

**CITY OF SANTA BARBARA  
CITY COUNCIL  
REDEVELOPMENT AGENCY**

**Helene Schneider**  
*Mayor/Chair*  
**Grant House**  
*Mayor Pro Tempore/Vice Chair*  
**Bendy White**  
*Ordinance Committee Chair*  
**Das Williams**  
*Finance Committee Chair*  
**Dale Francisco**  
**Frank Hotchkiss**  
**Michael Self**



**James L. Armstrong**  
*City Administrator/  
Executive Director*

**Stephen P. Wiley**  
*City Attorney/Agency Counsel*

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

**FEBRUARY 23, 2010  
AGENDA**

**ORDER OF BUSINESS:** Regular meetings of the Finance Committee and the Ordinance Committee begin at 12:30 p.m. The regular City Council and Redevelopment Agency meetings begin 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 Council/Redevelopment Agency 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 Council/Redevelopment Agency meeting, and at the beginning of each special Council/Redevelopment Agency meeting, any member of the public may address them concerning any item not on the Council/Redevelopment Agency 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 Council/Redevelopment Agency. Should Council/Redevelopment Agency business continue into the evening session of a regular Council/Redevelopment Agency meeting at 6:00 p.m., the Council/Redevelopment Agency 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 Council/Redevelopment Agency, 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 Council/Redevelopment Agency 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 Council/Redevelopment Agency.

**CONSENT CALENDAR:** The Consent Calendar is comprised of items that will not usually require discussion by the Council/ Redevelopment Agency. A Consent Calendar item is open for discussion by the Council/Redevelopment Agency upon request of a Council/Agency Member, 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/Redevelopment Agency considers the Consent Calendar.

**AMERICANS WITH DISABILITIES ACT:** In compliance with the Americans with Disabilities Act, if you need special assistance to gain access to, comment at, or participate in this meeting, please contact the City Administrator's Office at 564-5305 or inquire at the City Clerk's Office on the day of the meeting. If possible, notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements in most cases.

**TELEVISION COVERAGE:** Each regular 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](http://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
- 2:00 p.m. - Redevelopment Agency Meeting

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

**1. Subject: Redevelopment Agency Fiscal Year 2010 Financial Statements For The Six Months Ended December 31, 2009**

Recommendation: That the Finance Committee recommend that the Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2010 Financial Statements for the Six Months Ended December 31, 2009.  
(See Council/Redevelopment Agency Agenda Item No. 7)

**2. Subject: Fiscal Year 2010 Mid-Year Review**

Recommendation: That the Finance Committee recommend that Council:

- A. Hear a report from staff on the status of revenues and expenditures in relation to budget as of December 31, 2009;
- B. Accept the Fiscal Year 2010 Interim Financial Statements for the Six Months Ended December 31, 2009; and
- C. Increase appropriations in the Miscellaneous Grants Fund by \$43,712 for the purchase of a Breathing Air Compressor Fill Station for fire operations from reserves accumulated in the Miscellaneous Grants Fund for Hazmat expenditures.

(See Council/Redevelopment Agency Agenda Item No. 11)

**3. Subject: January 2010 Investment Report**

Recommendation: That the Finance Committee recommend that Council accept the January 2010 Investment Report.  
(See Council/Redevelopment Agency Agenda Item No. 3)

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

**Subject: Procedures For The Appointment And Service Of A Youth Member To  
The Parks And Recreation Commission**

Recommendation: That the Ordinance Committee approve and recommend to City Council an amendment to Section 2.08.020 of the Santa Barbara Municipal Code establishing procedures for the appointment and service of a youth member on the Parks and Recreation Commission.

**REGULAR CITY COUNCIL MEETING – 2:00 P.M.  
REGULAR REDEVELOPMENT AGENCY MEETING – 2:00 P.M.**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**CHANGES TO THE AGENDA**

**PUBLIC COMMENT**

**CONSENT CALENDAR**

CITY COUNCIL

**1. Subject: Minutes**

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of February 2, 2010.

**2. Subject: Resolution For Purchase Of Property At 309 West Ortega Street For The Ortega Street Bridge Replacement Project (330.03)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Accepting Real Property Located at 309 West Ortega Street, and Authorizing the Public Works Director to Execute an Agreement for Acquisition of Real Property with Escrow Instructions and All Related Documents That May Be Required, Including, Among Others, Any Interim Rental Agreement, All Subject to Review and Approval as to Form by the City Attorney, Relating to the Proposed Ortega Street Bridge Replacement Project, and Consenting to the Recordation of the Related Deed in the Official Records, County of Santa Barbara.

**3. Subject: January 2010 Investment Report (260.02)**

Recommendation: That Council accept the January 2010 Investment Report.

## **CONSENT CALENDAR**

### CITY COUNCIL

**4. Subject: Rental Agreement For Hilda Ray House (330.04)**

Recommendation: That Council authorize the Parks and Recreation Director to enter into an agreement with Tatum Marie Sarinana for a 3-year and 4-month rental agreement, subject to approval of the form of the agreement by the City Attorney, for the Hilda Ray House at Hilda Ray McIntyre Ray Park, beginning March 1, 2010.

**5. Subject: Contract For Design Of The Lower Sycamore Creek Drainage Improvements Project (540.14)**

Recommendation: That Council authorize the Public Works Director to execute a professional services contract with Penfield & Smith (P&S) in the amount of \$234,320 for design services for the Lower Sycamore Creek Drainage Improvements Project (Project), and authorize the Public Works Director to approve expenditures of up to \$23,430 for extra services of P&S that may result from necessary changes in the scope of work.

**6. Subject: Proposed Changes To Projects Funded By Workforce Housing Reward Program (660.04)**

Recommendation: That Council authorize staff to amend the projects funded by the State Workforce Housing Reward Program currently appropriated in the General Fund Capital Program.

### REDEVELOPMENT AGENCY

**7. Subject: Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Six Months Ended December 31, 2009**

Recommendation: That the Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2010 Interim Financial Statements for the Six Months Ended December 31, 2009.

### NOTICES

8. The City Clerk has on Thursday, February 18, 2010, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

**This concludes the Consent Calendar.**

## REPORT FROM THE FINANCE COMMITTEE

## REPORT FROM THE ORDINANCE COMMITTEE

## CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

### COMMUNITY DEVELOPMENT DEPARTMENT

**9. Subject: Update On 2010 Census (610.01)**

Recommendation: That Council hear a presentation by the United States Census Bureau regarding the 2010 Census.

**10. Subject: Medical Cannabis Dispensary Ordinance Phase I Revisions (520.04)**

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the Municipal Code by Revising Chapter 28.80 and Establishing Revised Regulations and Procedures for Medical Marijuana Dispensaries.

### FINANCE DEPARTMENT

**11. Subject: Fiscal Year 2010 Mid-Year Review (230.04)**

Recommendation: That Council:

- A. Hear a report from staff on the status of revenues and expenditures in relation to budget as of December 31, 2009;
- B. Accept the Fiscal Year 2010 Interim Financial Statements for the Six Months Ended December 31, 2009; and
- C. Increase appropriations in the Miscellaneous Grants Fund by \$43,712 for the purchase of a Breathing Air Compressor Fill Station for fire operations from reserves accumulated in the Miscellaneous Grants Fund for Hazmat expenditures.

## COUNCIL AND STAFF COMMUNICATIONS

## COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

## **CLOSED SESSIONS**

### **12. Subject: Conference With Real Property Negotiator (330.03)**

Recommendation: That Council hold a closed session pursuant to the authority of Section 54956.8 of the Government Code to consider instructions to City staff and the City Attorney regarding potential lease negotiations with R. D. Olson Development for a four-acre parcel of real property located at 6100 Hollister Avenue at the Airport, bounded by Hollister Avenue, Frederic Lopez Road, Francis Botello Road and David Love Place, owned by the City of Santa Barbara (Parcel 22 of the Airport Specific Plan Map [City Parcel Map No. 20,608]). City Negotiators are: Karen Ramsdell, Airport Director; Paul Casey, Assistant City Administrator/Community Development; and Sarah Knecht, Assistant City Attorney; and negotiator for Lessee is Robert D. Olson, owner.

Scheduling: Duration, 20 minutes; anytime

Report: None anticipated

## **ADJOURNMENT**

CITY OF SANTA BARBARA

**FINANCE COMMITTEE**

MEETING AGENDA

DATE: February 23, 2010

Das Williams, Chair

TIME: 12:30 p.m.

Dale Francisco

PLACE: David Gebhard Public Meeting Room  
630 Garden Street

Michael Self

James L. Armstrong  
City Administrator

Robert Samario  
Interim Finance Director

**ITEMS TO BE CONSIDERED:**

**1. Subject: Redevelopment Agency Fiscal Year 2010 Financial Statements For The Six Months Ended December 31, 2009**

Recommendation: That the Finance Committee recommend that the Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2010 Financial Statements for the Six Months Ended December 31, 2009.

(See Council/Redevelopment Agency Agenda Item No. 7)

**2. Subject: Fiscal Year 2010 Mid-Year Review**

Recommendation: That the Finance Committee recommend that Council:

- A. Hear a report from staff on the status of revenues and expenditures in relation to budget as of December 31, 2009;
- B. Accept the Fiscal Year 2010 Interim Financial Statements for the Six Months Ended December 31, 2009; and
- C. Increase appropriations in the Miscellaneous Grants Fund by \$43,712 for the purchase of a Breathing Air Compressor Fill Station for fire operations from reserves accumulated in the Miscellaneous Grants Fund for Hazmat expenditures.

(See Council/Redevelopment Agency Agenda Item No. 11)

**3. Subject: January 2010 Investment Report**

Recommendation: That the Finance Committee recommend that Council accept the January 2010 Investment Report.

(See Council/Redevelopment Agency Agenda Item No. 3)

CITY OF SANTA BARBARA

**ORDINANCE COMMITTEE MEETING**

MEETING AGENDA

DATE: February 23, 2010  
TIME: 12:30 p.m.  
PLACE: Council Chambers

Bendy White, Chair  
Grant House  
Frank Hotchkiss

Office of the City  
Administrator

Office of the City  
Attorney

Lori Pedersen  
Administrative Analyst

Stephen P. Wiley  
City Attorney

**ITEMS FOR CONSIDERATION**

**Subject: Procedures For The Appointment And Service Of A Youth Member To The Parks And Recreation Commission**

Recommendation: That the Ordinance Committee approve and recommend to City Council an amendment to Section 2.08.020 of the Santa Barbara Municipal Code establishing procedures for the appointment and service of a youth member on the Parks and Recreation Commission.



# CITY OF SANTA BARBARA

## ORDINANCE COMMITTEE AGENDA REPORT

**AGENDA DATE:** February 23, 2010

**TO:** Ordinance Committee

**FROM:** Recreation Division, Parks and Recreation Department

**SUBJECT:** Procedures For The Appointment And Service Of A Youth Member To The Parks And Recreation Commission

### **RECOMMENDATION:**

That the Ordinance Committee approve and recommend to City Council an amendment to Section 2.08.020 of the Santa Barbara Municipal Code establishing procedures for the appointment and service of a youth member on the Parks and Recreation Commission.

### **DISCUSSION:**

On November 3, 2009, voters of the City of Santa Barbara overwhelmingly approved Measure C. The ballot measure amends language in the City Charter in order to form a new combined City "Parks and Recreation Commission" with seven members. The powers and duties of the new Commission will be the same as that of the former separate Park Commission and Recreation Commission, except that the amendment grants the new Commission authority to advise the City Council on matters concerning creeks within the City, since the Department has oversight and responsibility for the Creek Restoration and Clean Water Program.

The measure also authorizes, but does not require, the City Council to appoint a youth member, 16 years of age or older, who resides within the City, to serve on the Parks and Recreation Commission. The manner of appointing the youth member and the term of office for the youth member, are to be established by an Ordinance of the City Council. A Subcommittee of 2 Parks and Recreation Commissioners and 2 Youth Council members was formed at the November 18, 2009, Parks and Recreation Commission meeting to develop recommendations for City Council on both.

### **Subcommittee Recommendations**

On January 11, 2010, the Subcommittee met to review the current guidelines for all City advisory committees including recruitment, eligibility, appointment process, and term. The "Guidelines for the City of Santa Barbara Advisory Groups" and a draft ordinance provided by the City Attorney were shared with the Subcommittee. The Subcommittee

determined that the manner of appointment and service of a youth member should follow the process of appointment and service of other members of the Parks and Recreation Commission. For example, applicants must follow instructions to submit an application through the City Clerk's Office and appear for an interview before Council.

The Subcommittee had additional concerns about appointing a youth member that were addressed as follows:

- If a four-year term was decided upon, would youth be dissuaded from applying, knowing they may not be able to fulfill the full term? – Ideas were discussed on ways to encourage applicants including outreach and recruitment through the Youth Council and other community leadership programs. The Guidelines for City Advisory Groups, including service and term, could be shared with interested applicants. The Parks and Recreation Director also explained that she meets with each applicant to explain the role of commissioners and to understand their personal interests in the position. These talks provide a good opportunity to answer questions that a youth applicant may have including ability to fulfill a four-year term.
- What criteria would be used to select a youth member if there were several youth applicants? - Commissioners are interviewed and appointed by City Council, and though decisions may be difficult, it is their responsibility to select the best candidate. The Council utilizes a list of questions (which are also supplied to the applicant) for the interview process. The Subcommittee recommended that an interview question on youth issues be added to the suggested questions that Council may use when interviewing all potential Parks and Recreation Commissioner applicants to assist Council in their decision-making.
- Does the term “youth member” imply a designated commission member category similar to other boards and commissions which have designated representation such as an architect or background in environmental land use planning? - The Subcommittee discussed whether the “youth member” should be a dedicated “youth” representation, meaning that this appointee would specifically represent the youth voice or perspective. The Subcommittee did not interpret previous discussions at the Commission or City Council as direction to create a designated “youth” member position on the Commission. Rather, the intent was to allow a youth the opportunity to serve as a full voting member of the Commission, understanding that the youth would bring a youth perspective to the discussions similar to how other commissioners bring their backgrounds and experience to the position.
- Applicants to City boards and commissions are required to be “qualified electors” in the City of Santa Barbara. A “qualified elector” is a United States citizen, 18 years of age or older and living within the City limits of the City of Santa Barbara. What happens when the youth turns 18 years old? Are they then disqualified from service? Would the “youth” commissioner have to register to vote at age 18 to fulfill the “qualified elector” requirement? The City Attorney added provisions to the draft

ordinance that succinctly reflect what happens when a youth reaches 18 years of age, saying that “reaching the age of eighteen (18) should not disqualify a youth applicant who is appointed to the Parks and Recreation Commission from continuing to serve the balance of his or her term of office.” Reasons for disqualification would not deviate from the current guidelines for advisory group members. The youth applicant would be required to live within the City of Santa Barbara.

### **Youth Council Recommendation**

At the January 19, 2010, meeting of the Youth Council, the draft ordinance was approved with a recommendation to forward to the Parks and Recreation Commission.

### **Parks and Recreation Commission Recommendation**

At the January 27, 2010, meeting of the Parks and Recreation Commission, the draft ordinance was approved with a recommendation to forward to the Ordinance Committee.

Staff supports approval of the draft ordinance and recommends the ordinance be forwarded to City Council for adoption.

**ATTACHMENT:** Draft Ordinance Amending Section 2.08.020 Of The Santa Barbara Municipal Code

**PREPARED BY:** Sarah Hanna, Recreation Programs Manager

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

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

**ATTACHMENT**

**ORDINANCE COMMITTEE DISCUSSION DRAFT 2/23/10  
SHOWING CHANGES FROM THE CURRENT CODE**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING SECTION 2.08.020 OF THE SANTA BARBARA MUNICIPAL CODE AND ESTABLISHING PROCEDURES FOR THE APPOINTMENT AND SERVICE OF A YOUTH MEMBER TO THE PARKS AND RECREATION COMMISSION.**

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

**SECTION ONE.** Section 2.08.020 of Chapter 2.08 of Title 2 of the Santa Barbara Municipal Code is amended to read as follows:

**2.08.020 Enumeration and Index.**

A. **BOARD OF AIRPORT COMMISSIONERS:** The appointment of members and their function is delineated in Chapter 18.44 of the Santa Barbara Municipal Code and Section 812 of Article VIII of the City Charter.

B. **ARCHITECTURAL BOARD OF REVIEW:** The appointment of members and their function is delineated in Chapter 22.68 of the Santa Barbara Municipal Code and Section 814 of Article VIII of the City Charter.

C. **BOARD OF CIVIL SERVICE COMMISSIONERS:** The appointment of members and their function is delineated in Section 808 of Article VIII of the City Charter.

D. BOARD OF HARBOR COMMISSIONERS: The appointment of members and their function is delineated in Section 811 of Article VIII of the City Charter and Chapter 17.06 of the Santa Barbara Municipal Code.

E. LIBRARY BOARD: The appointment of members and their function is delineated in Section 807 of Article VIII of the City Charter.

F. ~~PARKS AND RECREATION COMMISSION~~: The appointment of members and their function is delineated in Section 809 of Article VIII of the City Charter.

Deleted: BOARD OF PARK COMMISSIONERS

G. BOARD OF FIRE AND POLICE PENSION COMMISSIONERS: The appointment of members and their function is delineated in Section 815 of Article VIII of the City Charter.

H. PLANNING COMMISSION: The appointment of members and their function is delineated in Section 806 of Article VIII of the City Charter.

I. BOARD OF FIRE AND POLICE COMMISSIONERS: The appointment of members and their function is delineated in Section 816 of Article VIII of the City Charter.

J. ~~BOARD OF WATER COMMISSIONERS~~: The appointment of members and their function is delineated in Section 813 of Article VIII of the City Charter.

Deleted: RECREATION COMMISSION: The appointment of members and their function is delineated in Section 810 of Article VIII of the City Charter.¶  
K.

**SECTION TWO.** Section 809 of the City Charter allows for the appointment of a person under the age of eighteen (18) to the Parks and Recreation Commission (a “youth member.”) This ordinance supplements the provisions of Article VIII of the City Charter as it concerns the nomination, appointment, and service of any person who is appointed as a youth member to serve on the Parks and Recreation Commission.

**A. PARKS AND RECREATION COMMISSION - APPOINTMENT AND**

**SERVICE.** Members of the Parks and Recreation Commission are appointed and serve terms in office as provided in Article VIII of the City Charter. In general, members of the Parks and Recreation Commission are appointed and serve their terms of office in accordance with Section 802 of the City Charter. Notwithstanding the eligibility requirements specified in Section 802 of the City Charter, Section 809 of the City Charter, as amended by the voters of the City in November 2009, allows one (1) member of the Parks and Recreation Commission to be an individual of age sixteen (16) years or older. The City Council may, but is not required to, appoint a youth member to the Parks and Recreation Commission.

**B. PERSONS UNDER THE AGE OF EIGHTEEN (18) - APPOINTMENT**

**AND SERVICE.** The City Council chooses to consider applicants for appointment as a youth member of the Parks and Recreation Commission in the following manner:

1. The application process for a youth applicant shall follow the process applicable to other applicants for membership on the Commission (as specified in Article VIII of the City Charter and supplemented by resolution of the City Council), except as otherwise provided in this ordinance.

2. A youth applicant need not be eighteen (18) years of age at the time of appointment or during his or her term in office.

3. A youth applicant shall be a resident of the City of Santa Barbara and a citizen

of the United States at the time of appointment and during his or her term in office.

4. Reaching the age of eighteen (18) shall not disqualify a person appointed as a youth member on the Commission from continuing to serve the balance of his or her term in office.

5. If a vacancy is created by the resignation, disqualification, or removal of a youth member on the Commission, the City Council may, but is not required to, appoint a youth applicant to the vacant position on the Commission.

6. If a youth member on the Commission reaches the age of eighteen (18) during his or her term in office, the City Council may, but is not required to, appoint a youth applicant to another vacant position on the Commission.



# CITY OF SANTA BARBARA CITY COUNCIL MINUTES

## REGULAR MEETING February 2, 2010 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 are ordinarily scheduled to meet at 12:30 p.m., did not meet on this date.)

### PLEDGE OF ALLEGIANCE

Mayor Schneider.

### ROLL CALL

Councilmembers present: Dale Francisco, Frank Hotchkiss, Grant House, Michael Self, Bendy White, Das Williams, Mayor Schneider.

Councilmembers absent: None.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, City Clerk Services Manager Cynthia M. Rodriguez.

### CEREMONIAL ITEMS

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

Recommendation: That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through February 28, 2010.

#### Documents:

February 2, 2010, report from the Administrative Services Director.

#### Speakers:

Staff: City Administrator James L. Armstrong and award recipient Sarah Dunn.

(Cont'd)

1. (Cont'd)

Action: By consensus, the Council recognized the following employees:

5-Year Pin

Joe Gonzales, Facilities Maintenance Supervisor, Public Works  
Luciano Nungaray, Ground Maintenance Worker I, Parks and Recreation  
Mary Lou Chavez Sanabria, Waterfront Maintenance Worker I, Waterfront

10-Year Pin

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

20 Year Pin

Randy Webb, Survey Technician II, Public Works

25-Year Pin

Douglas Kresky, Police Lieutenant, Police

30-Year Pin

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

**PUBLIC COMMENT**

Speakers: Darlena Moore, Ken Loch, David Daniel Diaz, Ruth Wilson.

**ITEM REMOVED FROM CONSENT CALENDAR**

8. Subject: Set A Date For Public Hearing Regarding Appeal Of Planning Commission Approval For 3714-3744 State Street (640.07)

Recommendation: That Council:

A. Set the date of March 9, 2010, at 2:00 p.m. for hearing the appeal filed by Citizens Planning Association of Santa Barbara County and the Allied Neighborhoods Association of the Planning Commission approval of an application for property owned by Kellogg Associates and located at 3714-3744 State Street, Assessor's Parcel Nos. 053-300-023 and -031, C-P Restricted Commercial/S-D-2 Special District and C-P/R-3 Limited Multiple-Family/R-4 Hotel-Motel-Multiple Residential/S-D-2 Zones,

(Cont'd)

8. (Cont'd)

General Plan Designation: General Commerce, Office, Residential - 12 Units per Acre, and Buffer. The appeal relates to the Commission's certification of the final Environmental Impact Report for the project and subsequent approval of the latest version of the project on December 17, 2009. The project consists of the demolition of the existing 113-room Sandman Inn Hotel, Downtown Brewing Co. restaurant building, and all site improvements, and the construction of a new office complex on Lot A, and two commercial condominiums and 73 residential condominium units on Lot B. The discretionary applications required for this project are a Lot Line Adjustment, a Development Plan, a Modification, and a Tentative Subdivision Map; and

- B. Set the date of March 8, 2010, at 1:30 p.m. for a site visit to the property located at 3714-3744 State Street.

Documents:

January 31, 2010, letter from Paula Westbury.

Speakers:

- Staff: City Attorney Stephen P. Wiley.
- Members of the Public: Naomi Kovacs, Citizens Planning Association.

Motion:

Councilmembers House/Francisco to approve the recommendations as amended.

Vote:

Unanimous voice vote.

**CONSENT CALENDAR (Item Nos. 2 – 7, 9 and 10)**

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

Motion:

Councilmembers House/Williams to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

2. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of January 5, 2010 (cancelled), and the regular meeting of January 12, 2010.

Action: Approved the recommendation.

3. Subject: Adoption Of Medical Marijuana Suspension Ordinance (520.04)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Extending a Temporary Suspension of the Right to Apply for or to Obtain a Permit for the Opening or Operation of Medical Marijuana Dispensaries Otherwise Permitted by Santa Barbara Municipal Code Chapter 28.80 on an Interim Basis.

Speakers:

Members of the Public: Nikolai Lambert, B. Nelson.

Action: Approved the recommendation; Ordinance No. 5510 (proposed ordinance; January 31, 2010, letter from Paula Westbury).

4. Subject: Introduction Of Ordinance For Renewal Of Recycled Water User Agreements (540.13)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving Three Twenty-Year Agreements to Use Recycled Water Between the City of Santa Barbara and 1. Santa Barbara Community College District; 2. El Escorial Owners' Association; and 3. California Department of Transportation, Each Dated as of February 2, 2010.

Action: Approved the recommendation (February 2, 2010, report from the Public Works Director; proposed ordinance; January 31, 2010, letter from Paula Westbury).

5. Subject: Adoption Of South Coast Energy Efficiency Partnership Agreement (630.06)

Recommendation: That Council authorize the Public Works Director to execute the 2010-2012 Energy Partnership Agreement between Southern California Edison (SCE), Southern California Gas Company (Gas Company) and the City of Santa Barbara.

Action: Approved the recommendation; Agreement No. 23,275 (February 2, 2010, report from the Public Works Director; January 31, 2010, letter from Paula Westbury).

6. Subject: Contract For Final Design Of Elings Park Landfill Gas Collection And Control System (570.05)

Recommendation: That Council:

- A. Authorize the Public Works Director to execute a professional services contract with Geosyntec Consultants (Geosyntec) in the amount of \$63,267 for design services for the Elings Park Landfill Gas Collection and Control System, and authorize the General Services Manager to approve expenditures of up to \$6,327 for extra services of Geosyntec that may result from necessary changes in the scope of work; and
- B. Increase appropriations by \$87,000 in the Solid Waste Fund from reserves for final design of the Elings Park Landfill Gas Collection and Control System.

Speakers:

Staff: Environmental Services Supervisor Stephen MacIntosh.

Action: Approved the recommendations; Contract No. 23,276 (February 2, 2010, report from the Public Works Director; January 31, 2010, letter from Paula Westbury).

7. Subject: Support Of The Highway 101 High Occupancy Vehicle Widening Project (670.05)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Supporting the Highway 101 High Occupancy Vehicle Widening Project as Santa Barbara County's Highest Regional Transportation Priority for Federal Funding.

Action: Approved the recommendation; Resolution No. 10-005 (February 2, 2010, report from the Public Works Director; proposed resolution; January 31, 2010, letter from Paula Westbury).

## NOTICES

9. The City Clerk has on Thursday, January 28, 2010, 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.
10. A City Council site visit is scheduled for Monday, February 8, 2010, at 1:30 p.m. to the property located at 922 State Street, which is the subject of an appeal hearing set for February 9, 2010, at 2:00 p.m.

This concluded the Consent Calendar.

## CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

### PARKS AND RECREATION DEPARTMENT

11. Subject: Restoration Of Parma Park And Appropriation Of Parma Park Trust Funds (570.05)

Recommendation: That Council:

- A. Receive a report on the post-Tea Fire recovery and restoration of Parma Park; and
- B. Increase appropriations and estimated revenues by \$71,288 in the Fiscal Year 2010 Miscellaneous Grants Fund for restoration and maintenance work at Parma Park to be funded by the Parma Park Trust.

Documents:

- February 2, 2010, report from the Parks and Recreation Director.
- PowerPoint presentation prepared and made by staff.
- January 31, 2010, letter from Paula Westbury.

Speakers:

Staff: Assistant Parks and Recreation Director Jill Zachary.

Motion:

Councilmembers House/Hotchkiss to approve the recommendations.

Vote:

Unanimous voice vote.

### PUBLIC WORKS DEPARTMENT

12. Subject: Pilot Program For Digestion Of Fats, Oil, And Grease At The El Estero Wastewater Treatment Plant (540.13)

Recommendation: That Council:

- A. Approve a professional services agreement with AECOM for engineering and design services relating to the Fats, Oils and Grease (FOG) injection system at El Estero Wastewater Treatment Plant (El Estero) for the amount \$59,400 and authorize the Public Works Director change order authority of up to \$5,940 for extra services of AECOM that may result from necessary changes in the scope of work; and
- B. Authorize the Public Works Director to negotiate and execute upon review and approval by the City Attorney's office, an agreement with Marborg Industries for hauling, pretreatment and delivery of FOG to El Estero during the FOG Pilot Project.

(Cont'd)

12. (Cont'd)

Documents:

- February 2, 2010, report from the Public Works Director.
- PowerPoint presentation prepared and made by staff.
- January 31, 2010, letter from Paula Westbury.

Speakers:

- Staff: Facilities and Energy Manager Jim Dewey, Wastewater Systems Manager Chris Toth, Energy Analyst Alelia Parenteau.
- Members of the Public: Robert Burke.

Motion:

Councilmembers Williams/Francisco to approve the recommendations; Agreement Nos. 23,277 and 23,278.

Vote:

Unanimous voice vote.

## **COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS**

Information:

- Mayor Schneider reported on her attendance at the Los Angeles-San Diego Rail Corridor Agency (LOSSAN) meeting last Wednesday where the Board adopted by-laws mandating that a representative from the North (San Luis Obispo, Ventura or Santa Barbara Counties) be in attendance in order to have a quorum of the Board.
- Councilmember Francisco reported on his attendance at the monthly Central Coast Water Authority meeting; an item of discussion was a request from the Authority's legal counsel for a pay increase.
- Councilmember Williams stated that he attended the Greater Santa Barbara Lodging Association meeting last week where City Administrator Jim Armstrong and his counterpart at the County discussed the economic and revenue challenges for both agencies. He also reported on his attendance at the annual Chamber of Commerce luncheon last week.

## **RECESS**

Mayor Schneider recessed the meeting at 3:26 p.m. in order for the Council to reconvene in closed session for Agenda Item Nos. 13 and 14, and stated that no reportable action is anticipated.

## CLOSED SESSIONS

13. Subject: Conference With Legal Counsel - Pending Litigation (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is Rudy Munoz v. City of Santa Barbara, et al., SBSC Case Number: 1302638

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

Documents:

February 2, 2010, report from the City Attorney.

Time:

3:28 p.m. - 4:05 p.m.

No report made.

14. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6 to consider instructions to City negotiator, Kristy Schmidt, Employee Relations Manager, regarding negotiations with the Police Officers Association, the Police Managers Association, the General Bargaining Unit, the Treatment and Patrol Bargaining Units, the Firefighters Association, the Hourly Bargaining Unit, and the Supervisory Employees Association, and regarding discussions with unrepresented management and confidential employees about salaries and fringe benefits.

Scheduling: Duration, 60 minutes; anytime

Report: None anticipated

Documents:

February 2, 2010, report from the Assistant City Administrator.

Time:

4:06 p.m. - 6:05 p.m.

No report made.

**ADJOURNMENT**

Mayor Schneider adjourned the meeting at 6:06 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

\_\_\_\_\_  
HELENE SCHNEIDER  
MAYOR

ATTEST:

\_\_\_\_\_  
CYNTHIA M. RODRIGUEZ, CMC  
CITY CLERK SERVICES MANAGER



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 23, 2010

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Resolution For Purchase Of Property At 309 West Ortega Street  
For The Ortega Street Bridge Replacement Project

### **RECOMMENDATION:**

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Accepting Real Property Located at 309 West Ortega Street, and Authorizing the Public Works Director to Execute an Agreement for Acquisition of Real Property with Escrow Instructions and All Related Documents That May Be Required, Including, Among Others, Any Interim Rental Agreement, All Subject to Review and Approval as to Form by the City Attorney, Relating to the Proposed Ortega Street Bridge Replacement Project, and Consenting to the Recordation of the Related Deed in the Official Records, County of Santa Barbara.

### **DISCUSSION:**

The Ortega Street Bridge Replacement Project (Project) will replace the existing structurally deficient bridge over Lower Mission Creek. The replacement bridge will be consistent with the Lower Mission Creek environmental studies prepared by the Army Corps of Engineers. The Project will improve the hydraulic conveyance of the creek and will continue to accommodate the same number and sizes of traffic lanes and pedestrian access. The Project is an approved Federal Highway Bridge Program (HBP) participating project with oversight provided through the State of California Department of Transportation (Caltrans). The design of the Project is 95% complete and staff is currently working to acquire affected properties and associated right-of-way.

The real properties and easements identified below, and shown on Attachment 1, are required for the proposed Project and must be purchased by the City. This includes the property at 309 West Ortega Street, as shown on Attachment 2.

The City has provided written offers to all owners for the purchase of properties and easements based on appraisals approved by Caltrans. The City's acquisitions are on

the critical path for the Project schedule and must be obtained for the Project to begin as scheduled in spring 2011.

The agreement with escrow instructions required for the City's purchase of the property has been executed and delivered to City staff by the owners, Manuel and Juana Figueroa. The agreement provides for the City's purchase of the property for consideration in the amount of \$675,000, plus applicable closing costs.

The proposed resolution will allow the Public Works Director to execute the purchase agreement with the owners. It will also allow the Public Works Director to execute any other documents that may be required to accomplish the City's acquisition of the property, subject to review and approval of the documents by the City Attorney as to form.

The properties and easements needed for the Project are identified on Attachment 3.

Efforts are ongoing to obtain signed agreements with all respective owners of properties affected by the Project. When such agreements have been obtained, they will be scheduled for review and recommended for approval by Council.

The proposed resolution would also allow the Public Works Director to negotiate an interim rental agreement with the owners, subject to approval by the City Attorney as to the form of the agreement. The property at 309 West Ortega Street is currently occupied by the owners, Mr. and Mrs. Figueroa, and they are eligible for relocation assistance benefits pursuant to federal, state and local guidelines. After the proposed close of escrow (which will be expedited at the request of the owners), an interim rental agreement will be needed to allow their continuing occupation as tenants until they have been relocated to a replacement dwelling.

In addition to the approval of related agreements, the proposed resolution will also demonstrate formal acceptance by the City of the property at 309 West Ortega Street, and, thus, allow recordation of the necessary grant deed to the City at the close of escrow.

As shown on Attachment 2, the City already owns the property at 303 West Ortega Street. In 2007, Caltrans authorized the City to acquire this residence in advance of the Project because the owner needed to make costly repairs to the foundation, a portion of which exists within the Mission Creek floodway. Because the owner intended to sell the property after repairs, and because it was known that the old residence would be demolished to make way for any future Mission Creek or bridge project, Caltrans allowed the City to purchase the property before costly repairs could be done. Subsequently, the City purchased this property for its appraised value (\$620,000), as set forth in Agreement No. 22,341, and approved by Resolution No. 07-016. The City's advance purchase avoided any increase in the property value caused by the planned repairs, and avoided the need to relocate any occupants that would have been displaced by a public bridge or Mission Creek project.

As the last property to be purchased for this project, staff is actively pursuing the acquisition of 306 West Ortega Street. It is anticipated that a resolution to acquire the property will return to Council by Summer 2010.

**BUDGET/FINANCIAL INFORMATION:**

The following table summarizes all estimated project costs:

**ESTIMATED TOTAL PROJECT COST**

<b>PROJECT PHASE</b>	<b>HBP SHARE</b>	<b>CITY SHARE</b>	<b>ESTIMATED COSTS</b>
Design Phase	\$547,760	\$136,940	\$684,700
Right-of-way Phase	\$2,067,884	\$267,916	\$2,335,800
Construction Phase	\$2,691,967	\$348,773	\$3,040,740
<b>Totals</b>	<b>\$5,307,611</b>	<b>\$753,629</b>	<b>\$6,061,240</b>

The table above shows total estimated Project costs. The Project is currently in the Right-of-Way Phase and has been authorized up to \$2,350,000 (per written approval by Caltrans). Based on the approved appraisals, previous acquisition costs, estimated relocation costs, and anticipated management costs, the Project Right-of-way Phase cost is expected to have a surplus of funds.

Caltrans is overseeing the City's steps to purchase all properties and easements required for the Project since 88.53% of the City's eligible project costs and right-of-way costs will be reimbursed by the HBP through Caltrans. The City will be responsible for 11.47% of the eligible costs.

The shared acquisition costs relating to the property at 309 West Ortega Street are outlined as follows:

City @ 11.47%	=	\$77,423
HBP @ 88.53%	=	\$597,577
309 West Ortega Street Purchase Price	=	<u>\$675,000</u>

In addition to payment of costs for the purchase of properties and easements required for the Project, it will be necessary for the City to pay costs for the relocation of displaced occupants, as required by applicable federal and state laws and guidelines. The properties at 306 West Ortega Street and 309 West Ortega Street are occupied by residents eligible for relocation assistance and relocation assistance payments. Accordingly, a relocation plan has been prepared to initiate such steps at the appropriate time to relocate the displaced residents. Until each of the displaced occupants have been relocated to replacement dwellings, it is not possible to establish

the actual costs required for such relocations. When accomplished, the associated costs will also be shared with the State in accordance with applicable guidelines and the above formula.

There are sufficient appropriations in the Streets Capital Fund to cover the City's costs. Staff is working with Caltrans to secure construction funding and, contingent on state and federal authorization of grant funding, site work could begin in Spring 2011.

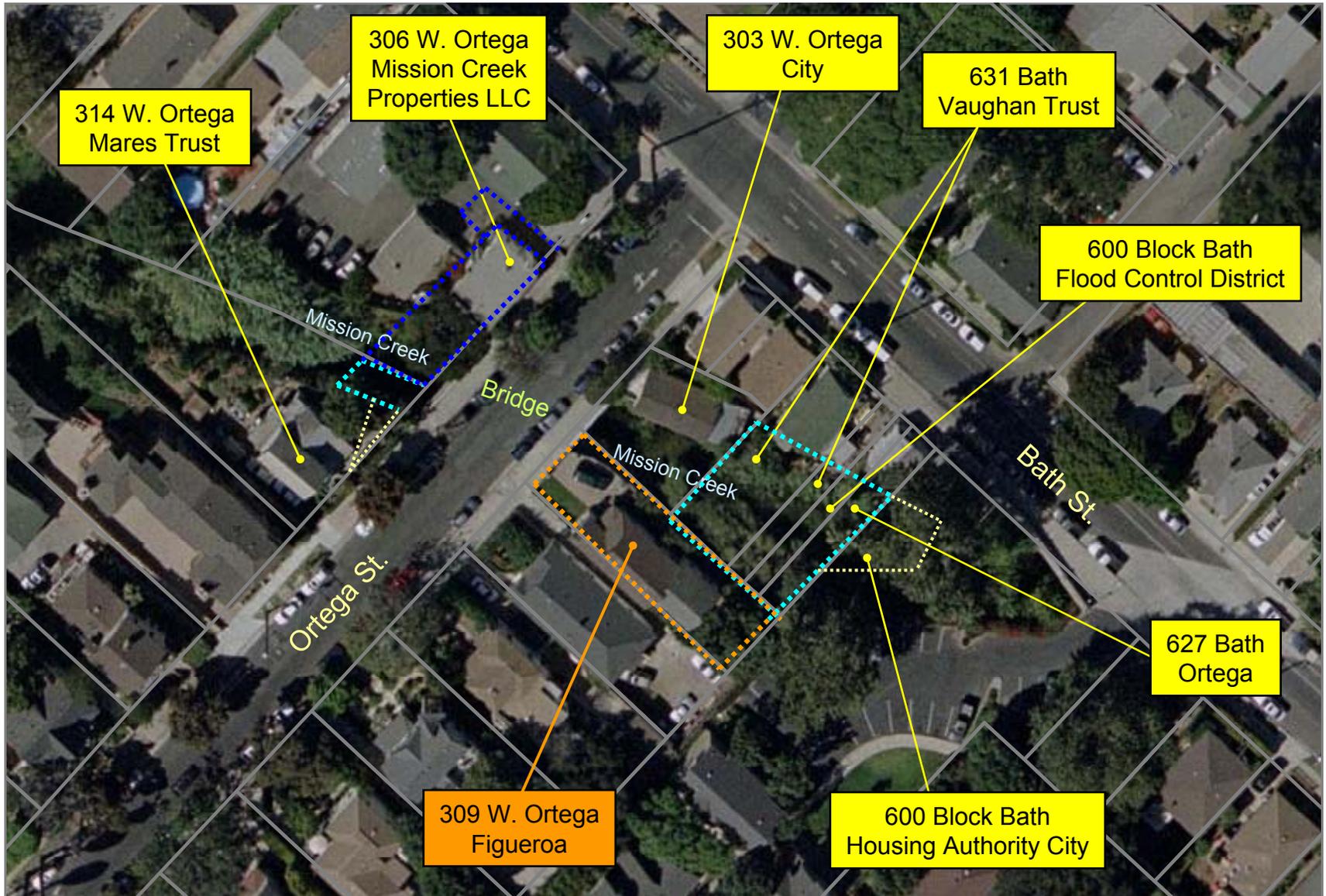
**ATTACHMENT(S):** 1) Right-of-Way Appraisal Map  
2) 309 West Ortega Street Aerial Photo  
3) Acquisitions And Easements For Ortega Street Bridge Replacement Project

**PREPARED BY:** John Ewasiuk, Principal Civil Engineer/DI/sk

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

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





309 West Ortega Street Aerial Photo

### ATTACHMENT 3

#### Acquisitions And Easements For Ortega Street Bridge Replacement Project

The properties and easements needed for the Ortega Street Bridge Replacement Project are identified below.

<u>Address</u>	<u>Description</u>	<u>Status</u>
303 West Ortega Street City Property	Entire Property; Structure Located Within Mission Creek Work Area	City Acquired 2007
306 West Ortega Street Mission Creek Properties LLC	Portion Property in Fee; Vehicle Easement; Structure Located Within Mission Creek Work Area	Offer Pending
<b>309 West Ortega Street Manuel &amp; Juana Figueroa</b>	<b>Entire Property; Structure Within Mission Creek Work Area</b>	<b>Subject Resolution</b>
314 West Ortega Street Mares Family Trust	Temporary Construction Easement; Mission Creek Easement	Offer Pending
600 Block Bath Street Housing Authority of City	Temporary Construction Easement for Work in Mission Creek	Offer Pending
627 Bath Street Herman & Dolores Ortega	Mission Creek Easement	Offer Pending
600 Block Bath Street County Flood Control District	Encroachment Permit for Work in Mission Creek	Permit Pending
631 Bath Street Vaughan Trust	Mission Creek Easement	Offer Pending

RESOLUTION OF ACCEPTANCE NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA ACCEPTING REAL PROPERTY LOCATED AT 309 WEST ORTEGA STREET, AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO EXECUTE AN AGREEMENT FOR ACQUISITION OF REAL PROPERTY WITH ESCROW INSTRUCTIONS AND ALL RELATED DOCUMENTS THAT MAY BE REQUIRED, INCLUDING, AMONG OTHERS, ANY INTERIM RENTAL AGREEMENT, ALL SUBJECT TO REVIEW AND APPROVAL AS TO FORM BY THE CITY ATTORNEY, RELATING TO THE PROPOSED ORTEGA STREET BRIDGE REPLACEMENT PROJECT, AND CONSENTING TO THE RECORDATION OF THE RELATED DEED IN THE OFFICIAL RECORDS, COUNTY OF SANTA BARBARA

WHEREAS, a proposed project is currently undergoing final design and review for the City of Santa Barbara (City) to replace the existing bridge for Ortega Street at Mission Creek, due to its age, increasingly deteriorated condition and limited flood control capacity, with anticipated reimbursement of the City's associated project costs using funds provided by the United States Department of Transportation, Federal Highway Administration (FHWA), as administered by the State of California, Department of Transportation (Caltrans);

WHEREAS, the Ortega Street Bridge Replacement Project (Project) requires the purchase by the City of the entire real property commonly known as 309 West Ortega Street, Santa Barbara County Assessor's Parcel APN 037-113-007, owned by Manuel Figueroa and Juana Figueroa, due to its location immediately adjacent to the existing bridge and its location within the Project area, for consideration in the amount of \$675,000.00, plus related escrow closing costs;

WHEREAS, as authorized by FHWA and Caltrans, the real property at 309 West Ortega Street has been appraised by an independent fee appraiser, and in accordance with applicable laws and guidelines, subject to final approval by the Council of the City of Santa Barbara, a written offer and required appraisal summaries and agreement has been delivered to the affected owners;

WHEREAS, the written purchase offer has been accepted by the owners of the real property at 309 West Ortega Street, and their agreement has been signed voluntarily to allow the City to purchase their real property, subject to final approval by the Council of the City of Santa Barbara;

WHEREAS, this Resolution will provide authorization by the Council of the City of Santa Barbara for the Public Works Director to execute the agreement with the owners, subject to review and approval as to form by the City Attorney;

WHEREAS, this Resolution will also provide authorization by the Council of the City of Santa Barbara for the Public Works Director to subsequently execute any documents that may become necessary to accomplish such purchase by the City of the real property at 309 West Ortega Street, subject to review and approval as to form of such documents by the City Attorney, which may include among others, but not be limited to, sale escrow instructions, and any interim rental agreement with the owner, if necessary, to allow their continuing occupation, use and rental of the real property at a reasonable market rental rate to be established based on rentals of comparable dwellings, until lawfully relocated to make way for the Project; and

WHEREAS, this Resolution will demonstrate intent by the Council of the City of Santa Barbara to accept the real property located at 309 West Ortega Street, as more particularly described in a grant deed delivered for such purpose by Manuel Figueroa and Juana Figueroa, as described in such agreement, without further action or subsequent resolution to accept the real property.

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

SECTION 1. The Public Works Director is hereby authorized by the Council of the City of Santa Barbara, subject to review and approval by the City Attorney as to form, to execute all required agreements with Manuel Figueroa and Juana Figueroa to accomplish the purchase by the City of the entire real property commonly known as 309 West Ortega Street, Santa Barbara County Assessor's Parcel APN 037-113-007, for consideration in the amount of \$675,000.00, plus related escrow closing costs.

SECTION 2. The Public Works Director is hereby authorized by the Council of the City of Santa Barbara, subject to review and approval by the City Attorney as to form, to negotiate and subsequently execute an interim rental agreement with the owners, Manuel Figueroa and Juana Figueroa, who currently occupy the real property at 309 West Ortega Street, at a reasonable market rental rate to be established based on rentals of comparable dwellings, until steps have been taken to cause their relocation to another real property acquired in accordance with applicable federal, state and local relocation assistance guidelines.

SECTION 3. The City of Santa Barbara hereby accepts the real property at 309 West Ortega Street, as more particularly described in the grant deed by Manuel Figueroa and Juana Figueroa to the City of Santa Barbara, dated February 1, 2010, which has been executed and delivered hereunder.

SECTION 4. The City of Santa Barbara hereby consents to the recordation of the grant deed by Manuel Figueroa and Juana Figueroa in the Official Records, County of Santa Barbara.

SECTION 5. This Resolution shall become effective immediately upon its adoption.



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 23, 2010  
**TO:** Mayor and Councilmembers  
**FROM:** Treasury Division, Finance Department  
**SUBJECT:** January 2010 Investment Report

**RECOMMENDATION:**

That Council accept the January 2010 Investment Report.

**DISCUSSION:**

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of January 31, 2010.

**ATTACHMENT:** January 2010 Investment Report  
**PREPARED BY:** Jill Taura, Treasury Manager  
**SUBMITTED BY:** Robert Samario, Interim Finance Director  
**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA  
Activity and Interest Report  
January 31, 2010**

**INVESTMENT ACTIVITY**

---

**PURCHASES OR DEPOSITS**

1/5 LAIF Deposit - City	\$ 2,500,000
1/7 LAIF Deposit - City	1,000,000
1/13 Federal Farm Credit Bank (FFCB)	2,000,000
1/15 LAIF Deposit - City	2,000,000
1/15 Federal Home Loan Bank (FHLB)	2,000,000
1/20 LAIF Deposit - City	1,000,000
1/21 LAIF Deposit - City	1,500,000
1/25 LAIF Deposit - City	1,500,000
1/26 LAIF Deposit - City	2,000,000
1/29 LAIF Deposit - City	7,500,000
<b>Total</b>	<b>\$ 23,000,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

1/14 LAIF Withdrawal/City	\$ (7,000,000)
1/15 Berkshire Hathaway Fin (BERK) Maturity	(2,250,000)
1/25 Federal Home Loan Mortgage Corp. (FHLMC) Maturity	(2,000,000)
1/28 LAIF Withdrawal/City	(4,500,000)
<b>Total</b>	<b>\$ (15,750,000)</b>

**ACTIVITY TOTAL**

**\$ 7,250,000**

---

**INTEREST REVENUE**

---

**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 349,646
Amortization	3,980
SBB&T Sweep Account Interest	115
SBB&T Money Market Interest	1
<b>Total</b>	<b>\$ 353,742</b>

**RDA INVESTMENTS**

Interest Earned on Investments (LAIF)	<b>\$ 13,767</b>
---------------------------------------	------------------

**TOTAL INTEREST EARNED**

**\$ 367,509**

---

**CITY OF SANTA BARBARA**  
**Summary of Cash and Investments**  
**January 31, 2010**

**ENDING BALANCE AS OF DECEMBER 31, 2009**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 45,100,000	0.569%	27.59%	1
Certificates of Deposit	4,000,000	1.500%	2.45%	504
Federal Agency Issues - Coupon	96,882,898	3.258%	59.27%	932
Corporate/Medium Term Notes	10,256,641	4.797%	6.28%	215
	<u>156,239,539</u>	<u>2.538%</u>	<u>95.59%</u>	<u>605</u>
SB Airport Promissory Note	7,213,661	7.000%	4.41%	7,120
Totals and Averages	<u>\$ 163,453,200</u>	<u>2.735%</u>	<u>100.00%</u>	<u>893</u>
SBB&T Money Market Account	2,860,497			
<b>Total Cash and Investments</b>	<b><u>\$ 166,313,697</u></b>			

**NET CASH AND INVESTMENT ACTIVITY FOR JANUARY 2010**      **\$ 7,263,411**

**ENDING BALANCE AS OF JANUARY 31, 2010**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 52,600,000	0.558%	30.81%	1 (1)
Certificates of Deposit	4,000,000	1.500%	2.34%	473
Federal Agency Issues - Coupon	98,886,319	3.187%	57.93%	940
Corporate/Medium Term Notes	8,007,199	5.125%	4.69%	241
	<u>163,493,519</u>	<u>2.395%</u>	<u>95.77%</u>	<u>592</u>
SB Airport Promissory Note	7,213,661	7.000%	4.23%	7,089
Totals and Averages	<u>\$ 170,707,180</u>	<u>2.590%</u>	<u>100.00%</u>	<u>867</u>
SBB&T Money Market Account	2,869,929			
<b>Total Cash and Investments</b>	<b><u>\$ 173,577,109</u></b>			

Note:

(1) The average life of the LAIF portfolio as of January 31, 2010 is 216 days.

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**January 31, 2010**

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.558	0.558	23,000,000.00	23,000,000.00	23,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.558	0.558	29,600,000.00	29,600,000.00	29,600,000.00	0.00	
<b>Subtotal, LAIF</b>							52,600,000.00	52,600,000.00	52,600,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
MONTECITO BANK & TRUST	11/18/09	11/18/10	-	-	1.250	1.250	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
MONTECITO BANK & TRUST	11/18/09	11/18/11	-	-	1.750	1.750	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
<b>Subtotal, Certificates of deposit</b>							4,000,000.00	4,000,000.00	4,000,000.00	0.00	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FEDERAL FARM CREDIT BANK	03/06/09	04/24/12	Aaa	AAA	2.250	2.120	2,000,000.00	2,005,595.37	2,045,630.00	40,034.63	
FEDERAL FARM CREDIT BANK	10/14/09	10/14/14	Aaa	AAA	2.875	2.875	2,000,000.00	2,000,000.00	2,003,130.00	3,130.00	Callable 10/14/10, then cont.
FEDERAL FARM CREDIT BANK	11/07/06	01/18/11	Aaa	AAA	5.750	5.000	2,000,000.00	2,012,855.76	2,103,130.00	90,274.24	
FEDERAL FARM CREDIT BANK	01/29/07	08/25/10	Aaa	AAA	4.750	5.111	2,000,000.00	1,996,291.20	2,050,310.00	54,018.80	
FEDERAL FARM CREDIT BANK	02/01/08	02/01/13	Aaa	AAA	3.790	3.790	2,000,000.00	2,000,000.00	2,000,000.00	0.00	Callable 2/01/10, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	03/02/12	Aaa	AAA	2.370	2.370	2,000,000.00	2,000,000.00	2,003,120.00	3,120.00	Callable 3/02/10, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	01/17/12	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,036,560.00	36,560.00	
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AAA	2.600	2.600	2,000,000.00	2,000,000.00	2,057,820.00	57,820.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,031,560.00	31,560.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,039,060.00	39,060.00	
FEDERAL FARM CREDIT BANK	09/30/09	10/03/11	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,005,630.00	5,630.00	
FEDERAL FARM CREDIT BANK	12/01/09	12/01/14	Aaa	AAA	2.840	2.840	2,000,000.00	2,000,000.00	1,999,070.00	(930.00)	Callable 12/01/10, then cont.
FEDERAL FARM CREDIT BANK	01/13/10	01/13/15	Aaa	AAA	3.180	3.180	2,000,000.00	2,000,000.00	2,013,750.00	13,750.00	Callable 1/13/11, then cont.
FEDERAL HOME LOAN BANK	10/25/06	02/12/10	Aaa	AAA	3.875	5.117	1,000,000.00	999,654.34	1,001,250.00	1,595.66	
FEDERAL HOME LOAN BANK	05/22/07	06/10/11	Aaa	AAA	5.250	5.005	2,000,000.00	2,005,936.42	2,119,380.00	113,443.58	
FEDERAL HOME LOAN BANK	07/09/07	02/15/11	Aaa	AAA	4.000	5.308	2,000,000.00	1,975,528.40	2,073,440.00	97,911.60	
FEDERAL HOME LOAN BANK	07/09/07	03/12/10	Aaa	AAA	5.000	5.268	1,000,000.00	999,713.47	1,005,630.00	5,916.53	
FEDERAL HOME LOAN BANK	02/26/09	02/24/14	Aaa	AAA	3.250	3.261	2,000,000.00	1,999,935.75	2,003,760.00	3,824.25	Callable 2/24/10, then qtrly
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AAA	4.375	2.110	1,700,000.00	1,787,068.57	1,805,986.50	18,917.93	
FEDERAL HOME LOAN BANK	06/30/09	06/30/14	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,030,000.00	30,000.00	StrNt, Callable 6/30/11, once
FEDERAL HOME LOAN BANK	09/30/09	09/30/14	Aaa	AAA	2.000	3.448	2,000,000.00	2,000,000.00	2,003,120.00	3,120.00	StrNt, Callable 12/30/09, qtrly
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AAA	3.125	2.440	2,000,000.00	2,049,993.64	2,065,630.00	15,636.36	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AAA	1.700	1.700	2,000,000.00	2,000,000.00	2,013,130.00	13,130.00	
FEDERAL HOME LOAN BANK	09/14/06	09/29/10	Aaa	AAA	5.125	5.070	1,000,000.00	1,000,307.52	1,030,785.00	30,477.48	
FEDERAL HOME LOAN BANK	05/23/08	06/10/11	Aaa	AAA	3.125	3.520	2,000,000.00	1,989,863.39	2,059,380.00	69,516.61	
FEDERAL HOME LOAN BANK	11/08/06	07/30/10	Aaa	AAA	5.000	5.010	2,000,000.00	1,999,887.96	2,047,810.00	47,922.04	
FEDERAL HOME LOAN BANK	12/18/06	06/22/10	Aaa	AAA	4.500	4.825	2,000,000.00	1,997,681.98	2,034,380.00	36,698.02	
FEDERAL HOME LOAN BANK	06/18/07	03/12/10	Aaa	AAA	4.875	5.382	2,000,000.00	1,998,933.33	2,010,620.00	11,686.67	
FEDERAL HOME LOAN BANK	06/16/08	12/10/10	Aaa	AAA	3.250	3.800	2,000,000.00	1,991,041.07	2,048,130.00	57,088.93	

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**January 31, 2010**

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AAA	4.375	2.272	2,000,000.00	2,144,634.43	2,164,690.00	20,055.57	
FEDERAL HOME LOAN MTG CORP	04/08/09	04/08/13	Aaa	AAA	2.500	2.526	2,000,000.00	1,998,813.89	2,026,400.00	27,586.11	Callable 4/08/11, once
FEDERAL HOME LOAN MTG CORP	05/19/09	11/19/12	Aaa	AAA	2.170	2.170	2,000,000.00	2,000,000.00	2,025,020.00	25,020.00	Callable 5/19/11, once
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AAA	2.125	1.699	2,000,000.00	2,021,803.28	2,041,250.00	19,446.72	
FEDERAL HOME LOAN MTG CORP	05/13/09	05/13/13	Aaa	AAA	2.400	2.400	2,000,000.00	2,000,000.00	2,028,940.00	28,940.00	Callable 5/13/11, once
FEDERAL HOME LOAN MTG CORP	08/26/09	08/26/14	Aaa	AAA	3.625	3.625	2,000,000.00	2,000,000.00	2,004,200.00	4,200.00	Callable 2/26/10, then qtrly
FEDERAL HOME LOAN MTG CORP	05/29/07	07/06/10	Aaa	AAA	4.500	5.070	2,000,000.00	1,995,495.70	2,036,340.00	40,844.30	
FEDERAL HOME LOAN MTG CORP	07/30/09	01/30/13	Aaa	AAA	2.350	2.350	2,000,000.00	2,000,000.00	2,013,100.00	13,100.00	Callable 7/30/10, once
FEDERAL HOME LOAN MTG CORP	10/28/09	10/28/14	Aaa	AAA	3.000	3.000	2,000,000.00	2,000,000.00	1,999,980.00	(20.00)	Callable 10/28/10, then qtrly
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AAA	1.000	2.420	2,000,000.00	1,930,837.21	1,978,120.00	47,282.79	
FEDERAL HOME LOAN MTG CORP	05/22/07	09/17/10	Aaa	AAA	3.880	5.015	2,000,000.00	1,986,999.80	2,042,920.00	55,920.20	
FEDERAL HOME LOAN MTG CORP	04/29/09	10/29/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,024,300.00	24,300.00	Callable 10/29/10, once
FEDERAL NATL MORTGAGE ASSN	03/18/09	09/18/12	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,038,750.00	38,750.00	Callable 3/18/11, once
FEDERAL NATL MORTGAGE ASSN	03/23/09	03/23/12	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,015,940.00	15,940.00	StrNt, Callable 9/23/10, once
FEDERAL NATL MORTGAGE ASSN	05/04/09	05/04/12	Aaa	AAA	2.150	2.185	2,000,000.00	1,999,483.33	2,008,440.00	8,956.67	Callable 5/04/10, once
FEDERAL NATL MORTGAGE ASSN	09/09/09	09/09/14	Aaa	AAA	3.250	3.250	2,000,000.00	2,000,000.00	2,019,070.00	19,070.00	Callable 9/09/10, once
FEDERAL NATL MORTGAGE ASSN	12/30/09	12/30/14	Aaa	AAA	3.000	3.000	2,000,000.00	2,000,000.00	1,995,940.00	(4,060.00)	Callable 6/30/10, then qtrly
FEDERAL NATL MORTGAGE ASSN	04/27/06	04/20/10	Aaa	AAA	4.750	5.270	2,000,000.00	1,997,963.53	2,019,690.00	21,726.47	
FEDERAL NATL MORTGAGE ASSN	02/27/09	02/24/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,032,500.00	32,500.00	Callable 2/24/11, once
FEDERAL NATL MORTGAGE ASSN	05/20/09	11/20/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,008,760.00	8,760.00	Callable 5/20/10, once
FEDERAL NATL MORTGAGE ASSN	10/29/09	10/29/14	Aaa	AAA	2.250	3.304	2,000,000.00	2,000,000.00	2,004,070.00	4,070.00	StrNt, Callable 4/29/10 cont.
FEDERAL NATL MORTGAGE ASSN	03/05/08	03/05/13	Aaa	AAA	4.100	4.100	2,000,000.00	2,000,000.00	2,006,880.00	6,880.00	Callable 3/05/10, once
<b>Subtotal, Federal Agencies</b>							<u>98,700,000.00</u>	<u>98,886,319.34</u>	<u>100,276,501.50</u>	<u>1,390,182.16</u>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
GENERAL ELECTRIC CAPITAL CORP	01/10/07	02/22/11	Aa2	AA+	6.125	5.100	2,000,000.00	2,019,312.23	2,112,820.00	93,507.77	
TOYOTA MOTOR CREDIT	10/19/06	03/15/10	Aa1	AA	4.250	5.140	2,000,000.00	1,998,023.95	2,009,260.00	11,236.05	
WELLS FARGO & CO.	05/30/07	01/12/11	A1	AA-	4.875	5.260	2,000,000.00	1,993,405.24	2,080,980.00	87,574.76	
WELLS FARGO & CO.	10/10/06	08/09/10	A1	AA-	4.625	5.000	2,000,000.00	1,996,457.96	2,044,460.00	48,002.04	
<b>Subtotal, Corporate Securities</b>							<u>8,000,000.00</u>	<u>8,007,199.38</u>	<u>8,247,520.00</u>	<u>240,320.62</u>	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	<u>7,213,660.84</u>	<u>7,213,660.84</u>	<u>7,213,660.84</u>	<u>0.00</u>	
<b>Subtotal, SBA Note</b>							<u>7,213,660.84</u>	<u>7,213,660.84</u>	<u>7,213,660.84</u>	<u>0.00</u>	
<b>TOTALS</b>							<u>170,513,660.84</u>	<u>170,707,179.56</u>	<u>172,337,682.34</u>	<u>1,630,502.78</u>	

Market values have been obtained from the City's safekeeping agent, Santa Barbara Bank and Trust (SBB&T). SBB&T uses Interactive Data Pricing Service, Bloomberg and DTC.



