

**CITY OF SANTA BARBARA
CITY COUNCIL**

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



James L. Armstrong
City Administrator

Stephen P. Wiley
City Attorney

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

**JULY 30, 2013
AGENDA**

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

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

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

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

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

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

ORDER OF BUSINESS

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

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

Subject: June 30, 2013, Investment Report And June 30, 2013, Fiscal Agent Report (120.03)

Recommendation: That the Finance Committee recommend that Council:

- A. Accept the June 30, 2013, Investment Report; and
 - B. Accept the June 30, 2013, Fiscal Agent Report.
- (See Council Agenda Item No. 5)

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

1. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the regular meetings of July 2 and July 16, 2013.

2. Subject: Proposed Lease Agreement With National Oceanic And Atmospheric Administration (330.04)

Recommendation: That Council approve a five-year lease agreement with the National Oceanic and Atmospheric Administration for the approximately 2,160 square feet of water space at 4-B-End Tie, at a rent of \$2,000 per month, plus utilities, for mooring the 65-foot research vessel Shearwater.

3. Subject: Designation Of Voting Delegates And Alternates For The League Of California Cities Annual Conference (180.01)

Recommendation: That Council designate Mayor Helene Schneider as the voting delegate and Councilmember Cathy Murillo as the alternate for the League of California Cities Annual Conference.

4. Subject: Cancellation Of The August 20, 2013, City Council Meeting (120.09)

Recommendation: That Council cancel the August 20, 2013, City Council meeting.

5. Subject: June 30, 2013, Investment Report And June 30, 2013, Fiscal Agent Report (260.02)

Recommendation: That Council:

- A. Accept the June 30, 2013, Investment Report; and
- B. Accept the June 30, 2013, Fiscal Agent Report.

CONSENT CALENDAR (CONT'D)

6. Subject: Municipal Code Amendments For Implementation Of The Average Unit-Size Density (AUD) Incentive Program (640.02)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Adding Chapter 28.20 to the Santa Barbara Municipal Code to Implement the City's 2011 General Plan Average Unit-Size Density Incentive Program; Amending Section 28.43.040 Regarding Exemptions to the City's Inclusionary Ordinance; Amending Sections 28.66.050, 28.69.050, 28.72.050, and 28.73.050 Concerning Building Height Standards for Community Benefit Projects in the C-2, C-M, M-1, and OM-1 Zones; and Amending Section 28.87.062 Concerning Encroachments in Open Yards.

NOTICES

7. The City Clerk has on Thursday, July 25, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concludes the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

CITY ADMINISTRATOR

8. Subject: South Coast Task Force On Youth Gangs Update (520.04)

Recommendation: That Council receive an update from Saul Serrano, Task Force Coordinator, regarding the work of the South Coast Task Force on Youth Gangs.

PUBLIC WORKS DEPARTMENT

9. Subject: Capital Improvement Projects: Annual Report For Fiscal Year 2013 (230.01)

Recommendation: That Council receive the City's Capital Improvement Projects Fourth Quarter and Annual Report for Fiscal Year 2013.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

10. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the Police Bargaining Unit and General Bargaining Unit.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

ADJOURNMENT



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING July 2, 2013 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

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

Councilmembers absent: None.

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

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 July 31, 2013.

Documents:

July 2, 2013, report from the Assistant City Administrator/Administrative Services Director.

Speakers:

Staff: City Administrator James Armstrong, Award Recipient Lieutenant Rafael Molina.

1. (Cont'd)

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

5 YEARS

Kerry Hollowell, Fire Department
Jack Heinz Jr., Public Works Department
Peter Leyva, Parks and Recreation Department
Donald Young, Waterfront Department

15 YEARS

Cynthia Garcia, Police Department
Patrick Henry, Waterfront Department

25 YEARS

William Marazita, Police Department
Rafael Molina, Police Department

30 YEARS

Cindy Goodrich, Police Department
Gilbert Torres, Police Department

PUBLIC COMMENT

Speakers: Kenneth Loch; Robert Mayo.

CONSENT CALENDAR (Item Nos. 2-13)

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

Motion:

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

Vote:

Unanimous roll call vote.

2. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of June 18, 2013.

Action: Approved the recommendation.

CONSENT CALENDAR (CONT'D)

3. Subject: Statement Of Investment Policy And Delegation Of Investment Authority For Fiscal Year 2014 (260.01)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Adopting the Investment Policy for the City and Rescinding Resolution No. 12-047.

Action: Approved the recommendation; Resolution No. 13-058 (July 2, 2013, report from the Finance Director; proposed resolution).

4. Subject: State Of California Office Of Traffic Safety - Sobriety Checkpoint And Selective Traffic Enforcement Grants (530.05)

Recommendation: That Council:

- A. Accept a grant from the State of California, Office of Traffic Safety in the amount of \$103,700 for Sobriety Checkpoints and authorize the Chief of Police to execute a grant agreement;
- B. Accept a grant from the State of California, Office of Traffic Safety in the amount of \$86,100 and authorize the Chief of Police to execute a grant agreement; and
- C. Increase appropriations and estimated revenues by \$189,800 in the Miscellaneous Grants Fund for Fiscal Year 2014 for the Sobriety Checkpoint and Selective Traffic Enforcement Programs Grants.

Speakers: Lieutenant Mandrell; Sergeant McGrew.

Action: Approved the recommendation; Agreement Nos. 24,550 and 24,551 (July 2, 2013, report from the Chief of Police).

5. Subject: Contract With Deborah J. Aitkins For Database Consulting And Support (170.04)

Recommendation: That Council authorize the City's General Services Manager to execute a professional services contract in an annual amount of \$40,000 for three years with Deborah Aitkins to provide database consulting and support services to all City departments.

Action: Approved the recommendation; Agreement No. 24,552 (July 2, 2013, report from the Assistant City Administrator/Administrative Services Director).

CONSENT CALENDAR (CONT'D)

6. Subject: Replacement Of Citywide Data Storage, Backup, And Recovery System (170.04)

Recommendation: That Council increase appropriations in the Information Systems Operating Fund by \$122,000 from available reserves for the replacement of a Citywide Data Storage, Backup and Recovery System.

Action: Approved the recommendation (July 2, 2013, report from the Assistant City Administrator/Administrative Services Director).

7. Subject: Contract With Cardno ENTRIX For Biological Services In City Parks and Beaches (570.08)

Recommendation: That Council authorize the Parks and Recreation Director to execute a professional services agreement with Cardno ENTRIX for biological services in parks and beaches in the amount of \$21,263 with options to renew in Fiscal Year 2015 for \$21,263, and in Fiscal Year 2016 for \$21,263, subject to Council appropriation of funds.

Action: Approved the recommendation; Agreement No. 24,553 (July 2, 2013, report from the Parks and Recreation Director).

8. Subject: Purchase Of Real Property Occupied By Hydroelectric Plant (330.01)

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Confirming the Negotiated Purchase Price for the Purchase of the Real Property Occupied by the City's Hydroelectric Plant Located at 1402 San Roque Road in the Amount of \$65,000, Authorizing Acquisition of the Real Property, and Approving the Funding for Such Acquisition; and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara to Accept in Fee all Right, Title and Interest in the +/- .0997 Acres of Real Property Located at 1402 San Roque Road in the County of Santa Barbara, California, and to Authorize the Public Works Director to Execute Such Documents as Necessary for the Acquisition and Acceptance of Said Real Property Interest, and to Record Such Documents in the Official Records of the County of Santa Barbara.

Action: Approved the recommendations; Resolution No. 13-059 and 13-060

(July 2, 2013, report from the Public Works Director; proposed resolutions).

CONSENT CALENDAR (CONT'D)

9. Subject: Introduction Of Ordinance Authorizing An Alternative Power Public Water And Wastewater Agency Agreement (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 Authorizing the Execution and Delivery of a Renewable and Alternative Power Public Water and Wastewater Agency Agreement With Southern California Edison, Inc., for the Purpose of Selling Electricity Generated at the City's Conduit Hydroelectric Plant, and Authorizing Related Actions.

Action: Approved the recommendation; Agreement No. 24,554. (July 2, 2013, report from the Public Works Director; proposed ordinance).

10. Subject: Local Coastal Program Grant Application Resolution (650.04)

Recommendation: Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara supporting a grant application to update the City of Santa Barbara Local Coastal Program (LCP) to address sea-level rise, coastal hazards and other climate change-related impacts.

Action: Approved the recommendation; Resolution No. 13-061 (July 2, 2013, report from the Assistant City Administrator; proposed resolution).

NOTICES

11. The City Clerk has on Thursday, June 27, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
12. Cancellation of the regular City Council meeting of July 9, 2013.
13. Receipt of communication advising of vacancy created on the Parks and Recreation Commission with the resignation of Charles Trentacosti; the vacancy will be part of the next City Advisory Groups recruitment.

This concluded the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

Finance Committee Chair Dale Francisco reported that the Committee met to review the Statement of Investment Policy and Delegation of Investment Authority for Fiscal Year 2014. He indicated that there were no changes except for the elimination of references to the Redevelopment Agency. He also reported the committee looked at various options of funding the Final Judgment in Ruben Barajas, et, al. v. City of Santa Barbara. The committee will bring their recommendations before Council at a future meeting.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

PUBLIC WORKS DEPARTMENT

14. Subject: Options For Addressing The Revenue Shortfall On The Downtown Waterfront Shuttle (570.03)

Recommendation: That Council provide direction on resolving the \$40,000 revenue shortfall for the Downtown/Waterfront Shuttle.

Documents:

- July 2, 2013, report from the Public Works Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Transportation Manager Browning Allen; Waterfront Director/Harbormaster Scott Reidman.
- Santa Barbara Metropolitan Transit District: General Manager Sherrie Fisher, Assistant General Manager Jerry Estrada, Manager of Planning George Amoon.
- Downtown Parking Committee: Committee Member Matt LaBrie.

Motion:

Councilmembers Francisco/House approved the funding of \$40,000 for the Downtown/Waterfront Shuttle to be taken from the Waterfront Department budget for Fiscal Year 14.

Vote:

Unanimous voice vote.

PUBLIC HEARINGS

15. Subject: Implementation Of The Average Unit-Size Density (AUD) Incentive Program (640.02)

Recommendation: That Council:

- A. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara adding Chapter 28.20 to the Santa Barbara Municipal Code to implement the City's 2011 General Plan Average Unit-Size Density Incentive Program; amending Section 28.43.040 regarding exemptions to the City's Inclusionary Ordinance; amending Sections 28.66.050, 28.69.050, 28.72.050, and 28.73.050 concerning building height standards for community benefit projects in the C-2, C-M, M-1, and OM-1 zones; and amending Section 28.87.062 concerning encroachments in open yards.

(Cont'd)

15. (Cont'd)

- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Adopting Environmental Findings pursuant to the California Environmental Quality Act Regarding the Implementation of the Average Unit-size Density Incentive Program.

Documents:

- July 2, 2013, report from the Assistant City Administrator/Community Development Director.
- Proposed Ordinance.
- Proposed Resolution.
- PowerPoint presentation prepared and made be Staff.
- June 26, 2013, email from Paul Hernadi.
- June 26, 2013, email from Robert Burk.
- June 27, 2013, email from Gabor L. Dobos.
- June 27, 2013, email from Jean Holmes.
- July 1, 2013, email from Joe Rution.

The titles of the ordinance and resolution were read.

Public Comment Opened:

4:10 p.m.

Speakers:

- Staff: Project Planner Irma Unzueta, Principal Planner John Ledbetter, City Planner Bettie Weiss; Principal Transportation Planner Rob Dayton
- Members of the Public: Jarrett Gorin, Santa Barbara Association of Realtors; Bill Marks; Susan Shank, Santa Barbara League of Women Voters; Robert Burke; Brian Nelson; Trish Allen, Suzanne Elledge Planning & Permitting Services; Sheila Lodge; Paul Hernadi, Citizens Planning Association; Joe Rution, Allied Neighborhoods; Detty Peikert,

Santa Barbara For All; Lisa Plowman, Santa Barbara For All, Cathie McCannon; John Campanolla.

Public Comment Closed:
4:46 p.m.

Motion:

Councilmembers House/Murillo to approve the staff recommendations, with the following revisions: 1) inclusion of a statement of program intent based on the second and third sentences of the first paragraph of the Council Agenda Report Executive Summary; 2) revision of the development incentives in a manner that incorporates the provisions of Slide 28 of the PowerPoint presentation regarding the relationship between the AUD and the SD-2 standards; 3) amend Section 28.20.050.B to allow an addition of bedrooms to existing variable density projects if the project was originally built with fewer bedrooms than could be allowed under the variable density standards; 4) amend 28.20.070.B.1.C to allow for a variable 6 foot interior setback; and 5) amend the Medium-High category on the AUD table from 1,450 to 905 square feet.

Substitute Motion:

Councilmembers House/Murillo directed staff to bring item back to next Council meeting for introduction of Ordinance with the above mentioned revisions for Council's review and subsequent adoption.

Vote on Substitute Motion:

Majority voice vote (Noes: Councilmember Francisco).

Motion:

Councilmembers White/Rowse directed staff to return to Council at a future date to address the issue of processing larger rental unit projects and the need for these projects to go through the Planning Commission process after staff gets feedback from the Planning Commission.

Vote:

Unanimous voice vote.

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

None.

CHANGES TO THE AGENDA

Item Removed from Agenda

City Administrator Armstrong stated that the following item was being removed from the Agenda:

18. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the Police Bargaining Unit.

Scheduling: Duration: 30 minutes; anytime

Report: None anticipated

RECESS

Mayor Schneider recessed the meeting at 6:34 p.m. in order for the Council to reconvene in closed session for Agenda Item Nos. 16 and 17.

CLOSED SESSIONS

16. 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: *Jose Monclus v. City of Santa Barbara*, WCAB case number ADJ7390587.

Scheduling: Duration, 10 minutes; anytime

Report: None anticipated

Documents:

July 2, 2013, report from the Risk Manager.

Time:

6:40 p.m. – 6:43 p.m.

No report made.

17. 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 *Ruben Barajas*

and Pamela Barajas as Trustees for the Ruben and Pamela Barajas Living Trust vs. City Of Santa Barbara; Christine Lucadello vs. City Of Santa Barbara, SBSC Case No. 1383054 and 1401852.

Scheduling: Duration: 15 minutes; anytime

Report: None anticipated

Documents:

July 2, 2013, report from the City Attorney.

Time:

6:43 p.m. – 6:50 p.m.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 6:34 p.m. in memory of the nineteen members of the Granite Mountain Hotshot Crew killed on June 30, 2013.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

DEBORAH L. APPLGATE
DEPUTY CITY CLERK



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING July 16, 2013 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

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

Councilmembers absent: None.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, City Clerk Services Manager Gwen Peirce.

PUBLIC COMMENT

Speakers: Kenneth Loch; Dr. Gary Linker, Center for Successful Aging; Dr. Robert Johns.

ITEMS REMOVED FROM CONSENT CALENDAR

19. **Subject: Introduction Of Ordinance For Grant Of Easement At 960 East Mountain Drive (330.03)**

Recommendation: That Council introduce, and subsequently adopt, An Ordinance of the Council of the City of Santa Barbara Authorizing the City Administrator to Execute and Record a Non-Exclusive Driveway Easement, in a Form of Agreement Approved by the City Attorney, over an Unused Portion of City Property Known as Gould Park, [Assessor's Parcel Number (APN) 011-010-002] for Roadway Access, Maintenance of Roadway Improvements, Subsurface Utilities, and Related Purposes Benefitting the Property Known as 960 East Mountain Drive, APN 011-250-023, both Parcels Being Located in the County of Santa Barbara.

Councilmember White stated that he would abstain from voting on this item due to a potential conflict of interest related to his familial relationship to the owners of the property at 960 East Mountain Drive.

Documents:

- July 16, 2013, report from the Parks and Recreation Director.
- Proposed ordinance.

The title of the ordinance was read.

Motion:

Councilmembers House/Rowse to approve the recommendation.

Vote:

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

CONSENT CALENDAR (Item Nos. 1-17 and 20)

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

Motion:

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

Vote:

Unanimous roll call vote.

1. **Subject: Minutes**

Recommendation: That Council waive the reading and approve the minutes of the regular meetings of June 25 and July 9, 2013 (Cancelled).

Action: Approved the recommendation.

2. Subject: Fiscal Year 2013 Interim Financial Statements For The Eleven Months Ended May 31, 2013 (250.02)

Recommendation: That Council accept the Fiscal Year 2013 Interim Financial Statements for the Eleven Months Ended May 31, 2013.

Action: Approved the recommendation (July 16, 2013, report from the Finance Director).

3. Subject: Adoption Of Ordinance Authorizing An Alternative Power Public Water And Wastewater Agency Agreement (540.13)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Authorizing the Execution and Delivery of a Renewable and Alternative Power Public Water and Wastewater Agency Agreement With Southern California Edison, Inc., for the Purpose of Selling Electricity Generated at the City's Conduit Hydroelectric Plant, and Authorizing Related Actions.

Action: Approved the recommendation; Ordinance No. 5627; Agreement No. 24,501.

