

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

**Helene Schneider**  
*Mayor/Chair*  
**Bendy White**  
*Mayor Pro Tempore/Vice Chair*  
**Grant House**  
*Ordinance Committee Chair*  
**Dale Francisco**  
*Finance Committee Chair*  
**Frank Hotchkiss**  
**Randy Rowse**  
**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 15, 2011  
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
- 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)**

#### **Subject: Fiscal Year 2011 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, 2010;
- B. Accept the Fiscal Year 2011 Interim Financial Statements for the Six Months Ended December 31; 2010; and
- C. Approve the changes to appropriations and estimated revenues.  
(See Council/Redevelopment Agency Agenda Item No. 14)

**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 meetings of December 7, and December 14, 2010, January 4, January 18, and February 1, 2011, and the special meeting of February 3, 2011.

**2. Subject: January 2011 Investment Report (260.02)**

Recommendation: That Council accept the January 2011 Investment Report.

**3. Subject: Adoption Of Ordinance For A Lease Amendment With Santa Barbara Shellfish Company, Incorporated (330.04)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving a Lease Amendment with Santa Barbara Shellfish Company, Inc., Allowing for a Seasonal Allocation of Base Rent, Effective March 17, 2011.

## **CONSENT CALENDAR (CONT'D)**

### CITY COUNCIL (CONT'D)

**4. Subject: Approval Of Emergency Purchase Order For Surf View Drive Roadway Repair (530.04)**

Recommendation: That Council approve an Emergency Purchase Order to Lash Construction for Surf View Drive roadway repair work in the amount of \$45,234.

**5. Subject: Airport Public Art Program (610.04)**

Recommendation: That Council authorize the Airport Director to execute a Loan of Asset Agreement, subject to approval by the City Attorney, between the City and the David Bermant Foundation for the long-term loan of the "Albatross V" by artist Dustin Shuler.

**6. Subject: Contract For Federal Advocacy Services (530.01)**

Recommendation: That Council authorize the Public Works Director to execute a \$25,200 annual contract, in a form approved by the City Attorney, with Carpi Clay & Smith (Smith) for federal services to advocate for Surface Transportation Reauthorization and Lower Mission Creek Project funding, with an option to renew the contract for two additional years.

**7. Subject: Set A Date For Public Hearing Regarding Appeal Of Parks And Recreation Commission Denial For 320 Cooper Road (570.08)**

Recommendation: That Council:

- A. Set the date of March 22, 2011, at 2:00 p.m. for hearing the appeal filed by Peter Hornemann of the Parks and Recreation Commission's denial of a request to remove a setback tree on the property located at 320 Cooper Road; and
- B. Set the date of March 21, 2011, at 1:30 p.m. for a site visit to the property located at 320 Cooper Road.

### REDEVELOPMENT AGENCY

**8. Subject: Minutes**

Recommendation: That the Redevelopment Agency waive the reading and approve the minutes of the regular meetings of October 12, and October 19, 2010, the special meeting of October 26, 2010, the regular meetings of November 2, November 16, December 7, and December 14, 2010, and February 1, 2011.

## **CONSENT CALENDAR (CONT'D)**

### **REDEVELOPMENT AGENCY (CONT'D)**

**9. Subject: Redevelopment Agency Fiscal Year 2011 Interim Financial Statements For The Six Months Ended December 31, 2010**

Recommendation: That Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2011 Interim Financial Statements for the Six Months Ended December 31, 2010.

### **NOTICES**

10. The City Clerk has on Thursday, February 10, 2011, 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.
11. The public hearing scheduled for February 15, 2011, at 2:00 p.m. to hear an appeal of the Architectural Board of Review's Preliminary Approval for 401 1/2 Old Coast Highway has been cancelled.
12. Cancellation of the regular City Council meeting of February 22, 2011.

**This concludes the Consent Calendar.**

## **REPORT FROM THE FINANCE COMMITTEE**

### **REDEVELOPMENT AGENCY REPORTS**

**13. Subject: Library Plaza Renovation Concept And Preliminary Design Services Contract (570.04)**

Recommendation:

- A. That the Agency Board allocate \$68,478 from the Agency's Project Contingency Account for the Library Plaza Renovation Project;
- B. That the Agency Board authorize the Deputy Director to execute a Professional Design Services Agreement, subject to approval by Agency Counsel, with Campbell and Campbell in an amount not to exceed \$159,280, for concept and preliminary design services for Library Plaza Renovation, and authorize the Deputy Director to approve expenditures of up to \$15,928 to cover any cost increases that may result from necessary changes in the scope of work;

(Cont'd)

## **REDEVELOPMENT AGENCY REPORTS (CONT'D)**

### **13. (Cont'd)**

- C. That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving and Adopting the Findings Required by Health and Safety Code Section 33445 for the Funding of Capital Improvements to Library Plaza; and
- D. That the City Council authorize the City Administrator and the Agency Board authorize the Executive Director to enter into a loan agreement, approved as to form by the City Attorney and Agency Counsel, by and between the City of Santa Barbara and the City of Santa Barbara Redevelopment Agency in an amount not to exceed \$2,000,000 to provide for the Agency's repayment of expenses incurred by the City for the design and construction of the Library Plaza Renovation Project.

## **CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS**

### **FINANCE DEPARTMENT**

#### **14. Subject: Fiscal Year 2011 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, 2010;
- B. Accept the Fiscal Year 2011 Interim Financial Statements for the Six Months Ended December 31; 2010; and
- C. Approve the changes to appropriations and estimated revenues.

## **COUNCIL AND STAFF COMMUNICATIONS**

## **COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS**

## **ADJOURNMENT**

CITY OF SANTA BARBARA

**FINANCE COMMITTEE**

MEETING AGENDA

DATE: February 15, 2011

Dale Francisco, Chair

TIME: 12:30 p.m.

Michael Self

PLACE: David Gebhard Public Meeting Room  
630 Garden Street

Bendy White

James L. Armstrong  
City Administrator

Robert Samario  
Finance Director

**ITEM TO BE CONSIDERED:**

**Subject: Fiscal Year 2011 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, 2010;
- B. Accept the Fiscal Year 2011 Interim Financial Statements for the Six Months Ended December 31; 2010; and
- C. Approve the changes to appropriations and estimated revenues.  
(See Council/Redevelopment Agency Agenda Item No. 14)



# CITY OF SANTA BARBARA CITY COUNCIL MINUTES

## REGULAR MEETING December 7, 2010 COUNCIL CHAMBER, 735 ANACAPA STREET

---

---

### CALL TO ORDER

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

### PLEDGE OF ALLEGIANCE

Mayor Schneider.

### ROLL CALL

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

Councilmembers absent: None.

Staff present: City Administrator James L. Armstrong, Acting City Attorney N. Scott Vincent, Deputy City Clerk Susan Tschech.

### CEREMONIAL ITEMS

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

Recommendation: That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through December 31, 2010.

#### Documents:

December 7, 2010, report from the Assistant City Administrator/  
Administrative Services Director.

#### Speakers:

Staff: City Administrator James Armstrong.

(Cont'd)

1. (Cont'd)

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

5-Year Pin

Anthony Boughman, Community Development

Blake Burgard, Police

Kathleen Kefauver, Public Works

Jose Cosio, Public Works

Tina Diaz, Public Works

Baldomero Garcia, Public Works

Dessislava Mladenova, Airport

10-Year Pin

Jose Rojas, Parks and Recreation

15-Year Pin

Mitchell Jan, Police

Jason Valenzuela, Public Works

20-Year Pin

Susan Gonzalez, Administrative Services

Stephen Dal Zuffo, Administrative Services

Patricia Vogel, Public Works

Rodolfo Villanueva, Public Works

25-Year Pin

Alice Karleskint, Police

30-Year Pin

John Dutcher, Police

**PUBLIC COMMENT**

Speakers: Wayne Scoles, Ruth Wilson, Jeffery Wood, Andrea Roselinsky, Kate Smith, Geoffery Bard.

**CONSENT CALENDAR (Item Nos. 2 – 11, 13 and 14)**

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

Motion:

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

Vote:

Unanimous roll call vote.

2. Subject: Adoption of 2010-2013 Police Memorandum of Understanding (440.02)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Adopting a Memorandum of Understanding Between the City of Santa Barbara and the Santa Barbara Police Officers' Association for the Period of July 1, 2010, through June 30, 2013.

Action: Approved the recommendation; Ordinance No. 5538; Agreement No. 23,590.

3. Subject: Adoption of Ordinance for Lease of Las Positas Tennis Facility to Elings Park (570.07)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving an 18-Year Lease with an Option to Renew for an Additional Ten Years with the Elings Park Foundation for the Las Positas Tennis Facility.

Action: Approved the recommendation; Ordinance No. 5539; Agreement No. 23,591.

4. Subject: Approval Of Revised Resolution And Administrative Guidelines For Sewer Lateral Inspection Program (540.13)

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Establishing an Assistance Program for Sewer Lateral Repair, Approving Revisions to the "Private Sewer Lateral Inspection Program Administrative Guidelines" to Waive City Permit Fees for City-Mandated Repair of Residential Private Property Sewer Laterals, and Rescinding Resolution No. 06-095; and
- B. Appropriate \$150,000 from Wastewater Fund reserves to the 2011 Wastewater operating budget to pay for anticipated fee waivers.

Speakers:

Staff: Public Works Director Christine Andersen, Wastewater System Manager Chris Toth.

Action: Approved the recommendations; Resolution No. 10-095 (December 7, 2010, report from the Public Works Director; proposed resolution).

5. Subject: Police Department Annex Office Lease Extension (520.04)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara to Authorize the Chief of Police to Execute an Amendment to the Police Annex Office Lease With LL&A-2, as Successor of Fairwood Properties, the Owner and Landlord of 222 East Anapamu Street, to Reduce the Monthly Rental Amount to \$14,930.40, and Extend the Term of Lease Agreement No. 20,106 for the Continuing Occupation and Use of the Property for an Initial Term of 18 Months Starting January 1, 2011.

Action: Approved the recommendation; Resolution No. 10-096; Agreement No. 20,106.1 (December 7, 2010, report from the Chief of Police; proposed resolution).

6. Subject: Proposed Changes To Animal Control Licensing Fees (520.05)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Amending Resolution No. 10-044 to Establish Certain Dog and Cat Licensing Fees and Adjust Animal Control Fees.

Action: Approved the recommendation; Resolution No. 10-097 (December 7, 2010, report from the Chief of Police; proposed resolution).

7. Subject: Post Closure Matching Solid Waste Cleanup Grant (630.01)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Authorizing the Finance Director to Submit an Application to the California Department of Resources Recycling and Recovery (CalRecycle) for a Fiscal Year 2010/2011 Post Closure Matching Site Cleanup Grant, for the Elings Park Gas Extraction Project, up to \$750,000.

Speakers:

Staff: Acting Environmental Services Manager Kristy Schmidt, City Administrator James Armstrong.

Action: Approved the recommendation; Resolution No. 10-098 (December 7, 2010, report from the Finance Director; proposed resolution).

8. Subject: Beacon Award Application For Sustainability Programs (630.02)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara in Support of the City's Participation in the Institute for Local Government's Beacon Award Program to Recognize Achievements from Citywide Sustainability Programs.

(Cont'd)

8. (Cont'd)

Action: Approved the recommendation; Resolution No. 10-099 (December 7, 2010, report from the City Administrator; proposed resolution).

9. Subject: Fiscal Year 2011 Interim Financial Statements For The Four Months Ended October 31, 2010 (250.02)

Recommendation: That Council accept the Fiscal Year 2011 Interim Financial Statements for the Four Months Ended October 31, 2010.

Action: Approved the recommendation (December 7, 2010, report from the Finance Director).

10. Subject: Contract For Design Of The Airport Sewer Improvement Project (560.04)

Recommendation: That Council authorize the Public Works Director to execute a City Professional Services contract with Flowers & Associates, Inc. (Flowers), in the amount of \$129,837 for design services for the Santa Barbara Airport Sewer Improvement Project (Project), and authorize the Public Works Director to approve expenditures of up to \$13,000 for extra services of Flowers that may result from necessary changes in the scope of work.

Action: Approved the recommendation; Contract No. 23,592 (December 7, 2010, report from the Public Works Director).

11. Subject: Assignment Of Lease Agreement No. 20,642/Paddle Sports of Santa Barbara (330.04)

Recommendation: That Council approve the assignment of Lease Agreement No. 20,642, from Paddle Sports of Santa Barbara, Inc., to Channel Islands Outfitters, Inc., for the 956 square-foot retail store at 117-B Harbor Way.

Action: Approved the recommendation; Agreement No. 20,642.1 (December 7, 2010, report from the Waterfront Director).

Item No. 12 appears in the Redevelopment Agency minutes.

## NOTICES

13. The City Clerk has on Thursday, December 2, 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.

14. Receipt of the City of Santa Barbara Housing Authority's 2010 Annual Report.

This concluded the Consent Calendar.

## **REPORT FROM THE ORDINANCE COMMITTEE**

Ordinance Committee Chair Bendy White reported that the Committee met to review a proposed ordinance to establish local energy efficiency standards for new construction and additions to existing buildings. The Committee made revisions to the draft ordinance and voted to forward it to the full Council for its consideration.

## **CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS**

### COMMUNITY DEVELOPMENT DEPARTMENT

15. Subject: Preliminary Economic Development Designation For Santa Barbara Museum Of Natural History Project At 2559 Puesta del Sol (640.09)

Recommendation: That Council:

- A. Make a preliminary finding that The Santa Barbara Museum of Natural History project proposed for 2559 Puesta del Sol meets the definition of both an Economic Development and Community Priority Project; and
- B. Grant the proposed project a Preliminary Economic Development Designation for 57,000 square feet of nonresidential floor area.

Documents:

- December 7, 2010, report from the Community Development Director.
- PowerPoint presentation prepared and made by Staff.
- December 7, 2010, letter from J. James Hollister, III.
- December 7, 2010, e-mail from Virginia Sloan.

Speakers:

- Staff: Associate Planner Peter Lawson, Acting City Attorney Scott Vincent.
- Santa Barbara Museum of Natural History: Suzanne Elledge, Planning & Permitting Services; Executive Director Karl Hutterer; Janet Dowling Sands, Board of Directors; Stephen Hicks.
- Members of the Public: John James Hollister, III.

Motion:

Councilmembers House/Hotchkiss to approve the recommendations.

Vote:

Unanimous voice vote.

(Cont'd)

15. (Cont'd)

Discussion:

In their comments about the project, Councilmembers Francisco and White emphasized that the Council's action to reserve square footage for the project is preliminary and is not an approval of the project nor an endorsement of its proposed size; also, the Council does not intend to direct or limit the consideration of the project by the Planning Commission and Historic Landmarks Commission.

FINANCE DEPARTMENT

16. Subject: State Video Franchise Agreement With Cox Communications (510.04)

Recommendation: That Council:

- A. Hear a report from staff on the new State video franchise laws which authorize Cox Communications to provide cable television services to residents in the City of Santa Barbara pursuant to a state franchise;
- B. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Establishing a Franchise Fee, a Fee for Public, Educational, and Government Access Purposes (PEG Fee), and a Schedule of Monetary Penalties for Material Breaches of Video Franchise Standards by State Video Franchise Holders Within the City of Santa Barbara;
- C. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Establishing a Public, Education, and Government Access Fee on State Franchised Video Service Providers for Use in Providing Public, Educational, and Government Access Video Services;
- D. Authorize staff to request an additional educational access channel from Cox Communications for higher education purposes; and
- E. Authorize the City Administrator to enter into an agreement with the University of California Santa Barbara (UCSB), in a form of agreement acceptable to the City Attorney, for the management and programming of an additional local educational access channel.

Documents:

- December 7, 2010, report from the Finance Director.
- Proposed ordinance and resolution.
- PowerPoint presentation prepared and made by Staff.

The titles of the ordinance and resolution were read.

(Cont'd)

16. (Cont'd)

Speakers:

- Staff: Treasury Manager Jill Taura, City Administrator James Armstrong.
- Members of the Public: Ron Cortez, Constance Penley, and Alison Gang, University of California Santa Barbara; Keri Stokstad, Santa Barbara Channels.

Motion:

Councilmembers House/Francisco to approve recommendations B - E; Resolution No. 10-100; Agreement No. 23,593.

Vote:

Unanimous roll call vote.

PUBLIC WORKS DEPARTMENT

17. Subject: Professional Services Agreement For Improving Access To Cottage Hospital - Las Positas/Mission Project Study Report (670.09)

Recommendation: That Council:

- A. Review the Las Positas/Mission Project Circulation Options Report (Options Report);
- B. Support the Planning Commission (PC) and Transportation and Circulation Committee (TCC) recommendations on the selected transportation improvements that are to be included in the Project Study Report (PSR);
- C. Authorize the Public Works Director to execute a Professional Services Agreement with IBI Group (IBI) in the amount of \$192,886 for professional services for the PSR to improve access to Cottage Hospital, and approve expenditures in an amount not to exceed \$12,114 for extra services that may result from necessary changes to the scope of work; and
- D. Provide direction regarding the Options Report's local street improvement recommendations, and whether to include them in the Six-Year Capital Improvement Program.

Documents:

- December 7, 2010, report from the Public Works Director.
- "Improving Access to Cottage Hospital - Las Positas/Mission Circulation Options Report," prepared for the City and dated May 2009.
- PowerPoint presentation prepared and made by Staff.

(Cont'd)

17. (Cont'd)

Speakers:

- Staff: Principal Transportation Planner Rob Dayton, who stated that recommendation C was being removed from the agenda item; City Administrator James Armstrong.
- Transportation and Circulation Committee: Members Ed France, Keith Coffman-Grey.
- Members of the Public: John DeVore, Jack Meyer, Mark O'Connor.

Motion:

Councilmembers Francisco/White to approve recommendation B.

Vote:

Unanimous voice vote.

Motion:

Councilmember House/Mayor Schneider to direct Staff to include the following three local street improvement projects in the Six-Year Capital Improvement Program: 1) two-way traffic on De la Vina Street between Constance and Pueblo Streets; 2) traffic signal modifications on Mission Street at Castillo and Bath Streets; and 3) a commuter rail station near Las Positas Road and Mission Street.

Vote:

Failed to carry by voice vote (Ayes: Councilmembers House, White, Mayor Schneider; Noes: Councilmembers Francisco, Hotchkiss, Self).

## **MAYOR AND COUNCIL REPORTS**

18. Subject: Appointments To City Advisory Groups (140.05)

Recommendation: That Council make appointments to the City advisory groups.

Documents:

December 7, 2010, report from the Assistant City Administrator/  
Administrative Services Director.

Access Advisory Committee:

Motion:

Councilmembers House/Francisco to reappoint Karen Johnson, Adelaida Ortega, and Victor Suhr.

Vote:

Unanimous voice vote.

(Cont'd)

18. (Cont'd)

Access Advisory Committee (Cont'd):

Appointments:

Karen Johnson, Adelaida Ortega, and Victor Suhr were reappointed as representatives of the Public at Large for terms expiring December 31, 2013.

Airport Commission:

Motion:

Mayor Schneider/Councilmember White to reappoint Patricia Griffin, Kirk Martin, and Bruce Miller.

Vote:

Unanimous voice vote.

Appointments:

Patricia Griffin, Kirk Martin, and Bruce Miller were reappointed for terms expiring December 31, 2014.

Architectural Board of Review:

Action:

By consensus, the Council reappointed Chris Gilliland.

Nominees for Licensed Architect, Professional Qualifications, or Public at Large category:

Kellam De Forest, Paul Zink.

Vote:

- For De Forest: Councilmembers Hotchkiss, Self.
- For Zink: Councilmembers Francisco, House, White, Mayor Schneider.

Appointments:

Chris Gilliland was reappointed to the Professional Qualifications category for a term expiring December 31, 2012. Paul Zink was reappointed to the Licensed Architect category for a term expiring December 31, 2014.

(Cont'd)

18. (Cont'd)

Arts Advisory Committee:

Action:

By consensus, the Council reappointed Robert Adams.

Appointment:

Robert Adams was appointed for a term expiring December 31, 2013.

Civil Service Commission:

Motion:

Mayor Schneider/Councilmember House to appoint Gabe Dominocielo.

Vote:

Unanimous voice vote.

Appointment:

Gabe Dominocielo was appointed for a term expiring December 31, 2014.

Community Development and Human Services Committee:

Motion:

Councilmembers House/Hotchkiss to appoint Brenda Collins Powell and reappoint Yesenia Curiel and Josephine Torres.

Vote:

Unanimous voice vote.

Appointments:

Brenda Collins Powell was appointed to the African American Community category for a term expiring December 31, 2013. Yesenia Curiel was reappointed to the Latino Community category and Josephine Torres was reappointed to the Westside Neighborhood category, for terms expiring December 31, 2014.

Community Events & Festivals Committee:

Motion:

Mayor Schneider/Councilmember Hotchkiss to reappoint Roger Perry.

Vote:

Unanimous voice vote.

(Cont'd)

18. (Cont'd)

Community Events & Festivals Committee (Cont'd):

Appointment:

Roger Perry was reappointed to the Cultural Arts category for a term expiring December 31, 2014.

Creeks Advisory Committee:

Motion:

Councilmembers House/White to appoint Leeanne French, Danielle De Smeth, and Else Eleonora Wolff.

Vote:

Unanimous voice vote.

Appointments:

Leeanne French was appointed to the Environmental/Land Use Expertise category for a term expiring December 31, 2014.

Danielle De Smeth and Else Eleonora Wolff were appointed as representatives of the public at large for terms expiring December 31, 2014.

Fire and Police Commission:

Motion:

Councilmembers White/Francisco to reappoint Joe Rodriguez.

Vote:

Unanimous voice vote.

Appointment:

Joe Rodriguez was reappointed for a term expiring December 31, 2014.

Fire and Police Pension Commission:

Motion:

Councilmembers House/White to reappoint Scott Tracy.

Vote:

Unanimous voice vote.

Appointment:

Scott Tracy was reappointed for a term expiring December 31, 2014.

(Cont'd)

18. (Cont'd)

Harbor Commission:

Action:

By consensus, the Council reappointed Betsy Cramer.

Appointment:

Betsy Cramer was reappointed for a term expiring December 31, 2014.

Historic Landmarks Commission:

Nominees for Public at Large category:

Brian Hofer, Judith Dodge Orias, Michael Patrick Porter.

Vote:

- For Hofer: Councilmember House, Mayor Schneider.
- For Orias: Councilmembers Francisco, Hotchkiss, Self, White.
- For Porter: None.

Nominees for Architect category:

Brian Hofer, William LaVoie, Michael Patrick Porter, Donald Sharpe.

Vote:

- For Hofer: Councilmember House.
- For LaVoie: Councilmembers Francisco, Hotchkiss, Self, Mayor Schneider.
- For Porter: Councilmember White.
- For Sharpe: Councilmembers Francisco, Hotchkiss, House, Self, White, Mayor Schneider.

Appointments:

Judith Dodge Orias was appointed to represent the Public at Large for a term expiring December 31, 2014. William LaVoie was appointed and Donald Sharpe was reappointed to the Architect category for terms expiring December 31, 2014.

Library Board:

Nominees:

Eric Friedman, Krista Pleiser.

(Cont'd)

18. (Cont'd)

Library Board (Cont'd):

Vote:

- For Friedman: Councilmembers Francisco, House, Self, White, Mayor Schneider.
- For Pleiser: Councilmember Hotchkiss.

Appointment:

Eric Friedman was reappointed for a term expiring December 31, 2014.

Living Wage Advisory Committee:

Motion:

Councilmembers House/Francisco to appoint Joey Corazza and John Goodman, and reappoint Larry Lee.

Vote:

Unanimous voice vote.

Appointments:

Joey Corazza was appointed to the Non-Profit Entity category, and John Goodman was appointed to the Santa Barbara Chamber of Commerce category, for terms expiring June 30, 2012. Larry Lee was reappointed to represent the public at large for a term expiring June 30, 2014.

Mosquito and Vector Management District Board:

Action:

By consensus, the Council reappointed David Pritchett.

Appointment:

David Pritchett was reappointed for a term expiring January 7, 2013.

Parks and Recreation Commission:

Motion:

Councilmembers House/Francisco to reappoint Beebe Longstreet.

Vote:

Unanimous voice vote.

(Cont'd)

18. (Cont'd)

Parks and Recreation Commission (Cont'd):

Appointment:

Beebe Longstreet was reappointed for a term expiring December 31, 2014.

Planning Commission:

Motion:

Councilmembers House/White to reappoint Bruce Bartlett.

Vote:

Unanimous voice vote.

Appointment:

Bruce Bartlett was reappointed for a term expiring December 31, 2014.

Rental Housing Mediation Task Force:

Action:

By consensus, the Council reappointed Bruce Wollenberg and Scott Wexler and appointed Robert Burke.

Appointments:

Bruce Wollenberg was reappointed to the Homeowner category, Scott Wexler was reappointed to the Landlord category, and Robert Burke was appointed to the Tenant category for terms expiring December 31, 2014.

