF \$73,000 FROM THE CALIFORNIA STATE PARKS DIVISION OF BOATING AND WATERWAYS FOR THE REPLACEMENT OF BOAT PUMPOUT FACILITIES AT SANTA BARBARA HARBOR

WHEREAS, the City of Santa Barbara Waterfront Department is desirous of replacing boat pumpout facilities at the Santa Barbara Harbor to meet the needs of the boaters and to provide public access to these facilities; and

WHEREAS, the California State Parks Division of Boating and Waterways is authorized to provide grants to cities, counties, districts, and other public agencies for the replacement of pumpout facilities; and

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Santa Barbara, by adoption of this resolution hereby requests that the California State Division of Boating and Waterways provide a grant for the purpose of replacing public use boat pumpout facilities at Santa Barbara Harbor; and.

BE IT FURTHER RESOLVED, that the Council of the City of Santa Barbara agrees to accept the grant and hereby authorizes the Waterfront Director to sign the grant agreement and accept the grant for the purpose stated above.



CITY OF SANTA BARBARA
COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Mayor and Councilmembers

FROM: City Attorney's Office

SUBJECT: Resolution Accepting A Grant Deed From The Trust For Public Land For Vacant Land Along Lower Arroyo Burro Watershed

RECOMMENDATION:

That Council Adopt, by Reading of Title Only, A Resolution of the Council of the City of Santa Barbara Accepting a Grant Deed from the Trust for Public Land for Real Property Along the Lower Arroyo Burro Watershed.

DISCUSSION:

On September 22, 2015, the City Council received presentations from the Trust for Public Land (TPL) and City Staff regarding the potential acquisition of approximately 14.74 acres of vacant land along the lower Arroyo Burro watershed. The real property in question was the site of the proposed "Veronica Meadows" development project. The presentations outlined a proposal where TPL would acquire the real property from the private owner and would then turn the property over to the City for creek restoration and open space park purposes.

Following the TPL and Staff presentations, the City Council unanimously voted to fund a portion of the acquisition of the property with \$2.7 million from the Creeks Restoration and Water Quality Improvement Fund and authorized the City Administrator to execute documentation necessary to accept title to the real property. The balance of the \$4 million purchase price was arranged by TPL through grants from the California Coastal Conservancy (\$500,000), the California Natural Resources Agency (\$500,000) and the Santa Barbara County Coastal Resource Enhancement Fund (\$300,000).

Since September 22, 2015, City Staff have been working with TPL to process the documents necessary to consummate the purchase and sale and for the City to accept title to the real property. The proposed resolution ratifies the Council's action of September 22, 2015 and authorizes the City Administrator to accept the grant deed on behalf of the City.

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Resolution Accepting A Grant Deed From The Trust For Public Land For Vacant Land
Along Lower Arroyo Burro Watershed
March 1, 2016
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PREPARED BY: N. Scott Vincent, Assistant City Attorney

SUBMITTED BY: Ariel Calonne, City Attorney

APPROVED BY: City Administrator's Office

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA ACCEPTING A GRANT DEED FROM THE TRUST FOR PUBLIC LAND FOR REAL PROPERTY ALONG THE LOWER ARROYO BURRO WATERSHED.

WHEREAS, the Trust for Public Land entered into an agreement with Peak-Las Positas Partners, a California general partnership, for the acquisition of real property along the lower Arroyo Burro watershed in the City of Santa Barbara, County of Santa Barbara, State of California with the intent to subsequently transfer the real property to the City for creek restoration and open space park purposes.

WHEREAS, the Trust for Public Land successfully received funding grants from three separate public agency partners: the California State Coastal Conservancy, California State Natural Resources Agency, and the County of Santa Barbara for the acquisition of the Property. The total amount of the grants is One Million Three Hundred Thousand Dollars (\$1,300,000).

WHEREAS, the Community Development Department, serving as the City Planning Agency, has considered the proposed acquisition and determined that the City's acceptance of the real property is consistent with the policies and goals of the City's General Plan.

WHEREAS, the City of Santa Barbara agreed to purchase the real property from the Trust for Public Land once the Trust for Public Land acquired the real property from Peak-Las Positas Partners subject to the terms and conditions of a Purchase and Sale Agreement between the City of Santa Barbara and the Trust for Public Land dated February 10, 2016.

WHEREAS, the terms of the Purchase and Sale Agreement have been satisfied.

WHEREAS, Government Code Section 27281 requires that deeds conveying an interest in real property to a governmental agency for public purposes shall only be accepted for recordation with the consent of the agency evidenced by a certificate of acceptance or a resolution of acceptance.

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

Section 1. The above recitations are true and correct.

Section 2. The City of Santa Barbara hereby accepts and assumes all right, title and interest to the real property described in the grant deed from the Trust for Public Land to the City of Santa Barbara for the real property located along the lower Arroyo Burro watershed commonly known as Assessor Parcel Numbers 047-010-064, 047-010-065, and 047-061-026.

Section 3. The City Administrator is hereby authorized to accept on behalf of the City of Santa Barbara a grant deed from the Trust for Public Land for real property located along the lower Arroyo Burro watershed commonly known as Assessor Parcel Numbers 047-010-064, 047-010-065, and 047-061-026.