4. Subject: Agreement For Operation Of The Granada Garage Bicycle Station And Bikestation Module At City Parking Lot 3 (550.05)

Recommendation: That Council authorize the Public Works Director to execute a one-year agreement with Bikestation to operate the bicycle parking facility, located in the Granada Garage, and the bicycle parking module at City Parking Lot 3 with a base contract of \$17,000 per year for operating costs and membership management, with an option for an annual renewal for four additional years; and up to \$8,000 for participation in community events as an annual incentive for marketing and outreach to increase new annual members.

Action: Approved the recommendation; Agreement No. 24,563 (July 16, 2013, report from the Public Works Director).

5. Subject: Acquisition Of Real Property At 230 W. Cota Street For The Cota Street Bridge Replacement Project (330.03)

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara to Acquire and Accept in Fee the Real Property Interests

Located at 230 W. Cota Street, Relating to the Cota Street Bridge Replacement Project, and Authorize the Public Works Director to Execute Such Agreements and Documents as Necessary for the Acquisition and Acceptance of Said Real Property Interests, and Record Said Real Property Interests in the Official Records of the County of Santa Barbara;
(Cont'd)

5. (Cont'd)

- B. Appropriate \$72,834.50 in the Streets Capital Fund from revenues received through the sale of surplus properties acquired for completed bridge replacement projects to the Cota Street Bridge Replacement Project in order to fund the City's match for the acquisition of 230 W. Cota Street in the total amount of \$635,000.

Action: Approved the recommendations; Resolution No. 13-062; Agreement No. 24,564 (July 16, 2013, report from the Public Works Director; proposed resolution).

6. Subject: Software Maintenance Services for Regional Law Enforcement Telecommunications System (520.04)

Recommendation: That Council find it in the City's best interest to waive the bidding process as provided in Municipal Code 4.52.070(k) and authorize the General Services Manager to issue a purchase order to Level II, Inc. in the amount of \$34,067 for software maintenance services for the California Law Enforcement Telecommunications Systems (CLETS) Joint Powers Agreement (JPA) Message Switching, Journaling, and Billing Applications for Fiscal Year 2014 and the four following fiscal years, in accordance with approved budgets.

Action: Approved the recommendation (July 16, 2013, report from the Finance Director).

7. Subject: Software Maintenance Services From Versaterm Records Management and Dispatch Software Systems Applications (520.04)

Recommendation: That Council find it in the City's best interest to waive the bidding process as provided in Municipal Code 4.52.070 (k) and authorize the General Services Manager to issue a purchase order in the amount of \$205,434 to Versaterm Software Systems for software maintenance services for the following Versadex applications: Computer Aided Dispatch (CAD), Mobile Data Computer (MDC), Records Management System (RMS), and Mobile Report Entry (MRE) for Fiscal Year 2014 and the following four fiscal years, in accordance with approved budgets.

Action: Approved the recommendation (July 16, 2013, report from the Police Chief).

8. Subject: Appropriation Of Funds From The K9 Unit Trust (520.04)

Recommendation: That Council appropriate \$29,500 from the Police K9 Unit Trust Fund reserves to cover Fiscal Year 2014 expenses related to the annual care, maintenance and training for the K9 Program.

(Cont'd)

8. (Cont'd)

Action: Approved the recommendation (July 16, 2013, report from the Police Chief).

9. Subject: Funding of Final Judgment in the Ruben Barajas, et, al. v. City of Santa Barbara (SBSC Case No. 1383054) (350.05)

Recommendation: That Council:

- A. Approve a payment out of the Self-Insurance Fund for damages in the amount of \$636,546 in connection with the above-referenced Barajas case; and
- B. Defer the final funding decision to a future Council discussion on the use of one-time General Fund revenues as recommended by the Finance Committee.

Action: Approved the recommendations (July 16, 2013, report from the Finance Director).

10. Subject: Extension Of Pre-Qualified Providers List For Supervisory Control And Data Acquisition Services At Water And Wastewater Facilities (540.01)

Recommendation: That Council review and extend the pre-qualified providers list for Supervisory Control and Data Acquisition Services at Water and Wastewater Facilities.

Action: Approved the recommendation (July 16, 2013, report from the Public Works Director).

11. Subject: Approval Of Equipment Standardization List For The Water Resources Division (540.01)

Recommendation: That Council find it to be in the City's best interest to approve an Equipment Standardization List for the Water Resources Division for the next three-year period, in accordance with Section 4.52.070 (L) of the Municipal Code.

Action: Approved the recommendation (July 16, 2013, report from the Public Works Director).

12. Subject: Resolution Authorizing Execution Of A Grant Agreement In The Amount Of \$10,000 With The U.S. Fish And Wildlife Service For Installation Of Native Trees On Mission Creek At The Caltrans Channels (530.03)

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Authorizing the Parks and Recreation Director, or Designee, to Execute an Agreement and any Amendments for a Grant in the Amount of \$10,000 from the U.S. Fish and Wildlife Service for installation of native trees on Mission Creek at the Caltrans Channels; and
- B. Increase the appropriation and estimated revenue by \$10,000 in the Creeks Capital Fund for the Mission Creek Fish Passage Project at the CalTrans Channels.

Action: Approved the recommendations; Resolution No. 13-063; Agreement No. 24,565 (July 16, 2013, report from the Parks & Recreation Director; proposed resolution).

13. Subject: Agreement For Franceschi Park Resident Caretaker (570.05)

Recommendation: That Council authorize the Parks and Recreation Director to execute a Caretaker Rental Agreement, for which the value of services performed for the City by virtue of his presence at Franceschi Park will serve as the in lieu payment of rent, currently \$451.89 per month, for Franceschi Park with Jeffery Miller through July 31, 2014.

Action: Approved the recommendation; Agreement No. 24,566 (July 16, 2013, report from the Parks & Recreation Director).

14. Subject: Implement Negotiated Change to Firefighters Pension Contribution Method (440.03)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara for Paying and Reporting the Value of Employer Paid Member Contributions for Certain Firefighters Association Employees to the California Public Employees Retirement System, Effective June 29, 2013.

Action: Approved the recommendation; Resolution No. 13-064 (July 16, 2013, report from the Assistant City Administrator; proposed resolution).

15. Subject: Professional Services Agreement For The Enhanced Chemical Wastewater Treatment Pilot Project (540.13)

Recommendation: That Council approve and authorize the Public Works Director to execute a City Professional Services contract with Brown and Caldwell in the amount of \$38,708 for engineering services for the Enhanced Chemical Wastewater Treatment Pilot Project, and authorize the Public Works Director to approve expenditures of up to \$3,870 for extra services of Brown and Caldwell that may result from necessary changes in the scope of work.

Action: Approved the recommendation; Contract No. 24,567 (July 16, 2013, report from the Public Works Director).

16. Subject: Grant Agreement With South Coast Community Media Access Center (510.04)

Recommendation: That Council authorize the Finance Director to execute a grant agreement, in a form acceptable to the City Attorney, with the South Coast Community Media Access Center for management of the public and educational access television channels in an amount of \$288,800 plus an amount not to exceed \$126,000 for public, educational and government access (PEG) capital expenditures, covering the period from July 1, 2013 to June 30, 2014.

Action: Approved the recommendation; Agreement No. 24,568 (July 16, 2013, report from the Finance Director).

17. Subject: Introduction Of Storm Water Management Ordinance And Adoption Of Storm Water Guidance Manual (540.01)

Recommendation: That Council:

- A. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Adding Chapter 22.87 to Title 22 of the Santa Barbara Municipal Code Relating to Storm Water Management for Development and Redevelopment Projects; and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Adopting the City of Santa Barbara Storm Water BMP Guidance Manual dated July 2013.

Action: Approved the recommendations; Resolution No. 13-065 (July 16, 2013, report from the Parks & Recreation Director; proposed ordinance and resolution).

NOTICES

20. The City Clerk has on Thursday, July 11, 2013, 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.

ITEMS REMOVED FROM CONSENT CALENDAR (CONT'D)

18. Subject: Municipal Code Amendments For Implementation Of The Average Unit-Size Density (AUD) Incentive Program (640.02)

Recommendation: That Council:

- A. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Adding Chapter 28.20 to the Santa Barbara Municipal Code and Amending Sections 28.43.040, 28.66.050, 28.69.050, 28.72.050, 28.73.050 to Implement the City's 2011 General Plan Average Unit-Size Density Incentive Program; and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Adopting Environmental Findings Pursuant to the California Environmental Quality Act Regarding the Implementation of the Average Unit-Size Density Incentive Program.

Documents:

- July 16, 2013, report from the Community Development Director.
- Proposed Ordinance.
- Proposed Resolution.
- July 15, 2013, letter from Trevor J. Martinson.

Speakers:

- Staff: Principal Planner John Ledbetter.
- Members of the Public: Susan Shank; Paul Hernadi, Citizens Planning Association; Joe Rution, Allied Neighborhood Association; Toby Bradley and Erik Taiji, Santa Barbara Association of Realtors.

Motion:

Councilmembers Murillo/House to approve the recommendations; Resolution No. 13-066.

Vote:

Majority roll call vote (Noes: Councilmember Francisco).

REPORT FROM THE FINANCE COMMITTEE

Finance Committee Chair Dale Francisco reported that the Committee received a report on a proposed amendment to the Airport Promissory Note that would reduce the interest rate from 7% to 3.5%. This issue will be presented to the full Council as Agenda Item No. 21.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

FINANCE DEPARTMENT

21. Subject: Amendment To The Airport Promissory Note (210.01)

Recommendation: That Council authorize the Finance Director to execute, in a form acceptable to the City Attorney, an Amendment to the Airport Promissory Note dated July 14, 2012, in the original amount of \$7.3 million, to reduce the interest rate from 7% to 3.5% on the outstanding balance of \$5,603,519.97 for the remaining 16 years of the 20-year term.

Documents:

July 16, 2013, report from the Finance Director.

Speakers:

Staff: Finance Director Robert Samario.

Motion:

Councilmembers White/Francisco to approve the recommendation.

Vote:

Unanimous voice vote.

PUBLIC WORKS DEPARTMENT

22. Subject: Report From Santa Barbara Metropolitan Transit District (150.05)

Recommendation: That Council hear a report from the Santa Barbara Metropolitan Transit District regarding potential impacts to transit service in the City due to the California Pension Reform Act of 2012.

Documents:

- July 16, 2013, report from the Public Works Director.
- PowerPoint presentation prepared and made by Santa Barbara Metropolitan Transit District staff.

Speakers:

- Staff: Transportation Manager Browning Allen.

(Cont'd)

22. (Cont'd)

Speakers: (Cont'd)

- Santa Barbara Metropolitan Transit District: General Manager Sherrie Fisher, Assistant General Manager Jerry Estrada, Manager of Planning George Amoon.

The Council received the report and their questions were answered.

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Murillo reported on her attendance at the following meetings and events:
 - Youth Council meeting where Committee assignments were made;
 - Pacific Pride Festival;
 - Housing Authority meeting;
 - Reina del Mar, Native Daughters of the Golden West, Fiesta Tea; and
 - Appreciation luncheon for Fire Department Volunteers.
- Councilmember White commented on his attendance at a Water Commission meeting where a discrepancy in the accounting of water was discussed.

RECESS

The Mayor recessed the meeting at 3:51 p.m. in order for the Council to reconvene in closed session for Item Nos. 23, 24 and 25; she stated that no reportable action is anticipated.

CLOSED SESSIONS

23. 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 *Sian Harden v. City of Santa Barbara, et al.*, SBSC No. 1385957.

Scheduling: Duration, 15 minutes; anytime
Report: None anticipated

Documents:

July 16, 2013, report from the City Attorney.

Time:

3:53 p.m. – 4:10 p.m. All Councilmembers were present.

No report made.

24. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the Police Bargaining Unit and General Bargaining Unit.

Scheduling: Duration, 30 minutes; anytime
Report: None anticipated

Documents:

July 16, 2013, report from the Assistant City Administrator.

Time:

4:10 p.m. – 4:30 p.m. All Councilmembers were present.

No report made.

25. Subject: Conference with Real Property Negotiators (330.03)

Recommendation: That Council hold a closed session pursuant to Government Code Section 54956.8 to consider the possible purchase of real property.

Real Property: 3742 Foothill Road, Santa Barbara, California, APN 055-020-034.

City Negotiators: Cameron Benson, Creeks Manager; Stephen P. Wiley, City Attorney; and N. Scott Vincent, Assistant City Attorney.

Negotiating Parties: Brigette von dem Hagen for property owner Sandra De Forrest Trust.

Under Negotiation: Price and terms of purchase of real property.

Scheduling: Duration, 20 Minutes; anytime
Report: None anticipated

Documents:

July 16, 2013, report from the Parks and Recreation Director and City Attorney.

Time:

4:30 p.m. – 5:10 p.m. All Councilmembers were present.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 5:10 p.m. in memory of Joshua Canning.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

GWEN PEIRCE, CMC
CITY CLERK SERVICES MANAGER



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 30, 2013

TO: Mayor and Councilmembers

FROM: Business Services Division, Waterfront Department

SUBJECT: Proposed Lease Agreement With National Oceanic And Atmospheric Administration

RECOMMENDATION:

That Council approve a five-year lease agreement with the National Oceanic and Atmospheric Administration for the approximately 2,160 square feet of water space at 4-B-End Tie, at a rent of \$2,000 per month, plus utilities, for mooring the 65-foot research vessel *Shearwater*.

BACKGROUND:

The City of Santa Barbara has leased mooring space at the end of Marina 4-B for over 40 years. The leased area consists of approximately 11,062 square feet of water space at the end of Marina 4-B (see attachment). In 2008, the Waterfront Department built out the water lease space to accommodate three vessels instead of one. The three resultant berths are 28-feet wide "Mediterranean mooring" style berths that can accommodate vessels up to 80-feet in length. The berths are sub-metered for electrical usage and the tenants are billed monthly for electrical consumption in addition to lease rent. One of the Marina 4-B end tie berths was developed with the intention of leasing it to the National Oceanic and Atmospheric Administration (NOAA) for the Channel Islands National Marine Sanctuary's 65-foot research vessel, *Shearwater*. NOAA contributed \$10,000 in advance to assist the Waterfront Department with design and engineering costs and the specifications of the *Shearwater* were taken into account during that process. The *Shearwater* has occupied this berth since 2008.

DISCUSSION:

In June 2013, NOAA relocated the majority of its local Channel Islands National Marine Sanctuary headquarters to a new building on the University of California Santa Barbara campus. Wanting to maintain a presence in the Santa Barbara Harbor, NOAA recently leased 452 square feet of office and storage space. In addition to leasing office space, NOAA would like to continue to have their research vessel, *Shearwater*, reside in the

Harbor. Staff has worked with NOAA representatives to develop a proposed lease for the Shearwater.

The basic terms of the proposed lease at 4-B-End Tie are as follows:

- **Term:** Five years;
- **Base Rent:** \$2,000 per month;
- **Utilities:** Metered for electricity;
- **Percentage Rent:** N/A; and,
- **Annual Rent Adjustment:** N/A

The Harbor Commission recommended approval of the lease agreement at the July 18, 2013, meeting.

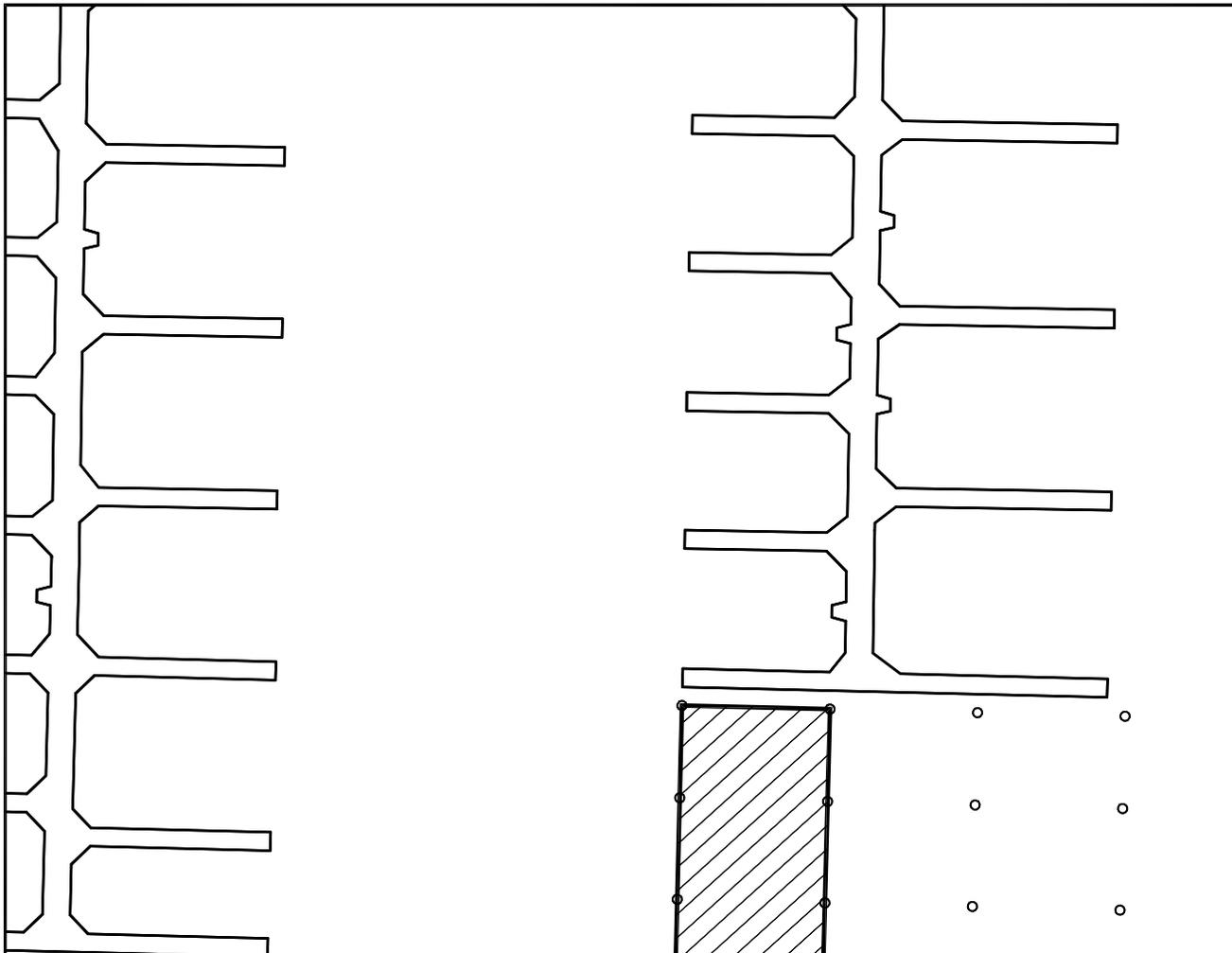
A copy of the proposed lease is available for review at the Waterfront Department Administration office located at 132A Harbor Way.

