

TO: Mayor and City Council Members
FROM: Willard Epps, Interim City Manager
SUBJECT: October 2, 2018, Agenda Items
DATE: September 27, 2018

7:00 p.m.

I. CALL TO ORDER REGULAR SESSION

II. PLEDGE OF ALLEGIANCE AND INVOCATION

III. CITIZEN COMMENTS

This is the time for citizens to comment on subject matters, not on the agenda within the jurisdiction of the Tulare City Council. The Council Members ask that you keep your comments brief and positive. Creative criticism, presented with appropriate courtesy, is welcome. The Council cannot legally discuss or take official action on citizen request items that are introduced tonight.

This is also the time for citizens to comment on items listed under the Consent Calendar or to request an item from the Consent Calendar be pulled for discussion purposes. Comments related to general business/city manager items or public hearing items will be heard at the time the item is discussed or at the time the Public Hearing is opened for comment.

*In fairness to all who wish to speak, each speaker will be allowed **three minutes**, with a maximum time of 15 minutes per item, unless otherwise extended by Council. Please begin your comments by stating and spelling your name and providing your city of residence.*

IV. COMMUNICATIONS

*Communications are to be submitted to the City Manager's Office 10 days prior to a Council Meeting to be considered for this section of the Agenda. No action will be taken on matters listed under communications; however, the Council may direct staff to schedule issues raised during communications for a future agenda. Citizen comments will be limited to **three minutes**, per topic, unless otherwise extended by Council.*

V. CONSENT CALENDAR

All Consent Calendar Items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made, in

which event the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.

- (1) Authorization to read ordinances by title only.**
- (2) Approve minutes of September 18 & 26, 2018 regular/special meeting(s).** [Submitted by: R. Yoder] The minutes of September 18 & 26, 2018 regular/special meeting(s) are submitted for your approval. **Staff recommends Council approve, as presented.**
- (3) Adopt Ordinance 18-07 approving Zone Amendment No. 728, changing the existing zoning on approximately 79.5 acres from the R-1-6 (Single-Family Residential, 6,000 sq. ft. minimum lot area) and C-1 (Neighborhood Commercial) zone districts to the R-1-5 (Single Family Residential, 5,000 sq. ft. minimum lot area) zone district on property located on the northwest corner of Bardsley Avenue and West Street.** [Submitted by: J. McDonnell] On September 18, 2018, the Tulare City Council passed-to-print Ordinance 18-07, 4 to 1 (Council Member Sigala voting no) approving Zone Amendment No. 728. **Staff recommends Council adopt Ordinance 18-07, as presented.**
- (4) Adopt Resolution 18-53 approving a Sole Source Agreement between the City of Tulare and Self-Help Enterprises for the purpose of providing grant writing administration and implementation of the City's Affordable Housing Programs including, but not limited to: First-Time Homebuyer and/or Owner-Occupied Housing Rehabilitation over a three-year period using funds sources such as CDBG, HOME, CalHome, CDBG or HOME Program Income, CalHome Reuse Funds as well as any other housing-related funding that may become available; and authorize the Interim City Manager or his/her designee(s) to execute, in the name of the City, all required documents.** [Submitted by: T. Myers] In accordance with the California Department of Housing and Community Development (HCD) procurement policies, the City completed a request for proposals (RFP) process for Grant Writing, Administration and Implementation of the City's Affordable Housing Programs including, but not limited to: First-Time Homebuyer and/or Owner-Occupied Housing Rehabilitation over a three-year period using funds secured through Federal, State, and Local funding sources such as Community Development Block Grant (CDBG) Program, HOME, Investment Partnerships Program, CalHome Program, CDBG or HOME Program Income, CalHome Reuse Funds and any other housing-related funding that may become available.

The Scope of Work contains four distinct activities: Grant Writing, Grant Administration, First-Time Homebuyer Program Implementation, and Owner-occupied Housing Rehabilitation Program Implementation. The RFP was circulated on August 15, 2018 to various service providers seeking proposals.

Additionally, a Public Notice was published on August 20, 2018 announcing the RFP. Proposals to the RFP were due on or before 5:00pm on August 31, 2018. Staff received only one proposal, which was from Self-Help Enterprises. The City conducted a cost reasonableness analysis of the Self-Help Enterprises proposal and determined it to be well within the range of appropriate costs and similar to the City's expiring contract with Self-Help Enterprises, and similar to the costs paid by other jurisdiction to Self-Help Enterprises for the similar work.

On September 18, 2018, staff received an e-mail from Paul Glushku, HCD Representative, approving the sole-source request to hire Self-Help Enterprises as the City's administrative subcontractor for the aforementioned services. **Staff recommends Council adopt Resolution 18-53 approving a Sole Source Agreement between the City of Tulare and Self-Help Enterprises for the purpose of providing grant writing administration and implementation of the City's Affordable Housing Programs including, but not limited to: First-Time Homebuyer and/or Owner-Occupied Housing Rehabilitation over a three-year period using funds sources such as CDBG, HOME, CalHome, CDBG or HOME Program Income, CalHome Reuse Funds as well as any other housing-related funding that may become available; and authorize the Interim City Manager or his/her designee(s) to execute, in the name of the City, all required documents, as presented.**