Sign Committee:

Motion:

Councilmembers House/Francisco to reappoint Natalie Cope and Bob Cunningham.

Vote:

Unanimous voice vote.

Appointments:

Natalie Cope and Bob Cunningham were reappointed to represent the Public at Large for terms expiring December 31, 2014.

(Cont'd)

18. (Cont'd)

Sister Cities Board:

Motion:

Mayor Schneider/Councilmember Francisco to reappoint Takako Wakita.

Vote:

Unanimous voice vote.

Appointment:

Takako Wakita was reappointed for a term expiring December 31, 2014.

Transportation and Circulation Committee:

Nominees:

Hillary Blackerby, Cynthia Boche, Keith Coffman-Grey, Susan Horne, David Pritchett.

Transportation and Circulation Committee (Cont'd):

Vote:

- For Blackerby: Councilmembers Francisco, Hotchkiss, House, Self, White, Mayor Schneider.
- For Boche: Councilmember White, Mayor Schneider.
- For Coffman-Grey: Councilmembers Francisco, Hotchkiss, House, Self, White, Mayor Schneider.
- For Horne: Councilmember House.
- For Pritchett: Councilmembers Francisco, Hotchkiss, House, Self, White, Mayor Schneider.

Second Vote:

- For Boche: Councilmember White, Mayor Schneider.
- For Horne: Councilmembers Francisco, Hotchkiss, House, Self.

Appointments:

Hillary Blackerby, Keith Coffman-Grey, and David Pritchett were reappointed and Susan Horne was appointed for terms expiring December 31, 2014.

(Cont'd)

18. (Cont'd)

Water Commission:

Motion:

Councilmembers Francisco/Hotchkiss to reappoint James Smith.

Vote:

Unanimous voice vote.

Appointment:

James Smith was reappointed for a term expiring December 31, 2014.

## RECESS

The Mayor recessed the meeting at 4:47 p.m. in order for the Council to reconvene in closed session for Agenda Item No. 19, and she stated there would be no reportable action taken during the closed session.

## CLOSED SESSIONS

19. Subject: Conference With Real Property Negotiators Regarding 319 West Haley Street (330.03)

Recommendation: That Council hold a closed session to consider instructions to its negotiators regarding the possible sale of the City-owned property commonly known as 319 West Haley Street, pursuant to the authority of Government Code Section 54956.8. Instructions to negotiators will direct staff regarding the price and terms of a possible sale of the City-owned parcel. City Negotiators: Browning Allen, Transportation Manager; Don Irelan, Senior Real Property Agent; and Stephen P. Wiley, City Attorney, on behalf of the City of Santa Barbara. Negotiating Parties: Pathpoint, Inc. Under Negotiation: Price and terms of payment of a possible sale.

Scheduling: Duration, 20 minutes; anytime

Report: None anticipated

Documents:

December 7, 2010, report from the Public Works Director.

Time:

4:55 p.m. - 5:03 p.m.

No report made.

## RECESS

5:03 p.m. - 5:06 p.m.

Mayor Schneider presiding.

Councilmembers present: Francisco, Hotchkiss, House, Self, White, Mayor Schneider.

Councilmembers absent: None.

Staff present: City Administrator Armstrong, Acting City Attorney Vincent, Deputy City Clerk Tschech.

## MAYOR AND COUNCIL REPORTS

20. Subject: Interviews For Council Vacancy (120.02)

Recommendation: That Council interview qualified applicants requesting to be appointed to fill the vacancy on the City Council resulting from the election of Councilmember Das Williams to the State Legislature.

### Documents:

December 7, 2010, report from the Assistant City Administrator/  
Administrative Services Director.

### Speakers:

Applicants: Nancy Sirbu, Beverly Brott, Ed Cavazos, Lori Frisbie, John Torell, Michael Jordan, Christopher Blair, Tom Burgher, Sharon Byrne, Barbara Mathews, Andy Rosenberger, Robert Burke, Suzanna Savage-Raftican, Randy Rowse, Alberto Pizano, Blanca Flor Benedict, Daniel Ramirez, John Thyne, Dianne Channing, Charles Huff.

Recess: 6:13 p.m. - 6:46 p.m.

### Speakers (Cont'd):

- Applicants: Jerry Matteo, Audrey Addison Williams, Keith Coffman-Grey, Bonnie Raisin, Naomi Kovacs, Cruzito Cruz, Chris Casebeer, John Jostes, Della Rosales, Gerry Dewitt, James Caldwell, Rick Goodfriend, Loretta Redd, Sheila Lodge, G. Paul Berenson, Marilyn Rickard, Cathie McCammon, Carola Nicholson, Brian Barnwell, Brian Fahnstock, Diego Torres-Santos, Charles Quintero, Willie Shaw, David Hughes, David Pritchett.
- Members of the Public: Kiyoko Soaring-Eagle, Geoffery Bard, Robert Hansen, Kate Smith, Jennifer Stafford.
- Applicant: Wayne Norris.

Mayor Schneider thanked all applicants for their interest in serving the City and stated that the Council would vote on an appointment at next week's regular meeting.

**ADJOURNMENT**

Mayor Schneider adjourned the meeting at 8:29 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

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

ATTEST:

\_\_\_\_\_  
SUSAN TSCHECH, CMC  
DEPUTY CITY CLERK



# CITY OF SANTA BARBARA CITY COUNCIL MINUTES

## REGULAR MEETING December 14, 2010 COUNCIL CHAMBER, 735 ANACAPA STREET

---

---

### CALL TO ORDER

Mayor Helene Schneider called the joint meeting of the Council and Redevelopment Agency to order at 2:00 p.m. (The Finance and Ordinance Committees met at 12:30 p.m.)

### PLEDGE OF ALLEGIANCE

Mayor Schneider.

### ROLL CALL

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

Councilmembers absent: None.

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

### PUBLIC COMMENT

Speakers: Gert Walter; David Daniel Diaz; Andrea Roselinsky; Kate Smith; Geoffery Bard, Coalition of Homeless Rights and Environmental Responsibility Advocates.

### CONSENT CALENDAR (Item Nos. 1 – 18)

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

Motion:

Council/Agency Members House/Francisco to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

1. Subject: Adoption Of Ordinance For State Video Franchise Agreement With Cox Communications (510.04)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Establishing a Franchise Fee, a Fee for Public, Educational, and Government Access Purposes (PEG Fee), and a Schedule of Monetary Penalties for Material Breaches of Video Franchise Standards by State Video Franchise Holders Within the City of Santa Barbara.

Action: Approved the recommendation; Ordinance No. 5540.

2. Subject: Certification Of The Election Results Of The Official Canvass For The Special Municipal Election Of November 2, 2010 (110.03)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Certifying the Election Results of the Official Canvass for the Special Municipal Election Held in the City on November 2, 2010.

Action: Approved the recommendation; Resolution No. 10-101 (December 14, 2010, report from the Assistant City Administrator/Administrative Services Director; proposed resolution).

3. Subject: Update Of Conflict Of Interest Code Resolution To Include New And Deleted Positions Subject To Disclosure Requirements (110.04)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Adopting the Conflict of Interest Code of the City of Santa Barbara to Incorporate by Reference the Fair Political Practices Commission's Model Code, and Rescinding Resolution No. 08-109, to add or delete classifications subject to disclosure requirements.

Action: Approved the recommendation; Resolution No. 10-102 (December 14, 2010, report from the Assistant City Administrator/Administrative Services Director; proposed resolution).

4. Subject: 2010-2012 Police Management Memorandum Of Understanding (440.02)

Recommendation: That Council ratify the Memorandum of Understanding between the City of Santa Barbara and the Santa Barbara Police Management Association for the period of July 1, 2010, through June 30, 2011, by introduction and subsequent adoption of, by reading of title only, An Ordinance of the Council

(Cont'd)

4. (Cont'd)

of the City of Santa Barbara Adopting the 2010-2012 Memorandum of Understanding Between the City of Santa Barbara and the Santa Barbara Police Management Association.

Action: Approved the recommendation (December 14, 2010, report from the Assistant City Administrator/Administrative Services Director; proposed ordinance).

5. Subject: Santa Barbara City Firefighters Employee Cost Sharing Of PERS Contributions (430.08)

Recommendation: That Council:

- A. Introduce and subsequently adopt, by reading of title only, An Ordinance of the City Council of the City of Santa Barbara Authorizing an Amendment to the Contract Between the City Council of the City of Santa Barbara and the Board of Administration of the California Public Employees' Retirement System for Fire Safety Employee Cost Sharing; and
- B. Adopt, by reading of title only, A Resolution of Intention to Approve an Amendment to Contract between the Board of Administration of the California Public Employees' Retirement System and the City Council of the City of Santa Barbara.

Action: Approved the recommendations; Resolution No. 10-103 (December 14, 2010, report from the Assistant City Administrator/Administrative Services Director; proposed ordinance and resolution).

6. Subject: November 2010 Investment Report (260.02)

Recommendation: That Council accept the November 2010 Investment Report.

Action: Approved the recommendation (December 14, 2010, report from the Finance Director).

7. Subject: Contract For Construction Of Community Development Block Grant 2010-2011 Access Ramp Project (530.04)

Recommendation: That Council:

- A. Award a contract with Aguilera Brothers Construction, Inc., in their low bid amount of \$42,935 for construction of the Community Development Block Grant (CDBG) 2010-2011 Access Ramp Project (Project), Bid No. 3623; and

(Cont'd)

7. (Cont'd)

- B. Authorize the Public Works Director to execute a contract and approve expenditures up to \$6,450 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment.

Action: Approved the recommendations; Contract No. 23,594 (December 14, 2010, report from the Public Works Director).

8. Subject: Contract For Design Of The Lower Mesa Lane Steps Repair/Rehabilitation Project (570.05)

Recommendation: That Council:

- A. Authorize the Public Works Director to execute a Professional Services Agreement with Bengal Engineering, Inc. in the amount of \$74,422 for preliminary design services for the Lower Mesa Lane Steps Repair/Rehabilitation Project (Project); and
- B. Authorize the Public Works Director to approve expenditures of up to \$7,442 for extra services that may result from necessary changes in the scope of work.

Action: Approved the recommendations; Agreement No. 23,595 (December 14, 2010, joint report from the Public Works Director and Parks and Recreation Director).

9. Subject: Lower Mission Creek Construction Cost Sharing Agreement With The County Of Santa Barbara (530.03)

Recommendation: That Council authorize the Public Works Director to execute a Construction Cost Sharing Agreement between the City of Santa Barbara and the Santa Barbara County Flood Control and Water Conservation District for construction of the Lower Mission Creek (LMC) Project.

Action: Approved the recommendation; Agreement No. 23,596 (December 14, 2010, report from the Public Works Director).

10. Subject: Library Materials Self-Check And Security System (570.04)

Recommendation: That Council:

- A. Authorize the Library Director to negotiate and execute a contract, in a form of contract acceptable to the City Attorney, with Bibliotheca RFID Library Systems in the amount of \$249,634.75 to design and install a Radio Frequency Identification (RFID) self-check and collection security system;
- B. Appropriate \$88,559.37 from the Miscellaneous Library Trust Account to the Fiscal Year 2011 Library Department General Fund operating budget for the design and implementation of self check-out systems with RFID tags for library collections at the Central and Eastside Libraries; and
- C. Appropriate \$76,575.38 from the County Library Reserve Fund for the same system at the Goleta Valley Branch Library.

Action: Approved the recommendations; Contract No. 23,597 (December 14, 2010, report from the Library Director).

11. Subject: Approval Of Map And Execution Of Agreements For 810 Bond Avenue And 516 N. Nopal Street (640.08)

Recommendation: That Council approve and authorize the City Administrator to execute and record Parcel Map (Map) Number 20,791 and standard agreements relating to the approved subdivision at 810 Bond Avenue.

Action: Approved the recommendation; Agreement No. 23,598 (December 14, 2010, report from the Public Works Director).

12. Subject: Redevelopment Agency 2010 Comprehensive Annual Financial Report (620.03)

Recommendation: That Council and the Redevelopment Agency Board:

- A. Approve the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2010, consisting of the Auditor's Opinion and Financial Statements, and the Auditor's Compliance Report; and
- B. Direct staff to submit required copies of the Report to the California State Controller's Office.

Action: Approved the recommendations (December 14, 2010, report from the Assistant City Administrator/Community Development Director/Deputy Director).

13. Subject: Contract For Construction Of The East Cabrillo Boulevard Sidewalk Project, Phase II (530.04)

Recommendation:

- A. That Council reject the apparent low bid from West Coast Public Works, Inc. (West Coast), as non-responsive due to their failure to submit a complete bid;
- B. That the Redevelopment Agency (RDA) Board authorize the expenditure of \$305,836 for the East Cabrillo Boulevard Sidewalk Project, Phase II (Project);
- C. That Council award a contract with Toro Enterprises (Toro) in their low bid amount of \$265,936 for construction of the Project, Bid No. 3613;
- D. That Council authorize the Public Works Director to execute a contract and approve expenditures up to \$39,900 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment; and
- E. That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving and Adopting the Findings Required by Health and Safety Code Section 33445 for Funding of Capital Improvements to the East Cabrillo Boulevard Sidewalk Replacement Project, Phase II.

Action: Approved the recommendations; Contract No. 23,599; Resolution No. 10-104 (December 14, 2010, joint report from the Public Works Director and Assistant City Administrator/Community Development Director/Deputy Director).

14. Subject: Contract For Construction Of The Structural Upgrades To Parking Structures 2, 9, And 10 (550.05)

Recommendation:

- A. That Council reject the bid protest submitted by Truesdell Corporation;
- B. That Council award a contract with Cushman Contracting (Cushman), waiving minor irregularities, in their low bid amount of \$1,374,000 for construction of the Project, Bid No. 3571;
- C. That Council authorize the Public Works Director to execute a contract and approve expenditures up to \$206,100 to pay for any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured;
- D. That Council authorize the Public Works Director to execute a contract with BTC LABS - Vertical V (BTC LABS) in the amount of \$122,533 for materials testing and special inspection services, and approve expenditures of up to \$12,254 for extra services of BTC LABS that may result from necessary changes in the scope of work; and

(Cont'd)

14. (Cont'd)

- E. That Council authorize the Public Works Director to execute a contract with Watry Design, Inc. (Watry), in the amount of \$118,152 for design support services during construction and preparation of record drawings, and approve expenditures of up to \$11,816 for extra services of Watry that may result from necessary changes in the scope of work.

Action: Approved the recommendations; Contract Nos. 23,600 - 23,602 (December 14, 2010, joint report from the Assistant City Administrator/Community Development Director/Deputy Director and Public Works Director).

NOTICES

- 15. The City Clerk has on Thursday, December 9, 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.
- 16. Cancellation of the regular City Council meetings of December 21, 2010, December 28, 2010, and January 4, 2011.
- 17. Cancellation of the regular Redevelopment Agency meetings of December 21, 2010, and January 4, 2011.
- 18. City Advisory Groups Special Recruitment
  - A. The City Clerk's Office will accept applications through Thursday, January 20, 2011, at 5:30 p.m. to fill vacancies on the newly established Neighborhood Advisory Council, the Fire and Police Commission, and the Rental Housing Mediation Task Force;
  - B. The City Council will conduct interviews of applicants on Tuesday, February 8, 2011, at 4:00 p.m.;
  - C. The City Council Subcommittee will conduct interviews of applicants for vacancies on the Neighborhood Advisory Council on Thursday, February 3, 2011, at 7:00 p.m. at the Franklin Community Center, 1136 East Montecito Street; and
  - D. The City Council will make appointments to fill vacancies on Tuesday, March 1, 2011.

This concluded the Consent Calendar.

## **REPORT FROM THE FINANCE COMMITTEE**

Finance Committee Chair Dale Francisco reported that the Committee met to hear reports on the Comprehensive Annual Financial Reports for the Redevelopment Agency and the City, which were approved by the Council as part of this Agenda's Administrative Reports (Item No. 19).

## **REPORT FROM THE ORDINANCE COMMITTEE**

Ordinance Committee Chair Bendy White reported that the Committee met to discuss the hedge ordinance suspension and the various triggers that would require hedges to be brought into conformity. He stated that staff will be bringing recommendations to the full Council early next year.

## **CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS**

### FINANCE DEPARTMENT

19. Subject: Comprehensive Annual Financial Report (CAFR) For The Fiscal Year Ended June 30, 2010 (250.02)

Recommendation: That Council:

- A. Receive a report from staff on the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2010; and
- B. Accept the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2010.

Documents:

- December 14, 2010, report from the Finance Director.
- December 14, 2010, PowerPoint presentation prepared and made by staff.

Speakers:

Staff: Accounting Manager Rudy Livingston, Finance Director Robert Samario.

Motion:

Councilmembers House/Self to approve the recommendations.

Vote:

Unanimous voice vote.

## **COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS**

Information:

Mayor Schneider reported that on Thursday, December 16, 2010, Santa Barbara County Association of Governments will be reviewing funding options for the Cabrillo Bridge Underpass and the Salinas Street/101 Projects.

## RECESS

Mayor Schneider recessed the meeting at 3:04 p.m., in order for the Council to reconvene in closed session for Agenda Item Nos. 20 - 25, and stated that no reportable action is anticipated.

## CLOSED SESSIONS

20. 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 Laura Thurston v. City of Santa Barbara, et al., SBSC#1306417.

Scheduling: Duration, 10 minutes; anytime

Report: None anticipated

Documents:

December 14, 2010, report from the City Attorney.

Time:

3:05 p.m. - 3:15 p.m.

No report made.

21. 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. Pending litigation considered is: John Carrillo v. City of Santa Barbara.

Scheduling: Duration, 10 minutes; anytime

Report: None anticipated

Documents:

December 14, 2010, report from the Finance Director.

Time:

3:15 p.m. - 3:20 p.m.

No report made.

22. Subject: Conference With Legal Counsel - Potential Litigation (160.03)

Recommendation: That Council hold a closed session to consider potential litigation pursuant to subsection (c) of section 54956.9 of the Government Code and take appropriate action as needed.

Scheduling: Duration, 10 minutes; anytime

Report: None anticipated

Documents:

December 14, 2010, report from the City Attorney.

Time:

3:20 p.m. - 3:40 p.m.

No report made.

23. 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 Treatment and Patrol Bargaining Units and the Hourly Bargaining Unit, and regarding discussions with unrepresented management about salaries and fringe benefits.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

Documents:

December 14, 2010, report from the Assistant City Administrator/Administrative Services Director.

Time:

3:40 p.m. - 3:45 p.m.

No report made.

Agenda Item Nos. 24 and 25 were taken together in closed session.

24. 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 The Green Light Dispensary, Inc., A California Non-Profit Mutual Benefit Corporation, v. City of Santa Barbara, USDC Case No. CV 10-7203 PA (VBKx).

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

(Cont'd)

24. (Cont'd)

Documents:

December 14, 2010, report from the City Attorney.

Time:

3:45 p.m. – 4:20 p.m.

No report made.

25. 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 Santa Barbara Patients' Collective Health Cooperative v. City of Santa Barbara, et al., USDC Case No. CV 10-6534 DDP(RCx).

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

Documents:

December 14, 2010, report from the City Attorney.

Time:

3:45 p.m. - 4:20 p.m.

No report made.

## **MAYOR AND COUNCIL REPORTS**

26. Subject: Resolution Of Appointment To Fill The Vacancy On The City Council Due To The Resignation Of Councilmember Das Williams (120.02)

Recommendation: That Council:

- A. Conduct the recommended process included herein to select a candidate to fill the vacancy resulting from the resignation of Councilmember Das Williams;
- B. Upon selecting a person to fill the Council vacancy, adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Appointing a Member to Fill the Office of City Councilmember Das Williams as a Result of Resignation; and
- C. Request the City Clerk to administer the Oath of Office to the person selected to fill the remainder of Councilmember Williams' term, from December 14, 2010, through January 10, 2012.

(Estimated Time: 4:00 p.m.)

(Cont'd)

26. (Cont'd)

Documents:

December 14, 2010, report from the Assistant City Administrator/Administrative Services Director.

The title of the resolution was read.

Speakers:

- Staff: Assistant City Administrator/Administrative Services Director Marcelo Lopez, City Clerk Services Manager Cynthia Rodriguez, City Administrator James Armstrong.
- Members of the Public: Geoffery Bard.

Motion:

Councilmembers Hotchkiss/Francisco to approve Recommendations B and C, appointing Randy Rowse to serve on the City Council; Resolution No. 10-105.

Vote:

Unanimous roll call vote.

**ADJOURNMENT**

Mayor Schneider adjourned the meeting at 5:07 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  
CITY COUNCIL MINUTES**

**REGULAR MEETING  
January 4, 2011  
COUNCIL CHAMBER, 735 ANACAPA STREET**

---

The regular meeting of the City Council, scheduled for 2:00 p.m. on January 4, 2011, was cancelled by the Council on November 24, 2009.

The next regular meeting of the City Council is scheduled for January 11, 2011, at 2:00 p.m. in the Council Chamber.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

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

ATTEST: \_\_\_\_\_  
BRENDA ALCAZAR, CMC  
DEPUTY CITY CLERK



**CITY OF SANTA BARBARA  
CITY COUNCIL MINUTES**

**REGULAR MEETING  
January 18, 2011  
COUNCIL CHAMBER, 735 ANACAPA STREET**

---

The regular meeting of the City Council, scheduled for 2:00 p.m. on January 18, 2011, was cancelled by the Council on November 9, 2010.

The next regular meeting of the City Council is scheduled for January 25, 2011, at 2:00 p.m. in the Council Chamber.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

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

ATTEST: \_\_\_\_\_  
BRENDA ALCAZAR, CMC  
DEPUTY CITY CLERK



# CITY OF SANTA BARBARA CITY COUNCIL MINUTES

## REGULAR MEETING February 1, 2011 COUNCIL CHAMBER, 735 ANACAPA STREET

---

---

### CALL TO ORDER

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

### PLEDGE OF ALLEGIANCE

Mayor Schneider.

### ROLL CALL

Councilmembers present: Dale Francisco, Frank Hotchkiss, Grant House (2:02 p.m.), Randy Rowse, Michael Self, Bendy White, Mayor Schneider.

Councilmembers absent: None.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, Deputy City Clerk Brenda Alcazar.

### 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, 2011.

Speakers:

Staff: City Administrator James Armstrong.

(Cont'd)

1. (Cont'd)

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

5-Year Pin

Julie Rodriguez, Planning Commission Secretary, Community Development  
Gabriela Feliciano, Commission Secretary, Community Development  
Luis Ornelas, Streets Maintenance Worker I, Public Works  
Christine Gallery, Librarian II, Library

10-Year Pin

Kenneth Kushner, Police Officer, Police  
Ryan DeJohn, Police Officer, Police  
Kelly Greeley, Senior Control Systems Operator Specialist, Cater  
Jeffrey McKee, Airport Maintenance Superintendent, Airport  
Pete Tenoso, Grounds Maintenance Worker II, Airport

20-Year Pin

Ken Wojciechoski, Police Officer, Police

**CHANGES TO THE AGENDA**

City Administrator James Armstrong spoke about the addition of Agenda Item No. 9, which was noticed on a Supplemental Agenda, and recommended that it be taken after Item No. 7.

Motion:

Councilmembers Hotchkiss/Francisco to take Item No. 9 for consideration after Item No. 7.

Vote:

Unanimous voice vote.

**PUBLIC COMMENT**

Speakers: Frankie Morris, Edmond Finucane, Geoffery Bard, Karolyn Renard, Kate Smith and Jeffery Wood.

**ITEM REMOVED FROM CONSENT CALENDAR**

Councilmember Hotchkiss said he would abstain from voting on the following item due to a conflict of interest related to his residence at property located within 500' of the project location.

3. Subject: Acceptance Of Easement For Realigned Water Main And Summary Vacation Of Old Easement At El Encanto Hotel (540.06)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Accepting an Easement for Water Mains on a Portion of the Real Property Commonly Known as 1900 Lasuen Road, Santa Barbara County Assessor's Parcel No. 019-170-022, and Adopting an Order Summarily Vacating and Abandoning the Existing Superseded Easement for Water Pipelines, Both Within the Limits of Said City.

Documents:

- February 1, 2011, report from the Public Works Director.
- Proposed Resolution.

The title of the resolution was read.

Motion:

Councilmembers White/Francisco to approve the recommendation; Resolution No. 11-004.

Vote:

Unanimous roll call vote (Abstentions: Councilmember Hotchkiss).

### **CONSENT CALENDAR (Item Nos. 2, 4 and 5)**

The title of the resolution related to Item No. 2 was read.

Motion:

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

Vote:

Unanimous roll call vote.

2. Subject: Acceptance Of Land For Intersection Improvements At Hot Springs Road And Coast Village Road (330.03)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Accepting a Small Parcel of Land Along and Fronting Hot Springs Road, Northeasterly of the Roundabout at Hot Springs Road, Old Coast Highway, and Coast Village Road, Adjacent to and Formerly a Portion of the Real Property Commonly Known as 1000 Coast Village Road, Santa Barbara County Assessor's Parcel No. 009-211-038.

