

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

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Ordinance Committee Chair
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Finance Committee Chair
Dale Francisco
Frank Hotchkiss
Michael Self



James L. Armstrong
*City Administrator/
Executive Director*

Stephen P. Wiley
City Attorney/Agency Counsel

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

**JANUARY 26, 2010
AGENDA**

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

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

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

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

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

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

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

ORDER OF BUSINESS

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

SPECIAL ORDINANCE COMMITTEE MEETING - 12:00 NOON IN THE COUNCIL CHAMBER (120.03)

Subject: Medical Cannabis Dispensary Ordinance Phase I Revisions

Recommendation: That the Ordinance Committee review the Planning Commission's recommended revisions to Santa Barbara Municipal Code Chapter 28.80, the Medical Cannabis Dispensary Ordinance, provide final direction to staff, and make recommendations to Council for possible ordinance introduction.

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

1. Subject: Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Five Months Ended November 30, 2009

Recommendation: That the Finance Committee recommend that the Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2010 Interim Financial Statements for the Five Months Ended November 30, 2009.

(See Council/Redevelopment Agency Agenda Item No. 21)

2. Subject: Fiscal Year 2010 Interim Financial Statements For The Five Months Ended November 30, 2009

Recommendation: That the Finance Committee recommend that Council accept the Fiscal Year 2010 Interim Financial Statements for the Five Months Ended November 30, 2009.

(See Council/Redevelopment Agency Agenda Item No. 4)

FINANCE COMMITTEE MEETING (CONT'D)

3. Subject: December 31, 2009, Investment Report And December 31, 2009, Fiscal Agent Report

Recommendation: That the Finance Committee recommend that Council:

- A. Accept the December 31, 2009, Investment Report; and
 - B. Accept the December 31, 2009, Fiscal Agent Report.
- (See Council/Redevelopment Agency Agenda Item No. 5)

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CEREMONIAL ITEMS

- 1. Subject: Employee Service Award for Marc Hawkins**
- 2. Subject: Outgoing City Advisory Group Member Recognition**

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

CITY COUNCIL

- 3. Subject: Minutes**

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of December 15, 2009, and the regular meetings of December 22, and December 29, 2009 (cancelled).

- 4. Subject: Fiscal Year 2010 Interim Financial Statements For The Five Months Ended November 30, 2009 (250.02)**

Recommendation: That Council accept the Fiscal Year 2010 Interim Financial Statements for the Five Months Ended November 30, 2009.

CONSENT CALENDAR (CONT'D)

CITY COUNCIL (CONT'D)

5. **Subject: December 31, 2009, Investment Report And December 31, 2009, Fiscal Agent Report (260.02)**

Recommendation: That Council:

- A. Accept the December 31, 2009, Investment Report; and
- B. Accept the December 31, 2009, Fiscal Agent Report.

6. **Subject: Adoption Of Ordinance Granting Drainage Easement To Caltrans On A Portion Of Parma Park Adjacent To State Route 192 (330.03)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Accepting a Contract Offer in the Amount of \$1,200 for a Grant of Highway Easement to the State of California, Acting By and Through the Department of Transportation, for a Drainage Easement Adjacent to State Route 192, to be Located on a Portion of City-Owned Property Known as Parma Park (Assessor's Parcel No. 021-120-005).

7. **Subject: Adoption Of Ordinance For Five-Year Lease With One Five-Year Option With Boat Launch Mini Mart, L.L.C. (330.04)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving a Five-Year Lease with One Five-Year Option with Boat Launch Mini Mart, L.L.C., Effective February 11, 2010, for a 536 Square-Foot Convenience Store at 305 West Cabrillo Boulevard.

8. **Subject: Records Destruction For Administrative Services Department (160.06)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Administrative Services Department in the Human Resources Division.

9. **Subject: Bicycle Transportation Account Local Share Of Funding (670.04)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Certifying that the City Will Make the Required Ten Percent Local Share of Funding Available for the Goleta Slough Safety Improvements Project (Project) Should a Bicycle Transportation Account Award be Made in 2010.

CONSENT CALENDAR (CONT'D)

CITY COUNCIL (CONT'D)

10. Subject: Contract For Final Design Of The Lower West Downtown Lighting Project And Brinkerhoff Streetlight Project (530.04)

Recommendation: That Council authorize the Public Works Director to execute a professional services contract with Smith Engineering in the amount of \$28,670 for design services for the Lower West Downtown Lighting Project and Brinkerhoff Streetlight Project, and authorize the General Services Manager to approve expenditures of up to \$2,867 for extra services of Smith Engineering that may result from necessary changes in the scope of work.

11. Subject: Agreement With The County Of Santa Barbara For Mobile Crisis And Recovery Emergency Services (520.04)

Recommendation: That Council authorize the City Administrator to execute a three-year agreement with the County of Santa Barbara for mobile Crisis and Recovery Emergency Services (CARES) to the City of Santa Barbara for Fiscal Year 2010 through Fiscal Year 2012, for an amount not to exceed \$50,473 in the first year, subject to a 3.8% annual increase in the second and third years.

12. Subject: Lease Agreement For Youth CineMedia (330.04)

Recommendation: That Council authorize the Parks and Recreation Director to execute an annual lease agreement for a 496 square-foot space at Westside Community Center with Youth CineMedia at a rate of \$1.08 per square foot.

13. Subject: Contract For Preliminary Design Of The Chapala Street Bridge Seismic Retrofit Project (530.04)

Recommendation: That Council:

- A. Accept Federal Highway Administration (FHWA) Highway Bridge Program (HBP) grant funding in the total amount of \$177,060;
- B. Authorize the increase of estimated revenues and appropriations by \$177,060 in the Fiscal Year 2010 Streets Fund for design of the Chapala Street Bridge Seismic Retrofit Project (Project); and
- C. Authorize the Public Works Director to execute a professional services contract with Drake Haglan and Associates (Drake Haglan) in the amount of \$157,987 for preliminary design services for the Project, and authorize the General Services Manager to approve expenditures of up to \$15,798 for extra services of Drake Haglan that may result from necessary changes in the scope of work.

CONSENT CALENDAR (CONT'D)

CITY COUNCIL (CONT'D)

14. Subject: Contract For Preliminary Design Of The Mason Street Bridge Replacement Project (530.04)

Recommendation: That Council:

- A. Accept Federal Highway Administration (FHWA) Highway Bridge Program (HBP) grant funding in the total amount of \$354,120;
- B. Authorize the increase of estimated revenues and appropriations by \$354,120 in the Fiscal Year 2010 Streets Fund for design of the Mason Street Bridge Replacement Project (Project); and
- C. Authorize the Public Works Director to execute a professional services contract with Bengal Engineering (Bengal) in the amount of \$197,130 for preliminary design services for the Project, and authorize the General Services Manager to approve expenditures of up to \$19,713 for extra services of Bengal that may result from necessary changes in the scope of work.

15. Subject: Contract For Preliminary Design Of The Cota Street Bridge Replacement Project (530.04)

Recommendation: That Council:

- A. Accept Federal Highway Administration (FHWA) Highway Bridge Program (HBP) grant funding in the total amount of \$442,650;
- B. Authorize the increase of estimated revenues and expenditures by \$442,650 in the Fiscal Year 2010 Streets Capital Fund for design of the Cota Street Bridge Replacement Project (Project); and
- C. Authorize the Public Works Director to execute a professional services contract with Bengal Engineering (Bengal) in the amount of \$186,710 for preliminary design services for the Project, and authorize the General Services Manager to approve expenditures of up to \$18,671 for extra services of Bengal that may result from necessary changes in the scope of work.

16. Subject: Funding Appropriation For Fiber Communications (150.05)

Recommendation: That Council:

- A. Authorize the Public Works Director to enter into a Memorandum of Understanding (MOU) with Metropolitan Transit District (MTD) for use of a portion of the City's fiber optic line in return for project funding; and
- B. Increase appropriations and estimated revenues by \$15,430 in the Intra-City Services Fund to cover the cost of the Fiber Optic Communications Project (Fiber Optic Project), to be fully funded by the MTD.

CONSENT CALENDAR (CONT'D)

CITY COUNCIL (CONT'D)

17. Subject: Increase In Change Order Authority For The Loma Alta Hill Sidewalk Project (530.04)

Recommendation: That Council authorize an increase in the Public Works Director's change order authority to approve expenditures for extra work for the Loma Alta Hill Sidewalk Project (Project), Contract No. 23,816, in the amount of \$70,000, for a total project expenditure authority of \$662,316.

18. Subject: TEFRA Hearing For American Baptist Homes Of The West (Valle Verde) Debt Issuance (280.01)

Recommendation: That Council hold a public hearing and adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving a Tax-Exempt Bond Financing to be Issued by the California Statewide Communities Development Authority to Benefit American Baptist Homes of the West and Certain Affiliates.

19. Subject: Continuance Of The Appeal Of The Mixed Use Development At 803 North Milpas Street (640.07)

Recommendation: That Council continue the appeal from Rick Feldman of the Planning Commission approval of the mixed use development at 803 North Milpas Street to March 23, 2010.

REDEVELOPMENT AGENCY

20. Subject: Minutes

Recommendation: That the Redevelopment Agency Board waive the reading and approve the minutes of the regular meeting of November 17, 2009, the special meeting of November 24, 2009, and the regular meetings of December 8, and December 15, 2009.

21. Subject: Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Five Months Ended November 30, 2009

Recommendation: That the Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2010 Interim Financial Statements for the Five Months Ended November 30, 2009.

CONSENT CALENDAR (CONT'D)

NOTICES

22. The City Clerk has on Thursday, January 21, 2010, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concludes the Consent Calendar.

REPORT FROM THE ORDINANCE COMMITTEE

REPORT FROM THE FINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

- 23. Subject: Extension Of Medical Marijuana Dispensary Suspension Ordinance (520.04)**

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

MAYOR AND COUNCIL REPORTS

- 24. Subject: Advisory Groups Updates And Council Liaisons (140.07)**

Recommendation: That Council consider the appointment of Liaisons to Advisory Boards and Commissions.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

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

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is Wayne Wilcox v. City of Santa Barbara, SBSC Case Number 1306126.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

ADJOURNMENT

CITY OF SANTA BARBARA

SPECIAL ORDINANCE COMMITTEE MEETING

MEETING AGENDA

DATE: January 26, 2010
TIME: 12:00 Noon
PLACE: Council Chambers

Bendy White, Chair
Frank Hotchkiss
Grant House

Office of the City
Administrator

Office of the City
Attorney

Nina Johnson
Assistant to the City Administrator

Stephen P. Wiley
City Attorney

ITEMS FOR CONSIDERATION

Subject: Medical Cannabis Dispensary Ordinance Phase I Revisions

Recommendation: That the Ordinance Committee review the Planning Commission's recommended revisions to Santa Barbara Municipal Code Chapter 28.80, the Medical Cannabis Dispensary Ordinance, provide final direction to staff, and make recommendations to Council for possible ordinance introduction.



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE REPORT

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

RECOMMENDATION:

That the Ordinance Committee review the Planning Commission's recommended revisions to Santa Barbara Municipal Code Chapter 28.80, the Medical Cannabis Dispensary Ordinance, provide final direction to staff, and make recommendations to Council for possible ordinance introduction.

INTRODUCTION

On August 14, 2007, in response to community input and concern regarding what some saw as a proliferation of unregulated medical cannabis dispensaries within the City, and their negative effects on neighborhoods, the City Council initiated a process to: 1. suspend the opening of any further dispensaries, and 2. regulate medical cannabis dispensaries. On March 25, 2008, the City Council adopted the Medical Cannabis Dispensary Ordinance (MCDO), SBMC Chapter 28.80, which incorporated locational, operational, and procedural requirements for dispensaries within the City.

The first medical cannabis dispensary to comply with the regulations and to open for business is located at 331 N. Milpas, as approved on November 19, 2008. The permitting of that dispensary was not controversial, and was approved without public comment or an appeal. During the winter and spring of 2009, the City received many other applications for dispensaries. The second dispensary to go through the process is located at 500 N. Milpas. However, this dispensary caused the adjacent property owners to express their opposition to this particular application and dispensaries in general. This and subsequent dispensary applications were controversial, and all subsequent dispensary approvals have either been appealed to or suspended by the Planning Commission.

On July 28, 2009, in response to concern about the potential proliferation of permitted dispensaries and the desire to increase the locational and operational requirements for dispensaries, the City Council directed the Ordinance Committee to review the existing MCDO, and make recommendations for revisions. The Ordinance Committee met five

times: September 15th, September 29th, October 6th, October 20th, and November 24th to discuss the subject.

On October 20th, the Ordinance Committee directed City Staff to revise the ordinance based on its recommendations. The Ordinance Committee reviewed the draft ordinance at its November 24th meeting.

On November 17, 2009, the City Council also directed the Ordinance Committee to consider further amending the MCDO to possibly develop further City regulations for storefront cooperatives and collectives such that they are required to operate as true collectives/cooperatives in a manner consistent with the California Attorney General's August 2008 "Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use." These regulations are referred to as Phase II discussions.

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

PROPOSED REVISIONS

The Ordinance Committee recommended the following MCDO revisions to the Council:

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

The proposed ordinance does this by eliminating language that allows dispensaries in the C-2 and C-M Zones, and expanding the list of special areas where dispensaries are allowed. This methodology results in a much more limited area where dispensaries might be permitted.

2. A reduced amortization period of six months for existing, nonconforming dispensaries (those that existed legally prior to the adoption of the current MCDO ordinance in March 2008), starting at the adoption date of the proposed revisions. The current ordinance allows nonconforming dispensaries to continue operations until March 2011. Reducing the amortization period would provide that at the end of this period, nonconforming dispensaries would be required to cease operations, unless a new application at a conforming location has been approved and the dispensary has re-located to that new location.
3. A prohibition on dispensaries in mixed-use buildings, where the residential units are condominiums and the mixed use project is existing at the time the amendment is approved.
4. More discretion for the Staff Hearing Officer or Planning Commission, in the form of changes to criteria for issuance #7 and #10. (see Attachment 1, §28.80.090.B.7 and 10.)
5. A prohibition on dispensaries within 1000 feet of Casa Esperanza Shelter.
6. A requirement that security for the dispensary be provided by a separate “private-party operator” security company, which is licensed by the State.
7. A requirement for annual review of the operation of permitted dispensaries by the Police Department.
8. Minor and other miscellaneous changes to the draft ordinance language.

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

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

PLANNING COMMISSION RECOMMENDATIONS

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

1. Reduce the total number of dispensaries to a citywide maximum of 2-4
Staff Comment: Currently, there are two, legally operating dispensaries: 331 N. Milpas, which opened in June 2009, and 500 N. Milpas, which opened January 5, 2010. The approved dispensary at 631 Olive has an active building permit, and is anticipated to open in the near future. Reducing the total number of dispensaries to a number of three or fewer would effectively stop the processing of all pending and future applications.
2. Reduce the number of allowable City geographic areas from seven to four or fewer by combining districts;
3. Expand the list of protected land uses to include:

- a. All alcohol and drug rehabilitation facilities, not just the Casa Esperanza Shelter;
- b. Institutional facilities where youth congregate, such as Girls Inc., or the Boys and Girls Club.
- c. The list of uses in the Adult Entertainment Ordinance (See Attachment 1, excerpts from the Adult Entertainment Facilities Ordinance).

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

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

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

5. Allow dispensaries in the Cottage Hospital area;

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

6. Allow permit denials to be appealed to the City Council;

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

Staff requested that the Planning Commission make specific recommendations on the allowable locations for dispensaries. (See Attachment 2: PC Staff Report, 12/17/09). However, except for the recommendations above, the Planning Commission declined to do so, stating that the final determinations on locations was premature, given the extent of the changes that must still be made.

OUTSTANDING ISSUES

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

1. **Number of dispensaries and number of geographic areas**

2. **MCDO appeal process**

3. **Amortization period for existing, nonconforming dispensaries**

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

4. **Amortization period for approved and permitted dispensaries that become nonconforming due to the revisions**

The Ordinance Committee recommended that these dispensaries could be allowed to remain in their location indefinitely, but required to submit

amendments to their existing permits in order to conform to the new operational requirements within six months.

5. **Allowable locations for dispensaries, including Cottage Hospital area**

There are significant differences between the locations allowed by the current ordinance and the proposed ordinance. A final determination of allowable locations would be helpful. A complete discussion of this topic is contained in the PC Staff Report (Attachment 2).

6. **Next Steps**

Because there are three major pieces of the Medical Cannabis discussion: 1. the suspension of the current ordinance; 2. the Phase I revisions, and 3. the Phase II discussions regarding the cooperative/collective model of providing medical marijuana to those persons who need it and potential revisions, there are a few possible next steps.

- a. Provide the Council with a revised MCDO ordinance for possible introduction and adoption of the Phase I revisions, and begin the Phase II discussions. Lift the suspension when:
 - i. Phase I revisions are effective.
 - ii. Phase II revision discussion has been completed.
- b. Prepare the Phase I revisions for Introduction and Adoption (i.e. staff finalizes the proposed ordinance language), but do not schedule an Introduction hearing at Council. Begin the Phase II discussions, and incorporate Phase I and Phase II revisions into a single amendment for Council review.

It is also possible to proceed to Council only with a revision that changes the amortization period for existing, nonconforming dispensaries, but no other changes in Phase I.

STAFF RECOMMENDATION

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

- ATTACHMENTS:**
1. Revised Draft MCDO Ordinance
 2. Excerpt from the Adult Entertainment Facilities Ordinance
 3. Planning Commission Staff Report, 12/17/09

PREPARED BY: Danny Kato, Senior Planner

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

APPROVED BY: City Administrator's Office

ORDINANCE COMMITTEE DRAFT
January 26, 2010
SHOWING CHANGES FROM CURRENT CODE

Deleted: NOVEMBER 24, 2009

Deleted: Draft for Planning
Commission Review
December 71, 2009

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE
CITY OF SANTA BARBARA AMENDING THE
MUNICIPAL CODE BY ADDING A REVISED
CHAPTER 28.80 ESTABLISHING REVISED
REGULATIONS AND PROCEDURES FOR
MEDICAL CANNABIS DISPENSARIES.

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

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

Section 28.80.010 Purpose and Intent.

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

Section 28.80.020 Definitions.

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

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

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

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

D. Medical Cannabis Dispensing Collective or Dispensary.

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

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

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

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

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

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

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

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

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

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

28.80.030 Dispensary Permit Required to Operate.

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

28.80.040 Business License Tax Liability.

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

28.80.050 Imposition of Dispensary Permit Fees.

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

28.80.060 Limitations on the Permitted Location of a Dispensary.

A. Permissible Zoning for Dispensaries. ~~A dispensary may only be located within the C-2 or C-M zoned areas of the City as so designated in the General Plan, Title 28 of the Municipal Code, and City Zoning map provided, however, that~~ Dispensaries may only also be located on parcels within the City situated as follows:

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

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

Deleted:

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

B. Storefront Locations. A dispensary shall only be located in a visible store-front type location which provides good public views of the dispensary entrance, its windows, and the entrance to the dispensary premises from a public street.

C. Areas and Zones Where Dispensaries Not Permitted.

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

1. On a parcel located within 500 feet of a school or a park unless the park is separated from the proposed dispensary location by U.S. Highway 101; or

2. On a parcel located within ~~500~~ 1000 feet of a permitted dispensary provided that this separation requirement shall not apply to dispensary locations separated by U.S. Highway 101; or

~~3. On a parcel fronting on State Street between Cabrillo Boulevard and Arrellaga Street; or~~

~~3.4.~~ On a parcel zoned R-0 or zoned exclusively for residential use.

~~4.5.~~ On a parcel being used as a mixed residential/commercial use condominium project at the time of the adoption of this ordinance.

~~56.~~ On a parcel located within 1000 feet of the homeless shelter facility located at 816 Cacique Street.

Deleted: a legally permitted

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

complete by the City with the earliest complete applications deemed to have priority over any subsequent dispensary application for any particular location.

E. Maximum Number of Dispensary Permits. Notwithstanding the above, the City may not issue a total of more than seven (7) dispensary permits at any one time and no more than seven (7) permitted dispensaries may legally operate within the City at any one time.

28.80.070 Operating Requirements for Dispensaries.

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

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

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

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

1. A dispensary shall not be enlarged in size (i.e., increased floor area) without a prior approval from the Staff Hearing Officer amending the existing dispensary permit pursuant to the requirements of this Chapter.
2. The entrance area of the dispensary building shall be strictly controlled; A viewer or video camera shall be installed in the door that allows maximum angle of view of the exterior entrance.

3. Dispensary personnel shall be responsible for monitoring the real property of the dispensary site activity (including the adjacent public sidewalk and rights-of-way) of the block within which the dispensary is operating for the purposes of controlling loitering.

4. Only dispensary staff, primary caregivers, qualified patients and persons with bona fide purposes for visiting the site shall be permitted within a dispensary.

5. Qualified patients or primary caregivers shall not visit a dispensary without first having obtained a valid written recommendation from their physician recommending use of medical cannabis.

6. Only a primary caregiver and qualified patient shall be permitted in the designated dispensing area along with dispensary personnel.

7. Restrooms shall remain locked and under the control of Dispensary management at all times.

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

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

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

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

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

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

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

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

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

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

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

3. A dispensary shall meet all the operating criteria for the dispensing of medical cannabis as is required pursuant to California Health and Safety Code Section 11362.5 et seq.

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

1. Floor Plan. A dispensary shall have a lobby waiting area at the entrance to the dispensary to receive clients, and a separate and secure designated area for dispensing medical cannabis to qualified patients or designated caregivers.

The primary entrance shall be located and maintained clear of barriers, landscaping and similar obstructions so that it is clearly visible from public streets, sidewalks or site driveways.

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

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

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

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

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

H. Dispensary Signage and Notices.

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

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

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

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

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

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

M. Staff Training. Dispensary staff shall receive appropriate training for their intended duties to ensure understanding of rules and procedures regarding dispensing in compliance with state and local law and this Chapter, and properly trained or professionally-hired security personnel.

N. Site Management.

1. The operator of the establishment shall take all reasonable steps to discourage and correct objectionable conditions that constitute a nuisance in parking areas, sidewalks, alleys and areas surrounding the premises and adjacent properties during business hours if directly related to the patrons of the subject dispensary.

2. The operator shall take all reasonable steps to reduce loitering in public areas, sidewalks, alleys and areas surrounding the premises and adjacent properties during business hours.

3. The operator shall provide patients with a list of the rules and regulations governing medical cannabis use and consumption within the City and recommendations on sensible cannabis etiquette.

O. Trash, Litter, Graffiti.

1. The operator shall clear the sidewalks adjoining the premises plus 10 feet beyond property lines along the street as well as any parking lots under the control of the operator as needed to control litter, debris and trash.

2. The operator shall remove all graffiti from the premises and parking lots under the control of the operator within 72 hours of its application.

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

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

R. Alcoholic Beverages. No dispensary shall hold or maintain a license from the State Division of Alcoholic Beverage Control for the sale of alcoholic beverages, or operate a business on the premises that sells alcoholic beverages. No alcoholic beverages shall be allowed or consumed on the premises.

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

28.80.080 Dispensary Permit Application - Preparation and Filing.

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

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

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

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

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

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

A. Decision on Application. Upon an application for a Dispensary permit being deemed complete, the Staff Hearing Officer, or the Planning Commission on appeal of a decision of the Staff Hearing

Officer, shall either issue a Dispensary permit, issue a Dispensary permit with conditions in accordance with this chapter, or deny a Dispensary permit.

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

1. That the dispensary permit is consistent with the intent of the state Health & Safety Code for providing medical marijuana to qualified patients and primary caregivers and the provisions of this Chapter and the Municipal Code, including the application submittal and operating requirements herein.
2. That the proposed location of the Dispensary is not identified by the City Chief of Police as an area of increased or high crime activity. ~~(e.g., based upon crime reporting district/statistics as maintained by the Police Department.~~
3. For those applicants operating other Dispensaries within the City, that there have not been significant numbers of calls for police service, crimes or arrests in the area or to the applicant's existing dispensary location.
4. That all required application fees have been paid and reporting requirements have been satisfied in a timely manner.
5. That issuance of a dispensary permit for the dispensary size requested is appropriate justified to meet needs of community for access to medical marijuana.
6. That issuance of the dispensary permit would serve needs of City residents within a proximity to this location.
7. That the location is not prohibited by the provisions of this chapter or any local or state law, statute, rule, or regulation and no significant nuisance issues or problems are likely or anticipated ~~or resulted~~ and that compliance with other applicable requirements of the City's Zoning Ordinance will be accomplished.

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

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

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

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

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

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

28.80.100 Appeal from Staff Hearing Officer Determination.

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

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

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

28.80.110 Suspension and Revocation by Planning Commission.

A. Authority to Suspend or Revoke a Dispensary Permit.

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

B. Annual Review of Dispensary Operations. The staff of the Community Development Department and the Police Department are hereby authorized to conduct an annual review of the operation of each permitted dispensary within the City for full compliance with the operational requirements of this Chapter, including specifically a verification that all persons employed or volunteering at the dispensary have not been convicted of or on probation for a crime related to the possession, sale, or distribution of controlled substances. The staff may initiate a permit suspension or revocation process for any dispensary which is found not to be in compliance with the requirements of this Chapter or which is operating in a manner which constitutes a public nuisance.

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

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

28.80.120 Transfer of Dispensary Permits.

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

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

C. Request for Transfer with a Revocation or Suspension Pending. No dispensary permit may be transferred (and no permission for a transfer may be issued) when the Community Development Department has notified in writing the permittee that the permit

has been or may be suspended or revoked and a notice of such suspension or revocation has been provided.

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

28.80.130 Medical Marijuana Vending Machines.

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

SECTION THREE. Those Dispensaries which were authorized and permitted pursuant to the Santa Barbara Municipal Code Chapter 28.80 prior to the date of the adoption of the ordinance enacting these amendments to Chapter 28.80 shall be deemed pre-existing legal uses of real property upon which they are situated for a period of one hundred eighty (180) days from the effective date of this Ordinance provided the following operational conditions are complied with:

1. the dispensary shall not be relocated nor shall it be discontinued for a period of time in excess of thirty (30) consecutive days without obtaining a dispensary permit pursuant to this Chapter;
2. the operation of the dispensary shall comply with all portions of Chapter 28.80 (as enacted by this Ordinance) except for the locational provisions of Section 28.80.060; and
3. the dispensary shall be subject to the requirements for non-conforming uses of SBMC section 28.87.030 until such time that they have been permitted under this Ordinance.

Prior to the expiration of the one hundred eighty (180) day non-conforming period, all medical marijuana dispensaries operating as allowed dispensaries which pre-date the date of the initial enactment of this Chapter or which were permitted between the date of March 26, 2008 and the effective date of this Ordinance shall either obtain a dispensary permit (as required by and in full accord with this Ordinance) or shall discontinue such use not later than the end of the one-hundred-eighty (180) day amortization period provided for herein. No such pre-existing

legal dispensary shall be assigned or otherwise transferred to a new owner or owners, whether voluntarily or by operation of law, without having obtained a permit pursuant to this Ordinance.

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Excerpts from the Adult Entertainment Ordinance

28.81.020 Selected Definitions:

G. Public Park, Beach or Recreation Area.

"Public Park, Beach or Recreation Area" shall mean public land which has been designated for park, beach, recreational, or arts activities including but not limited to a park, beach, playground, nature trails, swimming pool, reservoir, athletic field, basketball or tennis courts, pedestrian/bicycle paths, open space, wilderness areas, or similar public land within the City which is under the control, operation, or management of the City Department of Parks and Recreation. "Recreation area" shall also include the Santa Barbara Zoological Gardens, the Santa Barbara Museum of Art and the Santa Barbara Museum of Natural History.

H. Religious Institution.

"Religious Institution" shall mean any church, synagogue, mosque, temple, or building which is used primarily for religious worship, religious education incidental thereto and related religious activities.

I. Residential Zone.

"Residential Zone" shall mean property which has a zoning designation of A-1, A-2, E-1, E-2, E-3, R-1, R-2, R-3, R-4 or such other residential zones as may be created by ordinance, or a Mobilehome Park or subdivision or Recreational Vehicle Park as defined in this Code.

J. School.

"School" shall mean any public or private educational facility primarily attended by minors, including but not limited to, large family day care homes, nursery schools, preschools, kindergartens, elementary schools, primary schools, intermediate schools, junior high schools, middle schools, high schools, secondary schools, continuation schools and special education schools. School includes the school grounds, but does not include the facilities used primarily for another purpose and only incidentally as a school.

28.81.030 Location of Adult Entertainment Businesses

C. LOCATIONAL RESTRICTIONS. Any adult entertainment business proposed to be operated or established in allowed portions of the C-2 zone, C-M zone, or the M-1 zone shall be subject to the following restrictions:

1. The establishment or operation of an adult entertainment business shall be subject to the locational criteria setting forth minimum distances from sensitive uses and zones as follows:
 - a. Residential zone: 500 feet,
 - b. Religious institution: 500 feet,
 - c. Public park, public beach, recreation area: 500 feet,
 - d. School: 500 feet,
 - e. Another adult entertainment business: 500 feet.
2. For the purposes of this Chapter, all distances shall be measured in a straight line, without regard for intervening structures, from the nearest exterior wall of the unit or building containing the adult entertainment business to the nearest property line of a sensitive use or zone as listed in this Chapter.
3. For the purposes of this Chapter, the distance between any two adult entertainment businesses shall be measured in a straight line, without regard to intervening structures or objects, from the closest exterior wall of the unit or structure in which each business is located.
4. An adult entertainment business may not be operated in the same building, structure, or portions thereof containing another adult entertainment business or use as defined in this Chapter. Each business defined in 28.81.020.A.1-4 shall constitute a separate business for purposes of this Chapter.



City of Santa Barbara
Community Development Department

Planning Commission Staff Report

REPORT DATE: December 10, 2009

AGENDA DATE: December 17, 2009

TO: Planning Commission

FROM: Planning Division (805) 564-5470
Danny Kato, Senior Planner *DK*

SUBJECT: Medical Cannabis Dispensary Ordinance Revisions

INTRODUCTION

On March 25, 2008, the City Council adopted the Medical Cannabis Dispensary Ordinance (MCDO). On July 28, 2009, the City Council directed the Ordinance Committee (OC) to review the existing MCDO, and make recommendations for revisions. The September 15th Ordinance Committee Staff Report that describes the Council's direction to the OC is attached as Exhibit B. The Ordinance Committee met five times: September 15th, September 29th, October 6th, October 20th, and November 24th.

On October 20th, the Ordinance Committee directed Staff to draft a revised ordinance based on its recommendations. The Ordinance Committee reviewed the draft ordinance at its November 24th meeting. The November 24th OC Staff Report that describes the OC's recommendations to Planning Commission and council is attached as Exhibit C.

On November 17, 2009, the City Council directed the Ordinance Committee to consider further amending the MCDO to accomplish the following:

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

The Council also directed staff to continue processing the revisions that the Ordinance Committee recommended on October 20th, and to return to Council as soon as possible with an ordinance suspending the approval of new marijuana dispensaries pending the consideration of these long-term dispensary ordinance revisions. This ordinance was introduced on December 8th, and is scheduled for adoption on December 15th. Staff will provide the Commission an update at the December 17th hearing.

PROPOSED REVISIONS

The Ordinance Committee recommended the following revisions to the Council:

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

The proposed ordinance does this by eliminating language that allows dispensaries in the C-2 and C-M Zones, and expanding the list of special areas where dispensaries are allowed. This methodology results in a smaller area where dispensaries are allowed. Staff believes that this was not the Ordinance Committee's intent, but there was not enough time or mapping resources to have a complete discussion of the allowed areas at the Ordinance Committee's November 24th hearing. Staff and two Ordinance Committee members would like the Planning Commission to further discuss the allowable locations, and make recommendations to Council.