ATTACHMENT: Proposed *Shearwater* Lease Space

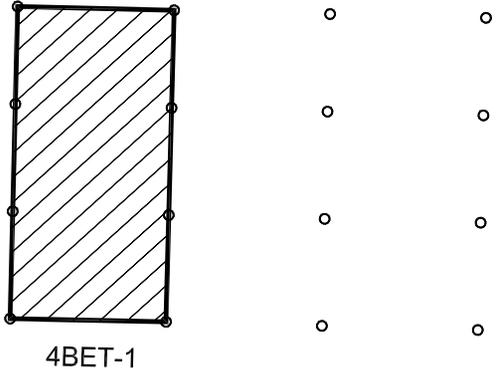
PREPARED BY: Brian J. Bosse, Waterfront Business Manager

SUBMITTED BY: Scott Riedman, Waterfront Director

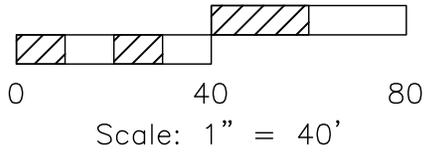
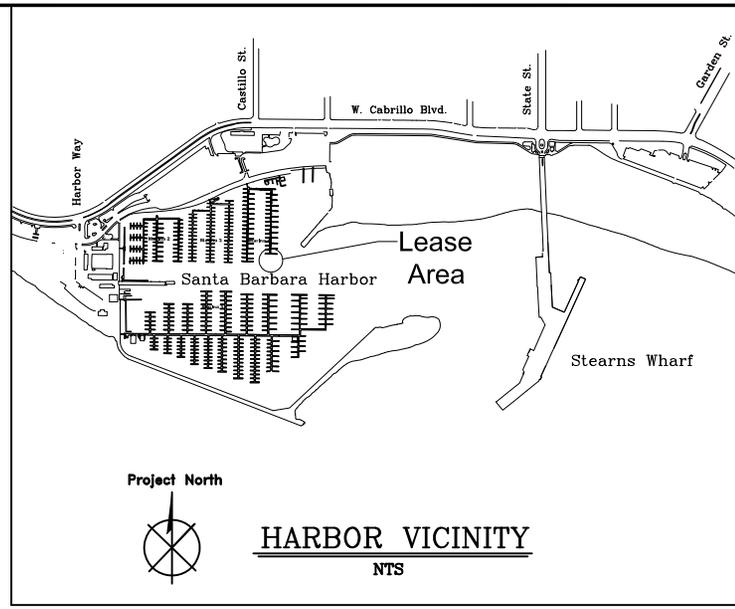
APPROVED BY: City Administrator's Office



A



B



Marina 4

Exhibit "A"			
Marina 4B Endtie #1			
REVISIONS	DATE: 3/18/2008	SCALE: 1" = 40'	APPROVED BY: S. REIDMAN
	ADDRESS:		DRAWN BY: T. LAWLER
City of Santa Barbara Waterfront Department			SHEET NO. 1 OF 1
			DRAWING NAME: 1040-014



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 30, 2013
TO: Mayor and Councilmembers
FROM: City Administrator's Office
SUBJECT: Cancellation Of The August 20, 2013 City Council Meeting

RECOMMENDATION:

That Council cancel the August 20, 2013 City Council meeting.

DISCUSSION:

Upon reviewing future business items, we have determined that the Council Meeting currently scheduled for Tuesday, August 20, 2013 is unnecessary. As a result, staff recommends that the meeting be cancelled.

PREPARED BY: Jennifer M. Jennings, Administrator's Office Supervisor
SUBMITTED BY: Marcelo López, Assistant City Administrator
APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 30, 2013
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: June 30, 2013, Investment Report And June 30, 2013, Fiscal Agent Report

RECOMMENDATION: That Council:

- A. Accept the June 30, 2013, Investment Report; and
- B. Accept the June 30, 2013, Fiscal Agent Report.

DISCUSSION:

On a quarterly basis, staff submits a comprehensive report on the City’s portfolio and related activity pursuant to the City’s Annual Statement of Investment Policy. The current report covers the investment activity for the period of April through June 2013.

During the second quarter 2013, there was a very slight increase in investment rates but overall market rates remain extraordinarily low.

As shown in the table to the right, yields on Treasury notes with a maturity of greater than 6 months were slightly higher during the quarter. Longer term maturities saw the highest increases, although the increases were modest. Yields for most of the shorter

U.S. Treasury Market					
	3/31/2013	4/30/2013	5/31/2013	6/30/2013	Cumulative Change
3 Month	0.07%	0.05%	0.05%	0.04%	-0.03%
6 Month	0.11%	0.09%	0.07%	0.10%	-0.01%
1 Year	0.14%	0.11%	0.14%	0.15%	0.01%
2 Year	0.25%	0.22%	0.30%	0.36%	0.11%
3 Year	0.36%	0.32%	0.52%	0.66%	0.30%
4 Year	0.56%	0.49%	0.75%	1.02%	0.46%
5 Year	0.77%	0.68%	1.05%	1.41%	0.64%
10 Year	1.87%	1.70%	2.16%	2.52%	0.65%
30 Year	3.10%	2.88%	3.30%	3.52%	0.42%
LAIF	0.28%	0.24%	0.24%	0.24%	-0.04%

term Treasuries remained the same. The Federal Reserve chairman, Ben Bernanke, expects yields will remain at these exceptionally low levels at least through the end of 2014, but more likely now into calendar year 2015.

Investment Activity

As shown in the Investment Activity table below, the City invested \$8 million in “AAA” rated Federal Agency callable securities. The purchases replaced a portion of \$16 million in securities that matured or were called by issuers during the quarter before the final maturity date. In addition, the portfolio also received \$94,428.81 in a semi-annual principal payment on the Airport promissory note at the end of June. The outstanding balance on the Airport promissory note is \$5.604 million.

Issuer	Face Amount	Purchase Date	Final Maturity	Call Date	Yield To Call	Yield To Maturity
<i>Purchases:</i>						
Federal National Mortgage Association (FNMA)	\$ 2,000,000	06/19/13	12/19/16	12/19/13	0.750%	0.750%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	06/26/13	06/26/18	09/26/13	1.400%	1.400%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	06/26/13	06/26/18	09/26/13	1.500%	1.500%
Federal Home Loan Bank (FHLB)	2,000,000	06/27/13	06/27/18	09/27/13	1.250%	1.493%
	\$ 8,000,000					
<i>Calls:</i>						
Federal National Mortgage Association (FNMA)	\$ 2,000,000	04/12/12	04/12/17	04/12/13	1.400%	1.400%
Federal National Mortgage Association (FNMA)	2,000,000	04/18/11	04/18/16	04/18/13	2.500%	2.500%
Federal Farm Credit Bank (FFCB)	2,000,000	09/13/12	09/13/17	05/09/13	1.020%	1.020%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	05/24/12	05/24/17	05/24/13	1.200%	1.200%
Federal National Mortgage Association (FNMA)	2,000,000	06/01/12	05/29/15	05/29/13	0.650%	0.650%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	06/07/12	06/07/17	06/07/13	1.300%	1.300%
Federal National Mortgage Association (FNMA)	2,000,000	06/27/11	06/27/16	06/27/13	2.000%	2.000%
	\$ 14,000,000					
<i>Maturities:</i>						
Federal Farm Credit Bank (FFCB)	\$ 2,000,000	05/08/09	04/08/13	-	-	2.200%
Airport Promissory Note - Partial Redemption	94,429	07/14/09	06/30/29	-	-	7.000%
	\$ 2,094,429					

Summary of Cash and Investments

The book rate of return, or portfolio yield, measures the rate of return of actual earnings generated from the portfolio. As shown in the table to the right, during the quarter, the City’s book rate of return decreased by 12.0 basis points from 1.387 percent at March 31, 2013 to 1.267 percent at June 30, 2013. The book rate of return will continue to decline through the attrition of higher-yielding securities and reinvestment at the current market rates at historic lows.

Mo. Ended	Yield	Days to Maturity
3/31/2013	1.387%	1086
4/30/2013	1.253%	970
5/31/2013	1.228%	906
6/30/2013	1.267%	959

The portfolio’s average days to maturity, including the long-term Airport promissory note, decreased by 127 days from 1086 to 959 days. Excluding the Airport note, the portfolio’s average days to maturity is 774 days, reflecting reinvestment of maturities and calls during the quarter in the one-to-five year range in accordance with the City’s Annual Statement of Investment Policy. The Annual Statement of Investment Policy requires that the average days to maturity on the portfolio not exceed 912 days, excluding any investments with a final maturity longer than 5 years that were separately authorized by Council, such as the Airport promissory note.

The average LAIF rate at which the City earned interest for funds invested was at 0.24 percent for the quarter ended June 30, 2013, down four basis points from last quarter. The City's LAIF holdings at the end of the quarter were \$38 million. Staff expects to reinvest a portion of the LAIF balances in fixed-term or callable securities during the next quarter.

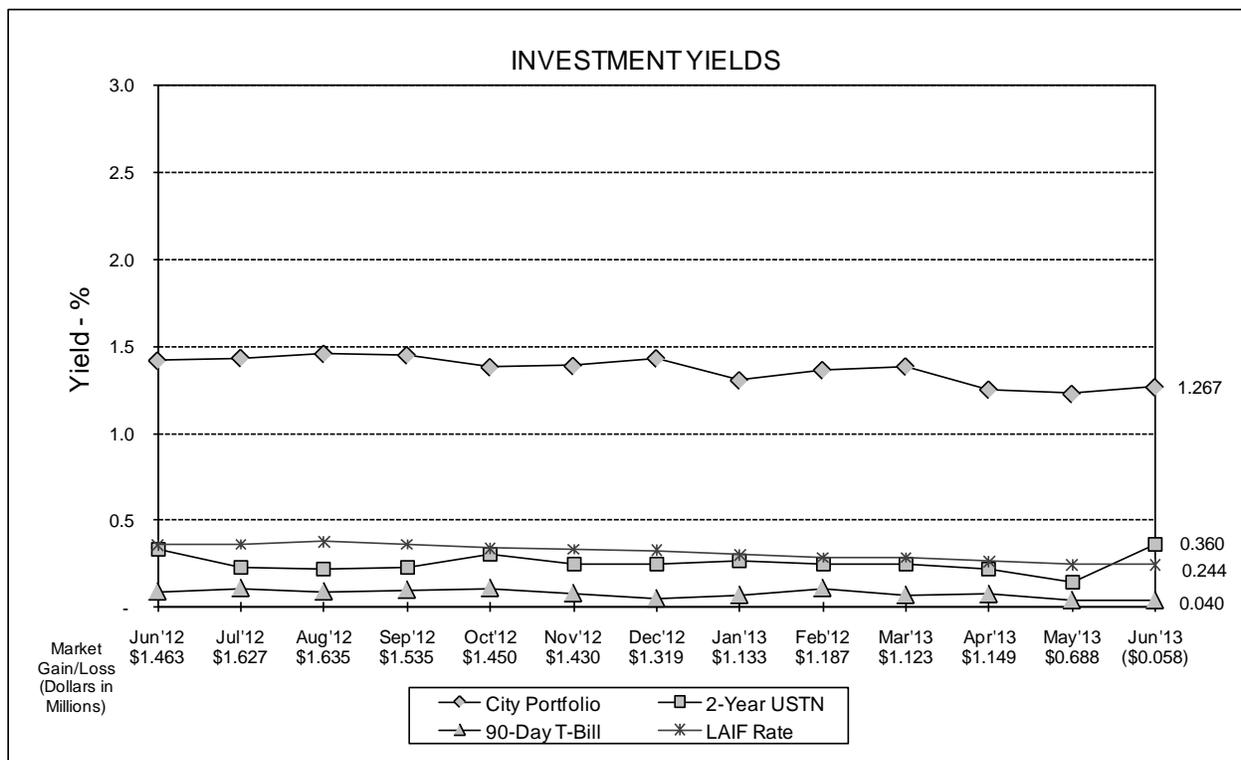
Credit Quality on Corporate Notes

During the quarter, Standard & Poor's downgraded Berkshire Hathaway Financial (BERK) corporate rating by one notch to "AA" from "AA+", citing the lower credit rating better reflects their view of BERK's dependence on its core insurance operations for most of its dividends. The downgrade followed a release of Standard & Poor's revised Insurers Rating and Group Rating Methodology on May 7, 2013. Despite the downgrade, BERK's corporate rating remains above the City's minimum guidelines of "A" or better. The City's investment portfolio includes a \$2M BERK corporate note which matures December 15, 2015

There were no other changes to the three other corporate issuers of the medium-term notes held in the portfolio (i.e., General Electric Capital Corp, Proctor & Gamble, and Toyota Motor Credit), and the ratings of all corporate notes remain within the City's Investment Policy guidelines of "A" or better.

Portfolio Market Gains/Losses

As shown in the Investment Yields chart below, the City's portfolio continues to significantly outperform the three benchmark measures (the 90-day T-Bill, 2-year T-



Council Agenda Report

June 30, 2013, Investment Report And June 30, 2013, Fiscal Agent Report

July 30, 2013

Page 4

Note and LAIF). The City's portfolio reflected a very minimal market loss at June 30th as a result of the modest increase in market yields during the quarter compared to the yields on securities currently held in the portfolio. At June 30, 2013, the portfolio had an overall unrealized market loss of \$0.058 million.

On a quarterly basis, staff reports the five securities with the largest percentage of unrealized losses when comparing book value to market value. There were five securities trading below purchase price at the end of the quarter. Market losses occur when current market yields rise above the yields on securities held in the portfolio. However, because securities in the City's portfolio are held to maturity, no market losses would be realized.

Issuer	Face Amount	Maturity	\$ Mkt Change	% Mkt Change
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	02/05/18	-\$47,600	-2.38%
FEDERAL NATL MORTGAGE ASSN	\$4,000,000	12/26/17	-\$93,600	-2.34%
FEDERAL NATL MORTGAGE ASSN	\$3,000,000	01/30/18	-\$68,400	-2.28%
FEDERAL HOME LOAN BANK	\$4,000,000	01/16/18	-\$88,800	-2.22%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	12/12/17	-\$44,000	-2.20%

On a quarterly basis, staff also reports all securities with monthly market declines of greater than 1 percent compared to the prior month. There were fourteen securities in the portfolio with a market decline of greater than 1 percent compared to the prior month.

Issuer	Face Amount	Maturity	May-Jun Mkt Change (\$)	May-Jun Mkt Change (%)	% Mkt Gain/(Loss) at 6.30.13
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	02/05/18	-\$33,140	-1.67%	-2.38%
FEDERAL NATL MORTGAGE ASSN	\$3,000,000	01/30/18	-\$47,190	-1.58%	-2.28%
FEDERAL NATL MORTGAGE ASSN	\$4,000,000	12/26/17	-\$61,120	-1.54%	-2.34%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	12/12/17	-\$29,900	-1.51%	-2.20%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	11/08/17	-\$28,880	-1.45%	-2.08%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	11/08/17	-\$28,880	-1.45%	-2.08%
FEDERAL HOME LOAN BANK	\$4,000,000	01/16/18	-\$53,600	-1.35%	-2.22%
FEDERAL HOME LOAN MTG CORP	\$4,000,000	01/16/18	-\$52,800	-1.33%	-2.06%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	08/28/17	-\$25,300	-1.26%	-1.07%
FEDERAL FARM CREDIT BANK	\$2,000,000	08/15/17	-\$24,900	-1.25%	-1.40%
FEDERAL HOME LOAN MTG CORP	\$2,000,000	09/12/17	-\$23,900	-1.20%	-1.78%
FEDERAL HOME LOAN MTG CORP	\$2,000,000	07/24/17	-\$22,300	-1.12%	-1.18%
TOYOTA MOTOR CREDIT	\$2,000,000	09/15/16	-\$21,700	-1.05%	1.39%
FEDERAL HOME LOAN MTG CORP	\$2,000,000	06/12/17	-\$20,700	-1.03%	-0.64%

Additional Reporting Requirements

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of June 30, 2013, is in compliance with the City's Statement of Investment Policy; and (2) there are sufficient funds available to meet the City's expenditure requirements for the next six months.