Section 4. The City of Santa Barbara hereby consents to the recordation of the Grant Deed in the Official Records of the County of Santa Barbara.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Mayor and Councilmembers

FROM: Administrative Division, Finance Department

SUBJECT: Award Of Independent Audit Contract Of The City's Financial Statements

RECOMMENDATION:

That Council approve, and authorize the Finance Director to execute, an extension of the existing professional services agreement for two years with Lance, Soll & Lunghard, LLP, Certified Public Accountants (LSL), to perform independent audits of the City of Santa Barbara for the fiscal years ending June 30, 2016 and June 30, 2017 in a total two-year amount not to exceed \$140,714.

DISCUSSION:

State law and the City Charter require that an independent audit be conducted annually by a Certified Public Accountant. In June 2011, the City Council awarded a three-year contract to LSL. In April 2014 that contract was extended two additional years.

The City typically retains an audit firm for five years provided the firm performs to the City's satisfaction. However Finance staff recommend extending the contract an additional two years. There have been several staff changes throughout the last five years, including both the Accounting Manager and Audit Manager. As such, staff believe the level of independence remains intact.

Changing auditors creates a substantial amount work on City staff, particularly Finance, as new auditors spend a great deal of time in the first year understanding the City operations and the financial systems and procedures. With the Accounting Manager position recently filled, this will allow the additional time needed to become proficient in the position. City staff will seek a new audit firm for the fiscal year end June 30, 2018 audit.

Finance staff has been pleased with the quality of the work performed by LSL and, as such, recommends extending the existing agreement, with no change to the terms and conditions, for amounts not to exceed the following costs:

| Fiscal Year Ended June 30: | Amount |
|-----------------------------------|------------------|
| 2016 | \$ 69,625 |
| 2017 | \$ 71,089 |
| Total | \$140,714 |

Their fees include a 2% increase per year.

The scope of the audit includes the following elements:

1. A financial audit of the City's financial statements for the fiscal years ending June 30, 2016 and June 30, 2017.
2. A financial and compliance audit of all federal grants received by the City pursuant to the Single Audit Act of 1984.
3. A financial audit of the California Law Enforcement Telecommunications Systems (CLETS).
4. A compliance audit of the Passenger Facilities Charges.
5. A compliance audit of the Housing Successor Agency.
6. A review of the City's calculation of the Appropriation (GANN) Limit as required by Article XIII B of the California Constitution and Proposition 111.
7. A review and report on the City's internal control systems and procedures.

BUDGETARY AND FINANCIAL IMPACT

The Fiscal Year 2016 adopted budget and Fiscal Year 2017 recommended budget include sufficient appropriations to cover the costs for the audit for the fiscal year ending June 30, 2016.

PREPARED BY: Jennifer Tomaszewski, Accounting Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Mayor and Councilmembers

FROM: Police Department, Patrol Division

SUBJECT: State Grant Provided To Address Underage Drinking, Excessive Drinking, And Alcohol-Related Vehicle Accidents

RECOMMENDATION: That Council:

- A. Accept an additional \$1,832 for a total of \$30,330 from the County of Santa Barbara Alcohol, Drug, & Mental Health Services (ADMHS) Strategic Prevention Framework State Incentive Grant in order to address underage and excessive drinking, and alcohol-related motor vehicle accidents for Fiscal Year 2016; and
- B. Increase appropriations and estimated revenues by \$1,832 in the Police Miscellaneous Grants Fund for Fiscal Year 2016.

DISCUSSION:

The Police Department will work together with County of Santa Barbara Alcohol, Drug & Mental Health Services (ADMHS), Council on Alcoholism and Drug Abuse (CADA), the Prevention Research Center, and the State Department of Alcohol and Drug Programs, in order to address underage and excessive drinking and alcohol related motor vehicle accidents as part of the Strategic Prevention Framework State Incentive Grant. The purpose of the grant is to reduce underage drinking among individuals 12 to 25 years of age with a special focus on reducing excessive drinking by individuals aged 21 to 25.

BUDGET/FINANCIAL INFORMATION:

The funds from the grant will be used to cover costs related to the administration of the grant, training, and proactive enforcement programs.

PREPARED BY: Lorenzo Duarte, Police Lieutenant

SUBMITTED BY: Camerino Sanchez, Chief of Police

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Mayor and Councilmembers

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

SUBJECT: Loan Restatement Request On Property Located At 1018-1028 Castillo Street (Castillo Homes)

RECOMMENDATION: That Council:

- A. Approve a Restatement of a 1986 Loan Agreement funded with Redevelopment Agency Housing Set-aside Funds;
- B. Approve a Restatement of the Deed of Trust securing the Restated Loan Agreement;
- C. Approve Amendments to the Existing Affordability Covenant; and
- D. Authorize the Community Development Director to execute, subject to approval as to form by the City Attorney, such agreements and related City documents as necessary.

DISCUSSION:

Background

In 1986, the former Redevelopment Agency of the City of Santa Barbara provided South Coast Housing, Inc., a California nonprofit public benefit corporation ("Developer"), a residual receipts loan in the amount of \$597,000 at 4.5% simple interest ("City Loan"). The City Loan was used in conjunction with other financing for the construction of two apartment buildings at 1018-1028 Castillo Street, providing twelve (12) rental units for low-income senior households and twenty (20) rental units for moderate-income senior households ("Project").

In 1989, the Developer transferred ownership and assigned all rights and obligations in connection with the Project to Castillo Homes, Inc., a California nonprofit public benefit corporation ("Owner"). Castillo Homes, Inc. is owned and the Project operated by Santa Barbara Community Housing Corporation, a California nonprofit corporation.