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 23, 2010  
**TO:** Mayor and Councilmembers  
**FROM:** Recreation Division, Parks and Recreation Department  
**SUBJECT:** Rental Agreement For Hilda Ray House

### **RECOMMENDATION:**

That Council authorize the Parks and Recreation Director to enter into an agreement with Tatum Marie Sarinana for a 3-year and 4-month rental agreement, subject to approval of the form of the agreement by the City Attorney, for the Hilda Ray House at Hilda Ray McIntyre Ray Park, beginning March 1, 2010.

### **DISCUSSION:**

The house at Hilda McIntyre Ray Park was rehabilitated in 1995 using Housing Rehabilitation Loan Program funds, establishing the house as low-income housing. The 2-bedroom, one-bath house became available for rent after the last tenant vacated the property in August 2004. The house underwent repairs and some minor improvements. The Parks and Recreation Department developed a process in December 2005 to advertise and select a tenant for the house. The house was made available to all who met the federal income requirements. A committee consisting of the Parks and Recreation Business Manager, Parks and Recreation Community Services Supervisor, and Community Development Department Housing Programs Specialist reviewed all applications received. Ms. Tatum Marie Sarinana was selected. Ms. Sarinana and her two children currently reside in the house under a previous month-to-month lease.

Ms. Sarinana will be responsible to pay monthly rent of \$1,294 and maintain the house and yard. There are no duties assigned to the tenant as would be associated with a park caretaker; this arrangement is strictly a rental agreement.

### **BUDGET/FINANCIAL INFORMATION:**

The rent for the house is \$1,294 per month. The funds are utilized to repay the federal loan and a portion goes into a reserve account to pay for maintenance and repair on the house. There is no fiscal impact to the Department budget for maintenance of this residence.

**PREPARED BY:** Sarah Hanna, Recreation Manager  
**SUBMITTED BY:** Nancy L. Rapp, Parks and Recreation Director  
**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 23, 2010

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Contract For Design Of The Lower Sycamore Creek Drainage Improvements Project

### RECOMMENDATION:

That Council authorize the Public Works Director to execute a professional services contract with Penfield & Smith (P&S) in the amount of \$234,320 for design services for the Lower Sycamore Creek Drainage Improvements Project (Project), and authorize the Public Works Director to approve expenditures of up to \$23,430 for extra services of P&S that may result from necessary changes in the scope of work.

### EXECUTIVE SUMMARY:

Staff recommends that Council authorize the Public Works Director to execute a design contract with P&S for final design services for initial Channel Improvements just north of the new Caltrans Sycamore Creek Bridge at Highway 101, in order to increase flood carrying capacity.

### DISCUSSION:

#### BACKGROUND

Caltrans is currently constructing the Highway 101 Widening Project from Milpas Street to Hot Springs Road, including a new bridge which eventually will approximately triple the flood-carrying capacity of Sycamore Creek under Highway 101. In order to fully utilize the increased capacity, Sycamore Creek must be widened. City staff has been working on a plan to reduce neighborhood flooding like that experienced in 1995 by incrementally widening Sycamore Creek just upstream from Highway 101. This is especially important given the expected and potentially large increase in runoff due to the effects of the Tea Fire in the Sycamore Canyon watershed.

Council authorized a contract with P&S on January 13, 2009, to prepare a study and conceptual design options (Study) for the Project, which is located on Sycamore Creek

between the Union Pacific Railroad Bridge and approximately 100 feet upstream of Indio Muerto Street (see Attachment).

Currently, Sycamore Creek Channel is approximately 27 feet wide at the top of the existing bank. The Study showed the necessity of using the entire 60-foot Soledad Street right of way for widening Sycamore Creek in order to increase its flood carrying capacity.

On October 6, 2009, Council authorized staff to proceed with termination of an encroachment permit between the City and Cypress Tree Apartments (CTA), owner of Green Mobile Home Park (Park), in two phases. Staff has provided CTA written notice of the City's intent to revoke the encroachment permit for the area located 120 feet south of Punta Gorda Street to Highway 101 effective September 1, 2010. The remainder of the encroachment permit will terminate effective September 1, 2011.

## PROJECT DESCRIPTION

The Project is being planned for completion in three phases, starting at the new Highway 101 Bridge and proceeding upstream. The work has been identified in the City's Fiscal Year 2011 Six Year Capital Program Report and is described in more detail below:

### Initial Sycamore Creek Channel Improvements

The first phase consists of widening the portion of Sycamore Creek between the new Highway 101 Bridge and approximately 120 feet south of Punta Gorda Street. Planned work also includes planting native vegetation along the top of creek banks and in available space along the creek. Construction work has been scheduled to start in fall 2010. However, due to the complexities of getting all the appropriate regulatory permits in place, it may actually start in fall 2011.

### Punta Gorda Bridge at Sycamore Creek Replacement

The second phase consists of replacing the Punta Gorda Street Bridge, and construction of the adjacent channel improvements, up to approximately Liberty Street. This bridge restricts the flow of Sycamore Creek during heavy runoff events and will be widened to increase its flood carrying capacity. Planned work includes planting native vegetation in available space along the creek and along the top of creek banks. As part of the initial design process, staff will investigate the feasibility of maintaining the existing Park driveway entrance (from Punta Gorda Street) in the post-construction condition.

### Indio Muerto Bridge at Sycamore Creek Replacement

The third phase consists of replacing the Indio Muerto Street Bridge and construction of the adjacent Channel Improvements from Liberty Street to approximately 100 feet upstream of the Indio Muerto Street Bridge. Similar to the Punta Gorda Bridge, the Indio Muerto Bridge will be widened to increase its flood carrying capacity, as it currently restricts the flow of Sycamore Creek during heavy runoff events. Planned work includes

planting native vegetation along the top of creek banks and in available space along the creek. This phase of the Project will require additional right of way acquisition prior to constructing channel improvements.

## DESIGN PHASE CONSULTANT ENGINEERING SERVICES

In consultation with the Planning Division, it was determined that the most efficient way to proceed is to prepare concept level design documents and studies necessary to complete the environmental review process for the entire project. Therefore, staff recommends that Council authorize the Public Works Director to execute a contract with P&S in the amount of \$257,750. P&S work will include the following:

- The necessary studies and environmental documentation to complete the environmental review process. This generally includes a concept hydraulic and grading design, geotechnical work and sedimentation analysis.
- Preparation of final design documents for the Initial Sycamore Creek Channel Improvements.
- Preparation of preliminary design documents for the Punta Gorda Bridge at Sycamore Creek Replacement.

P&S is one of the participants in the City's Three-year Pre-qualified Engineering Services Program and is experienced in this type of work.

## FUNDING

There are sufficient funds in the Streets Capital Fund to cover the Project design costs and construction of the Initial Sycamore Creek Channel Improvements. Staff is working to obtain grant funds for final design and construction of the Punta Gorda Bridge at Sycamore Creek Replacement, and design and construction of the Indio Muerto Bridge at Sycamore Creek Replacement. Construction costs for the Channel Improvements are estimated at \$527,000. Staff will return to Council for construction contract authorization of the Initial Sycamore Creek Channel Improvements.

## PUBLIC OUTREACH

On August 12, 2009, City staff met with Park residents to discuss the Project and the need to terminate the encroachment permit. Park residents and the Board of Directors of CTA were notified of the October 6, 2009 Council meeting, when Council authorized termination of the encroachment permit. Spanish translation was provided at both meetings.

The Public Works Department will work closely with the neighbors of the Project area, including Park residents, during design and construction. This Project will be reviewed by the Creeks Advisory Committee and Planning Commission as part of the environmental review process, and is subject to review by the Architectural Board of Review.

**ATTACHMENT(S):** Project Location Map

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

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

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



Figure 1. Project Area



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 23, 2010

**TO:** Mayor and Councilmembers

**FROM:** Housing and Redevelopment Division, Community Development Department

**SUBJECT:** Proposed Changes To Projects Funded By Workforce Housing Reward Program

### RECOMMENDATION:

That Council authorize staff to amend the projects funded by the State Workforce Housing Reward Program currently appropriated in the General Fund Capital Program.

### DISCUSSION:

Under its Workforce Housing Reward Program (WHRP), created through Proposition 46 funding, the State awarded grant funds to municipalities that produce affordable housing. Based on affordable housing constructed over a three year period, the City received \$772,497 in funding for use in public benefit capital improvement projects. Funding was frozen for a period last year by the State, but is now available, and funds must be spent before April 30, 2010. To spend all of the funds awarded to the City on time, more projects need to be added to those previously approved by Council.

#### Metropolitan Transit District Bus Shelters

On March 13, 2007, Council approved the locations of six bus stops that would be improved with new bus shelters using \$142,572 in WHRP funds. Before the state funding was secured, the Metropolitan Transit District (MTD) proceeded with the installation of the bus shelters using their own funds. To use the WHRLP funds, staff has worked with MTD to identify the following six new locations based on high boarding levels:

1. San Andres at Anapamu (heading toward Micheltorena)
2. Modoc at Portesuello (adjacent to Pilgrim Terrace)
3. Punta Gorda at Salinas (heading toward Voluntario)
4. San Andres at Valerio (heading toward Micheltorena)

5. Milpas at De la Guerra (heading toward Cota)
6. Montecito at Milpas (next to Scolari's)

MTD typically constructs their bus shelters out of steel, but is now considering switching to less expensive aluminum shelters. The first aluminum bus shelter will be installed soon in Goleta. If satisfied with aluminum, MTD would then proceed with aluminum for the above six bus shelters and realize cost savings that would allow for up to two additional bus shelters at the following locations:

7. Voluntario at Carpinteria (heading toward Milpas)
8. Milpas at Haley (heading toward Ortega)

#### Community Facility Improvements

On February 10, 2009, Council approved WHRP funding for capital projects at the Franklin Neighborhood Center, Haley Street Youth Center (Primo Boxing), and Ortega Welcome House. Costs for the completed portions of these projects have been lower than anticipated, leaving a balance of \$49,216. Of this amount, approximately \$35,000 is proposed to be used for security cameras in the parking lot, back alley, and entrance of the Eastside Library and \$4,665 is proposed to be used to complete the previously approved Franklin Center signs and mailbox footings.

Staff recommends that the approximate remaining balance of \$9,550 in WHRP funds be applied toward the cost of replacing the roof at the Ortega Pool House located at Ortega Park (632 Ortega Street). The cost of the roof replacement is estimated at \$25,000. The \$15,450 not covered by WHRP funds would be paid from funds in the City's Building Maintenance Program. The roof is in poor condition and funding to replace it has not been previously available. The Ortega Pool is heavily used. Free recreation swim is provided to neighborhood children and residents of nearby City Housing Authority projects. The new roof would compliment other renovation projects at Ortega Park, including the recently renovated Ortega Welcome House and renovations planned for the Ortega Park restrooms.

#### **BUDGET/FINANCIAL INFORMATION**

MTD will install and pay for the six newly identified bus shelters (\$142,572) and submit documentation to the City in time for staff to submit the reimbursement request to the State before the April 30, 2010 deadline. No City funds will be spent on the bus shelters.

The Public Works Facilities Division will complete the security camera installation (\$35,000), the Franklin Center signs and mailbox footing project (\$4,665), and the Ortega Pool House roof replacement (\$9,550) from existing appropriations in the General Fund capital fund. The balance of approximately \$15,500 for the roof replacement will be funded from Building Maintenance Program funds. At the completion of each project, reimbursement requests for amounts expended (up to the maximum amount of \$49,216) will be submitted to the State before the April 30, 2010 deadline.

**SUSTAINABILITY IMPACT**

The bus shelters would meet two goals of the City's Sustainable Santa Barbara Program: 1) lighting for the bus shelters incorporates solar power, thereby helping to meet the goal of reducing energy consumption, and 2) the bus shelters also feature trash/recycling receptacles, which provide more opportunities for people to recycle in public places.

The new roof at the Ortega Pool House would extend the life span of the structure, and the roofing materials to be used would meet City sustainability standards.

**PREPARED BY:** Brian Bosse, Housing and Redevelopment Manager/SK

**SUBMITTED BY:** Paul Casey, Community Development Director

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



# CITY OF SANTA BARBARA

## REDEVELOPMENT AGENCY BOARD AGENDA REPORT

**AGENDA DATE:** February 23, 2010  
**TO:** Redevelopment Agency Board  
**FROM:** Accounting Division, Finance Department  
**SUBJECT:** Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Six Months Ended December 31, 2009

### **RECOMMENDATION:**

That the Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2010 Interim Financial Statements for the Six Months Ended December 31, 2009.

### **DISCUSSION:**

The interim financial statements for the Six Months Ended December 31, 2009 (50% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the Redevelopment Agency's General, Housing, and Capital Projects Funds.

**ATTACHMENT:** Redevelopment Agency Interim Financial Statements for the Six Months Ended December 31, 2009  
**PREPARED BY:** Rudolf J. Livingston, Accounting Manager  
**SUBMITTED BY:** Robert Samario, Acting Fiscal Officer  
**APPROVED BY:** City Administrator's Office

REDEVELOPMENT AGENCY  
OF THE  
CITY OF SANTA BARBARA

INTERIM FINANCIAL STATEMENTS  
FISCAL YEAR 2010  
FOR THE SIX MONTHS  
ENDED DECEMBER 31, 2009

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2009 (50.0% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Incremental Property Taxes	\$ 16,337,400	\$ 9,377,961	\$ -	\$ 6,959,439	57.40%
Investment Income	264,700	97,031	-	167,670	36.66%
Interest Loans	5,000	22,981	-	(17,981)	459.63%
Rents	48,000	24,066	-	23,934	50.14%
<b>Total Revenues</b>	<u>16,655,100</u>	<u>9,522,039</u>	<u>-</u>	<u>7,133,061</u>	<u>57.17%</u>
Use of Fund Balance	4,197,643	2,098,818	-	-	50.00%
<b>Total Sources</b>	<u>\$ 20,852,743</u>	<u>\$ 11,620,857</u>	<u>\$ -</u>	<u>\$ 7,133,061</u>	<u>55.73%</u>
<b>Expenditures:</b>					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 3,000	\$ 711	\$ -	\$ 2,289	23.69%
Mapping, Drafting & Presentation	250	-	-	250	0.00%
Janitorial & Hshld Supplies	100	-	-	100	0.00%
Minor Tools	100	-	-	100	0.00%
Special Supplies & Expenses	5,000	703	-	4,297	14.07%
Building Materials	100	-	-	100	0.00%
Equipment Repair	1,000	568	-	432	56.80%
Professional Services - Contract	787,155	313,379	8,491	465,285	40.89%
Legal Services	154,508	88,573	-	65,935	57.33%
Engineering Services	20,000	5,081	-	14,919	25.41%
Non-Contractual Services	12,000	2,340	-	9,660	19.50%
Meeting & Travel	7,500	45	-	7,455	0.60%
Mileage Reimbursement	300	-	-	300	0.00%
Dues, Memberships, & Licenses	13,500	13,073	-	427	96.84%
Publications	1,500	289	-	1,211	19.27%
Training	7,500	415	-	7,085	5.53%
Advertising	2,000	41	-	1,959	2.03%
Printing and Binding	3,000	-	-	3,000	0.00%
Postage/Delivery	1,000	592	-	408	59.19%
Non-Allocated Telephone	500	-	-	500	0.00%
Vehicle Fuel	1,300	475	-	825	36.57%
Equipment Rental	500	-	-	500	0.00%
<b>Total Supplies &amp; Services</b>	<u>1,021,813</u>	<u>426,284</u>	<u>8,491</u>	<u>587,038</u>	<u>42.55%</u>
Allocated Costs:					
Desktop Maint Replacement	25,207	12,603	-	12,604	50.00%
GIS Allocations	4,785	2,393	-	2,393	50.00%
Building Maintenance	1,785	893	-	893	50.00%
Planned Maintenance Program	6,752	3,376	-	3,376	50.00%
Vehicle Replacement	5,323	2,661	-	2,662	50.00%
Vehicle Maintenance	4,396	2,198	-	2,198	50.00%
Telephone	2,908	1,454	-	1,454	50.00%
Custodial	3,674	1,837	-	1,837	50.00%
Communications	4,663	2,331	-	2,332	50.00%
Property Insurance	8,142	4,071	-	4,071	50.00%
Allocated Facilities Rent	5,746	2,873	-	2,873	50.00%
Overhead Allocation	693,628	346,814	-	346,814	50.00%
<b>Total Allocated Costs</b>	<u>767,009</u>	<u>383,504</u>	<u>-</u>	<u>383,505</u>	<u>50.00%</u>
Special Projects	7,636,577	296,702	16,287	7,323,588	4.10%
Transfers	9,759,023	3,222,512	-	6,536,511	33.02%
Grants	1,545,028	323,490	196,489	1,025,048	33.66%
Equipment	8,070	212	-	7,858	2.63%
Fiscal Agent Charges	11,500	2,988	-	8,512	25.98%
Appropriated Reserve	103,723	-	-	103,723	0.00%
<b>Total Expenditures</b>	<u>\$ 20,852,743</u>	<u>\$ 4,655,693</u>	<u>\$ 221,267</u>	<u>\$ 15,975,783</u>	<u>23.39%</u>

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**Housing Fund**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2009 (50.0% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Incremental Property Taxes	\$ 4,084,400	\$ 2,344,490	\$ -	\$ 1,739,910	57.40%
Investment Income	150,000	38,968	-	111,032	25.98%
Interest Loans	160,000	142,291	-	17,709	88.93%
Miscellaneous	-	3,091	-	(3,091)	100.00%
<b>Total Revenues</b>	<u>4,394,400</u>	<u>2,528,839</u>	<u>-</u>	<u>1,865,561</u>	<u>57.55%</u>
Use of Fund Balance	<u>2,603,567</u>	<u>1,301,790</u>	<u>-</u>	<u>-</u>	<u>50.00%</u>
<b>Total Sources</b>	<u>\$ 6,997,967</u>	<u>\$ 3,830,630</u>	<u>\$ -</u>	<u>\$ 1,865,561</u>	<u>54.74%</u>
<b>Expenditures:</b>					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 1,800	\$ 706	\$ -	\$ 1,094	39.23%
Special Supplies & Expenses	1,800	747	-	1,053	41.48%
Equipment Repair	500	458	-	42	91.60%
Professional Services - Contract	717,423	334,306	-	383,117	46.60%
Legal Services	2,000	-	-	2,000	0.00%
Non-Contractual Services	2,000	690	-	1,310	34.48%
Meeting & Travel	6,000	-	-	6,000	0.00%
Mileage Reimbursement	100	-	-	100	0.00%
Dues, Memberships, & Licenses	2,025	-	-	2,025	0.00%
Publications	200	-	-	200	0.00%
Training	5,000	-	-	5,000	0.00%
Postage/Delivery	500	26	-	474	5.20%
Non-Allocated Telephone	500	-	-	500	0.00%
Equipment Rental	100	-	-	100	0.00%
<b>Total Supplies &amp; Services</b>	<u>739,948</u>	<u>336,933</u>	<u>-</u>	<u>403,015</u>	<u>45.53%</u>
Allocated Costs:					
Desktop Maintenance Replacement	7,562	3,781	-	3,781	50.00%
GIS Allocations	2,393	1,197	-	1,196	50.00%
Building Maintenance	893	447	-	446	50.00%
Planned Maintenance Program	4,001	2,001	-	2,000	50.00%
Telephone	969	485	-	485	50.00%
Custodial	1,867	933	-	934	50.00%
Communications	2,897	1,449	-	1,448	50.00%
Insurance	166	83	-	83	49.99%
Allocated Facilities Rent	3,405	1,703	-	1,703	50.00%
Overhead Allocation	181,432	90,716	-	90,716	50.00%
<b>Total Allocated Costs</b>	<u>205,585</u>	<u>102,793</u>	<u>-</u>	<u>102,792</u>	<u>50.00%</u>
Transfers	829	414	-	415	50.00%
Equipment	2,500	211	-	2,289	8.45%
Housing Activity	5,328,855	2,513,141	-	2,815,714	47.16%
Principal	470,000	470,000	-	-	100.00%
Interest	168,950	93,361	-	75,589	55.26%
Fiscal Agent Charges	1,300	1,265	-	35	97.31%
Appropriated Reserve	80,000	-	-	80,000	0.00%
<b>Total Expenditures</b>	<u>\$ 6,997,967</u>	<u>\$ 3,518,119</u>	<u>\$ -</u>	<u>\$ 3,479,849</u>	<u>50.27%</u>

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**Capital Projects Fund**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2009 (50.0% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
SB Trust for Historic Preservation	\$ 552,180	\$ 522,180	\$ -	\$ 30,000	94.57%
Fire Station #1 EOC Donations	6,000	6,000	-	-	100.00%
Transfers-In	2,243,621	1,871,482	-	372,139	83.41%
<b>Total Revenues</b>	<u>2,801,801</u>	<u>2,399,662</u>	<u>-</u>	<u>402,139</u>	<u>85.65%</u>
Use of Fund Balance	12,208,909	6,104,457	-	6,104,452	50.00%
<b>Total Sources</b>	<u>\$ 15,010,710</u>	<u>\$ 8,504,118</u>	<u>\$ -</u>	<u>\$ 6,506,592</u>	<u>56.65%</u>
<b>Expenditures:</b>					
<b>Finished</b>					
Fire Station #1 Remodel	\$ 377,482	\$ 276,241	\$ 173,758	\$ (72,518)	119.21%
Fire Station #1 EOC	202,064	135,847	65,642	575	99.72%
Underground Tank Abatement	23,070	-	-	23,070	0.00%
<b>Construction Phase</b>					
IPM - Sustainable Park Improvements	9,511	116	9,511	(116)	101.22%
Carrillo Rec Center Restoration	2,200,000	64,498	2,135,502	-	100.00%
<b>Design Phase</b>					
Soil Remediation - 125 State St	550,000	595	430,000	119,405	78.29%
<b>Planning Phase</b>					
Opportunity Acquisition Fund	366,500	-	-	366,500	0.00%
RDA Project Contingency Account	1,714,524	-	-	1,714,524	0.00%
Parking Lot Capital Improvements	192,621	70,477	103,444	18,700	90.29%
PD Locker Room Upgrade	7,525,483	72,452	-	7,453,031	0.96%
Phase II - E Cabrillo Sidewalks	600,000	-	-	600,000	0.00%
Chase Palm Park Light/Electric	569,000	-	-	569,000	0.00%
Plaza Del Mar Restroom Renovation	212,000	-	-	212,000	0.00%
Pershing Park Restroom Renovation	120,000	-	-	120,000	0.00%
Housing Fund Contingency Account	348,455	-	-	348,455	0.00%
<b>Total Expenditures</b>	<u>\$ 15,010,710</u>	<u>\$ 620,226</u>	<u>\$ 2,917,858</u>	<u>\$ 11,472,626</u>	<u>23.57%</u>

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**RDA Bonds - Series 2001A**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2009 (50.0% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Investment Income	\$ -	\$ 721	\$ -	\$ (721)	100.00%
Transfers-In	-	824,986	-	(824,986)	100.00%
<b>Total Revenues</b>	-	825,707	-	(825,707)	100.00%
Use of Fund Balance	3,219,138	1,609,570	-	1,609,568	50.00%
<b>Total Sources</b>	<u>\$ 3,219,138</u>	<u>\$ 2,435,277</u>	<u>\$ -</u>	<u>\$ 783,861</u>	75.65%
<b>Expenditures:</b>					
Interest	\$ -	\$ 824,986	\$ -	(824,986)	100.00%
<b>Total Non-Capital Expenditures</b>	-	824,986	-	(824,986)	100.00%
<b>Capital Outlay:</b>					
<b>Finished</b>					
East Cabrillo Blvd Sidewalks	\$ 54,437	\$ 24,188	\$ -	\$ 30,249	44.43%
<b>Construction Phase</b>					
Carrillo Rec Center Restoration	1,000,000	-	1,000,000	-	100.00%
<b>Design Phase</b>					
Mission Creek Flood Control @ Depot	1,964,701	-	-	1,964,701	0.00%
Brinkerhoff Lighting	200,000	-	20,013	179,987	10.01%
<b>Total Expenditures</b>	<u>\$ 3,219,138</u>	<u>\$ 849,174</u>	<u>\$ 1,020,013</u>	<u>\$ 1,349,951</u>	58.06%

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**RDA Bonds - Series 2003A**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2009 (50.0% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Investment Income	\$ -	\$ 4,452	\$ -	\$ (4,452)	100.00%
Transfers-In	-	525,215	-	(525,215)	100.00%
Intergovernmental	-	73,519	-	(73,519)	100.00%
<b>Total Revenues</b>	<b>-</b>	<b>603,186</b>	<b>-</b>	<b>(603,186)</b>	<b>100.00%</b>
Use of Fund Balance	<u>20,198,900</u>	<u>10,099,454</u>	<u>-</u>	<u>10,099,446</u>	<u>50.00%</u>
<b>Total Sources</b>	<b><u>\$ 20,198,900</u></b>	<b><u>\$ 10,702,640</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 9,496,260</u></b>	<b><u>52.99%</u></b>
<b>Expenditures:</b>					
Interest	\$ -	\$ 525,215	\$ -	\$ (525,215)	100.00%
Arbitrage Rebate	440,000	-	-	440,000	0.00%
<b>Total Non-Capital Expenditures</b>	<b>440,000</b>	<b>525,215</b>	<b>-</b>	<b>(85,215)</b>	<b>119.37%</b>
<b>Capital Outlay:</b>					
<b>Finished</b>					
Adams Parking Lot & Site Imprvmts	\$ 3,457	\$ 3,457	\$ -	\$ 0	99.99%
Anapamu Open Space Enhancements	2,464	-	-	2,464	0.00%
Historic Railroad CAR	24,646	8,574	15,258	814	96.70%
Fire Station #1 Remodel	40,015	60,589	800	(21,374)	153.41%
<b>Construction Phase</b>					
IPM - Sustainable Park Improvements	94,909	5	25,000	69,904	26.35%
West Beach Pedestrian Improvements	2,565,901	978,724	1,221,607	365,570	85.75%
Artist Workspace	612,042	59,351	17,328	535,363	12.53%
West Downtown Improvement	3,143,824	367,611	2,379,341	396,872	87.38%
Carrillo Rec Ctr Restoration	2,897,579	178,724	1,206,867	1,511,987	47.82%
<b>Design Phase</b>					
Plaza De La Guerra Infrastructure	2,282,158	150	38,290	2,243,718	1.68%
Westside Community Center	216,066	14,882	4,543	196,641	8.99%
<b>Planning Phase</b>					
Mission Creek Flood Control - Park Development	759,142	3,058	-	756,084	0.40%
Mission Creek Flood Control @ Depot	535,299	-	-	535,299	0.00%
Helena Parking Lot Development	499,798	5,008	-	494,790	1.00%
Fire Department Administration	3,750,000	-	-	3,750,000	0.00%
Chase Palm Park Restroom Renovation	186,600	-	-	186,600	0.00%
Downtown Sidewalks	175,000	-	-	175,000	0.00%
DP Structure #2, 9, 10 Improvements	150,000	-	-	150,000	0.00%
Library Plaza Renovation	150,000	-	-	150,000	0.00%
Chase Palm Park Wisteria Arbor	835,000	-	1,545	833,455	0.19%
<b>On-Hold Status</b>					
Visitor Center Condo Purchase	500,000	-	-	500,000	0.00%
Lower State Street Sidewalks	335,000	-	-	335,000	0.00%
<b>Total Expenditures</b>	<b><u>\$ 20,198,900</u></b>	<b><u>\$ 2,205,349</u></b>	<b><u>\$ 4,910,579</u></b>	<b><u>\$ 13,082,972</u></b>	<b><u>35.23%</u></b>



Agenda Item No. \_\_\_\_\_

File Code No. 610.01

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 23, 2010

**TO:** Mayor and Councilmembers

**FROM:** Housing & Redevelopment Division, Community Development Department

**SUBJECT:** Update On 2010 Census

### RECOMMENDATION:

That Council hear a presentation by the United States Census Bureau regarding the 2010 Census.