Fiscal Agent Investments

In addition to reporting requirements for public agency portfolios, a description of any of the agency's investments under the management of contracted parties is also required on a quarterly basis. Attachment 2 includes bond funds and the police and fire service retirement fund as of June 30, 2013.

ATTACHMENTS: 1. June 30, 2013, Investment Report
2. June 30, 2013, Fiscal Agent Report

PREPARED BY: Genie Wilson, Treasury Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
June 30, 2013

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

6/10 LAIF Deposit - City	\$ 4,000,000
6/19 Federal National Mortgage Association (FNMA)	2,000,000
6/26 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
6/26 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
6/27 Federal Home Loan Bank (FHLB)	2,000,000
Total	\$ 12,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

6/6 LAIF Withdrawal - City	\$ (3,000,000)
6/7 Federal Home Loan Mortgage Corp (FHLMC) - Call	(2,000,000)
6/12 LAIF Withdrawal - City	(2,000,000)
6/18 LAIF Withdrawal - City	(1,500,000)
6/25 LAIF Withdrawal - City	(4,500,000)
6/27 Federal National Mortgage Association (FNMA) - Call	(2,000,000)
6/27 LAIF Withdrawal - City	(1,000,000)
6/30 Airport Promissory Note - Partial Redemption	(94,429)
Total	\$ (16,094,429)

ACTIVITY TOTAL

\$ (4,094,429)

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 184,038
Amortization	(24,004)
Interest on UB Accounts	0
Total	\$ 160,034

INCOME TOTAL

\$ 160,034

CITY OF SANTA BARBARA
Investment Portfolio
June 30, 2013

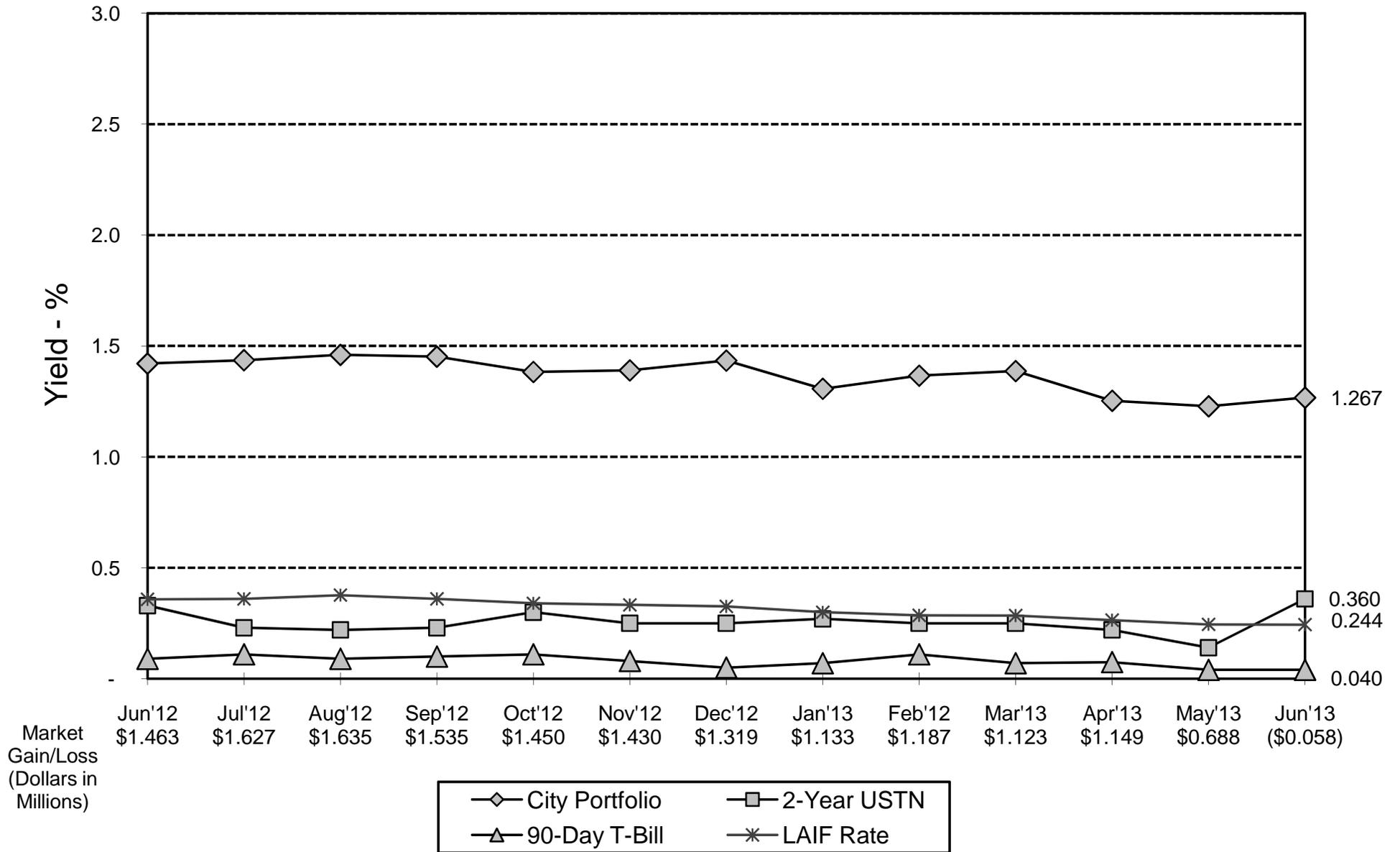
DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
	DATE	DATE	MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.244	0.244	38,000,000.00	38,000,000.00	38,000,000.00	0.00	
Subtotal, LAIF							38,000,000.00	38,000,000.00	38,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
MONTECITO BANK & TRUST	11/18/11	11/18/13	-	-	0.800	0.800	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/15	-	-	1.230	1.247	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/17	-	-	1.490	1.511	4,000,000.00	4,000,000.00	4,000,000.00	0.00	
Subtotal, Certificates of deposit							8,000,000.00	8,000,000.00	8,000,000.00	0.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,001,115.82	2,002,400.00	1,284.18	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,039,538.49	2,036,800.00	(2,738.49)	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,266,869.43	2,256,200.00	(10,669.43)	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,031,207.96	2,015,400.00	(15,807.96)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,019,381.39	1,995,000.00	(24,381.39)	
Subtotal, Treasury Securities							10,000,000.00	10,358,113.09	10,305,800.00	(52,313.09)	
FEDERAL AGENCY ISSUES - COUPON											
FEDERAL FARM CREDIT BANK	02/10/11	02/10/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,014,200.00	14,200.00	
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,972,000.00	(28,000.00)	Callable 08/15/13, then cont.
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,098,200.00	98,200.00	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,010,800.00	10,800.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,026,600.00	26,600.00	
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AA+	3.125	2.440	2,000,000.00	2,005,818.23	2,026,800.00	20,981.77	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,015,200.00	15,200.00	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,911,200.00	(88,800.00)	Callable 07/16/13, then qtrly
FEDERAL HOME LOAN BANK	09/26/11	08/28/13	Aaa	AA+	1.000	0.381	1,000,000.00	1,000,976.08	1,001,400.00	423.92	
FEDERAL HOME LOAN BANK	06/27/13	06/27/18	Aaa	AA+	1.250	1.493	2,000,000.00	2,000,000.00	1,968,400.00	(31,600.00)	SU 1.125%-2.5% Call 09/27/13, then qtrly
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AA+	4.375	2.272	2,000,000.00	2,007,998.22	2,017,000.00	9,001.78	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AA+	3.125	2.130	2,000,000.00	2,008,552.56	2,026,800.00	18,247.44	
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,044,800.00	44,800.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,061,400.00	61,400.00	
FEDERAL HOME LOAN BANK	09/26/11	10/30/13	Aaa	AA+	2.000	0.400	1,500,000.00	1,507,892.82	1,509,150.00	1,257.18	
FEDERAL HOME LOAN MTG CORP	01/06/11	02/25/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,015,200.00	15,200.00	
FEDERAL HOME LOAN MTG CORP	03/28/12	03/28/17	Aaa	AA+	1.350	1.350	2,000,000.00	2,000,000.00	2,009,800.00	9,800.00	Callable 03/28/14, once
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	1,961,200.00	(38,800.00)	Callable 09/26/13, then qtrly
FEDERAL HOME LOAN MTG CORP	02/21/12	02/21/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,008,000.00	8,000.00	Callable 02/21/14, once
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,998,784.99	2,004,800.00	6,015.01	
FEDERAL HOME LOAN MTG CORP	06/12/12	06/12/17	Aaa	AA+	1.250	1.250	2,000,000.00	2,000,000.00	1,987,200.00	(12,800.00)	Callable 06/12/14, then qtrly
FEDERAL HOME LOAN MTG CORP	07/24/12	07/24/17	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	1,976,400.00	(23,600.00)	Callable 07/24/13, then qtrly

CITY OF SANTA BARBARA
Investment Portfolio
June 30, 2013

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
FEDERAL HOME LOAN MTG CORP	09/12/12	09/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,964,400.00	(35,600.00)	Callable 09/12/13, then qtrly
FEDERAL HOME LOAN MTG CORP	01/16/13	01/16/18	Aaa	AA+	1.050	1.050	4,000,000.00	4,000,000.00	3,917,600.00	(82,400.00)	Callable 07/16/13, then qtrly
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,042,171.53	2,063,200.00	21,028.47	
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,965,000.00	(35,000.00)	Callable 09/26/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	10/28/11	10/28/16	Aaa	AA+	1.500	1.521	2,000,000.00	1,999,675.00	2,006,800.00	7,125.00	Callable 10/28/13, once
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,931,600.00	(68,400.00)	Callable 01/30/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,027,000.00	27,000.00	
FEDERAL NATL MORTGAGE ASSN	08/28/12	08/28/17	Aaa	AA+	1.150	1.150	2,000,000.00	2,000,000.00	1,978,600.00	(21,400.00)	Callable 08/28/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,956,000.00	(44,000.00)	Callable 06/12/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	06/19/13	12/19/16	Aaa	AA+	0.750	0.750	2,000,000.00	2,000,000.00	1,981,800.00	(18,200.00)	Callable 12/19/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,958,400.00	(41,600.00)	Callable 08/08/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,958,400.00	(41,600.00)	Callable 08/08/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/26/12	12/26/17	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,906,400.00	(93,600.00)	Callable 12/26/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,065,600.00	65,600.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,980,580.07	2,049,600.00	69,019.93	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,952,400.00	(47,600.00)	Callable 02/05/15, then qtrly
Subtotal, Federal Agencies							81,500,000.00	81,552,449.50	81,349,350.00	(203,099.50)	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,996,316.67	2,079,800.00	83,483.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,049,400.00	49,400.00	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	A1	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,017,400.00	17,400.00	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,033,074.65	2,051,400.00	18,325.35	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,012,204.40	2,040,200.00	27,995.60	
Subtotal, Corporate Securities							10,000,000.00	10,041,595.72	10,238,200.00	196,604.28	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	5,603,519.96	5,603,519.96	5,603,519.96	0.00	
Subtotal, SBA Note							5,603,519.96	5,603,519.96	5,603,519.96	0.00	
TOTALS							153,103,519.96	153,555,678.27	153,496,869.96	(58,808.31)	

Market values have been obtained from the City's safekeeping agent, Union Bank The Private Bank (UBTPB). UBTPB uses Interactive Data Pricing Service, Bloomberg and DTC.

INVESTMENT YIELDS



**CITY OF SANTA BARBARA
Fiscal Agent Investments
June 30, 2012**

	CASH & CASH EQUIVALENTS Book & Market	Guaranteed Investment Contracts (GIC) Book & Market	STOCKS		BONDS		US GOVT & AGENCIES		TOTALS	
			Book	Market	Book	Market	Book	Market	Book	Market
BOND FUNDS										
<i>RESERVE FUNDS</i>										
2004 RDA - Housing Bonds	580,135.21	-	-	-	-	-	-	-	580,135.21	580,135.21
2002 Municipal Improvement - Refunding COPs	13,639.01	547,530.00	-	-	-	-	-	-	561,169.01	561,169.01
1994 Water - Revenue Bonds	-	-	-	-	-	-	-	-	-	-
2002 Water - Refunding COPs	-	-	-	-	-	-	-	-	-	-
2009 Airport Bonds	5,168,895.10	-	-	-	-	-	-	-	5,168,895.10	5,168,895.10
2002 Waterfront - Refunding COPs	1,012.31	1,393,262.50	-	-	-	-	-	-	1,394,274.81	1,394,274.81
Subtotal, Reserve Funds	<u>5,763,681.63</u>	<u>1,940,792.50</u>	-	-	-	-	-	-	<u>7,704,474.13</u>	<u>7,704,474.13</u>
<i>PROJECT FUNDS</i>										
2001 RDA Bonds	2,366,155.28	-	-	-	-	-	-	-	2,366,155.28	2,366,155.28
2003 RDA Bonds	8,506,389.35	-	-	-	-	-	-	-	8,506,389.35	8,506,389.35
2013 Water - Refunding COPS	662,669.72	428,069.44	-	-	-	-	-	-	1,090,739.16	1,090,739.16
2004 Sewer - Revenue Bonds	1,737,888.45	1,357,140.00	-	-	-	-	-	-	3,095,028.45	3,095,028.45
Subtotal, Project Funds	<u>13,273,102.80</u>	<u>1,785,209.44</u>	-	-	-	-	-	-	<u>15,058,312.24</u>	<u>15,058,312.24</u>
SUBTOTAL BOND FUNDS	<u>19,036,784.43</u>	<u>3,726,001.94</u>	-	-	-	-	-	-	<u>22,762,786.37</u>	<u>22,762,786.37</u>
POLICE/FIRE - SVC RETIREMENT FUND										
Police/Fire Funds	33,258.99	-	173,759.91	258,414.37	265,941.66	271,776.05	-	-	472,960.56	563,449.41
	<u>33,258.99</u>	-	<u>173,759.91</u>	<u>258,414.37</u>	<u>265,941.66</u>	<u>271,776.05</u>	-	-	<u>472,960.56</u>	<u>563,449.41</u>
TOTAL FISCAL AGENT INVESTMENTS	<u>19,070,043.42</u>	<u>3,726,001.94</u>	<u>173,759.91</u>	<u>258,414.37</u>	<u>265,941.66</u>	<u>271,776.05</u>	<u>-</u>	<u>-</u>	<u>23,235,746.93</u>	<u>23,326,235.78</u>

Notes:

- (1) Cash & cash equivalents include money market funds.
- (2) Market values have been obtained from the following trustees: US Bank, Bank of New York and Union Bank N.A.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA ADDING CHAPTER 28.20 TO THE SANTA BARBARA MUNICIPAL CODE TO IMPLEMENT THE CITY'S 2011 GENERAL PLAN AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM; AMENDING SECTION 28.43.040 REGARDING EXEMPTIONS TO THE CITY'S INCLUSIONARY ORDINANCE; AMENDING SECTIONS 28.66.050, 28.69.050, 28.72.050, AND 28.73.050 CONCERNING BUILDING HEIGHT STANDARDS FOR COMMUNITY BENEFIT PROJECTS IN THE C-2, C-M, M-1, AND OM-1 ZONES; AND AMENDING SECTION 28.87.062 CONCERNING ENCROACHMENTS IN OPEN YARDS.

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

SECTION 1. Title 28 of the Santa Barbara Municipal Code is amended by adding a new Chapter 28.20, to read as follows:

Chapter 28.20
Average Unit-Size Density Incentive Program.

Section 28.20.010 Purpose.

The Average Unit-Size Density Incentive Program carries out a key program directed by the 2011 General Plan. The Program facilitates the construction of smaller housing units by allowing increased density and development standard incentives in selected areas of the City. Housing types that provide housing opportunities to the City's workforce are encouraged and facilitated by the program. The Average Unit-Size Density Incentive Program will be in effect for a trial period of either eight years or until 250 residential units have been constructed in the areas designated for High Density residential [as defined in SBMC §28.20.060(B)] or the Priority Housing Overlay[as defined in SBMC §28.20.060(C)], as shown on the City's Average Unit-Size Density Incentive Program Map whichever occurs earlier.

Section 28.20.020 Definitions.

For purposes of this Chapter 28.20, the following words or phrases shall have the respective meanings assigned to them in the following definitions unless, in a given instance, the context in which they are used indicates a different meaning:

A. Affordable Housing. Residential units that are sold or rented at values defined as being affordable by the City of Santa Barbara's Affordable Housing Policies and Procedures, as such policies and procedures may be approved by the City Council from time to time.

B. Average Unit Size. The total of the net floor area of each of the residential units in a project and divided by the number of residential units in that project.

C. Community Benefit Housing. Residential development that has a public benefit including the following housing types:

1. Priority Housing;
2. Housing affordable to low, moderate, or middle income households as defined in SBMC Chapter 28.43; and
3. Transitional Housing, affordable efficiency dwelling units (as described in Section 28.87.150 of this Code), and Supportive Housing which supports special needs populations such as housing for seniors, the physically or mentally disabled, the homeless, or children aging out of foster care.