Action: Approved the recommendation; Resolution No. 11-003 (February 1, 2011, report from the Public Works Director; proposed resolution).

4. Subject: Grant Funding For Disaster Preparedness Public Service Announcement Campaign (520.02)

Recommendation: That Council:

- A. Accept a grant of \$50,196 from the Orfalea Foundation to produce and distribute a Santa Barbara Countywide Disaster Preparedness Radio and Television Public Service Announcement Campaign; and
- B. Increase appropriations and estimated revenues by \$50,196 in the General Fund, City Administrator's Office budget to fund the project.

Action: Approved the recommendations; Agreement No. 23,629 (February 1, 2011, report from the City Administrator).

## NOTICES

5. The City Clerk has on Thursday, January 27, 2011, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concluded the Consent Calendar.

## **CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS**

### FINANCE DEPARTMENT

6. Subject: Recommendation From Sustainability Committee For Single-Use Bag Ordinance (630.02)

Recommendation: That Council consider a recommendation from the Sustainability Committee to refer consideration of a Single-Use Bag Reduction Ordinance to the Ordinance Committee.

Documents:

- February 1, 2011, report from the Finance Director.
- February 1, 2011, PowerPoint presentation prepared and made by Staff.
- February 1, 2011, email communication from Manuel Martinez, Project GreenBag.
- February 1, 2011, letter from Assembly Member Julia Brownley.

Speakers:

- Staff: Acting Environmental Services Manager Kristine Schmidt.
- Members of the Public: Lois Hamilton; Kathi King, Choose to Reuse; Megan O'Meara, Heal the Ocean; Bret Stone; Dr. Lee Heller, Get Oil Out!; Kira Redmond, Executive Director, Santa Barbara ChannelKeeper; Geoffery Bard, Upland Research Science Action; Laura Lynch; Penny Owens, Santa Barbara ChannelKeeper; John Dixon, Tri-County Produce.

(Cont'd)

6. (Cont'd)

Motion:

Councilmembers Rowse/House to approve the recommendation.

Vote:

Unanimous voice vote.

#### PUBLIC WORKS DEPARTMENT

7. Subject: Introduction Of Ordinance For Power Purchase Agreement For Cogeneration Project At El Estero Wastewater Treatment Plant (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 and Authorizing the City Administrator to Negotiate and Execute a Power Purchase Agreement (PPA), in a Form of Agreement Acceptable to the City Attorney, for a Term of up to Ten (10) Years for Cogeneration at the El Estero Wastewater Treatment Plant (El Estero) Between the City of Santa Barbara and California Power Partners, Incorporated (Calpwr), for the Purchase of Electricity.

Documents:

- February 1, 2011, report from the Public Works Director.
- February 1, 2011, PowerPoint presentation prepared and made by Staff.
- Proposed Ordinance.

The title of the ordinance was read.

Speakers:

Staff: Facilities & Energy Manager Jim Dewey, City Attorney Stephen Wiley.

Motion:

Councilmembers White/House to approve the recommendation.

Vote:

Unanimous voice vote.

## REDEVELOPMENT AGENCY REPORTS

9. Subject: Request From Councilmember Rowse For Reconsideration Of Agenda Item No. 12 From The January 25, 2011, City Council Meeting - Grant To Housing Authority For Acquisition Of 2904 State Street (660.04)

Recommendation: Councilmember Rowse is requesting reconsideration of the following action:

- A. Approval of a grant of \$1,150,000 in Redevelopment Agency Housing Setaside Funds to the Housing Authority of the City of Santa Barbara for the acquisition of 2904 State Street, and authorize the Agency's Deputy Director to execute a grant agreement and related documents in a form approved by Agency Counsel, and to make non-substantive changes;
- B. Appropriation of \$1,150,000 in the Redevelopment Agency Housing Setaside Funds from unappropriated reserves for the grant; and
- C. Adoption of a joint Resolution of the Council of the City of Santa Barbara and the Redevelopment Agency of the City of Santa Barbara Finding that the Use of Redevelopment Agency Housing Setaside Funds as a Grant to the Housing Authority of the City of Santa Barbara for Acquiring an Affordable Housing Site Located Outside the Central City Redevelopment Project (CCRP) Area at 2904 State Street Will Be of Benefit to the CCRP.

Documents:

- January 28, 2011, memorandum from Councilmember Rowse.
- February 1, 2011, PowerPoint presentations prepared and made by Staff and the Housing Authority of the City of Santa Barbara.
- January 31, 2011, email communication from Patricia Hiles.
- February 1, 2011, letter from Stephanie Smagala.

Speakers:

- Staff: Project Planner Simon Kiefer.
- Housing Authority of the City of Santa Barbara: Executive Director Robert Pearson.
- WillBridge: Lynnelle Williams.
- Housing Authority Commission of the City of Santa Barbara: Commissioner David Hughes.
- Members of the Public: Suzanne Riordan, Families ACT; Lois Hamilton; Lou Traga, Independent Living Resource Center; Nick Ferrara; Earl Minnis; Chris Page; Wesley Brown; Joe Andrulaitis; Craig Stuart; Tawnie Fransen, Housing Authority of the County of Santa Barbara; Warren Gardner; Kate Ford, Principal, Peabody Charter School; Annemarie Cameron, Executive Director, Mental Health Association in Santa Barbara; Ben Spievak, Student Council President, Peabody Charter School; Carola Nicholson; Bret Stone; Sven Klein; Jenny Klein; Mickey Flacks, Chair of the Housing Authority Commission of Santa Barbara County; Petra Lowen, Independent Living Resource Center; Roxanne McGregor; Geoffery Bard; Scott Grant.

(Cont'd)

9. (Cont'd)

Recess: 4:41 p.m. - 4:56 p.m. Council/Agency member Francisco was absent when the Council/Agency Board reconvened.

Speakers (Cont'd):

- Members of the Public (Cont'd): Susan Nielsen; Nancy Tubiolo; Jason Niemela; Jeff Wood; Leah Juniper, Consumer Advocacy Coalition; Dr. Lee Heller, Santa Barbara County Action Network; Polly Pelly; Anna Campbell; Michael Fauver; Matt Walker; Deborah Barnes; Debbie McQuade; Anne Greaney, Mental Health Association of Santa Barbara; Kathleen Baushe, Transition House and Willbridge; Joseph Tumbler; Frank Thompson; Ilette Hill; Maggie McCourt; Robert Burke; Assade Mora.
- Staff (Cont'd): City Attorney/Agency Counsel Stephen Wiley.

Council/Agency Member Francisco returned to the meeting at 5:04 p.m.

Motion:

Council/Agency Members Francisco/Rowse to reaffirm the decision of January 25, and to add a condition that the Housing Authority hold up to three community meetings and report back to the Council/Agency Board within 90 days, at which time the Council/Agency Board will consider whether the agreement with WillBridge will move forward or if the nature of the project will be changed to be low-income housing.

Vote:

Unanimous voice vote.

## RECESS

Mayor Schneider recessed the meeting at 6:36 p.m. in order for the Council to reconvene in closed session for Item No. 8. No reportable action is anticipated.

## CLOSED SESSIONS

8. 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 Santa Barbara Patients' Collective Health Cooperative v. City of Santa Barbara, et al., USDC Case No. CV 10-6534 DDP (RCx); and The Green Light Dispensary, Inc., A California Non-Profit Mutual Benefit Corporation, v. City of Santa Barbara, USDC Case No. CV 10-7203 DDP (RCx).

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

(Cont'd)

8. (Cont'd)

Documents:

February 1, 2011, report from the City Attorney.

Time:

6:40 p.m. - 7:20 p.m. Councilmember Self was absent.

No report made.

**ADJOURNMENT**

Mayor Schneider adjourned the meeting at 7:20 p.m. in memory of City of Buellton Councilmember Russ Hicks.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

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

ATTEST: \_\_\_\_\_  
BRENDA ALCAZAR, CMC  
DEPUTY CITY CLERK



# CITY OF SANTA BARBARA CITY COUNCIL MINUTES

**SPECIAL MEETING  
February 3, 2011**

**DAVID GEBHARD PUBLIC MEETING ROOM, 630 GARDEN STREET**

---

---

## **CALL TO ORDER**

Mayor Helene Schneider called the meeting to order at 9:32 a.m.

## **ROLL CALL**

Councilmembers present: Grant House, Randy Rowse, Bendy White, Mayor Schneider.

Councilmembers absent: Dale Francisco, Frank Hotchkiss, Michael Self.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, Deputy City Clerk Brenda Alcazar.

## **PUBLIC COMMENT**

No one wished to speak.

## **NOTICES**

The City Clerk has on Thursday, January 27, 2011, 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.

## **WORK SESSIONS**

**Subject: Fiscal Year 2012 Special Budget Work Session (230.05)**

Recommendation: That Council hold a special work session on the Fiscal Year 2012 budget.

Documents:

- February 3, 2011, report from the Finance Director.
- February 3, 2011, PowerPoint presentation prepared and made by Staff.

(Cont'd)

## **Fiscal Year 2012 Special Budget Work Session (Cont'd)**

### **Speakers:**

- Staff: City Administrator James Armstrong, Finance Director Robert Samario, Deputy Police Chief Frank Mannix, Chief of Police Camarino Sanchez.
- Members of the Public: Jim Westby, Robert Burke.

Councilmember Francisco entered the meeting at 9:34 a.m. Councilmember Hotchkiss entered the meeting at 9:35 a.m. Councilmember Self entered the meeting at 9:56 a.m.

### **Discussion:**

City Administrator James Armstrong presented background information on the City's current financial status and provided a brief overview of the presentation to be made.

Finance Director Robert Samario presented an extensive overview of the City's financial structure, including descriptions of the various funds and operating budgets. He also described the City's financial framework, including where the City's revenues come from and the percentage distributed to each department for expenditures. The impacts the recession has had on General Fund revenues and assumptions being made for the preparation of the budget were also presented. Mr. Samario then provided an overview of the key milestones in the preparation, presentation and adoption of the budget. The recommended priorities for Fiscal Year 2012 were also discussed.

Deputy Police Chief Frank Mannix made a presentation on the Police Department's current level of staffing.

Staff responded to the Councilmembers' questions and the Councilmembers provided feedback on the City's priorities.

## **ADJOURNMENT**

Mayor Schneider adjourned the meeting at 12:08 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

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

ATTEST: \_\_\_\_\_  
BRENDA ALCAZAR, CMC  
DEPUTY CITY CLERK



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 15, 2011  
**TO:** Mayor and Councilmembers  
**FROM:** Treasury Division, Finance Department  
**SUBJECT:** January 2011 Investment Report

**RECOMMENDATION:**

That Council accept the January 2011 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, 2011.

**ATTACHMENT:** January 2011 Investment Report  
**PREPARED BY:** Jill Taura, Treasury Manager  
**SUBMITTED BY:** Robert Samario, Finance Director  
**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA**  
**Activity and Interest Report**  
**January 31, 2011**

**INVESTMENT ACTIVITY**

---

**PURCHASES OR DEPOSITS**

1/3 LAIF Deposit - City	\$ 3,000,000
1/4 LAIF Deposit - City	2,500,000
1/6 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
1/7 General Electric Capital Corp (GECC)	2,000,000
1/12 LAIF Deposit - City	3,000,000
1/19 LAIF Deposit - City	4,000,000
1/24 LAIF Deposit - City	2,000,000
1/28 LAIF Deposit - City	5,000,000
<b>Total</b>	<b>\$ 23,500,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

1/5 LAIF Withdrawal - City	\$ (1,000,000)
1/6 LAIF Withdrawal - City	(2,000,000)
1/7 LAIF Withdrawal - City	(1,000,000)
1/12 Wells Fargo & Co. (WFC) - Maturity	(2,000,000)
1/13 Federal Farm Credit Bank (FFCB) - Call	(2,000,000)
1/18 Federal Farm Credit Bank (FFCB) - Maturity	(2,000,000)
1/27 LAIF Withdrawal - City	(1,000,000)
<b>Total</b>	<b>\$ (11,000,000)</b>

**ACTIVITY TOTAL**

**\$ 12,500,000**

---

**INTEREST REVENUE**

---

**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 267,782
Amortization	(4,214)
Interest on SBB&T Accounts	170
<b>Total</b>	<b>\$ 263,738</b>

**RDA INVESTMENTS**

Interest Earned on Investments (LAIF)	<b>\$ 6,363</b>
---------------------------------------	-----------------

**TOTAL INTEREST EARNED**

**\$ 270,102**

---



**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**January 31, 2011**

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.520	0.520	41,000,000.00	41,000,000.00	41,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.520	0.520	15,000,000.00	15,000,000.00	15,000,000.00	0.00	
<b>Subtotal, LAIF</b>							56,000,000.00	56,000,000.00	56,000,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
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>							2,000,000.00	2,000,000.00	2,000,000.00	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	2,003,086.86	2,044,430.00	41,343.14	
FEDERAL FARM CREDIT BANK	10/28/10	10/28/15	Aaa	AAA	1.540	1.540	2,000,000.00	2,000,000.00	1,960,390.00	(39,610.00)	Callable 10/28/11, then cont.
FEDERAL FARM CREDIT BANK	12/10/10	12/08/14	Aaa	AAA	1.500	1.662	2,000,000.00	1,989,280.73	1,997,270.00	7,989.27	Callable 12/08/11, then cont.
FEDERAL FARM CREDIT BANK	12/15/10	12/15/15	Aaa	AAA	2.480	2.480	2,000,000.00	2,000,000.00	1,994,100.00	(5,900.00)	Callable 12/15/11, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	01/17/12	Aaa	AAA	2.000	2.002	2,000,000.00	2,000,000.00	2,032,210.00	32,210.00	
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AAA	2.600	2.600	2,000,000.00	2,000,000.00	2,078,630.00	78,630.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,062,540.00	62,540.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,045,160.00	45,160.00	
FEDERAL FARM CREDIT BANK	09/30/09	10/03/11	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,010,050.00	10,050.00	
FEDERAL FARM CREDIT BANK	04/30/10	04/09/15	Aaa	AAA	2.900	2.916	2,000,000.00	1,999,069.30	2,027,310.00	28,240.70	Callable 04/09/12, once
FEDERAL FARM CREDIT BANK	11/23/10	11/23/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,969,660.00	(30,340.00)	Callable 05/23/12, then cont.
FEDERAL HOME LOAN BANK	05/22/07	06/10/11	Aaa	AAA	5.250	5.005	2,000,000.00	2,001,566.05	2,035,020.00	33,453.95	
FEDERAL HOME LOAN BANK	07/09/07	02/15/11	Aaa	AAA	4.000	5.308	2,000,000.00	1,999,083.95	2,002,980.00	3,896.05	
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AAA	4.375	2.110	1,700,000.00	1,750,061.86	1,780,699.00	30,637.14	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,053,920.00	53,920.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	1,992,070.00	(7,930.00)	
FEDERAL HOME LOAN BANK	12/28/10	07/28/14	Aaa	AAA	0.650	1.816	2,000,000.00	2,000,000.00	2,005,030.00	5,030.00	SU 2.05% Callable 07/28/11, once
FEDERAL HOME LOAN BANK	06/30/09	06/30/14	Aaa	AAA	2.000	3.733	2,000,000.00	2,000,000.00	2,007,010.00	7,010.00	SU 5%, Callable 06/30/11, once
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AAA	3.125	2.440	2,000,000.00	2,037,064.25	2,111,740.00	74,675.75	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AAA	1.700	1.700	2,000,000.00	2,000,000.00	2,039,780.00	39,780.00	
FEDERAL HOME LOAN BANK	03/30/10	09/30/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,005,160.00	5,160.00	Callable 03/30/11, once
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,052,850.00	52,850.00	
FEDERAL HOME LOAN BANK	06/29/10	10/29/12	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,019,810.00	19,810.00	
FEDERAL HOME LOAN BANK	05/23/08	06/10/11	Aaa	AAA	3.125	3.520	2,000,000.00	1,997,325.93	2,019,160.00	21,834.07	
FEDERAL HOME LOAN BANK	05/28/10	05/28/15	Aaa	AAA	2.000	2.653	2,000,000.00	2,000,000.00	2,040,650.00	40,650.00	SU 3.35%, Callable 11/28/12, once
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AAA	4.375	2.272	2,000,000.00	2,104,643.34	2,176,940.00	72,296.66	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AAA	3.125	2.130	2,000,000.00	2,054,482.98	2,111,740.00	57,257.02	
FEDERAL HOME LOAN BANK	03/26/10	06/08/12	Aaa	AAA	1.375	1.325	2,000,000.00	2,001,328.18	2,025,250.00	23,921.82	

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**January 31, 2011**

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
FEDERAL HOME LOAN BANK	07/14/10	07/14/15	Aaa	AAA	2.000	2.336	2,000,000.00	2,000,000.00	2,013,570.00	13,570.00	SU 2.0%-3.5% Call 07/14/11, then qtrly
FEDERAL HOME LOAN BANK	06/30/10	06/30/14	Aaa	AAA	1.125	2.277	2,000,000.00	2,000,000.00	2,018,100.00	18,100.00	SU 3% Callable 12/30/11, once
FEDERAL HOME LOAN MTG CORP	04/08/09	04/08/13	Aaa	AAA	2.500	2.526	2,000,000.00	1,999,813.89	2,008,080.00	8,266.11	Callable 04/08/11, 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	2,011,060.00	11,060.00	Callable 05/19/11, once
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AAA	2.125	1.699	2,000,000.00	2,013,540.98	2,052,170.00	38,629.02	
FEDERAL HOME LOAN MTG CORP	11/23/10	11/23/15	Aaa	AAA	1.750	1.845	2,000,000.00	1,992,700.00	1,950,040.00	(42,660.00)	Callable 11/23/11, once
FEDERAL HOME LOAN MTG CORP	01/06/11	02/25/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,011,340.00	11,340.00	
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	2,011,500.00	11,500.00	Callable 05/13/11, once
FEDERAL HOME LOAN MTG CORP	12/15/10	12/15/15	Aaa	AAA	2.100	2.100	2,000,000.00	2,000,000.00	1,985,980.00	(14,020.00)	Callable 03/15/11, then qtrly
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AAA	1.000	2.420	2,000,000.00	1,958,019.09	2,011,280.00	53,260.91	
FEDERAL HOME LOAN MTG CORP	03/26/10	04/25/12	Aaa	AAA	1.125	1.197	1,000,000.00	999,122.67	1,008,610.00	9,487.33	
FEDERAL HOME LOAN MTG CORP	06/30/10	06/30/15	Aaa	AAA	2.000	2.914	2,000,000.00	2,000,000.00	2,015,660.00	15,660.00	SU 2.0%-4.5%, Call 06/30/11, annually
FEDERAL NATL MORTGAGE ASSN	03/18/09	09/18/12	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,005,990.00	5,990.00	Callable 03/18/11, once
FEDERAL NATL MORTGAGE ASSN	07/07/10	07/07/15	Aaa	AAA	2.350	2.350	2,000,000.00	2,000,000.00	2,009,690.00	9,690.00	Callable 07/07/11, once
FEDERAL NATL MORTGAGE ASSN	05/24/10	06/24/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,009,980.00	9,980.00	Callable 06/24/11, once
FEDERAL NATL MORTGAGE ASSN	08/10/10	08/10/15	Aaa	AAA	2.000	2.055	2,000,000.00	1,996,035.00	1,977,600.00	(18,435.00)	Callable 08/10/12, once
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AAA	1.300	1.300	2,000,000.00	2,000,000.00	1,971,330.00	(28,670.00)	Callable 05/17/11, once
FEDERAL NATL MORTGAGE ASSN	12/28/10	12/28/15	Aaa	AAA	2.000	2.011	2,000,000.00	1,999,091.67	1,953,060.00	(46,031.67)	Callable 12/28/11, once
FEDERAL NATL MORTGAGE ASSN	02/27/09	02/24/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,002,290.00	2,290.00	Callable 02/24/11, once
FEDERAL NATL MORTGAGE ASSN	08/05/10	08/05/15	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	1,982,910.00	(17,090.00)	Callable 08/05/11, once
FEDERAL NATL MORTGAGE ASSN	09/09/10	09/09/15	Aaa	AAA	1.850	1.871	2,000,000.00	1,998,788.89	1,960,830.00	(37,958.89)	Callable 09/09/11, once
FEDERAL NATL MORTGAGE ASSN	12/15/10	12/15/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,981,550.00	(18,450.00)	Callable 06/15/11, once
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,975,350.00	(24,650.00)	Callable 03/21/11, once
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AAA	1.625	2.067	2,000,000.00	1,960,346.13	1,948,530.00	(11,816.13)	
<b>Subtotal, Federal Agencies</b>							<u>102,700,000.00</u>	<u>102,854,451.75</u>	<u>103,578,059.00</u>	<u>723,607.25</u>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,992,691.67	1,997,300.00	4,608.33	
GENERAL ELECTRIC CAPITAL CORP	01/10/07	02/22/11	Aa2	AA+	6.125	5.100	2,000,000.00	2,001,064.45	2,006,060.00	4,995.55	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	Aa2	AA+	2.250	2.250	2,000,000.00	2,000,000.00	1,922,980.00	(77,020.00)	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	Aa2	AA+	2.100	2.100	2,000,000.00	2,000,000.00	1,999,980.00	(20.00)	
<b>Subtotal, Corporate Securities</b>							<u>8,000,000.00</u>	<u>7,993,756.12</u>	<u>7,926,320.00</u>	<u>(67,436.12)</u>	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	6,044,793.28	6,044,793.28	6,044,793.28	0.00	
<b>Subtotal, SBA Note</b>							<u>6,044,793.28</u>	<u>6,044,793.28</u>	<u>6,044,793.28</u>	<u>0.00</u>	
<b>TOTALS</b>							<u>174,744,793.28</u>	<u>174,893,001.15</u>	<u>175,549,172.28</u>	<u>656,171.13</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.

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

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING A LEASE AMENDMENT WITH SANTA BARBARA SHELLFISH COMPANY, INC., ALLOWING FOR A SEASONAL ALLOCATION OF BASE RENT EFFECTIVE MARCH 17, 2011.

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

SECTION 1. In accordance with the provisions of Section 521 of the Charter of the City of Santa Barbara, An Ordinance of the Council of the City of Santa Barbara Approving a Lease Amendment with Santa Barbara Shellfish Company, Inc., Allowing For A Seasonal Allocation Of Base Rent , Effective March 17, 2011, is hereby approved.



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

File Code No. 530.04

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 15, 2011

**TO:** Mayor and Councilmembers

**FROM:** Water Resources Division, Public Works Department

**SUBJECT:** Approval Of Emergency Purchase Order For Surf View Drive Roadway Repair

### **RECOMMENDATION:**

That Council approve an Emergency Purchase Order to Lash Construction for Surf View Drive roadway repair work in the amount of \$45,234.

### **DISCUSSION:**

On the night of September 23, 2010, a City water main broke, disrupting water service to approximately a dozen homes, and undermining the roadway. City water crews worked through the night to repair the water main and restore water service to the area.

Approximately 10,000 square feet of the roadway was badly damaged by the force of the water. Water Resources staff worked with the General Services Manager to issue an Emergency Purchase Order to Lash Construction to repair the roadway. Lash has submitted invoices against the Emergency Purchase Order for a total amount of \$45,234. The work was performed promptly and to City standards.

Council received notice of this emergency from the Public Works Director via email on September 24, 2010. Staff is requesting approval of the Emergency Purchase Order issued to Lash to make the roadway repairs.

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

There are sufficient funds in the Water Distribution operating budget to cover the cost of this Emergency Purchase Order.

**PREPARED BY:** Catherine Taylor, Water System Manager/mh

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

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



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

File Code No. 610.04

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 15, 2011

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Airport Department

**SUBJECT:** Airport Public Art Program

### **RECOMMENDATION:**

That Council authorize the Airport Director to execute a Loan of Asset Agreement, subject to approval by the City Attorney, between the City and the David Bermant Foundation for the long-term loan of the "Albatross V" by artist Dustin Shuler.

### **DISCUSSION:**

#### **Background**

The Airline Terminal Project is now under construction and will be completed in 2011. One component of the Project is a public art program. Airport staff has been working with the City Arts Committee, Visual Arts in Public Places Committee, and the Santa Barbara County Arts Commission staff in the development of the Public Art Program.

The Public Art Program consists of three public art components: the long-term loan of existing art to the Airport, commissioned art, and a rotating exhibit of regional art.

On January 25, Council approved a Loan of Asset Agreement with the David Bermant Foundation for the continued loan of the kinetic sculpture "Good Time Clock IV 1984" to be displayed at the new airline terminal.

#### **"Albatross V"**

In 1995 the Foundation loaned "Albatross V" by artist Dustin Shuler to the Airport for display at the airline terminal. "Albatross V" is a kinetic sculpture of a fiberglass and gold leaf glider mounted on a 13' steel pole. The glider rests on the tip of the pole and responds to slight fluctuations in the air currents. Shuler balanced the aircraft so that it may perform a number of aerial stunts, including a 360 degree roll.