### DISCUSSION:

The U.S. Census is a count of everyone living in the United States that occurs every 10 years and is required by the U.S. Constitution. The census count is important as results are used to distribute Congressional seats, plan for community services and distribute federal funds. April 1, 2010 is designated National Census Day.

The City has been working closely with the County of Santa Barbara, the cities of Carpinteria and Goleta and U.S. Census staff to prepare for the census. Our main focus has been on education and awareness about the census. The County of Santa Barbara has taken the lead in developing local materials and a customized, localized web site. It can be accessed from the County's main web page at [www.countyofsb.org](http://www.countyofsb.org).

The Santa Barbara County Association of Governments (SBCAG) has also been involved in planning for the 2010 census. Attached is a report given to the SBCAG Board in January. It provides the most up-to-date schedule and information.

U.S. Census Bureau representatives will be attending the February 23<sup>rd</sup> Council meeting and will provide a brief presentation on their efforts in our region.

**ATTACHMENT:** SBCAG Staff Report - 2010 Census (January 21, 2010)

**PREPARED BY:** Brian Bosse, Housing & Redevelopment Manager/MEA/EL

**SUBMITTED BY:** Paul Casey, Assistant City Administrator

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



■ 960 North San Antonio Road., Suite B ■ Santa Barbara, CA ■ 93110  
■ Phone: 805/961-8900 ■ Fax: 805/961-8901 ■ www.sbcag.org

**STAFF REPORT**

**SUBJECT:** 2010 Census

**MEETING DATE:** January 21, 2010

**AGENDA ITEM:** 6A

**STAFF CONTACT:** Brian Bresolin, Michael Powers

**RECOMMENDATION:**

Receive report on planned US Census outreach activities related to the 2010 Census.

**DISCUSSION:**

The Census Bureau local census office in Santa Maria has scheduled an open house on January 27 to promote the census, learn about current efforts to get a complete census count, and how the community can help. The official invitation is included in Attachment 1. A similar event is scheduled for January 21 hosted by the South Coast Complete Count Committee Coordinators and is included in Attachment 2. The intention of these events is to create excitement and interest in the upcoming Census. All cities, the County, Census Bureau, and SBCAG are participating. The events will seek to reach local organizations that outreach to those who are typically undercounted and address any concerns people might have about the census. Everyone's participation is needed to make this a successful census count.

Laminated posters for MTD busses have been printed. They will be in all the buses in the first part of January. MTD has provided 2 spaces per bus for a Spanish and English poster (100 buses total) to run through June 2010.

This report summarizes information from a December 21<sup>st</sup> U. S. Census newsletter, which provided an update on recent census activities, including the advertising campaign. The Census Bureau is preparing to launch a \$300 million advertising campaign in mid-January. Ads will run during the Golden Globe Awards on January 17, as well as during the Super Bowl. The paid media campaign will feature "tailored messages to very small areas," such as census tracts, targeting communities where mail response was especially low in 2000. Advertising also will try to convince people who hold anti-government views that the census can benefit their communities and families. Regional promotion will start in early January, when 13 vehicles set off on a road tour (one national; one for each of the 12 Census Bureau regions), stopping at local events to drum up interest in the 2010 count.

High unemployment in many areas has made census jobs more valued, resulting in an applicant pool of quality and skill. The Census Bureau is recruiting 3.8 million applicants to fill 1.2 to 1.4

million temporary positions in 2010, with as many as 700,000 of those workers on board during peak operations from May through early July, when enumerators visit households that didn't mail back a census form. The Census Bureau tries to "hire locally," giving priority to applicants from the neighborhoods in which they will work and bilingual applicants in areas where a language other than English is primary.

The schedule for advance notification of the census and the distribution of the actual census forms is shown below. In the rural areas where the address may not be linked to the physical address of the housing unit advanced letters notifying the residents of the census will be hand delivered beginning in mid February and for the more typical city style addresses advanced letters are to be mailed in early March. The actual questionnaires will be mailed on March 15<sup>th</sup>.

Advance Letters (Hand delivered to rural route areas etc.):	February 17 - 19, 2010
Advance Letters (Mailed to City style addresses):	To be sent March 8 - 10, 2010
Questionnaires to be mailed:	March 15 - 17, 2010
Reminder postcards to be mailed:	March 22 - 24, 2010

So, most of the population will receive their census forms in the mail in mid-March 2010. The Census Bureau is still evaluating factors that could affect mail response. The national mail-back rate is a very fragile number that could change due to unforeseen, widely-reported economic events. The foreclosure crisis will likely contribute to lower initial response rates because the numbers are calculated based on all housing units on the address list, whether occupied or vacant. New initiatives for 2010, such as bilingual (English-Spanish) forms and targeted replacement questionnaires in low response areas, will help boost cooperation during the "mail-out/mail-back phase of the census.

Door-to-door visits to unresponsive homes will take place from May through early July. High vacancy rates add to the scope and cost of the "Non-response Follow-Up" operation, as field workers try to confirm that no one lives in a unit. Those displaced by foreclosures could be doubled-up with relatives or friends. The Census Bureau is under a deadline to report state population totals to the President by December 31, 2010, for the purpose of reapportioning the 435 seats in the US House of Representatives.

A unique aspect to the Census Publicity program is a song, "Indivisible (Census 2010)," which promotes participation in the Census to those who are undercounted. This song is provided by the LA Regional Census Bureau Media Office for use in census promotion. The lyrics to the census outreach song are included in Attachment 3 and can be played on the SBCAG website; <http://www.sbcag.org/census.html> . The major points are the following:

- Mandated by the Constitution
- Counting people regardless of race or economic status
- Affects your representation in government
- 400 billion dollars that need to be allocated
- Hospitals
- Roads
- Education
- Parks
- 10 Questions
- Easier than signing up for Facebook
- Won't ask for citizenship status

- Confidentiality

**ATTACHMENTS: (not included in council packet)**

**Attachment 1:** Local Census Office Open House

**Attachment 2:** South Coast CCC Event

**Attachment 3:** Census Song Lyrics



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 23, 2010

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Medical Cannabis Dispensary Ordinance Phase I Revisions

### RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the Municipal Code by Revising Chapter 28.80 and Establishing Revised Regulations and Procedures for Medical Marijuana Dispensaries.

### DISCUSSION:

The current Medical Marijuana Dispensary Ordinance (MMDO) was adopted in March 2008. In July 2009, in response to public concern about the number of dispensaries that were being processed, the City Council initiated a process to revise the MMDO. The Ordinance Committee held hearings during the fall of 2009, wherein proposed revisions were discussed, and a draft ordinance was produced. In December 2009, the Planning Commission made recommendations regarding the draft ordinance, and the Council adopted an ordinance that suspended the MMDO for 45 days.

On January 26, 2010, the Council's Ordinance Committee made final recommendations to Council. These recommended revisions have been incorporated into the attached ordinance. On February 2, 2010, the Council adopted an ordinance that extended the suspension ordinance pending decisions of final revisions to the MMDO.

A summary of the history and previous recommendations by the Ordinance Committee and the Planning Commission regarding the Medical Cannabis Dispensary Ordinance is included in the January 26, 2010 Ordinance Committee report (Attachment 1), and a reading file with previous Council, Ordinance Committee and Planning Commission staff reports is available at the Mayor and Council office.

Council's initial direction was to discuss MMDO ordinance revision options including: a cap on the number of dispensaries, security requirements, locational requirements, and

a reduced amortization period for existing, nonconforming dispensaries. The Ordinance Committee's final recommended revisions are as follows:

1. A citywide cap of seven (7) dispensaries, one in each of eight (8) geographical areas:
  - a. Outer State
  - b. De la Vina
  - c. Mission
  - d. Downtown, east of Santa Barbara Street
  - e. Downtown, west of Santa Barbara Street
  - f. Milpas
  - g. Mesa
  - h. Cottage Hospital

The Planning Commission recommended restricting the locations of dispensaries by increasing the types of protected uses (adding religious institutions, day care centers, pre-schools, institutions where youth congregate, recovery facilities, etc.) and increasing the prohibition radii from 500 feet to 1000 feet (See Attachment 1, Ordinance Committee Report). The Ordinance Committee did not forward these recommendations to Council. The Ordinance Committee recommended that the allowable areas remain substantially the same as the current ordinance.

The eight allowable areas have been described in the draft ordinance as an exhibit to the ordinance. The areas are described by using block faces, and have been mapped (Attachments 2-9). This change in methodology was made because of the dynamic nature of the current ordinance's methodology, which changes the allowable area every time a school or park is established, and, as a result, does not provide certainty to any interested party (dispensary operators, neighbors, private school operators, etc.). The block face methodology provides a clear and identified area where dispensaries are allowed.

As drafted, the draft ordinance only allows dispensaries on blocks where the full block faces on both sides of the street are available. Blocks with parcels that are not allowed due to prohibition radii, on either side of the street, were excluded. Therefore, the areas available for dispensaries would be somewhat smaller than in the current ordinance. In addition, the specific "sensitive use" radius requirements do not need to be contained within the actual ordinance.

The Ordinance Committee's recommendation to Council was not unanimous. Councilmember White did not support the Phase I revisions endorsed by the Committee because he agreed with the Planning Commission's recommendation that the maximum number of dispensaries be in the range of 2-4.

2. A reduced amortization period of six months from the adoption date of this ordinance is being suggested by the Ordinance Committee for the following reasons:

Existing, nonconforming dispensaries (those which have existed prior to the adoption of the March 2008 ordinance and continued to operate legally since opening) must either receive approval for their existing locations or close. The existing March 2008 ordinance allows nonconforming dispensaries to remain in their current location through April 2011.

The Ordinance Committee also recommended that existing permitted dispensaries be allowed to remain in their current locations as long as they comply with the revised operational requirements, and if multiple dispensaries exist within a single geographic area, the number of dispensaries would only be reduced by attrition.

If these ordinance revisions are adopted as recommended by the Ordinance Committee, the effect on pending, approved, appealed, legally operating and nonconforming dispensaries would be as outlined in Attachment 9. Several pending applications would not be allowed to proceed because they would result in multiple dispensaries in the same area. Another pending application would not be allowed to move forward because it's in an existing, mixed use building with residential condominiums. In those areas where multiple applications are pending, the application deemed complete first would be allowed to go to hearing first. If the first complete application were to be approved, the remaining applications would not be allowed to move forward. If it were not approved, then the next complete application would be allowed to move forward.

3. A prohibition on dispensaries in mixed use buildings, where the residential units are condominiums, and the mixed use project is existing at the time the amendment is approved.
4. More discretion for the Staff Hearing Officer or Planning Commission, in the form of changes to criteria for issuance #7 and #10, which are revised to read as follows:
  - a. "7. That the location is not prohibited by the provisions of this chapter or any local or state law, statute, rule, or regulation and no significant nuisance issues or problems are likely or anticipated ~~or resulted~~ and that compliance with other applicable requirements of the City's Zoning Ordinance will be accomplished."
  - b. "10. That the dispensary is likely to have no potentially ~~would not~~ adversely effect on the health, peace or safety of persons living or working in the surrounding area, overly burden a specific neighborhood, or contribute to a public nuisance; or that the dispensary will generally not result in repeated nuisance activities including disturbances of the peace, illegal drug activity, cannabis use in public, harassment of passerby, excessive littering, excessive loitering, illegal parking, excessive loud noises, especially late at night or early in the morning hours, lewd conduct, or police detentions or arrests."

See §28.80.090., Criteria for Issuance, in the attached ordinance, for all criteria.

5. A prohibition on dispensaries within 1000 feet of the Casa Esperanza shelter. [This prohibition has been incorporated into the Exhibit which list the allowed dispensary locations.]
6. A requirement that security for the dispensary be provided by a separate “private-party operator” security company, which is licensed by the State.
7. A requirement for annual review of the operation of permitted dispensaries by the Police Department.
8. Appeal of Planning Commission decision on Medical Marijuana Dispensary Permits to the City Council.
9. Minor and other miscellaneous changes to the draft ordinance language.

#### **MMDO Suspension Ordinance Status**

The attached ordinance contains a section that repeals the MMDO suspension on the effective date of these revisions, which is 30 days after the adoption of the ordinance. Currently, pending applications are being processed through application completeness. Upon repeal of the suspension, staff will continue to process applications, schedule complete applications for hearings, and terminate applications that are precluded because of previously permitted dispensaries in their areas. Additionally, the six month amortization period will begin, during which permitted dispensaries must update their operational plans, and nonconforming dispensaries must either get approved or close down.

#### **BUDGET/FINANCIAL INFORMATION:**

The City will charge an hourly rate for the processing of Medical Marijuana Dispensary Permits, so that the full cost of processing the permits and for each annual review will be covered.

If the Council implements the proposed MMDO revisions, the Council may want to discuss scheduling a Council consideration of a City ballot measure that would increase the business license fee on medical marijuana dispensaries, and, if appropriate, request the City Attorney’s office to evaluate the legal permissibility of such a business license fee vis-à-vis recent state court decisions concerning the sale of medical marijuana at dispensaries.

**ATTACHMENTS:**

1. Ordinance Committee Report, January 26, 2010, without attachments.
2. Outer State Street Area Map
3. De la Vina Area Map
4. Mission Area Map
5. Downtown – East of Santa Barbara Area and West of Santa Barbara Area Map
6. Milpas Map
7. Mesa Map
8. Cottage Hospital Area Map
9. Table showing status of dispensaries

Previous Council Agenda Reports, Ordinance Committee and Planning Commission staff reports are available in a reading file at the Mayor and Council office.

**PREPARED BY:** Danny Kato, Senior Planner

**SUBMITTED BY:** Paul Casey, Assistant City Administrator

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



# CITY OF SANTA BARBARA

## ORDINANCE COMMITTEE REPORT

**AGENDA DATE:** January 26, 2010  
**TO:** Ordinance Committee Members  
**FROM:** Planning Division, Community Development Department  
**SUBJECT:** Medical Cannabis Dispensary Ordinance Phase I Revisions

**RECOMMENDATION:** That the Ordinance Committee:

- A. Review the Planning Commission's recommendations;
- B. Finalize the outstanding issues, and provide direction to staff; and
- C. Make recommendations to Council for possible ordinance introduction.

### INTRODUCTION

On August 14, 2007, in response to a high level of community input and concern regarding the proliferation of unregulated medical cannabis dispensaries, and their negative effects on neighborhoods, the City Council initiated a process to: 1) suspend the opening of any further dispensaries, and 2) regulate medical cannabis dispensaries. On March 25, 2008, the City Council adopted the Medical Cannabis Dispensary Ordinance (MCDO), which incorporated locational, operational, and procedural requirements.

The first medical cannabis dispensary to comply with the regulations is located at 331 N. Milpas, and was approved on November 19, 2008. That dispensary was not controversial, and was approved without public comment or an appeal. During the winter and spring of 2009, the City received many applications for dispensaries. The second dispensary to go through the process is located at 500 N. Milpas. This dispensary caused the community to mobilize in opposition to this particular application and dispensaries in general. This and subsequent dispensary applications were very controversial, and all approvals were either appealed to or suspended by the Planning Commission.

On July 28, 2009, in response to concern about the potential proliferation of permitted dispensaries, and the desire to increase the locational and operational requirements for dispensaries, the City Council directed the Ordinance Committee (OC) to review the existing MCDO, and make recommendations for revisions. The Ordinance Committee met five times: September 15<sup>th</sup>, September 29<sup>th</sup>, October 6<sup>th</sup>, October 20<sup>th</sup>, and November 24<sup>th</sup>.

On October 20<sup>th</sup>, the Ordinance Committee directed Staff to draft a revised ordinance based on its recommendations. The Ordinance Committee reviewed the draft ordinance (Phase I Revisions) at its November 24<sup>th</sup> meeting.

On November 17, 2009, the City Council directed the Ordinance Committee to consider further amending the MCDO to accomplish the following (Phase II revisions):

1. Make it more clear that, pursuant to state law (i.e. the Compassionate Use Act), the City would only allow the cultivation and distribution of medical marijuana through cooperatives or collectives; and
2. Develop further City regulations for storefront cooperatives and collectives such that they are required to operate as true collectives/cooperatives in a manner consistent with the state Attorney General August 2008 "Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use."

The Council also directed staff to continue processing the Phase I revisions that the Ordinance Committee recommended on October 20<sup>th</sup> and to return to Council as soon as possible with an ordinance suspending the approval of new marijuana dispensaries pending the consideration of these long-term dispensary ordinance revisions. This ordinance was adopted on December 15, 2009, and is effective through January 29, 2010. On January 26, 2010, the Council is scheduled to introduce an ordinance that would extend the suspension for up to 10 months and 14 days, or the adoption date of the revised ordinance. The suspension extension ordinance is scheduled for adoption on February 2, 2010.

## **PROPOSED REVISIONS**

The Ordinance Committee recommended the following revisions to the Council:

1. A citywide cap of seven dispensaries, one in each of the following seven geographic areas:
  - a. Outer State
  - b. De la Vina
  - c. Mission
  - d. Downtown, east of Santa Barbara Street
  - e. Downtown, west of Santa Barbara Street
  - f. Milpas
  - g. Mesa

The proposed ordinance does this by eliminating language that allows dispensaries in the C-2 and C-M Zones, and expanding the list of special areas where

dispensaries are allowed. This methodology results in a smaller area where dispensaries are allowed.

2. A reduced amortization period of six months for existing, nonconforming dispensaries (those that existed legally prior to the adoption of the current ordinance, in March 2008), starting at the adoption date of the proposed revisions. At the end of this reduced amortization period, these nonconforming dispensaries would be required to cease operations, unless a new application at a conforming location is approved.
3. A prohibition on dispensaries in existing, mixed-use building, where the residential units are condominiums.
4. More discretion for the Staff Hearing Officer or Planning Commission, in the form of changes to criteria for issuance #7 and #10. (see Attachment 1, §28.80.090.B.7 and 10.)
5. A prohibition on dispensaries within 1000 feet of Casa Esperanza.
6. A requirement that security be provided by a separate private party operator security company, which is licensed by the State.
7. A requirement for annual review of permitted dispensaries by the Police Department and the Staff Hearing Officer.
8. Minor and miscellaneous changes to the draft ordinance language.

The Ordinance Committee did not recommend changing the appeal procedure (Planning Commission decision is final) or expanding the allowable areas to the Cottage Hospital area or the Coast Village Road area.

The revisions described above, as well as some minor and miscellaneous changes, have been incorporated into the draft ordinance (Attachment 1).

## **PLANNING COMMISSION RECOMMENDATIONS**

The Planning Commission reviewed the draft Phase I revisions on December 17, 2009. The Commission agreed with the City Council's direction to develop the Phase II revisions and to suspend the processing of new applications. The Commission made the following recommendations:

1. Reduce the total number of dispensaries to a maximum of 2-4  
Staff Comment: Currently, there are two, legally operating dispensaries: 331 N. Milpas, which opened in June 2009, and 500 N. Milpas, which opened January 5, 2010. The approved dispensary at 631 Olive has an active building permit, and is anticipated to open in the near future. Reducing the total number of dispensaries to a number of three or fewer would effectively stop the processing of all pending applications.
2. Reduce the number of allowable geographic areas from seven to four or fewer by combining districts;
3. Expand the list of protected land uses to include:
  - a. All alcohol and drug rehabilitation facilities, not just Casa Esperanza;

- b. Institutional facilities where youth congregate, such as Girls Inc., or the Boys and Girls Club.
- c. The list of uses in the Adult Entertainment Ordinance (See Attachment 1, excerpts from the Adult Entertainment Facilities Ordinance).

Staff Comment: Based upon analysis of these suggestions, this recommendation would effectively ban dispensaries in the City.

- 4. Increase the radii around protected uses from 500 feet to 1000 feet;

Staff Comment: This recommendation would reduce the allowable areas, and the combination of #3 and #4 would ban dispensaries in the City.

- 5. Allow dispensaries in the Cottage Hospital area;

Staff Comment: Staff supports this recommendation, although it could require changes to the storefront requirements, as a dispensary in the Cottage Hospital area would most likely be in an office without a visible storefront.

- 6. Change the decision making body from the Staff Hearing Officer to the Planning Commission, with an appeal to City Council;

Staff Comment: Staff supports this recommendation. When originally conceived, the MCDP was a fairly non-controversial land use permit, with a limited amount of discretion, so review by the Staff Hearing Officer was appropriate. With increased discretion, controversy and contentiousness, initial review by the Planning Commission with an appeal to City Council seems more appropriate.

The Commission agreed with the proposal to reduce the amortization period for existing, nonconforming dispensaries, and did not seem to have issues with the Ordinance Committee's other recommendations.

Staff requested that the Planning Commission make specific recommendations on the allowable locations for dispensaries, as the Ordinance Committee did have time to discuss the issue in detail (See Attachment 2: PC Staff Report, 12/17/09). Except for recommendations above, the Planning Commission declined to do so, stating that the final determinations on locations is premature, given the extent of the changes that must still be made.

## **OUTSTANDING ISSUES**

The following issues must be finalized prior to ordinance introduction by Council:

- 1. **Number of dispensaries and number of geographic areas**
- 2. **MCDP decision making body and appeal body**
- 3. **Amortization Period for existing, nonconforming dispensaries.**

The Ordinance Committee recommended a 6-month amortization period for these dispensaries, but the starting date has not been finalized. Additionally, the Committee may want to discuss the length of the reduced amortization period further, as it may not be appropriate or fair to require these dispensaries to close if new regulations have not yet been adopted.

4. **Amortization period for approved and permitted dispensaries that become nonconforming due to the revisions.**  
The Ordinance Committee recommended that these dispensaries be allowed to remain in their location indefinitely, but submit amendments to their existing permits, to conform to the new operational requirements within six months.
5. **Allowable locations for dispensaries, including Cottage Hospital area**  
There are discrepancies between the locations allowed by the current ordinance and the proposed ordinance. A final determination of allowable locations would be helpful. A complete discussion of this topic is contained in the PC Staff Report (Attachment 2).
6. **Next Steps**  
Because there are three major pieces of the Medical Cannabis discussion: 1) the suspension of the current ordinance; 2) the Phase I revisions, and 3) the Phase II discussions and potential revisions, there seem to be multiple approaches to next steps.
  - a. Continue to Council for Introduction and Adoption of the Phase I revisions, and begin the Phase II discussions. Lift the suspension when:
    - i. Phase I revisions are adopted or effective.
    - ii. Phase II revisions are adopted or effective.
  - b. Prepare the Phase I revisions for Introduction and Adoption (i.e. staff finalizes the proposed ordinance language), but do not schedule an Introduction hearing at to Council. Begin the Phase II discussions, and incorporate Phase I and Phase II revisions into a single amendment. Lift the suspension when the Phase II revisions are adopted or effective.
  - c. Option for approaches a. or b.: Proceed with a revision that changes the amortization period for existing, nonconforming dispensaries, but no other changes in Phase I.

#### **STAFF RECOMMENDATION**

Staff recommends that the Ordinance Committee review the Planning Commission's comments, finalize the outstanding issues, provide direction to staff, and make recommendations to Council.

**ATTACHMENTS:**

1. Draft Ordinance
2. Excerpt from the Adult Entertainment Facilities Ordinance
3. Planning Commission Staff Report, 12/17/09

**PREPARED BY:** Danny Kato, Senior Planner

**SUBMITTED BY:** Paul Casey, Asst. City Administrator – Community Development

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

VIA DIEGO

LEE DR

LA COLINA RD

CAMELLIA LN

N LA CUMBRE RD

FAIRFAX RD

SUNSET RD

N HOPE AVE

LINCOLNWOOD DR

BREN

AVON LN

CAPRI DR

GROV

CAPRI DR

WOM

CHUPAROSO DR

CALLE NOGUERA

STATE ST

# Medical Cannabis Dispensaries Outer State Street

**Legend**

- Parks
- Schools
- 500' from Parks
- 500' from Schools
- State St. Prohibition
- Brinkerhoff District
- 1000' from Casa Esperanza
- Allowed Areas - Proposed
- Existing Dispensaries
- Status
- Approved and Operating
- Approved and BP Issued
- Appealed
- Pending
- Nonconforming

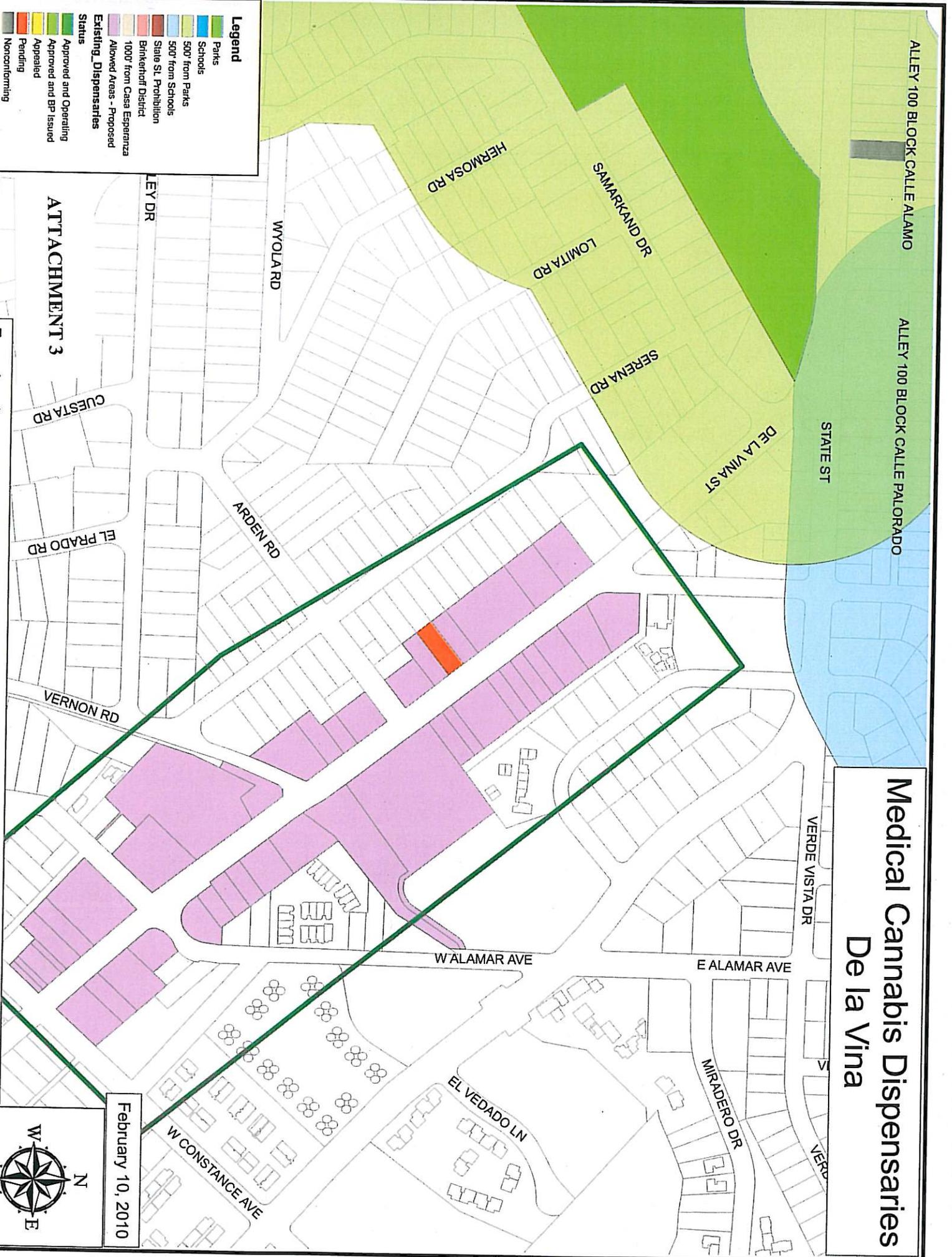
For colored maps, go to [www.SantaBarbaraCA.gov/Resident/Major\\_Planning\\_Efforts/Medical Marijuana](http://www.SantaBarbaraCA.gov/Resident/Major_Planning_Efforts/Medical_Marijuana)

ATTACHMENT 2

February 10, 2010

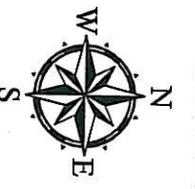


# Medical Cannabis Dispensaries De la Vina



- Legend**
- █ Parks
  - █ Schools
  - █ 500' from Parks
  - █ 500' from Schools
  - █ State St Prohibition
  - █ Binkhoff District
  - █ 1000' from Casa Esperanza
  - █ Allowed Areas - Proposed
  - █ Existing Dispensaries
- Status**
- █ Approved and Operating
  - █ Approved and BP Issued
  - █ Appealed
  - █ Pending
  - █ Nonconforming

February 10, 2010



For colored maps, go to [www.SantaBarbaraCA.gov/Resident/Major\\_Planning\\_Efforts/Medical Marijuana](http://www.SantaBarbaraCA.gov/Resident/Major_Planning_Efforts/Medical_Marijuana)