D. Employer-Sponsored Housing. Residential units which are developed, owned, maintained, and initially sold or rented to employees of a local Employer (or group of employers) where each residential unit is occupied as a primary residence (as defined by federal income tax law) by a household that includes at least one person who works on the south coast region of Santa Barbara County.

E. Net Floor Area. For purposes of this Average Unit-Size Density Program, net floor area is the area in square feet of all floors confined within the exterior walls of a residential unit, but not including the area of the following: exterior walls, vent shafts, courtyards, garages, carports, common areas not controlled by the occupant of an individual residential unit, and any areas with a ceiling height of less than five (5) feet above the finished floor. In addition, the area occupied by stairs or an elevator shaft within the exterior walls of a residential unit shall be counted only on one floor of the residential unit.

F. Limited-Equity Housing Cooperative. A corporation organized on a cooperative basis that meets the requirements of

state Civil Code § 817 and which restricts the resale price of the cooperative's shares in order to maintain a specified level of affordability to any new shareholder.

G. Local Employer. A person, business, company, corporation or other duly formed legal entity which employs persons whose primary place of employment is located within the South Coast region of Santa Barbara County.

H. Priority Housing. Priority Housing includes the following three categories of housing: 1. Employer-Sponsored Housing; 2. Limited-Equity Housing Cooperatives; and 3. Rental Housing.

I. Rental Housing. Housing developed and maintained as multiple dwelling units on the same lot for occupancy by separate households pursuant to a lease on other rental agreements where all dwelling units are owned exclusively by the same legal entity.

J. Supportive Housing. As defined in state Health and Safety Code Section 50675.14(b)(2).

K. Transitional Housing. That type of Supportive Housing that is re-circulated to other eligible program participants as specified and defined in state Health and Safety Code Section 50675.2(h).

Section 28.20.030 Permitted Zones for the Program.

The Average Unit-Size Density Incentive Program as established herein is a density incentive program available in the following zones of the City: R-3, R-4, HRC-2, R-O, C-P, C-L, C-1, C-2, C-M, and OC Zones, as shown on the City of Santa Barbara Average Unit-Size Density Incentive Program Map attached hereto as Exhibit A. The fact that a lot may be subject to an overlay zone, including, but not limited to, the S-D-2 or S-D-3 Overlay Zones, does not preclude the application of the Average Unit-Size Density Incentive Program on that lot if the Average Unit-Size Density Incentive Program is otherwise allowed in the base zoning of that lot. Development Projects developed in accordance with the provisions of the Average Unit-Size Density Incentive Program shall comply with the development standards specified in this Chapter 28.20.

Section 28.20.040 Program Duration.

A. Initial Program Period. The Average Unit-Size Density Incentive Program shall have an initial duration of eight years after the effective date of the ordinance codifying this Chapter or until 250 new residential units under this program are constructed (as evidenced by the issuance of a Certificate of Occupancy) within the areas of the City designated for High Density Residential or the Priority Housing overlay (as shown on the City of Santa Barbara Average Unit-Size Density Incentive Program Map attached to this Chapter as Exhibit A) whichever occurs sooner.

B. Exclusion of Low and Very Low Housing Units. Housing projects that are affordable to low-income and very low-income households, as defined in the City's Affordable Housing Policies and Procedures, will not count towards the 250 unit Program limit established in subsection A above.

C. Pending Applications. Any application for new development that is deemed complete prior to the expiration of the Program term established in subsection A or the issuance of the certificate of occupancy for the 250th residential unit (whichever occurs sooner) may continue to be processed and potentially approved under the Average Unit-Size Density Incentive Program.

Section 28.20.050 Status of R-3 and R-4 Residential Density.

Notwithstanding the provisions of SBMC Section 28.21.080 of this Title, for the duration of the Average Unit-Size Density Incentive Program established in Section 28.20.040(A) above, the following incentive program is available regarding the residential density of new development projects in zones of the City which otherwise would apply the R-3 residential density:

A. Average Unit-Size Density Incentive Program. Projects developed in accordance with the provisions of the Average Unit-Size Density Incentive Program established in Section 28.20.060 hereof are exempt from the standard R-3 residential density provisions specified in Subsections B through E of Section 28.21.080 of this Title.

B. Variable Density. The variable density provisions specified in Subsection F of Section 28.21.080 of this Code shall be suspended for the period of time the Average Unit-Size Density Incentive Program established by this Chapter is

available. Projects developed or approved in accordance with the terms of variable density prior to the effective date of this Chapter shall remain legal conforming land uses. During the suspension of Subsection F of SBMC Section 28.21.080, alterations and additions to variable density projects are permitted provided the alterations or additions do not add new residential units or add bedrooms to existing residential units in excess of the number of bedrooms that could have been developed on the real property under the Variable Density Program.

C. Development of Affordable Housing. Projects that meet the affordability criteria of the State Density Bonus Law or the City's Affordable Housing Policies and Procedures may continue to propose development pursuant to the density incentives established in Section 28.87.400 of this Title.

Section 28.20.060 Average Unit Size Density Incentives.

The Average Unit-Size Density Incentive Program offers project applicants dwelling unit density incentives as alternatives to the base residential densities specified for the particular City zones in which the program is available. The Average Unit-Size Density Incentive Program consists of three density tiers which may apply based upon the City's General Plan land use designation for the lot and the nature of the development being proposed as follows:

A. Medium-High Density. The Medium High density tier applies to those lots with a City General Plan land use designation of Medium High density residential. The Medium-High density tier allows the development of projects at residential densities ranging from fifteen (15) to twenty-seven (27) dwelling units per acre. The maximum average unit-size within the Medium-High density tier varies from 1,450 square feet of floor area to 905 square feet of floor area, depending upon the number of units per acre being developed, as specified in the Average Unit-Size Density Incentive Program Table attached to this Chapter as Exhibit B and incorporated by this reference as though fully set forth herein.

B. High-Density. The High-Density tier applies to those lots with a City General Plan land use designation of High-Density residential. The High-Density tier allows the development of projects at residential densities ranging from twenty-eight (28) to thirty-six (36) dwelling units per acre. The maximum average unit-size within the high density tier varies from 1,245 square

feet of floor area to 970 square feet of floor area, depending upon the number of units per acre being developed, as specified in the Average Unit-Size Density Incentive Program Table attached to this Chapter as Exhibit B.

C. Priority Housing Overlay. The Priority Housing Overlay applies to lots within the City with a City General Plan land use designation of High-Density residential and lots zoned C-M (regardless of the General Plan land use designation) as shown on the City of Santa Barbara Average Unit-Size Density Incentive Program Map attached to this Chapter as Exhibit A. The Priority Housing Overlay allows the development of projects at residential densities ranging from thirty-seven (37) to sixty-three (63) dwelling units per acre. The maximum average unit-size within the Priority Housing Overlay varies from 970 square feet of floor area to 811 square feet of floor area, depending upon the number of units per acre being developed, as specified in the Average Unit-Size Density Incentive Program Table attached to this Chapter as Exhibit B. The Priority Housing Overlay is only available for Rental Housing, Employer-Sponsored Housing, or Limited-Equity Cooperative Housing. A project developed under the Priority Housing Overlay may have a mixture of Priority Housing categories (i.e., a portion of the project may be Rental Housing while another portion of the project may be Employer-Sponsored housing.)

D. Process to Establish Priority Housing. For the purposes of this Chapter, the different forms of Priority Housing shall be established in the following manner:

- 1. Employer-Sponsored Housing.** In order to qualify for the density incentives allowed under the Average Unit-Size Density Incentive Program, the applicant for a proposed Employer Sponsored Housing project should typically propose a project which contains a range of dwelling unit sizes and which offers a range of rents or purchase prices some of which are affordable to a household earning 200% of the Area Median Income or less at the time of the initial occupancy of the project. The owner of an approved Employee Sponsored Housing project must record a written instrument against the real property, in a form acceptable to the City Attorney, by which the employer sponsor(s) that owns the real property agrees to limit the occupancy of each residential unit to a household who occupies the unit as their primary residence and which includes at least one person who is primarily employed at a place of employment located

within the south coast region of Santa Barbara County for as long as the property is developed and maintained at the incentive densities.

2. Limited Equity Housing Cooperative. In order to qualify for the density incentives provided under the Average Unit-Size Density Program, all of the dwelling units within the limited-equity housing cooperative must be affordable to households earning up to 250% of the Area Median Income measured at the time of purchase, as affordability is defined in the City's Affordable Housing Policies and Procedures and a covenant containing this requirement (in a form acceptable to the City Attorney) shall be recorded against the real property to this effect.

3. Rental Housing. In order to qualify for the Priority Housing Overlay density incentives allowed under the Average Unit-Size Density Incentive Program, the owner of real property developed with rental housing must record a written covenant, in a form acceptable to the City Attorney, by which the owner agrees to maintain the rental housing use for as long as the property is developed and maintained at the incentive densities provided for in this Chapter.

E. Dwelling Unit Sizes. The unit sizes shown in the Average Unit-Size Density Incentive Program Table are the maximum average unit sizes allowed for the corresponding residential densities specified in the applicable density tier. Projects may be developed under the Average Unit-Size Density Incentive Program at a residential density that is greater than the base density for the zone in which the lot is located, but at a residential density that is less than the density range specified in the density tier assigned to the lot by its City General Plan land use designation. However, the average unit size of any project that is developed at a residential density which exceeds the SBMC Chapter 28.21 base density for the zone in which the lot is located through the application of the Average Unit-Size Density Incentive Program may not exceed the maximum average unit size for the applicable residential density tier as specified in the Average Unit-Size Density Incentive Program Table attached to this Chapter as Exhibit A.

Section 28.20.065 Average Unit Size and Inclusionary Housing Projects.

If a project developed in accordance with the Average Unit-Size Density Incentive Program of this Chapter is required to comply with the City's Inclusionary Housing Ordinance (SBMC Chapter 28.43) and if the owner of the Project elects to provide the inclusionary units on-site as part of the project (as opposed to paying the allowed in-lieu fee allowed by SBMC Chapter 28.43), the increased number of dwelling units to which the owner is entitled under SBMC Chapter 28.43 shall also comply with the maximum average unit size for the base density of the project under the Average Unit-Size Density Incentive Program.

Section 28.20.070 Additional Development Incentives.

A. Development Standards Generally. In order to further encourage the development of projects in accordance with the provisions of this Average Unit-Size Density Incentive Program, the development standards listed in this Section 28.20.070 are allowed for those projects developed and maintained in accordance with the Average Unit-Size Density Incentive Program. Except as otherwise specified in this Section, projects developed in accordance with the provisions of the Average Unit-Size Density Incentive Program shall otherwise comply with the development standards applicable to the base zone in which the lot is located.

B. Market Rate Ownership Projects within the S-D-2 Overlay Zone. Projects developed with market rate ownership units on lots with a City General Plan land use designation of Medium-High Density within the S-D-2 overlay zone shall comply with S-D-2 zone development standards as required by Section 28.45.008 of this Title.

C. Building Height. Projects developed and maintained in accordance with the Average Unit-Size Density Incentive Program shall conform to the building height standards specified within the zone in which the lot is located, except that Average Unit-Size Density Incentive Program projects in the R-3, R-4, HRC-2, R-O, C-P, C-L, C-1, S-D-2, and OC Zones may be built with up to four stories so long as such buildings do not exceed a maximum of 45 feet in building height provided, however, that projects developed with market rate ownership units on lots with a City General Plan land use designation of Medium-High Density and subject to the S-D-2 overlay zone shall comply with S-D-2 zone

building height and building story limitations of Section 28.45.008 of this Title.

D. Setbacks. Projects developed and maintained in accordance with the Average Unit-Size Density Incentive Program shall observe the following building setback standards:

1. R-O, C-P, C-L, C-1, C-2, C-M, and S-D-2 Zones. Projects developed in accordance with the Average Unit-size Density Incentive Program in the R-O, C-P, C-L, C-1, C-2, C-M, and S-D-2 Zones shall observe the following building setback standards:

a. Front Setback.

i. State Street and First Blocks of Cross Streets.

Projects on lots fronting State Street between Montecito Street and Sola Street and lots fronting the first block east or west of State Street on streets that cross State Street between and including Montecito Street and Sola Street shall not be required to provide a front building setback.

ii. Commercially Zoned Lots Subject to the S-D-2 Overlay Zone. Projects developed on commercially zoned lots within the S-D-2 overlay zone shall observe a front setback of ten (10) feet provided, however, that projects on commercially zoned lots in the Medium-High Density designation and developed with market rate ownership units shall observe the front setback standards of the S-D-2 overlay zone required by Section 28.45.008 of this Title.

iii. All Other Lots. Projects on lots that do not front on the streets specified in Section 28.20.070(B)(1)(a)(i) shall observe the following front building setback standard: A uniform front setback of five (5) feet shall be provided except where that portion of the structure which intrudes into the required five (5) foot front setback is appropriately balanced with a front building setback area that exceeds the minimum five (5) foot front setback. The additional compensating setback area shall not be located farther from the adjacent front lot line than one half of the length of the front lot line.

b. Interior Setback Adjacent to Nonresidential Zone. No interior setback is required for those projects adjacent to a non-residential zone, provided, however, that projects on commercially zoned lots in the Medium-High Density designation within the S-D-2 overlay zone and developed with market rate

ownership units shall observe the interior setback standards required by the applicable base zone.

c. Interior Setback Adjacent to Residential Zone. A uniform interior setback of six (6) feet shall be provided except for those projects where that portion of the structure which intrudes into the required six (6) foot interior setback is appropriately balanced with an interior setback area that exceeds the minimum six (6) foot interior setback, provided, however, that projects developed on commercially zoned lots in the Medium-High Density designation within the S-D-2 overlay zone and developed with market rate ownership units shall observe the interior setback standards required by the applicable base zone.

2. R-3 and R-4 Zones. Projects on lots developed in accordance with the Average Unit-size Density Incentive Program in the R-3 and R-4 Zones (except for market rate ownership projects within the S-D-2 overlay zone) shall observe the following building setbacks:

a. Front Setback. A front setback of not less than the indicated distance indicated below shall be provided between the front lot line and all buildings, structures, and parking areas on the lot as follows:

- i. One or two story buildings or structures: ten (10) feet
- ii. Three or more story buildings or structures:
 - (1) Ground floor portions: ten (10) feet
 - (2) Second story portions: ten (10) feet
 - (3) Third or more story portions: twenty (20) feet
 - (4) Parking: As required by Sections 28.21.060.A.3 & 28.21.060.A.4 of this Title.

b. Interior Setback. An interior setback of not less than the distance indicated below shall be provided between the interior lot line and all buildings, structures, and parking on the lot as follows:

- i. One or two story buildings or structures: six (6) feet
- ii. Three or more story buildings or structures
 - (1) Ground floor portions: six (6) feet
 - (2) Second story portions: six (6) feet
 - (3) Third or more story portions: ten (10) feet

- (4) Garages, carport or uncovered parking: As required by Section 28.21.060.B.3. of this Title.

c. Rear Setback. A rear setback of not less than the indicated distance shall be provided between the rear lot line and all buildings, structures, and parking on the lot as follows:

- i. Ground floor portions: six (6) feet
- ii. Second story portions: ten (10) feet
- iii. Third or more story portions: ten (10) feet
- iv. Garage, carport, or uncovered parking: three (3) feet.

3. HRC-2 and O-C Zones. Lots developed in accordance with the Average Unit-Size Density Incentive Program in the HRC-2 and OC Zones shall observe the setback standards required by the applicable base zone.

E. Distance Between Buildings on the Same Lot.

No main building (as defined in SBMC section 28.04.145) shall be closer than ten feet (10) to any other main building on the same lot, provided, however, that projects on lots in the Medium-High Density designation subject to the S-D-2 overlay zone and developed with market rate ownership units shall observe the building separation standards required by the applicable base zone.

F. Parking.

As an alternative to the residential parking requirements specified in Subsections G and H of Section 28.90.100 of this Title, projects developed under the Average Unit-Size Density Incentive Program may observe the following residential parking requirements, provided, however, that projects on lots in the Medium-High Density designation subject to the S-D-2 overlay zone and developed with market rate ownership units shall observe the parking requirements required by the applicable base zone:

- 1. Residential Units.** A minimum of one covered or uncovered parking space shall be provided for each residential unit.
- 2. Bicycle Parking.** A minimum of one covered and secured bicycle parking space shall be provided for each

residential unit.

3. **Guest Parking.** Guest parking is not required.
4. **Other Parking Standards.** Other than the residential parking requirements specified in Subsections G and H of Section 28.90.100, projects developed under the Average Unit-Size Density Incentive Program shall observe the parking standards specified in Chapter 28.90 of this Title.