The Loan transferred to the City upon assumption by the City of all rights and obligations pertaining to the Low and Moderate Income Housing Fund upon dissolution of the Redevelopment Agency. The City Loan is due and payable in full on July 24, 2016. In lieu of paying the loan in full, the Owner has requested that the terms of the Loan Agreement be restated and that the term of the City's affordability restrictions be extended.

Loan Restatement

The City Loan balance is approximately \$809,866 as of February 16, 2016, and the Owner is making residual receipt payments of \$5,610.66 per month. The requested restated loan secured by the restated deed of trust shall include the following terms:

1. The due date will be extended 30 years to expire on July 24, 2046. Simple interest will accrue at 3% per annum with all payments being first applied to the outstanding interest balance and then to principal.
2. Beginning 30 days after recordation of the restated loan agreement, the monthly payment shall be \$5,000 or the calculated Residual Receipts payment, if greater.
3. Beginning December 1, 2020, after existing bond financing is paid in full, the monthly payment shall be increased to \$10,500 until the loan is paid in full.
4. Reserves will be increased from 6% to 10% of the annual gross rental income. These additional reserves will provide a source of funds that will be used, as needed, to extend the useful life of the Project.

All other loan terms remain unchanged.

Loan Security

The City Loan will remain in second lien position subordinate only to the existing bond financing due to be paid in full on November 15, 2020. The estimated loan-to-value ("LTV") is 17% based on a very conservative property valuation of \$5 million. The City Loan, plus all other financing on the Project, results in a combined LTV of 33%.

| | |
|-----------------------|--------------------|
| Bond Financing | \$ 691,915 |
| City of Santa Barbara | 809,866 |
| State of California | <u>150,000</u> |
| Total: | <u>\$1,651,781</u> |

The City Loan security is very strong based on the low LTV and the continued pay-down of loan balances. In addition, the Bond Financing will be paid off in 2020, which will place the City Loan in first lien position. Based on the proposed payments, the City Loan will be paid in full on or before January 30, 2026; however, as discussed below, the affordability provisions will remain in effect until July 17, 2046.

Long-term Affordability

In 1987, a document entitled "Declaration of Covenants, Conditions and Restrictions Imposed on Real Property" was recorded on the Project by the City ("Covenant") to ensure that the units were affordable to low- and moderate-income senior households.

To retain title priority of the Covenant, the Covenant will be amended as follows:

1. The term will be extended to expire July 17, 2046, which is twenty years after the City Loan is paid off.
2. The Covenant will provide that if upon annual review it is determined that a tenant's household adjusted gross income has exceeded 120% of the current Area Median Income (AMI), the tenant's monthly rent could increase to an amount equal to 1/12 of 30% of the household income upon expiration of the tenant's current lease and upon 90 days written notice. In such cases, however, the maximum rent charged the tenant will not exceed the Housing and Urban Development (HUD) published Fair Market Rents (FMR) or exception FMR, if applicable.

It is hoped that this provision will encourage turnover of the units to accommodate a very long waiting list and maintain the required proportion of low-income units.

Benefits

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

The City benefits by extending the affordability restrictions while providing no additional funding. In addition, the City Loan security is very strong and continues to improve as the loan balances are paid down. Due to the dissolution of the Redevelopment Agency and its loss of funding, these guaranteed payments will support the necessary monitoring and enforcement of the City's affordable housing program.

It should also be noted that the Project is well maintained and has always been in full compliance with the City's affordability and reporting requirements.

Finance Committee Recommendation

On February 23, 2016, Council's Finance Committee reviewed and approved the recommendations of this report and forwarded them to the Council with recommendation for approval.

BUDGET/FINANCIAL INFORMATION:

The City will incur no costs in connection with this request. The current principal balance of the Agency Loan is approximately \$809,866.

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

SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Mayor and Councilmembers

FROM: Administrative Services, Police Department

SUBJECT: Amendment To The Professional Services Contract For Background Investigations Regarding Police Department Personnel

RECOMMENDATION:

That Council authorize the Interim Chief of Police to execute an amendment to the professional services agreement with Sintra Group, increasing the contract from \$10,000 to \$50,000 to conduct background investigations for prospective Police Department personnel for Fiscal Year 2016.

DISCUSSION:

As part of the hiring process, the Police Department conducts thorough background investigations on all potential employees. In the last year, the number of positions that need to be filled has significantly increased, which in turn has increased the number of background investigations to be done.

The Police Department has retained Sintra Group to complete individual background investigations as a supplement to the five hourly background investigators employed by the Police Department. Sintra Group has previously and successfully completed background investigations for the positions of Police Officer, Dispatcher, Parking Enforcement Officer, and Records personnel.

During this period of accelerated hiring, the number of assigned background investigations will exceed the capabilities of the Department's five hourly background investigators. Therefore, the services of the Sintra Group are needed to assist in conducting background investigations for the Police Department in a timely manner.

BUDGET/FINANCIAL INFORMATION:

The original contract called for the expenditure of \$10,000 per year from Fiscal Year 2015 through 2018. The additional \$40,000 will be spent in Fiscal Year 2016, bringing the total not to exceed this year to \$50,000. Fiscal Years 2017 and 2018 will remain at \$10,000 per year.