ATTACHMENT 3

ALLEY 100 BLOCK CALLE ALAMO

ALLEY 100 BLOCK CALLE PALORADO

STATE ST

DE LA VINA ST

SAMARKAND DR

LOMITA RD

SERENA RD

HERMOSA RD

WYOLA RD

ARDEN RD

CUESTA RD

EL PRADO RD

VERNON RD

W ALAMAR AVE

E ALAMAR AVE

VERDE VISTA DR

MIRADERO DR

EL VEDADO LN

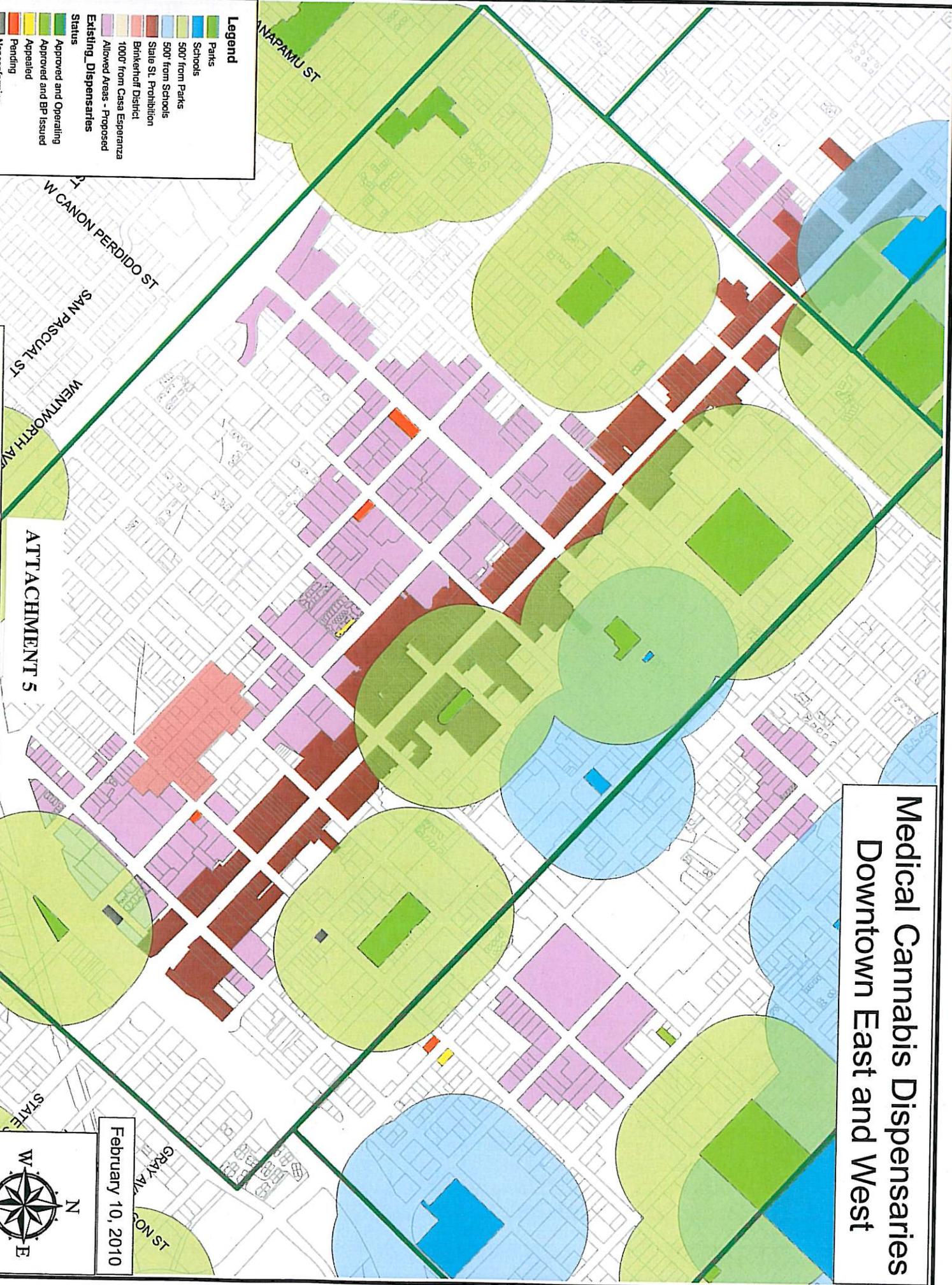
W CONSTANCE AVE



# Medical Cannabis Dispensaries Downtown East and West

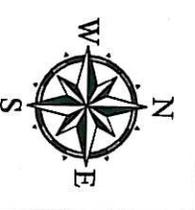
**Legend**

- Parks
- Schools
- 500' from Parks
- 500' from Schools
- State St. Prohibition
- Binkenhoff District
- 1000' from Casa Esperanza
- Allowed Areas - Proposed
- Existing\_Dispensaries
- Status
- Approved and Operating
- Approved and BP Issued
- Appealed
- Pending
- Nonconforming



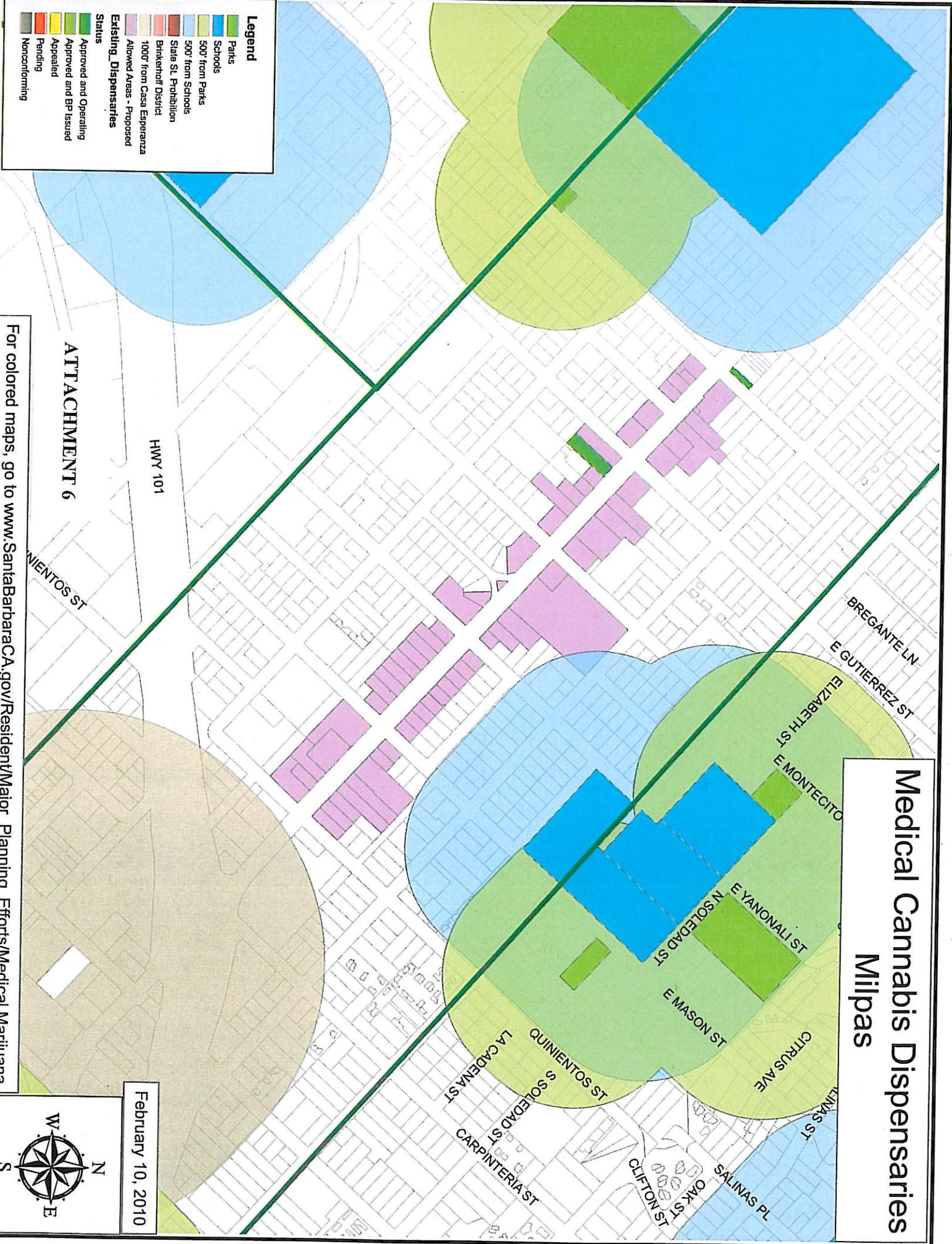
ATTACHMENT 5

February 10, 2010



For colored maps, go to [www.SantaBarbaraCA.gov/Resident/Major\\_Planning\\_Efforts/Medical\\_Marijuana](http://www.SantaBarbaraCA.gov/Resident/Major_Planning_Efforts/Medical_Marijuana)

# Medical Cannabis Dispensaries Milpas



February 10, 2010



For colored maps, go to [www.SantaBarbaraCA.gov/Resident/Major\\_Planning\\_Efforts/Medical Marijuana](http://www.SantaBarbaraCA.gov/Resident/Major_Planning_Efforts/Medical_Marijuana)

ATTACHMENT 6

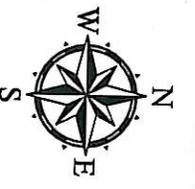
# Medical Cannabis Dispensaries Mesa



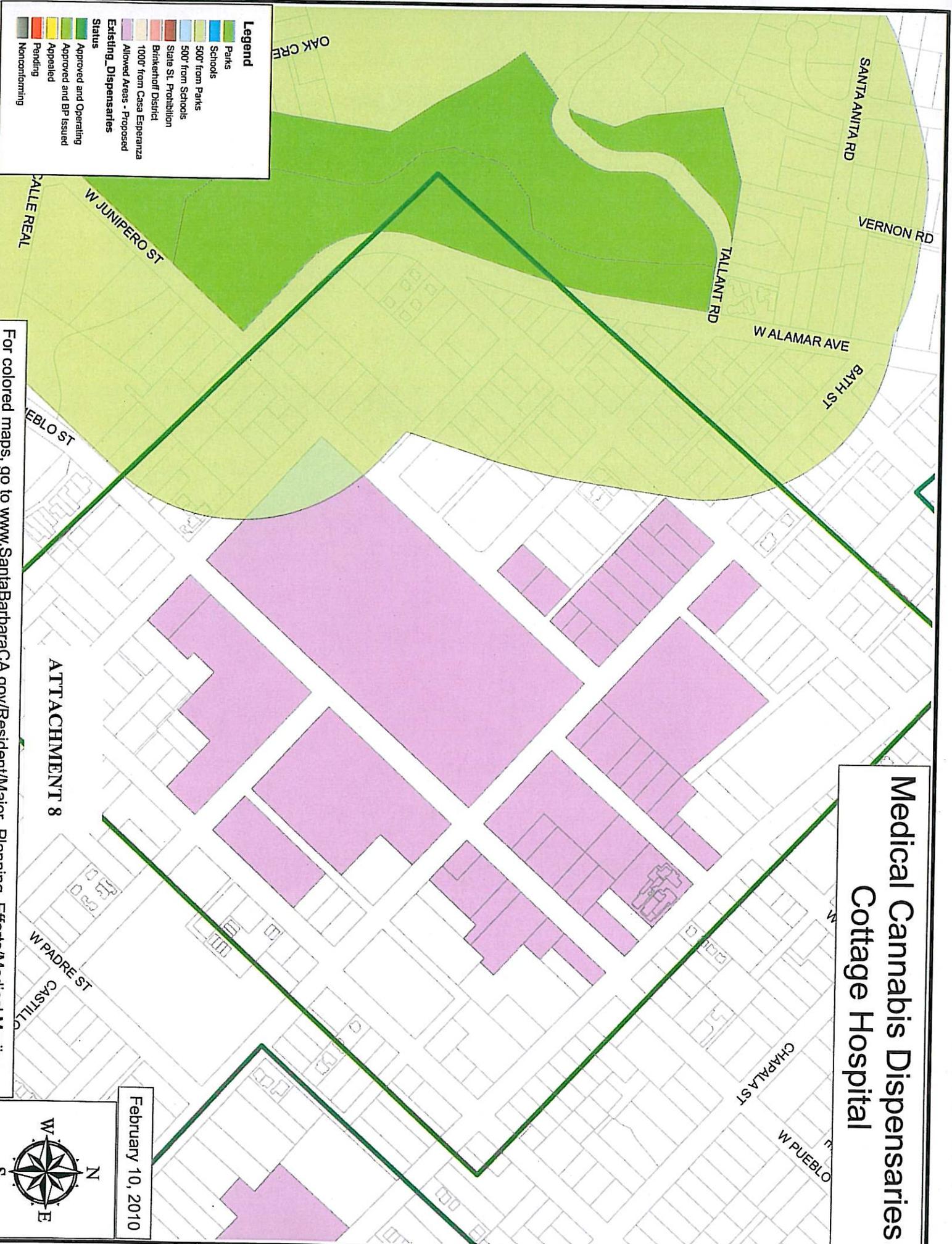
ATTACHMENT 7

For colored maps, go to [www.SantaBarbaraCA.gov/Resident/Major\\_Planning\\_Efforts/Medical Marijuana](http://www.SantaBarbaraCA.gov/Resident/Major_Planning_Efforts/Medical_Marijuana)

February 10, 2010



# Medical Cannabis Dispensaries Cottage Hospital



For colored maps, go to [www.SantaBarbaraCA.gov/Resident/Major\\_Planning\\_Efforts/Medical Marijuana](http://www.SantaBarbaraCA.gov/Resident/Major_Planning_Efforts/Medical_Marijuana)

ATTACHMENT 8

February 10, 2010



**Pending, Approved, Appealed, Permitted, and Nonconforming Dispensaries**  
**Necessary Actions Upon Ordinance Adoption**  
 February 9, 2010, Page 1 of 2

<b>Address</b>	<b>Status</b>	<b>Location Meets Current Ordinance?</b>	<b>Location Meets Revised Ordinance?</b>	<b>Action Required upon Adoption of Revised Ordinance</b>	<b>Notes</b>
<b>MILPAS</b>					
331 N. Milpas	Permitted	Yes	Yes	Amend operational plan	
500 N. Milpas	Permitted	Yes	No, but OK to remain	Amend operational plan	
<b>DOWNTOWN EAST</b>					
631 Olive	Permitted	Yes	No, but OK to remain	Amend operational plan	
302 E Haley	Approved by SHO Appealed to PC	Yes, but within 500 feet of 234 E. Haley	No, in same area as a permitted dispensary	Withdraw application	
234 E. Haley	Application is Pending	Yes, but within 500 feet of 302 E. Haley	No, in same area as a permitted dispensary	Withdraw application	
<b>OUTER STATE</b>					
16 S. La Cumbre	Application is Pending	No	Yes	Continue processing application	Applicant owns 3128 State, which must close
3128 State	Nonconforming	No, too close to MacKenzie Park	No	6 months to close	
3516 State	Nonconforming status in dispute	Yes	Yes	6 months to get permit or close	Staff believes that this dispensary lost its nonconforming status. Cease and desist order issued.

**Pending, Approved, Appealed, Permitted, and Nonconforming Dispensaries**  
**Necessary Actions Upon Ordinance Adoption**  
 February 9, 2010, Page 1 of 2

<b>Address</b>	<b>Status</b>	<b>Location Meets Current Ordinance?</b>	<b>Location Meets Revised Ordinance?</b>	<b>Action Required upon Adoption of Revised Ordinance</b>	<b>Notes</b>
<b>DE LA VINA</b>					
2915 De la Vina	Application is Pending.  Legal status is in Dispute	Yes	Yes	Continue processing application.	Staff believes that this dispensary never had nonconforming status. Cease-and-Desist order issued. If current application is approved, this dispensary could remain.
<b>DOWNTOWN WEST</b>					
403 Chapala	Application is Pending	Yes	Yes	Continue processing application	These three applications are pending in Downtown West area. The first application to be deemed complete will be allowed to proceed to hearing.
826 De la Vina	Application is Pending	Yes	Yes	Continue processing application	
211 W. Carrillo	Application is Pending	Yes	Yes	Continue processing application	
741 Chapala	Approved by SHO Appealed to PC	Yes	No, in Existing Mixed Use Bldg.	Withdraw Application	
100 E. Haley	Nonconforming status in dispute	No, too close to Veracruz Park	No	6 months to close	Staff believes that this dispensary lost its nonconforming status. Cease and desist order issued, case going to court
26 Parker Way	Nonconforming status in dispute	Yes	Yes	6 months to get permit or close	Staff believes that this dispensary lost its nonconforming status. Cease and desist order issued, case going to court

**COUNCIL INTRODUCTION DRAFT  
FEBRUARY 23, 2010  
SHOWING CHANGES FROM CURRENT MUNICIPAL CODE**

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE COUNCIL OF THE  
CITY OF SANTA BARBARA AMENDING THE  
MUNICIPAL CODE BY REVISING CHAPTER  
28.80 AND ESTABLISHING REVISED  
REGULATIONS AND PROCEDURES FOR  
MEDICAL MARIJUANA DISPENSARIES.**

The City Council of the City of Santa Barbara does ordain as follows:

**SECTION ONE.** Chapter 28.80 of Title 28 of the Santa Barbara Municipal Code, entitled "Medical Marijuana Dispensaries," is amended to read as follows:

**Section 28.80.010 Purpose and Intent.**

It is the purpose and intent of this chapter to regulate the locations of medical marijuana dispensaries in order to promote the health, safety, and general welfare of residents and businesses within the City. It is neither the intent nor the effect of this chapter to condone or legitimize the use or possession of marijuana except as allowed by California law.

**Section 28.80.020 Definitions.**

For the purpose of this chapter, the following words and phrases shall have the following meanings:

**A. Applicant.** A person who is required to file an application for a permit under this chapter, including an individual owner, managing partner, officer of a corporation, or any other operator, manager, employee, or agent of a dispensary.

**B. Drug Paraphernalia.** As defined in California Health and Safety Code Section 11014.5, and as may be amended from time to time.

**C. Identification Card.** As defined in California Health and Safety Code Section 11362.71 and as may be amended from time to time.

**D. Medical Marijuana Dispensing Collective or Dispensary.** Any association, cooperative, affiliation, or collective of persons where multiple qualified patients or primary care givers are organized to provide education, referral, or network services, and facilitation or assistance in the lawful distribution of medical marijuana. "Dispensary" shall include any facility or location where the primary purpose is to dispense medical marijuana (i.e., marijuana) as a medication that has been recommended by an "attending physician" [as that term is defined in Health & Safety Code Section 11362.7(a)] and where medical marijuana is made available to or distributed by or to a primary caregiver or a qualified patient, in strict accordance with California Health and Safety Code Section 11362.5 et seq. A dispensary shall not include dispensing by primary caregivers to qualified patients in the following locations so long as the location of the clinic, health care facility, hospice, or residential care facility is otherwise permitted by the Municipal Code or by applicable state laws:

1. a clinic licensed pursuant to Chapter 1 of Division 2 of the state Health and Safety Code;
2. a health care facility licensed pursuant to Chapter Two of Division 2 of the state Health and Safety Code;
3. a residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the state Health and Safety Code;
4. residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the state Health and Safety Code;
5. a residential hospice, or a home health agency licensed pursuant to Chapter 8 of Division 2 of the state Health and Safety Code;

provided that any such clinic, health care facility, hospice or residential care facility complies with applicable laws including, but not limited to, Health and Safety Code Section 11362.5 et seq..

**E. Permittee.** The person to whom either a dispensary permit is issued by the City and who is identified as a primary caregiver in California Health and Safety Code Section 11362.7, subdivision (d), ~~and~~ or (e).

**F. Person.** An individual, partnership, co-partnership, firm, association, joint stock company, corporation, limited liability company or combination of the above in whatever form or character.

**G. Person with an Identification Card.** As set forth in California Health and Safety Code Section 11362.5 et seq., and as amended from time to time.

**H. Physician.** A licensed medical doctors including a doctor of osteopathic medicine as defined in the California Business and Professions Code.

**I. Primary Caregiver.** As defined in subdivision (d) of California Health and Safety Code Section 11362.7 as it may be amended from time to time.

**J. Qualified Patient.** As defined in California Health and Safety Code Section 11362.5 et seq., and as it may be amended from time to time.

**K. School.** An institution of learning for minors, whether public or private, offering a regular course of instruction required by the California Education Code. This definition includes an elementary school, middle, or junior high school, senior high school, or any special institution of education for persons under the age of eighteen years, whether public or private.

### **28.80.030 Dispensary Permit Required to Operate.**

It is unlawful for any person to engage in, conduct or carry on, or to permit to be engaged in, conducted or carried on, in or upon any premises in the City the operation of a dispensary unless the person first obtains and continues to maintain in full force and effect a Dispensary Use Permit issued by the City Staff Hearing Officer pursuant to this Chapter, or by the Planning Commission on an appeal from a decision by the Staff Hearing Officer.

**28.80.040 Business License Tax Liability.**

An operator of a dispensary shall be required to apply for and obtain a Business Tax Certificate pursuant to Chapter 5.04. as a prerequisite to obtaining a permit pursuant to the terms of this Chapter, as required by the State Board of Equalization. Dispensary sales shall be subject to sales tax in a manner required by state law.

**28.80.050 Imposition of Dispensary Permit Fees.**

Every application for a dispensary permit or renewal shall be accompanied by an application fee, in an amount established by resolution of the City Council from time to time at a amount calculated to recover the City's full cost of reviewing and issuing the dispensary permit pursuant to this chapter. This application or renewal fee shall not include the standard City fees for fingerprinting, photographing, and background check costs and shall be in addition to any other business license fee or permit fee imposed by this Code or other governmental agencies.

**28.80.060 Limitations on the Permitted Location of a Dispensary.**

**A. Permissible Zoning for Dispensaries.** ~~A dispensary may only be located within the C 2 or C M zoned areas of the City as so designated in the General Plan, Title 28 of the Municipal Code, and City Zoning map provided, however, that~~ Dispensaries may only also be located on parcels within the City zoned for commercial uses and on those street block faces listed in the exhibit to this Chapter designated as "Medical Marijuana Dispensaries - Allowed Locations" and dated as of February 23, 2010. situated as follows:

- ~~1. any parcel fronting on State Street between Calle Laureles and the westerly boundary of the City at the intersection State Street and Calle Real;~~
- ~~2. any parcel fronting on Milpas between Canon Perdido Street and Carpinteria Street;~~
- ~~3. any C P zoned parcel fronting on Cliff Drive within 1000 feet of the intersection of Cliff Drive and Meigs Road;~~
- ~~4. any parcel fronting on De La Vina Street between Alamar Street and State Street;~~

~~5. any parcel fronting on Mission Street between State Street and De La Vina Street;~~

~~6. any parcel on Chapala, Anacapa, or Santa Barbara Street between Sola Street and U.S. Highway 101;~~

~~7. any parcel on Haley Street or Gutierrez Street between Santa Barbara Street and Olive Street.~~

**B. Storefront Locations.** Except for those locations shown as allowed within the Cottage Hospital Area on the exhibit attached to this Chapter which have been specifically approved by the Staff Hearing Officer as non-storefront locations pursuant to this Chapter, a A dispensary shall only be located in a visible store-front type location which provides good public views of the dispensary entrance, its windows, and the entrance to the dispensary premises from a public street.

**C. Areas and Zones Where Dispensaries Not Permitted.**

Notwithstanding subparagraph (A) above, a dispensary shall not be allowed or permitted in the following locations or zones:

~~1. On a parcel located within 500 feet of a school or a park; or~~

~~1.2.~~ On a parcel located within ~~500~~ 1000 feet of a permitted dispensary; or

~~2.3.~~ On a parcel ~~fronting~~ on State Street between Cabrillo Boulevard and Arrellaga Street; or

~~4. On a parcel zoned R-O or zoned for residential use.~~

3. On a parcel being used as a mixed residential/commercial use condominium project at the time of the adoption of the ordinance enacting this Chapter.

**D. Locational Measurements.** The distance between a dispensary and above-listed uses shall be made in a straight line from any parcel line of the real property on which the dispensary is located to the parcel line the real property on which the facility, building, or structure, or portion of the building or structure, in which the above listed use occurs or is located. For the purposes of determining compliance with the locational restrictions imposed by this section, the permissibility of a proposed dispensary location shall be determined by City staff

based on the date the permit application has been deemed complete by the City with the earliest complete applications deemed to have priority over any subsequent dispensary application for any particular allowed location.

**E. Maximum Number of Dispensary Allowed Dispensary Permits.**

Notwithstanding the above, the City may not issue a total of more than seven (7) dispensary permits at any one time and no more than seven (7) permitted dispensaries may legally operate within the City including those dispensaries which are open and operating in a legal nonconforming manner at the time of the adoption of the ordinance amending this Chapter.

**F. One Dispensary for Each Area of the City.** No more than one dispensary may open and operate in each of the eight areas of the City designated as allowed dispensary location areas in the exhibit attached to this Chapter except for those areas which, at the time of the adoption of the ordinance amending this Chapter, already have more than one dispensary on a legal non-conforming basis - in which case a legal non-conforming dispensary may be allowed to continue to operate in such an area.

**28.80.070 Operating Requirements for Dispensaries.**

Dispensary operations shall permitted and maintained only in compliance with the following day-to-day operational standards:

**A. Criminal History.** A dispensary permit applicant, his or her agents or employees, volunteer workers, or any person exercising managerial authority over a dispensary on behalf of the dispensary applicant shall not have been convicted of a felony or be on probation or parole for the sale or distribution of a controlled substance.

**B. Minors.** It is unlawful for any dispensary permittee, operator, or other person in charge of any dispensary to employ any person who is not at least 18 years of age. Persons under the age of 18 shall not be allowed on the premises of a dispensary unless they are a qualified patient or a primary caregiver, and they are in the presence of their parent or guardian. The entrance to a dispensary shall be clearly and legibly posted with a notice indicating that person under the age of 18 are precluded from entering the premises unless they are a qualified patient or a primary caregiver, and they are in the presence of their parent or guardian.

**C. Dispensary Size and Access.** The following dispensary and access restrictions shall apply to all dispensaries permitted by the Chapter:

1. A dispensary shall not be enlarged in size (i.e., increased floor area) without a prior approval from the Staff Hearing Officer amending the existing dispensary permit pursuant to the requirements of this Chapter.
2. The entrance area of the dispensary building shall be strictly controlled; A viewer or video camera shall be installed in the door that allows maximum angle of view of the exterior entrance.
3. Dispensary personnel shall be responsible for monitoring the real property of the dispensary site activity (including the adjacent public sidewalk and rights-of-way) of the block within which the dispensary is operating for the purposes of controlling loitering.
4. Only dispensary staff, primary caregivers, qualified patients and persons with bona fide purposes for visiting the site shall be permitted within a dispensary.
5. Qualified patients or primary caregivers shall not visit a dispensary without first having obtained a valid written recommendation from their physician recommending use of medical marijuana.
6. Only a primary caregiver and qualified patient shall be permitted in the designated dispensing area along with dispensary personnel.
7. Restrooms shall remain locked and under the control of Dispensary management at all times.

**D. Dispensing Operations.** The following restrictions shall apply to all dispensing operations by a dispensary:

1. A dispensary shall only dispense to qualified patients or a primary caregivers with a currently valid physicians approval or recommendation in compliance with the criteria in California Health and Safety Code Section 11362.5 et seq.. Dispensaries shall require such persons to provide valid official identification, such as a Department of Motor Vehicles driver's license or State Identification Card.

2. Prior to dispensing medical marijuana, the dispensary shall obtain a verification from the recommending physician's office personnel that the individual requesting medical marijuana is or remains a qualified patient pursuant to state Health & Safety Code Section 11362.5.

3. A dispensary shall not have a physician on-site to evaluate patients and provide a recommendation or prescription for the use of medical marijuana.

**E. Consumption Restrictions.** The following medical marijuana consumption restrictions shall apply to all permitted dispensaries:

1. Marijuana shall not be consumed by patients on the premises of the dispensary.

The term "premises" includes the actual building, as well as any accessory structures, parking lot or parking areas, or other surroundings within 200 feet of the dispensary's entrance. Dispensary employees who are qualified patients may consume marijuana within the enclosed building area of the premises, provided such consumption occurs only via oral consumption (i.e., eating only) but not by means of smoking or vaporization.

2. Dispensary operations shall not result in illegal re-distribution or sale of medical marijuana obtained from the dispensary, or use or distribution in any manner which violates state law.

**F. Retail Sales of Other Items by a Dispensary.** The retail sales of dispensary related or marijuana use items may be allowed under the following circumstances:

1. With the approval of the Staff Hearing Officer, a dispensary may conduct or engage in the commercial sale of specific products, goods, or services in addition to the provision of medical marijuana on terms and conditions consistent with this chapter and applicable law.

2. No dispensary shall sell or display any drug paraphernalia or any implement that may be used to administer medical marijuana.

3. A dispensary shall meet all the operating criteria for the dispensing of medical marijuana as is required pursuant

to California Health and Safety Code Section 11362.5 et seq.

**G. Operating Plans.** In connection with a permit application under this Chapter, the applicant shall provide, as part of the permit application, a detailed Operations Plan and, upon issuance of the dispensary permit, shall operate the dispensary in accordance with the Operations Plan as such plan is approved by the Staff Hearing Officer:

**1. Floor Plan.** A dispensary shall have a lobby waiting area at the entrance to the dispensary to receive clients, and a separate and secure designated area for dispensing medical marijuana to qualified patients or designated caregivers. The primary entrance shall be located and maintained clear of barriers, landscaping and similar obstructions so that it is clearly visible from public streets, sidewalks or site driveways.

**2. Storage.** A dispensary shall have suitable locked storage on premises, identified and approved as a part of the security plan, for after-hours storage of medical marijuana.

**3. Security Plans.** A dispensary shall provide adequate security on the premises, in accordance with a security plan approved by the Chief of Police and as reviewed by the Staff Hearing Officer, including provisions for adequate lighting and alarms, in order to insure the safety of persons and to protect the premises from theft. All security guards used by dispensaries shall be licensed and employed by a state licensed private-party operator security company retained by the Dispensary and each security guard used shall possess a valid state Department of Consumer Affairs "Security Guard Card" at all times. Security guards shall not possess or carry firearms or tazers while working at a Dispensary.