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

8. Minor and miscellaneous changes to the draft ordinance language.

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

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

ADDITIONAL DISCUSSION NEEDED ON ALLOWABLE LOCATIONS

As stated earlier, because the proposed ordinance deletes the reference to the C-2 and C-M zones, large areas where dispensaries are currently allowed would no longer be available. Staff does not believe that this is the Ordinance Committee's intent, and requests the Planning Commission's recommendations on the areas where dispensaries are currently allowed, but would not be under the proposed ordinance language.

The proposed ordinance (Exhibit A) shows both the current locational requirements, and those recommended by the Ordinance Committee in ~~strikeout~~ and underline format (Section 28.80.060.). The maps included as Exhibits D-I show a graphical representation of the existing and proposed locational requirements. The maps show the currently allowable areas in a terra cotta color, and the proposed allowable areas as drafted in the ordinance in purple stripes. The differences in currently allowed areas vs. proposed to be allowed areas will be discussed by region, below.

Outer State Street (Exhibit D)

The proposed ordinance language would leave out a large part of La Cumbre Plaza and surrounding parcels, several parcels in and around Five Points Shopping Center, and a few parcels near Calle Laureles.

Additionally, there are two parcels in the Outer State Street area (16 S. La Cumbre Road, APN 051-021-003 and 38 S. La Cumbre Road, APN 051-021-004), where dispensaries are not currently allowed, because of the specific language in the current ordinance. However, these two parcels are completely surrounded by areas where dispensaries are allowed. Staff recommends that dispensaries be allowed on these two parcels.

De la Vina Street (Exhibit E)

The proposed language would leave out the block between Constance and Alamar, several parcels on Calle Laureles, and two parcels that are zoned C-2, but do not front on De la Vina Street. However, it would include the Ralph's shopping center, which is currently excluded.

Mission (Exhibit F)

The proposed language would leave out areas on De la Vina Street, Mission Street, State Street, as well as several parcels that are zoned C-2, but do not front on Mission Street.

Downtown West (Exhibit G)

The Ordinance Committee changed the eastern boundary of this area from State Street to Santa Barbara Street. The proposed language would leave out large areas of De la Vina Street, parcels on the east-west streets from Sola to Gutierrez, the area near Castillo and Montecito Streets, as well as various parcels that are zoned C-2, but do not front on Chapala, Anacapa or Santa Barbara Streets.

Downtown East (also shown on Exhibit G)

The Ordinance Committee changed the western boundary of this area from State Street to Santa Barbara Street. The proposed language would leave out large areas near Ortega and Laguna Streets, East Carrillo Street and Laguna Streets, as well as various parcels that are zoned either C-2 or C-M, but do not front on Haley or Gutierrez Streets.

The reason that the boundary was changed from State Street to Santa Barbara Street is because the Ordinance Committee felt that there were not enough areas in the Downtown West area that allowed dispensaries. If the Planning Commission recommends additional areas where dispensaries would be allowed, so that more areas of Downtown West were available as dispensary locations, Staff believes that the boundary between the two areas is most appropriately located on State Street, if only to avoid confusion. For example, a parcel at the northeast corner of Santa Barbara and Haley Streets could qualify in both the Downtown West (because it fronts on Santa Barbara Street) and Downtown East (because it fronts on Haley Street) areas.

Milpas (Exhibit H)

The proposed language would leave out various C-2 or C-M zoned parcels that do not front Milpas Street.

Mesa (Exhibit I)

There would be no change in the Mesa area.

State Street Prohibition (Exhibit G)

The proposed language would eliminate the State Street prohibition. Because there are several parcels that front both State and Chapala or both State and Anacapa, the

elimination of this prohibition could result in a dispensary on State Street. Staff recommends retaining this prohibition.

METHODOLOGY FOR DESCRIBING ALLOWABLE LOCATIONS

Staff believes that the allowable locations are described in the proposed ordinance are too limited, and that the areas should be expanded somewhat. Staff does not believe that current methodology for describing the allowable locations (general allowable areas, with exclusions, such as prohibition radii around schools and parks) is the best way to accomplish this task. Staff recommends using a number of criteria, including zoning and proximity to schools and parks to determine specific blocks faces where dispensaries are allowed, then amending the ordinance to allow those block faces, and eliminating as many of the prohibitions (radii from schools and parks, etc.) as possible.

RECOMMENDATION

Staff recommends that the Planning Commission:

1. Review the proposed Ordinance language, including the allowable locations;
2. Review the maps that show the current and proposed allowable locations;
3. Recommend to Council:
 - a. The inclusion of 16 and 38 S. La Cumbre Road in the list of allowable locations;
 - b. The retention of the State Street Prohibition;
 - c. Changes to the methodology for describing the allowable areas as described above; and
 - d. Any changes to the allowable locations.

Exhibits:

- A. Draft Ordinance
- B. Ordinance Committee Staff Report, September 15, 2009
- C. Ordinance Committee Staff Report, November 24, 2009
- D. Outer State Street Area Map
- E. De la Vina Area Map
- F. Mission Area Map
- G. Downtown East and West Area Map
- H. Milpas Area Map
- I. Mesa Map

ORDINANCE COMMITTEE DRAFT
NOVEMBER 24, 2009
SHOWING CHANGES FROM CURRENT CODE

Draft for Planning Commission Review
December 71, 2009

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE
CITY OF SANTA BARBARA AMENDING THE
MUNICIPAL CODE BY ADDING A REVISED
CHAPTER 28.80 ESTABLISHING
REGULATIONS AND PROCEDURES FOR
MEDICAL CANNABIS DISPENSARIES.

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

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

Section 28.80.010 Purpose and Intent.

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

Section 28.80.020 Definitions.

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

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

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

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

D. Medical Cannabis Dispensing Collective or Dispensary.

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

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

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

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

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

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

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

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

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

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

28.80.030 Dispensary Permit Required to Operate.

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

Planning Commission on an appeal from a decision by the Staff Hearing Officer.

28.80.040 Business License Tax Liability.

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

28.80.050 Imposition of Dispensary Permit Fees.

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

28.80.060 Limitations on the Permitted Location of a Dispensary.

A. Permissible Zoning for Dispensaries. ~~A dispensary may only be located within the C-2 or C-M zoned areas of the City as so designated in the General Plan, Title 28 of the Municipal Code, and City Zoning map provided, however, that Dispensaries may~~ only also be located on parcels within the City situated as follows:

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

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

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

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

B. Storefront Locations. A dispensary shall only be located in a visible store-front type location which provides good public views of the dispensary entrance, its windows, and the entrance to the dispensary premises from a public street.

C. Areas and Zones Where Dispensaries Not Permitted.

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

1. On a parcel located within 500 feet of a school or a park unless the park is separated from the proposed dispensary location by U.S. Highway 101; or

2. On a parcel located within ~~500~~ 1000 feet of a permitted dispensary provided that this separation requirement shall not apply to dispensary locations separated by U.S. Highway 101; or

~~3. On a parcel fronting on State Street between Cabrillo Boulevard and Arrellaga Street; or~~

~~3.4.~~ On a parcel zoned R-0 or zoned exclusively for residential use.

~~4.5.~~ On a parcel being used as a mixed residential/commercial use condominium project at the time of the adoption of this ordinance.

~~56.~~ On a parcel located within 1000 feet of the homeless shelter facility located 816 Cacique Street.

D. Locational Measurements. The distance between a dispensary and above-listed uses shall be made in a straight line from any parcel line of the real property on which the dispensary is located to the parcel line the real property on which the facility, building, or structure, or portion of the building or structure, in which the above listed use occurs or is located.

For the purposes of determining compliance with the locational restrictions imposed by this section, the permissibility of a proposed dispensary location shall be determined by City staff based on the date the permit application has been deemed complete by the City with the earliest complete applications deemed to have priority over any subsequent dispensary application for any particular location.

E. Maximum Number of Dispensary Permits. Notwithstanding the above, the City may not issue a total of more than seven (7) dispensary permits at any one time and no more than seven (7) permitted dispensaries may legally operate within the City at any one time.

28.80.070 Operating Requirements for Dispensaries.

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

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

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

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

1. A dispensary shall not be enlarged in size (i.e., increased floor area) without a prior approval from the Staff Hearing Officer amending the existing dispensary permit pursuant to the requirements of this Chapter.

2. The entrance area of the dispensary building shall be strictly controlled; A viewer or video camera shall be installed in the door that allows maximum angle of view of the exterior entrance.

3. Dispensary personnel shall be responsible for monitoring the real property of the dispensary site activity (including the adjacent public sidewalk and rights-of-way) of the block within which the dispensary is operating for the purposes of controlling loitering.

4. Only dispensary staff, primary caregivers, qualified patients and persons with bona fide purposes for visiting the site shall be permitted within a dispensary.

5. Qualified patients or primary caregivers shall not visit a dispensary without first having obtained a valid written recommendation from their physician recommending use of medical cannabis.

6. Only a primary caregiver and qualified patient shall be permitted in the designated dispensing area along with dispensary personnel.

7. Restrooms shall remain locked and under the control of Dispensary management at all times.

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

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

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

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

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

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

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

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

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

1. With the approval of the Staff Hearing Officer, a dispensary may conduct or engage in the commercial sale of specific products, goods, or services in addition to the provision of medical cannabis on terms and conditions consistent with this chapter and applicable law.
2. No dispensary shall sell or display any drug paraphernalia or any implement that may be used to administer medical cannabis.
3. A dispensary shall meet all the operating criteria for the dispensing of medical cannabis as is required pursuant to California Health and Safety Code Section 11362.5 et seq.

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

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

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

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

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

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

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

H. Dispensary Signage and Notices.

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

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

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

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

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

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

M. Staff Training. Dispensary staff shall receive appropriate training for their intended duties to ensure understanding of rules and procedures regarding dispensing in compliance with state and local law and this Chapter, and properly trained or professionally-hired security personnel.

N. Site Management.

1. The operator of the establishment shall take all reasonable steps to discourage and correct objectionable conditions that constitute a nuisance in parking areas, sidewalks, alleys and areas surrounding the premises and adjacent properties during business hours if directly related to the patrons of the subject dispensary.

2. The operator shall take all reasonable steps to reduce loitering in public areas, sidewalks, alleys and areas surrounding the premises and adjacent properties during business hours.

3. The operator shall provide patients with a list of the rules and regulations governing medical cannabis use and consumption within the City and recommendations on sensible cannabis etiquette.

O. Trash, Litter, Graffiti.

1. The operator shall clear the sidewalks adjoining the premises plus 10 feet beyond property lines along the street as well as any parking lots under the control of the operator as needed to control litter, debris and trash.

2. The operator shall remove all graffiti from the premises and parking lots under the control of the operator within 72 hours of its application.

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

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

R. Alcoholic Beverages. No dispensary shall hold or maintain a license from the State Division of Alcoholic Beverage Control for the sale of alcoholic beverages, or operate a business on the premises that sells alcoholic beverages. No alcoholic beverages shall be allowed or consumed on the premises.

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

28.80.080 Dispensary Permit Application - Preparation and Filing.

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

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

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

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

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

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

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

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

1. That the dispensary permit is consistent with the intent of the state Health & Safety Code for providing medical marijuana to qualified patients and primary caregivers and the provisions of this Chapter and the Municipal Code, including the application submittal and operating requirements herein.
2. That the proposed location of the Dispensary is not identified by the City Chief of Police as an area of increased or high crime activity. ~~(e.g., based upon crime reporting district/statistics as maintained by the Police Department.~~
3. For those applicants operating other Dispensaries within the City, that there have not been significant numbers of calls for police service, crimes or arrests in the area or to the applicant's existing dispensary location.
4. That all required application fees have been paid and reporting requirements have been satisfied in a timely manner.
5. That issuance of a dispensary permit for the dispensary size requested is appropriate justified to meet needs of community for access to medical marijuana.
6. That issuance of the dispensary permit would serve needs of City residents within a proximity to this location.
7. That the location is not prohibited by the provisions of this chapter or any local or state law, statute, rule, or regulation and no significant nuisance issues or problems are likely or anticipated ~~or resulted~~ and that compliance with other applicable requirements of the City's Zoning Ordinance will be accomplished.
8. That the site plan, floor plan, and security plan have incorporated features necessary to assist in reducing potential crime-related problems and as specified in the operating requirements section. These features may include, but are not limited to, security on-site; procedure for

allowing entry; openness to surveillance and control of the premises; the perimeter, and surrounding properties; reduction of opportunities for congregating and obstructing public ways and neighboring property; illumination of exterior areas; and limiting furnishings and features that encourage loitering and nuisance behavior.

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

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

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

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

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

28.80.100 Appeal from Staff Hearing Officer Determination.

A. Appeal to the Planning Commission. An applicant or any interested party who disagrees with the Staff Hearing Officer's decision to issue, issue with conditions, or to deny a

dispensary permit may appeal such decision to the City Planning Commission by filing an appeal pursuant to the requirements of subparagraph (B) of Section 28.05.020 of the Municipal Code.

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

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

28.80.110 Suspension and Revocation by Planning Commission.

A. Authority to Suspend or Revoke a Dispensary Permit.

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

B. Annual Review of Dispensary Operations. The staff of the Community Development Department and the Police Department are hereby authorized to conduct an annual review of the operation of each permitted dispensary within the City for full compliance with the operational requirements of this Chapter, including specifically a verification that all persons employed or volunteering at the dispensary have not been convicted of or on probation for a crime related to the possession, sale, or distribution of controlled substances. The staff may initiate a permit suspension or revocation process for any dispensary which is found not to be in compliance with the requirements of this Chapter or which is operating in a manner which constitutes a public nuisance.

C. B- Suspension or Revocation - Written Notice. Except as otherwise provided in this chapter, no permit shall be revoked or suspended by virtue of this chapter until written notice of the intent to consider revocation or suspension of the permit has been served upon the person to whom the permit was granted at least ten (10) days prior to the date set for such review hearing and the reasons for the proposed suspension or

revocation have been provided to the permittee in writing. Such notice shall contain a brief statement of the grounds to be relied upon for revoking or suspending such permit. Notice may be given either by personal delivery to the permittee, or by depositing such notice in the U.S. mail in a sealed envelope, postage prepaid, (via regular mail and return receipt requested), addressed to the person to be notified at his or her address as it appears in his or her application for a dispensary permit.

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

28.80.120 Transfer of Dispensary Permits.

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

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

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

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

28.80.130 Medical Marijuana Vending Machines.

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

SECTION THREE. Those Dispensaries which were authorized and permitted pursuant to the Santa Barbara Municipal Code Chapter 28.80 prior to the date of the adoption of the ordinance enacting these amendments to Chapter 28.80 shall be deemed pre-existing legal uses of real property upon which they are situated for a period of one hundred eighty (180) days from the effective date of this Ordinance provided the following operational conditions are complied with:

1. the dispensary shall not be relocated nor shall it be discontinued for a period of time in excess of thirty (30) consecutive days without obtaining a dispensary permit pursuant to this Chapter;
2. the operation of the dispensary shall comply with all portions of Chapter 28.80 (as enacted by this Ordinance) except for the locational provisions of Section 28.80.060; and
3. the dispensary shall be subject to the requirements for non-conforming uses of SBMC section 28.87.030 until such time that they have been permitted under this Ordinance.

Prior to the expiration of the one hundred eighty (180) day non-conforming period, all medical marijuana dispensaries operating as allowed dispensaries which pre-date the date of the initial enactment of this Chapter or which were permitted between the date of March 26, 2008 and the effective date of this Ordinance shall either obtain a dispensary permit (as required by and in full accord with this Ordinance) or shall discontinue such use not later than the end of the one-hundred-eighty (180) day amortization period provided for herein. No such pre-existing legal dispensary shall be assigned or otherwise transferred to a new owner or owners, whether voluntarily or by operation of law, without having obtained a permit pursuant to this Ordinance.



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE REPORT

AGENDA DATE: September 15, 2009

TO: Ordinance Committee

FROM: Planning Division, Community Development Department

SUBJECT: Medical Cannabis Dispensary Ordinance Revision

RECOMMENDATION:

That the Ordinance Committee review the existing Medical Cannabis Dispensary Ordinance, discuss options, and provide direction to staff on potential revisions.

EXECUTIVE SUMMARY:

On July 28, 2009, the City Council referred the Medical Cannabis Dispensary Ordinance, SBMC Chapter 28.80, to the Ordinance Committee, with direction to review the ordinance, discuss options, and make recommendations to Council. Several subject areas were specifically mentioned by the Council, and others have been added by staff, based on experience processing recent applications. Each subject area is discussed briefly in this Ordinance Committee report.

BACKGROUND:

On July 28, 2009, the City Council referred the Medical Cannabis Dispensary Ordinance to the Ordinance Committee, with direction to review the following nine subject areas, discuss options, and make recommendations to Council on revisions to the ordinance.

1. Police Department statistics surrounding the existing dispensaries in order to tighten up the ordinance;
2. Cap on the number of dispensaries per area or citywide;
3. Security requirements;
4. Milpas Street recovery zone and how it interacts with the dispensaries;
5. Locational requirements of dispensaries in proximity of schools and educational enterprises;
6. Reducing the amortization period for nonconforming dispensaries;
7. Impacts on neighborhoods;
8. Re-establishing a moratorium or interim ordinance, and the applicability of new regulations to existing and pending dispensaries; and
9. Information about neighboring jurisdictions' medical cannabis regulations.

Additionally, based on recent experience processing Medical Cannabis Dispensary Permits (MCDPs) and recent public input, staff suggests that the Ordinance Committee also discuss the following subject areas:

- 10. Criteria for Issuance;
- 11. Permit discretion given to the Staff Hearing Officer;
- 12. Whether permit decisions should be appealable to the City Council;
- 13. Allowing Dispensaries in the C-O and/or C-1 Zones.
- 14. Full cost recovery for application review.

Known Medical Cannabis Dispensaries

The following is a summary of known medical cannabis dispensaries by category:

PERMITTED BY CITY AND OPERATING

331 N. Milpas St. (compliance with approved permit is under investigation)

PERMIT APPROVED APPLICATIONS

500 N. Milpas St.

PENDING APPLICATIONS

631 Olive St.	Approved by Staff Hearing Officer, on appeal to Planning Commission
741 Chapala St	Pending
2 W. Mission	Pending
234 E. Haley	Pending
302 E. Haley	Pending
826 De la Vina	Pending

NONCONFORMING

These dispensaries were found to be legal under the City's Interim Ordinance, and are allowed to remain in their current locations for three years from the effective date of the current ordinance (until April 25, 2011). If they meet the locational requirements of the current ordinance, they can apply for a Medical Cannabis Dispensary Permit, otherwise they must close or obtain a City Zoning Variance. See Subject #6 below. A nonconforming status under investigation means that at the time of application, they were found to be nonconforming, but it is uncertain whether those conditions still exist.

3128 State Does not meet locational requirements, too close to MacKenzie Park

3516 State	Meets locational requirements (continuing legal Nonconforming status under investigation).
27 Parker Way	Does not meet locational requirements, but may qualify for a variance. Too close to Moreton Bay Fig Tree Park, which is across US101. (Nonconforming status under investigation)
100 E. Haley	Does not meet locational requirements, too close to Vera Cruz Park. (continuing legal Nonconforming status under investigation).

ILLEGALLY OPERATING – The following are under investigation and enforcement:
2915 De la Vina (Currently the subject of a City Zoning Enforcement Action)
336 Anacapa (Currently the subject of a City Zoning Enforcement Action)

There are other dispensaries that are currently under investigation by the Police Department.

DISCUSSION:

The current Medical Marijuana Dispensary ordinance includes locational requirements for permitted dispensaries. They are allowed in the C-2 and C-M zones, as well as on Upper State Street, Milpas Street, and the Mesa, but not within 500 feet of schools, parks or another dispensary. The ordinance's operational requirements include: a security plan, cameras, floor plan, consumption prohibition within 200 feet, etc. The existing ordinance does not place a cap on the number of dispensaries within the City or a limit on the hours of operation.

1. Police Department Statistics

The Police Department staff will be present at the Ordinance Committee meeting to present crime statistics concerning existing dispensaries.

2. Cap on the Number of Dispensaries per Area

The Council discussed both a citywide cap and a cap per geographic area. Currently, the areas (Downtown, Upper State, Milpas, Mesa) are not delineated by boundaries within the ordinance. If the Ordinance Committee would like geographic area caps, staff will return with boundaries, to facilitate the discussion. An alternative to a cap would be to increase the minimum distance between dispensaries from 500 feet (1 block).

3. Security Requirements

The existing ordinance, SBMC Chapter 28.80, has quite a number of security requirements, which seem adequate to staff; however, it may be appropriate to consider adding two additional requirements: 1) a limitation on the hours of operation, such as from 10 am to 7pm; and 2) a requirement that the security personnel be licensed by the State (Department of Consumer Affairs, Bureau of Security and Investigative Services). Both of

these requirements have been added as conditions of approval of recently approved dispensaries.

The current ordinance requires a separate, secure area designated for dispensing cannabis. A pending dispensary at 741 Chapala Street originally proposed a very open floor plan, with cannabis dispensing taking place at a counter in the general retail area, rather than a separate dispensing area. The operator of this proposed dispensary operates several dispensaries of a similar configuration in the Los Angeles area, and according to them, has had no problems with security. Staff would like the Ordinance Committee's confirmation that a separate, secure dispensing area is appropriate.

4. Milpas Recovery Zone

The Milpas Recovery Zone is a proposal by the Milpas Action Task Force to create a space where those seeking recovery from substance abuse, mental illness and physical ailments can be free from negative illegal influences. The area suggested by the Milpas Action Task Force is bounded by Milpas Street, the beach, Garden Street, and Gutierrez Street. Although the City has agreed on the implementation of a Recovery Zone concept, definitive boundaries have not yet been determined. Medical Cannabis Dispensaries could be excluded from the Recovery Zone.

5. Siting Requirements of Dispensary in Proximity to Schools and Parks

The current ordinance prohibits dispensaries within 500 feet of parks and schools (pre-schools, day care centers, colleges, universities, trade schools, and vocational schools are not considered "schools" under the existing ordinance). This 500-foot radius could be increased, which would reduce the number of viable locations, perhaps severely, if the radius is much larger. Pre-schools and day care centers were specifically excluded from this radius requirement since most attendees are in parental control during pick-up and drop-off. At a Downtown Organization meeting, a representative of the SB School Board requested a limitation on dispensaries on or near safe routes to schools or around bus stops where school age children congregate. One concern with more siting restrictions around private schools and day care centers is that such operations come and go, so a dispensary may start up, and later, a child care center is proposed. Does the dispensary become nonconforming?

Additionally, the current ordinance does not contain a prohibition of dispensaries within a certain distance of residential zones. Such a prohibition was discussed, but not recommended. In recent hearings, concern was raised by the public about the proximity of dispensaries to residential zones. Depending on the distance, this requirement could eliminate large portions of Milpas Street and Outer State Street from the areas where dispensaries are allowed.

6. Reducing the Amortization Period for Nonconforming Dispensaries

SBMC Chapter 28.80 allows dispensaries that were in compliance with the Interim Ordinance to continue operation for three years from the effective date of the current ordinance (April 25, 2008), under certain conditions. Three years was considered reasonable by the Council in 2008, as it gave operators time to amortize their tenant improvement expenses. Additionally, for those dispensaries that could be legalized, the three years gave adequate time to do so. The nonconforming dispensaries must either get a Medical Cannabis Dispensary Permit or relocate before April 25, 2011 (about 19 months). The Ordinance Committee could recommend a shorter amortization period.

7. Impacts on Neighborhoods

Staff has heard about the following types of neighborhood impacts from the public in meetings and correspondence: loitering, such that passers-by or nearby business owners or residents are uncomfortable or fearful; smoking near dispensaries, either in public or in cars; marijuana odors (both from smoking and from the raw material); dispensary patients selling marijuana to non-patients (including children) outside the dispensary; robberies and violence. The Police Department staff will discuss this issue at the Ordinance Committee hearing.

8. Re-establishing an Interim Ordinance, and the applicability of new regulations to existing and pending dispensaries

After the issue of Medical Cannabis Dispensaries first arose in August 2007, the City passed an Interim Ordinance which prohibited the opening of new dispensaries for one year, while the permanent ordinance was being drafted. We have a request to do this again, and depending on the extent of changes that the Council may be considering, it may be appropriate to impose a new moratorium/interim ordinance.

The subject of applicability of new regulations to existing and pending dispensaries must be addressed in the ordinance revision. Normally, new regulations do not apply to existing, legal land uses, at least not without an appropriate amortization period. For example, if a land use zone changes from industrial to residential, the industrial use is allowed to remain as long as certain criteria are met for not expanding the non-conforming use. Another methodology is to allow an amortization period, similar to the current Medical Cannabis Dispensary Ordinance, which allows pre-existing, nonconforming dispensaries three years to seek approval of a MCDP under the current code, relocate, or close operations. For pending dispensaries, any number of points in the process (building occupancy, building permit issuance, project approval, application completeness, etc.), could be the point at which the revised regulations would apply.

9. Information about Neighboring Jurisdictions' Medical Cannabis Regulations

Staff has researched neighboring jurisdictions on the South Coast, and found that virtually all jurisdictions (Lompoc, Santa Maria, Buellton, Solvang, Goleta, Carpinteria, Ventura, Oxnard, Camarillo and Guadalupe) have either an outright ban on dispensaries or a temporary moratorium on new dispensaries. Both Goleta's and Ventura's moratoriums are to consider allowing dispensaries pursuant to an ordinance in the future. It appears that the city and County of Santa Barbara are the only local jurisdictions that currently allow medical cannabis dispensaries.

10. Criteria for Issuance

SBMC Chapter 28.80 establishes 13 criteria for issuance that must be considered by the decision making body in determining whether to grant or deny a dispensary permit. After processing several dispensary permit applications, Staff believes that it is appropriate to revise or eliminate some of these criteria.

- A. Criterion #2 requires that the location of the dispensary is not identified by the City Chief of Police as an area of high crime activity. The Police Department has not currently identified any areas of high crime activity in the City, so the value of this criterion is questionable. Staff recommends changing the language so that it can better reflect when the Police Department has concerns over criminal activity at the potential location of a dispensary.
- B. Criterion #4 refers to "reporting requirements." This is a remnant from when the Ordinance contained language requiring periodic reporting or permit renewal. Staff proposes to delete this phrase.

11. Amount of discretion given to the Staff Hearing Officer

The Medical Cannabis Dispensary Permit is set up as a Performance Standard Permit (PSP), which is a discretionary action partway between a ministerial action (no discretion) and a Conditional Use Permit (total discretion). A PSP allows the decision making body only a limited amount of discretion, and if the Criteria for Issuance are met, then the permit is approved. This was done because it seemed that the location and operational requirements would prevent the type of neighborhood concerns that caused the drafting of the current ordinance. It was to be the Staff Hearing Officer's responsibility to review the project to ensure that the requirements were met, and to give the public a forum to speak to the project.

Of the current 13 criteria for issuance, there are two criteria for issuance that give the decision making bodies some discretion: #7 and #10. Criterion #7 states, "...no significant nuisance issues or problems are anticipated..." Criterion #10 states, "That the

dispensary would not adversely affect the health, peace, or safety of persons living or working in the surrounding area..."

A question that has arisen from the Staff Hearing Officer is: how much discretion does the Staff Hearing Officer have to deny a dispensary permit, if all locational and operational requirements are met. Staff would like to discuss this issue with the Ordinance Committee for possible amendments to these criteria.

12. Lack of Appeal to City Council

The current ordinance allows the Staff Hearing Officer's decision to be appealed to the Planning Commission, but the Planning Commission is the final review body. The Planning Commission's decision cannot be appealed to City Council. Planning Commissioners, appellants and some interested parties have questioned this lack of appeal rights, and Staff would appreciate a discussion of this subject by the Ordinance Committee.

13. Allowing Dispensaries in the C-O and/or C-1 Zones

During the City Council meeting on July 28, 2009, several public speakers commented that Medical Cannabis Dispensaries should be located near hospitals or in doctors' offices, and that the current ordinance targets certain areas of the City for dispensaries. Hospitals and doctors' offices are located, for the most part, in the C-O Zone, which is centered around Cottage Hospital and the old St. Francis Hospital on East Micheltorena Street. Staff does not believe that dispensaries should be located in the East Micheltorena C-O Zone, as it's very small, is surrounded by residential uses, and the hospital is no longer in operation. However, dispensaries could be found to be appropriate in the C-O Zone surrounding Cottage Hospital. Additionally, perhaps dispensaries should be allowed in the C-1 zone (Coast Village Road), in order to have a more even distribution of dispensaries in the city.

14. Full Cost Recovery for Application Processing

The City Council directed the Finance Committee to review a cost recovery fee, and staff would like the Ordinance Committee's input on this issue as well. Although several Councilmembers have expressed interest in fees that would recover the cost of all aspects of City involvement with dispensaries, including policing, staff does not believe that all such fees are lawful. However, it would be appropriate to charge full cost for application processing. Currently, Planning Staff charges its hourly rate for application processing. The current rate is \$200/hr. Planning Staff collects \$2000 as a deposit (10 hrs) and charges additionally if the processing takes more than 10 hours of the case planner's time. There are several issues we would like the Ordinance Committee to discuss:

A. The other major participants in the review of Medical Cannabis Dispensaries are the Police Department and the Building & Safety Division. We have not been charging the

applicants for the time spent by these participants, but will do so from this point forward. Another issue here is that we will be re-examining whether \$200/hr represents the full hourly rate (including overhead), of the Community Development Department and Police Departments.

- B. The appeal fees in the City are very low and only cover a small percentage of the costs involved with appeals. Currently, appellants (usually neighbors) pay the appeal fee of \$300.00, but we do not charge applicants the hourly fee. Should the applicants be charged hourly for the time spent on an appeal?

ATTACHMENTS:

1. Current Medical Marijuana Dispensary Ordinance
2. Maps of Allowed Locations for Medical Marijuana Dispensaries

PREPARED BY: Danny Kato, Senior Planner

SUBMITTED BY: Paul Casey, Community Development Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE REPORT

AGENDA DATE: November 24, 2009
TO: Ordinance Committee
FROM: Planning Division, Community Development Department
SUBJECT: Medical Cannabis Dispensary Ordinance Revision

RECOMMENDATION:

That the Ordinance Committee review the proposed revisions to the Medical Cannabis Dispensary Ordinance, and make recommendations to the Planning Commission and Council regarding adoption of the proposed revisions.

DISCUSSION:

After receiving direction from the Council to review and revise the existing Medical Cannabis Dispensary (MCD) Ordinance on July 28, 2009, the Ordinance Committee met four times on September 15th, September 29th, October 6th, and October 20th, to hear public comment and provide direction on revisions to the MCD Ordinance.

On October 20th, the Ordinance Committee made the following recommendations, which have been included in the attached draft:

1. A citywide cap of seven dispensaries, one in each of the following seven geographic areas:
 - a. Outer State
 - b. De la Vina
 - c. Mission
 - d. Downtown, east of State
 - e. Downtown, west of State
 - f. Milpas
 - g. Mesa
2. A reduced amortization period of six months for existing, nonconforming dispensaries, starting at the adoption date of the proposed revisions.
3. A prohibition on dispensaries in existing, mixed-use buildings, where the residential units are condominiums.

4. More discretion for the Staff Hearing Officer, in the form of changes to the criteria for issuance, including but not limited to Criteria #7 and #10, which currently state, in part:
 - #7. "...no significant nuisance issues or problems are anticipated or resulted..." (emphasis added)
 - #10. "That the dispensary **would not** adversely affect the health, peace, or safety of persons living or working the surrounding areas, overly burden a specific neighborhood, or contribute to a public nuisance..." (emphasis added)
5. A prohibition on dispensaries within 1000 feet of Casa Esperanza and similar recovery facilities.
6. A requirement that security be provided by a separate security company, which is licensed by the State.
7. A requirement for annual review of permitted dispensaries by the Police Department and the Staff Hearing Officer.