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Amendment To The Professional Services Contract For Background Investigations
Regarding Police Department Personnel
March 1, 2016
Page 2

There are funds available in the Fiscal Year 2016 Police Department budget due to ongoing salary savings from vacant positions and anticipated retirements.

PREPARED BY: Todd Stoney, Police Captain

SUBMITTED BY: John Crombach, Interim Chief of Police

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Mayor and Councilmembers

FROM: City Attorney's Office
Community Development Department
Finance Department

SUBJECT: Vacation Rental Enforcement Update

RECOMMENDATION:

That Council review and receive a report from staff on the status of the City's enforcement efforts on vacation rentals.

DISCUSSION:

Background

On June 23, 2015, the City Council held a public hearing and discussed the growth in the number of short-term vacation rentals in the City. The City Council received 47 comment letters and heard over three hours of public testimony from 69 speakers representing 90 speaker cards. It is estimated that a total of 200 people attended the meeting.

At the conclusion of the public hearing, the Council was unanimous in its support for enforcement of the City's existing Zoning Ordinance, which prohibits hotel uses in most residential zoning districts. Noting concerns regarding neighborhood compatibility and the loss of urgently needed housing to a commercial enterprise, Council directed staff to:

- Proactively enforce existing Zoning Ordinance regulations that:
 - Prohibit Vacation Rentals in single-family, R-2 and R-3 Zones; and
 - Permit Vacation Rentals where hotel uses are allowed, subject to the applicable discretionary review and approval process
- Develop a work program to define, regulate and permit Home Sharing Rentals anywhere residential uses are allowed.

Staff returned with this information on August 11, 2015. At that time, Council approved funding for additional vacation rental enforcement staff and proposed enforcement priorities to govern the expenditure of these funds. Council also directed preparation of a six-month enforcement status report.

On December 8, 2015, Community Development staff returned with the results of its work program looking into home sharing rentals. Council chose not to initiate a zoning change to facilitate so-called "home sharing." However, Council directed staff to report back to Council in the form of a memo on the process to convert existing residential units to vacation rentals in the R-4 and applicable commercial zones.

Legislative Subpoena Effort

Beginning in August 2015, the City Attorney's Office has facilitated issuance of 19 legislative subpoenas to website hosts and managers of vacation rentals. The subpoenas make two broad requests for information:

Request #1: Documents sufficient to identify all persons that through any website owned or controlled by [Website or Property Manager] who advertised, have rented, or offered to rent any hotel [defined to include vacation rentals] for a period of 30 consecutive days or less for dwelling, use, lodging or sleeping purposes in the City of Santa Barbara, California during the period from January 1, 2012, through the present.

Request #2: Documents sufficient to provide the following information for each person identified in response to Request #1:

- a. The name, physical address, email address, and any other contact information for each person
- b. The URL for each website which the person used to list a hotel
- c. The address of the person's hotel that has been rented, or offered to rent, for dwelling, use, lodging or sleeping purposes in the City of Santa Barbara through any website or property owned or controlled by [Website or Property Manager] during the period from January 1, 2012, through the present
- d. The dates and duration of stay for each time the property was rented since January 1, 2012, to present
- e. The rate charged and funds collected for each time the property was rented since January 1, 2012, to present
- f. The method of payment, including name of institution and type of account, for each time the property was rented since January 1, 2012, to present.
- g. The name of any person who rented any property from a person identified in Request #1, since January 1, 2012, to present, as well as the renter's physical address, email address and other contact information.

- h. The total gross revenue generated by the person renting the property as a result of that renting since January 1, 2012, to present.

The websites and property managers who have received subpoenas have been generally cooperative and responsive to the information requested. One property manager refused to comply with the legislative subpoena. The City Attorney's Office is preparing to seek a court order enforcing the subpoena.

The City Attorney's Office expects to issue the remaining 30 legislative subpoenas in one large batch in March 2016.

Settlement Agreements

Early last Fall, the City Attorney's Office drafted a standard settlement agreement to be used by the City Attorney's Office, Zoning Enforcement and Finance Department staff when resolving vacation rental cases. The settlement agreement requires the vacation rental property owner to:

- Acknowledge their violation of the Santa Barbara Municipal Code
- Permanently discontinue the short term vacation rental use
- Remove any references to short term vacation rentals from any advertising or website promotional material
- Submit to the Finance Director an accounting of the last three years transient occupancy and business license taxes
- Remit those taxes within 30 days
- Permit future City inspection of the property between 8:00 a.m. and 9:00 p.m. on 48 hours' notice

Ten settlement agreements of the 39 issued have been executed.

City Attorney's Office Staffing

The City Attorney's Office has not yet needed to fill the hourly staffing funded by the Council's \$80,000 appropriation in August 2015. We anticipate that staffing will be needed for the remainder of this fiscal year as zoning enforcement efforts ramp up. We also anticipate seeking a similar funding level for Fiscal Year 2017.

Property Owner Informational Letter

We have delayed sending the property owner informational letter – designed to inform vacation rental owners about their legal status and the City's enforcement plans – pending completion of the legislative subpoena process. A draft of the letter is attached for reference.