**5. Security Cameras.** Security surveillance cameras shall be installed to monitor the main entrance and exterior of the premises to discourage and to report loitering, crime, illegal or nuisance activities. Security video shall be maintained for a period of not less than 72 hours.

**6. Alarm System.** Professionally monitored robbery alarm and burglary alarm systems shall be installed and maintained in good working condition within the dispensary at all times.

7. **Emergency Contact.** A dispensary shall provide the Chief of Police with the name, cell phone number, and facsimile number of an on-site community relations staff person to whom the City may provide notice of any operating problems associated with the dispensary.

**H. Dispensary Signage and Notices.**

1. A notice shall be clearly and legibly posted in the dispensary indicating that smoking, ingesting or consuming marijuana on the premises or in the vicinity of the dispensary is prohibited.

2. Signs on the premises shall not obstruct the entrance or windows.

3. Address identification shall comply with Fire Department illuminated address signs requirements.

4. Business identification signage shall comply with the City's Sign Ordinance (SBMC Chapter 22.70) and be limited to that needed for identification only, consisting of a single window sign or wall sign that shall not exceed six square feet in area or 10 percent of the window area, whichever is less.

**I. Employee Records.** Each owner or operator of a dispensary shall maintain a current register of the names of all volunteers and employees currently working at or employed by the dispensary on-site at the dispensary at all times, and shall disclose such registration for inspection by any City officer or official but only for the purposes of determining compliance with the requirements of this chapter.

**J. Qualified Patient Records.** A dispensary shall maintain confidential health care records of all qualified patients and primary caregivers using only the identification card number issued by the county, or its agent, pursuant to California Health and Safety Code Section 11362.71 et seq., (as a protection of the confidentiality of the cardholders) or a copy of the written recommendation from a physician or doctor of osteopathy stating the need for medical marijuana under state Health & Safety Code Section 11362.5. Such records shall be maintained on-site at the dispensary at all times.

**M. Staff Training.** Dispensary staff shall receive appropriate training for their intended duties to ensure understanding of rules and procedures regarding dispensing in compliance with

state and local law and this Chapter, and properly trained or professionally-hired security personnel.

**N. Site Management.**

1. The operator of the establishment shall take all reasonable steps to discourage and correct objectionable conditions that constitute a nuisance in parking areas, sidewalks, alleys and areas surrounding the premises and adjacent properties during business hours if directly related to the patrons of the subject dispensary.
2. The operator shall take all reasonable steps to reduce loitering in public areas, sidewalks, alleys and areas surrounding the premises and adjacent properties during business hours.
3. The operator shall provide patients with a list of the rules and regulations governing medical marijuana use and consumption within the City and recommendations on sensible marijuana etiquette.

**O. Trash, Litter, Graffiti.**

1. The operator shall clear the sidewalks adjoining the premises plus 10 feet beyond property lines along the street as well as any parking lots under the control of the operator as needed to control litter, debris and trash.
2. The operator shall remove all graffiti from the premises and parking lots under the control of the operator within 72 hours of its application.

**P. Compliance with Other Requirements.** The dispensary operator shall comply with all provisions of all local, state or federal laws, regulations or orders, as well as any condition imposed on any permits issued pursuant to applicable laws, regulations or orders.

**Q. Display of Permit.** Every dispensary shall display at all times during business hours the permit issued pursuant to the provisions of this chapter for such dispensary in a conspicuous place so that the same may be readily seen by all persons entering the dispensary.

**R. Alcoholic Beverages.** No dispensary shall hold or maintain a license from the State Division of Alcoholic Beverage Control

for the sale of alcoholic beverages, or operate a business on the premises that sells alcoholic beverages. No alcoholic beverages shall be allowed or consumed on the premises.

**S. Parking Requirements.** Dispensaries shall be considered office uses relative to the parking requirements imposed by Section 28.90.100(I).

**28.80.080 Dispensary Permit Application - Preparation and Filing.**

**A. Application Filing.** A complete Performance Standard Permit use permit application submittal packet shall be submitted including all necessary fees and all other information and materials required by the City and this chapter. All applications for permits shall be filed with the Community Development Department, using forms provided by the City, and accompanied by the applicable filing fee. It is the responsibility of the applicant to provide information required for approval of the permit. The application shall be made under penalty of perjury.

**B. Eligibility for Filing.** Applications may only be filed by the owner of the subject property, or by a person with a lease signed by the owner or duly authorized agent of the owner expressly allowing them the right to occupy the property for the intended dispensary use.

**C. Filing Date.** The filing date of any application shall be the date when the City receives the last submission of information or materials required in compliance with the submittal requirements specified herein.

**D. Effect of Incomplete Filing.** Upon notification that an application submittal is incomplete, the applicant shall be granted an extension of time to submit all materials required to complete the application within 30 days. If the application remains incomplete in excess of 30 days the application shall be deemed withdrawn and new application submittal shall be required in order to proceed with the subject request. The time period for granting or denying a permit shall be stayed during the period in which the applicant is granted an extension of time.

**E. Effect of Other Permits or Licenses.** The fact that an applicant possesses other types of state or City permits or licenses does not exempt the applicant from the requirement of obtaining a dispensary permit.

**28.80.090 Criteria for Review of Dispensary Applications by Staff Hearing Officer.**

**A. Decision on Application.** Upon an application for a Dispensary permit being deemed complete, the Staff Hearing Officer, or the Planning Commission on appeal of a decision of the Staff Hearing Officer, shall either issue a Dispensary permit, issue a Dispensary permit with conditions in accordance with this chapter, or deny a Dispensary permit.

**B. Criteria for Issuance.** The Staff Hearing Officer, or the Planning Commission on appeal, shall consider the following criteria in determining whether to grant or deny a dispensary permit:

1. That the dispensary permit is consistent with the intent of the state Health & Safety Code for providing medical marijuana to qualified patients and primary caregivers and the provisions of this Chapter and the Municipal Code, including the application submittal and operating requirements herein.
2. That the proposed location of the Dispensary is not identified by the City Chief of Police as an area of increased or high crime activity. ~~(e.g., based upon crime reporting district/statistics as maintained by the Police Department.~~
3. For those applicants operating other Dispensaries within the City, that there have not been significant numbers of calls for police service, crimes or arrests in the area or to the applicant's existing dispensary location.
4. That all required application fees have been paid and reporting requirements have been satisfied in a timely manner.
5. That issuance of a dispensary permit for the dispensary size requested is appropriate justified to meet needs of community for access to medical marijuana.
6. That issuance of the dispensary permit would serve needs of City residents within a proximity to this location.

7. That the location is not prohibited by the provisions of this chapter or any local or state law, statute, rule, or regulation and no significant nuisance issues or problems are likely or anticipated ~~or resulted~~ and that compliance with other applicable requirements of the City's Zoning Ordinance will be accomplished.

8. That the site plan, floor plan, and security plan have incorporated features necessary to assist in reducing potential crime-related problems and as specified in the operating requirements section. These features may include, but are not limited to, security on-site; procedure for allowing entry; openness to surveillance and control of the premises; the perimeter, and surrounding properties; reduction of opportunities for congregating and obstructing public ways and neighboring property; illumination of exterior areas; and limiting furnishings and features that encourage loitering and nuisance behavior.

9. That all reasonable measures have been incorporated into the security plan or consistently taken to successfully control the establishment's patrons' conduct resulting in disturbances, vandalism, crowd control inside or outside the premises, traffic control problems, marijuana use in public, or creation of a public or private nuisance, or interference of the operation of another business.

10. That the dispensary is likely to have no potentially ~~would not~~ adversely affect on the health, peace, or safety of persons living or working in the surrounding area, overly burden a specific neighborhood, or contribute to a public nuisance; or that the dispensary will generally not result in repeated nuisance activities including disturbances of the peace, illegal drug activity, marijuana use in public, harassment of passerby, excessive littering, excessive loitering, illegal parking, excessive loud noises, especially late at night or early in the morning hours, lewd conduct, or police detentions or arrests.

11. That any provision of the Municipal Code or condition imposed by a City issued permit, or any provision of any other local, or state law, regulation, or order, or any condition imposed by permits issued in compliance with those laws will not be violated.

12. That the applicant has not knowingly made a false statement of material fact or has knowingly omitted to state a material fact in the application for a permit.

13. That the applicant has not engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices with respect to the operation of another business within the City.

**28.80.100 Appeal from Staff Hearing Officer or Planning Commission Determination.**

**A. Appeal to the Planning Commission.** An applicant or any interested party who disagrees with the Staff Hearing Officer's decision to issue, issue with conditions, or to deny a dispensary permit may appeal such decision to the City Planning Commission by filing an appeal pursuant to the requirements of subparagraph (B) of Section 28.05.020 of the Municipal Code.

**B. Notice of Planning Commission Appeal Hearing.** Upon the filing of an appeal pursuant to subparagraph (A) above, the Community Development Director shall provide public notice in accordance with the notice provisions of SBMC Section 28.87.380.

**C. Appeal of Planning Commission Decision.** ~~Notwithstanding subparagraph (C) of Section 28.05.020, Section 28.87.360, and Section 1.30.050, A~~ a decision by the Planning Commission on appeal of the Staff Hearing Officer pursuant to this Chapter may be appealed to the City Council pursuant to the authority of Section 28.05.020(C). ~~shall be final and may not be appealed to the City Council.~~

**28.80.110 Suspension and Revocation by Planning Commission.**

**A. Authority to Suspend or Revoke a Dispensary Permit.**

Consistent with Section 28.87.360, any dispensary permit issued under the terms of this chapter may be suspended or revoked by the Planning Commission when it shall appear to the Commission that the permittee has violated any of the requirements of this chapter or the dispensary is operated in a manner that violates the provisions of this chapter, including the operational requirements of this Chapter, or in a manner which conflicts with state law.

**B. Annual Review of Dispensary Operations.** The staff of the Community Development Department and the Police Department are hereby authorized to conduct an annual review of the operation

of each permitted dispensary within the City for full compliance with the operational requirements of this Chapter, including specifically a verification that all persons employed or volunteering at the dispensary have not been convicted of or on probation for a crime related to the possession, sale, or distribution of controlled substances. A fee in an amount established by resolution of the City Council may be established in order to reimburse the City for the time involved in this review process. The staff may initiate a permit suspension or revocation process for any dispensary which is found not to be in compliance with the requirements of this Chapter or which is operating in a manner which constitutes a public nuisance.

**C. B- Suspension or Revocation - Written Notice.** Except as otherwise provided in this chapter, no permit shall be revoked or suspended by virtue of this chapter until written notice of the intent to consider revocation or suspension of the permit has been served upon the person to whom the permit was granted at least ten (10) days prior to the date set for such review hearing and the reasons for the proposed suspension or revocation have been provided to the permittee in writing. Such notice shall contain a brief statement of the grounds to be relied upon for revoking or suspending such permit. Notice may be given either by personal delivery to the permittee, or by depositing such notice in the U.S. mail in a sealed envelope, postage prepaid, (via regular mail and return receipt requested), addressed to the person to be notified at his or her address as it appears in his or her application for a dispensary permit.

**C. Appeal of Planning Commission Decision.** ~~Notwithstanding subparagraph (C) of Section 28.05.020, Section 28.87.360, and Section 1.30.050, A~~ a decision by the Planning Commission to suspend or revoke a permit issued pursuant to this Chapter ~~shall be final and may not be appealed to the City Council.~~ may be appealed to the City Council pursuant to the authority of section 28.05.020(C).

#### **28.80.120 Transfer of Dispensary Permits.**

**A. Permit - Site Specific.** A permittee shall not operate a dispensary under the authority of a dispensary permit at any place other than the address of the dispensary stated in the application for the permit. All dispensary permits issued by the City pursuant to this chapter shall be non-transferable.

**B. Transfer of a Permitted Dispensary.** A permittee shall not transfer ownership or control of a dispensary or attempt to transfer a dispensary permit to another person unless and until the transferee obtains an amendment to the permit from the Staff Hearing Officer pursuant to the permitting requirements of this chapter stating that the transferee is now the permittee. Such an amendment may be obtained only if the transferee files an application with the Community Development Department in accordance with this all provisions of this chapter accompanied by the required application fee.

**C. Request for Transfer with a Revocation or Suspension Pending.** No dispensary permit may be transferred (and no permission for a transfer may be issued) when the Community Development Department has notified in writing the permittee that the permit has been or may be suspended or revoked and a notice of such suspension or revocation has been provided.

**D. Transfer without Permission.** Any attempt to transfer a permit either directly or indirectly in violation of this section is declared void, and the permit shall be deemed revoked.

#### **28.80.130 Medical Marijuana Vending Machines.**

No person shall maintain, use, or operate a vending machine which dispenses marijuana to a qualified patient or primary caregiver unless such machine is located within the interior of a duly permitted dispensary.

### **SECTION TWO.**

**A. Dispensaries Permitted under the March 2008 Ordinance.** Those Dispensaries which were authorized and permitted pursuant to the Santa Barbara Municipal Code Chapter 28.80 (as adopted on March 25, 2008 as City Ordinance No. 5449) shall be deemed pre-existing legal non-conforming uses of the real property locations upon which they are situated provided that, upon the effective date of this Ordinance, such dispensaries operate in accordance with all dispensary operational provisions added to Santa Barbara Municipal Code Chapter 28.80 by this Ordinance.

**B. Dispensaries Which Have Operated Legally Prior to and Since the Effective Date of Ordinance No. 5449.** Those dispensaries which opened and operated in a legal manner prior to the effective date of City Ordinance No. 5449 and which have remained in a legal nonconforming manner of operation since that time, may, despite its non-conforming location, remain as a legal non-conforming use for a period of one hundred eighty

(180) days from the effective date of this Ordinance, provided that such a dispensary implements and observes the following operational conditions prior to the effective date of this Ordinance:

1. the operation of the dispensary is not discontinued for a period of time in excess of thirty (30) consecutive days;
2. the operation of the dispensary complies with all portions of Chapter 28.80, as revised and enacted by this Ordinance, and;
3. the dispensary shall be subject to the requirements for non-conforming uses of SBMC section 28.87.030 until such time that it has been discontinued or permitted at a new allowed location pursuant to this Ordinance.

**SECTION THREE.** City Ordinance No. 5510 entitled "An Ordinance Of The Council Of The City Of Santa Barbara Extending A Temporary Suspension Of The Right To Apply For Or To Obtain A Permit For The Opening Or Operation Of Medical Marijuana Dispensaries Otherwise Permitted By Santa Barbara Municipal Code Chapter 28.80 On An Interim Basis" adopted on February 2, 2010 is hereby repealed as of the effective date of this Ordinance.

**ORDINANCE NO. \_\_\_\_**  
**MEDICAL MARIJUANA DISPENSARIES**  
**SANTA BARBARA MUNICIPAL CODE CHAPTER 28.80**  
**ALLOWED LOCATION EXHIBIT**

**1. Outer State Street Area:**

- a. 3400 - 3900 blocks of State Street
- b. All parcels on south La Cumbre Road
- c. All parcels on south La Cumbre Lane
- d. All parcels on La Cumbre Plaza Lane
- e. 00-100 blocks of south Hope Avenue

**2. Upper De la Vina Area:**

- a. 2600 – 2900 blocks of De la Vina Street

**3. Mission Street Area:**

- a. 1900-2000 blocks of De la Vina Street
- b. 100 block of west Mission Street
- c. 1800–1900 blocks of State Street
- d. 1400 block of Chapala Street

**4. Downtown West Area:**

- a. 300-400 blocks of Chapala Street
- b. 600-1000 blocks of Chapala
- c. 300-400 blocks of De la Vina
- d. 800-1000 blocks of De la Vina
- e. 00-400 blocks of west Carrillo
- f. 00-100 blocks of west Canon Perdido
- g. 100 blocks of west De la Guerra
- h. 00-100 blocks of west Ortega
- i. 00-200 blocks of west Gutierrez
- j. 00 block of Parker Way
- k. 00 block of west Figueroa
- l. 300 block of east Carrillo
- m. 900 block of St. Vincent
- n. 00 block of west Haley
- o. 00 block of east Gutierrez

**5. Downtown East Area:**

- a. 500-600 blocks of Laguna
- b. 900 block of Laguna Street
- c. 300-400 blocks of east Cota

**6. Milpas Street:**

- a. 00–400 blocks of north Milpas Street

**7. Mesa Area:**

- a. 1800–2000 blocks of Cliff Drive

**8. Cottage Hospital Area:**

- a. 200 block of Nogales
- b. 200-400 blocks of west Pueblo
- c. 2400-2500 blocks of Bath
- d. 2300 block of Castillo
- e. 300 block of West Junipero



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 23, 2010  
**TO:** Mayor and Councilmembers  
**FROM:** Accounting Division, Finance Department  
**SUBJECT:** Fiscal Year 2010 Mid-Year Review

**RECOMMENDATION:** That Council:

- A. Hear a report from staff on the status of revenues and expenditures in relation to budget as of December 31, 2009;
- B. Accept the Fiscal Year 2010 Interim Financial Statements for the Six Months Ended December 31, 2009; and
- C. Increase appropriations in the Miscellaneous Grants Fund by \$43,712 for the purchase of a Breathing Air Compressor Fill Station for fire operations from reserves accumulated in the Miscellaneous Grants Fund for Hazmat expenditures.

**EXECUTIVE SUMMARY:**

Each month, staff presents the interim financial statements (Attachment 1) showing the progress of revenues and expenditures in relation to budget for each of the City's Funds. Each quarter, the interim financial statements are expanded to include a detailed narrative analysis of the General Fund and Enterprise Funds. This narrative analysis is included in the attached interim financial statements (Attachment 2).

In addition to the mid-year budget analysis, staff brings forward any recommended adjustments for Council approval. These adjustments are the result of new information and/or unanticipated events that occurred since the adoption of the budget in June 2009. In November 2009, staff presented several mid-year budget adjustments that were needed due to the deteriorating revenue stream and the weak local and national economies. Council approved those adjustments and there are no further mid-year adjustments requested at this time.

The General Fund currently has a projected budget gap of approximately \$3.7 million. Each General Fund department has been asked to curtail spending to achieve additional expenditure savings this year. Some savings will be achieved through cost cutting and as a result of staff vacancies from turnover and retirements. Early staff projections indicate that we could potentially save up to \$2 million; however, several of the proposed options do not appear achievable before the end of the fiscal year. Staff

will continue to monitor the state of the City's finances and will propose any additional required adjustments to the budget later this year.

### **Recommended Appropriations Increase**

The Fire Department requests additional appropriations to replace the Breathing Air Compressor Fill Station. This compressor fills the firefighter's Self-Contained Breathing Apparatus bottles. The current unit has broken down and is no longer repairable. Replacement parts cannot be obtained and staff will need to locate a new manufacturer. New units can cost as much as \$50,000. The Miscellaneous Grants Fund has accumulated \$43,712 in reserves for Hazmat expenditures and these reserves will be used to pay for the new equipment. If the new equipment costs more than \$43,712, the balance will be paid out of existing Fire Department appropriations in the General Fund.

- ATTACHMENTS:**
1. Summary by Fund Statement of Revenues and Expenditures for the Six Months Ended December 31, 2009
  2. Interim Financial Statements for the Six Months Ended December 31, 2009 (Narrative Analysis)

**PREPARED BY:** Rudolf J. Livingston, Accounting Manager

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

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenditures**  
**Summary by Fund**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
<b>GENERAL FUND</b>					
Revenue	103,198,955	44,617,667	-	58,581,288	43.2%
Expenditures	103,363,474	50,279,805	787,837	52,295,832	49.4%
<i>Addition to / (use of) reserves</i>	<i>(164,519)</i>	<i>(5,662,139)</i>	<i>(787,837)</i>		
<b>WATER OPERATING FUND</b>					
Revenue	34,188,296	18,792,916	-	15,395,380	55.0%
Expenditures	37,418,635	15,937,564	2,667,770	18,813,300	49.7%
<i>Addition to / (use of) reserves</i>	<i>(3,230,339)</i>	<i>2,855,352</i>	<i>(2,667,770)</i>		
<b>WASTEWATER OPERATING FUND</b>					
Revenue	14,828,850	7,521,999	-	7,306,851	50.7%
Expenditures	16,070,288	6,690,162	1,361,912	8,018,213	50.1%
<i>Addition to / (use of) reserves</i>	<i>(1,241,438)</i>	<i>831,836</i>	<i>(1,361,912)</i>		
<b>DOWNTOWN PARKING</b>					
Revenue	6,762,290	3,413,416	-	3,348,874	50.5%
Expenditures	8,195,457	3,677,422	582,640	3,935,396	52.0%
<i>Addition to / (use of) reserves</i>	<i>(1,433,167)</i>	<i>(264,006)</i>	<i>(582,640)</i>		
<b>AIRPORT OPERATING FUND</b>					
Revenue	12,440,678	6,538,113	-	5,902,565	52.6%
Expenditures	12,723,593	5,678,280	618,511	6,426,802	49.5%
<i>Addition to / (use of) reserves</i>	<i>(282,915)</i>	<i>859,833</i>	<i>(618,511)</i>		
<b>GOLF COURSE FUND</b>					
Revenue	2,380,438	888,958	-	1,491,480	37.3%
Expenditures	2,785,158	1,499,863	120,922	1,164,373	58.2%
<i>Addition to / (use of) reserves</i>	<i>(404,720)</i>	<i>(610,906)</i>	<i>(120,922)</i>		
<b>INTRA-CITY SERVICE FUND</b>					
Revenue	6,397,840	3,334,886	-	3,062,954	52.1%
Expenditures	6,659,667	2,381,932	586,962	3,690,772	44.6%
<i>Addition to / (use of) reserves</i>	<i>(261,827)</i>	<i>952,954</i>	<i>(586,962)</i>		

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenditures**  
**Summary by Fund**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
<b>FLEET REPLACEMENT FUND</b>					
Revenue	1,779,868	953,251	-	826,617	53.6%
Expenditures	3,821,874	798,875	818,469	2,204,531	42.3%
<i>Addition to / (use of) reserves</i>	<u>(2,042,006)</u>	<u>154,377</u>	<u>(818,469)</u>		
<b>FLEET MAINTENANCE FUND</b>					
Revenue	2,530,238	1,240,119	-	1,290,119	49.0%
Expenditures	2,631,703	1,000,199	168,315	1,463,189	44.4%
<i>Addition to / (use of) reserves</i>	<u>(101,465)</u>	<u>239,920</u>	<u>(168,315)</u>		
<b>SELF INSURANCE TRUST FUND</b>					
Revenue	6,073,674	3,019,345	-	3,054,329	49.7%
Expenditures	6,519,840	2,673,171	236,026	3,610,644	44.6%
<i>Addition to / (use of) reserves</i>	<u>(446,166)</u>	<u>346,174</u>	<u>(236,026)</u>		
<b>INFORMATION SYSTEMS ICS FUND</b>					
Revenue	2,435,147	1,222,828	-	1,212,319	50.2%
Expenditures	2,630,280	1,283,718	66,661	1,279,902	51.3%
<i>Addition to / (use of) reserves</i>	<u>(195,133)</u>	<u>(60,890)</u>	<u>(66,661)</u>		
<b>WATERFRONT FUND</b>					
Revenue	11,522,348	6,197,555	-	5,324,793	53.8%
Expenditures	12,061,259	5,903,156	566,390	5,591,714	53.6%
<i>Addition to / (use of) reserves</i>	<u>(538,911)</u>	<u>294,400</u>	<u>(566,390)</u>		
<b>TOTAL FOR ALL FUNDS</b>					
Revenue	204,538,622	97,741,051	-	106,797,571	47.8%
Expenditures	214,881,229	97,804,148	8,582,413	108,494,668	49.5%
<i>Addition to / (use of) reserves</i>	<u>(10,342,607)</u>	<u>(63,097)</u>	<u>(8,582,413)</u>		

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

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Budgeted and Actual Revenues**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Remaining Balance	Percent Received	Previous YTD
<b>TAXES</b>					
Sales and Use	17,405,682	6,412,644	10,993,038	36.8%	7,603,457
Property Taxes	23,426,345	7,566,461	15,859,884	32.3%	8,590,431
Utility Users Tax	6,916,329	3,484,555	3,431,774	50.4%	3,509,286
Transient Occupancy Tax	11,351,970	6,618,032	4,733,938	58.3%	7,737,272
Franchise Fees	3,335,000	1,639,714	1,695,286	49.2%	1,463,071
Business License	2,273,300	917,418	1,355,882	40.4%	982,866
Real Property Transfer Tax	325,800	199,690	126,110	61.3%	166,796
<i>Total</i>	65,034,426	26,838,514	38,195,912	41.3%	30,053,178
<b>LICENSES &amp; PERMITS</b>					
Licenses & Permits	179,000	85,941	93,059	48.0%	92,424
<i>Total</i>	179,000	85,941	93,059	48.0%	92,424
<b>FINES &amp; FORFEITURES</b>					
Parking Violations	2,582,774	1,258,091	1,324,683	48.7%	1,235,900
Library Fines	117,318	58,305	59,013	49.7%	52,799
Municipal Court Fines	150,000	67,528	82,472	45.0%	88,604
Other Fines & Forfeitures	100,000	91,046	8,954	91.0%	-
<i>Total</i>	2,950,092	1,474,969	1,475,123	50.0%	1,377,303
<b>USE OF MONEY &amp; PROPERTY</b>					
Investment Income	941,951	588,528	353,423	62.5%	768,004
Rents & Concessions	406,436	208,045	198,391	51.2%	198,987
<i>Total</i>	1,348,387	796,574	551,813	59.1%	966,991
<b>INTERGOVERNMENTAL</b>					
Grants	2,307,577	229,530	2,078,047	9.9%	1,830,605
Vehicle License Fees	200,000	134,978	65,022	67.5%	140,864
Reimbursements	17,500	-	17,500	0.0%	-
<i>Total</i>	2,525,077	364,508	2,160,569	14.4%	1,971,469
<b>FEES &amp; SERVICE CHARGES</b>					
Finance	858,930	412,783	446,147	48.1%	406,412
Community Development	4,425,717	2,284,447	2,141,270	51.6%	2,179,264
Recreation	2,448,499	983,507	1,464,992	40.2%	1,131,940
Public Safety	550,543	199,157	351,386	36.2%	168,066
Public Works	4,608,873	2,533,361	2,075,512	55.0%	2,005,240
Library	775,452	370,265	405,187	47.7%	18,541
Reimbursements	5,809,367	2,727,084	3,082,283	46.9%	2,502,685
<i>Total</i>	19,477,381	9,510,604	9,966,777	48.8%	8,412,148
<b>OTHER MISCELLANEOUS REVENUES</b>					
Miscellaneous	1,640,775	962,187	678,588	58.6%	2,368,038
Indirect Allocations	7,238,105	3,672,553	3,565,552	50.7%	3,292,960
Operating Transfers-In	2,805,712	911,816	1,893,896	32.5%	632,851
<i>Total</i>	11,684,592	5,546,557	6,138,035	47.5%	6,293,850
<b>TOTAL REVENUES</b>	103,198,955	44,617,667	58,581,288	43.2%	49,167,362