On November 17, 2009, the City Council discussed the issues of for-profit dispensaries versus not-for-profit collectives (with or without storefronts), and a moratorium on pending and approved dispensaries. For-profit dispensaries do not comply with State law, whereas it appears that not-for-profit collectives and cooperatives do comply with state law. The Council voted to schedule the moratorium issue on a Council agenda in December 2009. The Council also directed the Ordinance Committee to continue its work on the existing ordinance and start a new work effort to further revise the ordinance to restrict medical marijuana distribution outlets to those that comply with all aspects of state law.

Staff recommends that the Ordinance Committee review the draft revisions to the Medical Cannabis Dispensary Ordinance, and forward it to City Council for action.

ATTACHMENT: Draft Ordinance
PREPARED BY: Danny Kato, Senior Planner
SUBMITTED BY: Paul Casey, Community Development Director
APPROVED BY: City Administrator's Office

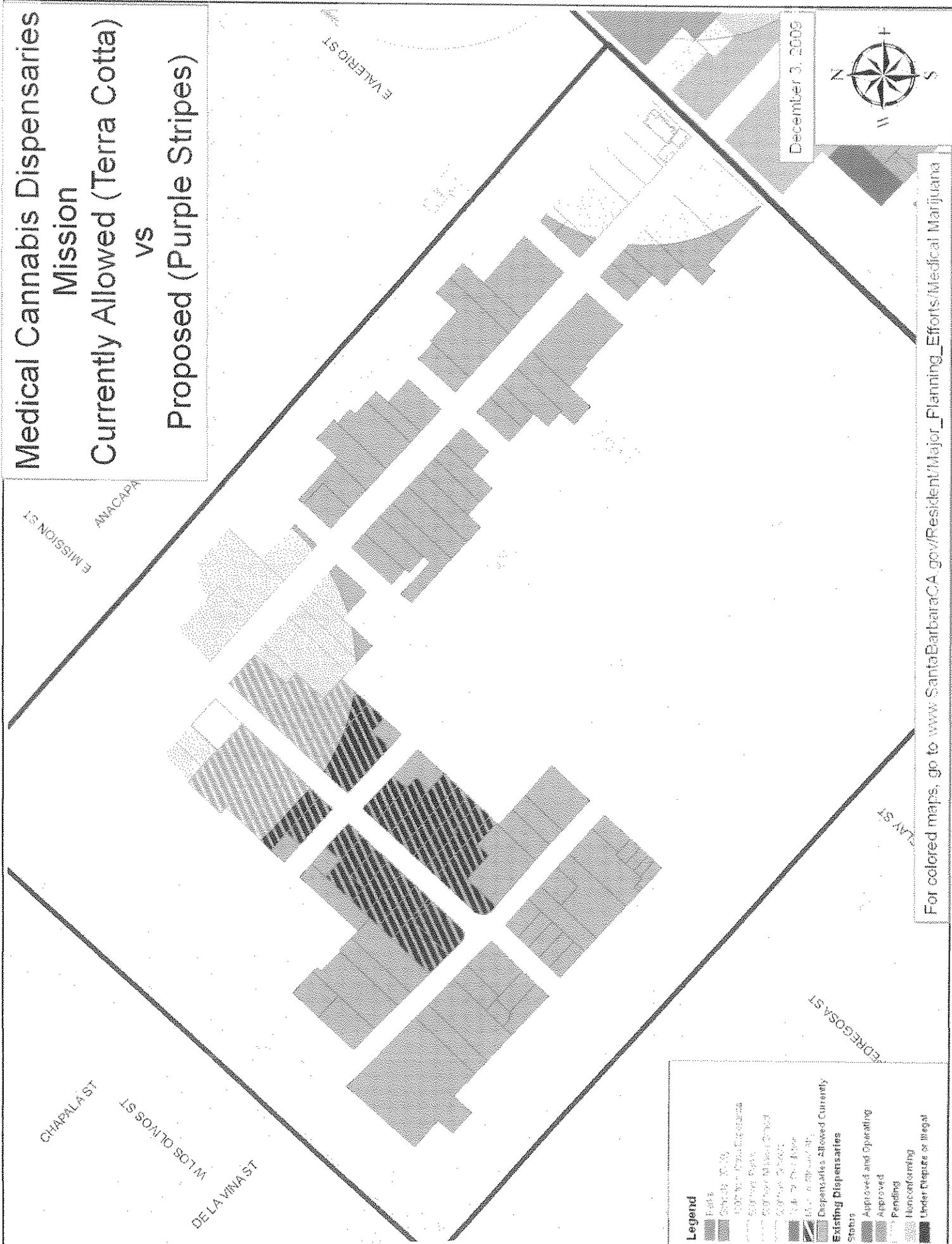
Medical Cannabis Dispensaries De la Vina Currently Allowed (Terra Cotta) VS Proposed (Purple Stripes)



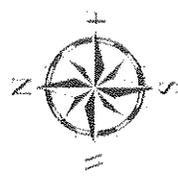
For colored maps, go to www.SantaBarbaraCA.gov/Resident/Major_Planning_Efforts/Medical_Marijuana

EXHIBIT E

Medical Cannabis Dispensaries
Mission
Currently Allowed (Terra Cotta)
VS
Proposed (Purple Stripes)



December 3, 2009



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

- Legend**
- Parks
 - Currently Allowed
 - Proposed
 - Unimproved
 - Existing Dispensaries
 - Under Dispute or Illegal
- Existing Dispensaries**
- Approved and Operating
 - Approved
 - Pending
 - Nonconforming
 - Under Dispute or Illegal

EXHIBIT F

**Medical Cannabis Dispensaries
Milpas
Currently Allowed (Terra Cotta)
vs
Proposed (Purple Stripes)**

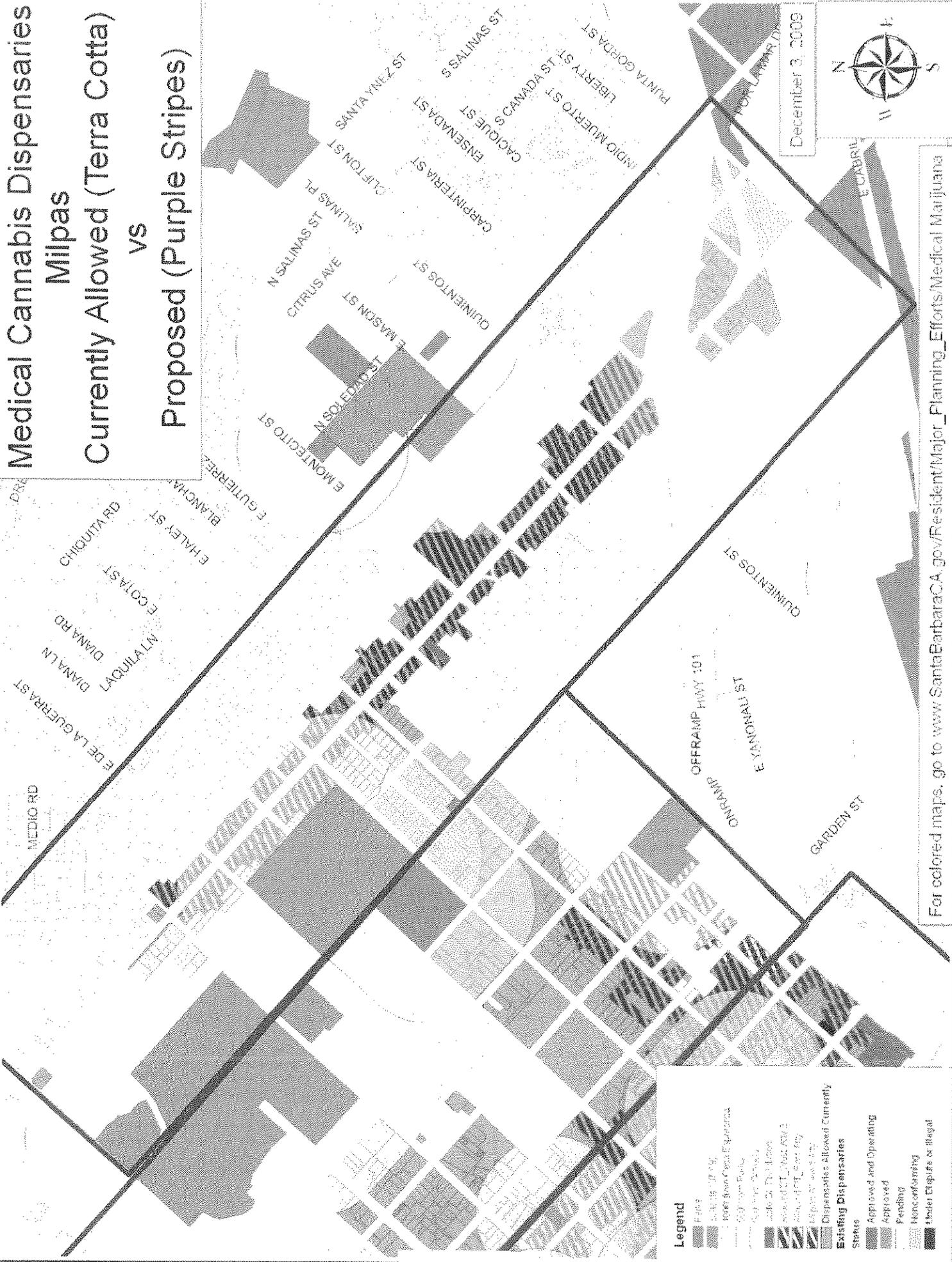
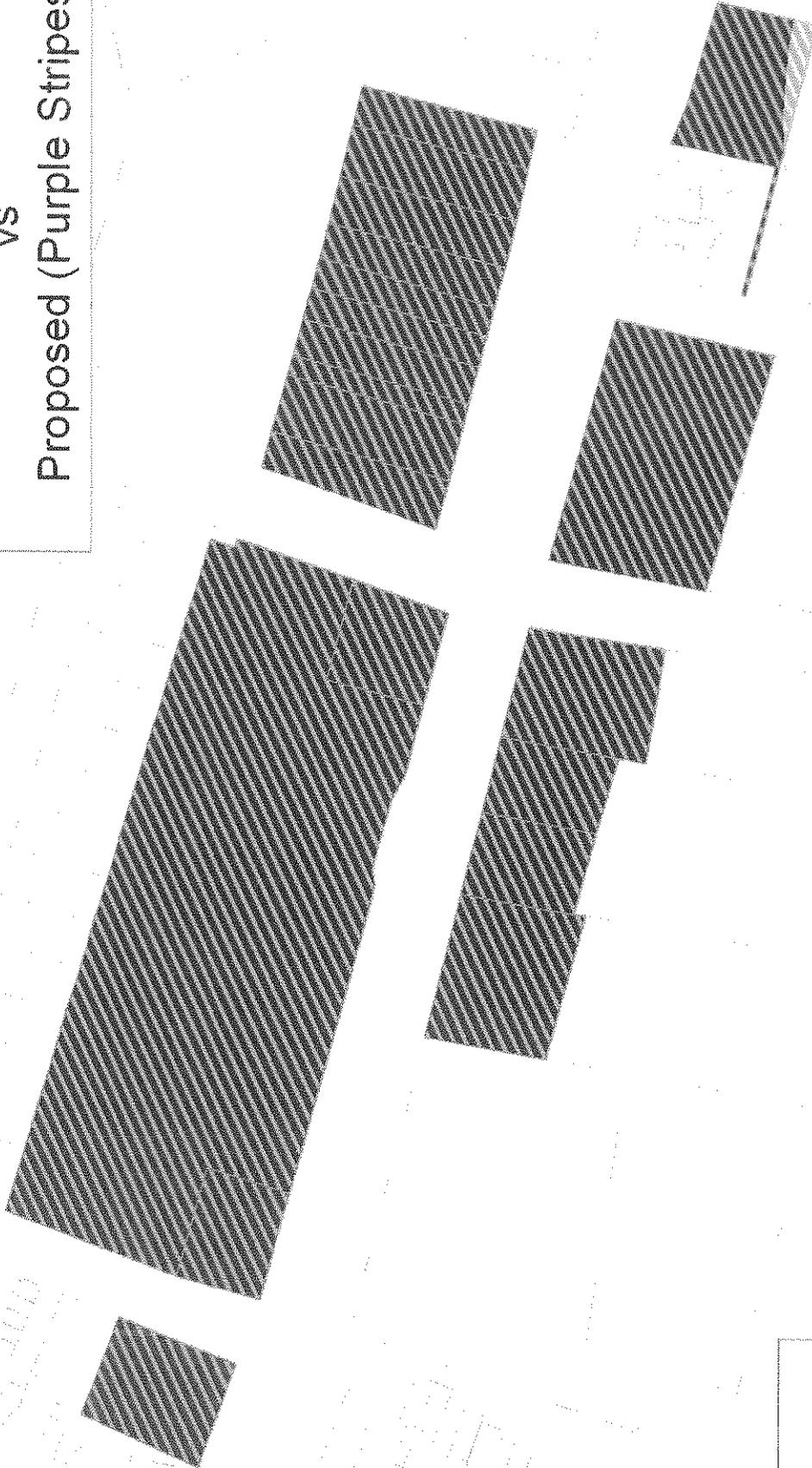
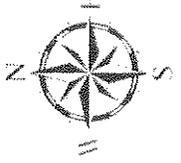


EXHIBIT H

Medical Cannabis Dispensaries
 Mesa
 Currently Allowed (Terra Cotta)
 VS
 Proposed (Purple Stripes)



December 3, 2009



Legend

-  Dispensaries Allowed Currently
-  Existing Dispensaries
- Status**
-  Approved and Operating
-  Approved
-  Pending
-  Noncertifying
-  Under Dispute or Illegal

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

EXHIBIT I

CITY OF SANTA BARBARA

FINANCE COMMITTEE

MEETING AGENDA

DATE: January 26, 2010

Das Williams, Chair

TIME: 12:30 p.m.

Dale Francisco

PLACE: David Gebhard Public Meeting Room
630 Garden Street

Michael Self

James L. Armstrong
City Administrator

Robert Samario
Interim Finance Director

ITEMS TO BE CONSIDERED:

1. Subject: Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Five Months Ended November 30, 2009

Recommendation: That the Finance Committee recommend that the Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2010 Interim Financial Statements for the Five Months Ended November 30, 2009.

(See Council/Redevelopment Agency Agenda Item No. 21)

2. Subject: Fiscal Year 2010 Interim Financial Statements For The Five Months Ended November 30, 2009

Recommendation: That the Finance Committee recommend that Council accept the Fiscal Year 2010 Interim Financial Statements for the Five Months Ended November 30, 2009.

(See Council/Redevelopment Agency Agenda Item No. 4)

3. Subject: December 31, 2009, Investment Report And December 31, 2009, Fiscal Agent Report

Recommendation: That the Finance Committee recommend that Council :

- A. Accept the December 31, 2009, Investment Report; and
- B. Accept the December 31, 2009, Fiscal Agent Report.

(See Council/Redevelopment Agency Agenda Item No. 5)



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING December 15, 2009 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Marty Blum called the joint meeting of the Council and the Redevelopment Agency to order at 2:01 p.m. (The Finance Committee met at 12:00 noon. The Ordinance Committee, which ordinarily meets at 12:30 p.m., did not meet on this date.)

PLEDGE OF ALLEGIANCE

Mayor Blum.

ROLL CALL

Councilmembers present: Iya G. Falcone, Dale Francisco, Grant House, Helene Schneider, Das Williams, Mayor Blum.

Councilmembers absent: Roger L. Horton.

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

PUBLIC COMMENT

Speakers: Ruth Wilson.

ITEM REMOVED FROM CONSENT CALENDAR

8. Subject: Decision And Findings Resolution For The Approval Of The 226 & 232 Eucalyptus Hill Drive Project (640.07)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Regarding the Appeal of the City Planning Commission's Approval of Two Additional Residences for 226 and 232 Eucalyptus Hill Drive Pursuant to the Authority of Santa Barbara Municipal Code Section 28.93.030(E) and the Approval of a Lot Line Adjustment Between the Two Adjacent Applicant Parcels.

(Cont'd)

8. (Cont'd)

Documents:

- December 15, 2009, report from the Community Development Director.
- Proposed Resolution.

The title of the resolution was read.

Motion:

Mayor Blum/Councilmember House to approve the recommendation;
Resolution No. 09-099.

Vote:

Unanimous roll call vote (Abstentions: Councilmembers Falcone,
Francisco; Absent: Councilmember Horton).

CONSENT CALENDAR (Item Nos. 1 – 7, 9 – 13, and 16 – 18)

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

Motion:

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

Vote:

Unanimous roll call vote (Absent: Councilmember Horton).

1. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of
the adjourned regular meeting of October 12, and the regular meetings of
October 13, and November 10, 2009.

Action: Approved the recommendation.

2. Subject: Fiscal Year 2010 Interim Financial Statements For The Four Months
Ended October 31, 2009 (250.02)

Recommendation: That Council accept the Fiscal Year 2010 Interim Financial
Statements for the Four Months Ended October 31, 2009.

Action: Approved the recommendation (December 15, 2009, report from the
Interim Finance Director).

3. Subject: November 2009 Investment Report (260.02)

Recommendation: That Council accept the November 2009 Investment Report.

Action: Approved the recommendation (December 15, 2009, report from the Interim Finance Director).

4. Subject: Adoption Of Ordinance For Tree Preservation And Landscape Plan Policy Recommendations (570.05)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Chapters 15.20 and 15.24 and Title 22 of the Santa Barbara Municipal Code Relating to the Preservation of Trees and the Maintenance of Approved Landscape Plans.

Speakers:

Members of the Public: Kellam de Forest.

Action: Approved the recommendation; Ordinance No. 5505.

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

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Temporarily Suspending the Opening or Operation of New Medical Marijuana Dispensaries Otherwise Allowed Under Santa Barbara Municipal Code Chapter 28.80 on an Interim Basis.

Speakers:

- Members of the Public: Ross Payson, Patrick Fourmy.
- Staff: City Attorney Stephen Wiley.

Action: Approved the recommendation; Ordinance No. 5506.

6. Subject: Proclamation Guidelines Added To Conduct Of Council Meetings Resolution (120.02)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Concerning the Conduct of City Council Meetings Commencing January 12, 2010, and Rescinding Resolution No. 05-073.

Action: Approved the recommendation; Resolution No. 09-097 (December 15, 2009, report from the Assistant City Administrator; proposed resolution).

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

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving the City of Santa Barbara Records Management Policies and Procedures Manual, and Rescinding Resolution No. 07-066.

Action: Approved the recommendation; Resolution No. 09-098 (December 15, 2009, report from the Administrative Services Director; proposed resolution).

9. Subject: Professional Services Contract With URS Corporation For Design And Feasibility Analysis Of A MacKenzie Park Parking Lot Runoff Infiltration Project (540.14)

Recommendation: That Council:

- A. Authorize the Parks and Recreation Director to execute a City professional services agreement with URS Corporation in the amount of \$56,470 to perform a feasibility study and prepare final design plans and construction specifications for a MacKenzie Park Parking Lot Runoff Infiltration Project; and
- B. Authorize the Parks and Recreation Director to increase these services by 10 percent, or \$5,647, if necessary in order to cover any cost increases that may result from final design review and construction requirements.

Action: Approved the recommendations; Agreement No. 23,249 (December 15, 2009, report from the Parks and Recreation Director).

10. Subject: Contract For Water Conservation Technical Evaluation (540.05)

Recommendation: That Council authorize the Public Works Director to negotiate and execute a contract with Maddaus Water Management in a form approved by the City Attorney in the amount of \$66,880, for preparation of a water conservation technical evaluation of the City's Water Conservation Program as an element of the City's Long-Term Water Supply Program (LTWSP) update, and authorize the General Services Manager to approve expenditures of up to \$6,688 for extra services of Maddaus Water Management that may result from necessary changes in the scope of work.

Action: Approved the recommendation; Contract No. 23,250 (December 15, 2009, report from the Public Works Director).

11. Subject: Contract For Groundwater Modeling Program (540.10)

Recommendation: That Council:

- A. Approve a three-year cooperative water resources program between the City and the U.S. Geological Survey (USGS) to update and enhance groundwater models; evaluate the sustainable yield of the City's groundwater resources; and develop decision rules for use in managing supplies from groundwater; and
- B. Authorize the Public Works Director to execute annual Joint Funding Agreements with the USGS for Fiscal Years 2010, 2011, and 2012, to implement the three-year program, with the City's portion of the aggregate cost not to exceed \$376,925.

Action: Approved the recommendations; Agreement Nos. 23,251 - 23,253 (December 15, 2009, report from the Public Works Director).

12. Subject: Donation Of Firefighting Equipment To The Fire Department By The Santa Barbara Firefighters Alliance (330.05)

Recommendation: That Council accept the donation of rescue and safety equipment from the Santa Barbara Firefighters Alliance to the City of Santa Barbara Fire Department, valued at approximately \$30,000.

Speakers:

- Staff: Fire Battalion Chief Pat McElroy.
- Santa Barbara Firefighters Alliance: Dr. Bob Niehaus.

Action: Approved the recommendation (December 15, 2009, report from the Fire Chief).

13. Subject: Set A Date For Public Hearing Regarding Appeal Of Planning Commission Approval For 803 N. Milpas Street (640.07)

Recommendation: That Council:

- A. Set the date of January 26, 2010, at 2:00 p.m. for hearing the appeal filed by Rick Feldman of the Planning Commission approval of an application for property owned by 803 N. Milpas Street LLC and located at 803 N. Milpas Street, Assessor's Parcel No. 031-042-028, C-2 Commercial Zone, General Plan Designation: General Commerce. The project proposes a mixed used development consisting of five mixed use residential/commercial condominiums, one live/work unit, two residential units, and one commercial condominium. The discretionary applications required for the project are a Tentative Subdivision Map, a Modification, a Development Plan, and Design Review by the Architectural Board of Review; and

(Cont'd)

13. (Cont'd)

- B. Set the date of January 25, 2010, at 1:30 p.m. for a site visit to the property located at 803 N. Milpas Street.

Action: Approved the recommendations (November 15, 2009, letter of appeal).

Item Nos. 14 and 15 appear in the Redevelopment Agency minutes.

NOTICES

- 16. The City Clerk has on Thursday, December 10, 2009, 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.
- 17. The public hearing scheduled for December 15, 2009, at 2:00 p.m. to hear an appeal of the Single Family Design Board's approval for 803 Rametto Lane has been cancelled due to withdrawal of the appeal.
- 18. Cancellation of the regular City Council meetings of December 22, and December 29, 2009, and the regular City Council and Redevelopment Agency meetings of January 5, 2010.

This concluded the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

Finance Committee member Helene Schneider reported that the Committee met to review Interim Financial Statements for both the City and Redevelopment Agency for the four months ended October 31, 2009, as well as the November 2009 Investment Report; these documents were forwarded to and accepted by the Council and Agency as part of this Agenda's Consent Calendar (Item Nos. 2, 15, and 3, respectively). The Committee also heard a staff report on the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009; the full Council will hear this report as Agenda Item No. 21.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

- 19. Subject: Two-Year Review Of Neighborhood Preservation Ordinance (640.02)

Recommendation: That Council:

- A. Review and comment on the attached report, Two-Year Review of Neighborhood Preservation Ordinance/Single Family Design Guidelines Update (NPO Update);

(Cont'd)

19. (Cont'd)

- B. Initiate recommended changes with Staff to work with a subcommittee of the Single Family Design Board and the Ordinance Committee; and
- C. Direct Staff to return to Council with ordinance and guideline amendments for adoption.

Documents:

- December 15, 2009, report from the Community Development Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Project Planner Heather Baker, Senior Planner Jaime Limón.
- Single Family Design Board: Chair William Mahan.
- Members of the Public: Connie Hannah, Santa Barbara League of Women Voters; Joe Campanelli, Santa Barbara Contractors Association; Kellam de Forest.

Motion:

Councilmembers House/Schneider to approve recommendations B and C.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

FINANCE DEPARTMENT

20. Subject: Voter Survey Regarding Single-Use Bag Tax (630.01)

Recommendation: That Council consider the recommendation from the Solid Waste Committee to conduct a voter survey about a possible tax on single-use paper and plastic bags applicable to retail establishments over 30,000 square feet and the amount of tax that voters would be willing to pay.

Documents:

- December 15, 2009, report from the Interim Finance Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Environmental Services Supervisor Stephen MacIntosh, City Attorney Stephen Wiley, City Administrator James Armstrong.
- Members of the Public: Nikolai Lambert; Andrea Neal, Jean-Michel Cousteau's Ocean Futures Society; Penny Owens, Santa Barbara ChannelKeeper; Kathi King; Sandy Lejeune, Surfrider Foundation; Bonnie Raisin; John Dixon, Tri-County Produce; Kellam de Forest.

(Cont'd)

20. (Cont'd)

Motion:

Councilmembers House/Williams to approve the recommendation from the Solid Waste Committee to conduct the survey.

Vote:

Majority voice vote (Noes: Councilmember Francisco; Absent: Councilmember Horton).

RECESS

4:25 p.m. - 4:39 p.m. Councilmember Falcone was absent when the Council reconvened.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS (CONT'D)

FINANCE DEPARTMENT (CONT'D)

21. Subject: Comprehensive Annual Financial Report (CAFR) For The Fiscal Year Ended June 30, 2009 (250.02)

Recommendation: That Council:

- A. Receive a report from staff on the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009; and
- B. Accept the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009.

Documents:

- December 15, 2009, report from the Interim Finance Director.
- Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009.

Councilmember Falcone returned to the meeting at 4:59 p.m.

Speakers:

Staff: Interim Finance Director Robert Samario, Accounting Manager Rudolf Livingston, City Administrator James Armstrong.

Motion:

Councilmembers Schneider/Falcone to approve recommendation B.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

MAYOR AND COUNCIL REPORTS

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

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

Documents:

December 15, 2009, report from the Administrative Services Director.

Access Advisory Committee:

Motion:

Councilmembers Schneider/Falcone to appoint Ken McLellan.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointment:

Ken McLellan was appointed to the Disability Community category for a term expiring December 31, 2011.

Airport Commission:

Motion:

Councilmembers House/Schneider to appoint Chris Colbert and William Gilbert.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointment:

Chris Colbert and William Gilbert were appointed for terms expiring December 31, 2013.

Architectural Board of Review:

Nominees: Christopher Gilliland, Gary Mosel.

Vote:

- For Gilliland: Councilmember Falcone.
- For Mosel: Councilmembers Francisco, House, Schneider, Williams, Mayor Blum.

Appointment:

Gary Mosel was re-appointed to the Professional Qualifications category for a term expiring December 31, 2013.

(Cont'd)

22. (Cont'd)

Arts Advisory Committee:

Motion:

Councilmembers Schneider/Williams to appoint Roman Baratiak and re-appoint Phyllis De Picciotto and Suzanne Fairly-Green.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointments:

Roman Baratiak was appointed, and Phyllis De Picciotto and Suzanne Fairly-Green were re-appointed to the South Coast Area category for terms expiring December 31, 2013.

Civil Service Commission:

Motion:

Councilmembers Schneider/Williams to re-appoint Kathryn McKee.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointment:

Kathryn McKee was re-appointed for a term expiring December 31, 2013.

Community Development and Human Services Committee:

Motion:

Councilmembers House/Williams to re-appoint Laura Knight.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointment:

Laura Knight was re-appointed to the Business Community/Economic Development category for a term expiring December 31, 2013.

Creeks Advisory Committee:

Motion:

Councilmembers Falcone/House to appoint Kathleen Weber.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

(Cont'd)

22. (Cont'd)

Creeks Advisory Committee (Cont'd):

Appointment:

Kathleen Weber was appointed for a term expiring December 31, 2011.

Downtown Parking Committee:

Motion:

Councilmembers Schneider/House to re-appoint Randy Rowse.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointment:

Randy Rowse was re-appointed for a term expiring December 31, 2013.

Fire and Police Commission:

Nominees: Frank Banales, Jennifer Christensen, Robert Handy, Patrick Lennon, Bill Medel.

Vote:

- For Banales: Councilmembers Francisco, Williams.
- For Christensen: Councilmembers House, Schneider, Mayor Blum.
- For Handy: Councilmember Williams.
- For Lennon: Councilmembers Falcone, House, Schneider, Mayor Blum.
- For Medel: Councilmembers Falcone, Francisco.

Appointments:

Jennifer Christensen was appointed for a term expiring December 31, 2011, and Patrick Lennon was re-appointed for a term expiring December 31, 2013.

Franklin Center Advisory Committee:

Motion:

Councilmembers Schneider/Williams to re-appoint Sebastian Aldana and appoint Sharon Byrne.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

(Cont'd)

22. (Cont'd)

Franklin Center Advisory Committee (Cont'd):

Appointments:

Sebastian Aldana was re-appointed and Sharon Byrne was appointed to the Public at Large category for terms expiring December 31, 2013, and December 31, 2010, respectively.

Harbor Commission:

Motion:

Councilmembers Williams/Francisco to appoint Eric Friedman and Jim Sloan.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointments:

Eric Friedman and Jim Sloan were appointed for terms expiring December 31, 2013.

Historic Landmarks Commission:

Nominees: Louise Boucher, Tom Ochsner, Philip Suding, Justin Van Mullem.

Vote:

- For Boucher: Councilmembers Falcone, Francisco, Schneider, Williams.
- For Ochsner: Councilmember Schneider, Mayor Blum.
- For Suding: Councilmembers House, Williams, Mayor Blum.
- For Van Mullem: Councilmembers Falcone, Francisco, House.

Runoff Vote:

- For Suding: Councilmembers Falcone, House, Schneider, Williams, Mayor Blum.
- For Van Mullem: Councilmember Francisco.

Appointments:

Louise Boucher was re-appointed and Philip Suding was appointed for terms expiring December 31, 2013.

(Cont'd)

22. (Cont'd)

Housing Authority Commission:

Motion:

Councilmembers Schneider/Falcone to re-appoint Stanley Eisele.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointment:

Stanley Eisele was re-appointed to the Senior Tenant category for a term expiring February 15, 2012.

Living Wage Advisory Committee:

Motion:

Councilmembers House/Williams to appoint Gabe Dominocielo.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointment:

Gabe Dominocielo was appointed to the Business Owner/Manager category for a term expiring June 30, 2010.

Lower Westside Center Advisory Committee:

Motion:

Councilmembers Williams/Schneider to re-appoint Paul Contreras.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointment:

Paul Contreras was re-appointed to the Public at Large category for a term expiring December 31, 2013.

Measure P Committee:

Motion:

Councilmembers Schneider/Williams to appoint Gary Buffington.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointment:

Gary Buffington was appointed to the Medical Marijuana Patient category for a term expiring December 31, 2013.

(Cont'd)

22. (Cont'd)

Parks and Recreation Commission:

Motion:

Councilmembers Falcone/Schneider to appoint Chris Casebeer and Lesley Wiscomb.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointments:

Chris Casebeer and Lesley Wiscomb were appointed for terms expiring December 31, 2013.

Planning Commission:

Nominees: Michael Jordan, Deborah Schwartz, Addison Thompson.

Vote:

- For Jordan: Councilmembers Falcone, Francisco, House, Schneider, Williams, Mayor Blum.
- For Schwartz: Councilmembers Falcone, House, Williams, Mayor Blum.
- For Thompson: Councilmembers Francisco, Schneider.

Appointments:

Michael Jordan and Deborah Schwartz were appointed for terms expiring December 31, 2013.

Rental Housing Mediation Task Force:

Motion:

Councilmembers Williams/House to re-appoint Lynn Goebel and Daniel Herlinger.

Vote:

Unanimous voice vote (Absent: Councilmember Horton).

Appointments:

Lynn Goebel was re-appointed to the Tenant category, and Daniel Herlinger was re-appointed to the Homeowner category for terms expiring December 31, 2013.