G. Outdoor Living Space.

Projects developed in accordance with the Average Unit-Size Density Incentive Program shall provide outdoor living space in accordance with the provisions of the R-3/R-4 Zone as stated in Section 28.21.081 of this Title with the following exceptions:

1. All projects on lots in the Medium-High Density designation within the S-D-2 overlay zone and developed with market rate ownership units shall observe the Outdoor Living Space requirements specified by the applicable base zone.
2. All projects in commercial zones electing to provide outdoor living space pursuant to the Private Outdoor Living Space Method specified in Subsection A of SBMC Section 28.21.081 are required to provide both the Private Outdoor Living Space specified in SBMC Section 28.21.081(A)(1) and the Common Open Area specified in SBMC Section 28.21.081(A)(3). Projects developed under the Average Unit-Size Density Incentive Program which elect to provide outdoor living space pursuant to the Private Outdoor Living Space Method of SBMC Section 28.21.081 (A)(1) may, but are not required to, provide the Open Space specified in SBMC Section 28.21.081(A)(2).
3. All projects in commercial zones electing to provide outdoor living space pursuant to the Common Outdoor Living Space Method specified in Subsection B of SBMC Section 28.21.081 shall provide common outdoor living space in accordance with Subsection B of that Section. In addition, for projects developed in accordance with the Average Unit-Size Density Incentive Program, the required common outdoor living space may be located at either grade or on any floor of the building(s), notwithstanding SBMC Section 28.21.081(B)(4) to the contrary.

SECTION 2. Section 28.21.081 of Chapter 28.21 of Title 28 of the Santa Barbara Municipal Code is amended to read as follows:

Section 28.21.081 Outdoor Living Space.

Every lot in this zone shall provide outdoor living space in accordance with either of the following methods:

A. Private Outdoor Living Space Method. Lots providing outdoor living space in accordance with this method shall provide each of the spaces described in paragraphs 1-3 below:

1. Private Outdoor Living Space. Private outdoor living space shall be provided for each dwelling unit as follows:

a. Minimum size. The private outdoor living space shall be not less than the size specified below based on the number of bedrooms in the dwelling unit and the location where the private outdoor living space is provided:

- (1) Ground floor:
 - (a) Studio unit - 100 square feet
 - (b) 1 Bedroom unit - 120 square feet
 - (c) 2 Bedroom unit - 140 square feet
 - (d) 3 or more Bedroom unit - 160 square feet
- (2) Second or higher story:
 - (a) Studio unit - 60 square feet
 - (b) 1 Bedroom unit - 72 square feet
 - (c) 2 Bedroom unit - 84 square feet
 - (d) 3 or more Bedroom unit - 96 square feet

b. Minimum Dimensions. The private outdoor living space shall have minimum dimensions as specified below, measured in perpendicular directions based on the location where the private outdoor living space is provided:

- (1) Ground floor: 10 feet
- (2) Second or higher story: 6 feet

c. Connectivity. Private outdoor living space shall be contiguous to and accessible from the dwelling unit for which it is provided.

d. Multi-story dwelling units. Dwelling units that occupy more than one story may provide the required private outdoor living space on any story.

e. Allowed amenities. Private outdoor living space may include planter areas totaling no more than fifty (50) square feet, patio areas, balconies, and decks.

f. Exclusions. Private outdoor living space shall not include stairs, entrance decks, or landings. In addition, private outdoor living space shall not include areas located under eaves, balconies, or other cantilevered architectural or building projections not providing additional floor area where the vertical clearance under the architectural or building projection is less than seven feet.

g. Allowed setback encroachments. Private outdoor living space may encroach into setbacks as follows:

(1) Private outdoor living space provided on grade may encroach into interior and rear setbacks up to the property line.

(2) Private outdoor living space provided on grade may be located up to ten (10) feet from the front lot line, subject to the following conditions:

(a) The area of the private outdoor living space located in the front yard may not exceed more than 50% of the front yard area, excluding driveways.

(b) The private outdoor living space provided in the front yard shall be enclosed by a solid fence having a minimum height of five (5) feet and a maximum height of six (6) feet. The exterior of the fence shall be landscaped. However, the design review body that reviews the project may reduce or waive the requirement for a fence or landscaping in order to preserve substantial views from the unit being served by the private outdoor living space or if the area does not abut a street.

2. Open Space. In addition to all setbacks, every lot satisfying the outdoor living space requirement in accordance with this private outdoor living space method shall provide on grade open space of an area not less than ten percent (10%) of the net lot area in accordance with the provisions of this paragraph 2. The intent of this provision is to provide relief from building volume, driveways and parking beyond that afforded by setbacks.

a. **Examples of Permitted Open Space Improvements.**

The required open space may consist of landscaped or hardscaped areas unobstructed from the ground upwards, including, but not limited to:

- (1) Walks,
- (2) Patios,
- (3) Planted areas,
- (4) Decks no more than 18" above grade at all points,
- and
- (5) Swimming pool areas.

b. **Examples of Open Space Improvements Not**

Permitted. The required open space shall not consist of the following:

- (1) Garages,
- (2) Carports,
- (3) Driveways,
- (4) Loading areas,
- (5) Parking and turnaround areas,
- (6) Balconies,
- (7) Porches,
- (8) Decks higher than 18" above grade at any point,
- (9) Roof decks, or
- (10) Areas located under trellises, arbors, eaves, balconies, bay windows, window seats, or other cantilevered architectural or building projections not providing additional floor area where the vertical clearance under the structure or architectural or building projection is less than seven feet.

3. Common Open Area. The common open area requirement specified in this Paragraph 3 shall only apply to lots developed with four (4) or more dwelling units. Every lot satisfying the outdoor living space requirement in accordance with this private outdoor living space method shall provide a common open area in accordance with this paragraph 3. The common open area shall have a minimum dimension of fifteen (15) feet measured in perpendicular directions and shall be accessible to all dwelling units on the lot. The common open area may be located on grade, on the second or higher story, or on a roof deck. On grade common open area may include portions of the interior setback or rear setback. On grade common open area may include portions of any remaining front yard, but shall not include any portion of the front setback. The common open area required in this paragraph 3 may be counted as part of the open space required in paragraph 2 as long as the other conditions of paragraph 2 are

satisfied.

B. Common Outdoor Living Space Method. Lots providing outdoor living space in accordance with this method shall provide common outdoor living space in accordance with the following:

1. Accessibility. The common outdoor living space shall be accessible to all dwelling units on the lot.

2. Minimum Size. The common outdoor living space shall consist of at least fifteen percent (15%) of the net lot area.

3. Minimum Dimensions. The common outdoor living space may be provided in multiple locations on the lot, but at least one location shall have a minimum dimension of twenty (20) feet measured in perpendicular directions.

4. Location. Common outdoor living space must be located on grade. On grade common outdoor living space may be located in an interior setback or rear setback. On grade common outdoor living space may be located in the remaining front yard but shall not include any portion of the front setback.

5. Exclusions. Common outdoor living space shall not include any of the following areas:

a. Areas designed for use by motor vehicles, including, but not limited to, driveways, parking, and turnaround areas.

b. Areas located under trellises, arbors, eaves, balconies, bay windows, window seats, or other architectural or building projections not providing additional floor area where the vertical clearance under the structure or architectural or building projection is less than seven feet.

SECTION 3. Section 28.21.120 of Chapter 28.21 of Title 28 of the Santa Barbara Municipal Code is amended to read as follows:

Section 28.21.120 Public Street Requirements.

A. When any person proposes to construct one (1) or more multiple-family dwellings, wherein the number of dwelling units is controlled by Section 28.20.060, on a lot or combination of lots, the size, shape, dimensions or topography of which, in relation to existing abutting public streets, require that there

be an adequate access or internal circulation roadway for vehicular traffic including but not limited to emergency vehicles and equipment traffic, the City's Chief Building Official may, prior and as a condition to the issuance of a building permit for such dwelling or dwellings, require the submission by the owner or applicant of a plot plan of such lot or combination of lots showing the location of all existing buildings and all buildings proposed to be constructed thereon and showing the location, width, and extent of improvements of an adequate access or internal circulation roadway thereon designed to connect with the abutting public street or streets.

The term adequate access or internal circulation roadway shall mean a dedicated public street established and improved to City standards and so located as to provide convenient and orderly traffic movement, ingress and egress and circulation upon, through and within the lot or combination of lots in relation to abutting streets, the multiple-family dwelling or dwellings, and the off-street parking areas required in connection with such dwelling or dwellings.

The plot plan and adequate access or internal circulation roadway shall be required by the Chief Building Official where:

1. The lot or combination of lots which is the site of the proposed construction exceeds five (5) acres; or
2. The maximum possible number of dwelling units which could be constructed on such lot or combination of lots, pursuant to Section 28.20.060 exceeds one hundred (100); or
3. Any portion of a multiple-family dwelling proposed to be constructed on the lot or combination of lots will be more than two hundred and fifty feet (250') from the right-of-way line of an abutting street.

When none of the three (3) foregoing categories are applicable to the lot or combination of lots, the adequate access or internal circulation roadway as defined herein shall not be required where the lot or combination of lots abut on a previously dedicated street or streets and where the private driveway access from the nearest entry to the required off-street parking area to the point of connection with such street or streets does not exceed one hundred and fifty (150) lineal feet.

B. When the plot plan required by the Chief Building Official

is filed, the building official shall forthwith submit the same to the Community Development Department and the Public Works Department for investigation, report and recommendation. Such reports and recommendations shall be submitted to the Planning Commission for hearing at its earliest convenience, and such Planning Commission shall, following such hearing, approve, modify or reject such proposed adequate access or internal circulation roadway in respect to location and connection with existing abutting street or streets.

C. The owner or applicant may appeal any decision of the Planning Commission to the City Council in the manner provided by Chapter 1.30 of this Code.

D. Following approval by the Planning Commission or the City Council, as the case may be, of the proposed adequate access or internal circulation roadway shown on the plot plan, the owner or applicant shall:

1. By formal instrument offer to dedicate said proposed roadway as a public street; and

2. Either complete the required improvement of such public street to the satisfaction of the City Engineer or agree to complete such improvement within a period of one (1) year, such agreement to be secured by a good and sufficient surety bond in a principal sum equivalent to the estimated cost of such public street on the basis of estimates to be provided by the Department of Public Works, and conditioned on final completion of the construction of said street.

E. Upon completion of such public street improvement to the satisfaction of the City Engineer, or the execution and acceptance of an agreement to complete, secured by bond, a building permit shall then be issued if the requirements of other applicable ordinances have been met. The offer of dedication shall continue until and shall not be accepted until the required improvements have been completed to the satisfaction of the City Engineer.

SECTION 4. Section 28.43.040 of Chapter 28.43 of Title 28 of the Santa Barbara Municipal Code is amended to read as follows:

28.43.040 Exemptions.

A. **PROJECTS EXEMPTED FROM INCLUSIONARY REQUIREMENTS.** The requirements of this Chapter shall not apply to the following

types of development projects:

1. **Rental Units.** A project constructing Dwelling Units which may not be separately owned, transferred, or conveyed under the state Subdivision Map Act.

2. **Casualty Reconstruction Projects.** The reconstruction of any residential units or structures which have been destroyed by fire, flood, earthquake or other act of nature, which are being reconstructed in a manner consistent with the requirements of Santa Barbara Municipal Code Section 28.87.038.

3. **Voluntarily Affordable Projects.** Residential Developments which propose that not less than thirty percent (30%) of the units of the development will be deed restricted for occupancy by families qualifying as Upper Middle Income (or lower income) households pursuant to and in accordance with the City's Affordable Housing Policies and Procedures.

4. **Employer-Sponsored Housing Projects.** Employer Sponsored Housing Projects developed in accordance with the Average Unit-Size Density Incentive Program of SBMC Chapter 28.20.

SECTION 5. Sections 28.66.050, 28.69.050, 28.72.050, and 28.73.050 of Title 28 of the Santa Barbara Municipal Code are amended to read as follows:

28.66.050 Building Height.

A. Maximum Building Height. No building in this zone shall exceed a height of four (4) stories nor shall any building exceed a height of sixty feet (60'.)

B. Community Benefit Projects. Notwithstanding the maximum building height specified in subsection A above, no building constructed in this zone after the effective date of the ordinance enacting this Chapter, shall exceed a height of forty five feet (45') unless the project qualifies as a Community Benefit Project or a Community Benefit Housing Project and the Planning Commission expressly makes all of the following findings:

1. **Demonstrated Need.** The applicant has adequately demonstrated a need for the project to exceed 45 feet in building height that is related to the project's benefit to the community, or due to site constraints, or in order to

achieve desired architectural qualities;

2. Architecture and Design. The project will be exemplary in its design;

3. Livability. If the project includes residential units, the project will provide amenities to its residents which ensure the livability of the project with particular attention to good interior design features; such as the amount of light and air, or ceiling plate heights;

4. Sensitivity to Context. The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City designated Structures of Merit.

C. Buildings Adjacent to Residential Zones. The building height of a building which will be immediately adjacent to a residential zone shall not exceed the height allowed in the most restrictive adjacent residential zone for that part of the structure constructed within a distance of thirty (30) feet or one-half (1/2) the height of the proposed structure, whichever is less provided, however, a project which qualifies as a Community Benefit Project or a Community Benefit Housing Project under Subsection B above need not comply with this requirement.

D. Theater Additions. Notwithstanding the provisions of SBMC Section 28.04.140, a stage addition to a live performance theater shall not be considered as part of the height of the building under the following circumstances: 1. the stage addition is devoted solely to rigging fly systems, 2. the addition is made to a theater that existed as of December 31, 2003 and 3. the stage addition does not exceed the height of the theater as such theater existed on December 31, 2003.

E. Timing and Procedure for Projects Requiring the Planning Commission Building Height Findings.

1. Conceptual Design Review. Prior to the Planning Commission considering an application for a Community Benefit Project or a Community Benefit Housing Project pursuant to this section a project shall receive conceptual design review by the Historic Landmarks Commission or the Architectural Board of Review as required by SBMC Title 22.

2. Planning Commission Consideration of Findings.

a. Design Review Projects. If a project only requires design review by the ABR or HLC under SBMC Title 22, the Planning Commission shall review and consider the building height findings of this Section after conceptual design review and before consideration of the project by the HLC or ABR for Project Design approval.

b. Staff Hearing Officer Projects. If a project requires the review and approval of a land use permit by the Staff Hearing Officer, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for the consideration of the land use permit by the Staff Hearing Officer.

c. Planning Commission Projects. If a project requires the review and approval of land use permit by the Planning Commission, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for review by the Development Application Review Team (DART) and before the consideration of the land use permit by the Planning Commission.

d. Appeals from the Planning Commission Determination. A decision of the Planning Commission regarding the building height findings is appealable to the City Council pursuant to the provisions of Chapter 1.30 of this Code.

28.69.050 Building Height.

A. Maximum Building Height. No building in this zone shall exceed a height of four (4) stories nor shall any building exceed a height of sixty feet (60'.)

B. Community Benefit Projects. Notwithstanding the maximum building height specified in subsection A above, no building constructed in this zone after the effective date of the ordinance enacting this Chapter, shall exceed a height of forty five feet (45') unless the project qualifies as a Community Benefit Project or a Community Benefit Housing Project and the Planning Commission expressly makes all of the following findings:

- 1. Demonstrated Need.** The applicant has adequately demonstrated a need for the project to exceed 45 feet in

building height that is related to the project's benefit to the community, or due to site constraints, or in order to achieve desired architectural qualities;

2. Architecture and Design. The project will be exemplary in its design;

3. Livability. If the project includes residential units, the project will provide amenities to its residents which ensure the livability of the project with particular attention to good interior design features; such as the amount of light and air, or ceiling plate heights;

4. Sensitivity to Context. The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City designated Structures of Merit.

C. Buildings Adjacent to Residential Zones. The building height of a building which will be immediately adjacent to a residential zone shall not exceed the height allowed in the most restrictive adjacent residential zone for that part of the structure constructed within a distance of thirty (30) feet or one-half (1/2) the height of the proposed structure, whichever is less provided, however, a project which qualifies as a Community Benefit Project or a Community Benefit Housing Project under Subsection B above need not comply with this requirement.

D. Timing and Procedure for Projects Requiring the Planning Commission Building Height Findings.

1. Conceptual Design Review. Prior to the Planning Commission considering an application for a Community Benefit Project or a Community Benefit Housing Project pursuant to this section, a project shall receive conceptual design review by the Historic Landmarks Commission or the Architectural Board of Review as required by SBMC Title 22.

2. Planning Commission Consideration of Findings.

a. Design Review Projects. If a project only requires design review by the ABR or HLC under SBMC Title 22, the Planning Commission shall review and consider the building height findings of this Section after conceptual design review and before consideration of the project by the HLC or ABR for Project Design approval.

b. Staff Hearing Officer Projects. If a project requires the review and approval of a land use permit by the Staff Hearing Officer, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for the consideration of the land use permit by the Staff Hearing Officer.

c. Planning Commission Projects. If a project requires the review and approval of land use permit by the Planning Commission, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for review by the Development Application Review Team (DART) and before the consideration of the land use permit by the Planning Commission.

d. Appeals from the Planning Commission Determination. A decision of the Planning Commission regarding the building height findings is appealable to the City Council pursuant to the provisions of Chapter 1.30 of this Code.