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
<b>GENERAL GOVERNMENT</b>						
<u>Mayor &amp; City Council</u>						
MAYOR	747,750	349,502	1,945	396,303	47.0%	
<i>Total</i>	747,750	349,502	1,945	396,303	47.0%	394,258
<u>City Attorney</u>						
CITY ATTORNEY	2,099,358	1,020,892	-	1,078,466	48.6%	
<i>Total</i>	2,099,358	1,020,892	-	1,078,466	48.6%	1,093,336
<u>Administration</u>						
CITY ADMINISTRATOR	1,324,103	696,747	1,945	625,410	52.8%	
LABOR RELATIONS	187,984	86,668	-	101,316	46.1%	
CITY TV	433,943	202,284	38,343	193,316	55.5%	
<i>Total</i>	1,946,030	985,700	40,289	920,042	52.7%	1,132,631
<u>Administrative Services</u>						
CITY CLERK	773,167	474,905	15,650	282,612	63.4%	
HUMAN RESOURCES	1,190,764	525,512	19,879	645,373	45.8%	
ADMIN SVCS-EMPLOYEE DEVELOPMENT	182,921	71,312	-	111,609	39.0%	
<i>Total</i>	2,146,852	1,071,729	35,529	1,039,594	51.6%	951,999
<u>Finance</u>						
ADMINISTRATION	631,402	335,124	10,995	285,283	54.8%	
TREASURY	380,819	194,098	2,000	184,721	51.5%	
CASHIERING & COLLECTION	425,648	205,872	-	219,776	48.4%	
LICENSES & PERMITS	387,383	185,613	-	201,770	47.9%	
BUDGET MANAGEMENT	330,928	187,173	-	143,755	56.6%	
ACCOUNTING	387,205	212,295	23,547	151,364	60.9%	
PAYROLL	272,626	130,504	-	142,122	47.9%	
ACCOUNTS PAYABLE	210,352	100,841	-	109,511	47.9%	
CITY BILLING & CUSTOMER SERVICE	560,393	239,955	-	320,438	42.8%	
PURCHASING	634,301	312,380	2,471	319,449	49.6%	
CENTRAL STORES	183,684	88,454	-	95,230	48.2%	
MAIL SERVICES	96,326	45,089	-	51,237	46.8%	
<i>Total</i>	4,501,067	2,237,398	39,014	2,224,655	50.6%	2,387,485
<b>TOTAL GENERAL GOVERNMENT</b>	<b>11,441,057</b>	<b>5,665,221</b>	<b>116,777</b>	<b>5,659,060</b>	<b>50.5%</b>	<b>5,959,709</b>
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
CHIEF'S STAFF	1,160,176	576,742	-	583,434	49.7%	
SUPPORT SERVICES	575,931	276,090	3,202	296,640	48.5%	
RECORDS	1,396,802	666,275	6,059	724,468	48.1%	
COMMUNITY SVCS	1,063,530	518,777	4,902	539,851	49.2%	
CRIME ANALYSIS	66,056	9,607	-	56,449	14.5%	
PROPERTY ROOM	125,326	62,168	802	62,356	50.2%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
TRNG/RECRUITMENT	381,881	255,445	16,290	110,146	71.2%	
RANGE	879,439	430,188	29,024	420,227	52.2%	
BEAT COORDINATORS	801,812	229,229	878	571,705	28.7%	
INFORMATION TECHNOLOGY	1,118,502	616,393	12,529	489,580	56.2%	
INVESTIGATIVE DIVISION	4,489,206	2,143,495	3,445	2,342,266	47.8%	
CRIME LAB	222,370	62,143	-	160,227	27.9%	
PATROL DIVISION	12,629,310	6,226,296	114,603	6,288,412	50.2%	
TRAFFIC	1,330,706	555,111	1,580	774,015	41.8%	
SPECIAL EVENTS	986,472	894,374	-	92,098	90.7%	
TACTICAL PATROL FORCE	1,131,685	571,281	2,074	558,330	50.7%	
STREET SWEEPING ENFORCEMENT	236,362	126,535	-	109,827	53.5%	
NIGHT LIFE ENFORCEMENT	458,400	172,802	-	285,598	37.7%	
PARKING ENFORCEMENT	1,031,837	433,890	22,020	575,926	44.2%	
CCC	2,383,022	1,028,035	641	1,354,347	43.2%	
ANIMAL CONTROL	564,640	304,531	1,736	258,374	54.2%	
<i>Total</i>	33,033,465	16,161,276	219,785	16,652,404	49.6%	17,557,076
<u>Fire</u>						
ADMINISTRATION	1,096,276	574,494	3,046	518,735	52.7%	
EMERGENCY SERVICES AND PUBLIC ED	218,086	103,865	988	113,234	48.1%	
PREVENTION	1,187,985	573,723	393	613,868	48.3%	
WILDLAND FIRE MITIGATION PROGRAM	191,083	82,520	22,229	86,334	54.8%	
OPERATIONS	17,188,401	8,246,817	48,290	8,893,294	48.3%	
ARFF	1,623,165	830,733	-	792,432	51.2%	
<i>Total</i>	21,504,996	10,412,152	74,947	11,017,898	48.8%	11,307,424
<b>TOTAL PUBLIC SAFETY</b>	<b>54,538,461</b>	<b>26,573,428</b>	<b>294,732</b>	<b>27,670,302</b>	<b>49.3%</b>	<b>28,864,500</b>
<b>PUBLIC WORKS</b>						
<u>Public Works</u>						
ADMINISTRATION	862,361	401,330	7,425	453,605	47.4%	
ENGINEERING SVCS	4,129,675	2,031,609	11,485	2,086,580	49.5%	
PUBLIC RT OF WAY MGMT	1,011,589	449,852	1,678	560,059	44.6%	
ENVIRONMENTAL PROGRAMS	393,673	146,720	61,076	185,878	52.8%	
<i>Total</i>	6,397,298	3,029,511	81,664	3,286,122	48.6%	3,346,062
<b>TOTAL PUBLIC WORKS</b>	<b>6,397,298</b>	<b>3,029,511</b>	<b>81,664</b>	<b>3,286,122</b>	<b>48.6%</b>	<b>3,346,062</b>
<b>COMMUNITY SERVICES</b>						
<u>Parks &amp; Recreation</u>						
PRGM MGMT & BUS SVCS	524,868	256,456	-	268,412	48.9%	
FACILITIES	394,356	204,921	8,059	181,376	54.0%	
CULTURAL ARTS	429,832	216,252	22,028	191,552	55.4%	
YOUTH ACTIVITIES	752,636	335,942	6,251	410,443	45.5%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
<b>COMMUNITY SERVICES</b>						
<u>Parks &amp; Recreation</u>						
SR CITIZENS	722,733	359,462	387	362,884	49.8%	
AQUATICS	1,033,575	618,319	29,379	385,877	62.7%	
SPORTS	483,177	214,758	8,483	259,936	46.2%	
TENNIS	275,753	150,461	-	125,292	54.6%	
NEIGHBORHOOD & OUTREACH SERV	1,263,260	610,852	3,954	648,454	48.7%	
ADMINISTRATION	528,293	256,339	-	271,954	48.5%	
PROJECT MANAGEMENT TEAM	242,538	145,201	-	97,337	59.9%	
BUSINESS SERVICES	375,931	170,707	8,383	196,842	47.6%	
FACILITY & PROJECT MGT	1,012,354	552,813	1,295	458,246	54.7%	
GROUNDS MANAGEMENT	4,051,580	2,021,189	95,609	1,934,782	52.2%	
FORESTRY	1,182,344	486,238	16,048	680,058	42.5%	
BEACH MAINTENANCE	170,234	63,041	8,984	98,209	42.3%	
<i>Total</i>	<u>13,443,464</u>	<u>6,665,744</u>	<u>208,861</u>	<u>6,568,859</u>	51.1%	<u>8,041,140</u>
<u>Library</u>						
ADMINISTRATION	416,148	198,940	-	217,208	47.8%	
PUBLIC SERVICES	2,161,456	1,085,659	3,816	1,071,982	50.4%	
SUPPORT SERVICES	1,594,389	657,024	2,658	934,707	41.4%	
<i>Total</i>	<u>4,171,993</u>	<u>1,946,876</u>	<u>6,474</u>	<u>2,218,643</u>	46.8%	<u>2,294,678</u>
<b>TOTAL COMMUNITY SERVICES</b>	<u>17,615,457</u>	<u>8,612,620</u>	<u>215,334</u>	<u>8,787,503</u>	50.1%	<u>10,335,818</u>
<b>COMMUNITY DEVELOPMENT</b>						
<u>Community Development</u>						
ADMINISTRATION	491,949	215,722	744	275,483	44.0%	
ECON DEV	62,919	27,498	-	35,421	43.7%	
CITY ARTS ADVISORY PROGRAM	540,483	452,511	-	87,972	83.7%	
HUMAN SVCS	818,612	395,851	-	422,761	48.4%	
RDA	730,700	297,220	-	433,480	40.7%	
RDA HSG DEV	677,395	333,780	-	343,615	49.3%	
LR PLANNING/STUDIES	792,833	361,300	639	430,894	45.7%	
DEV & DESIGN REVIEW	1,038,992	475,014	7,452	556,526	46.4%	
ZONING	853,074	391,994	918	460,161	46.1%	
DESIGN REV & HIST PRESERVATN	940,732	422,774	43,237	474,720	49.5%	
SHO/ENVIRON REVIEW/TRAINING	703,239	323,775	7,069	372,394	47.0%	
BLDG PERMITS	1,018,740	468,896	222	549,622	46.0%	
RECORDS & ARCHIVES	527,248	236,799	18,762	271,687	48.5%	
PLAN CK & COUNTER SRV	1,268,494	589,108	284	679,102	46.5%	
<i>Total</i>	<u>10,465,410</u>	<u>4,992,243</u>	<u>79,330</u>	<u>5,393,837</u>	48.5%	<u>5,744,046</u>
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<u>10,465,410</u>	<u>4,992,243</u>	<u>79,330</u>	<u>5,393,837</u>	48.5%	<u>5,744,046</u>

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
<b>NON-DEPARTMENTAL</b>						
<u>Non-Departmental</u>						
DUES, MEMBERSHIPS, & LICENSES	22,272	2,585	-	19,687	11.6%	
COMMUNITY PROMOTIONS	1,706,580	1,012,521	-	694,059	59.3%	
SPECIAL PROJECTS	21,000	34,550	-	(13,550)	164.5%	
TRANSFERS OUT	43,500	43,500	-	-	100.0%	
DEBT SERVICE TRANSFERS	353,568	288,626	-	64,942	81.6%	
CAPITAL OUTLAY TRANSFER	573,170	25,000	-	548,170	4.4%	
APPROP. RESERVE	185,701	-	-	185,701	0.0%	
<i>Total</i>	2,905,791	1,406,782	-	1,499,009	48.4%	2,440,925
<b>TOTAL NON-DEPARTMENTAL</b>	2,905,791	1,406,782	-	1,499,009	48.4%	2,440,925
<b>TOTAL EXPENDITURES</b>	103,363,474	50,279,805	787,837	52,295,832	49.4%	56,691,061

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

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

**CITY OF SANTA BARBARA**  
**Special Revenue Funds**  
**Interim Statement of Revenues and Expenditures**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
<b>TRAFFIC SAFETY FUND</b>					
Revenue	515,000	246,984	-	268,016	48.0%
Expenditures	515,000	246,984	-	268,016	48.0%
<i>Revenue Less Expenditures</i>	-	-	-	-	
<b>CREEK RESTORATION/WATER QUALITY IMPRVMT</b>					
Revenue	2,610,100	1,459,704	-	1,150,396	55.9%
Expenditures	3,386,420	1,307,794	339,285	1,739,341	48.6%
<i>Revenue Less Expenditures</i>	(776,320)	151,910	(339,285)	(588,944)	
<b>SOLID WASTE PROGRAM</b>					
Revenue	18,614,209	8,661,115	-	9,953,094	46.5%
Expenditures	18,713,657	8,847,621	120,628	9,745,409	47.9%
<i>Revenue Less Expenditures</i>	(99,448)	(186,506)	(120,628)	207,685	
<b>COMM.DEVELOPMENT BLOCK GRANT</b>					
Revenue	3,244,916	887,572	-	2,357,344	27.4%
Expenditures	3,121,049	733,070	65,810	2,322,169	25.6%
<i>Revenue Less Expenditures</i>	123,867	154,502	(65,810)	35,175	
<b>COUNTY LIBRARY</b>					
Revenue	1,703,932	597,096	-	1,106,836	35.0%
Expenditures	1,765,938	830,596	18,010	917,333	48.1%
<i>Revenue Less Expenditures</i>	(62,006)	(233,500)	(18,010)	189,503	
<b>STREETS FUND</b>					
Revenue	9,571,682	4,272,077	-	5,299,605	44.6%
Expenditures	14,093,895	5,507,047	1,069,674	7,517,175	46.7%
<i>Revenue Less Expenditures</i>	(4,522,213)	(1,234,969)	(1,069,674)	(2,217,570)	
<b>MEASURE "D"</b>					
Revenue	4,884,000	1,964,259	-	2,919,741	40.2%
Expenditures	9,067,069	1,554,740	2,489,766	5,022,563	44.6%
<i>Revenue Less Expenditures</i>	(4,183,069)	409,519	(2,489,766)	(2,102,822)	

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

**WATER OPERATING FUND**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
<b>REVENUES</b>						
Water Sales - Metered	29,850,000	15,880,618	-	13,969,382	53.2%	16,207,308
Service Charges	385,000	212,379	-	172,621	55.2%	200,612
Cater JPA Treatment Charges	2,200,000	1,706,794	-	493,206	77.6%	1,393,580
Licenses & Permits	(2,500)	-	-	(2,500)	0.0%	-
Investment Income	1,008,000	599,974	-	408,026	59.5%	815,721
Grants	36,098	24,243	-	11,855	67.2%	-
Reimbursements	18,000	-	-	18,000	0.0%	-
Miscellaneous	693,698	368,907	-	324,791	53.2%	201,826
<b>TOTAL REVENUES</b>	<b>34,188,296</b>	<b>18,792,916</b>	<b>-</b>	<b>15,395,380</b>	<b>55.0%</b>	<b>18,819,047</b>
<b>EXPENSES</b>						
Salaries & Benefits	7,599,922	3,489,417	-	4,110,505	45.9%	3,430,633
Materials, Supplies & Services	10,540,950	3,847,972	2,544,245	4,148,734	60.6%	3,544,893
Special Projects	646,774	63,884	70,458	512,433	20.8%	44,767
Water Purchases	7,776,465	3,219,509	43,702	4,513,254	42.0%	3,292,242
Debt Service	5,094,672	2,606,260	-	2,488,412	51.2%	2,580,787
Capital Outlay Transfers	5,302,492	2,651,246	-	2,651,246	50.0%	4,004,317
Equipment	197,459	37,116	7,715	152,629	22.7%	4,882
Capitalized Fixed Assets	109,900	861	1,652	107,388	2.3%	7,674
Other	-	21,299	-	(21,299)	100.0%	20,328
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
<b>TOTAL EXPENSES</b>	<b>37,418,635</b>	<b>15,937,564</b>	<b>2,667,770</b>	<b>18,813,300</b>	<b>49.7%</b>	<b>16,930,522</b>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

**WASTEWATER OPERATING FUND**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
<b>REVENUES</b>						
Service Charges	14,010,000	7,049,647	-	6,960,353	50.3%	6,932,271
Fees	410,000	248,701	-	161,299	60.7%	212,774
Investment Income	325,000	208,851	-	116,149	64.3%	280,084
Miscellaneous	83,850	14,800	-	69,050	17.7%	105,940
<b>TOTAL REVENUES</b>	<b>14,828,850</b>	<b>7,521,999</b>	<b>-</b>	<b>7,306,851</b>	<b>50.7%</b>	<b>7,531,070</b>
<b>EXPENSES</b>						
Salaries & Benefits	5,125,324	2,349,516	-	2,775,808	45.8%	2,389,126
Materials, Supplies & Services	5,733,089	2,188,934	1,354,339	2,189,816	61.8%	2,243,536
Special Projects	711,367	354,271	-	357,096	49.8%	546,593
Transfers-Out	65,000	32,500	-	32,500	50.0%	-
Debt Service	1,354,888	346,613	-	1,008,275	25.6%	390,277
Capital Outlay Transfers	2,827,188	1,413,594	-	1,413,594	50.0%	1,169,607
Equipment	50,167	3,872	5,922	40,372	19.5%	7,919
Capitalized Fixed Assets	53,265	861	1,651	50,752	4.7%	15,394
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
<b>TOTAL EXPENSES</b>	<b>16,070,288</b>	<b>6,690,162</b>	<b>1,361,912</b>	<b>8,018,213</b>	<b>50.1%</b>	<b>6,762,451</b>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**  
**DOWNTOWN PARKING**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
<b>REVENUES</b>						
Improvement Tax	875,000	407,481	-	467,519	46.6%	431,172
Parking Fees	5,552,550	2,820,417	-	2,732,133	50.8%	2,714,983
Investment Income	202,500	110,048	-	92,452	54.3%	182,289
Rents & Concessions	23,740	23,740	-	-	100.0%	-
Reimbursements	50,000	6,711	-	43,289	13.4%	-
Miscellaneous	15,000	1,518	-	13,482	10.1%	57,089
Operating Transfers-In	43,500	43,500	-	-	100.0%	43,500
<b>TOTAL REVENUES</b>	<b>6,762,290</b>	<b>3,413,416</b>	<b>-</b>	<b>3,348,874</b>	<b>50.5%</b>	<b>3,429,033</b>
<b>EXPENSES</b>						
Salaries & Benefits	3,724,389	1,754,900	-	1,969,490	47.1%	1,786,683
Materials, Supplies & Services	1,978,278	770,284	196,330	1,011,664	48.9%	835,757
Special Projects	846,410	364,581	381,900	99,929	88.2%	365,142
Transfers-Out	312,621	156,311	-	156,311	50.0%	-
Capital Outlay Transfers	1,258,760	629,380	-	629,380	50.0%	34,078
Equipment	25,000	78	2,800	22,123	11.5%	332
Capitalized Fixed Assets	-	1,890	1,610	(3,500)	100.0%	893,473
Appropriated Reserve	50,000	-	-	50,000	0.0%	-
<b>TOTAL EXPENSES</b>	<b>8,195,457</b>	<b>3,677,422</b>	<b>582,640</b>	<b>3,935,396</b>	<b>52.0%</b>	<b>3,915,465</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**  
**AIRPORT OPERATING FUND**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
<b>REVENUES</b>						
Leases - Commercial / Industrial	3,893,750	2,107,130	-	1,786,620	54.1%	2,165,746
Leases - Terminal	4,853,050	2,522,995	-	2,330,055	52.0%	2,468,349
Leases - Non-Commerical Aviation	1,075,875	565,489	-	510,386	52.6%	613,558
Leases - Commerical Aviation	2,113,451	1,095,287	-	1,018,164	51.8%	1,137,116
Investment Income	310,000	167,195	-	142,805	53.9%	283,405
Miscellaneous	194,552	80,016	-	114,536	41.1%	189,258
<b>TOTAL REVENUES</b>	<b>12,440,678</b>	<b>6,538,113</b>	<b>-</b>	<b>5,902,565</b>	<b>52.6%</b>	<b>6,857,433</b>
<b>EXPENSES</b>						
Salaries & Benefits	4,780,946	2,285,023	-	2,495,923	47.8%	2,307,534
Materials, Supplies & Services	6,291,961	2,836,657	618,511	2,836,793	54.9%	3,172,448
Special Projects	742,838	213,146	-	529,692	28.7%	185,987
Transfers-Out	7,351	-	-	7,351	0.0%	-
Capital Outlay Transfers	675,240	325,535	-	349,706	48.2%	1,297,449
Equipment	34,212	17,920	-	16,292	52.4%	29,772
Capitalized Fixed Assets	-	-	-	-	100.0%	38,214
Appropriated Reserve	191,045	-	-	191,045	0.0%	-
<b>TOTAL EXPENSES</b>	<b>12,723,593</b>	<b>5,678,280</b>	<b>618,511</b>	<b>6,426,802</b>	<b>49.5%</b>	<b>7,031,404</b>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

**GOLF COURSE FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Fees & Card Sales	1,802,397	716,017	-	1,086,380	39.7%	956,138
Investment Income	28,300	18,271	-	10,029	64.6%	23,680
Rents & Concessions	299,741	152,822	-	146,919	51.0%	137,854
Miscellaneous	250,000	1,848	-	248,152	0.7%	24,998
<b>TOTAL REVENUES</b>	<b>2,380,438</b>	<b>888,958</b>	<b>-</b>	<b>1,491,480</b>	<b>37.3%</b>	<b>1,142,670</b>
<b>EXPENSES</b>						
Salaries & Benefits	1,137,368	553,022	-	584,346	48.6%	597,609
Materials, Supplies & Services	577,822	276,806	104,488	196,529	66.0%	397,795
Special Projects	31,190	976	9,524	20,690	33.7%	34,918
Transfers-Out	507,767	507,767	-	-	100.0%	-
Debt Service	219,058	156,862	-	62,196	71.6%	155,696
Capital Outlay Transfers	303,553	276	-	303,277	0.1%	17,070
Equipment	8,400	-	-	8,400	0.0%	1,200
Capitalized Fixed Assets	-	4,154	6,910	(11,064)	100.0%	506,473
<b>TOTAL EXPENSES</b>	<b>2,785,158</b>	<b>1,499,863</b>	<b>120,922</b>	<b>1,164,373</b>	<b>58.2%</b>	<b>1,710,761</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

**INTRA-CITY SERVICE FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Vehicle Maintenance Charges	-	-	-	-	100.0%	1,355,143
Work Orders - Bldg Maint.	3,808,159	1,663,399	-	2,144,761	43.7%	1,726,530
Rents & Concessions	65,000	-	-	65,000	0.0%	-
Grants	818,200	818,200	-	-	100.0%	-
Service Charges	1,641,481	820,740	-	820,741	50.0%	869,872
Miscellaneous	-	47	-	(47)	100.0%	94,441
Operating Transfers-In	65,000	32,500	-	32,500	50.0%	-
<b>TOTAL REVENUES</b>	<b>6,397,840</b>	<b>3,334,886</b>	<b>-</b>	<b>3,062,954</b>	<b>52.1%</b>	<b>4,045,986</b>
<b>EXPENSES</b>						
Salaries & Benefits	3,121,012	1,451,352	-	1,669,660	46.5%	2,125,310
Materials, Supplies & Services	919,270	446,073	68,012	405,185	55.9%	1,179,628
Special Projects	1,686,832	418,402	439,723	828,708	50.9%	615,830
Capital Outlay Transfers	65,829	65,414	-	415	99.4%	1,603
Equipment	23,000	155	-	22,845	0.7%	13,750
Capitalized Fixed Assets	843,724	536	79,227	763,961	9.5%	38,303
<b>TOTAL EXPENSES</b>	<b>6,659,667</b>	<b>2,381,932</b>	<b>586,962</b>	<b>3,690,772</b>	<b>44.6%</b>	<b>3,974,424</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

**FLEET REPLACEMENT FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Vehicle Rental Charges	1,343,020	671,510	-	671,510	50.0%	926,149
Investment Income	194,000	107,609	-	86,391	55.5%	149,846
Rents & Concessions	242,848	121,424	-	121,424	50.0%	134,120
Miscellaneous	-	52,709	-	(52,709)	100.0%	50,647
<b>TOTAL REVENUES</b>	<b>1,779,868</b>	<b>953,251</b>	<b>-</b>	<b>826,617</b>	<b>53.6%</b>	<b>1,260,763</b>
<b>EXPENSES</b>						
Salaries & Benefits	162,092	73,814	-	88,278	45.5%	58,138
Materials, Supplies & Services	1,120	560	-	560	50.0%	1,299
Capitalized Fixed Assets	3,658,662	724,501	818,469	2,115,693	42.2%	844,442
<b>TOTAL EXPENSES</b>	<b>3,821,874</b>	<b>798,875</b>	<b>818,469</b>	<b>2,204,531</b>	<b>42.3%</b>	<b>903,879</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

**FLEET MAINTENANCE FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Vehicle Maintenance Charges	2,480,238	1,240,119	-	1,240,119	50.0%	-
Miscellaneous	50,000	-	-	50,000	0.0%	-
<b>TOTAL REVENUES</b>	<b>2,530,238</b>	<b>1,240,119</b>	<b>-</b>	<b>1,290,119</b>	<b>49.0%</b>	<b>-</b>
<b>EXPENSES</b>						
Salaries & Benefits	1,189,312	556,607	-	632,705	46.8%	-
Materials, Supplies & Services	1,367,766	433,885	152,488	781,393	42.9%	-
Special Projects	60,625	9,707	15,827	35,091	42.1%	-
Equipment	14,000	-	-	14,000	0.0%	-
<b>TOTAL EXPENSES</b>	<b>2,631,703</b>	<b>1,000,199</b>	<b>168,315</b>	<b>1,463,189</b>	<b>44.4%</b>	<b>-</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

**SELF INSURANCE TRUST FUND**

	<b>** Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Insurance Premiums	2,950,613	1,475,307	-	1,475,306	50.0%	1,598,720
Workers' Compensation Premiums	2,482,928	1,241,464	-	1,241,464	50.0%	928,751
OSH Charges	302,518	151,259	-	151,259	50.0%	146,050
Investment Income	337,615	138,897	-	198,718	41.1%	243,229
Miscellaneous	-	12,418	-	(12,418)	100.0%	354,276
Accel - Return of Premium	-	-	-	-	100.0%	750,000
<b>TOTAL REVENUES</b>	<b>6,073,674</b>	<b>3,019,345</b>	<b>-</b>	<b>3,054,329</b>	<b>49.7%</b>	<b>4,021,026</b>
<b>EXPENSES</b>						
Salaries & Benefits	600,672	256,338	-	344,334	42.7%	257,933
Materials, Supplies & Services	5,590,392	2,116,280	236,026	3,238,086	42.1%	2,160,733
Transfers-Out	300,000	300,000	-	-	100.0%	1,589,853
Capital Outlay Transfers	1,105	552	-	553	50.0%	2,137
Equipment	4,000	-	-	4,000	0.0%	-
Appropriated Reserve	23,671	-	-	23,671	0.0%	-
<b>TOTAL EXPENSES</b>	<b>6,519,840</b>	<b>2,673,171</b>	<b>236,026</b>	<b>3,610,644</b>	<b>44.6%</b>	<b>4,010,656</b>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

**INFORMATION SYSTEMS ICS FUND**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
<b>REVENUES</b>						
Service charges	2,435,147	1,222,601	-	1,212,546	50.2%	1,285,849
Miscellaneous	-	226	-	(226)	100.0%	10,526
<b>TOTAL REVENUES</b>	<b>2,435,147</b>	<b>1,222,828</b>	<b>-</b>	<b>1,212,319</b>	<b>50.2%</b>	<b>1,296,374</b>
<b>EXPENSES</b>						
Salaries & Benefits	1,537,067	719,459	-	817,608	46.8%	844,950
Materials, Supplies & Services	598,350	347,563	53,767	197,020	67.1%	259,556
Special Projects	1,700	1,415	2,796	(2,512)	247.7%	(771)
Capital Outlay Transfers	-	-	-	-	100.0%	42,500
Equipment	408,269	215,280	10,098	182,891	55.2%	(1,547)
Capitalized Fixed Assets	-	-	-	-	100.0%	488
Appropriated Reserve	84,895	-	-	84,895	0.0%	-
<b>TOTAL EXPENSES</b>	<b>2,630,280</b>	<b>1,283,718</b>	<b>66,661</b>	<b>1,279,902</b>	<b>51.3%</b>	<b>1,145,177</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2009 (50% of Fiscal Year)**

**WATERFRONT FUND**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
<b>REVENUES</b>						
Leases - Commercial	1,482,056	775,529	-	706,527	52.3%	830,248
Leases - Food Service	2,393,380	1,288,356	-	1,105,024	53.8%	1,349,584
Slip Rental Fees	3,676,785	1,831,281	-	1,845,504	49.8%	1,767,729
Visitors Fees	700,000	310,659	-	389,341	44.4%	272,964
Slip Transfer Fees	250,000	300,875	-	(50,875)	120.4%	169,500
Parking Revenue	1,885,098	996,309	-	888,789	52.9%	795,484
Wharf Parking	268,749	119,202	-	149,547	44.4%	110,223
Other Fees & Charges	364,909	186,592	-	178,317	51.1%	189,703
Investment Income	125,000	136,090	-	(11,090)	108.9%	188,771
Rents & Concessions	279,322	149,840	-	129,482	53.6%	141,290
Miscellaneous	97,049	102,823	-	(5,774)	105.9%	145,238
<b>TOTAL REVENUES</b>	<b>11,522,348</b>	<b>6,197,555</b>	<b>-</b>	<b>5,324,793</b>	<b>53.8%</b>	<b>5,960,733</b>
<b>EXPENSES</b>						
Salaries & Benefits	5,530,336	2,687,524	-	2,842,812	48.6%	2,699,247
Materials, Supplies & Services	3,416,967	1,484,727	561,150	1,371,090	59.9%	1,594,191
Special Projects	122,559	42,820	3,000	76,739	37.4%	15,253
Debt Service	1,673,572	1,112,096	-	561,476	66.5%	1,198,749
Capital Outlay Transfers	1,131,381	565,691	-	565,691	50.0%	495,499
Equipment	86,445	10,299	2,240	73,906	14.5%	50,928
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
<b>TOTAL EXPENSES</b>	<b>12,061,259</b>	<b>5,903,156</b>	<b>566,390</b>	<b>5,591,714</b>	<b>53.6%</b>	<b>6,053,868</b>

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

**Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)**

**General Fund Revenues**

The table below summarizes General Fund revenues for the six months ended December 31, 2009. For interim financial statement purposes, revenues are reported on the cash basis (i.e. when they are received). The table below includes the budgeted totals as well as the year-to-date (YTD) budget, which for tax revenues have been seasonally adjusted based on a 3-year average of collections through the same period. Because tax revenues are not collected evenly throughout the year, adjusting the YTD budget to reflect the unique collection pattern of each category of tax revenue enables a more meaningful comparison to year-to-date results shown in the YTD Actual column. For all other revenues, the YTD Budget column represents 50% (6 months out of the 12 elapsed) of the budget column. Unlike tax revenues, these revenues tend to be collected more evenly during the year.

<b>Summary of Revenues For the Six Months Ended December 31, 2009 GENERAL FUND</b>								
	<b>Current Year Analysis</b>						<b>Prior Year Analysis</b>	
	<b>Amended Annual Budget</b>	<b>YTD Budget *</b>	<b>YTD Actual</b>	<b>YTD Variance</b>	<b>YTD Percent Rec'd</b>	<b>3-Year Average Bench- mark</b>	<b>Prior Year YTD Actual</b>	<b>Variance Prior Yr To Current Yr</b>
Sales & Use Tax	\$ 17,405,682	\$ 6,823,027	\$ 6,412,644	\$ (410,383)	36.8%	39.2%	\$ 7,603,457	-15.7%
Property Tax	23,426,345	8,738,027	7,566,461	(1,171,566)	32.3%	37.3%	8,590,431	-11.9%
UUT	6,916,329	3,465,081	3,484,555	19,474	50.4%	50.1%	3,509,286	-0.7%
TOT	11,351,970	6,879,294	6,618,032	(261,262)	58.3%	60.6%	7,737,272	-14.5%
Bus License	2,273,300	927,506	917,418	(10,088)	40.4%	40.8%	982,866	-6.7%
Prop Trans Tax	325,800	184,403	199,690	15,287	61.3%	56.6%	166,796	19.7%
Total Taxes	<u>61,699,426</u>	<u>27,017,338</u>	<u>25,198,800</u>	<u>(1,818,538)</u>	40.8%		<u>28,590,108</u>	-11.9%
License & Permits	179,000	89,500	85,941	(3,559)	48.0%	50.0%	92,424	-7.0%
Fines & Forfeitures	2,950,092	1,475,046	1,474,969	(77)	50.0%	50.0%	1,377,303	7.1%
Franchise Fee	3,335,000	1,645,736	1,639,714	(6,022)	49.2%	49.3%	1,463,071	12.1%
Use of Money & Property	1,348,387	674,194	796,574	122,381	59.1%	50.0%	966,991	-17.6%
Intergovernmental	2,525,077	1,262,539	364,508	(898,031)	14.4%	50.0%	1,971,469	-81.5%
Fee & Charges	19,477,381	9,738,691	9,510,604	(228,087)	48.8%	50.0%	8,412,148	13.1%
Miscellaneous	10,323,084	5,161,542	5,546,557	385,015	53.7%	50.0%	6,293,850	-11.9%
Budgeted year-end variance	1,361,508	680,754	-	(680,754)	0.0%	50.0%	-	0.0%
Total Other	<u>41,499,529</u>	<u>20,728,000</u>	<u>19,418,867</u>	<u>(1,309,133)</u>	46.8%		<u>20,577,256</u>	
<b>Total Revenues</b>	<u>\$ 103,198,955</u>	<u>\$ 47,745,338</u>	<u>\$ 44,617,667</u>	<u>\$ (3,127,671)</u>	43.2%		<u>\$ 49,167,364</u>	-9.3%

\* YTD Budget for Taxes is calculated based on a 3-year average of collections for each revenue source; for all other revenues, YTD Budget is calculated on a straight-line basis based on the number of months elapsed.