ADJOURNMENT

Mayor Blum adjourned the meeting at 5:46 p.m. in memory of Merrill Hoffman, Ugo Melchiori, and Roger Heroux.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

MARTY BLUM
MAYOR

ATTEST: _____
SUSAN TSCHECH, CMC
DEPUTY CITY CLERK



**CITY OF SANTA BARBARA
CITY COUNCIL MINUTES**

**REGULAR MEETING
December 22, 2009
COUNCIL CHAMBER, 735 ANACAPA STREET**

The regular meeting of the City Council, scheduled for 2:00 p.m. on December 22, 2009, was cancelled by the Council on November 24, 2009.

The next regular meeting of the City Council is scheduled for January 12, 2010, at 2:00 p.m. in the Council Chamber.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

MARTY BLUM
MAYOR

ATTEST: _____
SUSAN TSCHECH, CMC
DEPUTY CITY CLERK



**CITY OF SANTA BARBARA
CITY COUNCIL MINUTES**

**REGULAR MEETING
December 29, 2009
COUNCIL CHAMBER, 735 ANACAPA STREET**

The regular meeting of the City Council, scheduled for 2:00 p.m. on December 22, 2009, was cancelled by the Council on November 18, 2008.

The next regular meeting of the City Council is scheduled for January 12, 2010, at 2:00 p.m. in the Council Chamber.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

MARTY BLUM
MAYOR

ATTEST: _____
SUSAN TSCHECH, CMC
DEPUTY CITY CLERK



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Accounting Division, Finance Department

SUBJECT: Fiscal Year 2010 Interim Financial Statements For The Five Months Ended November 30, 2009

RECOMMENDATION:

That Council accept the Fiscal Year 2010 Interim Financial Statements for the Five Months Ended November 30, 2009.

DISCUSSION:

The interim financial statements for the five months ended November 30, 2009 (41.7% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the General Fund, Enterprise Funds, Internal Service Funds, and select Special Revenue Funds.

ATTACHMENT: Interim Financial Statements for the Five Months Ended November 30, 2009

PREPARED BY: Rudolf J. Livingston, Accounting Manager

SUBMITTED BY: Robert Samario, Interim Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
GENERAL FUND					
Revenue	103,069,455	32,209,989	-	70,859,466	31.3%
Expenditures	103,233,974	42,988,374	933,631	59,311,969	42.5%
<i>Addition to / (use of) reserves</i>	<u>(164,519)</u>	<u>(10,778,385)</u>	<u>(933,631)</u>		
WATER OPERATING FUND					
Revenue	34,188,296	15,556,036	-	18,632,260	45.5%
Expenditures	37,418,635	13,300,932	2,832,568	21,285,134	43.1%
<i>Addition to / (use of) reserves</i>	<u>(3,230,339)</u>	<u>2,255,104</u>	<u>(2,832,568)</u>		
WASTEWATER OPERATING FUND					
Revenue	14,828,850	6,344,923	-	8,483,927	42.8%
Expenditures	16,070,288	5,712,135	1,473,169	8,884,984	44.7%
<i>Addition to / (use of) reserves</i>	<u>(1,241,438)</u>	<u>632,788</u>	<u>(1,473,169)</u>		
DOWNTOWN PARKING					
Revenue	6,762,290	2,850,882	-	3,911,408	42.2%
Expenditures	8,195,457	3,119,099	579,348	4,497,011	45.1%
<i>Addition to / (use of) reserves</i>	<u>(1,433,167)</u>	<u>(268,217)</u>	<u>(579,348)</u>		
AIRPORT OPERATING FUND					
Revenue	12,440,678	5,250,997	-	7,189,681	42.2%
Expenditures	12,723,593	4,718,771	638,470	7,366,352	42.1%
<i>Addition to / (use of) reserves</i>	<u>(282,915)</u>	<u>532,226</u>	<u>(638,470)</u>		
GOLF COURSE FUND					
Revenue	2,380,438	769,633	-	1,610,805	32.3%
Expenditures	2,785,158	1,394,918	135,955	1,254,285	55.0%
<i>Addition to / (use of) reserves</i>	<u>(404,720)</u>	<u>(625,284)</u>	<u>(135,955)</u>		
INTRA-CITY SERVICE FUND					
Revenue	6,397,840	2,976,074	-	3,421,767	46.5%
Expenditures	6,659,667	1,999,717	637,837	4,022,112	39.6%
<i>Addition to / (use of) reserves</i>	<u>(261,827)</u>	<u>976,356</u>	<u>(637,837)</u>		
FLEET REPLACEMENT FUND					

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
FLEET REPLACEMENT FUND					
Revenue	1,779,868	793,368	-	986,500	44.6%
Expenditures	3,821,874	615,689	892,208	2,313,978	39.5%
<i>Addition to / (use of) reserves</i>	<u>(2,042,006)</u>	<u>177,679</u>	<u>(892,208)</u>		
FLEET MAINTENANCE FUND					
Revenue	2,530,238	1,048,193	-	1,482,045	41.4%
Expenditures	2,631,703	850,716	161,644	1,619,344	38.5%
<i>Addition to / (use of) reserves</i>	<u>(101,465)</u>	<u>197,477</u>	<u>(161,644)</u>		
SELF INSURANCE TRUST FUND					
Revenue	6,073,674	2,532,033	-	3,541,641	41.7%
Expenditures	6,519,840	2,326,082	217,675	3,976,082	39.0%
<i>Addition to / (use of) reserves</i>	<u>(446,166)</u>	<u>205,951</u>	<u>(217,675)</u>		
INFORMATION SYSTEMS ICS FUND					
Revenue	2,435,147	1,017,899	-	1,417,248	41.8%
Expenditures	2,630,280	1,013,503	220,822	1,395,955	46.9%
<i>Addition to / (use of) reserves</i>	<u>(195,133)</u>	<u>4,395</u>	<u>(220,822)</u>		
WATERFRONT FUND					
Revenue	11,522,348	5,293,219	-	6,229,129	45.9%
Expenditures	12,061,259	5,190,500	590,743	6,280,017	47.9%
<i>Addition to / (use of) reserves</i>	<u>(538,911)</u>	<u>102,720</u>	<u>(590,743)</u>		
TOTAL FOR ALL FUNDS					
Revenue	204,409,122	76,643,246	-	127,765,876	37.5%
Expenditures	214,751,729	83,230,436	9,314,069	122,207,223	43.1%
<i>Addition to / (use of) reserves</i>	<u>(10,342,607)</u>	<u>(6,587,191)</u>	<u>(9,314,069)</u>		

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

CITY OF SANTA BARBARA
General Fund
Interim Statement of Budgeted and Actual Revenues
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	Annual Budget	YTD Actual	Remaining Balance	Percent Received	Previous YTD
TAXES					
Sales and Use	17,405,682	5,200,333	12,205,349	29.9%	6,211,119
Property Taxes	23,426,345	1,073,651	22,352,694	4.6%	2,588,700
Utility Users Tax	6,916,329	2,927,572	3,988,757	42.3%	2,991,715
Transient Occupancy Tax	11,351,970	5,931,431	5,420,539	52.3%	6,965,485
Franchise Fees	3,335,000	1,440,121	1,894,879	43.2%	1,293,391
Business License	2,273,300	632,577	1,640,723	27.8%	658,739
Real Property Transfer Tax	325,800	170,170	155,630	52.2%	154,296
<i>Total</i>	<u>65,034,426</u>	<u>17,375,856</u>	<u>47,658,570</u>	<u>26.7%</u>	<u>20,863,445</u>
LICENSES & PERMITS					
Licenses & Permits	179,000	72,759	106,241	40.6%	76,199
<i>Total</i>	<u>179,000</u>	<u>72,759</u>	<u>106,241</u>	<u>40.6%</u>	<u>76,199</u>
FINES & FORFEITURES					
Parking Violations	2,582,774	1,011,607	1,571,167	39.2%	973,451
Library Fines	117,318	49,439	67,879	42.1%	46,668
Municipal Court Fines	150,000	56,903	93,097	37.9%	76,588
Other Fines & Forfeitures	100,000	72,330	27,670	72.3%	-
<i>Total</i>	<u>2,950,092</u>	<u>1,190,279</u>	<u>1,759,813</u>	<u>40.3%</u>	<u>1,096,707</u>
USE OF MONEY & PROPERTY					
Investment Income	941,951	493,831	448,120	52.4%	670,796
Rents & Concessions	406,436	169,029	237,407	41.6%	166,829
<i>Total</i>	<u>1,348,387</u>	<u>662,859</u>	<u>685,528</u>	<u>49.2%</u>	<u>837,624</u>
INTERGOVERNMENTAL					
Grants	2,195,577	172,813	2,022,764	7.9%	1,232,186
Vehicle License Fees	200,000	134,978	65,022	67.5%	140,864
<i>Total</i>	<u>2,395,577</u>	<u>307,791</u>	<u>2,087,786</u>	<u>12.8%</u>	<u>1,373,051</u>
FEES & SERVICE CHARGES					
Finance	858,930	343,790	515,140	40.0%	334,730
Community Development	4,425,717	1,947,010	2,478,707	44.0%	1,812,402
Recreation	2,448,499	890,459	1,558,040	36.4%	1,014,169
Public Safety	550,543	176,648	373,895	32.1%	133,043
Public Works	4,608,873	2,115,517	2,493,356	45.9%	1,698,164
Library	775,452	368,570	406,882	47.5%	15,281
Reimbursements	5,809,367	2,258,059	3,551,308	38.9%	2,104,178
<i>Total</i>	<u>19,477,381</u>	<u>8,100,052</u>	<u>11,377,329</u>	<u>41.6%</u>	<u>7,111,969</u>
OTHER MISCELLANEOUS REVENUES					
Miscellaneous	1,640,775	601,282	1,039,493	36.6%	2,068,892
Indirect Allocations	7,238,105	3,078,295	4,159,810	42.5%	2,761,967
Operating Transfers-In	2,805,712	820,817	1,984,895	29.3%	529,114
<i>Total</i>	<u>11,684,592</u>	<u>4,500,394</u>	<u>7,184,198</u>	<u>38.5%</u>	<u>5,359,973</u>
TOTAL REVENUES	<u>103,069,455</u>	<u>32,209,989</u>	<u>70,859,466</u>	<u>31.3%</u>	<u>36,718,966</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
GENERAL GOVERNMENT						
<u>Mayor & City Council</u>						
MAYOR	747,750	295,637	2,155	449,959	39.8%	
<i>Total</i>	747,750	295,637	2,155	449,959	39.8%	336,017
<u>City Attorney</u>						
CITY ATTORNEY	2,099,358	870,563	-	1,228,795	41.5%	
<i>Total</i>	2,099,358	870,563	-	1,228,795	41.5%	916,896
<u>Administration</u>						
CITY ADMINISTRATOR	1,324,103	599,594	2,155	722,354	45.4%	
LABOR RELATIONS	187,984	77,525	-	110,459	41.2%	
CITY TV	433,943	171,489	44,104	218,350	49.7%	
<i>Total</i>	1,946,030	848,609	46,259	1,051,163	46.0%	957,174
<u>Administrative Services</u>						
CITY CLERK	773,167	295,962	132,589	344,616	55.4%	
HUMAN RESOURCES	1,190,764	446,245	21,044	723,475	39.2%	
ADMIN SVCS-EMPLOYEE DEVELOPMENT	182,921	60,793	-	122,128	33.2%	
<i>Total</i>	2,146,852	803,000	153,633	1,190,219	44.6%	786,478
<u>Finance</u>						
ADMINISTRATION	631,402	321,016	10,995	299,391	52.6%	
TREASURY	380,819	174,103	2,275	204,441	46.3%	
CASHIERING & COLLECTION	425,648	176,070	-	249,578	41.4%	
LICENSES & PERMITS	387,383	158,812	-	228,571	41.0%	
BUDGET MANAGEMENT	330,928	161,918	-	169,010	48.9%	
ACCOUNTING	387,205	174,065	23,547	189,593	51.0%	
PAYROLL	272,626	110,336	-	162,290	40.5%	
ACCOUNTS PAYABLE	210,352	84,984	-	125,368	40.4%	
CITY BILLING & CUSTOMER SERVICE	560,393	196,621	-	363,772	35.1%	
PURCHASING	634,301	265,984	2,769	365,549	42.4%	
CENTRAL STORES	183,684	74,772	-	108,912	40.7%	
MAIL SERVICES	96,326	37,753	-	58,573	39.2%	
<i>Total</i>	4,501,067	1,936,433	39,586	2,525,048	43.9%	2,044,820
TOTAL GENERAL GOVERNMENT	11,441,057	4,754,241	241,632	6,445,184	43.7%	5,041,387
PUBLIC SAFETY						
<u>Police</u>						
CHIEF'S STAFF	1,160,176	492,744	-	667,432	42.5%	
SUPPORT SERVICES	575,931	234,441	3,621	337,869	41.3%	
RECORDS	1,396,802	573,686	7,956	815,160	41.6%	
COMMUNITY SVCS	1,063,530	447,941	4,189	611,400	42.5%	
CRIME ANALYSIS	66,056	9,186	-	56,870	13.9%	
PROPERTY ROOM	125,326	53,033	1,034	71,259	43.1%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
PUBLIC SAFETY						
<u>Police</u>						
TRNG/RECRUITMENT	381,881	217,882	-	163,999	57.1%	
RANGE	879,439	363,985	29,024	486,431	44.7%	
BEAT COORDINATORS	801,812	194,392	-	607,420	24.2%	
INFORMATION TECHNOLOGY	1,118,502	563,675	12,370	542,458	51.5%	
INVESTIGATIVE DIVISION	4,489,206	1,821,817	3,445	2,663,944	40.7%	
CRIME LAB	222,370	53,461	-	168,909	24.0%	
PATROL DIVISION	12,629,310	5,288,548	132,677	7,208,085	42.9%	
TRAFFIC	1,330,706	468,292	1,580	860,834	35.3%	
SPECIAL EVENTS	986,472	709,417	-	277,055	71.9%	
TACTICAL PATROL FORCE	1,131,685	484,863	-	646,822	42.8%	
STREET SWEEPING ENFORCEMENT	236,362	108,196	-	128,166	45.8%	
NIGHT LIFE ENFORCEMENT	458,400	148,832	-	309,568	32.5%	
PARKING ENFORCEMENT	902,337	360,331	27,800	514,206	43.0%	
CCC	2,383,022	880,222	641	1,502,160	37.0%	
ANIMAL CONTROL	564,640	273,758	1,736	289,147	48.8%	
<i>Total</i>	32,903,965	13,750,128	226,072	18,927,765	42.5%	14,825,622
<u>Fire</u>						
ADMINISTRATION	1,096,276	436,461	3,605	656,210	40.1%	
EMERGENCY SERVICES AND PUBLIC ED	218,086	89,080	2,409	126,598	42.0%	
PREVENTION	1,187,985	482,618	439	704,928	40.7%	
WILDLAND FIRE MITIGATION PROGRAM	191,083	70,543	23,229	97,311	49.1%	
OPERATIONS	17,188,401	6,992,298	50,477	10,145,626	41.0%	
ARFF	1,623,165	687,336	-	935,829	42.3%	
<i>Total</i>	21,504,996	8,758,336	80,159	12,666,502	41.1%	9,653,885
TOTAL PUBLIC SAFETY	54,408,961	22,508,464	306,231	31,594,266	41.9%	24,479,507
PUBLIC WORKS						
<u>Public Works</u>						
ADMINISTRATION	862,361	345,180	8,536	508,645	41.0%	
ENGINEERING SVCS	4,129,675	1,724,928	11,496	2,393,251	42.0%	
PUBLIC RT OF WAY MGMT	1,011,589	384,578	1,678	625,333	38.2%	
ENVIRONMENTAL PROGRAMS	393,673	124,882	49,510	219,281	44.3%	
<i>Total</i>	6,397,298	2,579,579	71,220	3,746,500	41.4%	2,839,884
TOTAL PUBLIC WORKS	6,397,298	2,579,579	71,220	3,746,500	41.4%	2,839,884
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
PRGM MGMT & BUS SVCS	524,868	223,172	-	301,696	42.5%	
FACILITIES	394,356	177,029	8,857	208,470	47.1%	
CULTURAL ARTS	429,832	184,041	24,089	221,702	48.4%	
YOUTH ACTIVITIES	752,636	301,889	6,369	444,378	41.0%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>** Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
SR CITIZENS	722,733	304,747	465	417,521	42.2%	
AQUATICS	1,033,575	564,666	33,644	435,264	57.9%	
SPORTS	483,177	185,308	8,483	289,386	40.1%	
TENNIS	275,753	133,789	-	141,964	48.5%	
NEIGHBORHOOD & OUTREACH SERV	1,263,260	518,341	1,290	743,629	41.1%	
ADMINISTRATION	528,293	217,264	-	311,029	41.1%	
PROJECT MANAGEMENT TEAM	242,538	127,588	-	114,950	52.6%	
BUSINESS SERVICES	375,931	136,329	19,153	220,449	41.4%	
FACILITY & PROJECT MGT	1,012,354	488,013	1,438	522,903	48.3%	
GROUND MANAGEMENT	4,051,580	1,743,524	94,168	2,213,888	45.4%	
FORESTRY	1,182,344	417,183	13,655	751,506	36.4%	
BEACH MAINTENANCE	170,234	53,029	8,984	108,221	36.4%	
<i>Total</i>	<u>13,443,464</u>	<u>5,777,416</u>	<u>223,264</u>	<u>7,442,784</u>	44.6%	<u>6,828,600</u>
<u>Library</u>						
ADMINISTRATION	416,148	169,411	-	246,737	40.7%	
PUBLIC SERVICES	2,161,456	932,715	3,816	1,224,926	43.3%	
SUPPORT SERVICES	1,594,389	579,310	5,666	1,009,413	36.7%	
<i>Total</i>	<u>4,171,993</u>	<u>1,686,690</u>	<u>9,481</u>	<u>2,475,822</u>	40.7%	<u>1,962,233</u>
TOTAL COMMUNITY SERVICES	<u>17,615,457</u>	<u>7,464,106</u>	<u>232,746</u>	<u>9,918,606</u>	43.7%	<u>8,790,834</u>
COMMUNITY DEVELOPMENT						
<u>Community Development</u>						
ADMINISTRATION	491,949	193,667	751	297,531	39.5%	
ECON DEV	62,919	23,613	-	39,306	37.5%	
CITY ARTS ADVISORY PROGRAM	540,483	419,500	-	120,984	77.6%	
HUMAN SVCS	818,612	332,910	-	485,702	40.7%	
RDA	730,700	253,813	-	476,887	34.7%	
RDA HSG DEV	677,395	283,222	-	394,173	41.8%	
LR PLANNING/STUDIES	792,833	308,303	639	483,891	39.0%	
DEV & DESIGN REVIEW	1,038,992	407,007	7,806	624,179	39.9%	
ZONING	853,074	332,620	936	519,518	39.1%	
DESIGN REV & HIST PRESERVATN	940,732	357,556	43,313	539,863	42.6%	
SHO/ENVIRON REVIEW/TRAINING	703,239	275,340	7,337	420,562	40.2%	
BLDG PERMITS	1,018,740	398,175	1,262	619,304	39.2%	
RECORDS & ARCHIVES	527,248	201,472	19,454	306,322	41.9%	
PLAN CK & COUNTER SRV	1,268,494	506,001	304	762,188	39.9%	
<i>Total</i>	<u>10,465,410</u>	<u>4,293,198</u>	<u>81,802</u>	<u>6,090,410</u>	41.8%	<u>4,509,668</u>
TOTAL COMMUNITY DEVELOPMENT	<u>10,465,410</u>	<u>4,293,198</u>	<u>81,802</u>	<u>6,090,410</u>	41.8%	<u>4,509,668</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
DUES, MEMBERSHIPS, & LICENSES	22,272	2,585	-	19,687	11.6%	
COMMUNITY PROMOTIONS	1,706,580	999,742	-	706,838	58.6%	
SPECIAL PROJECTS	21,000	33,500	-	(12,500)	159.5%	
TRANSFERS OUT	43,500	43,500	-	-	100.0%	
DEBT SERVICE TRANSFERS	353,568	288,626	-	64,942	81.6%	
CAPITAL OUTLAY TRANSFER	573,170	20,833	-	552,337	3.6%	
APPROP. RESERVE	185,701	-	-	185,701	0.0%	
<i>Total</i>	2,905,791	1,388,787	-	1,517,004	47.8%	2,334,609
TOTAL NON-DEPARTMENTAL	2,905,791	1,388,787	-	1,517,004	47.8%	2,334,609
TOTAL EXPENDITURES	103,233,974	42,988,374	933,631	59,311,969	42.5%	47,995,888

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

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

CITY OF SANTA BARBARA
Special Revenue Funds
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
TRAFFIC SAFETY FUND					
Revenue	515,000	202,586	-	312,414	39.3%
Expenditures	515,000	202,586	-	312,414	39.3%
<i>Revenue Less Expenditures</i>	-	-	-	-	
CREEK RESTORATION/WATER QUALITY IMPRVMT					
Revenue	2,610,100	1,302,715	-	1,307,385	49.9%
Expenditures	3,386,420	1,094,944	366,176	1,925,300	43.1%
<i>Revenue Less Expenditures</i>	(776,320)	207,771	(366,176)	(617,915)	
SOLID WASTE PROGRAM					
Revenue	18,614,209	7,204,757	-	11,409,452	38.7%
Expenditures	18,713,657	7,415,340	131,385	11,166,932	40.3%
<i>Revenue Less Expenditures</i>	(99,448)	(210,583)	(131,385)	242,520	
COMM.DEVELOPMENT BLOCK GRANT					
Revenue	3,244,916	768,495	-	2,476,421	23.7%
Expenditures	3,121,049	314,776	48,770	2,757,504	11.6%
<i>Revenue Less Expenditures</i>	123,867	453,719	(48,770)	(281,083)	
COUNTY LIBRARY					
Revenue	1,703,932	581,691	-	1,122,241	34.1%
Expenditures	1,765,938	727,489	18,944	1,019,506	42.3%
<i>Revenue Less Expenditures</i>	(62,006)	(145,798)	(18,944)	102,736	
STREETS FUND					
Revenue	9,570,982	3,677,524	-	5,893,458	38.4%
Expenditures	14,093,195	4,862,009	409,867	8,821,320	37.4%
<i>Revenue Less Expenditures</i>	(4,522,213)	(1,184,484)	(409,867)	(2,927,862)	
MEASURE "D"					
Revenue	4,884,000	1,587,084	-	3,296,916	32.5%
Expenditures	9,067,069	1,142,071	2,676,024	5,248,974	42.1%
<i>Revenue Less Expenditures</i>	(4,183,069)	445,013	(2,676,024)	(1,952,058)	

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

WATER OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Water Sales - Metered	29,850,000	13,611,191	-	16,238,809	45.6%	14,166,403
Service Charges	385,000	167,562	-	217,438	43.5%	177,656
Cater JPA Treatment Charges	2,200,000	1,000,014	-	1,199,986	45.5%	1,393,580
Licenses & Permits	(2,500)	-	-	(2,500)	0.0%	-
Investment Income	1,008,000	499,430	-	508,570	49.5%	675,542
Grants	36,098	24,243	-	11,855	67.2%	-
Reimbursements	18,000	-	-	18,000	0.0%	-
Miscellaneous	693,698	253,595	-	440,103	36.6%	188,384
TOTAL REVENUES	34,188,296	15,556,036	-	18,632,260	45.5%	16,601,566
EXPENSES						
Salaries & Benefits	7,599,922	2,977,786	-	4,622,136	39.2%	2,906,983
Materials, Supplies & Services	10,540,950	3,282,340	2,706,557	4,552,053	56.8%	3,515,200
Special Projects	646,774	43,829	70,458	532,488	17.7%	53,755
Water Purchases	7,776,465	2,876,077	43,702	4,856,686	37.5%	2,908,871
Debt Service	5,094,672	1,854,971	-	3,239,701	36.4%	1,829,498
Capital Outlay Transfers	5,302,492	2,209,372	-	3,093,120	41.7%	3,362,530
Equipment	197,459	34,398	10,200	152,862	22.6%	4,291
Capitalized Fixed Assets	109,900	861	1,652	107,388	2.3%	7,516
Other	-	21,299	-	(21,299)	100.0%	20,328
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	37,418,635	13,300,932	2,832,568	21,285,134	43.1%	14,608,971

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

WASTEWATER OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service Charges	14,010,000	5,923,764	-	8,086,236	42.3%	5,883,642
Fees	410,000	234,072	-	175,928	57.1%	212,774
Investment Income	325,000	174,687	-	150,313	53.7%	235,168
Miscellaneous	83,850	12,400	-	71,450	14.8%	103,640
TOTAL REVENUES	<u>14,828,850</u>	<u>6,344,923</u>	<u>-</u>	<u>8,483,927</u>	<u>42.8%</u>	<u>6,435,224</u>
EXPENSES						
Salaries & Benefits	5,125,324	2,000,868	-	3,124,456	39.0%	2,034,003
Materials, Supplies & Services	5,733,089	1,858,136	1,463,525	2,411,429	57.9%	1,772,238
Special Projects	711,367	299,186	-	412,181	42.1%	449,752
Transfers-Out	65,000	27,083	-	37,917	41.7%	-
Debt Service	1,354,888	346,613	-	1,008,275	25.6%	390,277
Capital Outlay Transfers	2,827,188	1,177,995	-	1,649,193	41.7%	990,857
Equipment	50,167	1,393	7,993	40,781	18.7%	7,511
Capitalized Fixed Assets	53,265	861	1,651	50,752	4.7%	9,582
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>16,070,288</u>	<u>5,712,135</u>	<u>1,473,169</u>	<u>8,884,984</u>	<u>44.7%</u>	<u>5,654,219</u>

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

DOWNTOWN PARKING

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Improvement Tax	875,000	406,128	-	468,872	46.4%	413,528
Parking Fees	5,552,550	2,278,180	-	3,274,370	41.0%	2,194,645
Investment Income	202,500	92,942	-	109,558	45.9%	154,834
Rents & Concessions	23,740	23,740	-	-	100.0%	-
Reimbursements	50,000	5,323	-	44,677	10.6%	-
Miscellaneous	15,000	1,068	-	13,932	7.1%	56,959
Operating Transfers-In	43,500	43,500	-	-	100.0%	43,500
TOTAL REVENUES	<u>6,762,290</u>	<u>2,850,882</u>	<u>-</u>	<u>3,911,408</u>	<u>42.2%</u>	<u>2,863,467</u>
EXPENSES						
Salaries & Benefits	3,724,389	1,488,788	-	2,235,601	40.0%	1,516,671
Materials, Supplies & Services	1,978,278	650,850	151,286	1,176,142	40.5%	706,157
Special Projects	846,410	324,719	421,761	99,929	88.2%	284,835
Transfers-Out	312,621	130,259	-	182,362	41.7%	-
Capital Outlay Transfers	1,258,760	524,483	-	734,277	41.7%	34,078
Equipment	25,000	-	2,800	22,200	11.2%	332
Capitalized Fixed Assets	-	-	3,500	(3,500)	100.0%	461,632
Appropriated Reserve	50,000	-	-	50,000	0.0%	-
TOTAL EXPENSES	<u>8,195,457</u>	<u>3,119,099</u>	<u>579,348</u>	<u>4,497,011</u>	<u>45.1%</u>	<u>3,003,704</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

AIRPORT OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Leases - Commercial / Industrial	3,893,750	1,768,328	-	2,125,422	45.4%	1,809,298
Leases - Terminal	4,853,050	1,951,272	-	2,901,778	40.2%	2,033,696
Leases - Non-Commerical Aviation	1,075,875	473,763	-	602,112	44.0%	511,530
Leases - Commerical Aviation	2,113,451	839,730	-	1,273,721	39.7%	957,348
Investment Income	310,000	141,970	-	168,030	45.8%	241,003
Miscellaneous	194,552	75,934	-	118,618	39.0%	164,056
TOTAL REVENUES	12,440,678	5,250,997	-	7,189,681	42.2%	5,716,930
EXPENSES						
Salaries & Benefits	4,780,946	1,942,218	-	2,838,728	40.6%	1,949,113
Materials, Supplies & Services	6,291,961	2,317,462	638,470	3,336,029	47.0%	2,626,907
Special Projects	742,838	165,999	-	576,839	22.3%	141,856
Transfers-Out	7,351	-	-	7,351	0.0%	-
Capital Outlay Transfers	675,240	271,279	-	403,961	40.2%	1,156,502
Equipment	34,212	17,687	-	16,525	51.7%	24,285
Capitalized Fixed Assets	-	4,126	-	(4,126)	100.0%	38,214
Appropriated Reserve	191,045	-	-	191,045	0.0%	-
TOTAL EXPENSES	12,723,593	4,718,771	638,470	7,366,352	42.1%	5,936,877

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

GOLF COURSE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Fees & Card Sales	1,802,397	613,470	-	1,188,927	34.0%	811,594
Investment Income	28,300	15,989	-	12,311	56.5%	20,691
Rents & Concessions	299,741	136,965	-	162,776	45.7%	118,398
Miscellaneous	250,000	3,209	-	246,791	1.3%	24,998
TOTAL REVENUES	<u>2,380,438</u>	<u>769,633</u>	<u>-</u>	<u>1,610,805</u>	<u>32.3%</u>	<u>975,682</u>
EXPENSES						
Salaries & Benefits	1,137,368	472,002	-	665,366	41.5%	508,340
Materials, Supplies & Services	577,822	254,218	119,521	204,083	64.7%	353,804
Special Projects	31,190	976	9,524	20,690	33.7%	34,918
Transfers-Out	507,767	507,767	-	-	100.0%	-
Debt Service	219,058	156,862	-	62,196	71.6%	155,696
Capital Outlay Transfers	303,553	230	-	303,323	0.1%	17,070
Equipment	8,400	-	-	8,400	0.0%	-
Capitalized Fixed Assets	-	2,862	6,910	(9,772)	100.0%	483,332
TOTAL EXPENSES	<u>2,785,158</u>	<u>1,394,918</u>	<u>135,955</u>	<u>1,254,285</u>	<u>55.0%</u>	<u>1,553,160</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

INTRA-CITY SERVICE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Vehicle Maintenance Charges	-	-	-	-	100.0%	1,121,315
Work Orders - Bldg Maint.	3,808,159	1,410,443	-	2,397,716	37.0%	1,568,013
Rents & Concessions	65,000	-	-	65,000	0.0%	-
Grants	818,200	818,200	-	-	100.0%	-
Service Charges	1,641,481	720,300	-	921,182	43.9%	714,969
Miscellaneous	-	47	-	(47)	100.0%	94,441
Operating Transfers-In	65,000	27,083	-	37,917	41.7%	-
TOTAL REVENUES	<u>6,397,840</u>	<u>2,976,074</u>	<u>-</u>	<u>3,421,767</u>	<u>46.5%</u>	<u>3,498,738</u>
EXPENSES						
Salaries & Benefits	3,121,012	1,214,405	-	1,906,607	38.9%	1,803,092
Materials, Supplies & Services	919,270	372,440	71,516	475,313	48.3%	991,791
Special Projects	1,686,832	346,991	489,383	850,458	49.6%	568,524
Capital Outlay Transfers	65,829	65,345	-	484	99.3%	1,603
Equipment	23,000	-	-	23,000	0.0%	13,750
Capitalized Fixed Assets	843,724	536	76,938	766,250	9.2%	38,170
TOTAL EXPENSES	<u>6,659,667</u>	<u>1,999,717</u>	<u>637,837</u>	<u>4,022,112</u>	<u>39.6%</u>	<u>3,416,929</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

FLEET REPLACEMENT FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Vehicle Rental Charges	1,343,020	559,592	-	783,428	41.7%	771,791
Investment Income	194,000	90,089	-	103,911	46.4%	125,883
Rents & Concessions	242,848	101,187	-	141,661	41.7%	111,767
Miscellaneous	-	42,501	-	(42,501)	100.0%	27,816
TOTAL REVENUES	<u>1,779,868</u>	<u>793,368</u>	<u>-</u>	<u>986,500</u>	<u>44.6%</u>	<u>1,037,257</u>
EXPENSES						
Salaries & Benefits	162,092	62,722	-	99,370	38.7%	49,149
Materials, Supplies & Services	1,120	467	-	653	41.7%	457
Capitalized Fixed Assets	3,658,662	552,500	892,208	2,213,955	39.5%	826,151
TOTAL EXPENSES	<u>3,821,874</u>	<u>615,689</u>	<u>892,208</u>	<u>2,313,978</u>	<u>39.5%</u>	<u>875,757</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