28.72.050 Building Height.

A. Maximum Building Height. Four (4) stories and not to exceed sixty feet (60').

B. Community Benefit Projects. Notwithstanding the maximum building height specified in subsection A above, no building constructed in this zone after the effective date of the ordinance enacting this Chapter, shall exceed a height of forty five feet (45') unless the project qualifies as a Community Benefit Project or a Community Benefit Housing Project and the Planning Commission expressly makes all of the following findings:

- 1. Demonstrated Need.** The applicant has adequately demonstrated a need for the project to exceed 45 feet in building height that is related to the project's benefit to the community, or due to site constraints, or in order to achieve desired architectural qualities;
- 2. Architecture and Design.** The project will be exemplary in its design;

3. Livability. If the project includes residential units, the project will provide amenities to its residents which ensure the livability of the project with particular

attention to good interior design features; such as the amount of light and air, or ceiling plate heights;

4. Sensitivity to Context. The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City designated Structures of Merit.

C. Buildings Adjacent to Residential Zones. The building height of a building which will be immediately adjacent to a residential zone shall not exceed the height allowed in the most restrictive adjacent residential zone for that part of the structure constructed within a distance of thirty (30) feet or one-half (1/2) the height of the proposed structure, whichever is less provided, however, a project which qualifies as a Community Benefit Project or a Community Benefit Housing Project under Subsection B above need not comply with this requirement.

D. Timing and Procedure for Projects Requiring the Planning Commission Building Height Findings.

1. Conceptual Design Review. Prior to the Planning Commission considering an application for a Community Benefit Project or a Community Benefit Housing Project pursuant to this section, a project shall receive conceptual design review by the Historic Landmarks Commission or the Architectural Board of Review as required by SBMC Title 22.

2. Planning Commission Consideration of Findings.

a. Design Review Projects. If a project only requires design review by the ABR or HLC under SBMC Title 22, the Planning Commission shall review and consider the building height findings of this Section after conceptual design review and before consideration of the project by the HLC or ABR for Project Design approval.

b. Staff Hearing Officer Projects. If a project requires the review and approval of a land use permit by the Staff Hearing Officer, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of

a full application for the consideration of the land use permit by the Staff Hearing Officer.

c. Planning Commission Projects. If a project requires the review and approval of land use permit by the Planning Commission, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for review by the Development Application Review Team ("DART") and before the consideration of the land use permit by the Planning Commission.

d. Appeals from the Planning Commission Determination. A decision of the Planning Commission regarding the building height findings is appealable to the City Council pursuant to the provisions of Chapter 1.30 of this Code.

28.73.050 Building Height.

A. Maximum Building Height. No building in this zone shall exceed a height of four (4) stories nor shall any building exceed a height of sixty feet (60'.)

B. Community Benefit Projects. Notwithstanding the maximum building height specified in subsection A above, no building constructed in this zone after the effective date of the ordinance enacting this Chapter, shall exceed a height of forty five feet (45') unless the project qualifies as a Community Benefit Project or a Community Benefit Housing Project and the Planning Commission expressly makes all of the following findings:

- 1. Demonstrated Need.** The applicant has adequately demonstrated a need for the project to exceed 45 feet in building height that is related to the project's benefit to the community, or due to site constraints, or in order to achieve desired architectural qualities;
- 2. Architecture and Design.** The project will be exemplary in its design;
- 3. Livability.** If the project includes residential units, the project will provide amenities to its residents which ensure the livability of the project with particular attention to good interior design features; such as the amount of light and air, or ceiling plate heights;

4. Sensitivity to Context. The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City designated Structures of Merit.

C. Buildings Adjacent to Residential Zones. The building height of a building which will be immediately adjacent to a residential zone shall not exceed the height allowed in the most restrictive adjacent residential zone for that part of the structure constructed within a distance of thirty (30) feet or one-half (1/2) the height of the proposed structure, whichever is less provided, however, a project which qualifies as a Community Benefit Project or, a Community Benefit Housing Project under Subsection B above need not comply with this requirement.

D. Timing and Procedure for Projects Requiring the Planning Commission Building Height Findings.

1. Conceptual Design Review. Prior to the Planning Commission considering an application for a Community Benefit Project or a Community Benefit Housing Project pursuant to this section, a project shall receive conceptual design review by the Historic Landmarks Commission or the Architectural Board of Review as required by SBMC Title 22.

2. Planning Commission Consideration of Findings.

a. Design Review Projects. If a project only requires design review by the ABR or HLC under SBMC Title 22, the Planning Commission shall review and consider the building height findings of this Section after conceptual design review and before consideration of the project by the HLC or ABR for Project Design approval.

b. Staff Hearing Officer Projects. If a project requires the review and approval of a land use permit by the Staff Hearing Officer, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for the consideration of the land use permit by the Staff Hearing Officer.

c. Planning Commission Projects. If a project requires the review and approval of land use permit by the Planning

Commission, the Planning Commission shall review and consider the building height findings after conceptual design review pursuant to SBMC Title 22, but before the preparation of a full application for review by the Development Application Review Team (DART) and before the consideration of the land use permit by the Planning Commission.

d. Appeals from the Planning Commission Determination. A decision of the Planning Commission regarding the building height findings is appealable to the City Council pursuant to the provisions of Chapter 1.30 of this Code.

SECTION 6. Section 28.87.062 of Chapter 28.87 of Title 28 of the Santa Barbara Municipal Code is amended to read as follows:

28.87.062 Setback, Open Yard, Common Outdoor Living Space, and Distance Between Main Buildings Encroachments.

A. Where setbacks, open yards, common outdoor living space, and minimum distances between main buildings are required in this title, they shall be not less in depth or width than the minimum dimensions specified for any part, and they shall be at every point unobstructed by structures from the ground upward, except as follows:

1. Encroachments allowed in the specific zone.

2. Cantilevered architectural features at least three feet (3') above adjacent grade or finished floor (whichever is higher), and which do not provide additional floor space within the building (such as cornices, canopies, or eaves), or chimneys may encroach up to two feet (2'). However, no cantilevered architectural feature or chimney shall be located closer than three feet (3') from any property line, except roof eaves, which may be located as close as two feet (2') from any property line.

3. Uncovered balconies not providing additional floor space within the building may encroach up to two feet (2'). However, an uncovered balcony shall not encroach into an interior setback on a lot located in any single family zone.

4. Solar energy systems, as defined in subdivision (a) of Civil Code section 801.5, that are installed roughly parallel to, and protrude no higher than ten inches (10") above (measured from the top of the roof perpendicularly to the highest point of the solar energy system), a roof eave, may encroach the same amount as the roof eave.

B. The following structures may encroach into setbacks as specified:

1. Decks that are no more than 10 inches (10") in height above existing grade may encroach into any setback.

2. Uncovered porches, terraces and outside steps, not extending above the finished floor level of the first floor, may encroach up to three feet (3') into any interior setback.

3. Covered or uncovered entrance landings not extending above the finished floor level of the ground floor and not exceeding three feet (3') measured in perpendicular dimensions (excluding the area under any handrail required under the California Building Code as adopted and amended by the City) may encroach three feet into any setback.

4. Bay windows at least three feet (3') above adjacent grade or finished floor (whichever is higher), and which do not provide additional floor space within the building may encroach up to two feet (2') into the front setback.

5. Accessible uncovered parking spaces, access aisles, and accessibility ramps necessary to make an existing building accessible to persons with disabilities may encroach into required setbacks to the extent reasonably necessary to accommodate the existing building. This encroachment is not available for new buildings or additions to existing buildings where the addition precludes the development of a conforming accessible improvement.

C. The following types of structures may encroach into the required open yard in the One-Family Residence Zone and the Two-Family Residence Zone (SBMC Section 28.15.060.C. and 28.18.060.C.1 and 3a) or common outdoor living space in the R-3/R-4 Zones (SBMC Section 28.21.081.A.3 and 28.21.081.B.), provided the total area of all such structures on the property does not occupy more than 20% of the total required open space or common outdoor living space on the lot, that no structure or structures occupy more than 20% of any individual area of required open space or common outdoor living space (if provided in multiple locations):

1. Detached, unenclosed structures (e.g., gazebos, trellises, hot tubs, spas, play equipment, or other freestanding structures).

2. Unenclosed structures which are attached to a wall or walls of a main building (e.g., patio covers, trellises, canopies, or other similar structures).

D. The following types of structures may encroach into the required minimum distance between main buildings on the same lot. However, at no time shall any structure be located closer than five (5) feet to any other structure on the lot with the exception of: planters less than ten (10) inches in height above finished grade, fences, walls, and roof eaves.

1. Detached accessory structures.
2. Uncovered parking.
3. Planters less than ten (10) inches in height from finished grade.
4. Paving.
5. Fences, hedges, and walls.
6. Uncovered bicycle parking areas including bicycle racks and posts, but excluding bicycle locker parking.
7. The following structures may encroach a maximum of three feet:

a. Balconies, decks, porches, and terraces that do not provide additional floor area. These improvements may be roofed or unroofed. If such improvements are provided above the first floor, they must be cantilevered, and the area below the structure shall not be enclosed.

b. Structures built to enclose trash, recycling, water heaters, or water softeners.

c. Exterior stairways, as long as the stairways are not enclosed by solid walls.

SECTION 7. Applications for development submitted prior to and deemed complete before the effective date of this Ordinance which propose residential units in accordance with the provisions of Subsection F of Section 28.21.080 (the Variable Density Ordinance) may proceed in accordance with the Variable Density Ordinance, SBMC Chapter 28.21.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 30, 2013

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: South Coast Task Force On Youth Gangs Update

RECOMMENDATION:

That Council receive an update from Saul Serrano, Task Force Coordinator, regarding the work of the South Coast Task Force on Youth Gangs.

DISCUSSION:

The South Coast Task Force on Youth Gangs (SCTFYG) was formed in 2009 after a yearlong effort of community meetings and discussions on youth gang issues and solutions. This regional effort is funded by local governments in the south coast.

The regional approach recognizes that the problem of youth gang violence is a community problem and finding a solution will require on-going collaborative community efforts. The SCTFYG's focus is specific:

- Take a regional approach focused on the south coast jurisdictions of the cities of Carpinteria, Goleta, and Santa Barbara, and south Santa Barbara County
- Focus on youth in or at high risk of becoming involved in youth gangs
- Advocate for comprehensive programs that include suppression, intervention and prevention
- Advocate for coordination and partnerships by agencies involved with youth gang intervention, prevention and suppression programs
- Secure reliable funding to support programs with proven program effectiveness and efficiency
- Be experimental with solutions, programs and opportunities
- Be patient as the problem did not develop overnight and solutions will not be accomplished overnight

The SCTFYG is guided by a council composed of elected officials, chief executives from public, private and non-profit organizations, and community representation. The council

also include representatives from City Councils and the County Board of Supervisors, philanthropic organizations, youth and parents, service providers, law enforcement, county probation and social services, school districts, community college and UCSB, city and county executives and the faith community,

City of Santa Barbara representatives on the Task Force include Mayor Helene Schneider, City Administrator Jim Armstrong, Assistant City Administrator Marcelo A. López, and Police Chief Cam Sanchez. The councils meet quarterly throughout the south coast.

Regional administrative support is provided by the Community Action Commission serving as the host agency. Using a per-capita formula, the effort is funded by a combined contribution of \$128,866 from the County of Santa Barbara, and the cities of Carpinteria, and Santa Barbara. There is also a \$26,505, in-kind contribution from the Community Action Commission.

The partnerships formed through the SCTFYG have been key in securing funding for youth intervention programs in the South Coast. In the last five years, we received two CalGRIP grants totaling approximately \$750,000 to provide services to 250+ youth in the south coast. Last year, with the support of the partners, the City of Carpinteria secured a \$245,145 CalGRIP for programs linked to the Safe Schools Healthy Schools initiative. Additionally, although not a part of the south coast effort, but with our support, the City of Lompoc received \$125,000 to serve youth exiting out of the Los Prietos Boys Camp and for a job corps program.

Additional information about the work of the South Coast Task Force on Youth Gangs can be found at <http://youthgangtaskforce.org/>

PREPARED BY: Marcelo A. López, Assistant City Administrator

SUBMITTED BY: James L. Armstrong, City Administrator

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 30, 2013

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Capital Improvement Projects: Annual Report For Fiscal Year 2013

RECOMMENDATION:

That Council receive the City's Capital Improvement Projects Fourth Quarter and Annual Report for Fiscal Year 2013.

EXECUTIVE SUMMARY:

A presentation will be made to Council summarizing the progress made on capital improvement projects for the past fiscal year, which includes \$87 million in completed construction projects. The value of projects with construction in progress totals \$41,783,341, and the value of projects in the design phase totals \$82,688,925.

DISCUSSION:

The following discussion highlights construction activity during the Fourth Quarter of Fiscal Year 2013. Written reports on activity during previous quarters were provided at the following Council meetings: November 13, 2012, February 26, 2013, and April 30, 2013.

CONSTRUCTION HIGHLIGHTS

Nine projects were completed in the Fourth Quarter of Fiscal Year 2013 (see Attachment 1 showing total project costs; see Attachment 2 showing project funding table; see Attachment 3 showing project funding Fiscal Year 2013 chart). The following describes some of the highlights of the completed construction:

- Headworks Screening Replacement Project at El Estero Wastewater Treatment Plant (\$5,976,960) – The completed project consisted of replacing the existing 25 year old auger system with mechanical bar screens to better screen wastewater influent, installation of a conveyance system, and the replacement of the existing washer-compactor, which uses a grinder to “cut up” material with a washer-compactor.

- Fiscal Year 2012-2013 Access Ramp Project (\$243,899) – The completed project consisted of eight new access ramps and associated work at the following locations: Milpas Street at Figueroa, two at State Street at El Vedado Lane, two at Calle Noguera at Calle Laureles, State Street at Calle Crespis, one at Carrillo Street at Chapala Street, and one at Meigs Road at Elise Way. These locations were chosen from the City's access ramp prioritization list that was assembled by the Access Advisory Committee. City staff received several positive comments from the public about the highest priority accessibility improvement at Carrillo Street and Chapala Street, which was completed expeditiously at this busy intersection.
- Zone 5 Pavement Preparation (\$984,330) – The project was a prerequisite for the annual Zone 5 Slurry Seal contract and included work at the Waterfront and the Public Works Department's Facilities Division. The work consisted of repairing localized distress on various roads throughout the City, mainly the Riviera area.
- Zone 5 Slurry Seal (\$1,301,443) – The work consisted of re-sealing approximately 26 lane miles of various roads throughout the City which encompass streets mainly in Zone 5 (the Riviera area) and various parking lots.
- Sycamore Vista Waterline (\$557,113) – The completed project consisted of constructing 1,300 feet of six-inch diameter water main, valves, fittings, concrete vaults, fire hydrants, retaining walls, and water service relocations. This priority project has significantly improved water flow for fire protection to the Sycamore Vista Road and Canon View Road neighborhood.
- Rattlesnake Creek Sewer Pipe Bridge Emergency Repair (\$190,681) – The completed project consisted of an emergency repair to a damaged concrete sewer pipe support foundation before the threats of heavy winter rains could cause further damage or failure of the bridge. The work to achieve this included demolition of the damaged concrete foundation and replacement within Rattlesnake Creek in January. The work was successfully accomplished under an emergency permit through the Army Corps, with oversight from Fish and Game, who were pleased with the City's efforts to protect the sensitive Creek habitat.
- La Colina Road Sidewalk Infill (\$431,439) – The completed project consisted of installation of 1,100 linear feet of sidewalk along the south side of La Colina Road between Pesetas Lane and Lee Drive, the installation of new street trees, and the installation of new retaining walls. In addition, the work consisted of the installation of ten new sidewalk access ramps on La Colina Road. The project area was identified as a high priority corridor for the sidewalk infill because it serves as a pedestrian route to Bishop Garcia Diego High School and Sansum Clinic.

- Marina One Replacement Phases 2-4 (\$4,570,697) – The completed project replaced Docks L through P, including electrical and mechanical work. Phase 1, completed in 2010, and replaced the marina headwalk. Funding has been approved to design the remainder of Marina One Docks, A through K, and to construct Phase 5, Docks J and K. Construction for Phase 5 is anticipated in Fiscal Year 2015.

In addition, 21 Capital Improvement Projects are currently under construction, with an approximate value of \$41,783,341 (Attachment 3). The following are highlights of construction projects in progress:

Creeks:

- Mission Creek Concrete Channel Fish Passage and Riparian Habitat Enhancement Phase 2 (\$4,200,000) – This project will provide a means for fish to travel through the concrete channel portion of mission creek. The work started on May 1, 2013 and is proceeding very quickly. Schock Contracting Corp. is expected to complete the 4,000 foot long fish channel by mid-October 2013.

Public Works Streets:

- Zone 6 Fiscal Year 2013 Pavement Preparation/Overlay Project (\$1,374,015) – The work consists of repairing localized distresses on various roads throughout the City, encompassing streets mainly in Zone 6 (downtown). In conjunction with the Zone 6 Fiscal Year 2013 Pavement Preparation Project, parking lots maintained by the Waterfront Department and Public Works Facilities Division will also be included in the work. Construction is scheduled to be completed in October 2013.

Public Works Streets (Bridges):

- Chapala/Yanonali Bridge at Mission Creek (\$1,411,510) – Construction started in May 2013 with the relocation of underground and overhead public utilities. The creek diversion was installed in June 2013. The demolition of the seismically deficient existing bridge is ongoing. Completion of the new bridge is scheduled for January 2014.