After six months of activity, we are able to identify trends in our revenues and update our estimates regarding where we expect revenues to end the year. As seen in the table above, total revenues are approximately \$3.1 million below the YTD budget at December 31, 2009. This variance is primarily due to the continuing effect of the recession on our non-departmental tax revenues as well as the intergovernmental and fees and service charges categories. This variance is beyond what was anticipated in the amended revenue adjustments that Council approved in November, 2009. When comparing YTD revenues to last fiscal year, overall collections are 9.3% below the same period and nearly every revenue category shows declines.

**Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)**

---

We expect that General Fund revenues will not meet budget at year end, in spite of the first quarter non-departmental revenue adjustments that Council approved in November 2009, falling short of the amended budget by approximately \$2.35 million in non-departmental revenues (excluding the anticipated year-end variance), while departmental revenues are expected to end the year between \$1.3 – 1.5 million under budget. A large portion of the departmental variance is due to mutual aid revenue in the Fire Department which may be approximately \$1.3 million under budget See discussion in Intergovernmental Revenues below). We will continue to monitor all revenues closely in the second half of the fiscal year for any additional revenue declines beyond mid year expectations.

It is important to note that the previous table includes \$1.36 million in “Anticipated Year-End Variance” as budgeted revenue. This “revenue” is roughly equal to 1.3% of budgeted operating expenditures in the General Fund, and represents what staff projected in total favorable variances in revenues and expenditures (revenues *over* budget and expenditures *under* budget) for the year. No actual revenues are recognized in this account; rather the negative variance typically is offset by actual favorable variances realized in other revenue and expenditure accounts at year-end. As discussed above, the current economic crisis has created significant shortfalls in projected year-end revenues and, therefore, it is expected that no overall favorable year-end revenue variances will be realized by year-end as planned. Expenditure savings will be relied on alone to offset the negative variance in the anticipated year-end variance “revenue” account.

Each revenue category shown in the table above is discussed below.

**Sales and Use Taxes**

Sales tax revenue is below the YTD budget by \$410,383, which is consistent with expectations due to the continuing impact of the recession on our local economy. For the quarter ended September 30, 2009, sales tax revenue declined 16.9% from last fiscal year for the same quarter. In November, the sales tax estimate was lowered by over \$1 million as part of the first quarter budget adjustments. We expect an additional shortfall of almost \$624,000 from the amended budget by year-end based on an assumption that sales tax for the December quarter to be received in March will decline 5% and then remain flat for the last two quarters of the fiscal year.

**Property Taxes**

Property tax revenue is below the YTD budget by \$1.17 million due primarily to a timing issue of when payments were received from the County. In January, we received an additional \$930,000 in secured taxes that were not paid in December. When factoring in this additional secured payment, collections are roughly \$250,000 below YTD budget.

In November, the property tax estimate was lowered by \$433,655 as part of the first quarter adjustments based on additional guidance from the County on property tax estimates for fiscal year 2010. However, based on final information from the County on the City’s property tax roll set for 2010, as well as poor YTD performance in supplemental property taxes (imposed when properties are sold or improved after the levy date), we anticipate an additional shortfall of approximately \$396,000 from the amended property tax budget.

**Utility Users Taxes**

A utility users' tax (UUT) is applied to utilities, including water, cable television, telephone, electricity, refuse, and natural gas. By ordinance, 50% of most UUT revenues are restricted for streets maintenance and capital and are reported directly in the Streets Fund. In November, the UUT estimate was lowered by \$675,090 as part of the first quarter budget adjustments. We expect an additional shortfall of almost \$206,000 from the amended budget based primarily on additional shortfalls in the electricity and gas sectors due to fluctuations in the commodity prices which are uncontrollable and difficult to predict.

**Transient Occupancy Taxes**

Transient occupancy tax (TOT) revenue is \$261,262 under the YTD budget at the end of December and 14.5% below prior year cash collections for the same period. This revenue has shown double-digit declines in five of the first six months of the fiscal year. In November, the TOT estimate was lowered by \$675,030 as part of the first quarter budget adjustments; however based on information on collections through December, we expect an additional shortfall of \$455,500 in this revenue. The amended budget assumed an overall 5.7% decline from the prior year. We expect the actual decline in TOT to be 9.5% at year end.

**Business License Tax**

Business license tax revenues are only slightly below YTD budget by \$10,088. In general, many of the largest licensed businesses pay taxes based on a percent of their gross sales and, therefore, this revenue source is also impacted by the recession. Although YTD collections are 6.7% below prior year collections for the same period, the current year budget was conservatively estimated and we anticipate to meet budget at year end.

**Property Transfer Tax**

After the first six months, property transfer tax revenue shows a positive budget variance of \$15,287 or 4.7% above the 3 year benchmark for YTD budget. Property transfer taxes are paid when real property is sold, and the positive variance is consistent with an increase in the number of property sales locally during the first half of the fiscal year. However, it should be noted here that due to the substantial decline in the median and average home sales prices, we do not expect the increase in the property transfer tax revenue to translate into higher supplemental property tax collections as discussed in the property tax section above.

**Fines and Forfeitures**

General Fund revenues in this category are derived from four sources: parking citation revenues and municipal court fines budgeted in the Police Department, late fees on utility bills in the Finance Department, and Library fines. Overall, fines and forfeitures are tracking in line with YTD budget. However, this is due to the new late fee on utility bills exceeding YTD budget. At the end of December, in its first year of implementation, 90.9% of late fee revenue has been received after only 50% of the fiscal year. This overage serves to offset shortfalls in other revenues in the fines and forfeitures category. Parking citation revenues are down substantially through the first six months due to 15% vacancy rate for parking enforcement officers and a

***Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)***

---

reduction of 12% in the number of citations issued through December. Although all parking enforcement officer vacancies have been filled as of January, 2010, a \$350,000 shortfall is expected in parking citation revenue at year-end.

**Licenses & Permits**

Revenues in this category are derived from the issuance of a variety of miscellaneous licenses and permits for businesses and activities such as taxi cabs, dance halls, tobacco retailers, and animal licenses. These revenues are only slightly below YTD budget by \$3,559. We expect this revenue to meet budget at year-end.

**Franchise Fees**

Franchise fee revenues are received from companies that have a franchise agreement to provide utility services in the City and tend to follow the same overall pattern as UUT over the course of a fiscal year. However, this revenue does not track exactly the same as UUT throughout each month because there are variances in the timing of franchise payments from the electricity providers (which pay quarterly, not monthly) and gas providers (which pay on estimate that is trued up in February of each year). Through December, franchise fees are in line with YTD budget; however, at year end we expect a shortfall from the amended budget of slightly more than \$427,000. This is in line with the anticipated shortfall in UUT revenues as discussed above.

**Use of Money & Property**

Although the City's monthly yield on investments has steadily declined in the first six months, revenues in this category are ahead of YTD budget by approximately 9.1%. However, the current year budget anticipated declining market returns throughout the year. By year-end, we expect this revenue category will meet budget as the lower monthly yields in the second half of the year will normalize the apparent surplus shown at the end of December.

**Intergovernmental**

Intergovernmental revenue is below the YTD budget due to lower mutual aid revenues received by the Fire Department this year. Mutual aid revenues are the largest revenue in the intergovernmental category and received when the Fire Department responds to emergencies in other jurisdictions. If there are no additional mutual aid responses this year, this revenue source is projected to be roughly \$1.3 million short of budget. This is dependant on the number and type of mutual aid calls that the department receives during the year. A negative variance in mutual aid revenues is mostly offset by reduced personnel costs to provide the aid so the department should show a corresponding variance in expenditures at year-end.

**Fees & Service Charges**

Overall, fees and service charges are \$228,000 (1.2%) under YTD budget. Public Works revenues are almost \$229,000 over the YTD budget and Community Development revenues are almost \$72,000 ahead of the YTD budget while all others fell short of the mid-year budget. The more significant mid-year variances are discussed below.

**Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)**

Public Works fee revenue was \$229,000 over the YTD budget because of engineering work orders exceeding expectations through December 31. Engineering Work orders are primarily charges for services to other funds throughout the City related to capital projects. Some of these projects are funded by federal stimulus money. Community Development fees were ahead of the YTD budget due to permits and fees associated with rebuilding homes damaged by the Tea Fire. As the year progresses, the effect of these permits will be lessened and revenues are expected to approximate revenues at year-end.

Parks & Recreation revenues are \$(241,000) (9.8%) below the YTD budget due to declining facility rentals and registrations for classes and programs. Revenues have been significantly impacted by fewer rentals at the three beachfront facilities and other facilities & park sites. Participation in programs that were relocated from the Carrillo Recreation Center has had a negative impact on mid-year revenues. Overall program revenue declines led the department to propose a fee increase effective April 1, 2010 to help offset revenue shortages. The Department has also proposed expenditure reductions to help offset the budget gap.

Inter-Fund charges are \$178,000 (3.1%) below the YTD budget at mid-year. Approximately \$106,000 of the variance is related to cost reimbursements from the City Redevelopment Agency (RDA). Salary & benefits costs in the RDA are lower than budgeted due primarily to vacancies of key positions. With lower costs incurred to manage RDA operations, reimbursement revenues from the RDA are proportionately lower. The remainder of the YTD budget variance is due to reimbursement for law enforcement activities. The City administers a police communications network for a Joint Powers Authority (JPA) with various police agencies throughout the state. Operating expenditures for the JPA are billed twice during the year so mid-year variances are normal. All costs of the JPA will be reimbursed. Additionally, a portion of the mid-year variance is due to grant reimbursements that have not yet occurred. The police have provided services that are reimbursable through federal and state grants. The reimbursements are received after actual expenditures have been made so they often lag throughout the year.

Fees and Service Charges General Fund For the Six Months Ended December 31, 2009								
Department	Annual Budget	YTD Budget	YTD Actual	Budget Variance	Percent Received YTD	Prior Year YTD	Prior Year Variance	Percent Variance
Finance	\$ 858,930	\$ 429,465	\$ 412,783	\$ (16,682)	48.1%	\$ 406,412	\$ 6,371	1.6%
Community Development	4,425,717	2,212,859	2,284,447	71,589	51.6%	2,179,264	105,183	4.8%
Parks & Recreation	2,448,499	1,224,250	983,507	(240,743)	40.2%	1,131,940	(148,433)	-13.1%
Public Safety	550,543	275,272	199,157	(76,115)	36.2%	168,066	31,091	18.5%
Public Works	4,608,873	2,304,437	2,533,361	228,925	55.0%	2,005,240	528,121	26.3%
Library	775,452	387,726	370,265	(17,461)	47.7%	18,541	351,724	1897.0%
Inter-Fund Charges	5,809,367	2,904,684	2,727,084	(177,600)	46.9%	2,502,685	224,399	9.0%
<b>Total</b>	<b>\$ 19,477,381</b>	<b>\$ 9,738,691</b>	<b>\$ 9,510,604</b>	<b>\$ (228,087)</b>	<b>48.8%</b>	<b>\$ 8,412,148</b>	<b>\$ 1,098,456</b>	<b>13.1%</b>

**Miscellaneous Revenues**

Miscellaneous Revenues are \$385,015 over YTD budget at December 31. The positive budget variance consists of unbudgeted litigation settlement revenue of approximately \$230,000 and

**Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)**

rebates returned to the General Fund from the City's ICS Funds, approved by Council as part of the first quarter budget adjustments. All of the rebates were booked in November, resulting in positive YTD budget variances that will normalize by the end of the fiscal year.

**General Fund Expenditures**

The table below summarizes the General Fund budget and year-to-date expenditures through December 31, 2009. The Annual Budget column represents the amended budget, which includes appropriation carryovers from the prior year, as well as any supplemental appropriations approved by Council in the current year.

SUMMARY OF EXPENDITURES GENERAL FUND For the Six Months Ended December 31, 2009								
Department	Amended Annual Budget	YTD Budget	YTD Actual	W/O Encumbrance Variance Favorable (Unfavorable)		Encum- brance	With Encumbrance Variance Favorable (Unfavorable)	
				\$	%		\$	%
Mayor & Council	\$ 747,750	373,875	\$ 349,502	\$ 24,373	3.3%	\$ 1,945	\$ 22,428	3.0%
City Attorney	2,099,358	1,049,679	1,020,892	28,787	1.4%	-	28,787	1.4%
City Administrator	1,946,030	973,015	985,700	(12,685)	-0.7%	40,289	(52,974)	-2.7%
Administrative Svcs.	2,146,852	1,073,426	1,071,729	1,697	0.1%	35,529	(33,832)	-1.6%
Finance	4,501,067	2,250,534	2,237,398	13,136	0.3%	39,014	(25,879)	-0.6%
Police	33,033,465	16,516,733	16,161,276	355,457	1.1%	219,785	135,672	0.4%
Fire	21,504,996	10,752,498	10,412,152	340,346	1.6%	74,947	265,399	1.2%
Public Works	6,397,298	3,198,649	3,029,511	169,138	2.6%	81,664	87,474	1.4%
Parks & Recreation	13,443,464	6,721,732	6,665,744	55,988	0.4%	208,861	(152,873)	-1.1%
Library	4,171,993	2,085,997	1,946,876	139,121	3.3%	6,474	132,647	3.2%
Community Dev.	10,465,410	5,232,705	4,992,243	240,462	2.3%	79,330	161,132	1.5%
Non-Departmental	2,905,791	1,452,896	1,406,782	46,114	1.6%	-	46,114	1.6%
Total	<u>\$ 103,363,474</u>	<u>\$ 51,681,737</u>	<u>\$ 50,279,805</u>	<u>\$ 1,401,932</u>	1.4%	<u>\$ 787,838</u>	<u>\$ 614,094</u>	0.6%
% of annual budget		50.0%	48.6%	1.4%		0.8%		

A year-to-date budget (labeled "YTD Budget") column is included in the table above which represents 50% of the annual budget to coincide with 6 out of 12 months in the fiscal year having elapsed. Unlike many tax revenues, where the collection rate during the year is seasonally affected, most expenditures tend to be incurred fairly evenly throughout the year. This is primarily due to salary and benefits expenditures, which account for approximately 75% of General Fund expenditures, which are paid out fairly evenly during the year.

The amended annual budget totaled approximately \$103.4 million, and the year-to-date (YTD) budget is calculated at \$51.7 million (50%). Actual expenditures were almost \$50.3 million through the first six months of the year, which resulted in a positive budget variance of approximately \$1.4 million (1.4%). The General Fund had approximately \$850,000 (1.1%) in salary savings through the first half of the fiscal year in addition to the furlough savings which were included in the budget. The General Fund also had approximately \$788,000 in outstanding encumbrances at December 31. Encumbrances are amounts that have been obligated to be spent but have not yet actually been expended. These encumbrances are often recorded in the beginning of the year even though they will be used throughout the entire year

***Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)***

---

or in subsequent years. Encumbrances include amounts that were carried forward from the prior year and current year encumbered contracts for materials and services, such as financial audits, maintenance, and professional services. Including the encumbrances, the positive variance at December 31 was \$614,000 (0.6%).

As shown in the table above, all General Fund Departments except the City Administrator were within their respective YTD budgets at December 31. When outstanding encumbrances are included, four departments exceeded the YTD budget at December 31. These negative variances are temporary and are expected to decrease as more time elapses in the fiscal year. Staff projections indicate that all General Fund departments will end the year below their budgeted appropriation authority.

Departments with negative variances through December 31, 2009 are discussed below.

**City Administrator Office**

City Administrator departmental expenditures were almost \$53,000 over the YTD budget due to \$40,000 in outstanding encumbrances at December 31 and more than \$50,000 in payments to City partners for gang prevention under the CALGRIP grant. The encumbrances are primarily professional service contracts for Spanish translation services for City TV that will be utilized throughout the year. These create a temporary variance and will be expended throughout the remainder of the year as needed. The payments to City partners for the CALGRIP grant were budgeted in the Miscellaneous Grants Fund and will be reclassified to the appropriate fund and program.

**Administrative Services**

Administrative Services costs were almost \$34,000 over the December 31 YTD budget. This temporary variance was entirely due to professional service contracts that were encumbered at the beginning of the year for use throughout the fiscal year. The City Clerk's Office had approximately \$16,000 encumbered for duplicating, advertising, and remaining election costs. Additionally, Human Resources had almost \$20,000 encumbered through a blanket purchase orders for professional services that might be needed throughout the remainder of the year.

**Finance Department**

Finance Department expenditures and encumbrances were almost \$34,000 over the YTD budget at December 31. Approximately \$24,000 of this temporary variance is the result of the annual financial audit contract that has been encumbered and will be spent over the final six months of the year. The remainder is for various contracts for services that will be needed throughout the rest of this fiscal year.

**Parks & Recreation**

The Parks & Recreation Department expenditures and encumbrances were approximately \$153,000 over the YTD budget at mid-year. The encumbrances include maintenance contracts, professional service contracts, supplies and equipment, and other costs that will be spent in normal operations throughout the remainder of the fiscal year.

**Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)**

**Enterprise Funds**

Enterprise Fund operations are primarily financed from user fees. This is in contrast to the General Fund, which relies primarily on taxes to subsidize programs and services. Because of this, enterprise fund revenues have not been negatively impacted by the steep decline in key tax revenues that has occurred in the General Fund. However, as the recession has continued, some enterprise fund revenues have been negatively impacted.

<b>SUMMARY OF REVENUES &amp; EXPENSES Six Months Ended December 31, 2009 ENTERPRISE FUNDS</b>									
	<b>Current Year Analysis</b>						<b>Prior Year Analysis</b>		
	<b>Annual Budget</b>	<b>YTD Budget *</b>	<b>YTD Actual</b>	<b>YTD Variance</b>	<b>YTD Percent</b>	<b>3 Year Average</b>	<b>YTD Actual</b>	<b>% Variance</b>	
<b>Water Fund</b>									
Revenues	\$ 34,188,296	\$ 18,430,910	\$ 18,792,916	\$ 362,006	55.0%	53.9%	\$ 18,819,047	-0.1%	
Expenses **	37,418,635	18,709,318	18,605,334	103,984	49.7%	50.0%	19,195,535	-3.1%	
<b>Wastewater Fund</b>									
Revenues	14,828,850	7,470,775	7,521,999	51,224	50.7%	50.4%	7,531,070	-0.1%	
Expenses **	16,070,288	8,035,144	8,052,074	(16,930)	50.1%	50.0%	7,970,927	1.0%	
<b>Downtown Parking Fund</b>									
Revenues	6,762,290	3,310,141	3,413,416	103,275	50.5%	49.0%	3,429,033	-0.5%	
Expenses **	8,195,457	4,097,729	4,260,062	(162,334)	52.0%	50.0%	5,747,228	-25.9%	
<b>Airport Fund</b>									
Revenues	12,440,678	6,130,766	6,538,113	407,347	52.6%	49.3%	6,857,433	-4.7%	
Expenses **	12,723,593	6,361,797	6,296,791	65,006	49.5%	50.0%	7,776,825	-19.0%	
<b>Golf Fund</b>									
Revenues	2,380,438	1,121,662	888,958	(232,704)	37.3%	47.1%	1,142,670	-22.2%	
Expenses **	2,785,158	1,392,579	1,620,785	(228,206)	58.2%	50.0%	1,960,214	-17.3%	
<b>Waterfront Fund</b>									
Revenues	11,522,348	6,008,904	6,197,555	188,651	53.8%	52.2%	5,960,733	4.0%	
Expenses **	12,061,259	6,030,630	6,469,546	(438,917)	53.6%	50.0%	6,701,534	-3.5%	
* The YTD Budget column has been calculated based on a 3-year average collection rate through December 31, which has been applied to the annual budget.									
** Expenses include encumbrances at December 31.									

The table above summarizes Enterprise Fund revenues and expenses through December 31, 2009, with a comparison to budget and prior year. Note that the "YTD Budget" column for revenues has been calculated based on a 3-year average collection rate through December 31. This rate, which is shown as a percentage in the "3 Year Average" column, has been applied to the annual budget amount to arrive at the YTD Budget. This approach is used in recognition that enterprise fund revenues are seasonally affected and are generally not received evenly throughout the year. For example, Water Fund revenues are affected by weather conditions such that demand is higher in the warmer summer months and lower in the wet winter months. Therefore, adjusting the budget for seasonal variations allows us to compare revenues against prior year results according to the normal collection patterns. The YTD budget for expenses is

***Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)***

---

50% of the annual budget. The "YTD Actual" for expense includes encumbrances at December 31 of each respective year.

At December 31, 2009, all enterprise funds except the Golf Fund have met the YTD revenue budgets. In anticipation of the negative revenue impacts of the recession, all funds except the Water Fund and Wastewater Fund budgeted decreased revenues this year.

Enterprise fund revenues and expenses are discussed briefly below.

**Water Fund**

The Water Fund has received 55% of annual budgeted revenues throughout the first six months of the year, resulting in a \$362,000 (1.1%) variance from the YTD budget. While this is ahead of the YTD budget it is virtually even (-0.1%) with revenues from the prior year. Metered water sales account for approximately 97% of budgeted revenues in the fund and 53.2% of the annual budget was received to date. This is in line with the YTD budgeted collection rate of 53.9%. The primary reason for the mid-year variance in revenues is reimbursements received from the Carpinteria and Montecito Water districts for their share of operating the Cater water treatment plant. Water treatment costs have increased this year due to the additional filtration requirements resulting from the recent fires in the area. Water sales are higher in the first six months of the year due to the warm, dry summer months. The amount of rainfall in the winter months will have a significant impact on revenues for the remainder of the year but revenues are expected to meet budget for the year.

Water Fund expenses (including encumbrances) were 0.3% below the YTD budget at mid-year. Salary & benefits expenses were only 45.9% of the annual budget at December 31 and provided savings for the fund. Expenses in the fund are expected to continue tracking with the YTD budget throughout the year and will be within budget at year-end.

**Wastewater Fund**

Wastewater Fund revenues are in line with the YTD budget and prior year revenues. Revenues are primarily based on a capped level of water usage by customers and do not have as much fluctuation as water revenues. Staff projects that revenues will meet budget for the year.

Wastewater Fund expenses and encumbrances are slightly (0.1%) over the YTD budget at December 31. This slight variance is the result of outstanding encumbrances at mid-year and is expected to diminish throughout the remainder of the year. Salary & benefits costs were only 45.8% of the annual budget mostly due to vacancies, including the Wastewater Resources Manager position which was vacant for five months.

**Downtown Parking Fund**

Downtown Parking Fund revenues are approximately \$103,000 (1.5%) ahead of the YTD budget. The current year revenue budget was reduced almost \$703,000 from prior year revenues. YTD revenues were approximately even with revenues for the first six months of the prior year. Parking revenues are significantly impacted by the number of visitors and retail activity in the City. Approximately 72% of annual budgeted revenues are for hourly parking monthly at the City's parking facilities and the Fund collected approximately 51% of the annual budget for these revenues in the first half of the year. Revenues are expected to approximate budget for the year.

***Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)***

---

Downtown Parking Fund expenses were \$162,000 (2%) over the YTD budget at mid-year but 25.9% below expenses for the first six months of the prior year. The current year variance is due to outstanding encumbrances for commuter programs, supplies, and maintenance contracts that will be used throughout the remainder of the year. Salary & benefits costs were 47.1% of the annual budget and expenses are projected to end the year well within budget. Expenses are significantly lower than the prior year because of a structural change made to the fund this year. We created a Downtown Parking capital projects fund this and are accounting for the long-term capital projects in that fund.

**Airport Fund**

Airport Fund revenues were approximately \$407,000 (2.7%) ahead of the YTD budget at December 31 and \$319,000 (4.7%) below comparable revenues for the prior year. The Fund anticipated an 8.5% reduction in passenger traffic and an 8% reduction in rental income this year and reduced this year's annual budget by \$451,000. In spite of various changes in tenants, lease revenues have remained strong and are approximately 8.2% ahead of budget. Airport terminal revenue is approximately 4% ahead of budget. There has been a reduction in passenger flights and passenger counts this year but the percentage of seats occupied on the remaining flights has increased over the prior year. Additionally, the relocation of the gift shop to the central lobby has resulted in more than a 36% increase in sales. At this point, staff is optimistic that revenue will meet budget for the year.

Airport Fund expenses and encumbrances are 0.5% below the YTD budgeted amounts. Actual operating expenses (excluding capital transfers) were 10.7% below the YTD budget. Salaries and benefits costs were 4.7% below the YTD budget and supplies & services were more than 26% under budget; however, the encumbered costs for supplies and services will be consumed in the second half of the year. Overall, expenses are on target and will end the year under budget.

**Golf Fund**

Golf Fund revenues were approximately \$233,000 (9.8%) below the YTD budget at mid-year. At mid-year, Golf Fund FY10 revenue is down 22% from 43.2% in FY 09 to 37.3% this year. Rounds of golf are down 20% over this time last year due the economic downturn and two construction projects, Phase IV of the Safety Improvement Plan (renovation of two greens and completion of a continuous cart path system) and the Creeks Division Storm Water Quality/Creek Restoration Project. The Department is projecting revenue to increase beginning in March with the onset of spring weather and the completion of the construction projects. The reconstructed 5th and 11th greens are maturing well, and it is expected that they will be open for play by the end of February. The Creeks Division anticipates the storm water project will be complete by the end of February. Staff estimates that year-end revenues will be \$336,000 to \$355,000 below budget.

Golf Fund expenses are higher than the YTD budget at mid-year due to the costs of the on-going golf course improvement project. Approximately \$508,000 has been spent on this project this year, which represents almost 35% of the YTD expenses through December 31. There will be no more charges for this project in the Golf Fund this year so the impact of this project on overall expenses will decrease through the remainder of the year. With a projected \$336,000 revenue shortfall, staff is working to reduce expenses throughout the remainder of the year to offset a significant portion of the projected budget shortfall. Management believes that they will be able to reduce expenditures \$336,000 to cover the revenue shortfall. The Fund is reducing

***Fiscal Year 2010 Interim Financial Statements  
For the Six Months Ended December 31, 2009 (50% of Year Elapsed)***

---

expenses for supplies & services, special projects, and capital projects where possible. Additionally, the Fund will need to achieve salary savings through position vacancies.

**Waterfront Fund**

Waterfront Fund revenues were \$189,000 (1.6%) above YTD revenues at December 31 and 4% ahead of revenues for the same period in the prior year. The Property Management program is below the YTD budget due to the tough economic environment and its effect on the percentage rents generated by Waterfront lessees. The Parking Services program revenue is in line with the YTD budget and 1.6% above prior year revenues due to the fee increases that affected all Waterfront lots effective July 1, 2009. Sales of annual parking permits also appear to have improved slightly over last year. Marina Management revenue is exceeding the YTD budget, and is expected to finish the year 4.3% above budget expectations, primarily due to an increase of slip transfers taking place during the first two quarters of the fiscal year. After falling significantly below budget last year, slip transfer fees have returned to a more normal level. Overall, revenues are anticipated to slightly exceed budget for the year.

Overall, the Fund spent and encumbered 53.6% of the annual budget, resulting in a \$439,000 negative variance at December 31. The variance is due to \$566,390 encumbered at mid-year, primarily for materials, supplies, and services contracts that will be used throughout the remainder of the year. The Fund has recognized 48.6% of annual budgeted salary & benefits costs through the first six months of the year and expenses are on target to end the year under budget.



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 23, 2010

**TO:** Mayor and Councilmembers

**FROM:** Airport Administration, Airport Department  
City Attorney's Office

**SUBJECT:** Conference With Real Property Negotiator

### RECOMMENDATION:

That Council hold a closed session pursuant to the authority of Section 54956.8 of the Government Code to consider instructions to City staff and the City Attorney regarding potential lease negotiations with R. D. Olson Development for a four-acre parcel of real property located at 6100 Hollister Avenue at the Airport, bounded by Hollister Avenue, Frederic Lopez Road, Francis Botello Road and David Love Place, owned by the City of Santa Barbara (Parcel 22 of the Airport Specific Plan Map [City Parcel Map No. 20,608]). City Negotiators are: Karen Ramsdell, Airport Director; Paul Casey, Assistant City Administrator/Community Development; and Sarah Knecht, Assistant City Attorney; and negotiator for Lessee is Robert D. Olson, owner.

**SCHEDULING:** Duration, 20 minutes; anytime

**REPORT:** None anticipated

**PREPARED BY:** Hazel Johns, Assistant Airport Director

**SUBMITTED BY:** Karen Ramsdell, Airport Director  
Stephen P. Wiley, City Attorney

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