The artist, Dustin Shuler, was born in Pittsburgh, PA in 1948. He has been exhibiting since 1977 and has had numerous solo exhibitions. His resume includes a long list of public projects and commissions including "Albatross V" at the Santa Barbara Airport. His work has been reviewed and featured in both national and international publications.

Both the Foundation and Airport staff wish to relocate the sculpture to the new airline terminal facilities for the future enjoyment of the community and its visitors. The proposed agreement is for the long-term loan of the sculpture and for its installation at the new airline terminal complex.

The Agreement provides for the City to relocate the sculpture from its current location to the new airline terminal grounds. The Foundation will continue to maintain and insure the piece.

The Airport's Public Art Program will be more robust because of the generous loan of significant art by organizations such as the David Bermant Foundation. Installation of works of historical or cultural value to the community will greatly increase the number of people able to see and appreciate them, and help create the ambiance known as the "Santa Barbara experience" in the new terminal building.

### **Budget/Financial Information**

Funding for the Airport Public Art Program is included in the Airline Terminal Improvement Project with \$100,000 of the Project budget allocated for that purpose.

**SUBMITTED BY:** Karen Ramsdell, Airport Director

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



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

File Code No. 530.01

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 15, 2011

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Contract For Federal Advocacy Services

### **RECOMMENDATION:**

That Council authorize the Public Works Director to execute a \$25,200 annual contract, in a form approved by the City Attorney, with Carpi Clay & Smith (Smith) for federal services to advocate for Surface Transportation Reauthorization and Lower Mission Creek Project funding, with an option to renew the contract for two additional years.

### **DISCUSSION:**

The multi-year Federal Surface Transportation Authorization Legislation (FTL), known as the "Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users" (SAFETEA-LU), is up for re-authorization. This legislation, typically on a six-year reauthorization schedule, is similar to its predecessor, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), is intended to meet the country's changing transport needs, and supplies funds and a framework to maintain and grow a vital transportation infrastructure.

The FTL authorizes highway, rail, transit, and other intermodal projects to draw money from the Highway Trust Fund which is funded by the Federal Gas Tax.

The prior FTL guaranteed funding for a total of \$224.1 billion and represented the country's largest surface transportation investment to date. A majority of the funding goes to the states for allocation to programs such as the State's Safe Routes to School Program, the Surface Transportation Improvement Program, and the Highway Bridge Program. The City has competed with other local agencies for project funding from these programs. California was estimated to have received approximately \$17.1 billion in apportionments for Fiscal Years 2005-2009. Recently, the FTL has provided a funding mechanism for special projects beyond state funding levels that meet what is considered national economic significance. The question of funding special projects is currently being debated in the Federal Legislature. Even with this debate, the next FTL Reauthorization Bill is anticipated to have some special projects at some level, possibly with more restrictions. It is to the benefit of the City to continue seeking assistance with

special transportation project funding at the legislative level, and to further pursue support at the federal administrative programming level, such as the Federal Highway Administration (FHWA) and the Army Corps of Engineers (Corps).

In Fiscal Year 2006, staff retained Smith to assist with preparing and presenting its needs for the anticipated 2009 FTL Reauthorization Bill. The Federal Legislature is still considering this Reauthorization. Initial efforts identified projects that are of national economic significance, and addressed nationally significant City access needs, such as improved regional City access and workplace surface transportation. Then, in October 2007, Council approved a three-year contract with Smith to promote projects that included, but were not limited to, the Cottage Hospital Interchange Project, Metrolink Rail Extension Improvements, Highway 101/217 Interchange Construction, Santa Barbara Intermodal Train Station Flood Protection, and the Pedestrian Access at Sycamore Creek and Hitchcock Avenue. The City continues to pursue federal funding and Corps support for the Lower Mission Creek (LMC) Project in coordination with the Santa Barbara County Flood Control District and Council transportation priorities.

Although annual transportation appropriations from Congress may be obtained in limited amounts, staff believes that FTL Reauthorization legislation may be the only source of adequate matching funds available to the City that will help encourage additional state and local funding. The next Reauthorization local request could be approximately \$25-30 million, which would provide adequate funding to develop approved projects and advance them to construction-ready status for the next Reauthorization funding.

The City and County have been successful in getting LMC funding for final design. Progress to construct the LMC Project is being made locally by using local and other grant funds such as State Proposition 50 funds for channel construction. However, due to the significant cost of the LMC Project, getting Corps and/or other federal construction funding is still anticipated to be necessary to complete the Project.

**BUDGET/FINANCIAL INFORMATION:**

There are sufficient appropriated funds in the Streets Funds Capital budget to cover contract costs. Under terms of the contract, expenditures are not to exceed \$2,100 per month at \$25,200 per year, with a 30 day termination clause. The agreement includes an option to renew for an additional two years.

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

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

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

**CITY OF SANTA BARBARA**  
**REDEVELOPMENT AGENCY MINUTES**

**Regular Meeting**  
**October 12, 2010**  
**Council Chamber, 735 Anacapa Street**

**CALL TO ORDER**

Chair Helene Schneider called the joint meeting of the Agency and the City Council to order at 2:07 p.m.

**ROLL CALL**

Agency members present: Dale Francisco, Frank Hotchkiss, Grant House, Michael Self, Das Williams, Chair Schneider.

Agency members absent: Bendy White.

Staff present: Executive Director/Secretary James L. Armstrong, Agency Counsel Stephen P. Wiley, Deputy Director Paul Casey, Housing and Redevelopment Manager Brian Bosse, City Clerk Services Manager Cynthia M. Rodriguez.

**PUBLIC COMMENT**

No one wished to speak.

**CONSENT CALENDAR (Item Nos. 1 and 2)**

The title of the resolution related to the Consent Calendar was read.

Motion:

Agency/Council Members Williams/Hotchkiss to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote (Absent: Councilmember White).

1. Subject: Minutes (9)

Recommendation: That the Redevelopment Agency Board waive the reading and approve the minutes of the regular meeting of September 14, 2010.

Action: Approved the recommendation.

2. Subject: Financial Assistance To Housing Authority For Acquisition/Rehabilitation Of 2941 State Street (660.04/10)

Recommendation: That Council and Redevelopment Agency Board take the following actions regarding a new affordable housing project at 2941 State Street:

- A. That the Agency Board approve an acquisition loan of \$360,000 of Redevelopment Agency Housing Setaside Funds to the Housing Authority of the City of Santa Barbara and authorize the Agency's Deputy Director to execute a loan agreement and related documents in a form approved by Agency Counsel and to make nonsubstantive changes;
- B. That the Agency Board appropriate \$360,000 in the Redevelopment Agency Housing Setaside Fund from unappropriated reserves for the acquisition loan;
- C. That Council approve a rehabilitation grant of \$90,000 in Community Development Block Grant (CDBG) funds and authorize the Community Development Director to execute a grant agreement and related documents in a form approved by the City Attorney and to make nonsubstantive changes; and
- D. That Council and Agency Board adopt, by reading of title only, A Joint Resolution of the Council of the City of Santa Barbara and the Redevelopment Agency of the City of Santa Barbara Finding that the Use of Redevelopment Agency Housing Setaside Funds as a Loan to the Housing Authority of the City of Santa Barbara for Acquiring Affordable Housing Located Outside the Central City Redevelopment Project (CCRP) Area at 2941 State Street Will be of Benefit to the CCRP.

Action: Approved the recommendations; Redevelopment Agency Agreement No. 532; City Council Agreement No. 23,559; Joint Redevelopment Agency/Council Resolution No. 1019/10-082 (October 12, 2010, report from the Deputy Director/Assistant City Administrator/Community Development Director; proposed resolution).

## ADJOURNMENT

Chair Schneider adjourned the meeting at 4:25 p.m.

SANTA BARBARA  
REDEVELOPMENT AGENCY

SANTA BARBARA  
CITY CLERK'S OFFICE

---

HELENE SCHNEIDER  
CHAIR

---

CYNTHIA M. RODRIGUEZ, CMC  
CITY CLERK SERVICES MANAGER

**CITY OF SANTA BARBARA**  
**REDEVELOPMENT AGENCY MINUTES**

**Regular Meeting**  
**October 19, 2010**  
**Council Chamber, 735 Anacapa Street**

**CALL TO ORDER**

Vice-Chair Grant House called the joint meeting of the Agency and the City Council to order at 2:01 p.m.

**ROLL CALL**

Agency members present: Dale Francisco, Frank Hotchkiss, Michael Self, Bendy White, Das Williams, Vice-Chair House.

Agency members absent: Chair Helene Schneider.

Staff present: Executive Director/Secretary James L. Armstrong, Agency Counsel Stephen P. Wiley, Deputy Director Paul Casey, Housing and Redevelopment Manager Brian Bosse, City Clerk Services Manager Cynthia M. Rodriguez.

**PUBLIC COMMENT**

No one wished to speak.

**CONSENT CALENDAR (Item No. 1)**

Motion:

Agency Members Francisco/White to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote (Absent: Chair Schneider).

1. Subject: Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Two Months Ended August 31, 2010 (6)

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

Action: Approved the recommendation (October 19, 2010, report from the Fiscal Officer).

## **ADJOURNMENT**

Vice-Chair House adjourned the meeting at 6:48 p.m.

SANTA BARBARA  
REDEVELOPMENT AGENCY

SANTA BARBARA  
CITY CLERK'S OFFICE

---

GRANT HOUSE  
VICE-CHAIR

---

CYNTHIA M. RODRIGUEZ, CMC  
CITY CLERK SERVICES MANAGER

**CITY OF SANTA BARBARA**  
**REDEVELOPMENT AGENCY MINUTES**

**Special Meeting**  
**October 26, 2010**  
**Council Chamber, 735 Anacapa Street**

**CALL TO ORDER**

Chair Helene Schneider called the joint meeting of the Agency and the City Council to order at 2:01 p.m.

**ROLL CALL**

Agency members present: Dale Francisco, Frank Hotchkiss, Grant House, Michael Self, Bendy White, Das Williams, Chair Schneider.

Agency members absent: None.

Staff present: Executive Director/Secretary James L. Armstrong, Agency Counsel Stephen P. Wiley, Deputy Director Paul Casey, Housing and Redevelopment Manager Brian Bosse, Deputy City Clerk Susan Tschech.

**PUBLIC COMMENT**

No one wished to speak.

**CONSENT CALENDAR**

Motion:

Agency members Hotchkiss/Francisco to approve the Consent Calendar as recommended.

Vote:

Unanimous voice vote.

1. Subject: Use Of Redevelopment Agency Funds To Lease Building Space For Police Building Project Staff Relocation (6)

Recommendation: That the Redevelopment Agency Board authorize the expenditure of \$277,200 from the Police Station Renovation Project account to extend the Police Annex building lease at 222 East Anapamu Street for an initial period of 18 months starting January 1, 2011.

Action: Approved the recommendation (October 26, 2010, report from the Public Works Director, Deputy Agency Director, and the Chief of Police).

**ADJOURNMENT**

Chair Schneider adjourned the meeting at 9:05 p.m.

SANTA BARBARA  
REDEVELOPMENT AGENCY

SANTA BARBARA  
CITY CLERK'S OFFICE

---

HELENE SCHNEIDER  
CHAIR

---

SUSAN TSCHECH, CMC  
DEPUTY CITY CLERK

**CITY OF SANTA BARBARA**  
**REDEVELOPMENT AGENCY MINUTES**

**Regular Meeting**  
**November 2, 2010**  
**Council Chamber, 735 Anacapa Street**

**CALL TO ORDER**

Chair Helene Schneider called the joint meeting of the Agency and the City Council to order at 2:00 p.m.

**ROLL CALL**

Agency members present: Dale Francisco, Frank Hotchkiss, Grant House, Michael Self, Bendy White, Chair Schneider.

Agency members absent: Das Williams.

Staff present: Executive Director/Secretary James L. Armstrong, Agency Counsel Stephen P. Wiley, Deputy Director Paul Casey, Housing and Redevelopment Manager Brian Bosse, City Clerk Services Manager Cynthia M. Rodriguez.

**PUBLIC COMMENT**

No one wished to speak.

**REDEVELOPMENT AGENCY REPORTS**

1. Subject: Grant To Housing Authority For Two New Units At 233 West Ortega Street (13)

Recommendation: That the Redevelopment Agency Board:

- A. Approve a grant of \$300,000 from Agency Housing Setaside funds to the Housing Authority of the City of Santa Barbara for the construction of two new low-income rental units at their property at 233 West Ortega Street; and
- B. Appropriate \$300,000 in the Redevelopment Agency Housing Setaside Fund from unappropriated reserves for the grant.

Documents:

November 2, 2010, report from the Deputy Director.

(Cont'd)

1. (Cont'd)

Speakers:

Staff: Housing Program Supervisor II Steven Faulstich.

Motion:

Agency Members House/White to approve the recommendations.

Vote:

Unanimous voice vote (Absent: Agency Member Williams).

## **ADJOURNMENT**

Chair Schneider adjourned the meeting at 4:56 p.m. in memory of Access Advisory Committee Member Amy Van Meter.

SANTA BARBARA  
REDEVELOPMENT AGENCY

SANTA BARBARA  
CITY CLERK'S OFFICE

---

HELENE SCHNEIDER  
CHAIR

---

CYNTHIA M. RODRIGUEZ, CMC  
CITY CLERK SERVICES MANAGER

**CITY OF SANTA BARBARA**  
**REDEVELOPMENT AGENCY MINUTES**

**Regular Meeting**  
**November 16, 2010**  
**Council Chamber, 735 Anacapa Street**

**CALL TO ORDER**

Chair Helene Schneider called the joint meeting of the Agency and the City Council to order at 2:03 p.m.

**ROLL CALL**

Agency members present: Dale Francisco, Frank Hotchkiss, Grant House, Michael Self, Bendy White, Das Williams, Chair Schneider.

Agency members absent: None.

Staff present: Executive Director/Secretary James L. Armstrong, Agency Counsel Stephen P. Wiley, Deputy Director Paul Casey, Housing and Redevelopment Manager Brian Bosse, Deputy City Clerk Susan Tschech.

**PUBLIC COMMENT**

No one wished to speak.

**CONSENT CALENDAR**

Motion:

Agency/Council members House/Francisco to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

1. Subject: Loan To Habitat For Humanity For Acquisition Of 822-824 East Canon Perdido Street (660.04/9)

That Council and the Redevelopment Agency Board take the following actions:

- A. That the Agency Board approve an acquisition loan of \$925,000 of Redevelopment Agency Housing Setaside Funds to Habitat for Humanity of Southern Santa Barbara County and authorize the Agency's Deputy Director to execute a loan agreement and related documents in a form approved by Agency Counsel, and to make non-substantive changes;

(Cont'd)

1. (Cont'd)

- B. That the Agency Board appropriate \$925,000 in the Redevelopment Agency Housing Setaside Funds from unappropriated reserves for the acquisition loan;
- C. That the Agency Board adopt, by reading of title only, A Resolution of the Redevelopment Agency of the City of Santa Barbara Adopting the Replacement Housing Plan Dated October 28, 2010, for 822-824 East Canon Perdido Street; and
- D. That Council and the Agency Board adopt, by reading of title only, A Joint Resolution of the Council of the City of Santa Barbara and the Redevelopment Agency of the City of Santa Barbara Finding that the Use of Redevelopment Agency Housing Setaside Funds as a Loan to Habitat for Humanity of Southern Santa Barbara County for Acquiring an Affordable Housing Site Located Outside the Central City Redevelopment Project (CCRP) Area at 822-824 East Canon Perdido Street Will Be of Benefit to the CCRP.

Speakers:

Staff: Housing Programs Supervisor Steven Faulstich.

Action: Approved the recommendations; Redevelopment Agency Resolution Nos. 1021 and 1022; City Council Resolution No. 10-090; Redevelopment Agency Agreement No. 533 (November 16, 2010, report from the Deputy Agency Director/Assistant City Administrator/Community Development Director).

## **ADJOURNMENT**

Chair Schneider adjourned the meeting at 9:17 p.m.

SANTA BARBARA  
REDEVELOPMENT AGENCY

SANTA BARBARA  
CITY CLERK'S OFFICE

---

HELENE SCHNEIDER  
CHAIR

---

SUSAN TSCHECH  
DEPUTY CITY CLERK

**CITY OF SANTA BARBARA**  
**REDEVELOPMENT AGENCY MINUTES**

**Regular Meeting**  
**December 7, 2010**  
**Council Chamber, 735 Anacapa Street**

**CALL TO ORDER**

Chair Helene Schneider called the joint meeting of the Agency and the City Council to order at 2:00 p.m.

**ROLL CALL**

Agency members present: Dale Francisco, Frank Hotchkiss, Grant House, Michael Self, Bendy White, Chair Schneider.

Agency members absent: None.

Staff present: Executive Director/Secretary James L. Armstrong, Acting Agency Counsel N. Scott Vincent, Deputy Director Paul Casey, Deputy City Clerk Susan Tschech.

**PUBLIC COMMENT**

No one wished to speak.

**CONSENT CALENDAR**

Motion:

Agency members House/Francisco to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

1. Subject: Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Four Months Ended October 31, 2010 (12)

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

Action: Approved the recommendation (December 7, 2010, report from the Fiscal Officer).

**ADJOURNMENT**

Chair Schneider adjourned the meeting at 8:29 p.m.

SANTA BARBARA  
REDEVELOPMENT AGENCY

SANTA BARBARA  
CITY CLERK'S OFFICE

---

HELENE SCHNEIDER  
CHAIR

---

SUSAN TSCHECH, CMC  
DEPUTY CITY CLERK

**CITY OF SANTA BARBARA**  
**REDEVELOPMENT AGENCY MINUTES**

**Regular Meeting**  
**December 14, 2010**  
**Council Chamber, 735 Anacapa Street**

**CALL TO ORDER**

Chair Helene Schneider called the joint meeting of the Agency and the City Council to order at 2:00 p.m.

**ROLL CALL**

Agency members present: Dale Francisco, Frank Hotchkiss, Grant House, Michael Self, Bendy White, Chair Schneider.

Agency members absent: None.

Staff present: Executive Director/Secretary James L. Armstrong, Agency Counsel Stephen P. Wiley, Deputy Director Paul Casey, Housing and Redevelopment Manager Brian Bosse, City Clerk Services Manager Cynthia M. Rodriguez.

**PUBLIC COMMENT**

No one wished to speak.

**CONSENT CALENDAR (Item Nos. 1 – 3)**

The title of the resolution related to Item No. 2 was read.

Motion:

Agency/Council Members House/Francisco to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

1. Subject: Redevelopment Agency 2010 Comprehensive Annual Financial Report (620.03/12)

Recommendation: That Council and the Redevelopment Agency Board:

- A. Approve the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2010, consisting of the Auditor's Opinion and Financial Statements, and the Auditor's Compliance Report; and

(Cont'd)

1. (Cont'd)

- B. Direct staff to submit required copies of the Report to the California State Controller's Office.

Action: Approved the recommendations (December 14, 2010, report from the Deputy Director/Assistant City Administrator Community Development Director).

2. Subject: Contract For Construction Of The East Cabrillo Boulevard Sidewalk Project, Phase II (530.04/13)

Recommendation:

- A. That Council reject the apparent low bid from West Coast Public Works, Inc. (West Coast), as non-responsive due to their failure to submit a complete bid;
- B. That the Redevelopment Agency (RDA) Board authorize the expenditure of \$305,836 for the East Cabrillo Boulevard Sidewalk Project, Phase II (Project);
- C. That Council award a contract with Toro Enterprises (Toro) in their low bid amount of \$265,936 for construction of the Project, Bid No. 3613;
- D. That Council authorize the Public Works Director to execute a contract and approve expenditures up to \$39,900 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment; and
- E. That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving and Adopting the Findings Required by Health and Safety Code Section 33445 for Funding of Capital Improvements to the East Cabrillo Boulevard Sidewalk Replacement Project, Phase II.

Action: Approved the recommendations; City Council Contract No. 23,599 and Resolution No. 10-104 (December 14, 2010, joint report from the Public Works Director and Deputy Director/Assistant City Administrator Community Development Director).

3. Subject: Contract For Construction Of The Structural Upgrades To Parking Structures 2, 9, And 10 (550.05/14)

Recommendation:

- A. That Council reject the bid protest submitted by Truesdell Corporation;
- B. That Council award a contract with Cushman Contracting (Cushman), waiving minor irregularities, in their low bid amount of \$1,374,000 for construction of the Project, Bid No. 3571;

(Cont'd)

3. (Cont'd)

- C. That Council authorize the Public Works Director to execute a contract and approve expenditures up to \$206,100 to pay for any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured;
- D. That Council authorize the Public Works Director to execute a contract with BTC LABS - Vertical V (BTC LABS) in the amount of \$122,533 for materials testing and special inspection services, and approve expenditures of up to \$12,254 for extra services of BTC LABS that may result from necessary changes in the scope of work; and
- E. That Council authorize the Public Works Director to execute a contract with Watry Design, Inc. (Watry), in the amount of \$118,152 for design support services during construction and preparation of record drawings, and approve expenditures of up to \$11,816 for extra services of Watry that may result from necessary changes in the scope of work.

Action: Approved the recommendations; City Council Contract Nos. 23,600 - 23,602 (December 14, 2010, joint report from the Deputy Director/Assistant City Administrator Community Development Director and Public Works Director).

**ADJOURNMENT**

Chair Schneider adjourned the meeting at 5:07 p.m.

SANTA BARBARA  
REDEVELOPMENT AGENCY

SANTA BARBARA  
CITY CLERK'S OFFICE

---

HELENE SCHNEIDER  
CHAIR

---

CYNTHIA M. RODRIGUEZ, CMC  
CITY CLERK SERVICES MANAGER

**CITY OF SANTA BARBARA**  
**REDEVELOPMENT AGENCY MINUTES**

**Regular Meeting**  
**February 1, 2011**  
**Council Chamber, 735 Anacapa Street**

**CALL TO ORDER**

Chair Helene Schneider called the joint meeting of the Agency and the City Council to order at 2:00 p.m.

**ROLL CALL**

Agency members present: Dale Francisco, Frank Hotchkiss, Grant House, Randy Rowse, Michael Self, Bendy White, Chair Schneider.

Agency members absent: None.

Staff present: Executive Director/Secretary James L. Armstrong, Agency Counsel Stephen P. Wiley, Deputy Director Paul Casey, Housing and Redevelopment Manager Brian Bosse, Deputy City Clerk Brenda Alcazar.

**PUBLIC COMMENT**

No one wished to speak.

**REDEVELOPMENT AGENCY REPORTS**

1. Subject: Request From Councilmember Rowse For Reconsideration Of Agenda Item No. 12 From The January 25, 2011, City Council Meeting - Grant To Housing Authority For Aquisition Of 2904 State Street (660.04/9)

Recommendation: Councilmember Rowse is requesting reconsideration of the following action:

- A. Approval of a grant of \$1,150,000 in Redevelopment Agency Housing Setaside Funds to the Housing Authority of the City of Santa Barbara for the acquisition of 2904 State Street, and authorize the Agency's Deputy Director to execute a grant agreement and related documents in a form approved by Agency Counsel, and to make non-substantive changes;
- B. Appropriation of \$1,150,000 in the Redevelopment Agency Housing Setaside Funds from unappropriated reserves for the grant; and

(Cont'd)

1. (Cont'd)

- C. Adoption of a joint Resolution of the Council of the City of Santa Barbara and the Redevelopment Agency of the City of Santa Barbara Finding that the Use of Redevelopment Agency Housing Setaside Funds as a Grant to the Housing Authority of the City of Santa Barbara for Acquiring an Affordable Housing Site Located Outside the Central City Redevelopment Project (CCRP) Area at 2904 State Street Will Be of Benefit to the CCRP.

Documents:

- January 28, 2011, memorandum from Councilmember Rowse.
- February 1, 2011, PowerPoint presentations prepared and made by Staff and the Housing Authority of the City of Santa Barbara.
- January 31, 2011, email communication from Patricia Hiles.
- February 1, 2011, letter from Stephanie Smagala.

Speakers:

- Staff: Project Planner Simon Kiefer.
- Housing Authority of the City of Santa Barbara: Executive Director Robert Pearson.
- WillBridge: Lynnelle Williams.
- Housing Authority Commission of the City of Santa Barbara: Commissioner David Hughes.
- Members of the Public: Suzanne Riordan, Families ACT; Lois Hamilton; Lou Traga, Independent Living Resource Center; Nick Ferrara; Earl Minnis; Chris Page; Wesley Brown; Joe Andrulaitis; Craig Stuart; Tawnie Fransen, Housing Authority of the County of Santa Barbara; Warren Gardner; Kate Ford, Principal, Peabody Charter School; Annemarie Cameron, Executive Director, Mental Health Association in Santa Barbara; Ben Spievak, Student Council President, Peabody Charter School; Carola Nicholson; Bret Stone; Sven Klein; Jenny Klein; Mickey Flacks, Chair of the Housing Authority Commission of Santa Barbara County; Petra Lowen, Independent Living Resource Center; Roxanne McGregor; Geoffery Bard; Scott Grant.