Public Works Wastewater:

- On-Call Sewer Main Point Repairs Fiscal Year 2014 (\$297,689) – Bids were recently received. As the City continues its annual sanitary sewer Closed Circuit Television program, which will televise approximately 35 miles over the next Fiscal Year, sewer pipelines that require immediate repair are expected. This “on-call” construction services contract will allow staff to efficiently perform critical repairs through Fiscal Year 2014. Completion is scheduled for July 2014.
- Influent Pump Replacement (\$2,583,700) – Construction began in April 2013 with the removal and replacement of pump number four. Testing of the newly installed pump is currently ongoing. The testing requirements for the new low

flow pump are a minimum flow of 2.9 million gallons per day and maximum flow of 8.5 million gallons per day. Upon a successful test, the new pump will be placed in normal rotational use. Completion of the entire project is scheduled for February 2014.

Public Works Water:

- Ortega Groundwater Treatment Plant (\$5,484,285) – The project is moving into its start-up phase. Pump and instrumentation testing is taking place. Automatic controls are being implemented and tested. Completion is scheduled for August 2013. The groundwater produced will help meet peak summer water demands and supplement depleted surface water supplies during droughts. It will also serve as an emergency source in the event of catastrophic interruption of the supplies from the Santa Ynez River and State Water Project. Additionally, it could be used to assist the City in complying with stricter drinking water quality regulations that took effect in 2012
- CaterWater Treatment Plant Advanced Treatment Project (Ozone) (\$16,067,756) – The Cater Water Treatment Plant treats the water for the City of Santa Barbara and the Montecito and Carpinteria Valley Water Districts. The Advanced Treatment Project will help the agencies comply with the Stage 2 Disinfection By-Products Rule, which lowers the allowable level of disinfection by-products in drinking water, by installing an ozonation facility at the plant. In addition, a dewatering facility and chemical tanks were added. The plant is in the final stages of testing and operational startup and should be completed by August, 2013.

PROJECTS IN DEVELOPMENT

In addition to the work in construction, there is a significant amount of work in the design phase. There are currently 30 projects under design, with an estimated total project cost of \$82,688,925 (see Attachment 3).

Work is scheduled to be funded over several years, as generally shown in the City's Six-Year Capital Improvement Program Report. The projects rely on guaranteed or anticipated funding and grants.

The following are design project highlights:

Downtown Parking:

- City Parking Lot 3 Americans with Disabilities Act (ADA) Improvements (\$68,650) – The project is currently in final design. This project proposes to make ADA improvements to Parking Lot 3 when the Bikestation module is installed

Public Works Streets:

- Safe Routes to School - Cleveland (\$271,000) – This project proposes to install sidewalk access ramps at the intersections of Clifton Street at Canada Street,

Clifton Street at Oak Street, and Santa Ynez Street at Eucalyptus Hill Road. The project also proposes to realign the intersection of Salinas and Cacique Street.

Public Works Streets (Bridges):

- Mason Street Bridge at Mission Creek (\$11,152,000) – The City has acquired the 15 W. Mason Street and 20 W. Mason Street properties. Both properties closed escrow on June 14, 2013. The Facilities Management Division will now maintain the properties until such time that construction begins on the bridge. Tree cuttings from a large 50-year old Sycamore tree are currently being grown to clone the tree. One hundred cloned trees will be planted along Lower Mission Creek. Construction is scheduled to start in spring 2014.

Public Works Wastewater:

- Wastewater Main Rehabilitation Fiscal Year 2014 (\$1,000,000) – Engineering staff is currently researching new trenchless methods of pipeline rehabilitation and repair so that the next project can optimize the number of repairs. These methods would be deployed as part of the Wastewater Main Rehabilitation Fiscal Year 2014 project, set to be constructed in early calendar year 2014.
- Tertiary Filtration Replacement Project (\$6,779,452) – The project is in final design and is scheduled to go out to bid in early 2014. The project will replace the existing filter complex with a new facility using a Microfiltration/Ultra Filtration system. The new system will provide reliable and improved recycled water quality for users, and address various operation and maintenance issues. Construction is scheduled to start in spring 2014.

SUMMARY:

Fiscal Year 2013 broke a record with \$87 million in completed Capital Improvement Projects. This was primarily due to the Santa Barbara Airport Terminal, which had a total project cost of approximately \$52 million. Of the \$87 million, \$19 million was from grant funding (see Attachment 2).

Compared with prior years, \$26 million was completed in Fiscal Year 2011, and \$32 million was completed in Fiscal Year 2012. Combining Fiscal Year 2011 and 2012, approximately \$21 million was provided by grant funding.

- ATTACHMENT(S):**
1. Completed Capital Improvement Projects for Fourth Quarter Fiscal Year 2013
 2. Completed Capital Improvement Projects Funding Fiscal Year 2013 - Table
 3. Completed Capital Improvement Projects Funding Fiscal Year 2013 - Chart
 4. Capital Projects with Construction in Progress
 5. Capital Projects with Design in Progress

Council Agenda Report

Capital Improvement Projects: Annual Report for Fiscal Year 2013

July 30, 2013

Page 6

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

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

COMPLETED CAPITAL PROJECTS - FOURTH QUARTER FISCAL YEAR 2013

Project Name	Design Costs	Construction Contract	Construction Change Order Costs	Construction Management Costs	Total Project Costs
Zone 5 Pavement Preparation	\$27,110	\$839,944	-\$27,138	\$144,414	\$984,330
Zone 5 Slurry Seal	\$81,329	\$1,194,104	-\$124,640	\$150,650	\$1,301,443
Sycamore Vista Waterline	\$74,468	\$312,266	\$21,805	\$148,574	\$557,113
Rattlesnake Creek Sewer Pipe Bridge Emergency Repair	\$27,403	\$106,439	\$0	\$56,839	\$190,681
La Colina Rd Sidewalk Infill	\$99,145	\$239,531	\$24,983	\$67,780	\$431,439
Marina One Phase 2-4	\$167,744	\$3,935,338	\$348,538	\$119,077	\$4,570,697
FY 2012-13 Access Ramp Project	\$45,704	\$138,420	\$8,481	\$51,294	\$243,899
Digital Microwave	\$11,867	\$139,321	\$3,010	\$10,204	\$164,402
Headworks Screening Replacement	\$567,351	\$3,911,010	\$819,550	\$679,049	\$5,976,960
TOTALS	\$1,102,121	\$10,816,373	\$1,074,589	\$1,427,881	\$14,420,964

**COMPLETED CAPITAL IMPROVEMENT PROJECTS FUNDING
FISCAL YEAR 2013**

FIRST QUARTER

PROJECT TITLE	FUNDING												TOTAL PROJECT COSTS	
	First Quarter	Airport	Creeks	Downtown Parking	Parks	General Fund	Facilities	RDA	Streets	Water	Wastewater	Waterfront		Grants
ARRA Road Overlay Project (1)													\$ 1,450,307	\$ 1,450,307
Wastewater Main Rehabilitation Fiscal Year 2011										\$ 1,662,370				\$ 1,662,370
West Cabrillo Brick Crosswalk Maintenance and Repair								\$ 36,842						\$ 36,842
Helena Parking Lot Development (2)					\$ 2,085		\$ 534,936							\$ 537,021
Airport Short Term Parking Kiosk	\$ 133,056													\$ 133,056
Lower West Downtown Street Lighting Phase 1 (3)					\$ 5,371		\$ 441,560							\$ 446,931
Structural Upgrades for Parking Structures 2, 9 and 10 (4)					\$ 3,425		\$ 1,948,553							\$ 1,951,978
Water Main Replacement Fiscal Year 2009-10									\$ 2,211,612					\$ 2,211,612
800 Block of East Carrillo Sidewalk Infill Project								\$ 393,910						\$ 393,910
													Total First Quarter	\$ 8,824,027

- (1) ARRA
- (2) Non-Billable RDA Staff Time
- (3) Non-Billable RDA Staff Time
- (4) Non-Billable RDA Staff Time

**COMPLETED CAPITAL IMPROVEMENT PROJECTS FUNDING
FISCAL YEAR 2013**

SECOND QUARTER

PROJECT TITLE	FUNDING												TOTAL PROJECT COSTS
	Second Quarter	Airport	Creeks	Downtown Parking	Parks	General Fund	Facilities	RDA	Streets	Water	Wastewater	Waterfront	
Launch Ramp Boating Trails											\$ 517,180		\$ 517,180
Zone 6 Pavement Preparation			\$ 132,009			\$ 26,266		\$ 1,407,641		\$ 132,870	\$ 35,801		\$ 1,734,587
Sewer Main Point Repairs FY 12										\$ 391,593			\$ 391,593
Mission Creek Fish Passage @ Tallant Rd.		\$ 163,695											\$ 163,695
Westside CDBG Sidewalk Infill & Access Ramps (1)								\$ 83,477				\$ 200,992	\$ 284,469
Lower Mesa Ln. Stairs Replacement (2)				\$ 215,991								\$ 200,000	\$ 415,991
Escondido Bothin Pump Stations Rehabilitation									\$ 2,344,328				\$ 2,344,328
Conejo Rd. Repairs & Sewer Improvements 2012								\$ 474,500		\$ 299,995			\$ 774,495
Mission Creek Fish Passage Ph. 1 (At Caltrans Channel) (3)		\$ 502,865										\$ 1,055,290	\$ 1,558,155
													Total Second Quarter \$ 8,184,493

(1) CDBG

(2) California State Coastal Conservancy

(3) Department of Fish and Game

THIRD QUARTER

PROJECT TITLE	FUNDING												TOTAL PROJECT COSTS	
	Third Quarter	Airport	Creeks	Downtown Parking	Parks	General Fund	Facilities	RDA	Streets	Water	Wastewater	Waterfront		Grants
Santa Barbara Airline Terminal Improvement (1)	\$ 35,615,061												\$ 16,483,651	\$ 52,098,712
Breakwater Concrete & Cap Repair Ph. 4												\$ 402,491	\$ 402,491	
Milpas and Cabrillo Pedestrian Safety Improvement Project								\$ 92,831					\$ 92,831	
McKinley School Pedestrian Improvements Project (2)								\$ 40,403				\$ 30,000	\$ 70,403	
CDBG 2012/2013 Sidewalk Access Ramp Project								\$ 49,375				\$ 85,339	\$ 134,714	
Las Canoas Water Main Replacement									\$ 2,997,401				\$ 2,997,401	
Safe Routes To School Modoc and Portesuello Intersection Improvements								\$ 150,555	\$ 14,130			\$ 160,135	\$ 324,820	
													Total Third Quarter \$ 56,121,372	

(1) Airport Improvement Project

(2) Safe Routes To School

(3) CDBG

(4) Safe Routes To School

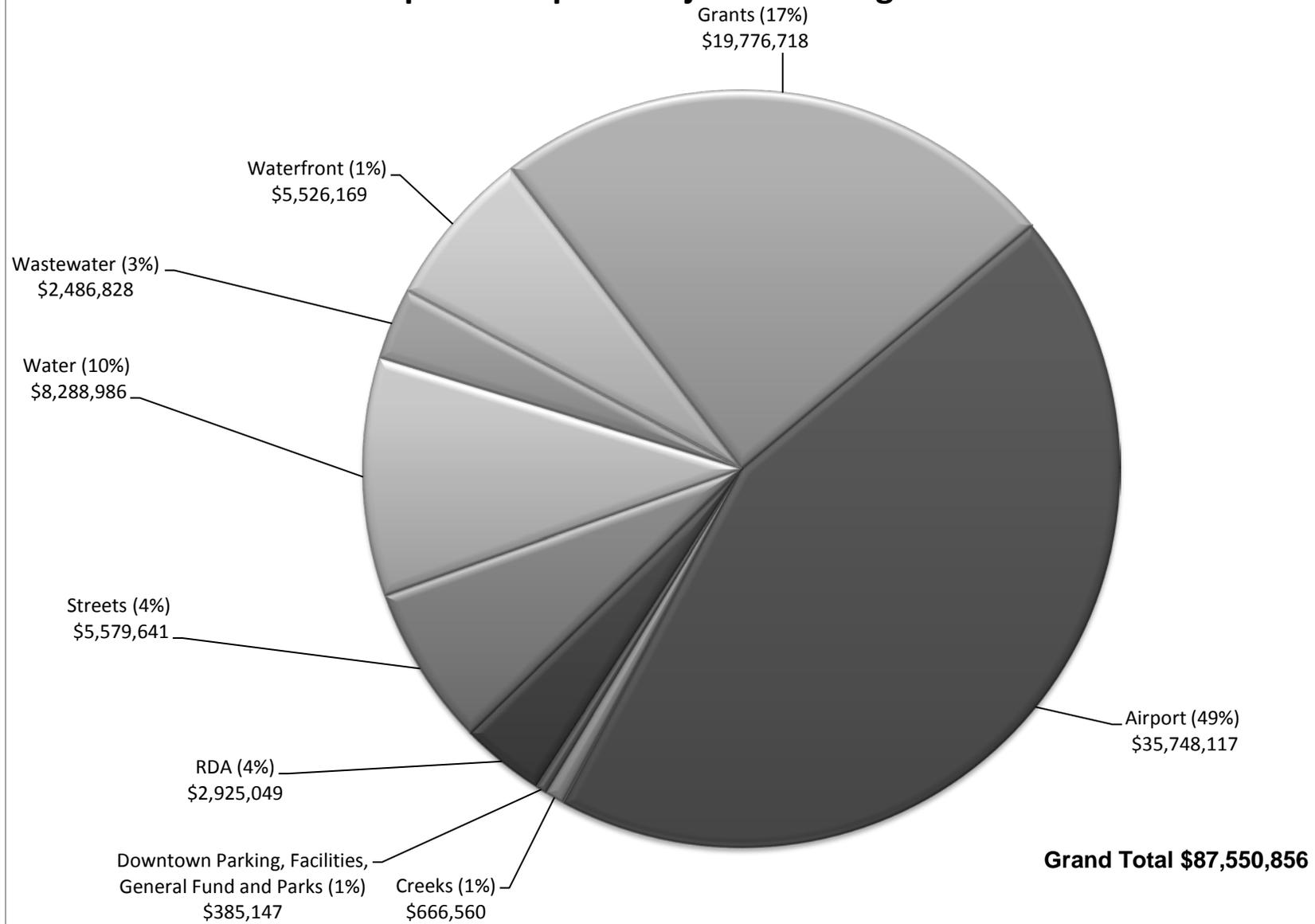
**COMPLETED CAPITAL IMPROVEMENT PROJECTS FUNDING
FISCAL YEAR 2013**

FOURTH QUARTER

PROJECT TITLE	FUNDING												TOTAL PROJECT COSTS	
	Fourth Quarter	Airport	Creeks	Downtown Parking	Parks	General Fund	Facilities	RDA	Streets	Water	Wastewater	Waterfront		Grants
Zone 5 Pavement Preparation								\$ 984,330						\$ 984,330
Zone 5 Slurry Seal								\$ 1,301,443						\$ 1,301,443
Sycamore Vista Waterline									\$ 557,113					\$ 557,113
Rattlesnake Creek Sewer Pipe Bridge Emergency Repair										\$ 190,681				\$ 190,681
La Colina Rd Sidewalk Infill (1)								\$ 320,435				\$ 111,004		\$ 431,439
Marina One Phase 2-4											\$ 4,570,697			\$ 4,570,697
FY 2012-13 Access Ramp Project								\$ 243,899						\$ 243,899
Digital Microwave									\$ 164,402					\$ 164,402
Headworks Screening Replacement										\$ 5,976,960				\$ 5,976,960
(1) Safe Routes To School														
Total Fourth Quarter													\$ 14,420,964	

	Airport	Creeks	Downtown Parking	Parks	General Fund	Facilities	RDA	Streets	Water	Wastewater	Waterfront	Grants	
GRAND TOTAL	\$ 35,748,117	\$ 666,560	\$ 132,009	\$ 215,991	\$ 10,881	\$ 26,266	\$ 2,925,049	\$ 5,579,641	\$ 8,288,986	\$ 8,654,469	\$ 5,526,169	\$ 19,776,718	\$ 87,550,856
%	41%	1%	0%	0%	0%	0%	3%	6%	9%	10%	6%	23%	100%

Completed Capital Projects Funding Fiscal Year 2013



CAPITAL PROJECTS WITH CONSTRUCTION IN PROGRESS

PROJECT CATEGORY	CONSTRUCTION IN PROGRESS	
	No. of Projects	Construction Contract Costs
Airport	2	\$3,052,617
Creeks	3	\$5,551,518
Public Works: Streets/Transportation	7	\$6,616,837
Public Works: Water/Wastewater	8	\$26,241,574
Waterfront	1	\$320,795
TOTAL	21	\$41,783,341

CAPITAL PROJECTS WITH DESIGN IN PROGRESS

PROJECT CATEGORY	DESIGN IN PROGRESS	
	No. of Projects	Total Value of Projects
Airport	2	\$3,801,000
Downtown Parking	1	\$68,650
Library	1	\$2,609,251
Public Works: Streets/Bridges	5	\$56,913,655
Public Works: Streets/Transportation	8	\$3,535,604
Public Works: Water/Wastewater	13	\$15,760,765
TOTAL	30	\$82,688,925



Agenda Item No. 10

File Code No. 440.05

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 30, 2013

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Conference With Labor Negotiator

RECOMMENDATION:

That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the Police Bargaining Unit and General Bargaining Unit.

SCHEDULING: Duration, 30 minutes; anytime

REPORT: None anticipated

PREPARED BY: Kristy Schmidt, Employee Relations Manager

SUBMITTED BY: Marcelo López, Assistant City Administrator

APPROVED BY: City Administrator's Office