Zoning Enforcement Update

The information received from the legislative subpoenas has so far generated 34 enforcement actions. As of February 17, 2016, zoning staff has a total of 157 pending enforcement cases for vacation rentals. Pursuant to Council direction in August 2015, staff is categorizing and prioritizing vacation rental enforcement efforts in the following five categories:

1. Existing and new nuisance-related complaints about Vacation Rentals, citywide.
2. Vacation Rentals operating without a City business license and not paying Transit Occupancy Tax (TOT), in single-family, R-2 and R-3 Zones.
3. Vacation Rentals operating without required land use approvals, a City business license and not paying TOT, in areas where hotels can be allowed (R-4 and Commercial Zones).
4. Vacation Rentals operating with a City business license and paying TOT, in single-family, R-2 and R-3 Zones.
5. Vacation Rentals operating without required land use approvals, but with a City business license and paying TOT, in areas where hotels can be allowed (R-4 and Commercial Zones).

Of the 157 pending cases, 39 have been subject to enforcement action, which consists of a warning letter and settlement agreement being sent to the property owner. The remaining 118 enforcement cases are pending enforcement action and will be addressed by enforcement staff as time permits.

The \$90,000 authorized by Council in August 2015 to hire additional staff has allowed the equivalent of 1.5 full-time zoning enforcement officers to work on vacation rental enforcement since the beginning of December 2015. Staff is in the process of hiring one additional enforcement officer and expects the equivalent of two full-time officers will work on vacation rental enforcement for the remainder of this fiscal year. Staff will be requesting commensurate funding for Fiscal Year 2017 to continue in this effort.

Enforcement Priorities Update – Illegal Dwelling Units

During the course of creating and researching enforcement cases, staff has identified several properties that are offering vacation rentals in illegal dwelling units. These cases have been elevated to a new, top-level enforcement priority and have become a joint enforcement effort involving Building and Safety staff, Zoning Enforcement staff and the City Attorney's Office.

Finance Department Update

In June 2015, Council directed Finance Department staff to cease issuing business licenses for short term vacation rentals. In addition, currently licensed short term rental

operators would only be permitted to renew business licenses through December 31, 2016. At the time of Council's direction in June 2015, there were 349 registered vacation rentals. As of February 22, 2016, there are 316 registered vacation rentals, representing a decline of 33 vacation rentals. This decline is likely attributable to owners ceasing operations on a voluntary basis in anticipation of the City's enforcement efforts. A letter to all known operators of vacation rentals, explaining the City's enforcement efforts and approach, is planned to be sent soon. In the meantime, Finance staff has been advising vacation rental operators who call with questions that Council's direction requires active enforcement of the City's existing Zoning Ordinance, which prohibits short term rental uses in most residential zoning districts. Staff also advises these registered operators of the enforcement priority placed on those operators that are not currently paying a business license tax or transient occupancy taxes.

To date, ten settlement agreements have been executed. Two of these agreements required payment of unpaid transient occupancy taxes, business license taxes, plus penalties, in the total amount of \$11,376.85 (\$7,294 TOT) for 2013 through 2015. The other eight settlement agreements were with registered operators and, therefore, were current in paying transient occupancy taxes.

BUDGET/FINANCIAL INFORMATION:

The City receives over \$1 million annually from short term vacation rentals. The City's enforcement efforts will ultimately result in a loss of those revenues. The cost of the enforcement in this fiscal year has been funded from previous Council action; therefore, no additional appropriations are needed.

ATTACHMENT: Draft Vacation Rental Informational Letter

PREPARED BY: Ariel Pierre Calonne, City Attorney

SUBMITTED BY: Ariel Pierre Calonne, City Attorney

APPROVED BY: City Administrator's Office



City of Santa Barbara

Office of the City Attorney

www.SantaBarbaraCA.gov

ATTACHMENT

Ariel Pierre Calonne
City Attorney

February 22, 2016

John S. Doimas
Sarah J. Knecht
Tava Ostrenger
Tom R. Shapiro
N. Scott Vincent

SAMPLE Property Owner
123 Santa Barbara Avenue
Santa Barbara, CA 93101

RE: Information on Short Term Vacation Rental Enforcement

Tel: 805.564.5326
Fax: 805.897.2532

Dear Property Owner:

Street Address:
740 State Street
Suite #201
Santa Barbara, CA
93101

This letter is intended to provide you with information about the City of Santa Barbara's short term vacation rental enforcement program. The City is beginning active enforcement of the Zoning Ordinance's prohibition against short term vacation rentals in most residential zoning districts. You are receiving this letter because your property has been identified as a probable short term vacation rental which may be operating unlawfully.

Mailing Address:
P.O. Box 1990
Santa Barbara, CA
93102

Short term vacation rentals (stays of 30 consecutive days or less in residential dwelling units) are unlawful in Santa Barbara unless they are located in zoning districts which allow hotels, motels, or bed and breakfast inns, and are in receipt of all necessary City permits. This includes "hosted" stays where the property owner or representative co-resides in the dwelling unit that is being rented for short term periods. In addition, property owners that have operated short term rentals lawfully or unlawfully are subject to and liable for the City's transient occupancy and business license taxes. Paying these taxes does not, however, grant a legal right to violate the City's zoning ordinance. More information is available on the City's vacation rental web site at

http://www.santabarbaraca.gov/services/planning/mpe/vacation_rentals.asp.

The City's primary enforcement objective is not punitive. We are reaching out so that you may voluntarily cooperate with the City to stop unlawful short term vacation rentals. This means that you now have the opportunity to conclude any short term vacation rental use of your property and pay any unpaid transient occupancy and business license taxes without further legal action.