Recess: 4:41 p.m. - 4:56 p.m. Agency/Council Member Francisco was absent when the Agency Board/Council reconvened.

Speakers (Cont'd):

- Members of the Public (Cont'd): Susan Nielsen; Nancy Tubiolo; Jason Niemela; Jeff Wood; Leah Juniper, Consumer Advocacy Coalition; Dr. Lee Heller, SB CAN; Polly Pelly; Anna Campbell; Michael Fauver; Matt Walker; Deborah Barnes; Debbie McQuade; Anne Greaney, Mental Health Association of Santa Barbara; Kathleen Baushke, Transition House and Willbridge; Joseph Tumbler; Frank Thompson; Ilette Hill; Maggie McCourt; Robert Burke; Assade Mora.

(Cont'd)

1. (Cont'd)

Speakers (Cont'd):

- Staff (Cont'd): Agency Counsel/City Attorney Stephen Wiley.

Agency/Council Member Francisco returned to the meeting at 5:04 p.m.

Motion:

Agency/Council Members Francisco/Rowse to reaffirm the decision of January 25, and to add a condition that the Housing Authority hold up to three community meetings and report back to the Council/Agency Board within 90 days, at which time the Council/Agency Board will consider whether the agreement with WillBridge will move forward or if the nature of the project will be changed to be low-income housing.

Vote:

Unanimous voice vote.

## **ADJOURNMENT**

Chair Schneider adjourned the meeting at 7:20 p.m. in memory of City of Buellton Councilmember Russ Hicks.

SANTA BARBARA  
REDEVELOPMENT AGENCY

SANTA BARBARA  
CITY CLERK'S OFFICE

---

HELENE SCHNEIDER  
CHAIR

---

BRENDA ALCAZAR, CMC  
DEPUTY CITY CLERK



# CITY OF SANTA BARBARA

## REDEVELOPMENT AGENCY BOARD AGENDA REPORT

**AGENDA DATE:** February 15, 2011  
**TO:** Redevelopment Agency Board  
**FROM:** Accounting Division, Finance Department  
**SUBJECT:** Redevelopment Agency Fiscal Year 2011 Interim Financial Statements For The Six Months Ended December 31, 2010

### **RECOMMENDATION:**

That Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2011 Interim Financial Statements for the Six Months Ended December 31, 2010.

### **DISCUSSION:**

The interim financial statements for the six months ended December 31, 2010 (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, 2010

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

**SUBMITTED BY:** Robert Samario, Fiscal Officer

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

REDEVELOPMENT AGENCY  
OF THE  
CITY OF SANTA BARBARA

INTERIM FINANCIAL STATEMENTS  
FISCAL YEAR 2011  
FOR THE SIX MONTHS  
ENDED DECEMBER 31, 2010

REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA

General Fund

Interim Statement of Revenues, Expenditures and Encumbrances  
For the Six Months Ended December 31, 2010 (50% 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	\$ 16,071,200	\$ 9,380,780	\$ -	\$ 6,690,420	58.37%
Investment Income	160,000	107,128	-	52,872	66.96%
Interest Loans	5,000	-	-	5,000	0.00%
Overnight Accommodation Mitigation Fee	-	804	-	(804)	0.00%
Rents	22,800	12,066	-	10,734	52.92%
<b>Total Revenues</b>	<u>16,259,000</u>	<u>9,500,778</u>	<u>-</u>	<u>6,758,222</u>	<u>58.43%</u>
Use of Fund Balance	1,311,645	655,823	-	-	50.00%
<b>Total Sources</b>	<u>\$ 17,570,645</u>	<u>\$ 10,156,601</u>	<u>\$ -</u>	<u>\$ 6,758,222</u>	<u>57.80%</u>
<b>Expenditures:</b>					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 3,000	\$ 805	\$ -	\$ 2,195	26.83%
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	1,700	-	3,300	34.00%
Building Materials	100	-	-	100	0.00%
Equipment Repair	1,000	509	-	491	50.90%
Professional Services - Contract	747,938	340,773	14,407	392,758	47.49%
Legal Services	154,508	78,366	-	76,142	50.72%
Engineering Services	20,000	19,855	-	145	99.28%
Non-Contractual Services	12,000	2,049	-	9,951	17.08%
Meeting & Travel	7,500	278	-	7,222	3.71%
Mileage Reimbursement	300	-	-	300	0.00%
Dues, Memberships, & Licenses	15,000	13,392	-	1,608	89.28%
Publications	1,500	110	-	1,390	7.33%
Training	7,500	-	-	7,500	0.00%
Advertising	2,000	-	-	2,000	0.00%
Printing and Binding	3,000	47	-	2,953	1.57%
Postage/Delivery	1,000	147	-	853	14.70%
Non-Allocated Telephone	500	-	-	500	0.00%
Vehicle Fuel	1,300	272	-	1,028	20.92%
Equipment Rental	500	-	-	500	0.00%
<b>Total Supplies &amp; Services</b>	<u>984,096</u>	<u>458,303</u>	<u>14,407</u>	<u>511,386</u>	<u>48.03%</u>
Allocated Costs:					
Desktop Maint Replacement	23,616	11,808	-	11,808	50.00%
GIS Allocations	4,754	2,377	-	2,377	50.00%
Building Maintenance	1,899	949	-	950	49.97%
Planned Maintenance Program	3,984	1,992	-	1,992	50.00%
Vehicle Replacement	3,934	1,967	-	1,967	50.00%
Vehicle Maintenance	3,874	1,937	-	1,937	50.00%
Telephone	2,212	1,106	-	1,106	50.00%
Custodial	4,310	2,155	-	2,155	50.00%
Communications	3,706	1,853	-	1,853	50.00%
Property Insurance	6,897	3,449	-	3,448	50.01%
Allocated Facilities Rent	6,770	3,385	-	3,385	50.00%
Overhead Allocation	623,829	311,915	-	311,914	50.00%
<b>Total Allocated Costs</b>	<u>689,785</u>	<u>344,893</u>	<u>-</u>	<u>344,892</u>	<u>50.00%</u>
Special Projects	2,306,242	309,885	16,077	1,980,280	14.13%
Transfers	12,390,249	3,700,122	-	8,690,127	29.86%
Grants	1,106,003	41,407	55,620	1,008,976	8.77%
Equipment	8,070	-	-	8,070	0.00%
Fiscal Agent Charges	11,500	3,284	-	8,216	28.56%
Appropriated Reserve	74,700	-	-	74,700	0.00%
<b>Total Expenditures</b>	<u>\$ 17,570,645</u>	<u>\$ 4,857,894</u>	<u>\$ 86,104</u>	<u>\$ 12,626,647</u>	<u>28.14%</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, 2010 (50% 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	\$ 4,017,800	\$ 2,345,195	\$ -	\$ 1,672,605	58.37%
Investment Income	60,000	30,701	-	29,299	51.17%
Interest Loans	200,000	171,284	-	28,716	85.64%
Miscellaneous	-	1,569	-	(1,569)	100.00%
<b>Total Revenues</b>	<u>4,277,800</u>	<u>2,548,749</u>	<u>-</u>	<u>1,729,051</u>	<u>59.58%</u>
 Use of Fund Balance	 <u>4,520,938</u>	 <u>2,260,788</u>	 <u>-</u>	 <u>-</u>	 <u>50.01%</u>
<b>Total Sources</b>	<u><u>\$ 8,798,738</u></u>	<u><u>\$ 4,809,537</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,729,051</u></u>	<u><u>54.66%</u></u>
<b>Expenditures:</b>					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 1,800	\$ 824	\$ -	\$ 976	45.78%
Special Supplies & Expenses	1,800	51	-	1,749	2.83%
Equipment Repair	500	504	-	(4)	100.80%
Professional Services - Contract	737,975	320,087	-	417,888	43.37%
Non-Contractual Services	2,000	1,270	-	730	63.50%
Meeting & Travel	1,000	149	-	851	14.90%
Dues, Memberships, & Licenses	2,025	803	-	1,222	39.65%
Publications	200	-	-	200	0.00%
Training	1,000	802	-	198	80.20%
Advertising	-	143	-	(143)	100.00%
Printing and Binding	-	66	-	(66)	100.00%
Postage/Delivery	200	493	-	(293)	246.50%
<b>Total Supplies &amp; Services</b>	<u>748,500</u>	<u>325,192</u>	<u>-</u>	<u>423,308</u>	<u>43.45%</u>
Allocated Costs:					
Desktop Maintenance Replacement	7,085	3,543	-	3,542	50.01%
GIS Allocations	2,377	1,188	-	1,189	49.98%
Building Maintenance	950	475	-	475	50.00%
Planned Maintenance Program	2,361	1,181	-	1,180	50.02%
Telephone	691	345	-	346	49.93%
Custodial	2,189	1,095	-	1,094	50.02%
Communications	1,235	618	-	617	50.04%
Insurance	141	70	-	71	49.65%
Allocated Facilities Rent	4,013	2,007	-	2,006	50.01%
Overhead Allocation	163,175	81,588	-	81,587	50.00%
<b>Total Allocated Costs</b>	<u>184,217</u>	<u>92,110</u>	<u>-</u>	<u>92,107</u>	<u>50.00%</u>
Equipment	2,500	455	-	2,045	18.20%
Housing Activity	7,145,626	1,291,259	-	5,854,367	18.07%
Principal	480,000	480,000	-	-	100.00%
Interest	156,595	81,538	-	75,057	52.07%
Fiscal Agent Charges	1,300	1,265	-	35	97.31%
Appropriated Reserve	80,000	-	-	80,000	0.00%
<b>Total Expenditures</b>	<u><u>\$ 8,798,738</u></u>	<u><u>\$ 2,271,819</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,526,919</u></u>	<u><u>25.82%</u></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, 2010 (50% 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>					
Transfers-In	\$ 4,876,865	\$ 2,438,433	\$ -	\$ 2,438,432	50.00%
<b>Total Revenues</b>	4,876,865	2,438,433	-	2,438,432	50.00%
Use of Fund Balance	11,818,085	5,909,139	-	5,908,946	50.00%
<b>Total Sources</b>	<u>\$ 16,694,950</u>	<u>\$ 8,347,572</u>	<u>\$ -</u>	<u>\$ 8,347,378</u>	50.00%
<b>Expenditures:</b>					
Arbitrage Rebate	\$ 440,000	\$ -	\$ -	\$ 440,000	0.00%
<b>Total Non-Capital Expenditures</b>	<u>440,000</u>	<u>-</u>	<u>-</u>	<u>440,000</u>	0.00%
<b>Capital Outlay:</b>					
<b>Finished</b>					
IPM - Sustainable Park Improvements	9,511	-	-	9,511	0.00%
Underground Tank Abatement	69,181	-	-	69,181	0.00%
Fire Station #1 EOC	3,213	1,492	-	1,721	46.44%
Fire Station #1 Remodel	27,864	11,188	7,913	8,763	68.55%
Soil Remediation - 125 State St	370,063	107,131	2,380	260,552	29.59%
<b>Construction Phase</b>					
Phase II - E Cabrillo Sidewalks	590,226	52,745	-	537,481	8.94%
DP Structure (9,10) Const. Imprvmt	2,250,000	1,367	-	2,248,633	0.06%
Carrillo Rec Center Restoration	122,089	65,680	56,409	-	100.00%
<b>Design Phase</b>					
925 De La Vina Rental Costs	302,906	101,630	-	201,276	33.55%
Parking Lot Capital Improvements	188,715	13,883	300	174,532	7.52%
Lower West Downtown Street Lighting	750,000	6,392	-	743,608	0.85%
State St Pedestrian Amenities Pilot	50,000	729	5,761	43,510	12.98%
<b>Planning Phase</b>					
Chase Palm Park Light/Electric	568,577	1,974	12,000	554,603	2.46%
Plaza Del Mar Restroom Renovation	212,000	860	-	211,140	0.41%
Pershing Park Restroom Renovation	120,000	804	-	119,196	0.67%
Panhandling Edu. & Alt. Giving	75,000	46,060	28,940	-	100.00%
PD Locker Room Upgrade	7,426,882	107,148	56,813	7,262,921	2.21%
Opportunity Acquisition Fund	366,500	-	-	366,500	0.00%
RDA Project Contingency Account	2,153,768	-	-	2,153,768	0.00%
Housing Fund Contingency Account	348,455	-	-	348,455	0.00%
Cabrillo Pav Arts Ctr Assessment St	250,000	895	-	249,105	0.36%
<b>Total Expenditures</b>	<u>\$ 16,694,950</u>	<u>\$ 519,978</u>	<u>\$ 170,516</u>	<u>\$ 16,004,456</u>	4.14%

**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, 2010 (50% 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	\$ -	\$ 166	\$ -	\$ (166)	100.00%
Transfers-In	-	765,277	-	(765,277)	100.00%
<b>Total Revenues</b>	-	765,443	-	(765,443)	100.00%
Use of Fund Balance	3,145,943	1,572,997	-	1,572,946	50.00%
<b>Total Sources</b>	<u>\$ 3,145,943</u>	<u>\$ 2,338,440</u>	<u>\$ -</u>	<u>\$ 807,503</u>	74.33%
<b>Expenditures:</b>					
Interest	\$ -	\$ 765,277	\$ -	(765,277)	100.00%
<b>Total Non-Capital Expenditures</b>	-	765,277	-	(765,277)	100.00%
<b>Capital Outlay:</b>					
<b>Finished</b>					
Brinkerhoff Lighting	\$ 181,242	\$ 73,441	\$ 9,886	\$ 97,915	45.98%
<b>Construction Phase</b>					
Carrillo Rec Center Restoration	1,000,000	992,364	7,636	-	100.00%
<b>Design Phase</b>					
Mission Creek Flood Control @ Depot	1,964,701	-	-	1,964,701	0.00%
<b>Total Expenditures</b>	<u>\$ 3,145,943</u>	<u>\$ 1,831,082</u>	<u>\$ 17,522</u>	<u>\$ 1,297,339</u>	58.76%

**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, 2010 (50% 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	\$ -	\$ 718	\$ -	\$ (718)	100.00%
Transfers-In	-	496,413	-	(496,413)	100.00%
<b>Total Revenues</b>	-	497,131	-	(497,131)	100.00%
Use of Fund Balance	14,120,129	7,060,179	-	7,059,950	50.00%
<b>Total Sources</b>	<u>\$ 14,120,129</u>	<u>\$ 7,557,310</u>	<u>\$ -</u>	<u>\$ 6,562,819</u>	53.52%
<b>Expenditures:</b>					
Interest	\$ -	\$ 496,415	\$ -	\$ (496,415)	100.00%
<b>Total Non-Capital Expenditures</b>	-	-	-	-	
<b>Capital Outlay:</b>					
<b>Finished</b>					
IPM - Sustainable Park Improvements	\$ 816	\$ -	\$ 816	\$ -	100.00%
Anapamu Open Space Enhancements	2,464	-	-	2,464	0.00%
West Beach Pedestrian Improvements	422,673	180,452	133,824	108,397	74.35%
<b>Construction Phase</b>					
DP Structure #2, 9, 10 Improvements	87,661	57,226	21,975	8,460	90.35%
West Downtown Improvement	788,535	459,253	73,441	255,841	67.55%
Carrillo Rec Ctr Restoration	2,349,569	260,479	777,724	1,311,366	44.19%
<b>Design Phase</b>					
Helena Parking Lot Development	489,462	27,213	79,976	382,273	21.90%
Plaza De La Guerra Infrastructure	2,226,069	44,487	71,649	2,109,933	5.22%
Fire Department Administration	3,582,781	166,585	12,534	3,403,662	5.00%
Artist Workspace	525,419	727	-	524,692	0.14%
Westside Center Park Improvement	176,414	152,919	17,513	5,982	96.61%
<b>Planning Phase</b>					
Mission Creek Flood Control - Park Development	751,367	1,500	-	749,867	0.20%
Mission Creek Flood Control @ Depot	535,299	-	-	535,299	0.00%
Chase Palm Park Restroom Renovation	186,600	733	-	185,867	0.39%
Downtown Sidewalks	175,000	37,848	-	137,152	21.63%
Library Plaza Renovation	150,000	27,419	-	122,581	18.28%
Chase Palm Park Wisteria Arbor	835,000	-	-	835,000	0.00%
<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>	<u>\$ 14,120,129</u>	<u>\$ 1,416,841</u>	<u>\$ 1,189,452</u>	<u>\$ 11,513,836</u>	18.46%



# CITY OF SANTA BARBARA

## JOINT COUNCIL AND REDEVELOPMENT AGENDA REPORT

**AGENDA DATE:** February 15, 2011

**TO:** Mayor and Councilmembers  
Chair and Boardmembers

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

**SUBJECT:** Library Plaza Renovation Concept And Preliminary Design Services  
Contract

### RECOMMENDATION:

- A. That the Agency Board allocate \$68,478 from the Agency's Project Contingency Account for the Library Plaza Renovation Project;
- B. That the Agency Board authorize the Deputy Director to execute a Professional Design Services Agreement, subject to approval by Agency Counsel, with Campbell and Campbell in an amount not to exceed \$159,280, for concept and preliminary design services for Library Plaza Renovation, and authorize the Deputy Director to approve expenditures of up to \$15,928 to cover any cost increases that may result from necessary changes in the scope of work;
- C. That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving and Adopting the Findings Required by Health and Safety Code Section 33445 for the Funding of Capital Improvements to Library Plaza; and
- D. That the City Council authorize the City Administrator and the Agency Board authorize the Executive Director to enter into a loan agreement, approved as to form by the City Attorney and Agency Counsel, by and between the City of Santa Barbara and the City of Santa Barbara Redevelopment Agency in an amount not to exceed \$2,000,000 to provide for the Agency's repayment of expenses incurred by the City for the design and construction of the Library Plaza Renovation Project.

### DISCUSSION:

#### Background

On June 29, 2010, the Agency Board adopted the Fiscal Year 2010 Capital Program which included the allocation of \$150,000 toward the planning and design of the Library Plaza renovation. The concept envisions removal of walls to make the area level and a redesign consistent with the recently completed and successful Jardín de las Granadas

immediately across East Anapamu Street. Project goals include improved public safety, increased community-wide use, revenue generation for the Library Department, reduced maintenance costs and the incorporation of art either in the design or as separate discreet elements.

Conceptual & Preliminary Design Phase Consultant Services

Staff issued a Request for Proposal (RFP) and in October twelve (12) responses were received. Five teams were selected to be interviewed by a panel comprised of the Library Director, Library Services Manager, Parks Superintendent, Supervising Project Engineer, Redevelopment Supervisor and a Redevelopment Specialist. Campbell & Campbell was chosen through this Request for Proposal and a formal interview process.

Schedule

Development of the concept and preliminary designs is expected over a nine-month schedule and will involve participatory public workshop meetings in each phase. The Santa Barbara Museum of Art and other neighboring businesses on Anapamu Street have already expressed interest in the upcoming process. Final design services would be an additional cost addressed through a separate contract and brought to the Board for approval.

Environmental Review

The project will be reviewed under the California Environmental Quality Act (CEQA). Located within the City's El Pueblo Viejo District, the project design will be reviewed by the Historic Landmarks Commission.

**BUDGET/FINANCIAL INFORMATION:**

The Board appropriated \$150,000 toward the design effort based on staff's early estimate. Additional funding of \$68,478 is needed to undertake the process.

Design Contract	\$159,280
Design Contract Change Order Allowance (10%)	\$15,928
<b>Subtotal</b>	<b>\$175,208</b>
Other Design Costs: survey work (by City Staff)	\$18,000
Other Design Costs: supplies	\$500
Design Management/Engineering Services (by City Staff)	\$24,770
<b>Subtotal</b>	<b>\$43,270</b>
<b>TOTAL PROJECT DESIGN COST</b>	<b>\$218,478</b>

Expenditures to date total approximately \$28,000 for survey work (\$15,000) which has been completed and for City Engineering staff design management (\$13,000). Based on other capital projects with hardscape and landscape elements, and accounting for the size of the library plaza project area, staff has estimated that total design, project management, supplies and construction costs could reach \$2,000,000. Actual costs will be dependent upon the final design and the future construction bidding environment.

### HEALTH AND SAFETY CODE SECTION 33445

Health and Safety Code section 33445 provides that a redevelopment agency may pay for the installation and construction of public improvements on public property if the legislative body consents to the use of funds and makes certain findings. The Library Plaza Renovation Project meets all of the required findings in Section 33445 because the proposed improvements are consistent with the Implementation Plan adopted pursuant to Health and Safety Code 33490 and are of benefit to the Central City Redevelopment Project Area, as the project will enhance the existing public plaza and encourage pedestrian activity by locals and tourists in the immediate area through improved public safety and aesthetic design. No other reasonable means of financing the improvements are available. In addition, the improvements to the library grounds will help to eliminate blighting conditions by encouraging safe pedestrian activity in and around the area. An increase in these activities improves the vitality of the project area by encouraging economic activity by locals and visitors, which leads to additional public and private improvements, and thereby eliminates blight and the conditions that lead to blight.

### LOAN AGREEMENT

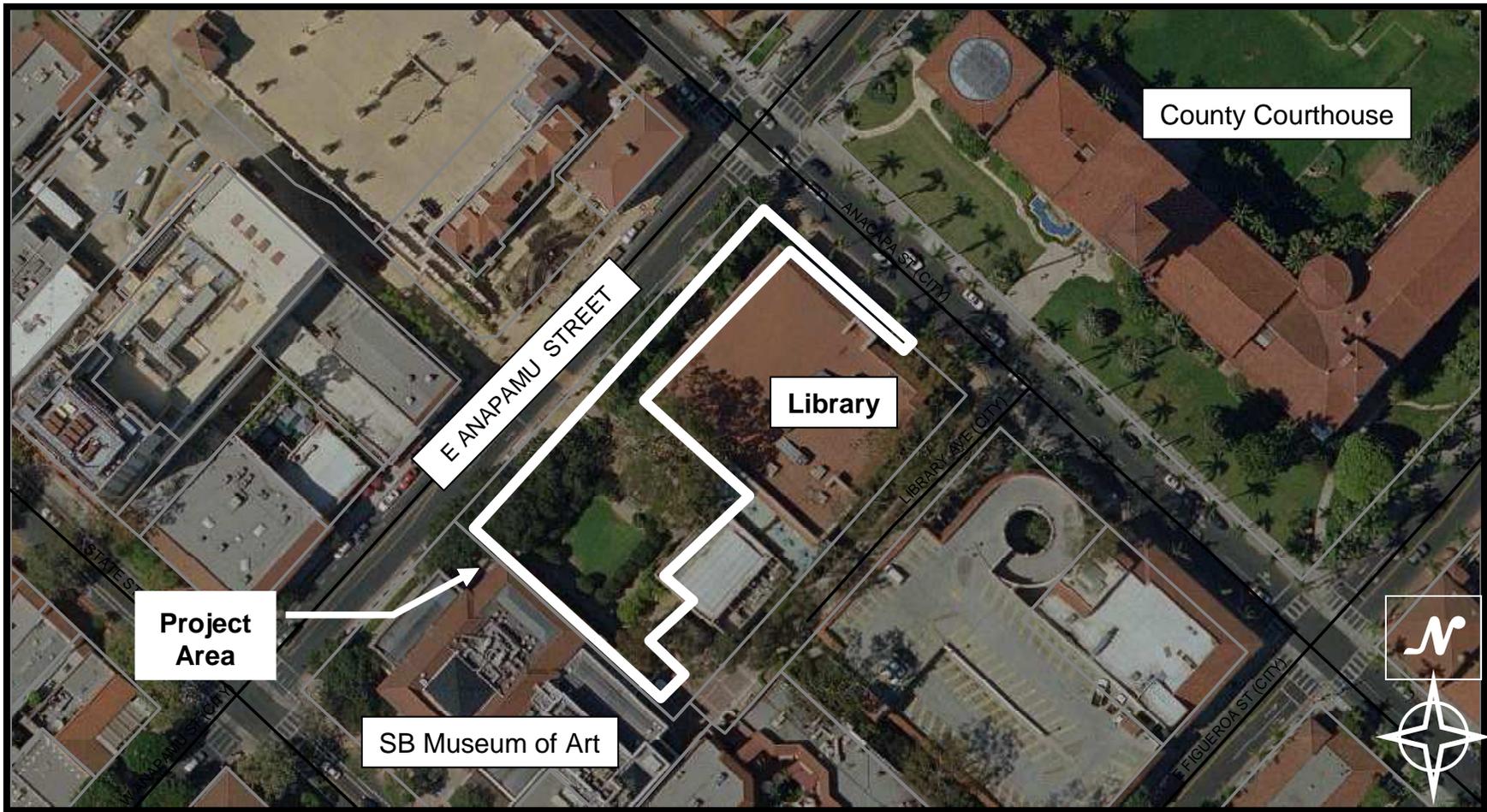
Pursuant to the 2003 Multi-year Agreement entered into between the City and the Agency, the City will undertake, on behalf of the Agency, all activities necessary to carry-out the Library Plaza renovation project to completion. According to the agreement, the Agency is obligated to repay the City for all costs and expenses incurred by the City to plan, design and construct the project. The total project costs are currently estimated at \$2,000,000. The loan agreement further documents the existing agreement between the City and the Agency for the Agency repayment of all expenses incurred by the City. Staff recommends that the Council and Agency Board authorize the City Administrator and Executive Director, respectively, to execute the loan agreement subject to approval as to form by the City Attorney and Agency Counsel.