FLEET MAINTENANCE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Vehicle Maintenance Charges	2,480,238	1,048,193	-	1,432,045	42.3%	-
Miscellaneous	50,000	-	-	50,000	0.0%	-
TOTAL REVENUES	<u>2,530,238</u>	<u>1,048,193</u>	<u>-</u>	<u>1,482,045</u>	<u>41.4%</u>	<u>-</u>
EXPENSES						
Salaries & Benefits	1,189,312	473,196	-	716,116	39.8%	-
Materials, Supplies & Services	1,367,766	367,812	145,817	854,137	37.6%	-
Special Projects	60,625	9,707	15,827	35,091	42.1%	-
Equipment	14,000	-	-	14,000	0.0%	-
TOTAL EXPENSES	<u>2,631,703</u>	<u>850,716</u>	<u>161,644</u>	<u>1,619,344</u>	<u>38.5%</u>	<u>-</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

SELF INSURANCE TRUST FUND

	** Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Insurance Premiums	2,950,613	1,229,422	-	1,721,191	41.7%	1,332,267
Workers' Compensation Premiums	2,482,928	1,034,553	-	1,448,375	41.7%	732,292
OSH Charges	302,518	126,049	-	176,469	41.7%	121,748
Investment Income	337,615	139,606	-	198,009	41.4%	201,415
Miscellaneous	-	2,403	-	(2,403)	100.0%	328,567
Accel - Return of Premium	-	-	-	-	100.0%	750,000
TOTAL REVENUES	6,073,674	2,532,033	-	3,541,641	41.7%	3,466,289
EXPENSES						
Salaries & Benefits	600,672	220,464	-	380,208	36.7%	218,894
Materials, Supplies & Services	5,590,392	1,805,158	217,675	3,567,559	36.2%	1,588,214
Transfers-Out	300,000	300,000	-	-	100.0%	1,589,853
Capital Outlay Transfers	1,105	460	-	645	41.7%	2,137
Equipment	4,000	-	-	4,000	0.0%	-
Appropriated Reserve	23,671	-	-	23,671	0.0%	-
TOTAL EXPENSES	6,519,840	2,326,082	217,675	3,976,082	39.0%	3,399,098

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

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

INFORMATION SYSTEMS ICS FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service charges	2,435,147	1,017,672	-	1,417,475	41.8%	1,067,762
Miscellaneous	-	226	-	(226)	100.0%	10,526
TOTAL REVENUES	<u>2,435,147</u>	<u>1,017,899</u>	<u>-</u>	<u>1,417,248</u>	<u>41.8%</u>	<u>1,078,288</u>
EXPENSES						
Salaries & Benefits	1,537,067	611,801	-	925,266	39.8%	707,288
Materials, Supplies & Services	598,350	193,300	202,162	202,887	66.1%	232,321
Special Projects	1,700	1,168	3,043	(2,512)	247.7%	368
Capital Outlay Transfers	-	-	-	-	100.0%	35,417
Equipment	408,269	207,234	15,616	185,419	54.6%	1,164
Capitalized Fixed Assets	-	-	-	-	100.0%	488
Appropriated Reserve	84,895	-	-	84,895	0.0%	-
TOTAL EXPENSES	<u>2,630,280</u>	<u>1,013,503</u>	<u>220,822</u>	<u>1,395,955</u>	<u>46.9%</u>	<u>977,046</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

WATERFRONT FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Leases - Commercial	1,482,056	681,190	-	800,866	46.0%	722,720
Leases - Food Service	2,393,380	1,099,217	-	1,294,163	45.9%	1,170,405
Slip Rental Fees	3,676,785	1,526,211	-	2,150,574	41.5%	1,473,248
Visitors Fees	700,000	269,603	-	430,397	38.5%	232,086
Slip Transfer Fees	250,000	231,875	-	18,125	92.8%	144,175
Parking Revenue	1,885,098	874,121	-	1,010,977	46.4%	687,403
Wharf Parking	268,749	107,175	-	161,574	39.9%	97,933
Other Fees & Charges	364,909	156,053	-	208,856	42.8%	160,793
Investment Income	125,000	120,811	-	4,189	96.6%	165,477
Rents & Concessions	279,322	128,204	-	151,118	45.9%	118,454
Miscellaneous	97,049	98,758	-	(1,709)	101.8%	140,322
TOTAL REVENUES	<u>11,522,348</u>	<u>5,293,219</u>	<u>-</u>	<u>6,229,129</u>	<u>45.9%</u>	<u>5,113,016</u>
EXPENSES						
Salaries & Benefits	5,530,336	2,295,786	-	3,234,550	41.5%	2,295,899
Materials, Supplies & Services	3,416,967	1,267,724	583,306	1,565,936	54.2%	1,278,189
Special Projects	122,559	37,247	3,000	82,312	32.8%	12,711
Debt Service	1,673,572	1,111,096	-	562,476	66.4%	1,098,749
Capital Outlay Transfers	1,131,381	471,409	-	659,972	41.7%	423,582
Equipment	86,445	7,237	4,437	74,771	13.5%	31,916
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
TOTAL EXPENSES	<u>12,061,259</u>	<u>5,190,500</u>	<u>590,743</u>	<u>6,280,017</u>	<u>47.9%</u>	<u>5,141,046</u>

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



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: December 31, 2009, Investment Report And December 31, 2009, Fiscal Agent Report

RECOMMENDATION: That Council:

- A. Accept the December 31, 2009, Investment Report; and
- B. Accept the December 31, 2009, Fiscal Agent Report.

DISCUSSION:

The City's investment reporting schedule requires staff to submit a comprehensive report on the City portfolio on a quarterly basis. This report covers investment activity for October through December, 2009.

According to estimates released by the Bureau of Economic Analysis, real gross domestic product (GDP), the broadest measure of the health of the U.S. economy, increased at an annual rate of 2.2 percent during the third calendar quarter of 2009 after a 6.4 percent decrease for first quarter and 0.7 percent growth in the second quarter of 2009. Positive GDP growth was due to growth primarily in consumer consumption, exports, and federal stimulus spending.

As shown in the table to the right, interest rates for U.S. Treasury securities moved generally higher over the quarter due to upward pressure on yields as large amounts of Treasury debt came to market again this quarter. An increase in the supply of Treasuries in the market generally acts to push prices down and yields higher.

U.S. Treasury Market					
	9/30/2009	10/31/2009	11/30/2009	12/31/2009	Cumulative Change
3 Month	0.11%	0.04%	0.05%	0.05%	-0.06%
6 Month	0.17%	0.16%	0.15%	0.19%	0.02%
1 Year	0.38%	0.35%	0.24%	0.44%	0.06%
2 Year	0.94%	0.89%	0.66%	1.14%	0.20%
3 Year	1.42%	1.39%	1.10%	1.68%	0.26%
4 Year	1.87%	1.85%	1.55%	2.18%	0.31%
5 Year	2.31%	2.31%	2.00%	2.68%	0.37%
10 Year	3.31%	3.39%	3.20%	3.84%	0.53%
30 Year	4.05%	4.23%	4.19%	4.64%	0.59%
LAIF	0.75%	0.65%	0.61%	0.57%	-0.18%

The Consumer Price Index (CPI) is a general measure of inflation showing the average change in prices over time of goods and services purchased by households. The seasonally adjusted CPI for all items remained basically flat in December at 0.1 percent. Without fears of immediate inflation in the U.S. economy, the Federal Reserve Bank's Open Market Committee, which sets the federal funds rate, reiterated its commitment to keep rates exceptionally low for an extended period at its December meeting. During the fourth quarter, the federal funds rate remained unchanged at a target range of 0-1/4 percent.

Investment Activity

As shown in the table on below, the City invested \$14.0 million during the quarter. The purchases consisted of \$10.0 million in "AAA" rated Federal Agency callable securities and \$4.0 million in certificates of deposit. During the quarter, \$6.0 million of "AAA" rated Federal Agency securities were called and \$6.345 million securities matured. In addition, the portfolio also received \$86,339 in a semi-annual principal payment on the Airport promissory note at the end of December.

Issuer	Face Amount	Purchase Date	Final Maturity	Call Date	Yield To Call	Yield To Maturity
<i>Purchases:</i>						
Federal Farm Credit Bank (FFCB)	\$ 2,000,000	10/14/09	10/14/14	10/14/10	2.875%	2.875%
Federal Home Loan Mortgage Corp. (FHLMC)	2,000,000	10/28/09	10/28/14	10/28/10	3.000%	3.000%
Federal National Mortgage Assn. (FNMA)	2,000,000	10/29/09	10/29/14	04/29/10	2.250%	3.304%
Montecito Bank & Trust CD	2,000,000	11/18/09	11/18/10	-	-	1.250%
Montecito Bank & Trust CD	2,000,000	11/18/09	11/18/11	-	-	1.750%
Federal Farm Credit Bank (FFCB)	2,000,000	12/01/09	12/01/14	12/01/10	2.840%	2.840%
Federal National Mortgage Assn. (FNMA)	2,000,000	12/30/09	12/30/14	06/30/10	3.000%	3.000%
<i>Total Purchases</i>	\$ 14,000,000					
<i>Calls:</i>						
Federal Home Loan Mortgage Corp. (FHLMC)	\$ 2,000,000	10/15/07	10/15/12	10/15/09	5.050%	5.050%
Federal Home Loan Bank (FHLB)	2,000,000	07/16/09	07/16/12	10/16/09	2.200%	2.200%
Federal National Mortgage Assn. (FNMA)	2,000,000	08/20/09	08/20/14	11/20/09	3.827%	3.636%
<i>Total Calls</i>	\$ 6,000,000					
<i>Maturities:</i>						
Airport Promissory Note - Partial Redemption	\$ 86,339	07/14/09	06/30/29	-	-	7.000%
Federal Home Loan Bank (FHLB)	2,345,000	11/07/06	10/26/09	-	-	5.000%
Federal Home Loan Bank (FHLB)	2,000,000	12/18/06	11/03/09	-	-	4.834%
Montecito Bank & Trust CD	2,000,000	11/18/08	11/18/09	-	-	2.500%
<i>Total Maturities</i>	\$ 6,431,339					

The weighted average yield to maturity on the quarter's purchases totaled 2.574 percent, compared to 3.902 percent on the quarter's called and matured investments. The weighted average yield to maturity measures the average yield for securities with varying interest rates to help provide a measure of the future rate of return of the investment portfolio.

The average rate at which the City earned interest at the Local Agency Investment Fund (LAIF), the State managed investment pool, was 0.61 percent for the quarter ended December 31, 2009. Staff expects to reinvest a portion of the City's LAIF balances in short-term securities during the next quarter.

Summary of Cash and Investments

During the quarter, the City's book rate of return (portfolio yield) decreased by 18.4 basis points from 2.919 percent at September 30, 2009 to 2.735 percent at December 31, 2009. The portfolio yield measures the actual interest earnings generated from the portfolio. The portfolio yield continues to decline through the attrition of higher-yielding securities, and reinvestment at considerably lower market rates. The portfolio's average days to maturity decreased by 19 days from 912 to 893 days which includes the 20-year Airport promissory note added to the portfolio in July 2009 and authorized by Council action on April 14, 2009. The portfolio's average days to maturity excluding the Airport note is 605 days, reflecting reinvestment of maturities and calls during the quarter in the one to five year range.

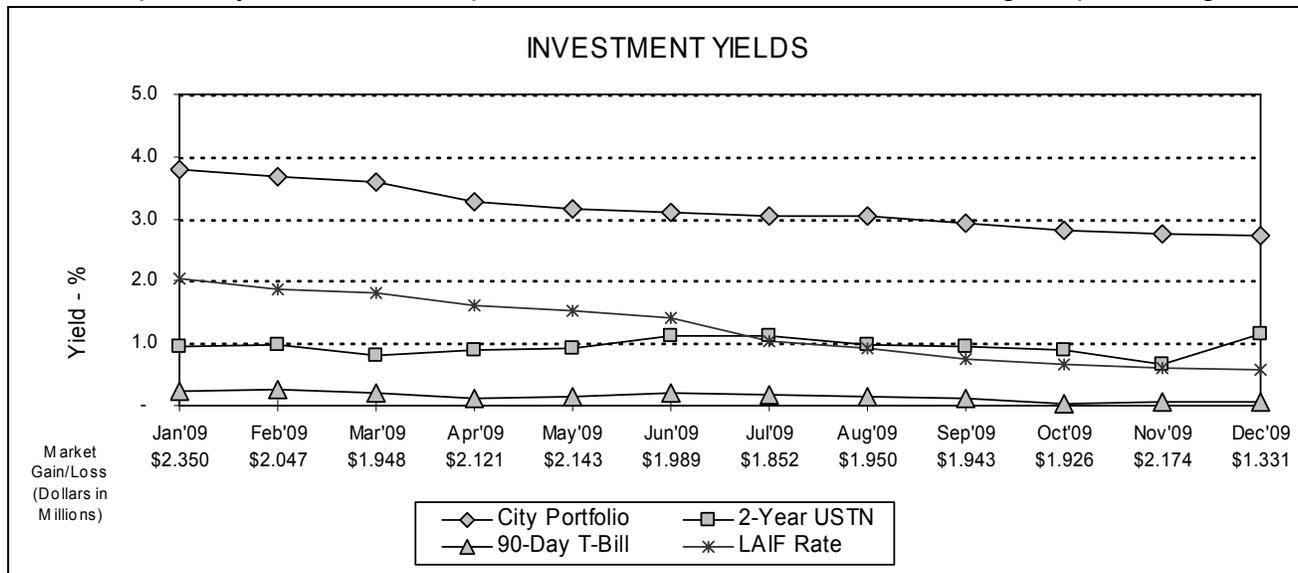
Mo. Ended	Yield	Days to Maturity
9/30/2009	2.919%	912
10/31/2009	2.826%	917
11/30/2009	2.751%	898
12/31/2009	2.735%	893

Credit Quality on Corporate Notes

Over the quarter ended December 31, 2009, there were no credit quality changes to the four corporate issuers of the medium-term notes held in the portfolio (i.e., Berkshire Hathaway Financial, General Electric Capital Corp, Toyota Motor Credit, and Wells Fargo & Company). All ratings remain within the City's Investment Policy guidelines of "A" or better.

Portfolio Market Gains/Losses

As shown on the Investment Yields below, the City's portfolio continued to reflect unrealized market gains during the quarter due to the low interest rate environment. At December 31, the portfolio had an unrealized market gain of \$1.331 million. On a quarterly basis, staff reports the five securities with the largest percentage of



unrealized losses as shown in the table below. Note, however, since securities in the portfolio are held to maturity, no market loss will be realized.

Issuer	Face Amount	Maturity	\$ Mkt Change	% Mkt Change
Federal Farm Credit Bank	\$2,000,000	12/01/14	-\$29,690	-1.48%
Federal Farm Credit Bank	\$2,000,000	10/14/14	-\$20,310	-1.02%
Federal National Mortgage Assn.	\$2,000,000	12/30/14	-\$18,740	-0.94%
Federal Home Loan Mortgage Corp.	\$2,000,000	10/28/14	-\$18,240	-0.91%
Federal National Mortgage Assn.	\$2,000,000	10/29/14	-\$5,940	-0.30%

On a quarterly basis, staff also reports all securities with market declines of greater than 1 percent compared to the prior month. At December 31, there are 14 securities reported due to the rise in Treasury yields which caused a corresponding decline in market value. All but two of the securities shown below have a book-to-market gain in spite of the monthly market decline of greater than 1%.

Issuer	Face Amount	Maturity	Nov-Dec Mkt Change (\$)	Nov-Dec Mkt Change (%)	% Book-Mkt Gain/(Loss) at 12.31.09
Federal Home Loan Bank	\$2,000,000	09/13/13	-\$43,750	-1.99%	0.18%
Federal Home Loan Bank	\$2,000,000	12/13/13	-\$41,560	-1.98%	0.22%
Federal Farm Credit Bank	\$2,000,000	10/14/14	-\$38,750	-1.92%	-1.02%
Federal Farm Credit Bank	\$2,000,000	04/08/13	-\$35,000	-1.71%	0.55%
Federal Farm Credit Bank	\$2,000,000	03/04/13	-\$34,370	-1.66%	1.89%
Federal Home Loan Mortgage Corp.	\$2,000,000	10/28/14	-\$32,360	-1.61%	-0.91%
Federal Home Loan Bank	\$1,700,000	06/08/12	-\$24,973	-1.37%	0.39%
Federal Home Loan Mortgage Corp.	\$2,000,000	05/13/13	-\$27,620	-1.35%	0.64%
Federal Home Loan Mortgage Corp.	\$2,000,000	04/08/13	-\$25,920	-1.27%	0.54%
Federal Home Loan Mortgage Corp.	\$2,000,000	08/17/12	-\$24,900	-1.26%	1.58%
Federal Home Loan Mortgage Corp.	\$2,000,000	09/21/12	-\$24,360	-1.19%	0.00%
Federal Home Loan Mortgage Corp.	\$2,000,000	11/19/12	-\$23,760	-1.17%	0.38%
Federal National Mortgage Assn.	\$2,000,000	09/09/14	-\$22,190	-1.09%	0.64%
Federal Farm Credit Bank	\$2,000,000	04/24/12	-\$21,560	-1.05%	1.44%

Additional Reporting Requirements

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of December 31, 2009 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 December 31, 2009.

ATTACHMENTS: 1. December 31, 2009, Investment Report
 2. December 31, 2009, Fiscal Agent Report

PREPARED BY: Jill Taura, Treasury Manager

SUBMITTED BY: Robert Samario, Interim Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
December 31, 2009

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

12/1 Federal Farm Credit Bank (FFCB)	\$ 2,000,000
12/30 Federal National Mortgage Association (FNMA)	2,000,000
12/30 LAIF Deposit - City	4,000,000
12/30 LAIF Deposit - RDA	8,000,000
Total	\$ 16,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

12/3 LAIF Withdrawal/City	\$ (2,000,000)
12/3 LAIF Withdrawal/RDA	(1,000,000)
12/17 LAIF Withdrawal/City	(5,000,000)
12/18 LAIF Withdrawal/City	(1,000,000)
12/18 LAIF Withdrawal/RDA	(2,500,000)
12/31 Santa Barbara Airport Promissory Note - Principal Paydown	(86,339)
Total	\$ (11,586,339)

ACTIVITY TOTAL

\$ 4,413,661

INTEREST REVENUE

POOLED INVESTMENTS

Interest Earned on Investments	\$ 347,063
Amortization	3,735
SBB&T Sweep Account Interest	222
SBB&T Money Market Interest	1
Total	\$ 351,020

RDA INVESTMENTS

Interest Earned on Investments (LAIF)	\$ 11,382
---------------------------------------	------------------

TOTAL INTEREST EARNED

\$ 362,402

CITY OF SANTA BARBARA
Summary of Cash and Investments
December 31, 2009

ENDING BALANCE AS OF NOVEMBER 30, 2009

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 44,600,000	0.611%	28.04%	1
Certificates of Deposit	4,000,000	1.500%	2.52%	535
Federal Agency Issues - Coupon	92,879,248	3.272%	58.40%	926
Corporate/Medium Term Notes	10,256,556	4.797%	6.45%	246
	<u>151,735,804</u>	<u>2.546%</u>	<u>95.41%</u>	<u>598</u>
SB Airport Promissory Note	7,300,000	7.000%	4.59%	7,151
Totals and Averages	<u>\$ 159,035,804</u>	<u>2.751%</u>	<u>100.00%</u>	<u>898</u>
SBB&T Money Market Account	1,963,016			
Total Cash and Investments	<u>\$ 160,998,820</u>			

NET CASH AND INVESTMENT ACTIVITY FOR DECEMBER 2009 **\$ 5,314,877**

ENDING BALANCE AS OF DECEMBER 31, 2009

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

Note:

(1) The average life of the LAIF portfolio as of December 31, 2009 is 222 days.

CITY OF SANTA BARBARA
Investment Portfolio
December 31, 2009

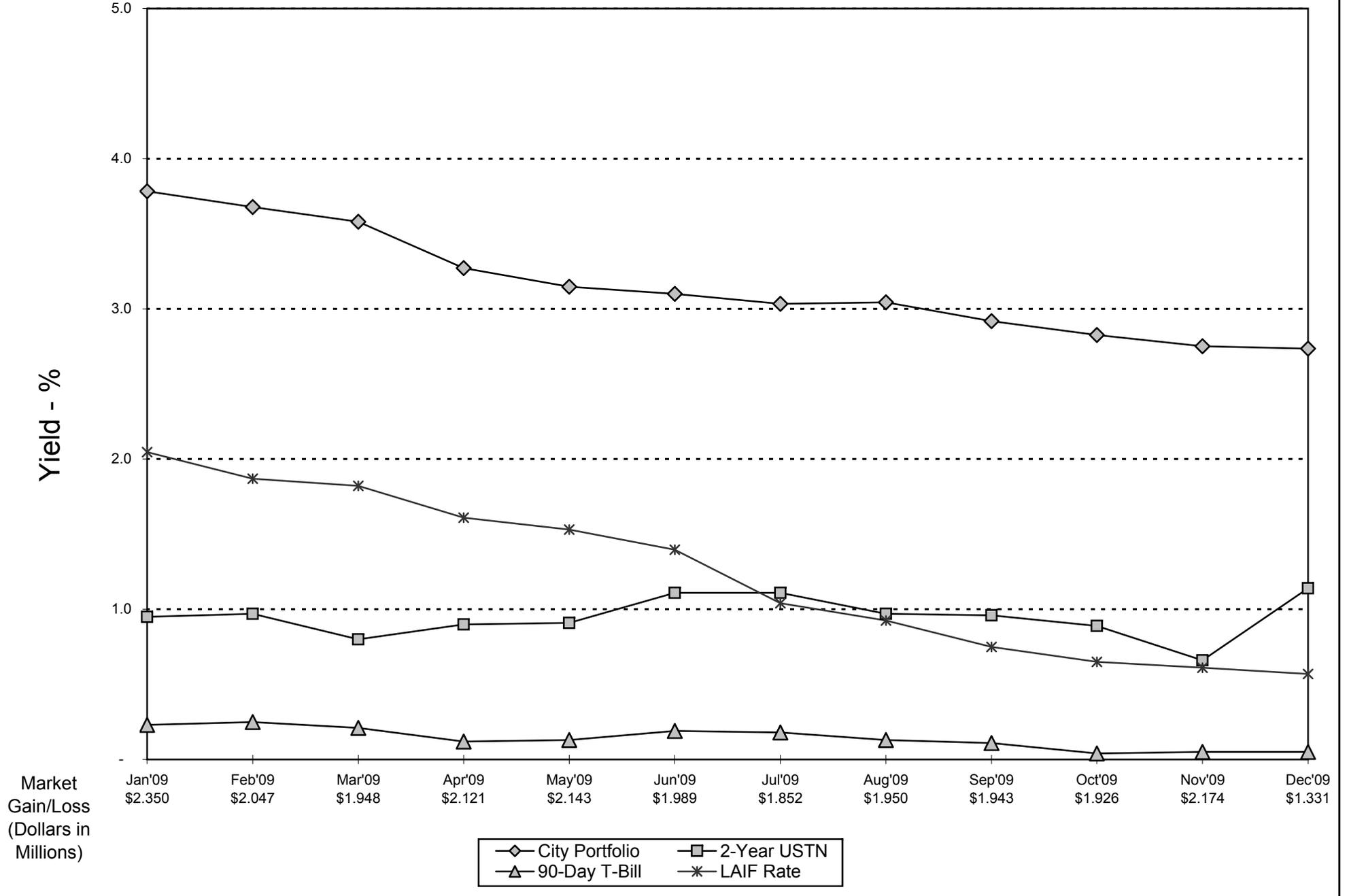
DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.569	0.569	15,500,000.00	15,500,000.00	15,500,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.569	0.569	29,600,000.00	29,600,000.00	29,600,000.00	0.00	
Subtotal, LAIF							45,100,000.00	45,100,000.00	45,100,000.00	0.00	
CERTIFICATES OF DEPOSIT											
MONTECITO BANK & TRUST	11/18/09	11/18/10	-	-	1.250	1.250	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
MONTECITO BANK & TRUST	11/18/09	11/18/11	-	-	1.750	1.750	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
Subtotal, Certificates of deposit							4,000,000.00	4,000,000.00	4,000,000.00	0.00	
FEDERAL AGENCY ISSUES - COUPON											
FEDERAL FARM CREDIT BANK	03/06/09	04/24/12	Aaa	AAA	2.250	2.120	2,000,000.00	2,005,804.41	2,034,690.00	28,885.59	
FEDERAL FARM CREDIT BANK	10/14/09	10/14/14	Aaa	AAA	2.875	2.875	2,000,000.00	2,000,000.00	1,979,690.00	(20,310.00)	Callable 10/14/10, then cont.
FEDERAL FARM CREDIT BANK	11/07/06	01/18/11	Aaa	AAA	5.750	5.000	2,000,000.00	2,013,967.21	2,107,190.00	93,222.79	
FEDERAL FARM CREDIT BANK	01/29/07	08/25/10	Aaa	AAA	4.750	5.111	2,000,000.00	1,995,745.79	2,054,070.00	58,324.21	
FEDERAL FARM CREDIT BANK	02/01/08	02/01/13	Aaa	AAA	3.790	3.790	2,000,000.00	2,000,000.00	2,005,000.00	5,000.00	Callable 2/01/10, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	03/02/12	Aaa	AAA	2.370	2.370	2,000,000.00	2,000,000.00	2,005,940.00	5,940.00	Callable 3/02/10, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	01/17/12	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,027,820.00	27,820.00	
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AAA	2.600	2.600	2,000,000.00	2,000,000.00	2,037,820.00	37,820.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,010,940.00	10,940.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,026,250.00	26,250.00	
FEDERAL FARM CREDIT BANK	09/30/09	10/03/11	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	1,997,190.00	(2,810.00)	
FEDERAL FARM CREDIT BANK	12/01/09	12/01/14	Aaa	AAA	2.840	2.840	2,000,000.00	2,000,000.00	1,970,310.00	(29,690.00)	Callable 12/01/10, then cont.
FEDERAL HOME LOAN BANK	10/25/06	02/12/10	Aaa	AAA	3.875	5.117	1,000,000.00	998,711.63	1,004,060.00	5,348.37	
FEDERAL HOME LOAN BANK	05/22/07	06/10/11	Aaa	AAA	5.250	5.005	2,000,000.00	2,006,300.62	2,118,750.00	112,449.38	
FEDERAL HOME LOAN BANK	07/09/07	02/15/11	Aaa	AAA	4.000	5.308	2,000,000.00	1,973,565.43	2,074,380.00	100,814.57	
FEDERAL HOME LOAN BANK	07/09/07	03/12/10	Aaa	AAA	5.000	5.268	1,000,000.00	999,503.81	1,009,220.00	9,716.19	
FEDERAL HOME LOAN BANK	02/26/09	02/24/14	Aaa	AAA	3.250	3.261	2,000,000.00	1,999,851.96	2,009,380.00	9,528.04	Callable 2/24/10, then qtrly
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AAA	4.375	2.110	1,700,000.00	1,790,152.46	1,797,214.50	7,062.04	
FEDERAL HOME LOAN BANK	06/30/09	06/30/14	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,022,190.00	22,190.00	StrNt, Callable 6/30/11, once
FEDERAL HOME LOAN BANK	09/30/09	09/30/14	Aaa	AAA	2.000	3.448	2,000,000.00	2,000,000.00	1,997,820.00	(2,180.00)	StrNt, Callable 12/30/09, qtrly
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AAA	3.125	2.440	2,000,000.00	2,051,071.09	2,055,630.00	4,558.91	
FEDERAL HOME LOAN BANK	09/14/06	09/29/10	Aaa	AAA	5.125	5.070	1,000,000.00	1,000,346.28	1,032,655.00	32,308.72	
FEDERAL HOME LOAN BANK	05/23/08	06/10/11	Aaa	AAA	3.125	3.520	2,000,000.00	1,989,241.51	2,055,940.00	66,698.49	
FEDERAL HOME LOAN BANK	11/08/06	07/30/10	Aaa	AAA	5.000	5.010	2,000,000.00	1,999,869.18	2,051,570.00	51,700.82	
FEDERAL HOME LOAN BANK	12/18/06	06/22/10	Aaa	AAA	4.500	4.825	2,000,000.00	1,997,188.78	2,040,000.00	42,811.22	
FEDERAL HOME LOAN BANK	06/18/07	03/12/10	Aaa	AAA	4.875	5.382	2,000,000.00	1,998,152.85	2,018,120.00	19,967.15	
FEDERAL HOME LOAN BANK	06/16/08	12/10/10	Aaa	AAA	3.250	3.800	2,000,000.00	1,990,171.28	2,049,380.00	59,208.72	