If you wish to address an unlawful short term vacation rental use voluntarily, the City will provide you with a standard settlement agreement. The settlement agreement will require you to take the following steps:

- Acknowledge the requirements of Santa Barbara Municipal Code
- Permanently discontinue the short term vacation rental use

SAMPLE Santa Barbara Property Owner

February 22, 2016

Page 2

- Remove any references to short term vacation rentals from any advertising or web site promotional material
- Submit an accounting of the last three years' transient occupancy and business license taxes to the City's Finance Director
- Remit those taxes and any late payment penalties within 30 days
- Permit future City inspection of the property between 8:00 a.m. and 9:00 p.m. on 48 hours' notice

Please contact us as soon as possible by email at VacationRentals@santabarbarca.gov or by phone at (805) 564-5326 if you wish to discuss entering into a voluntary settlement agreement.

If you do not wish to proceed with a voluntary settlement agreement at this time, you will be contacted by the City's Zoning Enforcement staff by mail when an enforcement case has been opened on your property. We have established several tiers of enforcement priorities. If you have been paying transient occupancy and business license taxes on your short term vacation rental in good faith, and there are no complaints against your property, you will probably not be contacted by the City's zoning enforcement staff until 2017. You will remain responsible for all taxes and penalties that accrue before you enter into a settlement agreement with the City.

Should you have any questions about your situation, the City's enforcement and settlement process, or if you believe you have received this letter in error, please contact us at your earliest convenience. You can reach us by email at VacationRentals@santabarbarca.gov or by phone at (805) 564-5326.

Complaints about short term vacation rentals can be reported confidentially by calling Zoning Enforcement's "Request for Investigation" hotline at (805) 897-2676 or by visiting the building and zoning code violation web site at http://www.santabarbarca.gov/services/construction/code_violations.asp?utm_source=Report&utm_medium=BuildingAndZoningCodeViolation&utm_campaign=HowDol.

Sincerely,

Ariel Pierre Calonne
City Attorney

APC/apc



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Capital Improvement Program Status Report Second Quarter Fiscal Year 2016

RECOMMENDATION:

That Council accept the Capital Improvement Program Status Report for the Second Quarter of Fiscal Year 2016.

EXECUTIVE SUMMARY:

In accordance with City Charter Section 604(d), City staff prepares and submits a Capital Improvement Program (CIP) to Council prior to the submission of the budget. The current CIP covers Fiscal Years 2016 through 2021 and was submitted to Council on March 17, 2015, prior to the adoption of the two year budget covering Fiscal Years 2016-2017.

The attached report provides an update on the status of the City's CIP, covering CIP activities during Fiscal Year 2016, primarily highlighting significant projects and accomplishments during the Second Quarter. A presentation by staff will be made to Council summarizing the CIP progress. This report provides updated information on the status of CIP projects managed by the Public Works Department, Engineering Division, as well as projects managed by other departments, where available.

The Engineering Division employs a staff of engineers, technicians, and administrative employees. In addition to other duties, the division provides engineering services to various City departments to assist with the delivery of CIP projects. This includes responsibility for the design and management during the construction of streets; bridges; storm drains; infrastructure related to water supply, treatment, and distribution, wastewater collection and treatment; airport, and waterfront infrastructure; traffic control devices; and other City facilities. Not all CIP projects are managed by the Engineering Division; however, the report summarizes all CIP work throughout the City.

DISCUSSION:

Purpose and Scope

This CIP Status Report summarizes the City's execution of the approved Six-Year CIP – Fiscal Years of 2016 – 2017. It provides an overview of the City's CIP and highlights significant projects and programs.

Capital Improvement Program (CIP)

The City's CIP is a multi-year program which includes new construction projects and planned improvements of existing facilities. The goals of the CIP are to:

- Describe a comprehensive program of work needed for maintenance of existing infrastructure, and identify facility or infrastructure enhancements or additions to better serve the community;
- Provide a balanced program for capital improvements, given anticipated funding revenues over a six-year planning period;
- Provide a plan for capital improvements that can be used in preparing the capital budget for the next fiscal year; and
- Illustrate unmet capital needs based on anticipated funding levels.

Potential projects to address new capital needs or maintain, expand, or enhance existing capital assets are derived from a number of sources. These include:

- Functional plans, such as Transportation, Airport, Parks, Wastewater, or Stormwater System Master Plans and Studies;
- Neighborhood and other refinement plans;
- Requests from citizen groups, neighborhood associations, and community organizations;
- Requests from the City Council;
- Regulatory changes, or requests from other governmental units such as school districts, federal, and state agencies;
- City departments; and
- City boards, committees, and commissions.

The CIP attempts to define City needs for capital improvement, not to develop a prioritization. Prioritization and funding considerations are done as part of the budget process. The wide variety of specialized or restricted funding sources, and the framework of adopted plans and policies, makes it impractical to use the CIP for project prioritization. Within each program area, various projects are prioritized based on needs that have been identified within that program area, the projected funding that is available, the limitations on how the funding can be used, and any direction that has been provided by Council, outside agencies, or other sources of input and guidance. As a general rule, projects that improve safety are given a very high priority.

Ten City departments have projects listed in the current CIP. The Engineering Division assists with the delivery of many of the funded CIP projects, which typically span multiple fiscal years and often require multiple funding sources. Schedules for the Engineering Division's major projects are available by viewing the Major Projects Map on the Division's webpage at (santabarbaraca.gov/gov/depts/pw/engineering/major_projects.asp).