### SUSTAINABILITY IMPACT:

The project will have its greatest impact on the environment at the point it begins construction. Recognizing the possible impacts, Agency sponsored capital projects incorporate environmentally responsible design and construction techniques including, but not limited to, the specification of recycled content building materials, construction debris recycling processes, compliance with storm water management policies and the use of drought tolerant landscaping. These techniques further the City's sustainability goals in a variety of ways specific to the individual project and include recycling, reducing waste and reducing resource consumption.

**ATTACHMENT:** Project Area Map  
**PREPARED BY:** Brian Bosse, Housing and Redevelopment Manager/MEA  
**SUBMITTED BY:** Paul Casey, Community Development Director/Assistant City Administrator  
**APPROVED BY:** City Administrator's Office

# Library Plaza Project Area



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY  
OF SANTA BARBARA APPROVING AND  
ADOPTING THE FINDINGS REQUIRED BY HEALTH  
AND SAFETY CODE SECTION 33445 FOR THE  
FUNDING OF CAPITAL IMPROVEMENTS TO  
LIBRARY PLAZA

WHEREAS, the Redevelopment Agency of the City of Santa Barbara is undertaking certain activities for the planning and execution of redevelopment projects in the Central City Redevelopment Project Area;

WHEREAS, the redevelopment through renovation construction of the central branch Library Plaza, located in the downtown center, supports critical public safety services provided to residents and businesses in the Central City Redevelopment Project Area; and

WHEREAS, the Redevelopment Agency's funding of the construction of the Library Plaza Renovation Project will eliminate blight that begins with the degradation of infrastructure and will prevent blight by improving public safety and increasing pedestrian activity by locals and tourists while enhancing the existing public plaza.

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

SECTION 1. The proposed Library Plaza Renovation Project improvements, to be funded by the Redevelopment Agency, are consistent with the Implementation Plan adopted pursuant to Health and Safety Code section 33490 and are of benefit to the Central City Redevelopment Project Area, as the improvements will improve public safety, encourage greater community-wide use, and increase pedestrian activity by locals and tourists while enhancing the existing public plaza.

SECTION 2. No other reasonable means of financing the construction of the Library Plaza Renovation Project are available.

SECTION 3. The proposed improvements are consistent with the Central City Redevelopment Project Area 2010 – 2014 Implementation Plan.



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

File Code No. 230.04

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 15, 2011  
**TO:** Mayor and Councilmembers  
**FROM:** Accounting Division, Finance Department  
**SUBJECT:** Fiscal Year 2011 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, 2010;
- B. Accept the fiscal year 2011 Interim Financial Statements for the Six Months Ended December 31; 2010; and
- C. Approve the changes to appropriations and estimated revenues.

**DISCUSSION:**

Each month, staff presents the interim financial statements (Attachment 1) showing the status of revenues and expenditures in relation to budget for each of the City's Funds. 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 Attachment 2.

In addition to the mid-year budget analysis, staff brings forward any recommended adjustments for City Council approval. These adjustments are the result of new information and/or unanticipated events that occurred since the adoption of the budget in June 2010.

Attachment 3 includes proposed adjustments to the current year budget. A discussion of each is presented below.

## **General Fund**

### Fire Department

1. Mutual Aid Revenues and Expenses – The Fire Department budgeted \$1.25 million in mutual aid revenues and a corresponding expenditure for related overtime costs of \$705,000. The additional revenues above overtime costs are derived from an overhead factor that is included in the amounts reimbursed to cover such costs as wear and tear on vehicles and general administration.

Due to a substantial decline in fire incidents, as well as an apparent change in mutual aid protocols affecting the order in which fire agencies are called, revenues are expected to fall well below amounts budgeted. Staff now estimates revenues will be \$909,134 below budget and, therefore, recommend budgeted revenues be reduced accordingly. In addition, staff recommends lowering budgeted overtime costs by \$550,000.

2. Hazmat Reimbursements – The Fiscal Year 2011 adopted budget includes revenues of \$100,000 in connection with a new fee that was being considered to recover the costs incurred by the Fire Department to respond to vehicle accidents and any associated hazardous spills. After further evaluation and consultation with the City Attorney, this proposal is no longer being considered. As such, staff recommends eliminating this budgeted revenue.
3. Insurance Reimbursements – In Fiscal Year 2010, a water pipe broke in the office building being leased by the Fire Department at 925 De La Vina Street. The break was the result of a remodel being done to the third floor. The water damaged office equipment and furniture on the first and second floors occupied by the Fire Department administrative staff. The City recovered \$52,000 from the owner's insurance carrier. Staff recommends that we budget these revenues, which will be used to pay for additional appropriations related to equipment purchases in the Fire Department as discussed in item 4 below.
4. Purchase of Defibrillators – The Fire Department has portable defibrillators in each of its truck. The current equipment was purchased from a company that no longer supports the equipment. Batteries, paddles, and supplies needed to maintain the equipment are no longer available. These AED units are used frequently and prompt replacement is necessary. The Department must replace the equipment at a cost estimated at \$40,000.

### Fire and Police Departments

Allocation of Saving from Labor Concessions – Of the \$1,664,157 achieved in labor concessions from police and fire labor groups, \$365,814 represents estimated savings from the suspension of vacation cash outs that were part of the overall concessions. The balance of \$1,298,343 represents concessions related directly to budgeted salary and benefit costs. Therefore, staff recommends the Police and Fire department budgets be reduced by these actual savings to be realized by year end. These savings are allocable between the Fire and Police Departments as follows:

Fire	\$ 635,369
Police	<u>662,974</u>
Total	<u>\$1,298,343</u>

### Non-Departmental

Budgeted Concessions Not Realized – At the time the Fiscal Year budget was adopted, the City was in negotiations with both fire and police labor groups for concessions to help close the projected budget gap. The total amount of concessions expected from fire and police was \$2,006,735. The actual amount of concessions realized was \$1,664,157, a difference of \$342,578. Staff recommends reducing the amount budgeted as revenue, representing expected savings from labor concessions, by the \$342,578 not achieved.

### **County Library Special Revenue Fund**

Book Acquisitions – The City received a donation of \$4,000 for the benefit of the Goleta Library managed by the City of Santa Barbara. The funds will be used to supplement the book acquisition budget. Staff recommends increasing both appropriations and estimated revenues.

### **Streets Grants Capital Projects Fund**

There are a number of adjustments needed to reconcile what has been authorized by Caltrans for various grants, the remaining expenditures on the grants, and the amount of funding. Some of the projects are completed and there are other projects that will receive additional funding from Caltrans. Attachment 3 details the recommended adjustments to account for the changes in funding.

### **Measure D Special Revenue Fund**

Measure D funding expired last year but project expenditures will continue until the projects are completed. The Goleta Transportation Improvement Plan has expired and the funding has been freed up to use elsewhere. The original funds were related to the Fairway Avenue vicinity. By moving the funds to the Hollister Avenue Sidewalk Project, the funds will stay relatively close to the area where they were originally intended, and still take care of a capital need. The Ortega Bridge funds will be used to meet the City's matching funds for the project.

### **Information Systems Internal Service Fund**

Information Systems implemented the new Geographic Information System (GIS) last fiscal year. With the software in place, the City will need to pay annual maintenance (licensing) fees. There are also training needs for staff. Due to the timing of the implementation, the costs were not included in the current year budget. These fees are due and additional appropriations are needed to cover the fees.

- ATTACHMENTS:**
1. Summary by Fund Statement of Revenues and Expenditures for the Six Months Ended December 31, 2010
  2. Interim Financial Statements for the Six Months Ended December 31, 2010 (Narrative Analysis)
  3. Proposed Mid-Year Adjustments

**PREPARED BY:** Rudy Livingston, Accounting Manager  
Robert Samario, 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, 2010 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
<b>GENERAL FUND</b>					
Revenue	102,064,107	45,844,245	-	56,219,862	44.9%
Expenditures	102,269,406	49,460,481	934,973	51,873,952	49.3%
<i>Addition to / (use of) reserves</i>	<u>(205,299)</u>	<u>(3,616,236)</u>	<u>(934,973)</u>		
<b>WATER OPERATING FUND</b>					
Revenue	34,632,686	18,436,179	-	16,196,507	53.2%
Expenditures	35,669,711	14,820,132	2,960,741	17,888,838	49.8%
<i>Addition to / (use of) reserves</i>	<u>(1,037,025)</u>	<u>3,616,046</u>	<u>(2,960,741)</u>		
<b>WASTEWATER OPERATING FUND</b>					
Revenue	14,985,411	7,795,627	-	7,189,784	52.0%
Expenditures	19,066,345	8,444,044	1,402,629	9,219,672	51.6%
<i>Addition to / (use of) reserves</i>	<u>(4,080,934)</u>	<u>(648,416)</u>	<u>(1,402,629)</u>		
<b>DOWNTOWN PARKING</b>					
Revenue	6,689,440	3,232,485	-	3,456,955	48.3%
Expenditures	7,391,283	3,023,210	734,434	3,633,639	50.8%
<i>Addition to / (use of) reserves</i>	<u>(701,843)</u>	<u>209,275</u>	<u>(734,434)</u>		
<b>AIRPORT OPERATING FUND</b>					
Revenue	13,065,477	6,929,261	-	6,136,216	53.0%
Expenditures	13,134,132	5,744,022	626,854	6,763,256	48.5%
<i>Addition to / (use of) reserves</i>	<u>(68,655)</u>	<u>1,185,238</u>	<u>(626,854)</u>		
<b>GOLF COURSE FUND</b>					
Revenue	2,049,194	929,730	-	1,119,464	45.4%
Expenditures	2,060,811	1,012,595	108,827	939,389	54.4%
<i>Addition to / (use of) reserves</i>	<u>(11,617)</u>	<u>(82,865)</u>	<u>(108,827)</u>		
<b>INTRA-CITY SERVICE FUND</b>					
Revenue	6,083,553	2,435,722	-	3,647,831	40.0%
Expenditures	6,781,899	2,232,503	824,483	3,724,914	45.1%
<i>Addition to / (use of) reserves</i>	<u>(698,346)</u>	<u>203,220</u>	<u>(824,483)</u>		

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenditures**  
**Summary by Fund**  
**For the Six Months Ended December 31, 2010 (50% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>FLEET REPLACEMENT FUND</b>					
Revenue	2,227,068	1,119,004	-	1,108,064	50.2%
Expenditures	4,631,542	1,382,636	440,430	2,808,475	39.4%
<i>Addition to / (use of) reserves</i>	<u>(2,404,474)</u>	<u>(263,631)</u>	<u>(440,430)</u>		
<b>FLEET MAINTENANCE FUND</b>					
Revenue	2,429,418	1,192,229	-	1,237,189	49.1%
Expenditures	2,485,972	1,054,376	183,884	1,247,712	49.8%
<i>Addition to / (use of) reserves</i>	<u>(56,554)</u>	<u>137,853</u>	<u>(183,884)</u>		
<b>SELF INSURANCE TRUST FUND</b>					
Revenue	5,694,553	2,709,703	-	2,984,850	47.6%
Expenditures	6,194,109	3,377,287	423,481	2,393,342	61.4%
<i>Addition to / (use of) reserves</i>	<u>(499,556)</u>	<u>(667,584)</u>	<u>(423,481)</u>		
<b>INFORMATION SYSTEMS ICS FUND</b>					
Revenue	2,302,393	1,145,792	-	1,156,601	49.8%
Expenditures	2,307,501	1,197,053	108,529	1,001,918	56.6%
<i>Addition to / (use of) reserves</i>	<u>(5,108)</u>	<u>(51,262)</u>	<u>(108,529)</u>		
<b>WATERFRONT FUND</b>					
Revenue	11,762,974	5,983,717	-	5,779,257	50.9%
Expenditures	11,850,433	5,745,768	715,336	5,389,329	54.5%
<i>Addition to / (use of) reserves</i>	<u>(87,459)</u>	<u>237,949</u>	<u>(715,336)</u>		
<b>TOTAL FOR ALL FUNDS</b>					
Revenue	203,986,274	97,753,693	-	106,232,581	47.9%
Expenditures	213,843,145	97,494,107	9,464,601	106,884,437	50.0%
<i>Addition to / (use of) reserves</i>	<u>(9,856,871)</u>	<u>259,586</u>	<u>(9,464,601)</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, 2010 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Remaining Balance	Percent Received	Previous YTD
<b>TAXES</b>					
Sales and Use	16,714,359	6,749,831	9,964,528	40.4%	6,412,644
Property Taxes	22,790,000	8,701,723	14,088,277	38.2%	7,566,461
Utility Users Tax	7,040,000	3,521,932	3,518,068	50.0%	3,484,555
Transient Occupancy Tax	11,157,000	7,261,448	3,895,552	65.1%	6,618,032
Franchise Fees	3,266,000	1,670,255	1,595,745	51.1%	1,639,714
Business License	2,168,000	944,434	1,223,566	43.6%	917,418
Real Property Transfer Tax	358,100	204,871	153,229	57.2%	199,690
<i>Total</i>	<u>63,493,459</u>	<u>29,054,494</u>	<u>34,438,965</u>	45.8%	<u>26,838,514</u>
<b>LICENSES &amp; PERMITS</b>					
Licenses & Permits	194,000	73,076	120,924	37.7%	85,941
<i>Total</i>	<u>194,000</u>	<u>73,076</u>	<u>120,924</u>	37.7%	<u>85,941</u>
<b>FINES &amp; FORFEITURES</b>					
Parking Violations	2,469,069	1,226,341	1,242,728	49.7%	1,258,091
Library Fines	115,000	54,292	60,708	47.2%	58,305
Municipal Court Fines	150,000	88,938	61,062	59.3%	67,528
Other Fines & Forfeitures	175,000	114,197	60,803	65.3%	91,046
<i>Total</i>	<u>2,909,069</u>	<u>1,483,768</u>	<u>1,425,301</u>	51.0%	<u>1,474,969</u>
<b>USE OF MONEY &amp; PROPERTY</b>					
Investment Income	848,615	424,129	424,486	50.0%	588,528
Rents & Concessions	421,535	224,871	196,664	53.3%	208,045
<i>Total</i>	<u>1,270,150</u>	<u>649,000</u>	<u>621,150</u>	51.1%	<u>796,574</u>
<b>INTERGOVERNMENTAL</b>					
Grants	1,420,693	306,029	1,114,664	21.5%	229,530
Vehicle License Fees	150,000	156,405	(6,405)	104.3%	134,978
Reimbursements	14,040	5,263	8,777	37.5%	-
<i>Total</i>	<u>1,584,733</u>	<u>467,697</u>	<u>1,117,036</u>	29.5%	<u>364,508</u>
<b>FEES &amp; SERVICE CHARGES</b>					
Finance	858,930	424,515	434,415	49.4%	412,783
Community Development	4,452,856	2,169,379	2,283,477	48.7%	2,284,447
Recreation	2,358,031	1,010,553	1,347,478	42.9%	983,507
Public Safety	476,348	206,516	269,832	43.4%	199,157
Public Works	5,219,373	2,502,944	2,716,429	48.0%	2,539,752
Library	779,643	367,447	412,196	47.1%	370,265
Reimbursements	5,956,688	2,749,657	3,207,031	46.2%	2,727,084
<i>Total</i>	<u>20,101,869</u>	<u>9,431,012</u>	<u>10,670,857</u>	46.9%	<u>9,516,995</u>
<b>OTHER MISCELLANEOUS REVENUES</b>					
Miscellaneous	1,285,183	883,862	401,321	68.8%	955,796
Indirect Allocations	6,520,510	3,260,255	3,260,255	50.0%	3,672,553
Operating Transfers-In	4,705,134	541,079	4,164,055	11.5%	911,816
<i>Total</i>	<u>12,510,827</u>	<u>4,685,196</u>	<u>7,825,631</u>	37.4%	<u>5,540,166</u>
<b>TOTAL REVENUES</b>	<u>102,064,107</u>	<u>45,844,245</u>	<u>56,219,862</u>	44.9%	<u>44,617,667</u>

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2010 (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	686,819	341,672	1,582	343,565	50.0%	
<i>Total</i>	686,819	341,672	1,582	343,565	50.0%	349,502
<u>City Attorney</u>						
CITY ATTORNEY	1,867,900	957,001	-	910,899	51.2%	
<i>Total</i>	1,867,900	957,001	-	910,899	51.2%	1,020,892
<u>Administration</u>						
CITY ADMINISTRATOR	1,289,339	658,816	2,509	628,014	51.3%	
LABOR RELATIONS	110,649	49,989	-	60,660	45.2%	
CITY TV	399,169	184,049	19,180	195,940	50.9%	
<i>Total</i>	1,799,157	892,854	21,689	884,614	50.8%	985,700
<u>Administrative Services</u>						
CITY CLERK	433,472	191,411	17,469	224,593	48.2%	
HUMAN RESOURCES	1,072,931	470,319	14,335	588,277	45.2%	
ADMIN SVCS-EMPLOYEE DEVELOPMENT	135,367	56,268	-	79,099	41.6%	
<i>Total</i>	1,641,770	717,998	31,803	891,968	45.7%	1,071,729
<u>Finance</u>						
ADMINISTRATION	225,246	105,449	7,495	112,301	50.1%	
TREASURY	442,107	196,480	1,700	243,927	44.8%	
CASHIERING & COLLECTION	419,606	209,462	-	210,144	49.9%	
LICENSES & PERMITS	383,444	183,715	-	199,729	47.9%	
BUDGET MANAGEMENT	376,809	182,290	-	194,519	48.4%	
ACCOUNTING	389,626	199,592	39,543	150,491	61.4%	
PAYROLL	266,456	127,999	-	138,457	48.0%	
ACCOUNTS PAYABLE	207,691	101,158	-	106,533	48.7%	
CITY BILLING & CUSTOMER SERVICE	575,806	261,720	-	314,086	45.5%	
PURCHASING	657,198	307,738	2,176	347,284	47.2%	
CENTRAL STORES	158,284	75,964	480	81,840	48.3%	
MAIL SERVICES	86,794	42,960	284	43,550	49.8%	
<i>Total</i>	4,189,067	1,994,526	51,678	2,142,862	48.8%	2,237,398
<b>TOTAL GENERAL GOVERNMENT</b>	<b>10,184,713</b>	<b>4,904,052</b>	<b>106,752</b>	<b>5,173,909</b>	<b>49.2%</b>	<b>5,665,221</b>
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
CHIEF'S STAFF	1,167,171	580,188	-	586,983	49.7%	
SUPPORT SERVICES	568,188	278,145	1,131	288,912	49.2%	
RECORDS	1,298,843	623,085	19,009	656,749	49.4%	
COMMUNITY SVCS	915,200	499,972	3,329	411,898	55.0%	
CRIME ANALYSIS	7,067	3,329	-	3,738	47.1%	
PROPERTY ROOM	128,526	61,842	820	65,864	48.8%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2010 (50% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>** Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
TRNG/RECRUITMENT	461,709	267,955	6,122	187,633	59.4%	
RANGE	1,023,098	542,524	13,551	467,023	54.4%	
BEAT COORDINATORS	490,445	284,206	702	205,537	58.1%	
INFORMATION TECHNOLOGY	1,112,749	578,578	44,742	489,429	56.0%	
INVESTIGATIVE DIVISION	4,437,263	2,118,251	3,850	2,315,162	47.8%	
CRIME LAB	219,231	67,120	-	152,111	30.6%	
PATROL DIVISION	13,480,216	6,613,159	116,316	6,750,742	49.9%	
TRAFFIC	1,320,753	565,680	1,304	753,769	42.9%	
SPECIAL EVENTS	984,500	872,561	-	111,939	88.6%	
TACTICAL PATROL FORCE	1,143,556	579,127	-	564,429	50.6%	
STREET SWEEPING ENFORCEMENT	285,115	142,305	-	142,810	49.9%	
NIGHT LIFE ENFORCEMENT	333,926	103,667	-	230,259	31.0%	
PARKING ENFORCEMENT	1,024,125	441,404	22,035	560,686	45.3%	
CCC	2,346,794	985,480	2,539	1,358,775	42.1%	
ANIMAL CONTROL	542,378	292,516	2,797	247,064	54.4%	
<i>Total</i>	<u>33,290,852</u>	<u>16,501,094</u>	<u>238,247</u>	<u>16,551,511</u>	50.3%	<u>16,161,276</u>
<u>Fire</u>						
ADMINISTRATION	816,405	391,423	4,116	420,866	48.4%	
EMERGENCY SERVICES AND PUBLIC ED	210,178	88,034	-	122,144	41.9%	
PREVENTION	1,201,381	519,874	4,858	676,649	43.7%	
WILDLAND FIRE MITIGATION PROGRAM	180,935	79,270	21,412	80,253	55.6%	
OPERATIONS	17,331,070	8,518,998	124,691	8,687,382	49.9%	
ARFF	1,701,697	953,484	-	748,213	56.0%	
<i>Total</i>	<u>21,441,666</u>	<u>10,551,082</u>	<u>155,077</u>	<u>10,735,508</u>	49.9%	<u>10,412,152</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>54,732,518</u>	<u>27,052,176</u>	<u>393,323</u>	<u>27,287,019</u>	50.1%	<u>26,573,428</u>
<b>PUBLIC WORKS</b>						
<u>Public Works</u>						
ADMINISTRATION	872,992	379,100	17,192	476,700	45.4%	
ENGINEERING SVCS	4,353,334	2,119,647	5,377	2,228,310	48.8%	
PUBLIC RT OF WAY MGMT	983,568	477,947	2,243	503,378	48.8%	
ENVIRONMENTAL PROGRAMS	361,153	107,654	72,711	180,788	49.9%	
<i>Total</i>	<u>6,571,047</u>	<u>3,084,348</u>	<u>97,524</u>	<u>3,389,176</u>	48.4%	<u>3,029,511</u>
<b>TOTAL PUBLIC WORKS</b>	<u>6,571,047</u>	<u>3,084,348</u>	<u>97,524</u>	<u>3,389,176</u>	48.4%	<u>3,029,511</u>
<b>COMMUNITY SERVICES</b>						
<u>Parks &amp; Recreation</u>						
PRGM MGMT & BUS SVCS	476,287	236,306	-	239,981	49.6%	
FACILITIES	354,519	182,623	14,509	157,388	55.6%	
CULTURAL ARTS	420,422	202,167	6,302	211,954	49.6%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2010 (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>						
YOUTH ACTIVITIES	733,831	384,306	7,413	342,111	53.4%	
SR CITIZENS	653,938	295,678	411	357,849	45.3%	
AQUATICS	1,042,852	615,020	35,381	392,451	62.4%	
SPORTS	495,345	203,831	15,011	276,504	44.2%	
TENNIS	258,175	105,151	-	153,024	40.7%	
NEIGHBORHOOD & OUTREACH SERV	989,941	492,456	4,460	493,025	50.2%	
ADMINISTRATION	520,544	255,318	-	265,226	49.0%	
PROJECT MANAGEMENT TEAM	223,659	107,819	-	115,840	48.2%	
BUSINESS SERVICES	302,136	128,301	2,684	171,151	43.4%	
FACILITY & PROJECT MGT	951,580	524,217	1,211	426,151	55.2%	
GROUND MANAGEMENT	4,134,610	1,932,444	59,312	2,142,853	48.2%	
FORESTRY	1,163,333	459,033	92,640	611,660	47.4%	
BEACH MAINTENANCE	164,643	70,010	13,372	81,260	50.6%	
<i>Total</i>	<u>12,885,815</u>	<u>6,195,041</u>	<u>252,706</u>	<u>6,438,069</u>	50.0%	<u>6,665,744</u>
<u>Library</u>						
ADMINISTRATION	399,732	179,583	-	220,149	44.9%	
PUBLIC SERVICES	1,997,383	918,467	3,950	1,074,966	46.2%	
SUPPORT SERVICES	1,773,265	686,941	13,148	1,073,177	39.5%	
<i>Total</i>	<u>4,170,380</u>	<u>1,784,991</u>	<u>17,098</u>	<u>2,368,291</u>	43.2%	<u>1,946,876</u>
<b>TOTAL COMMUNITY SERVICES</b>	<u>17,056,195</u>	<u>7,980,031</u>	<u>269,803</u>	<u>8,806,360</u>	48.4%	<u>8,612,620</u>
<b>COMMUNITY DEVELOPMENT</b>						
<u>Community Development</u>						
ADMINISTRATION	427,609	215,671	724	211,214	50.6%	
ECON DEV	52,296	22,283	-	30,013	42.6%	
CITY ARTS ADVISORY PROGRAM	427,260	361,237	-	66,024	84.5%	
HUMAN SVCS	819,851	402,939	-	416,912	49.1%	
RDA	685,691	334,650	-	351,041	48.8%	
RDA HSG DEV	642,855	288,365	-	354,490	44.9%	
LR PLANNING/STUDIES	716,236	355,320	632	360,284	49.7%	
DEV & DESIGN REVIEW	952,017	430,548	10,074	511,396	46.3%	
ZONING	809,341	384,713	960	423,667	47.7%	
DESIGN REV & HIST PRESERVATN	886,555	370,995	19,401	496,160	44.0%	
SHO/ENVIRON REVIEW/TRAINING	737,535	359,150	3,592	374,793	49.2%	
BLDG PERMITS	1,027,134	507,520	7,099	512,515	50.1%	
RECORDS & ARCHIVES	523,630	233,940	17,256	272,434	48.0%	
PLAN CK & COUNTER SRV	1,252,403	566,977	7,833	677,593	45.9%	
<i>Total</i>	<u>9,960,413</u>	<u>4,834,310</u>	<u>67,570</u>	<u>5,058,532</u>	49.2%	<u>4,992,243</u>
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<u>9,960,413</u>	<u>4,834,310</u>	<u>67,570</u>	<u>5,058,532</u>	49.2%	<u>4,992,243</u>