CITY OF SANTA BARBARA
Investment Portfolio
December 31, 2009

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AAA	4.375	2.272	2,000,000.00	2,147,967.02	2,151,880.00	3,912.98	
FEDERAL HOME LOAN MTG CORP	04/08/09	04/08/13	Aaa	AAA	2.500	2.526	2,000,000.00	1,998,730.56	2,009,440.00	10,709.44	Callable 4/08/11, once
FEDERAL HOME LOAN MTG CORP	05/19/09	11/19/12	Aaa	AAA	2.170	2.170	2,000,000.00	2,000,000.00	2,007,560.00	7,560.00	Callable 5/19/11, once
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AAA	2.125	1.699	2,000,000.00	2,022,491.80	2,022,510.00	18.20	
FEDERAL HOME LOAN MTG CORP	05/13/09	05/13/13	Aaa	AAA	2.400	2.400	2,000,000.00	2,000,000.00	2,012,740.00	12,740.00	Callable 5/13/11, once
FEDERAL HOME LOAN MTG CORP	08/26/09	08/26/14	Aaa	AAA	3.625	3.625	2,000,000.00	2,000,000.00	2,003,340.00	3,340.00	Callable 2/26/10, then qtrly
FEDERAL HOME LOAN MTG CORP	05/29/07	07/06/10	Aaa	AAA	4.500	5.070	2,000,000.00	1,994,623.90	2,040,900.00	46,276.10	
FEDERAL HOME LOAN MTG CORP	07/30/09	01/30/13	Aaa	AAA	2.350	2.350	2,000,000.00	2,000,000.00	2,001,300.00	1,300.00	Callable 7/30/10, once
FEDERAL HOME LOAN MTG CORP	10/28/09	10/28/14	Aaa	AAA	3.000	3.000	2,000,000.00	2,000,000.00	1,981,760.00	(18,240.00)	Callable 10/28/10, then qtrly
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AAA	1.000	2.420	2,000,000.00	1,928,572.06	1,959,120.00	30,547.94	
FEDERAL HOME LOAN MTG CORP	01/29/07	01/25/10	Aaa	AAA	4.375	5.122	2,000,000.00	1,999,087.29	2,004,840.00	5,752.71	
FEDERAL HOME LOAN MTG CORP	05/22/07	09/17/10	Aaa	AAA	3.880	5.015	2,000,000.00	1,985,274.11	2,045,420.00	60,145.89	
FEDERAL HOME LOAN MTG CORP	04/29/09	10/29/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,015,100.00	15,100.00	Callable 10/29/10, once
FEDERAL NATL MORTGAGE ASSN	03/18/09	09/18/12	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,031,880.00	31,880.00	Callable 3/18/11, once
FEDERAL NATL MORTGAGE ASSN	03/23/09	03/23/12	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,015,940.00	15,940.00	StrNt, Callable 9/23/10, once
FEDERAL NATL MORTGAGE ASSN	05/04/09	05/04/12	Aaa	AAA	2.150	2.185	2,000,000.00	1,999,316.67	2,010,310.00	10,993.33	Callable 5/04/10, once
FEDERAL NATL MORTGAGE ASSN	09/09/09	09/09/14	Aaa	AAA	3.250	3.250	2,000,000.00	2,000,000.00	2,012,810.00	12,810.00	Callable 9/09/10, once
FEDERAL NATL MORTGAGE ASSN	12/30/09	12/30/14	Aaa	AAA	3.000	3.000	2,000,000.00	2,000,000.00	1,981,260.00	(18,740.00)	Callable 6/30/10, then qtrly
FEDERAL NATL MORTGAGE ASSN	04/27/06	04/20/10	Aaa	AAA	4.750	5.270	2,000,000.00	1,997,190.19	2,026,260.00	29,069.81	
FEDERAL NATL MORTGAGE ASSN	02/27/09	02/24/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,026,250.00	26,250.00	Callable 2/24/11, once
FEDERAL NATL MORTGAGE ASSN	05/20/09	11/20/12	Aaa	AAA	2.250	2.250	2,000,000.00	2,000,000.00	2,005,310.00	5,310.00	Callable 5/20/10, once
FEDERAL NATL MORTGAGE ASSN	10/29/09	10/29/14	Aaa	AAA	2.250	3.304	2,000,000.00	2,000,000.00	1,994,060.00	(5,940.00)	StrNt, Callable 4/29/10 cont.
FEDERAL NATL MORTGAGE ASSN	03/05/08	03/05/13	Aaa	AAA	4.100	4.100	2,000,000.00	2,000,000.00	2,012,810.00	12,810.00	Callable 3/05/10, once
Subtotal, Federal Agencies							<u>96,700,000.00</u>	<u>96,882,897.89</u>	<u>97,966,019.50</u>	<u>1,083,121.61</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	01/15/08	01/15/10	Aa2	AAA	4.125	3.630	2,250,000.00	2,250,413.87	2,252,182.50	1,768.63	
GENERAL ELECTRIC CAPITAL CORP	01/10/07	02/22/11	Aa2	AA+	6.125	5.100	2,000,000.00	2,020,832.87	2,113,400.00	92,567.13	
TOYOTA MOTOR CREDIT	10/19/06	03/15/10	Aa1	AA	4.250	5.140	2,000,000.00	1,996,676.64	2,015,140.00	18,463.36	
WELLS FARGO & CO.	05/30/07	01/12/11	A1	AA-	4.875	5.260	2,000,000.00	1,992,825.05	2,072,200.00	79,374.95	
WELLS FARGO & CO.	10/10/06	08/09/10	A1	AA-	4.625	5.000	2,000,000.00	1,995,892.74	2,051,180.00	55,287.26	
Subtotal, Corporate Securities							<u>10,250,000.00</u>	<u>10,256,641.17</u>	<u>10,504,102.50</u>	<u>247,461.33</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	<u>7,213,660.84</u>	<u>7,213,660.84</u>	<u>7,213,660.84</u>	<u>0.00</u>	
Subtotal, SBA Note							<u>7,213,660.84</u>	<u>7,213,660.84</u>	<u>7,213,660.84</u>	<u>0.00</u>	
TOTALS							<u>163,263,660.84</u>	<u>163,453,199.90</u>	<u>164,783,782.84</u>	<u>1,330,582.94</u>	

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

INVESTMENT YIELDS



**CITY OF SANTA BARBARA
Fiscal Agent Investments
December 31, 2009**

	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	215.61	-	-	-	-	-	-	-	-	215.61	215.61
2002 Municipal Improvement - Refunding COPs	13,994.98	547,530.00	-	-	-	-	-	-	-	561,524.98	561,524.98
2002 Water - Refunding COPs	24,164.10	1,088,268.76	-	-	-	-	-	-	-	1,112,432.86	1,112,432.86
1994 Water - Revenue Bonds	20,020.19	757,680.00	-	-	-	-	-	-	-	777,700.19	777,700.19
2002 Waterfront - Reference COPs	2,219.05	1,393,262.50	-	-	-	-	-	-	-	1,395,481.55	1,395,481.55
1992 Seismic - Safety Bonds	87,465.19	-	-	-	-	-	-	-	-	87,465.19	87,465.19
Subtotal, Reserve Funds	148,079.12	3,786,741.26	-	-	-	-	-	-	-	3,934,820.38	3,934,820.38
<i>PROJECT FUNDS</i>											
2001 RDA Bonds	3,468,849.41	-	-	-	-	-	-	-	-	3,468,849.41	3,468,849.41
2003 RDA Bonds	18,364,981.86	-	-	-	-	-	-	-	-	18,364,981.86	18,364,981.86
2004 Sewer Revenue Bonds	3,080,881.63	1,357,140.00	-	-	-	-	-	-	-	4,438,021.63	4,438,021.63
2009 Airport Bonds	44,835,266.86	-	-	-	-	-	3,100,000.00	3,050,338.00	-	47,935,266.86	47,885,604.86
Subtotal, Project Funds	69,749,979.76	1,357,140.00	-	-	-	-	3,100,000.00	3,050,338.00	-	74,207,119.76	74,157,457.76
Subtotal Bond Funds	69,898,058.88	5,143,881.26	-	-	-	-	3,100,000.00	3,050,338.00	-	78,141,940.14	78,092,278.14
POLICE/FIRE - SVC RETIREMENT FUND											
Police/Fire Funds	91,319.89	-	121,895.92	130,848.61	70,680.76	70,478.00	-	-	-	283,896.57	292,646.50
	91,319.89	-	121,895.92	130,848.61	70,680.76	70,478.00	-	-	-	283,896.57	292,646.50
TOTAL FISCAL AGENT INVESTMENTS	<u>69,989,378.77</u>	<u>5,143,881.26</u>	<u>121,895.92</u>	<u>130,848.61</u>	<u>70,680.76</u>	<u>70,478.00</u>	<u>3,100,000.00</u>	<u>3,050,338.00</u>	<u>-</u>	<u>78,425,836.71</u>	<u>78,384,924.64</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 Santa Barbara Bank & Trust

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA ACCEPTING A CONTRACT OFFER IN THE AMOUNT OF \$1,200 FOR A GRANT OF HIGHWAY EASEMENT TO THE STATE OF CALIFORNIA, ACTING BY AND THROUGH THE DEPARTMENT OF TRANSPORTATION, FOR A DRAINAGE EASEMENT ADJACENT TO STATE ROUTE 192, TO BE LOCATED ON A PORTION OF CITY OWNED PROPERTY KNOWN AS PARMA PARK (ASSESSOR'S PARCEL NO. 021-120-005)

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

SECTION 1. That the Grant of Easement to The State of California (APN 021-120-005), dated as of January 12, 2010, for the purposes of granting a drainage easement to the State of California, adjacent to State Route 192 onto a portion of City-owned property known as Parma Park, is approved pursuant to the City Charter. The City Administrator is authorized to execute the January 12, 2010, Grant of Easement.

SECTION 2. That the Council of the City of Santa Barbara appropriate said offer of compensation in the amount of \$1,200 to the Parks and Recreation Department Capital Fund.

SECTION 3. That upon the effective date of the ordinance, the City Clerk is authorized to record said Easement in the Official Records, in the Office of the County Recorder, Santa Barbara County.

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING A FIVE-YEAR LEASE WITH ONE FIVE-YEAR OPTION WITH BOAT LAUNCH MINI MART, L.L.C., EFFECTIVE FEBRUARY 11, 2010, FOR A 536 SQUARE-FOOT CONVENIENCE STORE AT 305 WEST CABRILLO BOULEVARD.

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

SECTION 1. In accordance with the provisions of Section 521 of the Charter of the City of Santa Barbara, An Ordinance of the Council of the City of Santa Barbara Approving a Five-Year Lease with One Five-Year Option with Boat Launch Mini Mart, L.L.C., Effective February 11, 2010, for a 536 Square-Foot Convenience Store at 305 West Cabrillo Boulevard, is hereby approved.



Agenda Item No. _____

File Code No. 160.06

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010
TO: Mayor and Councilmembers
FROM: Human Resources Division, Administrative Services Department
SUBJECT: Records Destruction For Administrative Services Department

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Administrative Services Department in the Human Resources Division.

DISCUSSION:

The City Council adopted Resolution No. 09-098 on December 15, 2009, approving the City of Santa Barbara Records Management Policies and Procedures Manual. The Manual contains the records retention and disposition schedules for all City departments. The schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice.

Pursuant to the Manual, the Administrative Services Director submitted a request for records destruction to the City Clerk Services Manager to obtain written consent from the City Attorney. The City Clerk Services Manager agreed that the list of records proposed for destruction conformed to the retention and disposition schedules. The City Attorney has consented in writing to the destruction of the proposed records.

The Administrative Services Director requests the City Council to approve the destruction of the Administrative Services Department records in the Human Resources Division listed on Exhibit A of the resolution without retaining a copy.

SUSTAINABILITY IMPACT:

Under the City's Sustainable Santa Barbara Program, one of the City's goals is to increase recycling efforts and divert waste from landfills. The Citywide Records Management Program outlines that records approved for destruction be recycled, reducing paper waste.

Council Agenda Report
Records Destruction For Administrative Services Department
January 26, 2010
Page 2

PREPARED BY: Erik Uchida, Administrative Specialist

SUBMITTED BY: Marcelo A. López, Administrative Services Director

APPROVED BY: City Administrator's Office

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA RELATING TO THE DESTRUCTION OF RECORDS HELD BY THE ADMINISTRATIVE SERVICES DEPARTMENT IN THE HUMAN RESOURCES DIVISION

WHEREAS, the City Council adopted Resolution No. 09-098 on December 15, 2009, approving the City of Santa Barbara Records Management Policies and Procedures Manual;

WHEREAS, the City of Santa Barbara Records Management Policies and Procedures Manual contains the records retention and disposition schedules for all City departments. The records retention and disposition schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice;

WHEREAS, Government Code section 34090 provides that, with the approval of the City Council and the written consent of the City Attorney, the head of a City department may destroy certain city records, documents, instruments, books or papers under the Department Head's charge, without making a copy, if the records are no longer needed;

WHEREAS, the Administrative Services Director submitted a request for the destruction of records held by the Administrative Services Department to the City Clerk Services Manager to obtain written consent from the City Attorney. A list of the records, documents, instruments, books or papers proposed for destruction is attached hereto as Exhibit A and shall hereafter be referred to collectively as the "Records";

WHEREAS, the Records do not include any records affecting title to real property or liens upon real property, court records, records required to be kept by statute, records less than two years old, video or audio recordings that are evidence in any claim or pending litigation, or the minutes, ordinances or resolutions of the City Council or any City board or commission;

WHEREAS, the City Clerk Services Manager agrees that the proposed destruction conforms to the City's retention and disposition schedules;

WHEREAS, the City Attorney consents to the destruction of the Records; and

WHEREAS, the City Council of the City of Santa Barbara finds and determines that the Records are no longer required and may be destroyed.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA that the Administrative Services Director, or his designated representative, is authorized and directed to destroy the Records without retaining a copy.

ADMINISTRATIVE SERVICES DEPARTMENT – HUMAN RESOURCES DIVISION

Records Series

Date(s)

Closed Eligibility and Examination Files

1979-2007

Employment Eligibility Forms (I-9)

Prior to April 2006

General Administrative Files

Prior to April 2007

Vacancy Files (Green Sheets)

Prior to April 2007



Agenda Item No. _____

File Code No. 670.04

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Transportation Division, Public Works Department

SUBJECT: Bicycle Transportation Account Local Share Of Funding

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Certifying that the City Will Make the Required Ten Percent Local Share of Funding Available for the Goleta Slough Safety Improvements Project (Project) Should a Bicycle Transportation Account Award be Made in 2010.

DISCUSSION:

The State of California annually solicits applications to fund bicycle projects with the potential to improve the safety and convenience of bicycle commuting. For the purpose of this application, the Streets and Highways Code Section 890.3 defines a bicycle commuter as "... a person making a trip by bicycle primarily for transportation purposes, including, but not limited to, travel to work, school, shopping, or other destination that is a center of activity and does not include a trip by bicycle primarily for physical exercise or recreation without such a destination." Because the City has a State approved Bicycle Master Plan, it is eligible to apply for Bicycle Transportation Account (BTA) funds from Caltrans. A Council Resolution is required acknowledging an agency's commitment to fund ten percent of the project cost if an award is made. The Caltrans BTA application allows for a deferred submittal of the Council Resolution.

On December 1, 2009, staff applied for funds from the Caltrans BTA for a resurfacing project to improve safety for cyclists on the City-owned Goleta Slough Bridge (Bridge) (See Attached Project Location Map). The Bridge supports a Class I bike path connecting the Fairview Bike Route to the Coastal Bike Route. This unfunded Bridge maintenance project located on Airport property is listed in both the 2009 – 2015 and 2010 -2016 Six Year Capital Improvement Programs (CIP). The CIP Report lists funded and unfunded capital projects that address the City's infrastructure and major equipment needs. This plan was adopted by Council following Planning Commission and Transportation and Circulation Committee input at public meetings held on October 16, 2008, January 8, 2009, and January 22, 2009.

This type of project is consistent with the Circulation Element of the General Plan to maintain the system of bikeways (CE Policy 4.2). It is consistent with Bicycle Master Plan Policies that specify the maintenance of the bikeway network and keeping existing facilities in safe and good condition (BMP Policy 2.2). Additionally, the Bicycle Master Plan calls for applying for funds for maintenance projects outside the scope of the City's regular maintenance program.

The Bridge's wood plank decking is currently uneven, making it uncomfortable and jarring for cyclists. This project will improve the safety of cyclists riding the 250-foot Bridge over the Goleta Slough by replacing the Bridge surface. The project will also maintain the 400-foot path from William Moffet Place by applying slurry and pavement treatment as necessary to create a smooth, non-hazardous riding surface in both directions leading up to the Bridge.

The Bridge provides a critical connection from the Fairview Route to the Coastal Route, providing access to agricultural, industrial, commercial and residential land uses, and the UCSB campus, less than one half mile from the Bridge. This Project will benefit commuters and students between Santa Barbara, Goleta, the Santa Barbara Airport, the Goleta Amtrak station, and the UCSB campus.

County and UCSB staff are supportive of the project. Additionally, this project was presented to the Santa Barbara Bicycle Coalition's (SBBC) General Meeting on December 1, 2009, and received letters of support from the SBBC and several members of the community.

Over the past three years, the City was successful in gaining funding through the BTA grant program for bicycle video detection at city signaling intersections (to be completed by summer 2010).

BUDGET/FINANCIAL INFORMATION:

Although the Bridge is listed in both Council-approved 2009-2015 and 2010-2016 Six Year CIP's, it has remained unfunded as it competes with other capital projects. Applying for Caltrans funds for this project will free City funds for other capital projects in upcoming Streets Program budgets.

The estimated project cost is \$120,000. If the City is awarded funds from the BTA, Caltrans requires the City to contribute 10%, or \$12,000, which will be provided by the Citywide Bicycle Amenities Account.

SUSTAINABILITY IMPACT:

The substandard conditions on the Bridge create the weakest link on the transition from the Fairview Route to the Coastal Route. This Project restores a valuable connection between UCSB, the Airport, and commercial and employer destinations. By maintaining the City's existing bicycle paths, the Project will promote cycling by providing a safe facility for cyclists and will benefit the City's sustainability goals by reducing energy consumption and carbon emissions related to motor vehicle use.

ATTACHMENT: Project Location Map

PREPARED BY: Browning Allen, Transportation Manager/SG/kts

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

ATTACHMENT



Goleta SANTA BARBARA COUNTY BIKE MAP



Isla Vista

UNIVERSITY OF CALIFORNIA
AT SANTA BARBARA

See Inset Map

Goleta

RESOLUTION NO. ____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA CERTIFYING THAT THE CITY WILL MAKE THE REQUIRED TEN PERCENT LOCAL SHARE OF FUNDING AVAILABLE FOR THE GOLETA SLOUGH SAFETY IMPROVEMENTS PROJECT (PROJECT) SHOULD A BICYCLE TRANSPORTATION ACCOUNT AWARD BE MADE IN 2010

WHEREAS, The Bicycle Master Plan of the City of Santa Barbara was adopted in 2008;

WHEREAS, the subsequent finding by Caltrans that the Bicycle Master Plan was compliant with State law makes the City of Santa Barbara eligible for Bicycle Transportation Account funding;

WHEREAS, Circulation Element Policy 4.2 specifies that the City shall work to expand, enhance, and maintain the system of bikeways to serve current community needs;

WHEREAS, Circulation Element strategy 4.2.2 specifies to keep bike facilities well maintained; and

WHEREAS, Implementation Strategy 2.1.12 of the Bicycle Master Plan is to apply for local, state, and federal grants for bicycle project funding.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT the City of Santa Barbara certifies that the City will make the required ten percent local share of funding available for the Goleta Slough Safety Improvements Project (Project), should a Bicycle Transportation Account award be made in 2010.



Agenda Item No. _____

File Code No. 530.04

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Final Design Of The Lower West Downtown Lighting Project and Brinkerhoff Streetlight Project

RECOMMENDATION:

That Council authorize the Public Works Director to execute a professional services contract with Smith Engineering in the amount of \$28,670 for design services for the Lower West Downtown Lighting Project and Brinkerhoff Streetlight Project, and authorize the General Services Manager to approve expenditures of up to \$2,867 for extra services of Smith Engineering that may result from necessary changes in the scope of work.

DISCUSSION:

BACKGROUND

The West Downtown Project is the result of City initiatives to add more street and pedestrian level lighting to the Lower West Downtown areas (see attachment). The project was developed as part of the Neighborhood Improvement Program. The preliminary and final project design costs are funded with \$50,000 of Community Development Block Grant (CDBG) funds and the balance funded by the Redevelopment Agency Fund.

The project will be completed in two phases. In December 2009, the Public Works Department initiated a Purchase Order with Smith Engineering in the amount of \$24,920 to provide a preliminary design of the Project and a final design for the Brinkerhoff Streetlight Project (Phase 1). The Brinkerhoff Streetlight Project construction is scheduled to be bid in March 2010 with completion by mid-summer, 2010. The Brinkerhoff Streetlight Project is fully funded by the Redevelopment Agency and will be advertised for construction in the spring of this year.

This final design contract (Phase 2) will include the final design for the West Downtown Project area beyond the Brinkerhoff Lighting Project. During final design, Smith

Engineering will generate a preliminary construction cost estimate that the City will use to secure the remainder of the project construction funding.

PROJECT DESCRIPTION

The West Downtown Project consists of installing street and pedestrian lights in the Lower West Downtown area. This area is bound by Castillo and Ortega Streets to the west, and Chapala and Gutierrez Streets to the east. The project will be designed to include the installation of streetlights at every intersection and mid-block in the project area, and pedestrian lights along both sides of each block. The project is scheduled to be bid in early spring and constructed by mid-summer, 2010.

The Brinkerhoff Streetlight Project consists of underground conduit, electrical circuits, related components and four decorative pedestrian light fixtures similar to Carrillo Street.

DESIGN PHASE CONSULTANT ENGINEERING SERVICES

Staff recommends that Council authorize the Public Works Director to execute a final design contract with Smith Engineering in the amount of \$28,670, and extra services up to \$2,867 for a total contract amount of \$31,537. After reviewing two proposals, Smith Engineering was selected as the best candidate for the project. They have worked well for the City on past similar projects and are knowledgeable regarding the City's streetlight standards.

PUBLIC OUTREACH

The Public Works Department, through the Transportation and Engineering Divisions, will work closely with the neighbors of the Lower West Downtown area during design and construction. Through workshops and communications with citizen advocates, staff will ensure the information about the design and subsequent construction is easily available to the public. Outreach will be conducted in conjunction with the Haley Street Bridge Replacement Project to ensure all residents are aware of the different construction elements occurring with the respective schedules.

FUNDING

The following summarizes all estimated total Project costs:

ESTIMATED TOTAL PROJECT COST

Preliminary Design (by Purchase Order)	\$24,920
Final Design (by Contract)	\$31,537
Other Design Costs - City staff (if contract), Environmental (Assessments, etc.)	\$8,000
Subtotal	\$64,457
Estimated Construction Contract w/Change Order Allowance	\$660,000
Estimated Construction Management/Inspection (by Contract or City)	\$60,000
Subtotal	\$720,000
TOTAL PROJECT COST	\$784,457

There are sufficient appropriated funds in the CDBG Neighborhood Improvement Program fund and the Redevelopment Agency Fund to cover the design costs. Construction funding for the Brinkerhoff Streetlight Project is part of the Fiscal Year 2010 Redevelopment Agency Capital Program. Construction funding for the Lower West Downtown Lighting Project will be considered as part of the Fiscal Year 2011 Redevelopment Agency Capital Program.

ATTACHMENT: Overview of Project Area

PREPARED BY: John Ewasiuk, Principal Civil Engineer/PS/mj

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office



Agenda Item No. _____

File Code No. 520.04

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Chief's Staff, Police Department

SUBJECT: Agreement With The County Of Santa Barbara For Mobile Crisis And Recovery Emergency Services (CARES)

RECOMMENDATION:

That Council authorize the City Administrator to execute a three-year agreement with the County of Santa Barbara for mobile Crisis and Recovery Emergency Services (CARES) to the City of Santa Barbara for Fiscal Year 2010 through Fiscal Year 2012, for an amount not to exceed \$50,473 in the first year, subject to a 3.8% annual increase in the second and third years.

DISCUSSION:

This three year agreement provides for the continuation of mobile Crisis and Recovery Services within the City of Santa Barbara on a 24-hour/seven-day-week basis. These mobile services provide emergency mental health evaluation and assessment to individuals suffering psychiatric distress. If these services were not available through the County, City police officers would be required to make psychiatric assessments in the field per State Welfare and Institutions Code (WIC) §5150 and consume valuable time to resolve these mental health emergencies.

The cost in Fiscal Year 2010 will be \$50,473, which will be funded from existing appropriations in the Police Department's General Fund budget. The cost will increase 3.8% in Fiscal Year 2011 and an additional 3.8% in Fiscal Year 2012. The City may terminate this agreement with the County upon 30 days written notice.

PREPARED BY: Frank Mannix, Deputy Chief of Police

SUBMITTED BY: Camerino Sanchez, Chief of Police

APPROVED BY: City Administrator's Office



Agenda Item No. _____

File Code No. 330.04

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010
TO: Mayor and Councilmembers
FROM: Recreation Division, Parks and Recreation Department
SUBJECT: Lease Agreement For Youth CineMedia

RECOMMENDATION:

That Council authorize the Parks and Recreation Director to execute an annual lease agreement for a 496 square-foot space at Westside Community Center with Youth CineMedia at a rate of \$1.08 per square foot.

DISCUSSION:

The Parks and Recreation Department administers lease agreements for facility space at below market rates with local non-profit social service providers at Community Centers. Youth CineMedia will be providing educational support services in a 496 square-foot space at the Westside Community Center. Youth CineMedia is a youth service agency that works with city at-risk youth to prevent violence by providing Audio/Visual training as well as mentoring, tutoring, and academic guidance for youth and their families. Youth CineMedia is also a partner agency working with the South Coast Gang Task Force as part of Making A Difference Intervention Collaboration (MADIC), a youth service agency working with at-risk youth to prevent youth violence.

BUDGET/FINANCIAL INFORMATION:

The monthly rental rate for the leased space is \$1.08 per square foot as adopted by Council on June 21, 2009.

PREPARED BY: Sarah Hanna, Recreation Manager

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

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Preliminary Design Of The Chapala Street Bridge Seismic Retrofit Project

RECOMMENDATION: That Council:

- A. Accept Federal Highway Administration (FHWA) Highway Bridge Program (HBP) grant funding in the total amount of \$177,060;
- B. Authorize the increase of estimated revenues and appropriations by \$177,060 in the Fiscal Year 2010 Streets Fund for design of the Chapala Street Bridge Seismic Retrofit Project (Project); and
- C. Authorize the Public Works Director to execute a professional services contract with Drake Haglan and Associates (Drake Haglan) in the amount of \$157,987 for preliminary design services for the Project, and authorize the General Services Manager to approve expenditures of up to \$15,798 for extra services of Drake Haglan that may result from necessary changes in the scope of work.

DISCUSSION:

BACKGROUND

The Chapala Street Bridge (Bridge) was constructed in 1909 and its pony truss structure is one of only a few of its kind remaining in California. The Bridge has a history of sub-standard structural integrity that began shortly after Caltrans first inspected it in 1970. Sometime after 1973, the Bridge was closed to traffic until it was completely reconstructed in early 1976, leaving the original structural system (trusses) and abutments as the only components from the original Bridge. After the reconstruction, Caltrans again found the trusses to be substandard, so they were modified in mid-1976 to increase stability. In 1982, there was concern again about the stability of the trusses, and another analysis was done by Caltrans. As a result, sidewalks were added to keep traffic in the center of the street and away from the edge near the trusses. In 2006, Caltrans formally posted the Bridge for a maximum of 15 tons gross vehicle load.

The Bridge is in the Lower Mission Creek Flood Control Project (LMC Project) limits. Retrofitting and replacing structural elements of the Bridge is consistent with LMC Project goals. The Bridge has been identified as a potential candidate for inclusion on the National Record of Historic Places, and the California Register of Historic Resources. This designation has not yet been made, but will be an important consideration in design.

PROJECT DESCRIPTION

The City has initiated this Project to seismically retrofit and replace this structurally deficient bridge. It is anticipated that the replacement bridge will include re-using the historically significant trusses into the new bridge. It is anticipated the existing channel walls will remain in place and new structural elements will be added to carry the load of the new Bridge deck. Since this Bridge is listed on the Local Agency Seismic Retrofit Program, it has also been approved for funding as a seismic retrofit project under the Local Bridge Seismic Safety Program, and is subject to the provisions of the Proposition 1B Local Bridge Seismic Retrofit Account. This funding source provides the local match for the right of way and construction phases of the Project. Based on the structurally deficient condition of the Bridge, the Project is also eligible for replacement under the HBP. Therefore, the HBP will reimburse the City for 88.53% of design, right of way, and construction costs, leaving the City to pay 11.47% of only the design costs for the Project.

DESIGN PHASE ENGINEERING SERVICES

Engineering firms were selected as part of a Request For Qualifications process that followed Caltrans' requirements. Firms were rated based upon their qualifications and technical proposals. A short list of engineering firms was developed, and interviews were conducted with the top candidates. Based upon the proposals and interviews, the most qualified firm was asked to provide a cost proposal to perform the work. Negotiations with Drake Haglan produced a fair and reasonable price of \$157,987 for preliminary design services and \$15,798 for potential extra services for a total of \$173,785.

PUBLIC OUTREACH

The LMC Project has undergone extensive public review as memorialized in the Army Corps of Engineers Environmental Impact/Environmental Impact Statement (EIR/EIS). Drake Haglan has been directed to use the EIR/EIS as a basis for their design. In addition, there are elements of public outreach considered in the Drake Haglan's scope of services. This Project will also be reviewed by the Historic Landmarks Committee. Additional information is available to the public on the Public Works Department's Engineering Division webpage, under "Lower Mission Creek Bridge Projects".

FUNDING

The following summarizes estimated total Project costs, with the City's share being only 11.47% for design. The HBP will pay 88.53% of design, right of way, and construction costs. Proposition 1B funding sources provide the local match (11.47%) for the right of way and construction phases of the Project:

ESTIMATED TOTAL PROJECT COST

CHAPALA STREET BRIDGE SEISMIC RETROFIT				
Task	Total Cost	Federal Share	Prop 1B Share	City Share
Preliminary Engineering Design (By Contract)	\$173,785	\$153,852	\$0	\$19,933
Other Preliminary Design Costs (By Contract and City Staff)	\$26,215	\$23,208	\$0	\$3,007
<i>Subtotal Preliminary Design</i>	\$200,000	\$177,060	\$0	\$22,940
Estimated Final Design Costs (By Contract and City Staff)	\$323,785	\$286,647	\$0	\$37,138
Estimated Right of Way Costs (By Contract and City Staff)	\$355,000	\$314,282	\$40,718	\$0
Estimated Construction Costs (By Contract and City Staff)	\$1,800,000	\$1,593,540	\$206,460	\$0
<i>Subtotal Future Phases</i>	\$2,478,785	\$2,194,468	\$247,178	\$37,138
TOTAL PROJECT COST	\$2,678,785	\$2,371,528	\$247,178	\$60,078

On behalf of the FHWA, Caltrans has given the City approval to proceed with reimbursable work on the design phase. The net cost to the City for preliminary design is anticipated to be \$22,940. Appropriation of the HBP grant will provide sufficient funds to cover the cost for preliminary design. City match funds to complete the design were included in the Fiscal Year 2010 City budget.

Project costs will be reevaluated after the preliminary design is completed. At that time, staff will request an adjustment to approved amounts through FWHA/Caltrans to complete the design. After approval of adjusted amounts, staff will request Council's authorization to proceed with the final design and construction.

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

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Preliminary Design Of The Mason Street Bridge Replacement Project

RECOMMENDATION: That Council:

- A. Accept Federal Highway Administration (FHWA) Highway Bridge Program (HBP) grant funding in the total amount of \$354,120;
- B. Authorize the increase of estimated revenues and appropriations by \$354,120 in the Fiscal Year 2010 Streets Fund for design of the Mason Street Bridge Replacement Project (Project); and
- C. Authorize the Public Works Director to execute a professional services contract with Bengal Engineering (Bengal) in the amount of \$197,130 for preliminary design services for the Project, and authorize the General Services Manager to approve expenditures of up to \$19,713 for extra services of Bengal that may result from necessary changes in the scope of work.

DISCUSSION:

BACKGROUND

The Mason Street Bridge (Bridge) was constructed in 1955. The replacement of the Bridge is an integral part of the Lower Mission Creek Flood Control Project (LMC Project). The LMC Project is a joint effort between the United States Army Corps of Engineers, Santa Barbara County Flood Control, and the City. The LMC Project is intended to reduce flooding on the lower portions of Mission Creek and spans approximately 1.3 miles of the Mission Creek channel, from Canon Perdido Street to Cabrillo Boulevard. This reach of the LMC Project is subject to flooding that affects residents, businesses, and transportation facilities including the nearby railroad station, resulting in significant damage to property and productivity. Currently, Mission Creek can handle only an 8-year storm event. After the LMC Project improvements are completed, recent calculations show that the capacity will be increased to contain a 20-year storm event (3,400 cubic feet per second). In addition to improving water conveyance, final channel improvements will enhance aquatic habitat, and restore some of the native plant and tree species.

PROJECT DESCRIPTION

The City has initiated this Project to replace a hydraulically deficient bridge over Lower Mission Creek. Design will include lengthening the Bridge to improve hydraulic conveyance underneath, retaining wall designs to accommodate the future LMC Project, bridge railing designs, sidewalk and street enhancements, street and utility realignments, and associated work.

Through Caltrans, the City has applied for and been granted authorization to proceed with design of the Project. HBP funds will be used to reimburse the City for 88.53% of design, right of way, and construction costs. The City will be required to pay 11.47% of eligible project costs. Future phases of work, namely, right of way and construction, are also eligible for funding at the same rates pending authorization to proceed with work.

DESIGN PHASE ENGINEERING SERVICES

Engineering firms were selected as part of a Request for Qualifications process that followed Caltrans requirements. Firms were rated based upon their qualifications and technical proposals. A short list of firms was developed and interviews were conducted with the top candidates. Based upon the proposals and interviews, the most qualified engineering firm was asked to provide a cost proposal to perform the work. Negotiations with Bengal resulted in a fair and reasonable contract price of \$197,130 for preliminary design services, \$19,713 for extra services totaling \$216,843.

PUBLIC OUTREACH

The LMC Project has undergone extensive public review, as memorialized in the Army Corps of Engineers Environmental Impact/Environmental Impact Statement (EIR/EIS). Bengal was directed to use the EIR/EIS as a basis for their designs. In addition, there are elements of public outreach included in Bengal's scope of services. This Project will also be reviewed by the Historic Landmarks Committee. Additional public information is available on the Public Works Department's Engineering Division webpage, under "Lower Mission Creek Bridge Projects".