CIP Status Report, Second Quarter, Fiscal Year 2016

The attached CIP status report includes recent project highlights for selected projects. The projects are divided based on degree of completion.

There were seven CIP projects completed in the past quarter. The total project cost for these seven projects is approximately \$2.75M. Highlighted in the attached report are the Lower West Downtown Lighting Improvement Project Phase 2 and the Alameda Park Well Relocation – Infrastructure and Site Restoration Project. A full listing of the CIP projects that have been completed in the last quarter is included in the attached report.

There are 37 CIP projects currently in the construction phase. This includes initial contract execution and submittal review on the front end, all the way through final acceptance and invoicing. The total construction contract cost for these projects is approximately \$91.5M. The Wastewater Main Rehabilitation, Santa Barbara High School Well Head, Laguna Lot Permeable Paver Project, and the Cota Street Bridge at Mission Creek Project are all highlighted in the attached report. CIP projects currently under construction are summarized by number and cost within each program area in the attached report.

There are 31 CIP projects currently in the design phase. The total project cost for these projects is approximately \$107.7M. The Low Impact Development Storm Water Infiltration Project – Quarantina Street, Active Transportation Program Las Positas Road Multiuse Path Project, and the Braemar Forcemain Installation Project are highlighted in the attached report. CIP projects currently in design are summarized by number and cost within each program area in the attached report.

ATTACHMENT: Capital Improvement Program Status Report, Second Quarter Fiscal Year 2016

PREPARED BY: Brian D'Amour, City Engineer/TB

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office

CAPITAL IMPROVEMENT PROGRAM STATUS REPORT Second Quarter, Fiscal Year 2016

INTRODUCTION

Purpose and Scope

This CIP Status Report summarizes the City's execution of the approved Six-Year Capital Improvement Program – Fiscal Years 2016 – 2017. This Report provides an overview of the City's CIP and highlights significant projects and programs.

City of Santa Barbara



2016-2021 Capital Improvement Program
February 2015

PROJECT HIGHLIGHTS

Completed Construction Projects

Seven projects were completed in the Second Quarter of Fiscal Year 2016, from October through December 2015 (see Table 1). The following are highlights of specific projects completed last quarter:

- **Lower West Downtown Lighting Improvement Project, Phase 2:** The completed project increases street and pedestrian level lighting on the 100, 200, 300, and 400 blocks of West Cota Street, the 500 and 600 blocks of Castillo, Bath, and De La Vina Streets, Dibblee Avenue, and Bradbury Avenue. The work consisted of installing 75 street lights and was funded primarily through the Successor Agency to the Redevelopment Agency.
- **Alameda Park Well Relocation – Infrastructure and Site Restoration:** The Alameda Park Well was constructed in 1990. The City relies on this well as one of many potable water sources. In the last months of 2013, the well was no longer viable for water production due to excessive sanding. The completed project consisted of the installation of connective piping and electrical conduit for the relocated Alameda Park Well and the post construction site restoration.



Table 1 shows the completed capital projects for the second quarter.

Table 1

| Project Name | Design Costs | Construction Costs | Total Project Costs |
|---|---------------------|---------------------------|----------------------------|
| Bike Station Module for City Parking Lot 3 | \$41,326 | \$120,537 | \$161,863 |
| Highway Safety Improvement Program De La Vina at Arrellaga Traffic Signal Project | \$23,862 | \$189,116 | \$212,978 |
| EL Estero Wastewater Treatment Plant Fats, Oils and Grease Phase 2 Digester Cleaning and Equipment Rehabilitation | \$15,000 | \$791,398 | \$806,398 |
| Lower West Downtown Street Lighting Project Phase 2 | \$78,561 | \$964,581 | \$1,043,142 |
| Sanitary Sewer Cleaning and CCTV Inspection Fiscal Year 2015 | \$0 | \$95,337 | \$95,337 |
| Alameda Park Well Relocation - Infrastructure and Site Restoration | \$78,123 | \$222,413 | \$300,536 |
| Sanitary Sewer Acoustic Inspection Fiscal Year 2016 | \$2,018 | \$134,539 | \$136,557 |
| TOTALS | \$238,890 | \$2,517,921 | \$2,756,811 |

Construction Projects In Progress

Currently, there are 37 projects under construction, with an approximate construction contract value of over \$90M (see Table 2). The following are highlights of construction projects in progress:

- **Wastewater Main Rehabilitation:** The cleaning, rehabilitation and video recording of sewer pipes is ongoing. Construction completion is scheduled for the spring of 2016.



- **Santa Barbara High School Well Head:** The Santa Barbara High School Well was constructed in 2004. It is located near the northwest corner of 700 East Anapamu Street. Upon completion of the well, the water was found to have taste and odor issues and was decommissioned. In 2013, the Ortega Groundwater Treatment Plant Rehabilitation Project was completed and provide a suitable treatment method for the water produced from the High School Well. A raw water main connecting the High School Well to the treatment plant was completed in September 2015. Much of the work was completed by directional drilling, minimizing the impact to traffic and the historic trees along Anapamu Street. The project for the electrical and controls to operate the well and connection to the raw water line began in February 2016 and will take approximately six months to complete.