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Six Months Ended December 31, 2010 (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	1,693	-	20,579	7.6%	
COMMUNITY PROMOTIONS	1,537,890	898,954	-	638,936	58.5%	
SPECIAL PROJECTS	359,264	139,000	-	220,264	38.7%	
TRANSFERS OUT	43,500	21,750	-	21,750	50.0%	
DEBT SERVICE TRANSFERS	350,445	290,081	-	60,364	82.8%	
CAPITAL OUTLAY TRANSFER	508,170	254,085	-	254,085	50.0%	
APPROP. RESERVE	942,979	-	-	942,979	0.0%	
<i>Total</i>	3,764,520	1,605,563	-	2,158,957	42.6%	1,406,782
<b>TOTAL NON-DEPARTMENTAL</b>	3,764,520	1,605,563	-	2,158,957	42.6%	1,406,782
<b>TOTAL EXPENDITURES</b>	102,269,406	49,460,481	934,973	51,873,952	49.3%	50,279,805

*\*\* 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, 2010 (50% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
<b>TRAFFIC SAFETY FUND</b>					
Revenue	470,000	250,791	-	219,209	53.4%
Expenditures	470,000	250,791	-	219,209	53.4%
<i>Revenue Less Expenditures</i>	-	-	-	-	
<b>CREEK RESTORATION/WATER QUALITY IMPRVMT</b>					
Revenue	2,407,300	1,548,159	-	859,141	64.3%
Expenditures	4,163,728	1,699,867	410,384	2,053,477	50.7%
<i>Revenue Less Expenditures</i>	(1,756,428)	(151,708)	(410,384)	(1,194,336)	
<b>SOLID WASTE PROGRAM</b>					
Revenue	17,512,032	8,463,235	-	9,048,797	48.3%
Expenditures	18,397,408	8,705,749	162,927	9,528,732	48.2%
<i>Revenue Less Expenditures</i>	(885,376)	(242,514)	(162,927)	(479,935)	
<b>COMM.DEVELOPMENT BLOCK GRANT</b>					
Revenue	2,003,480	1,126,359	-	877,121	56.2%
Expenditures	2,003,480	453,634	76,292	1,473,554	26.5%
<i>Revenue Less Expenditures</i>	-	672,726	(76,292)	(596,434)	
<b>COUNTY LIBRARY</b>					
Revenue	1,748,519	573,414	-	1,175,105	32.8%
Expenditures	1,782,819	846,473	48,775	887,572	50.2%
<i>Revenue Less Expenditures</i>	(34,300)	(273,059)	(48,775)	287,534	
<b>STREETS FUND</b>					
Revenue	9,926,670	4,473,903	-	5,452,767	45.1%
Expenditures	13,933,618	4,661,613	1,556,693	7,715,313	44.6%
<i>Revenue Less Expenditures</i>	(4,006,948)	(187,710)	(1,556,693)	(2,262,545)	
<b>MEASURE A</b>					
Revenue	2,882,759	1,351,888	-	1,530,871	46.9%
Expenditures	2,882,759	1,020,635	568,132	1,293,992	55.1%
<i>Revenue Less Expenditures</i>	-	331,253	(568,132)	236,879	

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2010 (50% of Fiscal Year)**

**WATER OPERATING FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Water Sales - Metered	30,350,000	15,224,621	-	15,125,380	50.2%	15,880,618
Service Charges	395,000	489,285	-	(94,285)	123.9%	212,379
Cater JPA Treatment Charges	2,272,520	1,699,736	-	572,784	74.8%	1,706,794
Licenses & Permits	-	-	-	-	100.0%	-
Investment Income	860,900	527,791	-	333,109	61.3%	599,974
Grants	-	-	-	-	100.0%	24,243
Reimbursements	-	-	-	-	100.0%	-
Miscellaneous	754,266	494,745	-	259,521	65.6%	368,907
<b>TOTAL REVENUES</b>	<u>34,632,686</u>	<u>18,436,179</u>	<u>-</u>	<u>16,196,507</u>	<u>53.2%</u>	<u>18,792,916</u>
<b>EXPENSES</b>						
Salaries & Benefits	7,606,945	3,493,361	-	4,113,584	45.9%	3,489,417
Materials, Supplies & Services	10,173,513	3,605,592	2,396,664	4,171,257	59.0%	3,853,627
Special Projects	737,378	140,144	86,205	511,029	30.7%	63,884
Water Purchases	8,177,644	3,209,238	409,238	4,559,168	44.2%	3,219,509
Debt Service	5,088,853	2,618,931	-	2,469,922	51.5%	2,600,604
Capital Outlay Transfers	3,349,702	1,674,851	-	1,674,851	50.0%	2,651,246
Equipment	177,227	50,979	-	126,248	28.8%	37,116
Capitalized Fixed Assets	191,932	6,285	68,634	117,013	39.0%	861
Other	43,000	20,750	-	22,250	48.3%	21,299
Appropriated Reserve	123,517	-	-	123,517	0.0%	-
<b>TOTAL EXPENSES</b>	<u>35,669,711</u>	<u>14,820,132</u>	<u>2,960,741</u>	<u>17,888,838</u>	<u>49.8%</u>	<u>15,937,564</u>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2010 (50% of Fiscal Year)**

**WASTEWATER OPERATING FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Service Charges	14,200,000	7,082,869	-	7,117,131	49.9%	7,047,623
Fees	452,911	474,438	-	(21,527)	104.8%	248,701
Investment Income	296,100	152,599	-	143,501	51.5%	208,851
Public Works	11,400	18,816	-	(7,416)	165.1%	2,024
Miscellaneous	25,000	66,905	-	(41,905)	267.6%	14,800
<b>TOTAL REVENUES</b>	<u>14,985,411</u>	<u>7,795,627</u>	<u>-</u>	<u>7,189,784</u>	<u>52.0%</u>	<u>7,521,999</u>
<b>EXPENSES</b>						
Salaries & Benefits	5,178,153	2,418,577	-	2,759,576	46.7%	2,349,516
Materials, Supplies & Services	5,812,865	2,341,719	1,372,563	2,098,583	63.9%	2,191,564
Special Projects	155,000	150,802	-	4,198	97.3%	354,271
Transfers-Out	-	-	-	-	100.0%	32,500
Debt Service	1,352,038	334,388	-	1,017,650	24.7%	343,983
Capital Outlay Transfers	6,295,500	3,147,750	-	3,147,750	50.0%	1,413,594
Equipment	54,428	16,901	4,340	33,187	39.0%	3,872
Capitalized Fixed Assets	97,261	33,907	25,726	37,628	61.3%	861
Appropriated Reserve	121,100	-	-	121,100	0.0%	-
<b>TOTAL EXPENSES</b>	<u>19,066,345</u>	<u>8,444,044</u>	<u>1,402,629</u>	<u>9,219,672</u>	<u>51.6%</u>	<u>6,690,162</u>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2010 (50% of Fiscal Year)**  
**DOWNTOWN PARKING**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Improvement Tax	840,000	440,041	-	399,959	52.4%	407,481
Parking Fees	5,606,000	2,675,347	-	2,930,653	47.7%	2,820,417
Investment Income	154,700	78,767	-	75,933	50.9%	110,048
Rents & Concessions	23,740	-	-	23,740	0.0%	23,740
Reimbursements	20,000	4,598	-	15,402	23.0%	6,711
Miscellaneous	1,500	11,981	-	(10,481)	798.8%	1,518
Operating Transfers-In	43,500	21,750	-	21,750	50.0%	43,500
<b>TOTAL REVENUES</b>	<u>6,689,440</u>	<u>3,232,485</u>	<u>-</u>	<u>3,456,955</u>	<u>48.3%</u>	<u>3,413,416</u>
<b>EXPENSES</b>						
Salaries & Benefits	3,847,242	1,792,510	-	2,054,732	46.6%	1,754,900
Materials, Supplies & Services	1,807,229	669,019	127,762	1,010,448	44.1%	770,284
Special Projects	730,482	84,140	602,842	43,500	94.0%	364,581
Transfers-Out	312,621	140,811	-	171,810	45.0%	156,311
Capital Outlay Transfers	660,000	330,000	-	330,000	50.0%	629,380
Equipment	25,000	6,730	3,830	14,440	42.2%	78
Capitalized Fixed Assets	-	-	-	-	100.0%	1,890
Appropriated Reserve	8,709	-	-	8,709	0.0%	-
<b>TOTAL EXPENSES</b>	<u>7,391,283</u>	<u>3,023,210</u>	<u>734,434</u>	<u>3,633,639</u>	<u>50.8%</u>	<u>3,677,422</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2010 (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	3,977,000	2,134,602	-	1,842,398	53.7%	2,107,130
Leases - Terminal	4,927,950	2,656,004	-	2,271,946	53.9%	2,522,995
Leases - Non-Commerical Aviation	1,095,875	786,090	-	309,785	71.7%	565,489
Leases - Commerical Aviation	2,637,000	1,144,257	-	1,492,743	43.4%	1,095,287
Investment Income	231,100	124,848	-	106,252	54.0%	167,195
Miscellaneous	196,552	83,460	-	113,092	42.5%	80,016
<b>TOTAL REVENUES</b>	<b>13,065,477</b>	<b>6,929,261</b>	<b>-</b>	<b>6,136,216</b>	<b>53.0%</b>	<b>6,538,113</b>
<b>EXPENSES</b>						
Salaries & Benefits	4,913,183	2,302,198	-	2,610,985	46.9%	2,285,023
Materials, Supplies & Services	6,432,710	2,851,624	626,854	2,954,232	54.1%	2,836,657
Special Projects	912,307	285,256	-	627,051	31.3%	213,146
Transfers-Out	31,049	15,525	-	15,524	50.0%	-
Capital Outlay Transfers	550,000	275,000	-	275,000	50.0%	325,535
Equipment	24,610	14,420	-	10,190	58.6%	17,920
Appropriated Reserve	270,273	-	-	270,273	0.0%	-
<b>TOTAL EXPENSES</b>	<b>13,134,132</b>	<b>5,744,022</b>	<b>626,854</b>	<b>6,763,256</b>	<b>48.5%</b>	<b>5,678,280</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, 2010 (50% of Fiscal Year)**

**GOLF COURSE FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Fees & Card Sales	1,725,172	778,588	-	946,584	45.1%	716,017
Investment Income	20,200	7,164	-	13,036	35.5%	18,271
Rents & Concessions	300,322	143,935	-	156,387	47.9%	152,822
Miscellaneous	3,500	43	-	3,457	1.2%	1,848
<b>TOTAL REVENUES</b>	<u>2,049,194</u>	<u>929,730</u>	<u>-</u>	<u>1,119,464</u>	<u>45.4%</u>	<u>888,958</u>
<b>EXPENSES</b>						
Salaries & Benefits	1,095,646	538,836	-	556,810	49.2%	553,022
Materials, Supplies & Services	611,462	279,136	99,303	233,022	61.9%	277,652
Special Projects	14,524	-	9,524	5,000	65.6%	976
Transfers-Out	-	-	-	-	100.0%	507,767
Debt Service	213,407	157,025	-	56,382	73.6%	156,016
Capital Outlay Transfers	70,000	35,000	-	35,000	50.0%	276
Equipment	3,500	2,597	-	903	74.2%	-
Capitalized Fixed Assets	-	-	-	-	100.0%	4,154
Appropriated Reserve	52,272	-	-	52,272	0.0%	-
<b>TOTAL EXPENSES</b>	<u>2,060,811</u>	<u>1,012,595</u>	<u>108,827</u>	<u>939,389</u>	<u>54.4%</u>	<u>1,499,863</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2010 (50% of Fiscal Year)**

**INTRA-CITY SERVICE FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Work Orders - Bldg Maint.	3,598,018	1,569,293	-	2,028,725	43.6%	1,663,399
Grants	742,970	-	-	742,970	0.0%	818,200
Service Charges	1,742,565	866,283	-	876,282	49.7%	820,740
Miscellaneous	-	147	-	(147)	100.0%	47
Operating Transfers-In	-	-	-	-	100.0%	32,500
<b>TOTAL REVENUES</b>	<u>6,083,553</u>	<u>2,435,722</u>	<u>-</u>	<u>3,647,831</u>	<u>40.0%</u>	<u>3,334,886</u>
<b>EXPENSES</b>						
Salaries & Benefits	2,858,723	1,372,817	-	1,485,906	48.0%	1,451,352
Materials, Supplies & Services	1,109,096	457,658	157,167	494,271	55.4%	446,073
Special Projects	2,010,520	384,301	495,233	1,130,986	43.7%	418,402
Capital Outlay Transfers	-	-	-	-	100.0%	65,414
Equipment	23,000	6,290	-	16,710	27.3%	155
Capitalized Fixed Assets	780,560	11,436	172,083	597,041	23.5%	536
<b>TOTAL EXPENSES</b>	<u>6,781,899</u>	<u>2,232,503</u>	<u>824,483</u>	<u>3,724,914</u>	<u>45.1%</u>	<u>2,381,932</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2010 (50% of Fiscal Year)**

**FLEET REPLACEMENT FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Vehicle Rental Charges	1,791,427	895,713	-	895,714	50.0%	671,510
Investment Income	153,300	87,508	-	65,792	57.1%	107,609
Rents & Concessions	232,341	116,171	-	116,171	50.0%	121,424
Miscellaneous	50,000	19,613	-	30,388	39.2%	52,709
<b>TOTAL REVENUES</b>	<u>2,227,068</u>	<u>1,119,004</u>	<u>-</u>	<u>1,108,064</u>	<u>50.2%</u>	<u>953,251</u>
<b>EXPENSES</b>						
Salaries & Benefits	150,983	74,429	-	76,554	49.3%	73,814
Materials, Supplies & Services	993	497	-	497	50.0%	560
Capitalized Fixed Assets	4,479,566	1,307,710	440,430	2,731,425	39.0%	724,501
<b>TOTAL EXPENSES</b>	<u>4,631,542</u>	<u>1,382,636</u>	<u>440,430</u>	<u>2,808,475</u>	<u>39.4%</u>	<u>798,875</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2010 (50% of Fiscal Year)**

**FLEET MAINTENANCE FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Vehicle Maintenance Charges	2,369,418	1,184,709	-	1,184,709	50.0%	1,240,119
Miscellaneous	60,000	7,520	-	52,480	12.5%	-
<b>TOTAL REVENUES</b>	<u>2,429,418</u>	<u>1,192,229</u>	<u>-</u>	<u>1,237,189</u>	<u>49.1%</u>	<u>1,240,119</u>
<b>EXPENSES</b>						
Salaries & Benefits	1,141,256	558,700	-	582,556	49.0%	556,607
Materials, Supplies & Services	1,255,238	482,954	177,393	594,891	52.6%	433,885
Special Projects	87,279	11,069	5,944	70,266	19.5%	9,707
Equipment	2,200	1,653	547	-	100.0%	-
<b>TOTAL EXPENSES</b>	<u>2,485,972</u>	<u>1,054,376</u>	<u>183,884</u>	<u>1,247,712</u>	<u>49.8%</u>	<u>1,000,199</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2010 (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	2,583,750	1,291,875	-	1,291,875	50.0%	1,475,307
Workers' Compensation Premiums	2,643,581	1,321,791	-	1,321,790	50.0%	1,241,464
OSH Charges	277,322	-	-	277,322	0.0%	151,259
Investment Income	189,900	91,529	-	98,371	48.2%	138,897
Community Development	-	316	-	(316)	100.0%	-
Miscellaneous	-	4,192	-	(4,192)	100.0%	12,418
<b>TOTAL REVENUES</b>	<b>5,694,553</b>	<b>2,709,703</b>	<b>-</b>	<b>2,984,850</b>	<b>47.6%</b>	<b>3,019,345</b>
<b>EXPENSES</b>						
Salaries & Benefits	523,458	193,617	-	329,841	37.0%	256,338
Materials, Supplies & Services	4,928,992	2,465,682	423,481	2,039,830	58.6%	2,116,280
Transfers-Out	717,988	717,988	-	-	100.0%	300,000
Capital Outlay Transfers	-	-	-	-	100.0%	552
Appropriated Reserve	23,671	-	-	23,671	0.0%	-
<b>TOTAL EXPENSES</b>	<b>6,194,109</b>	<b>3,377,287</b>	<b>423,481</b>	<b>2,393,342</b>	<b>61.4%</b>	<b>2,673,171</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, 2010 (50% of Fiscal Year)**

**INFORMATION SYSTEMS ICS FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Service charges	2,302,393	1,145,792	-	1,156,601	49.8%	1,222,601
Miscellaneous	-	-	-	-	100.0%	226
<b>TOTAL REVENUES</b>	<u>2,302,393</u>	<u>1,145,792</u>	<u>-</u>	<u>1,156,601</u>	49.8%	<u>1,222,828</u>
<b>EXPENSES</b>						
Salaries & Benefits	1,487,770	733,352	-	754,418	49.3%	719,459
Materials, Supplies & Services	511,979	344,096	33,919	133,964	73.8%	347,563
Special Projects	1,700	3,587	10,082	(11,968)	804.0%	1,415
Equipment	249,213	116,019	64,529	68,666	72.4%	215,280
Appropriated Reserve	56,839	-	-	56,839	0.0%	-
<b>TOTAL EXPENSES</b>	<u>2,307,501</u>	<u>1,197,053</u>	<u>108,529</u>	<u>1,001,918</u>	56.6%	<u>1,283,718</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Six Months Ended December 31, 2010 (50% of Fiscal Year)**

**WATERFRONT FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Leases - Commercial	1,372,773	740,685	-	632,088	54.0%	775,529
Leases - Food Service	2,173,351	1,312,582	-	860,769	60.4%	1,288,356
Slip Rental Fees	3,864,398	1,926,129	-	1,938,269	49.8%	1,831,281
Visitors Fees	555,894	251,673	-	304,221	45.3%	310,659
Slip Transfer Fees	621,957	189,575	-	432,382	30.5%	300,875
Parking Revenue	1,912,769	920,971	-	991,798	48.1%	996,309
Wharf Parking	244,477	111,422	-	133,055	45.6%	119,202
Other Fees & Charges	361,252	197,459	-	163,793	54.7%	186,592
Investment Income	215,759	101,217	-	114,542	46.9%	136,090
Rents & Concessions	299,504	178,565	-	120,939	59.6%	149,840
Grants	12,190	4,256	-	7,934	34.9%	-
Miscellaneous	128,650	49,182	-	79,468	38.2%	102,823
<b>TOTAL REVENUES</b>	<u>11,762,974</u>	<u>5,983,717</u>	<u>-</u>	<u>5,779,257</u>	<u>50.9%</u>	<u>6,197,555</u>
<b>EXPENSES</b>						
Salaries & Benefits	5,480,825	2,690,298	-	2,790,527	49.1%	2,687,524
Materials, Supplies & Services	3,405,267	1,476,558	669,203	1,259,506	63.0%	1,487,267
Special Projects	147,074	37,501	45,000	64,573	56.1%	42,820
Debt Service	1,665,997	1,042,388	-	623,609	62.6%	1,109,556
Capital Outlay Transfers	969,361	484,680	-	484,681	50.0%	565,691
Equipment	81,909	14,342	1,133	66,434	18.9%	10,299
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
<b>TOTAL EXPENSES</b>	<u>11,850,433</u>	<u>5,745,768</u>	<u>715,336</u>	<u>5,389,329</u>	<u>54.5%</u>	<u>5,903,156</u>

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

*Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)*

**General Fund Revenues**

The table below summarizes General Fund revenues for the six months ended December 31, 2010. For interim financial statement purposes, revenues are reported on the cash basis (i.e. when the funds are received). The table below includes the budgeted totals as well as the year-to-date (YTD) budget, which for tax revenues and franchise fees has 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 year-to-date budget to reflect the unique collection pattern of each type of tax revenue enables a more meaningful comparison to year-to-date results as shown in the Year-to-Date Actual column. For all other revenues, the Year-to-Date Budget column represents 50% (6 months out of the 12 elapsed) of the annual 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, 2010 GENERAL FUND</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 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	\$ 16,714,359	\$ 6,719,172	\$ 6,749,830	\$ 30,658	40.38%	40.20%	\$ 6,412,644	5.3%
Property Tax	22,790,000	8,136,030	8,701,723	565,693	38.18%	35.70%	7,566,461	15.0%
UUT	7,040,000	3,520,000	3,521,932	1,932	50.03%	50.00%	3,484,555	1.1%
TOT	11,157,000	6,761,142	7,261,448	500,306	65.08%	60.60%	6,618,032	9.7%
Bus License	2,168,000	897,552	944,434	46,882	43.56%	41.40%	917,418	2.9%
Prop Trans Tax	358,100	211,995	204,871	(7,124)	57.21%	59.20%	199,690	2.6%
Total Taxes	<u>60,227,459</u>	<u>26,245,892</u>	<u>27,384,238</u>	<u>1,138,346</u>	<u>45.47%</u>	<u>43.58%</u>	<u>25,198,800</u>	<u>8.7%</u>
License & Permits	194,000	97,000	73,076	(23,924)	37.67%	50.00%	85,941	-15.0%
Fines & Forfeitures	2,909,069	1,454,535	1,483,768	29,234	51.00%	50.00%	1,474,969	0.6%
Franchise Fee	3,266,000	1,579,125	1,670,255	91,130	51.14%	48.35%	1,639,714	1.9%
Use of Money & Property	1,270,150	635,075	649,000	13,925	51.10%	50.00%	796,574	-18.5%
Intergovernmental	1,584,733	792,367	467,697	(324,670)	29.51%	50.00%	364,508	28.3%
Fee & Charges	20,101,869	10,050,935	9,431,012	(619,923)	46.92%	50.00%	9,510,604	-0.8%
Miscellaneous	8,894,650	4,447,325	4,685,196	237,871	52.67%	50.00%	5,546,557	-15.5%
Total Other	<u>38,220,471</u>	<u>19,056,361</u>	<u>18,460,004</u>	<u>(596,357)</u>	<u>48.30%</u>		<u>19,418,867</u>	<u>-4.9%</u>
Total Before Budgeted Variances	<u>98,447,930</u>	<u>45,302,252</u>	<u>45,844,242</u>	<u>541,990</u>			<u>44,617,667</u>	
Anticipated Year-End Var	1,248,429	624,215	-	(624,215)	0.00%	50.00%	-	0.0%
Budgeted Labor Concessions **	1,069,405	534,703	-	(534,703)	0.00%	50.00%	-	0.0%
Total Budgeted Variance	<u>2,317,834</u>	<u>1,158,917</u>	<u>-</u>	<u>(1,158,917)</u>			<u>-</u>	
<b>Total Revenues</b>	<u>\$ 100,765,764</u>	<u>\$ 46,461,169</u>	<u>\$ 45,844,242</u>	<u>\$ (616,927)</u>	<u>45.50%</u>	<u>46.11%</u>	<u>\$ 44,617,667</u>	<u>2.7%</u>

\* 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.

\*\* Labor concessions for Police and Fire Departments (totaling \$1.3 million) have been reclassified as budgeted expenditure reductions.

*Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)*

---

After six months of activity, we are able to identify some trends in revenues and update our estimates regarding where we expect revenues to end the year. As seen in the table above, total revenues were approximately \$617,000 under the YTD budget through December 31; however, the total revenue collection before budgeted variances was \$542,000. Tax revenues were \$1.1 million above budget but other revenues were approximately \$596,000 under budget.

The local economy is beginning to show signs of recovery and cash receipts of all tax revenues, except Property Transfer Tax, are ahead of the 3-year average collection rate at mid-year. However, it is important to note that, although revenues have been increasing, they are still well below the “pre-recession” levels and will require several years of continued growth to get back to the revenue totals for fiscal year 2008. Key revenues and significant variances are discussed below.