FUNDING

The following summarizes estimated total Project costs, with the City share being 11.47%:

ESTIMATED TOTAL PROJECT COST

MASON STREET BRIDGE REPLACEMENT			
Task	Total Cost	Federal Share	City Share
Preliminary Engineering Design (By Contract)	\$216,843	\$191,971	\$24,872
Other Preliminary Design Costs (By Contract and City Staff)	\$130,000	\$115,089	\$14,911
<i>Subtotal Preliminary Design</i>	\$346,843	\$307,060	\$39,783
Estimated Final Design Costs (By Contract and City Staff)	\$630,000	\$557,739	\$72,261
Estimated Right of Way Costs (By Contract and City Staff)	\$5,000,000	\$4,426,500	\$573,350
Estimated Construction Costs (By Contract and City Staff)	\$4,900,000	\$4,337,970	\$562,030
<i>Subtotal Future Phases</i>	\$10,530,000	\$9,322,209	\$1,207,791
TOTAL PROJECT COST	\$10,876,843	\$9,629,269	\$1,247,574

On behalf of the FHWA, Caltrans has given the City approval to proceed with reimbursable work on the design phase. The net cost to the City for preliminary design is anticipated to be \$39,783. Appropriation of the HBP grant combined with existing City Streets Funds will provide sufficient funds to cover the cost of preliminary design.

The estimated funds for the City's matching share of final design, right of way, and construction are intended to be programmed in Fiscal Years 2011, 2012, and 2013, pending final proposed budget and approval by Council. Much of the City's match is anticipated from revenues generated through the sale of property acquired for the construction of the Haley/De la Vina Street Bridge. In accordance with the HBP, revenues from the sale of this property must be used as matching funds on another bridge project.

Project costs will be reevaluated after the preliminary design is completed. At that time, staff will request an adjustment to approved amounts through FWHA/Caltrans to complete the designs. After approval of adjusted amounts, staff will request Council's authorization to proceed with final design and construction.

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

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Preliminary Design Of The Cota Street Bridge Replacement Project

RECOMMENDATION: That Council:

- A. Accept Federal Highway Administration (FHWA) Highway Bridge Program (HBP) grant funding in the total amount of \$442,650;
- B. Authorize the increase of estimated revenues and expenditures by \$442,650 in the Fiscal Year 2010 Streets Capital Fund for design of the Cota Street Bridge Replacement Project (Project); and
- C. Authorize the Public Works Director to execute a professional services contract with Bengal Engineering (Bengal) in the amount of \$186,710 for preliminary design services for the Project, and authorize the General Services Manager to approve expenditures of up to \$18,671 for extra services of Bengal that may result from necessary changes in the scope of work.

DISCUSSION:

BACKGROUND

The Cota Street Bridge (Bridge) was constructed in 1926. This Bridge is an integral part of the Lower Mission Creek Flood Control Project (LMC Project). The LMC Project is a joint effort between the United States Army Corps of Engineers, Santa Barbara County Flood Control, and the City of Santa Barbara. The LMC Project is intended to reduce flooding on the lower portions of Mission Creek and spans approximately 1.3 miles of the Mission Creek channel, from Canon Perdido Street to Cabrillo Boulevard. This reach of Lower Mission Creek is subject to flooding that affects residents, businesses, and transportation facilities, resulting in significant damage to property and productivity. Currently, Mission Creek can handle only an 8-year storm event flow, and after the LMC Project improvements are completed, the capacity will be increased to contain a 20-year storm event flow (3,400 cubic feet per second). In addition to improving water conveyance, final channel improvements will enhance aquatic habitat, and restore some of the native plant and tree species.

PROJECT DESCRIPTION

The City has initiated this Project to replace this structurally deficient bridge over Lower Mission Creek. Design will include lengthening the Bridge to improve hydraulic conveyance underneath, retaining wall designs to accommodate the future LMC Project, bridge railing designs, sidewalk and street enhancements, utility realignments, and associated work. Through Caltrans, the City has applied for and been granted authorization to proceed with design of this Project. HBP funds will be used to reimburse the City for 88.53% of design, right-of-way, and construction costs. The City will be required to pay 11.47% of costs. Future phases of work, namely right of way and construction, are also eligible for funding at the same rates, pending authorization to proceed with those work phases.

DESIGN PHASE ENGINEERING SERVICES

Engineering firms were selected as part of a Request for Qualifications process that followed Caltrans' requirements. Firms were rated based upon their qualifications and technical proposals. A short list of firms was developed and interviews were conducted with the top candidates. Based upon the proposals and interviews, the most qualified engineering firm was asked to provide a cost proposal to perform the work. Negotiations with Bengal produced a fair and reasonable price in the amount of \$186,710 for preliminary design services, \$18,671 for extra services for a total preliminary design contract amount of \$205,381.

PUBLIC OUTREACH

The LMC Project has undergone extensive public review, as memorialized in the Army Corps of Engineers Environmental Impact/Environmental Impact Statement (EIR/EIS). Bengal was directed to use the EIR/EIS as a basis for their designs. In addition, there are elements of public outreach considered Bengal's scope of services. This Project will also be reviewed by the Architectural Board of Review (ABR). Additional public information is available on the Public Works Department's Engineering Division webpage, under "Lower Mission Creek Bridge Projects".

FUNDING

The following summarizes estimated total Project costs, with the City share being 11.47%:

ESTIMATED TOTAL PROJECT COST

COTA STREET BRIDGE REPLACEMENT			
Task	Total Cost	Federal Share	City Share
Preliminary Engineering Design (By Contract)	\$205,381	\$181,824	\$23,557
Other Preliminary Design Costs (By Contract and City Staff)	\$100,000	\$88,530	\$11,470
<i>Subtotal Preliminary Design</i>	\$305,381	\$270,354	\$35,027
Estimated Final Design Costs (By Contract and City Staff)	\$270,000	\$239,031	\$30,969
Estimated Right of Way Costs (By Contract and City Staff)	\$1,000,000	\$885,300	\$114,700
Estimated Construction Costs (By Contract and City Staff)	\$2,860,000	\$2,531,958	\$328,042
<i>Subtotal Future Phases</i>	\$4,130,000	\$3,656,289	\$473,711
TOTAL PROJECT COST	\$4,435,381	\$3,926,643	\$508,738

On behalf of the FHWA, Caltrans has given the City approval to proceed with reimbursable work on the design phase. The net cost to the City for preliminary design is anticipated to be \$35,027. Appropriation of the HBP grant combined with existing City Streets Funds are designed to cover the cost for this preliminary design as well as a portion of final design costs.

The estimated funds for the City's matching share of final design, right of way, and construction are intended to be programmed in Fiscal Years 2011, 2012, and 2013, pending final proposed budget and approval by Council.

Project costs will be reevaluated after the preliminary design is completed. At that time, staff will request an adjustment to approved amounts through FWHA/Caltrans in order to complete the design. After approval of adjusted amounts, staff will request Council's authorization to proceed with final design and construction.

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

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Facilities Division, Public Works Department

SUBJECT: Funding Appropriation For Fiber Communications

RECOMMENDATION: That Council:

- A. Authorize the Public Works Director to enter into a Memorandum of Understanding (MOU) with Metropolitan Transit District (MTD) for use of a portion of the City's fiber optic line in return for project funding; and
- B. Increase appropriations and estimated revenues by \$15,430 in the Intra-City Services Fund to cover the cost of the Fiber Optic Communications Project (Fiber Optic Project), to be fully funded by the MTD.

DISCUSSION:

The Public Works Department is currently expanding the City's fiber optic network. The City uses fiber optic technology to provide voice, data, and video communication between City facilities. The City is working on the implementation of this fiber backbone in order to achieve significant cost savings by no longer leasing data lines, while incurring increased data transfer capacity.

MTD would like to participate in the City's Fiber Optic Project on Garden Street between Haley and Cota Streets. MTD would fund this installation in exchange for being allowed to use several strands of fiber for communication between MTD headquarters and its Transit Center. This section would be owned by the City and would connect the City's Public Works Building to Cabrillo Boulevard, allowing more City facilities to tie into the fiber system.

MTD is proposing to pay to install the City's new link in return for two of the 72 fibers being dedicated strictly for their use. These two fibers will have no impact on the City's Fiber Optic Project.

Staff recommends that Council authorize the Public Works Director to enter into the MOU with MTD which outlines the terms of the agreement. Per the MOU, the City shall

fund the fiber project and be reimbursed by MTD, whereupon they will be granted access to the fiber.

BUDGET/FINANCIAL INFORMATION:

The installation of the new fiber optic communication lines included in this project will save the City approximately \$13,000 in leasing fees incurred by the current leasing of data lines from a third party. The City will also realize increased data capability due to improved lines.

PREPARED BY: James Dewey, Facilities Manager/AP/cc

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Increase In Change Order Authority For The Loma Alta Hill Sidewalk Project

RECOMMENDATION:

That Council authorize an increase in the Public Works Director's change order authority to approve expenditures for extra work for the Loma Alta Hill Sidewalk Project (Project), Contract No. 23,816, in the amount of \$70,000, for a total project expenditure authority of \$662,316.

DISCUSSION:

BACKGROUND

The Project is located along the northeast side of Loma Alta Drive between Coronel and Canon Perdido Streets. The work consists of the construction of sidewalk and the installation of streetlighting, linking two portions of the City where no pedestrian facilities currently exist. Sidewalks will provide pedestrian passage from the West Side to the Mesa, to beaches, to City College, and residential areas to the east.

This Project is funded by the Federal Transportation Improvement Program (FTIP), with a minor portion of City matching funds. On June 1, 2009, the Federal Highway Administration authorized the expenditure of \$1,123,976 in grant funds for the construction phase of the Project.

On August 18, 2009, Council awarded the construction contract to Lash Construction Inc., in the amount of \$493,566 for construction of the Project, Bid No. 3436, plus a change order authority of \$98,750, for a total contract amount of \$592,316.

The awarded contract amount was significantly below the approved federal obligation for this Project. As a result, both Caltrans Local Assistance and the Santa Barbara County Association of Governments encouraged City staff to explore whether the

Project could be expanded to enhance the benefit to the public and further expend the grant funds.

CURRENT STATUS

Additional work has been selected by City staff and agreed by Caltrans as eligible for grant funding reimbursement. Proposed extra work includes road resurfacing prior to the re-opening of Loma Alta Drive and the reconstruction of sidewalk and the installation of access ramps and three new streetlights adjacent to McKinley School.

The original change order authority of \$98,750 is sufficient to cover items typically associated with minor extra work items and differences between estimated bid quantities and actual quantities measured for payment. These items to date include thickened sidewalk slabs for sidewalk abutting the slope, extra retaining wall placement, and extra foundation work associated with placement of the new streetlights.

To construct the McKinley School work, the Project change order authority would need to be increased by \$70,000.

FUNDING

This Project is funded by the FTIP at 88.53%, with the City providing matching funds at 11.47%. The Federal funds obligated for this Project have been previously appropriated by Council. If approved, the City's match for the proposed extra work will increase by \$8,029, from \$67,939 to \$75,968.

The following summarizes the additional expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

	Total	Federal Share (88.53%)	City Share (11.47%)
Base Contract Amount	\$493,566	\$436,954	\$56,612
Change Order Authorization	\$98,750	\$87,423	\$11,327
Additional Work Adjacent to McKinley School	\$70,000	\$61,971	\$8,029
Total	\$662,316	\$586,348	\$75,968

It is recommended that the change order authority be increased by \$70,000, from \$98,750 to \$168,750, to cover additional work identified in this report. If approved, the total Project expenditure authority will be increased to \$662,316.

There are sufficient appropriated funds in the Streets Capital Fund to cover the City's portion of the recommended extra work items.

PREPARED BY: John Ewasiuk, Principal Civil Engineer/TC/mj

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office



Agenda Item No. _____

File Code No. 280.01

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

SUBJECT: TEFRA Hearing For American Baptist Homes Of The West (Valle Verde) Debt Issuance

RECOMMENDATION:

That Council hold a public hearing and adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving a Tax-Exempt Bond Financing to be Issued by the California Statewide Communities Development Authority to Benefit American Baptist Homes of the West and Certain Affiliates.

DISCUSSION:

The California Statewide Communities Development Authority (CSCDA) is a joint exercise of powers authority formed to assist local governments and non-profits with their financing needs. The City is a member of the CSCDA. It was the CSCDA that issued the Property Tax Securitization Bonds in December 2009 that enabled participating cities to receive the property taxes borrowed this fiscal year by the State of California well ahead of the state-promised repayment date.

CSCDA is assisting American Baptist Homes of the West ("American Baptist") with a debt issuance in an amount not to exceed \$150 million. American Baptist owns and operates eight continuing care retirement communities in California. They also own or manage twenty-five affordable housing retirement communities providing residential units for low and moderate-income seniors. Nationwide, they serve over 5,000 residents in 40 communities. Among the American Baptist properties is Valle Verde located at 900 Calle de los Amigos in Santa Barbara.

According to information contained in their CSCDA application, the funds will be used to refund existing bonds originally issued in 2005 in the amount of \$135 million, of which \$20 million was targeted for improvements to American Baptist's Valle Verde property. Of the total new bond proceeds, an amount not to exceed \$35 million represents new project funds of which a portion will be targeted to Valle Verde.

Under federal and state law, the governing body of any local entity within which bond proceeds are to be spent must: (1) conduct a public hearing and (2) approve the issuance of the debt. Therefore, because the new bond financing will benefit the Valle Verde property, which is located within the City of Santa Barbara, the City Council must hold a public hearing and adopt a resolution approving the debt issuance. Council has held numerous such TEFRA (Tax Equity and Fiscal Responsibility Act) hearings, most recently for the issuance of bonds by California Municipal Finance Authority for the benefit of the Mental Health Association, which was approved by City Council on November 10, 2009.

It is important to understand that the City is in no way associated with the debt issuance and is not obligated to make debt service payments on the bonds. In addition, holding a public hearing and adopting a resolution in no way makes the City a party to the debt issuance. Federal laws governing these types of hearings recognized that non-profit agencies typically do not have the facilities to conduct their own public hearings; therefore, the local jurisdictions were allowed to loan their facilities and process to hold public hearings for the benefit of the issuing agency.

Staff recommends the City hold the public hearing and adopt the resolution approving the issuance of bonds by CSCDA.

SUBMITTED BY: Robert Samario, Interim Finance Director

APPROVED BY: City Administrator's Office

RESOLUTION NO. _____

**A RESOLUTION OF THE COUNCIL OF THE CITY OF
SANTA BARBARA APPROVING A TAX-EXEMPT BOND
FINANCING TO BE ISSUED BY THE CALIFORNIA
STATEWIDE COMMUNITIES DEVELOPMENT
AUTHORITY TO BENEFIT AMERICAN BAPTIST HOMES
OF THE WEST AND CERTAIN AFFILIATES**

WHEREAS, American Baptist Homes of the West, a nonprofit public benefit corporation incorporated under the laws of the State of California (the “Health Institution”), has requested that the California Statewide Communities Development Authority (the “Authority”) issue bonds in one or more series in an aggregate principal amount not to exceed \$150,000,000 (the “Bonds”), a portion of which will be used to, among other things, finance, refinance indebtedness used to finance, or reimburse the cost of the acquisition, construction, expansion, remodeling, renovation, furnishing and equipping (the “Financing”) of certain continuing care facilities owned or operated by the Health Institution (the “Facilities”) located in the City of Santa Barbara (the “City”);

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the issuance of the Bonds by the Authority must be approved by the City because the Facilities are located within the territorial limits of the City;

WHEREAS, the City Council of the City (the “Council”) is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code;

WHEREAS, the Authority has requested that the Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 9 of the Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the “Agreement”), among certain local agencies, including the City; and

WHEREAS, pursuant to Section 147(f) of the Code, the Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority.

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

SECTION 1. The Council hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the Council that this Resolution constitute approval of the issuance of the Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Facilities are to be located, in accordance with said Section 147(f) and (b) Section 9 of the Agreement.

SECTION 2. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing transaction approved hereby.

SECTION 3. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 26th day of January, 2010.

Approved as to form:

S. Louise Rankin, Esq., as
Bond Counsel to the Authority

Assistant City Attorney

I hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Santa Barbara at a regularly scheduled meeting thereof, held on the 26th day of January, 2010 by the following vote of the Council:

AYES:

NOES:

ABSENT:

City Clerk



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Continuance Of The Appeal Of The Mixed Use Development At 803 North Milpas Street

RECOMMENDATION:

That Council continue the appeal from Rick Feldman of the Planning Commission approval of the mixed use development at 803 North Milpas Street to March 23, 2010.

DISCUSSION:

The Council is scheduled to hear an appeal of a mixed use development located at 803 North Milpas Street on January 26, 2010. Last week the applicant for 803 North Milpas Street, Jarrett Gorin, met with the appellant of the project to discuss their concerns. At the conclusion of the meeting the appellant, Mr. Rick Feldman, agreed to continue the hearing while Mr. Gorin works with the City to provide a reasonable alternative to the proposed curb extension on the corner of Milpas and De la Guerra Streets. Mr. Feldman submitted a letter to staff dated January 18th requesting a continuance and Mr. Gorin also stated in writing that he agreed to the continuance.

ATTACHMENTS:

1. Letter from Rick Feldman dated January 18, 2010
2. Email from Jarrett Gorin dated January 19, 2010

PREPARED BY: Peter Lawson, Associate Planner

SUBMITTED BY: Paul Casey, Community Development Director

APPROVED BY: City Administrator's Office

Jan 18, 2010
Subject: Pending appeal of 803 N Milpas
To: Peter Lawson
cc: City Clerk
James Westby
Jarett Gorin
James Groh

Dear Peter,

This is to advise all parties to the pending Appeal of the project at 803 N Milpas St. that I met with Jarett Gorin and James Groh last Thurs and was informed of discussions that the Applicant has had with City Staff to attempt to resolve the bulb-out issue, which is the main issue addressed in my Appeal.

Since it now appears that the issue may be resolved without going to hearing, I am hereby requesting that the hearing currently scheduled for Jan 26 be continued in order to give all parties sufficient time to work out the details.

My understanding is that this will not withdraw or cancel the appeal.

Sincerely

Rick Feldman

RECEIVED
JAN 19 2010

CITY OF SANTA BARBARA
PLANNING DIVISION

Lawson, Peter D

From: Jarrett Gorin, AICP [jarrett.gorin@vanguardplanning.com]
Sent: Tuesday, January 19, 2010 1:12 PM
To: Lawson, Peter D
Cc: James Groh (jg_carlo@sbcglobal.net); rickmilpas@cox.net
Subject: 803 North Milpas - Continuation Of January 26th Appeal Hearing

Hi Peter,

I am writing to confirm that we have been in communication with Mr. Rick Feldman, the appellant, and we are aware that he has requested a continuance of the January 26th appeal hearing in order to allow us time for processing a Substantial Conformity Determination to remove the curb-extension proposed for the corner of Milpas and De La Guerra Street. We concur with Mr. Feldman's request. We will be submitting revised plans reflecting removal of the curb extensions and initiating the Substantial Conformity review imminently. Per our discussion this morning, I should be able to get revised plans submitted by Monday 01/25.

Please let me know if you have any questions.

Jarrett Gorin, AICP

Principal

Vanguard Planning LLC
735 State Street, Suite 204
Santa Barbara, CA 93101-5502
(805) 966-3966
(805) 715-7005 FAX
jarrett.gorin@vanguardplanning.com

CITY OF SANTA BARBARA
REDEVELOPMENT AGENCY MINUTES

Regular Meeting
November 17, 2009
Council Chamber, 735 Anacapa Street

CALL TO ORDER

Chair Marty Blum called the joint meeting of the Agency and the City Council to order at 2:02 p.m.

ROLL CALL

Agency members present: Iya G. Falcone, Roger L. Horton, Grant House, Das Williams, Chair Blum.

Agency members absent: Dale Francisco, Helene Schneider.

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

PUBLIC COMMENT

No one wished to speak.

CONSENT CALENDAR (Item Nos. 1 and 2)

Motion:

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

Vote:

Unanimous roll call vote (Absent: Agency members Francisco, Schneider).

1. Subject: Minutes (8)

Recommendation: That the Redevelopment Agency Board waive the reading and approve the minutes of the regular meeting of October 20.

Action: Approved the recommendation.

2. Subject: Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Three Months Ended September 30, 2009 (9)

Recommendation: That the Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2010 Interim Financial Statements for the Three Months Ended September 30, 2009.

Action: Approved the recommendation (November 17, 2009, report from the Interim Fiscal Officer).

ADJOURNMENT

Chair Blum adjourned the meeting at 9:47 p.m.

SANTA BARBARA
REDEVELOPMENT AGENCY

SANTA BARBARA
CITY CLERK'S OFFICE

MARTY BLUM
CHAIR

SUSAN TSCHECH, CMC
DEPUTY CITY CLERK

CITY OF SANTA BARBARA
REDEVELOPMENT AGENCY MINUTES

Special Meeting
November 24, 2009
Council Chamber, 735 Anacapa Street

CALL TO ORDER

Chair Marty Blum called the joint meeting of the Agency and the City Council to order at 2:04 p.m.

ROLL CALL

Agency members present: Iya G. Falcone (2:12 p.m.), Dale Francisco, Roger L. Horton, Grant House, Helene Schneider, Das Williams, Chair Blum.

Agency members absent: None.

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

PUBLIC COMMENT

No one wished to speak.

REDEVELOPMENT AGENCY REPORTS

1. Subject: Plaza De La Guerra Infrastructure Concept Design Review And Professional Services Agreement For Preliminary Design Services (570.05/10)
 - A. That Council review the conceptual design for Plaza de la Guerra Infrastructure Improvements and declare it a project for purposes of environmental review;
 - B. That the Agency Board authorize the Deputy Director to execute a Professional Design Services Agreement, subject to approval by Agency Counsel, with Campbell and Campbell in an amount not to exceed \$89,000, for preliminary design services for Plaza de la Guerra Infrastructure, and authorize the Deputy Director to approve expenditures of up to \$17,800 to cover any cost increases that may result from necessary changes in the scope of work; and

(Cont'd)

1. (Cont'd)

- C. That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving and Adopting the Findings Required by Health and Safety Code Section 33445 for the Funding of Capital Improvements to Plaza de la Guerra.

Documents:

- November 24, 2009, report from the Deputy Agency Director/Community Development Director.
- Proposed Resolution.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Housing and Redevelopment Manager Brian Bosse, Redevelopment Supervisor Marck Aguilar, Interim Fiscal Officer/Finance Director Robert Samario, Executive Director/City Administrator James Armstrong.
- Members of the Public: Bonnie Raisin; Dennis Rickard; Bill Collyer and David Damiano, Downtown Organization; Jarrell Jackman, Santa Barbara Trust for Historic Preservation; Frank Hotchkiss; Jim Kahan.

Motion:

Agency/Council members House/Horton to approve the recommendations; Redevelopment Agency Agreement No. 521; City Council Resolution No. 09-093.

Vote:

Majority roll call vote (Noes: Agency/Council members Falcone, Francisco).

RECESS

3:50 p.m. – 4:34 p.m.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

2. Subject: Panhandling Education And Alternative Giving Campaign (520.04/11)

- A. That Council approve the Panhandling Education and Alternative Giving Campaign and that the Redevelopment Agency Board authorize the Agency Deputy Director to negotiate and execute, subject to approval as to form by Agency counsel, agreements to implement the Panhandling Education and Alternative Giving Campaign and to authorize the expenditures of up to \$75,000 for the program from the Redevelopment Agency's Project Contingency Account; and

(Cont'd)

2. (Cont'd)

- B. That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Establishing December 1, 2009, as the Effective Date of Ordinance No. 5499 to Enact a Revised Ordinance Prohibiting Abusive Panhandling by Amending and Revising Santa Barbara Municipal Code Chapter 9.50.

Documents:

- November 24, 2009, report from the Deputy Director/Community Development Director.
- Proposed Resolution.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Housing and Redevelopment Manager Brian Bosse, Redevelopment Specialist Jeannette Candau.
- Members of the Public: Kathy Janega-Dykes, Santa Barbara Conference and Visitors Bureau; David Damiano, Downtown Organization.

Motion:

Agency/Council members Francisco/Schneider to approve the recommendations; Redevelopment Agency Agreement No. 522; City Council Resolution No. 09-094.

Vote:

Unanimous roll call vote.

ADJOURNMENT

Chair Blum adjourned the meeting at 5:17 p.m.

SANTA BARBARA
REDEVELOPMENT AGENCY

SANTA BARBARA
CITY CLERK'S OFFICE

MARTY BLUM
CHAIR

SUSAN TSCHECH, CMC
DEPUTY CITY CLERK

CITY OF SANTA BARBARA
REDEVELOPMENT AGENCY MINUTES

Regular Meeting
December 8, 2009
Council Chamber, 735 Anacapa Street

CALL TO ORDER

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

ROLL CALL

Agency members present: Roger L. Horton, Grant House, Helene Schneider, Das Williams, Chair Blum.

Agency members absent: Iya G. Falcone, Dale Francisco.

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

PUBLIC COMMENT

No one wished to speak.

CONSENT CALENDAR (Item Nos. 1 – 3)

Motion:

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

Vote:

Unanimous roll call vote (Absent: Agency/Council Members Falcone, Francisco).

1. Subject: Redevelopment Agency 2009 Annual Report (620.01/15)

Recommendation: That Council and the Redevelopment Agency Board:

- A. Approve the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2009, consisting of the Auditor's Opinion and Financial Statements, and the Auditor's Compliance Report; and
- B. Direct staff to submit required copies of the Report to the California State Controller's Office.

Action: Approved the recommendations (December 8, 2009, report from the Deputy Director/Community Development Director).

2. Subject: Santa Barbara Trust For Historic Preservation Bridge Loan Repayment (16)

Recommendation: That the Redevelopment Agency Board:

- A. Accept the repayment of a bridge loan from the Santa Barbara Trust for Historic Preservation; and
- B. Appropriate the \$522,180 in repayment funds in the Fiscal Year 2010 Redevelopment Agency Capital Fund's Project Contingency Account.

Action: Approved the recommendations (December 8, 2009, report from the Deputy Director).

3. Subject: Contract For Design Services For The Fire Station No. 1 Annex Renovation Project (700.08/17)

Recommendation:

- A. That the Redevelopment Agency Board authorize the expenditure of \$204,000 from the Agency's Fire Department Administration Annex Project account in the 2003A Bond Fund for final design services relating to the renovation of the Fire Station No. 1 Annex building (Project); and
- B. That Council authorize the Public Works Director to execute a contract with Kruger Bensen Ziemer Architects, Inc. (KBZ), in the amount of \$185,500, for final design services for the Project, and approve expenditures of up to \$18,500 for extra services of KBZ that may result from necessary changes in the scope of work.

Action: Approved the recommendations; City Council Contract No. 23,247 (December 8, 2009, joint report from the Deputy Director/Community Development Director and the Public Works Director).

ADJOURNMENT

Chair Blum adjourned the meeting at 8:05 p.m.

SANTA BARBARA
REDEVELOPMENT AGENCY

SANTA BARBARA
CITY CLERK'S OFFICE

MARTY BLUM
CHAIR

BRENDA ALCAZAR, CMC
DEPUTY CITY CLERK

CITY OF SANTA BARBARA
REDEVELOPMENT AGENCY MINUTES

Regular Meeting
December 15, 2009
Council Chamber, 735 Anacapa Street

CALL TO ORDER

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

ROLL CALL

Agency members present: Iya G. Falcone, Dale Francisco, Grant House, Helene Schneider, Das Williams, Chair Blum.

Agency members absent: Roger L. Horton.

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

PUBLIC COMMENT

No one wished to speak.

CONSENT CALENDAR (Item Nos. 1 and 2)

Motion:

Agency members Williams/Schneider to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote (Absent: Agency member Horton).

1. Subject: Minutes (14)

Recommendation: That the Redevelopment Agency Board waive the reading and approve the minutes of the special meeting of October 27, 2009.

Action: Approved the recommendation.

2. Subject: Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Four Months Ended October 31, 2009 (15)

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

Action: Approved the recommendation (December 15, 2009, report from the Interim Fiscal Officer).

ADJOURNMENT

Chair Blum adjourned the meeting at 5:46 p.m. in memory of Merrill Hoffman, Ugo Melchiori, and Roger Heroux.

SANTA BARBARA
REDEVELOPMENT AGENCY

SANTA BARBARA
CITY CLERK'S OFFICE

MARTY BLUM
CHAIR

SUSAN TSCHECH, CMC
DEPUTY CITY CLERK



CITY OF SANTA BARBARA

REDEVELOPMENT AGENCY BOARD AGENDA REPORT

AGENDA DATE: January 26, 2010
TO: Redevelopment Agency Board
FROM: Accounting Division, Finance Department
SUBJECT: Redevelopment Agency Fiscal Year 2010 Interim Financial Statements For The Five Months Ended November 30, 2009

RECOMMENDATION:

That the Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2010 Interim Financial Statements for the Five Months Ended November 30, 2009.

DISCUSSION:

The interim financial statements for the five months ended November 30, 2009 (41.7% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the Redevelopment Agency's General, Housing, and Capital Projects Funds.