- **Laguna Lot Permeable Paver Project:** This Public Works Facilities project replaced two existing City-owned parking lots with permeable pavers to allow storm water runoff to infiltrate into the soil below. The City was awarded a \$1,151,630 Proposition 84 Storm Water Grant with a local match of \$312,114. Construction was completed in December 2015.



- **Cota Street Bridge at Mission Creek:** The Cota Bridge ribbon cutting ceremony took place on February 18, 2016. Cota Street was re-opened at the event. Landscaping, cleanup, and punch list items are scheduled for completion in March, 2016. The project was funded primarily through a Federal Highway Administration Grant. The new bridge has been constructed in conformance with the Lower Mission Creek Flood Control Project.



Table 2 shows the Capital Improvement Projects currently in construction.

Table 2

| PROJECT CATEGORY | CONSTRUCTION IN PROGRESS | |
|---|--------------------------|-----------------------------|
| | No. of Projects | Construction Contract Costs |
| Creeks | 1 | \$1,053,780 |
| Facilities | 4 | \$2,738,731 |
| Successor Agency to the Redevelopment Agency of the City of Santa Barbara | 1 | \$463,558 |
| Public Works: Streets/Bridges | 3 | \$26,053,451 |
| Public Works: Streets/Transportation | 6 | \$3,933,577 |
| Public Works: Water/Wastewater | 14 | \$53,374,126 |
| Waterfront | 8 | \$4,298,404 |
| TOTAL | 37 | \$91,915,627 |

Design Projects In Progress

In addition to the projects in construction, there are currently 31 projects in design, with an estimated total project cost of over \$107.7M (see Table 3).

The projects are scheduled to be funded over several years, as generally shown in the City’s Six-Year CIP Report. The projects rely on guaranteed or anticipated funding and grants.

The following are design project highlights.

- **Low Impact Development Storm Water Infiltration Project – Quarantina**

Street: This project consists of installing over 45,000 square feet of permeable concrete pavers in the sidewalks and roadway of Quarantina Street, from Canon Perdido Street to Ortega Street. The project is designed to capture and treat the volume of storm water generated from a 1-inch, 24-hour storm event. The City has been awarded Proposition 84 Storm Water Grant Program funding in the amount of \$2,307,010 for project costs of the two phases. The contract for construction is scheduled to be awarded at Council March 8, 2016.



- **Active Transportation Program (ATP) Las Positas Road Multiuse Path:**

This project will construct a pathway separated from the roadway for pedestrians and bicyclists along Las Positas Road, from Cliff Drive to Modoc Road, and along Modoc Road, from Las Positas Road to Calle de los Amigos. The City received \$1,372,000 in ATP grant funding to design the project. On January 20, 2016, the City hosted an open house to share the conceptual path layout with the community and received very positive feedback. There will be additional opportunities for public review.



- **Braemar Forcemain Installation:** This project will install a redundant forcemain at the Braemar Sewer Lift Station. The Braemar Lift Station is one of the most critical sewer pump stations in the City due to its high flows and proximity to Arroyo Burro Creek. The lone forcemain, originally designed with the station, represents a single point of failure, increasing the risk potential for overflow if problems occur with the line. The new forcemain will greatly reduce this risk, while increasing operational flexibility for future maintenance needs. The project is planned for construction in June of 2016.

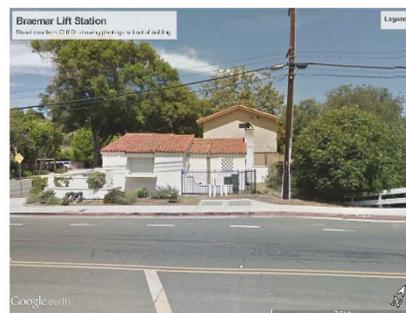


Table 3 shows the Capital Improvement Projects currently in design.

Table 3

| PROJECT CATEGORY | DESIGN IN PROGRESS | |
|--------------------------------------|--------------------|-------------------------|
| | No. of Projects | Total Value of Projects |
| Airport | 1 | \$8,700,000 |
| Downtown Parking | 1 | \$199,395 |
| Other | 1 | \$375,320 |
| Parks and Recreation | 1 | \$9,100,000 |
| Creeks | 1 | \$2,000,000 |
| Facilities | 2 | \$986,000 |
| Public Works: Streets/Bridges | 7 | \$31,813,655 |
| Public Works: Streets/Transportation | 8 | \$5,839,270 |
| Public Works: Water/Wastewater | 10 | \$48,658,194 |
| TOTAL | 31 | \$107,671,834 |

SUMMARY

CIP activity in Fiscal Year 2016 remains at peak levels. Significant progress has been made with the construction of several bridge projects, with several more approaching a potential spring 2017 start date. Work is underway to reactivate the desalinization plant. In addition, construction of secondary process improvements at the El Estero Wastewater Treatment Plant should be underway soon. These large capital projects, combined with smaller, more routine CIP projects, have resulted in a continued elevated workload. Despite these projects, there remains a significant deferred maintenance backlog as well with many unfunded CIP projects. City staff continue to explore alternative funding sources to meet these needs.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 1, 2016
TO: Mayor and Councilmembers
FROM: City Attorney's Office
SUBJECT: Conference With City Attorney – Anticipated Litigation

RECOMMENDATION:

That Council hold a closed session to consider whether to initiate litigation (one potential case), pursuant to Government Code sections 54956.9(d)(4), arising out of damages incurred as a result of Southern California Edison's delay of the City's Punta Gorda Bridge Project.

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