**Sales and Use Taxes**

Sales tax revenue for the first quarter was almost \$31,000 above the YTD budget on a cash basis. However, while representing two quarterly payments year-to-date, the revenues received through December 31, 2010 provide information for the growth in sales tax revenues earned for the quarter ended September 30, 2010. These revenues were 3.9% over those from the prior September. Sales tax payments for collections for the quarter ended December 31<sup>st</sup> will not be received until mid-March but it appears that these revenues are slowly improving after two years of declines. At this point, staff is projecting that sales tax revenues will exceed budget by approximately \$701,000 at year-end.

**Property Tax**

Property tax revenue was almost \$566,000 ahead of the YTD budget at December 31. This represents a \$1.1 million (15%) increase from the same period in the prior year primarily due to a timing issue from last year when \$930,000 in secured taxes were processed later due to the County furlough. Property tax revenue is estimated to end the year at \$22,843,000, a \$53,000 positive variance from the annual budget.

In general, the real estate market is still extremely weak. We do not expect to see significant increases to property values for several years. Property taxes, which are generated through a 1% assessment on all real property, can increase by the lower of the Consumer Price Index or 2% per year. Over the last two years, the CPI used to assess property taxes has been flat. Therefore, revenues are expected to be either flat or grow very modestly over the next few years.

**Transient Occupancy Tax**

TOT revenue was approximately \$500,000 (4.48%) over the YTD budget at December 31. TOT revenues have continued their strong performance with growth in each of the past 12 months. TOT revenues at December 31, 2010 were 9.7% ahead of revenues for the same period in the prior year. In part, the strong growth is due to the fact that the revenues are building off of significant declines in the prior year during the first half of the year. While revenues are expected to continue their growth in the second half of the year, the rate of growth will likely be moderated since they will be building off the second half of the prior year where revenues

***Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)***

actually grew. Overall, revenues are expected to exceed the annual budget by approximately \$1 million by year-end.

**Intergovernmental**

The largest component of Intergovernmental revenue is mutual aid received by the Fire Department. These revenues are generated when the Fire Department provides mutual aid assistance to other locations throughout the state. The City is reimbursed for the actual costs of providing assistance, plus an overhead factor to provide the service. The Fire Department budgeted \$1.25 million in mutual aid reimbursements for the year but staff is projecting that the department will only receive approximately \$341,000 for the year. This is due to a dramatic decline in mutual aid calls for service. The revenues are intended to not only reimburse the City for direct overtime costs, but also indirect administrative and overhead costs. As a result, the revenues budgeted for mutual aid exceed the budgeted costs for overtime. In this case, the \$909,000 reduction of budgeted revenues will include a \$550,000 reduction in mutual aid overtime costs as shown in the schedule of proposed adjustments (Attachment 3).

**Fees & Service Charges**

Overall, fees and service charges are almost \$620,000 (3.1%) under YTD budget. The largest negative variances were in Parks & Recreation (\$168,000) Public Works (\$107,000), and Inter-Fund charges (\$229,000), with another \$116,000 negative YTD variance spread across the other departments. The more significant mid-year variances are discussed below.

Fees and Service Charges General Fund For the Six Months Ended December 31, 2010								
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	\$ 424,515	\$ (4,950)	49.4%	\$ 412,783	\$ 11,732	2.8%
Community Development	4,452,856	2,226,428	2,169,379	(57,049)	48.7%	2,284,447	(115,068)	-5.0%
Parks & Recreation	2,358,031	1,179,016	1,010,553	(168,463)	42.9%	983,507	27,046	2.7%
Public Safety	476,348	238,174	206,516	(31,658)	43.4%	199,157	7,359	3.7%
Public Works	5,219,373	2,609,687	2,502,944	(106,742)	48.0%	2,533,361	(30,417)	-1.2%
Library	779,643	389,822	367,447	(22,375)	47.1%	370,265	(2,818)	-0.8%
Inter-Fund Charges	5,956,688	2,978,344	2,749,657	(228,687)	46.2%	2,727,084	22,573	0.8%
<b>Total</b>	<b>\$ 20,101,869</b>	<b>\$ 10,050,935</b>	<b>\$ 9,431,012</b>	<b>\$ (619,923)</b>	<b>46.9%</b>	<b>\$ 9,510,604</b>	<b>\$ (79,592)</b>	<b>-0.8%</b>

Parks & Recreation revenues are \$168,000 (7.1%) below the YTD budget due to declining facility rentals and registrations for classes and programs. Revenues have been impacted by the rainy first half of the year, which impacted field rentals and tennis permit sales. Revenues are projected to end the year approximately \$138,000 under budget. The Department has identified expenditure reductions to offset the shortfall.

Public Works fee revenue was \$107,000 (2%) under the YTD budget because of engineering work orders that have not met expectations through December 31. Engineering Work orders are primarily charges for services to other funds throughout the City related to capital projects. Lost time due to the furlough, leave of absence, and leave time limited the available billable hours to use on projects.

***Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)***

---

Inter-Fund charges are \$229,000 (3.1%) below the YTD budget at mid-year. These are reimbursements from other City funds and departments, and other governments for various services. Approximately \$77,000 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.

Approximately \$105,000 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. 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. Staff will continue to evaluate and monitor revenues in the next quarter and will report on significant projected year-end shortfalls in the third quarter report.

**Anticipated Year-End Variances and Budgeted Savings from Concessions**

It is important to note that the table on page 1 includes \$1,158,917 million in budgeted revenue variances through December 31, 2010 associated with anticipated year-end savings. This is comprised of two components: "Anticipated Year-End Variance" and "Budgeted Labor Concessions." The Anticipated Year-End Variance is roughly equal to 1.3% of budgeted operating expenditures in the General Fund and represents what staff projected in favorable expenditure variances (i.e. expenditures *under* budget) for the year. As is the case each year, the Anticipated Year-End Variance budgeted at \$1,248,429 will not reflect any actual revenues; instead, the favorable variances are expected in expenditures by year-end.

The second component relates to savings from labor concessions, including actual savings from the suspension of vacation cash outs secured as of the date of budget adoption and concessions not secured from police and fire labor groups as of the date of budget adoption. The latter concessions were still being negotiated but were anticipated to be achieved later in the year. Actual labor concessions realized from police and fire were \$1,664,157, which is \$342,578 less than budgeted. In total, the concessions realized from police and fire and the savings from the suspension of vacation cash outs totaled \$2,025,170, as shown below:

	<b>Salaries &amp; Benefits</b>	<b>Vacation Cash Outs</b>	<b>Total</b>
Concessions from Police and Fire	\$ 1,298,343	\$ 365,814	\$ 1,664,157
Concessions from All Other Labor Groups	-	361,013	361,013
<b>TOTALS</b>	<b>\$ 1,298,343</b>	<b>\$ 726,827</b>	<b>\$ 2,025,170</b>

Staff recommends allocating the \$1,298,343 from the Budgeted Labor Concessions revenue account to the Police and Fire Department expenditure budgets, which will reduce their overall budgets. Staff also recommends reducing this revenue account by the concessions not realized totaling \$342,578.

*Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)*

**General Fund Expenditures**

The table below summarizes the General Fund budget and year-to-date expenditures through December 31, 2010. The "Adjusted Annual Budget" column represents the adopted budget, appropriation carryovers from the prior year, and any supplemental appropriations approved by Council in the current year.

As shown below, a year-to-date budget (labeled "YTD Budget") column is included. This represents 50% of the annual budget to coincide with 6 out of 12 months in the fiscal year having elapsed. Unlike revenues, where the collection rate during the year is often seasonally affected, salaries and benefits and several other types of expenditures tend to be incurred fairly evenly throughout the year. The table includes actual expenditures without encumbrances and another column for the variance after considering encumbrances. Inclusion of encumbrances can significantly distort the analysis of budgeted and actual expenditures after six months. Outstanding encumbrances include appropriations that were carried forward from prior year as part of the appropriation carryovers and contracts or blanket purchase orders that have been added in the current year but are expected to be spent over the coming months. The following discussion and analysis does not include the impact of encumbrances.

SUMMARY OF EXPENDITURES GENERAL FUND For the Six Months Ended December 31, 2010							YTD Variance With Encumb Favorable (Unfavorable)	
Department	Adjusted Annual Budget	YTD Budget	YTD Actual	YTD Variance Without Encumbrance	Encum- brance	\$	%	
Mayor & Council	\$ 686,819	\$ 343,410	\$ 341,672	\$ 1,738	\$ 1,582	\$ 156	0.0%	
City Attorney	1,867,900	933,950	957,001	(23,051)	-	(23,051)	-1.2%	
City Administrator	1,799,157	899,579	892,854	6,725	21,689	(14,965)	-0.8%	
Administrative Svcs.	1,641,770	820,885	717,998	102,887	31,803	71,084	4.3%	
Finance	4,189,067	2,094,534	1,994,526	100,008	51,678	48,330	1.2%	
Police *	32,627,878	16,313,939	16,501,094	(187,155)	238,247	(425,402)	-1.3%	
Fire **	20,256,297	10,128,149	10,551,082	(422,934)	155,077	(578,011)	-2.9%	
Public Works	6,571,047	3,285,524	3,084,348	97,524	97,524	103,652	1.6%	
Parks & Recreation	12,885,815	6,442,908	6,195,041	247,867	252,706	(4,840)	0.0%	
Library	4,170,380	2,085,190	1,784,991	300,199	17,098	283,101	6.8%	
Community Dev.	9,960,413	4,980,207	4,834,310	145,897	67,570	78,327	0.8%	
Non-Departmental	3,764,520	1,882,260	1,605,563	276,697	-	276,697	7.4%	
Total	<u>\$ 100,421,063</u>	<u>\$ 50,210,532</u>	<u>\$ 49,460,480</u>	<u>\$ 646,400</u>	<u>\$ 934,974</u>	<u>\$ (184,923)</u>	-0.2%	
% of annual budget		50.0%	49.3%	0.6%	0.9%	-0.2%		

\* Includes \$662,974 reduction for budgeted labor concessions.  
\*\* Includes \$635,369 reduction for budgeted labor concessions and a reduction in mutual aid overtime of \$550,000.

The adjusted annual budget of almost \$100.4 million includes a \$1.3 million expenditure reduction for budgeted labor concessions in the Police and Fire departments and a reduction of \$550,000 for mutual aid overtime costs. The \$1.3 million in concessions were originally budgeted as revenues, similar to the budgeted year-end variance, but are being allocated to

*Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)*

---

these departments now that labor agreements were reached with the public safety employee unions. The \$100.4 million adjusted budget is a \$3 million reduction from the \$103.4 million budget in the prior year. The year-to-date budget of \$50.2 million (50%) at December 31, compared to actual expenditures of \$49.5 million, resulted in a favorable variance of \$646,000 (0.6%) at December 31. Approximately \$516,000 of the variance is due to savings in salaries and benefits in the General Fund, primarily due to position vacancies.

As of December 31<sup>st</sup>, only the City Attorney, Fire, and Police departments exceeded their YTD budgets. Variances in these departments are discussed below. All departments will be within legal appropriations limits at year-end.

**City Attorney** departmental expenditures were 1.2% (\$23,000) over the YTD budget. Salaries and benefits expenditures were over the YTD budget due to vacation cash out from the retirement of an assistant City Attorney at the beginning of the year. Materials, supplies, and services were almost \$4,600 over budget due to the purchase of office equipment, paper and copy costs, and legal subscriptions.

**Police Department** expenditures were approximately 187,155 (0.6%) above the YTD budget at December 31. Police Department expenditures are often above normal at mid-year because there are a disproportionate number of community activities, including July 4<sup>th</sup> and Fiesta, in the first quarter of the year. Annual expenditures are expected to be within budget without requesting additional appropriations. However, it is possible that, due to the over-hiring of police officers as directed by City Council, expenditures in the department may exceed their current budget by year. In connection with the adoption of the fiscal year 2011 budget, Council added \$200,000 to the appropriated reserves account to fund, as needed, cost overruns in the Police Department due to over-hiring. Staff will continue to monitor the Police budget over the next several months and, if necessary, request that Council allocate funds from the appropriated reserves account to the Police Department.

**Fire Department** expenditures are in excess of \$400,000 over the YTD budget. This is due primarily to an extraordinary number of firefighters out due to injury that has required a higher than normal degree of overtime to maintain minimum staffing requirements. Many of the injured employees have recently retired and, thus, the level of overtime costs is expected to decrease substantially in the second half of the year. However, it is likely that total expenditures in the Fire Department will still exceed budget by year-end. As with the Police Department, staff will closely monitor the overall budget over the next several months to determine more precisely the extent of any adjustment needed. At such time, staff will return to Council prior to year end with a recommendation for additional appropriations as necessary.

All other departmental expenditures are within the YTD budget; however, a few of these will be briefly discussed below:

**Administrative Services Department** expenditures are 6.3% under the YTD budget at December 31. This is primarily due to vacant positions for several months of this year and an employee that was out for approximately 4 months on unpaid leave.

**Community Development Department** expenditures were 7.2% below the YTD budget. This variance is primarily attributable to salary savings from vacant positions, unpaid leave of absence, and an employee that voluntarily elected to work part-time this year. The department is projecting more than \$160,000 overall savings at year-end.

*Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)*

---

**Non-Departmental** expenditures were approximately \$277,000 (7.4%) under the YTD budget because none of the \$943,000 Appropriated Reserve has been used. This reserve is intended to be used for unanticipated needs that may arise during the year and accounts for approximately 25% of the overall budget in this department. Of this total, \$200,000 was established to provide funding to the Police Department as necessary for over-hiring of police officers. We will update Council on the status of this department in our 3<sup>rd</sup> quarter report.

*Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)*

**Enterprise Fund Revenues and Expenses**

Unlike the General Fund, which relies primarily on taxes to subsidize programs and services, Enterprise Fund operations are financed primarily from user fees and other non-tax revenues. The table below summarizes Enterprise Fund revenues through December 31, 2010, with a comparison to budget and prior year. Note that the "YTD Budget" column has been calculated based on a 3-year average collection rate through December 31st. This rate, which is shown as a percentage in the "3 Year Average Rec'd" column, has been applied to the annual budget amount to arrive at the Year-to-Date Budget. This approach is used in recognition that enterprise fund revenues, like General Fund tax revenues, are seasonally affected and are not necessarily received evenly throughout the year.

As shown below, most enterprise fund revenues are in line with the YTD budget. Only the Airport and Golf Funds had material revenue variances in relation to the YTD budget. A more detailed discussion is provided later in this section of the report.

<b>SUMMARY OF REVENUES &amp; EXPENSES</b>									
<b>Six Months Ended December 31, 2010</b>									
<b>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	\$ 34,632,686	\$ 19,023,734	\$ 18,436,179	\$ (587,555)	53.2%	54.9%	\$ 18,792,916	-1.9%	
Expenses **	35,669,711	17,834,856	14,820,132	3,014,724	41.5%	50.0%	15,937,564	-7.0%	
<b>Wastewater Fund</b>									
Revenues	14,985,411	7,614,087	7,795,627	181,540	52.0%	50.8%	7,470,775	4.3%	
Expenses **	19,066,345	9,533,173	8,444,044	1,089,129	44.3%	50.0%	6,690,162	26.2%	
<b>Downtown Parking Fund</b>									
Revenues	6,689,440	3,309,935	3,232,485	(77,450)	48.3%	49.5%	3,310,141	-2.3%	
Expenses **	7,391,283	3,695,642	3,023,210	672,432	40.9%	50.0%	3,677,422	-17.8%	
<b>Airport Fund</b>									
Revenues	13,065,477	6,268,816	6,929,261	660,445	53.0%	48.0%	6,538,113	6.0%	
Expenses **	13,134,132	6,567,066	5,744,022	823,044	43.7%	50.0%	5,678,280	1.2%	
<b>Golf Fund</b>									
Revenues	2,049,194	972,343	929,730	(42,613)	45.4%	47.5%	888,958	4.6%	
Expenses **	2,060,811	1,030,406	1,012,595	17,811	49.1%	50.0%	1,499,863	-32.5%	
<b>Waterfront Fund</b>									
Revenues	11,762,974	6,233,200	5,983,717	(249,483)	50.9%	53.0%	6,197,555	-3.5%	
Expenses **	11,850,433	5,925,217	5,745,768	179,449	48.5%	50.0%	5,903,156	-2.7%	

\* 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

*Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)*

---

Enterprise fund expenses through December 31, 2010, with a comparison to budget and prior year, are also summarized in the table on the previous page. The column labeled "YTD Budget" represents 50% of the annual budget column. Although many expenses tend to be incurred somewhat evenly throughout the year, there are some notable expenses that do not. These expenses, such as debt service and capital projects, can create significant temporary variances from the YTD budget at certain times during the year.

The expenses shown in the table do not include outstanding encumbrances at December 31, 2010. Inclusion of encumbrances can significantly distort the analysis of budgeted and actual expenditures after six months. Outstanding encumbrances include appropriations that were carried forward from prior year as part of the appropriation carryovers and contracts or blanket purchase orders that have been added in the current year but are expected to be spent over the coming months.

Expenses in all enterprise funds are under the year-to-date budget at December 31, 2010. Both Salaries & Benefits and Materials, Supplies, & Services expenses were under the YTD budget at December 31 in all of the enterprise funds. The following discussion highlights some of the more significant revenue and expense variances of the enterprise funds, in relation to budget or prior year.

**Water Fund**

Water Fund revenues were approximately \$588,000 (1.7%) below the year-to-date budget as of December 31st. Of the \$34.6 million in budgeted Water Fund revenue this year, approximately \$30.4 million (87.6%) is derived from charges for metered water service. Water production and metered water sales were both approximately 5% below the normal levels at December 31 and accounted for most of the overall negative revenue variance in the fund. Consumption is the primary factor impacting metered water revenue variances and can be largely affected by weather conditions. We have experienced approximately 300% of normal rainfall in the first half of the year and, consequently, water sales were below the YTD budget. The amount of rainfall in the next six months will significantly impact annual sales. Staff is projecting that metered water sales could be as much as \$1.5 million (4.8%) under budget at year end. This negative variance has been partly offset by reimbursements in excess of budgeted expectations from Carpinteria and Montecito Water Districts, pursuant to a Joint Powers Agreement for costs to treat their water at the Cater Treatment Plant, which have exceeded the YTD budget. The Water Fund also received reimbursement of expenses paid in prior years to the Cachuma Water Project. Staff will continue to monitor the status of revenues and will reduce expenses to the extent possible to minimize the revenue shortfalls.

Expenses for the Water Fund were approximately 8.5% under the YTD budget and \$1.1 million below expenses for the first half of the prior year. The YTD budget variance is primarily the result of salary savings of 4.1% (\$310,000) and almost \$1.5 million costs for materials, supplies, and services. These expenses include water treatment chemicals & supplies, repairs & maintenance, and non-contractual services. Some of the costs are the result of water production that was lower than the amount budgeted. Many of these budgeted costs have been encumbered and will be recognized as needed throughout the remainder of the year.

*Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)*

---

**Wastewater Fund**

Wastewater Fund revenues were in line with the YTD budget. Wastewater Fund expenses were approximately \$1.1 million (5.7%) below the YTD budget through the first six months of the year. Approximately \$342,000 of the variance is related to the timing of debt service payments. The remaining variance is primarily due to materials, supplies and services, which are estimated a year in advance and are actually expended throughout the year as needed. Year-to-date expenses are almost \$1.8 million higher than those from the first half of last year due to an increase in budgeted capital outlay transfers that will be used to fund capital improvements to the wastewater system.

**Downtown Parking**

Downtown Parking Fund expenses were approximately \$672,000 (9.1%) below the YTD budget. Approximately \$131,000 (3.4%) is attributable to salaries & benefits, \$235,000 from materials, supplies & services, and \$281,000 for special projects. The variance in special projects is due to budgeted expenses for Transit Activities, the My Ride program, and the Employee Bus Program which are not expected to be fully expended throughout the remainder of the year. The expenses are almost \$650,000 below prior year expenses due to a budgeted reduction in capital outlay transfers in the current year. Capital improvements vary from year to year and the improvements planned for this year are lower than those in the prior year.

**Airport Fund**

Airport Fund revenues are approximately 5% (\$660,000) ahead of the YTD budget at December 31 and approximately 6% (\$391,000) ahead of revenues for the first half of the prior year. Passenger traffic has increased in 7 of the past 12 months, with an overall increase of 1.2% in calendar year 2010. Passenger traffic for the first six months of the year has increased 2.76% from the prior year. Fuel sales have increased 9.3% for general aviation fuel and 4.6% for jet fuel. Commercial/Industrial revenue is 7.3% above target, Non-Commercial Aviation revenues are 1.2% ahead of YTD budget, and Airline Terminal revenue was 7.85% above the YTD budget. Since the 2011 budgeted revenues were developed based on the expectation that the new airline terminal would be occupied by April of 2011, the new date of June 2011 will affect total revenues realized during the year and the current favorable trends.

Airport expenses were \$823,000 below the YTD budget at December 31. Salary and benefits were 7.5% below the YTD budget due to vacancies in Patrol and Maintenance. Materials, Supplies, & Services expenses were almost 5.7% below the YTD budget. With the delayed opening of the new terminal, supplies and services costs are expected to be under budget at year-end.

**Golf Fund**

Golf Fund revenues were approximately 2.1% below the YTD budget for the first six months of the year; however, revenues are 4.6% higher than those for the first half of the prior year. The number of rounds played is in line with budget at 50.4% but revenues from golf rounds were only 45.1% of the annual budget. Even though the rounds are in line with budget, they are still 11.6% below the number of rounds played two years ago. The disparity between the number of rounds and revenues is primarily due to more rounds being played during off-peak days and hours when fees are lower. Staff is projecting a \$122,000 negative revenue variance at year end.

*Fiscal Year 2011 Interim Financial Statements  
For the Six Months Ended December 31, 2010 (50% of Year Elapsed)*

---

Golf Fund expenses were slightly below the YTD budget at December 31st. The Fund will reduce expenses to offset the anticipated negative revenue variance.

**Waterfront Fund**

Waterfront Fund revenues were 2.1% (\$249,000) below the YTD budget at December 31 and approximately 3.5% (\$214,000) below prior year revenues for the same period. Slip transfer fees were approximately \$140,000 below the YTD budget and parking revenues were almost \$111,000 below the YTD budget. It is difficult to project where slip transfer fees will end the year but staff is anticipating a negative variance at June 30. Parking revenues were down in all lots and this has been attributed to the cold and foggy weather at the Santa Barbara beaches during the first half of the year. Overall, Waterfront revenues are anticipated to end the year approximately 4% (\$444,000) below budget.

Waterfront expenses were approximately \$179,000 (1.5%) below the YTD budget at December 31. Expense savings are anticipated to offset a portion of the projected revenue variance.

**City of Santa Barbara  
December 31, 2010  
Proposed Mid-Year Adjustments**

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Fund Balance
<b>GENERAL FUND</b>			
<b>Administrative Services</b>			
2010 Special Election Costs- Medical Marijuana	20,000	-	(20,000)
<b>Fire</b>			
Mutual Aid Revenue	-	(909,134)	(909,134)
Mutual Aid Overtime	(550,000)	-	550,000
Hazmat Reimbursement	-	(100,000)	(100,000)
Bargained Labor Concessions	(635,369)	-	635,369
Purchase Portable Defibrillators	40,000	-	(40,000)
Insurance Reimbursement	-	52,000	52,000
<b>Police</b>			
POA Bargained Labor Concessions	(615,695)	-	615,695
PMA Bargained Labor Concessions	(47,279)	-	47,279
<b>Non-Departmental</b>			
Budgeted Concessions Not Achieved	-	(342,578)	(342,578)
Police and Fire Labor Concessions Achieved	-	(1,298,343)	(1,298,343)
<b>Total General Fund</b>	<b>(1,788,343)</b>	<b>(2,598,055)</b>	<b>(809,712)</b>
<b>SPECIAL REVENUE FUNDS</b>			
<b>County Library Fund</b>			
Book Acquisition - Goleta Branch	4,000	-	-
Donations - Goleta Branch (Allied Waste)	-	4,000	-
<b>Total County Library Fund</b>	<b>4,000</b>	<b>4,000</b>	<b>-</b>
<b>Streets Grant Capital Fund</b>			
Adjust Project Budgets:			
Haley/De La Vina Bridge Replacement	(270,796)	(270,796)	-
Loma Alta Hill Sidewalk	(50,872)	(50,872)	-
LSTP Funds FY11	(8,218)	(8,218)	-
Bridge Preventive Maintenance	50,462	50,462	-
Chapala Yanonali Bridge Seismic Project	486,915	486,915	-
Jake Boysel Multipurpose Pathway	7,000	7,000	-
<b>Total Streets Grant Capital</b>	<b>214,491</b>	<b>214,491</b>	<b>-</b>
<b>Measure D Fund</b>			
Goleta Transportation Improvement Plan	(133,000)	-	-
Hollister Ave. Sidewalk Infill	68,000	-	-
Ortega Bridge	65,000	-	-
<b>Total Measure D Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INTERNAL SERVICE FUNDS</b>			
<b>Information Systems</b>			
Annual Licensing - GIS Software	31,700	-	(31,700)
Training on New Software	5,500	-	(5,500)
<b>Total Information Systems</b>	<b>37,200</b>	<b>-</b>	<b>(37,200)</b>