ATTACHMENT: Redevelopment Agency Interim Financial Statements for the Five Months Ended November 30, 2009
PREPARED BY: Rudolf J. Livingston, Accounting Manager
SUBMITTED BY: Robert Samario, Interim Fiscal Officer
APPROVED BY: City Administrator's Office

REDEVELOPMENT AGENCY
OF THE
CITY OF SANTA BARBARA

INTERIM FINANCIAL STATEMENTS
FISCAL YEAR 2010
FOR THE FIVE MONTHS
ENDED NOVEMBER 30, 2009

REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA
General Fund
Interim Statement of Revenues, Expenditures and Encumbrances
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
Revenues:					
Incremental Property Taxes	\$ 16,337,400	\$ 2,452,358	\$ -	\$ 13,885,042	15.01%
Investment Income	264,700	80,988	-	183,712	30.60%
Interest Loans	5,000	-	-	5,000	0.00%
Rents	48,000	24,066	-	23,934	50.14%
Total Revenues	<u>16,655,100</u>	<u>2,557,412</u>	<u>-</u>	<u>14,097,688</u>	<u>15.36%</u>
Use of Fund Balance	4,197,643	1,749,015	-	-	41.67%
Total Sources	<u>\$ 20,852,743</u>	<u>\$ 4,306,427</u>	<u>\$ -</u>	<u>\$ 14,097,688</u>	<u>20.65%</u>
Expenditures:					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 3,000	\$ 566	\$ -	\$ 2,434	18.87%
Mapping, Drafting & Presentation	250	-	-	250	0.00%
Janitorial & Hshld Supplies	100	-	-	100	0.00%
Minor Tools	100	-	-	100	0.00%
Special Supplies & Expenses	5,000	66	-	4,934	1.32%
Building Materials	100	-	-	100	0.00%
Equipment Repair	1,000	568	-	432	56.80%
Professional Services - Contract	787,155	270,284	8,491	508,380	35.42%
Legal Services	154,508	49,157	-	105,351	31.82%
Engineering Services	20,000	4,471	-	15,529	22.36%
Non-Contractual Services	12,000	1,440	-	10,560	12.00%
Meeting & Travel	7,500	45	-	7,455	0.60%
Mileage Reimbursement	300	-	-	300	0.00%
Dues, Memberships, & Licenses	13,500	3,083	-	10,417	22.84%
Publications	1,500	289	-	1,211	19.27%
Training	7,500	415	-	7,085	5.53%
Advertising	2,000	-	-	2,000	0.00%
Printing and Binding	3,000	-	-	3,000	0.00%
Postage/Delivery	1,000	550	-	450	55.00%
Non-Allocated Telephone	500	-	-	500	0.00%
Vehicle Fuel	1,300	457	-	843	35.15%
Equipment Rental	500	-	-	500	0.00%
Total Supplies & Services	<u>1,021,813</u>	<u>331,391</u>	<u>8,491</u>	<u>681,931</u>	<u>33.26%</u>
Allocated Costs:					
Desktop Maint Replacement	25,207	10,503	-	14,704	41.67%
GIS Allocations	4,785	1,994	-	2,791	41.67%
Building Maintenance	1,785	744	-	1,041	41.67%
Planned Maintenance Program	6,752	2,813	-	3,939	41.67%
Vehicle Replacement	5,323	2,218	-	3,105	41.67%
Vehicle Maintenance	4,396	1,832	-	2,564	41.67%
Telephone	2,908	1,212	-	1,696	41.67%
Custodial	3,674	1,531	-	2,143	41.67%
Communications	4,663	1,943	-	2,720	41.67%
Property Insurance	8,142	3,393	-	4,750	41.67%
Allocated Facilities Rent	5,746	2,394	-	3,352	41.67%
Overhead Allocation	693,628	289,012	-	404,616	41.67%
Total Allocated Costs	<u>767,009</u>	<u>319,587</u>	<u>-</u>	<u>447,422</u>	<u>41.67%</u>
Special Projects	7,636,577	251,477	24,019	7,361,081	3.61%
Transfers	9,759,023	3,160,627	-	6,598,396	32.39%
Grants	1,545,028	301,209	218,771	1,025,048	33.66%
Equipment	8,070	51	-	8,019	0.63%
Fiscal Agent Charges	11,500	2,988	-	8,512	25.98%
Appropriated Reserve	103,723	-	-	103,723	0.00%
Total Expenditures	<u>\$ 20,852,743</u>	<u>\$ 4,367,330</u>	<u>\$ 251,281</u>	<u>\$ 16,234,132</u>	<u>22.15%</u>

REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA
Housing Fund
Interim Statement of Revenues, Expenditures and Encumbrances
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
Revenues:					
Incremental Property Taxes	\$ 4,084,400	\$ 613,089	\$ -	\$ 3,471,311	15.01%
Investment Income	150,000	34,081	-	115,919	22.72%
Interest Loans	160,000	113,264	-	46,736	70.79%
Miscellaneous	-	2,914	-	(2,914)	100.00%
Total Revenues	<u>4,394,400</u>	<u>763,348</u>	<u>-</u>	<u>3,631,052</u>	<u>17.37%</u>
Use of Fund Balance	<u>2,603,567</u>	<u>1,084,825</u>	<u>-</u>	<u>-</u>	<u>41.67%</u>
Total Sources	<u>\$ 6,997,967</u>	<u>\$ 1,848,173</u>	<u>\$ -</u>	<u>\$ 3,631,052</u>	<u>26.41%</u>
Expenditures:					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 1,800	\$ 575	\$ -	\$ 1,225	31.94%
Special Supplies & Expenses	1,800	648	-	1,152	36.00%
Equipment Repair	500	458	-	42	91.60%
Professional Services - Contract	717,423	283,734	-	433,689	39.55%
Legal Services	2,000	-	-	2,000	0.00%
Non-Contractual Services	2,000	523	-	1,477	26.15%
Meeting & Travel	6,000	-	-	6,000	0.00%
Mileage Reimbursement	100	-	-	100	0.00%
Dues, Memberships, & Licenses	2,025	-	-	2,025	0.00%
Publications	200	-	-	200	0.00%
Training	5,000	-	-	5,000	0.00%
Postage/Delivery	500	26	-	474	5.20%
Non-Allocated Telephone	500	-	-	500	0.00%
Equipment Rental	100	-	-	100	0.00%
Total Supplies & Services	<u>739,948</u>	<u>285,964</u>	<u>-</u>	<u>453,984</u>	<u>38.65%</u>
Allocated Costs:					
Desktop Maintance Replacement	7,562	3,151	-	4,411	41.67%
GIS Allocations	2,393	997	-	1,396	41.67%
Building Maintance	893	372	-	521	41.67%
Planned Maintenance Program	4,001	1,667	-	2,334	41.67%
Telephone	969	404	-	565	41.67%
Custodial	1,867	778	-	1,089	41.67%
Communications	2,897	1,207	-	1,690	41.67%
Insurance	166	69	-	97	41.66%
Allocated Facilities Rent	3,405	1,419	-	1,986	41.67%
Overhead Allocation	181,432	75,597	-	105,835	41.67%
Total Allocated Costs	<u>205,585</u>	<u>85,660</u>	<u>-</u>	<u>119,925</u>	<u>41.67%</u>
Transfers	829	345	-	484	41.62%
Equipment	2,500	51	-	2,449	2.04%
Housing Activity	5,328,855	205,653	-	5,123,202	3.86%
Principal	470,000	470,000	-	-	100.00%
Interest	168,950	93,361	-	75,589	55.26%
Fiscal Agent Charges	1,300	1,265	-	35	97.31%
Appropriated Reserve	80,000	-	-	80,000	0.00%
Total Expenditures	<u>\$ 6,997,967</u>	<u>\$ 1,142,299</u>	<u>\$ -</u>	<u>\$ 5,855,668</u>	<u>16.32%</u>

REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA
Capital Projects Fund
Interim Statement of Revenues, Expenditures and Encumbrances
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
Revenues:					
SB Trust for Historic Preservation	\$ -	\$ 522,180	\$ -	\$ -	100.00%
Fire Station #1 EOC Donations	6,000	6,000	-	-	100.00%
Transfers-In	2,243,621	1,809,735	-	433,886	80.66%
Total Revenues	<u>2,249,621</u>	<u>2,337,915</u>	<u>-</u>	<u>-</u>	<u>103.92%</u>
Use of Fund Balance	12,208,909	5,087,047	-	-	41.67%
Total Sources	<u>\$ 14,458,530</u>	<u>\$ 7,424,962</u>	<u>\$ -</u>	<u>\$ -</u>	<u>51.35%</u>
Expenditures:					
Construction Phase					
IPM - Sustainable Park Improvements	\$ 9,511	\$ 116	\$ 9,511	\$ (116)	101.22%
Fire Station #1 Remodel	377,482	267,893	163,706	(54,117)	114.34%
Fire Station #1 EOC	202,064	134,195	28,060	39,809	80.30%
Underground Tank Abatement	23,070	-	-	23,070	0.00%
Design Phase					
Carrillo Rec Center Restoration	2,200,000	-	2,200,000	-	100.00%
Planning Phase					
Opportunity Acquisition Fund	366,500	-	-	366,500	0.00%
RDA Project Contingency Account	1,162,344	-	-	1,162,344	0.00%
Parking Lot Maintenance	192,621	67,215	106,706	18,700	90.29%
PD Locker Room Upgrade	7,525,483	67,841	-	7,457,642	0.90%
Phase II - E Carbillio Sidewalks	600,000	-	-	600,000	0.00%
Chase Palm Park Light/Electric	569,000	-	-	569,000	0.00%
Plaza Del Mar Restroom Renovation	212,000	-	-	212,000	0.00%
Pershing Park Restroom Renovation	120,000	-	-	120,000	0.00%
Soil Remediation - 125 State St	550,000	-	430,000	120,000	78.18%
Housing Fund Contingency Account	348,455	-	-	348,455	0.00%
Total Expenditures	<u>\$ 14,458,530</u>	<u>\$ 537,260</u>	<u>\$ 2,937,983</u>	<u>\$ 10,983,287</u>	<u>24.04%</u>

REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA
RDA Bonds - Series 2001A
Interim Statement of Revenues, Expenditures and Encumbrances
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
Revenues:					
Investment Income	\$ -	\$ 662	\$ -	\$ (662)	100.00%
Transfers-In	-	824,986	-	(824,986)	100.00%
Total Revenues	-	825,648	-	(825,648)	100.00%
Use of Fund Balance	3,219,138	1,341,308	-	-	41.67%
Total Sources	<u>\$ 3,219,138</u>	<u>\$ 2,166,956</u>	<u>\$ -</u>	<u>\$ (825,648)</u>	67.31%
Expenditures:					
Interest	\$ -	\$ 824,986	\$ -	(824,986)	100.00%
Total Non-Capital Expenditures	-	824,986	-	(824,986)	100.00%
Capital Outlay:					
Finished					
East Cabrillo Blvd Sidewalks	\$ 54,437	\$ 24,188	\$ -	\$ 30,249	44.43%
Design Phase					
Mission Creek Flood Control @ Depot	1,964,701	-	-	1,964,701	0.00%
Brinkerhoff Lighting	200,000	-	8,020	191,980	4.01%
Carrillo Rec Center Restoration	1,000,000	-	1,000,000	-	100.00%
Total Expenditures	<u>\$ 3,219,138</u>	<u>\$ 849,174</u>	<u>\$ 1,008,020</u>	<u>\$ 1,361,944</u>	57.69%

REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA
RDA Bonds - Series 2003A
Interim Statement of Revenues, Expenditures and Encumbrances
For the Five Months Ended November 30, 2009 (41.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	
Revenues:						
Investment Income	\$ -	\$ 4,283	\$ -	\$ (4,283)	100.00%	
Transfers-In	-	525,215	-	(525,215)	100.00%	
Intergovernmental	-	73,519	-	(73,519)	100.00%	
Total Revenues	-	603,017	-	(603,017)	100.00%	
Use of Fund Balance	20,272,862	8,447,029	-	-	41.67%	
Total Sources	\$ 20,272,862	\$ 9,050,046	\$ -	\$ (603,017)	44.64%	
Expenditures:						
Interest	\$ -	\$ 525,215	\$ -	\$ (525,215)	100.00%	
Arbitrage Rebate	440,000	-	-	440,000	0.00%	
Total Non-Capital Expenditures	440,000	525,215	-	(85,215)	119.37%	
Capital Outlay:						
Finished						
9082	Adams Parking Lot & Site Imprvmts	\$ 77,419	\$ 3,457	\$ 1,533	\$ 72,429	6.45%
8966	Anapamu Open Space Enhancements	2,464	-	-	2,464	0.00%
9055	Historic Railroad CAR	24,646	8,574	15,258	814	96.70%
Construction Phase						
3179	IPM - Sustainable Park Improvements	94,909	5	-	94,904	0.01%
7999	Fire Station #1 Remodel	40,015	60,589	800	(21,374)	153.41%
8958	West Beach Pedestrian Improvements	2,565,901	809,167	1,366,646	390,088	84.80%
9007	Artist Workspace	612,042	55,273	17,328	539,441	11.86%
9071	West Downtown Improvement	3,143,824	343,228	2,380,726	419,870	86.64%
9091	Carrillo Rec Ctr Restoration	2,897,579	164,231	1,207,315	1,526,033	47.33%
Design Phase						
8961	Plaza De La Guerra Infrastructure	2,282,158	150	38,290	2,243,718	1.68%
9068	Westside Community Center	216,066	13,238	4,543	198,285	8.23%
Planning Phase						
7911	Mission Creek Flood Control - Park Development	759,142	3,058	-	756,084	0.40%
7662	Mission Creek Flood Control @ Depot	535,299	-	-	535,299	0.00%
7665	Helena Parking Lot Development	499,798	4,974	-	494,824	1.00%
8984	Fire Department Administration	3,750,000	-	-	3,750,000	0.00%
8986	Chase Palm Park Restroom Renovation	186,600	-	-	186,600	0.00%
8987	Downtown Sidewalks	175,000	-	-	175,000	0.00%
8988	DP Structure #2, 9, 10 Improvements	150,000	-	-	150,000	0.00%
8989	Library Plaza Renovation	150,000	-	-	150,000	0.00%
71101	Chase Palm Park Wisteria Arbor	835,000	-	1,545	833,455	0.19%
On-Hold Status						
8962	Visitor Center Condo Purchase	500,000	-	-	500,000	0.00%
8964	Lower State Street Sidewalks	335,000	-	-	335,000	0.00%
Total Expenditures	\$ 20,272,862	\$ 1,991,159	\$ 5,033,984	\$ 13,247,719	34.65%	



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Extension Of Medical Marijuana Dispensary Suspension Ordinance

RECOMMENDATION:

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

DISCUSSION:

On December 15, 2009, the City Council adopted an ordinance that suspended the opening or operation of new medical marijuana dispensaries ("Suspension Ordinance"). As required by the State Planning and Zoning Law (Government Code Section 65000), that ordinance is valid for 45 days, and expires on January 29, 2010. The purpose of the Suspension Ordinance is to allow the City time to consider and possibly adopt revised regulations for Medical Cannabis Cooperative/Collective storefront that comply with the State Penal Code. Ordinance details are provided in the attached Council Agenda Report from December 8, 2009.

The revision effort is taking place in two phases. Phase I consists of the revisions that were discussed and directed by Council and the Ordinance Committee during the fall of 2009, and include items such as a limit on the number of dispensaries within the City, and a reduced amortization period for nonconforming dispensaries. Phase II is a work effort that has not yet been discussed at Ordinance Committee, and will consist of revisions that will ensure compliance with state law on medicinal marijuana, especially regulations about Medical Marijuana made available to collectives and cooperatives.

Because the revision effort will take more than 45 days, an ordinance to extend the suspension is necessary. State law allows the suspension to be extended by up to 10 months and 15 days, for a total possible suspension period of one year. At the December 8, 2009 Council meeting, several Councilmembers stated that a total suspension of one year was probably unnecessary, and stated that they would prefer a

shorter period of time. The attached ordinance ("Suspension Extension Ordinance") would extend the suspension only for the period of time it takes to consider and adopt a revised dispensary ordinance.

Next Steps

If the Council introduces the Suspension Extension Ordinance, the next step will be ordinance adoption on January 26, 2010. Also on January 26, 2010, the proposed draft of Phase I revisions will return to Ordinance Committee, with recommendations from the Planning Commission, which held its public hearing on December 17, 2009.

On February 9, 2010, the Phase I revisions will be scheduled for introduction by Council, with possible adoption on February 23, 2010. Because the suspension would be in effect, new dispensaries could not be approved, even under the revised provisions. One issue to be worked out in the Phase I Ordinance discussion will be the effective date of the provision that shortens the amortization period for existing, nonconforming dispensaries.

It is staff's plan to begin discussions on the Phase II Ordinance Revisions in February 2010.

ATTACHMENT: Council Agenda Report, December 8, 2009
PREPARED BY: Danny Kato, Senior Planner
SUBMITTED BY: Paul Casey, Community Development Director
APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 8, 2009
TO: Mayor and Councilmembers
FROM: Planning Division, Community Development Department
SUBJECT: Medical Marijuana Dispensary Suspension Ordinance

RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Temporarily Suspending the Opening or Operation of New Medical Marijuana Dispensaries Otherwise Allowed Under Santa Barbara Municipal Code Chapter 28.80 on an Interim Basis.

DISCUSSION:

Background

On July 28, 2009, the City Council directed the Ordinance Committee to consider possible revisions to the City's Medical Cannabis Dispensary Ordinance, SBMC Chapter 28.80. The Ordinance Committee met several times and took a great deal of public comment and, ultimately, provided direction to City Staff on the significant proposed revisions to the City's Dispensary Ordinance. A draft ordinance containing the proposed revisions has now been forwarded to the Planning Commission for a hearing on their recommendations to the City Council, as required by the state Planning and Zoning Law (Government Code §§65000.)

On November 17, 2009, the City Council also directed the Ordinance Committee to consider further amending the Medical Cannabis Dispensary Ordinance to accomplish the following: 1. to make it more clear that, pursuant to state law (i.e., the Compassionate Use Act), the City only allows the cultivation and distribution of medical marijuana through cooperatives or collectives; and 2. to develop additional City regulations for storefront cooperatives and collectives such that they are required to operate as true collectives/cooperatives in a manner consistent with the state Attorney General August 2008 "Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use" – hereinafter the "Attorney General Guidelines."

As part of the November 17th action, the City Council also directed staff to return to Council as soon as possible with an ordinance suspending the opening of new medical marijuana dispensaries pending the consideration of these long-term SBMC Chapter

28.80 revisions. As discussed at the time, Staff understood that the Council wished to have this suspension apply to any dispensary which had not been fully permitted and received a final City building permit prior to the Council's November 17, 2009 decision to consider a suspension ordinance.

Approved and Pending Dispensary Applications

This following is a list of City approved, disapproved, and pending dispensary applications.

Approved and Operating:

331 N. Milpas

Approved with Building Permits Issued:

500 N. Milpas (Building Permit issued 10/6/09. Most work is complete, but there are revisions that are currently in plan check)

629 Olive (Building Permit issued 11/18/09)

Approved by Staff Hearing Officer, Pending Appeal at Planning Commission:

741-781 Chapala
302 E. Haley

Pending Applications:

430 Chapala
826 Chapala
234 E. Haley
2915 De la Vina
16 S. La Cumbre

Approved by SHO but Disapproved by Planning Commission:

2 W. Mission

Proposed Suspension Ordinance

As directed by the Council on November 17th, the proposed ordinance suspending City approvals for new Medical Cannabis Dispensaries (attached to this Council Agenda Report) would prohibit the opening or operation of any new medical cannabis dispensary within the City unless the dispensary had received a City permit pursuant to SBMC Chapter 28.80 and had opened for care giving to "qualified patients" on or prior

to November 18, 2009 including those permittees who had obtained a final building permit for any necessary tenant improvements. Thus, the currently permitted dispensary at 331 North Milpas would be allowed to continue in operation. In addition, the “permitted” dispensaries at 500 North Milpas and 629 Olive which have already obtained City building permits would be allowed to open if they chose to do so. Otherwise, under the proposed suspension ordinance, other currently proposed dispensaries would not be allowed to open or operate until the City has finalized its consideration of the long-term revisions to the SBMC Chapter 28.80.

In addition, the draft ordinance contains an optional provision (*Section Three*) which directs the Community Development Department staff to also suspend the processing of pending or new dispensary applications while the Council considers possible revisions to the City’s regulations for medical marijuana. However, this provision, would allow potential dispensary operators to continue to apply and to have their application reviewed by CDD staff for completeness. This approach should allow an efficient process for the City to establish priorities among applicants for any particular potential dispensary location based on the date an application was deemed complete. Staff will seek Council direction on whether this optional provision should be included in the final draft of the Ordinance.

As a result, the proposed “suspension” ordinance would not affect approved dispensaries which are duly operating within the City as of November 17th, whether conforming or nonconforming, so long as they are legally permitted and continued to operate in the manner required by SBMC Chapter 28.80. It also would not alter the fact that City staff is pursuing and will continue to pursue code enforcement and possible police enforcement action against those dispensaries which are operating illegally within the City.

Proposed Interim Suspension Ordinance Extension.

As required by the state Planning and Zoning law for “interim” zoning ordinances, the dispensary suspension ordinance will be effective for only 45 days from the date of its adoption – i.e., until the end of January 2010. Since Staff understands that it is the Council’s intent to restrict the operation of new dispensaries until after the public, the Planning Commission, and the City Council have had an adequate opportunity to fully discuss and consider revisions to the City medical marijuana regulations (especially with respect to whether storefront dispensaries are consistent the Attorney General’s Guidelines and are allowed by state law), staff believes that it will take longer than 45 days to draft and properly consider such revisions. Consequently, staff is planning on the need to return to the Council in January to extend the suspension ordinance for the full ten month and 15 day period allowed by section 65858 of the Government Code. However, if the medical marijuana ordinance revisions are adopted by the Council prior to the one-year suspension, the suspension will be superceded by the City’s new revised medical marijuana ordinance.

Council Agenda Report
Medical Marijuana Dispensary Suspension Ordinance
December 8, 2009
Page 4

PREPARED BY: Danny Kato, Senior Planner

SUBMITTED BY: Paul Casey, Community Development Director
Stephen P. Wiley, City Attorney

APPROVED BY: City Administrator's Office

ORDINANCE NO.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA EXTENDING A TEMPORARY SUSPENSION OF THE RIGHT TO APPLY FOR OR TO OBTAIN A PERMIT FOR THE OPENING OR OPERATION OF MEDICAL MARIJUANA DISPENSARIES OTHERWISE PERMITTED BY SANTA BARBARA MUNICIPAL CODE CHAPTER 28.80 ON AN INTERIM BASIS.

WHEREAS, in 1996, California voters approved Proposition 215, (hereinafter referred to as "The Compassionate Use Act") which Act legalized the limited use of marijuana for medical purposes and allowed persons to grow and possess medicinal marijuana based on the recommendation of a licensed physician;

WHEREAS, in 2003 the California State Legislature enacted supplemental medical marijuana legislation in order to fully implement the Compassionate Use Act (Senate Bill 420 effective January 1, 2004) which was also intended to clarify the application and scope of the Compassionate Use Act and enhance the access of "qualified patients" and "primary caregivers" to medical marijuana through collective or cooperative group cultivation projects;

WHEREAS, neither the Compassionate Use Act nor Senate Bill 420 expressly allows medical marijuana dispensaries, particularly those that operate on a "for profit" or retail storefront basis and which, while purporting to operate within the SB 420 definition of a "primary caregiver," actually often only provide marijuana on an over-the-counter or "retail" basis;

WHEREAS, a proliferation of dispensaries within California has followed the passage of the Compassionate Use Act in 1996 and the enactment of the SB 420 statutes and, in some instances, the spirit and intent of the Compassionate Use Act has apparently been and is being exploited and abused both for profit motivation reasons and for recreational drug abuse by many individuals who improperly obtain marijuana from medical marijuana dispensaries;

WHEREAS, as pointed out in the Compassionate Use Act Guidelines adopted by the state Attorney General's Office in August 2008, (the California Attorney General's "Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use") state law

does not specifically or expressly permit Medical Marijuana Dispensaries to operate. According to these Guidelines, the lack of statewide regulations or guidelines has created confusion and hampered the ability of local police and other law enforcement to investigate and prosecute Medical Marijuana Dispensary operators that have been linked to criminal activity, such as selling marijuana for recreational use and distributing marijuana to individuals who re-sell the marijuana to persons who are not qualified patients or primary caregivers under the Compassionate Use Act;

WHEREAS, in several recent published decisions issued by the courts, such as *People v. Hochanadel* (98 Cal.Rprt.3d 347 - decided in August 2009) and *People v. Mentch* (85 Cal.Rptr.3d 480 - decided in November 2008), the courts of this state have indicated that Medical Marijuana Dispensaries may only be allowed or permitted by the Compassionate Use Act and the SB 420 statutes under very limited circumstances and they have indicated that cities may regulate medical marijuana dispensaries and enforce the Compassionate Use Act using their local police and enforcement powers;

WHEREAS, Medical Marijuana Dispensaries have been known to operate and advertise in and or close to schools, to unlawfully sell marijuana for profit, to lack the medical expertise and security to be able to properly dispense marijuana, and to regularly sell marijuana to individuals without any of the required legal medical documentation;

WHEREAS, The Santa Barbara City Council believes that it should immediately evaluate the impacts of Medical Marijuana Dispensaries on its residents, neighborhoods, and on adjacent legally operated businesses;

WHEREAS, this interim City ordinance is designed to prevent new Medical Marijuana Dispensaries from opening or operating while an inter-departmental staff group, led by the Community Development Department, the Police Department, and the City Attorney's office, meets with the Council Ordinance Committee in public hearings and the Committee crafts a draft ordinance intended to regulate the operation of medical marijuana dispensaries and establish viable regulations for consideration by the full City Council, all in the manner allowed under the Compassionate Use Act and the SB 420 statutes; and

WHEREAS, December 15, 2009, this City Council adopted an ordinance of the City (as City Ordinance No. 5506) imposing a temporary suspension on applications or City permits for the

opening or operation of new medical marijuana dispensaries within the City with the intention that this interim suspension ordinance would allow the City staff and the City Council the time it needs to undertake the critically important task of developing a comprehensive strategy for regulating Medical Marijuana Dispensaries and for possibly revising Santa Barbara Municipal Code Chapter 28,80, thus ensuring that this important legislative opportunity is fully examined in depth while not permitting new Medical Marijuana Dispensaries to be established throughout the City.

NOW THEREFORE, THE COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. Required Findings for the Extension of City Ordinance No. 5506.

The City Council continues to find and to declare that an interim suspension ordinance suspending the application of Santa Barbara Municipal Code Chapter 28.80 is required in order for the City Council to address a current and immediate threat to the public peace, health, safety and welfare of the residents of the City for all of the reasons stated in the above-recitals as well as for the following reasons:

1. This ordinance will extend the City's temporary limitation on the opening or operation of new Medical Marijuana Dispensaries and thus it will prevent an insufficiently regulated increase in medical marijuana dispensaries pending the City Council due consideration and possible adoption of a long-term and more comprehensive City ordinance regulating the distribution of medical marijuana within the City. Such a long-term ordinance is likely to be more consistent with the City's General Plan (including the proposed new General Plan currently being prepared and known as Plan Santa Barbara) and the City's Zoning Ordinance, SBMC Title 28, such that the legal distribution of medical marijuana within Santa Barbara will be more consistent with the City's zoning regulations and with the requirements of state law.

2. The City staff recommendation that Santa Barbara have a long-term City medical marijuana ordinance truly reflective of the spirit and intent of the Compassionate Use Act and the SB 420 statutes would probably be substantially undermined if new dispensaries are allowed to open or operate pending the public consideration and City Council

review of the proposed long-term City ordinance on medical marijuana.

3. The number of medical marijuana dispensaries operating within the City (both legal and illegal) is apparently increasing (as is the number of new of dispensary applications) and the City Police and City Community Development Departments have received complaints from neighbors, business owners, and concerned citizens regarding the potential negative criminal impacts of some of these dispensaries. Without interim City restrictions on the opening of new dispensaries and on the appropriate location of a dispensary and its hours of operation (including whether such dispensaries are allowed by state law), the result may be the establishment of dispensaries in close proximity to sensitive uses operating at all hours.

4. This extension of the City original December 15, 2009 interim suspension ordinance will prevent an insufficiently regulated increase in the number of new dispensaries and will provide the public and the City Council with the appropriate time it needs to determine if the dispensary model of providing access to medical marijuana is allowed by state law and, if so, under what circumstances it is allowed. This interim ordinance will also permit the City to develop appropriate regulations relative to the distances permitted dispensaries should be from sensitive uses, and to determine appropriate methods of operation, as well as the circumstance of when and where dispensaries would be compatible with the surrounding uses, and other related land use issues.

SECTION 2. Extension of the Interim Prohibition on the Opening or Operation of New Medical Marijuana Dispensaries. Having been advised that the duly required public noticing for this ordinance has been accomplished by the City staff, City Ordinance No. 5506 is hereby extended for a period of ten months and fifteen (15) days or until this Council adopts a new City ordinance codifying amendments to Santa Barbara Municipal Code Chapter 28.80, whichever is sooner, all as required by subparagraph (a) of state Government Code section 65858.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Advisory Groups Updates And Council Liaisons

RECOMMENDATION:

That Council consider the appointment of Liaisons to Advisory Boards and Commissions.

DISCUSSION:

Traditionally, every January, the City Council appoints Council Liaisons to Advisory Groups. In addition to the appointments this year, after consultation with the Mayor, we renamed, combined or discontinued some of the groups for one or more of the following reasons:

- Consolidation of committees increases coordination, effectiveness and efficiency and reduces committee support workload for staff
- The committee was an ad hoc committee or a committee that completed its mission
- The function has been integrated in other city operations
- The committee has not been active or meeting
- Renaming the committee to reflect the most current role or mission
- Replacing "subcommittee" with "committee" as appropriate

It is recommended that Council liaisons be appointed to the groups on the attached list.

ATTACHMENT: Advisory Groups Council Liaisons List

PREPARED/SUBMITTED BY: James L. Armstrong, City Administrator

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
ADVISORY GROUPS
COUNCIL LIAISONS

Airport Commission.....	House
(incl. Airport Noise Abatement Committee)	
Architectural Board of Review.....	Francisco; Alternate: House
Arts Advisory Committee.....	Schneider
Building and Fire Code Board of Appeals.....	House
Civil Service Commissioners, Board of.....	House
Community Development and Human Services Committee.....	Schneider
Community Events and Festivals Committee.....	House
Creeks Advisory Committee.....	Falcone; Alternate: Williams
Downtown Parking Committee.....	Horton; Alternate: House
Fire and Police Commissioners, Board of.....	Falcone
Fire and Police Pension Commissioners, Board of.....	Williams
Franklin Neighborhood Advisory Committee.....	Horton
Harbor Commissioners, Board of.....	Francisco
Historic Landmarks Commission.....	Horton
Housing Authority Commission.....	Schneider
Library Board.....	Francisco
Lower Westside Neighborhood Advisory Committee.....	Schneider
Parks and Recreation Commission.....	Williams; Alternate: Falcone
Planning Commission.....	Falcone
Rental Housing Mediation Task Force.....	Francisco
Santa Barbara Sister Cities Board.....	Horton
Sign Committee.....	House
Single Family Design Board.....	Francisco; Alternate: House
Transportation and Circulation Committee.....	Horton; Alternate: House
Water Commissioners, Board of.....	Falcone
Westside Neighborhood Advisory Committee.....	Schneider
Youth Council.....	Williams; Alternate: Falcone

**CITY OF SANTA BARBARA
COUNCIL COMMITTEES**

Committee on Legislation..... Falcone (Chair), Horton, Williams; Alternate: Blum
Commuter Rail Exploration Horton, House, Schneider
Finance Committee Francisco, Self, Williams (Chair); Alternate: Schneider*
Lower Mission Creek Design Committee Schneider
Mayor Pro Tempore House*
Ordinance Committee Hotchkiss, House, White (Chair); Alternate: Schneider*
Committee for Neighborhood Adv. Comm. Interviews..... Horton, House, Schneider; Alt.: Williams
Sustainability Council Committee Blum, Schneider, Williams; Alternate: Falcone

*Reflects 2010 appointments approved by Council on January 12, 2010

**CITY OF SANTA BARBARA
COUNCIL LIAISONS TO
CITY-RELATED AGENCIES**

Coast Village Road Merchants Association House
Conference and Visitors Bureau Horton
Downtown Organization Horton; Alternate: House
Fighting Back Steering Committee Blum
Greater Santa Barbara Lodging Association Williams; Alternate: Falcone
Looking Good Santa Barbara Committee House
Presidio Joint Powers Committee Horton
Santa Barbara Beautiful Williams
Santa Barbara Film Commission Williams
Santa Barbara Metropolitan Transit District Board Schneider; Alternate: House

COUNCIL REPRESENTATION ON REGIONAL AGENCIES

Beach Erosion Authority for Control Operations and NourishmentWilliams
Cachuma Conservation Release Board..... Williams; Alternate: Falcone
Cachuma Operation & Maintenance Board Williams; Alternate: Falcone
Central Coast Water Authority Francisco; Alternate: Williams
City/County Affordable Housing Task Group Falcone (Chair), Francisco
City/County Solid Waste Task Group Falcone (Chair), Williams; Alternate: Blum
Community Action CommissionHouse (rep. by Comm. Dev. Staff)
Governing Board of Ten-Year Plan Process to End Chronic Homelessness.....Schneider
Los Angeles-San Diego Rail Corridor Agency (LOSSAN) (Appointed by SBCAG)..... Blum
Santa Barbara County Air Pollution Control Dist. Bd. of Directors Blum; Alternate: _____
Santa Barbara County Association of Governments (SBCAG) Schneider; Alternate: Williams*
South Coast Gang Task Force Leadership CouncilBlum; Alternate: Francisco
South Coast Homeless Advisory Committee of Santa Barbara CountySchneider

*Reflects 2010 appointments approved by Council on January 12, 2010



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2010
TO: Mayor and Councilmembers
FROM: City Attorney's Office
SUBJECT: Conference With Legal Counsel – Pending Litigation

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 *Wayne Wilcox v. City of Santa Barbara*, SBSC Case Number 1306126.

SCHEDULING:

Duration: 15 minutes - Anytime

REPORT:

None anticipated

SUBMITTED BY: Stephen P. Wiley, City Attorney

APPROVED BY: City Administrator's Office