- (5) **Receive, review, and file the Monthly Investment Report for August 2018. [Submitted by: D. Thompson]** The investment report for the period ending August, 2018 is submitted for review and acceptance. **Staff recommends Council accept the August 2018 Investment Report as presented.**
- (6) **Authorize the Mayor to execute an agreement with the City of Visalia for the distribution of Federal Transit 5307 Funding. [Submitted by: D. Thompson]** Since 2013 the City of Tulare and City of Visalia has had a Memorandum of Understanding (MOU) that outlines the distribution of Federal Transit (FTA) 5307 funds. April of 2018 an FTA audit was conducted and recommended that an agreement be executed in place of an MOU. The FTA audit reflected that both cities have followed all regulations and this minor change needs to be corrected by October 15. A copy of the original MOU is provided for reference. **Staff recommends Council authorize the Mayor to execute an agreement with the City of Visalia for the distribution of Federal Transit 5307 Funding, as presented.**
- (7) **Authorize the Mayor to execute a Memorandum of Understanding with the Tulare County Association of Governments (TCAG) for the ongoing transit planning and programming of Federal Transit 5307 funds. [Submitted by: D. Thompson]** On October 2, 2018, the Tulare City Council will consider for approval an agreement between the City of Tulare and the City of Visalia for the

allocation of the Federal Transit 5307 Funds. The Tulare County Association of Governments (TCAG) will be the agency that will collect and distribute the federal funds based on this approved agreement. The Memorandum of Understanding with TCAG will provide for assistance to the City of Tulare in the overall planning, grant assistance and grant application for the City's transit program planning that is being offered by the federal government. **Staff recommends Council authorize the Mayor to execute a Memorandum of Understanding with the Tulare County Association of Governments (TCAG) for the ongoing transit planning and programming of Federal Transit 5307 funds, as presented.**

- (8) **Approve an extension with MV Transportation, Inc. for the management and operation of the city's fixed-route and dial-a-ride transit services for an additional 120 days (July 1, 2018 to October 31, 2018). [Submitted by: S. Bonville]** The original 1 year Transit service agreement entered into with MV Transportation Inc., for years 2013-2014, allows for four (4) additional one year contract extensions with a price adjustment based on the average between Los Angeles and San Francisco annual Consumer Price Index. The current 2017-2018 contract extension granted by Council on April 18, 2017 was the fourth and final extension on this agreement and has expired on June 30, 2018.

The City participated with the Cities of Visalia, Hanford, and the County of Tulare in publishing a single Request for Proposal ("RFP") for all of their transit services in order to attract transit service providers to bid on services for the entire group. No single bid came in for entire group, only individual bids for each agencies transit operations, leaving the Agencies to negotiate on their own with the transit service bidders.

MV Transportation Inc. the current Transit service provider for the City, agreed to, and the City approved, a ninety (90) day extension the existing contract with no change in terms while the City continues negotiations for its Transit operations. MV Transportation has agreed to an additional thirty (30) day extension while the City finalizes it contract. **Staff recommends Council approve an extension with MV Transportation, Inc. for the management and operation of the city's fixed-route and dial-a-ride transit services for an additional 120 days (July 1, 2018 to October 31, 2018), as presented.**

- (9) **Adopt Ordinance 18-06 amending Chapter 3.08 of Title 3 of the City Code pertaining to California Fire Regulations Section 3.08.080 (Safe and Sane Fireworks). [Submitted by: L. Nevarez]** On September 18, 2018, the Tulare City Council passed-to-print, unanimously, Ordinance 18-06 amending Chapter 3.08 of the City Code pertaining to Safe and Sane Fireworks, specifically, population formula that determines the number of fireworks booths within the City. **Staff recommends Council adopt Ordinance 18-06 amending Chapter 3.08 of Title 3 of the City Code pertaining to California Fire Regulations**

Section 3.08.080 (Safe and Sane Fireworks), as presented.

- (10) **Approve the purchase amount of \$130,367.44 for the purchase of four (4) 2019 Ford Police Interceptor Patrol Vehicles from National Auto Fleet Group using State of California and Sourcewell Co-Operative Purchase Program. [Submitted by: S. Bonville]** For the 2018 / 2019 budget year, the Police Department requested and was approved the purchase of four (4) replacement patrol vehicles.

Bid 19-667 was sent out to local vendors soliciting bids for four (4) AWD Police Interceptor Utility K8A vehicles. No bids were received.

The City is a member of the Sourcewell Cooperative Purchasing program (formally the NJPA) which is a national public service agency that provides for cooperative purchasing for government agencies. Thru Sourcewell a search was made of participating dealer's inventories to find and obtain four (4) units conforming the City specifications. Units were located at National Auto Fleet Group a Sourcewell participating dealer.

The City's Purchasing Policy (Section 4, page 18, O) allows for the Use of Cooperative Purchasing Agreements and gives the City Manager the authority to approve purchases over \$25,000.

Based upon the language in the purchasing policy and prior service that has been provided by National Auto Fleet Group whose in stock units meet the City specifications, staff is recommending making the purchase. **Staff recommends Council approve the purchase amount of \$130,367.44 for the purchase of four (4) 2019 Ford Police Interceptor Patrol Vehicles from National Auto Fleet Group using State of California and Sourcewell Co-Operative Purchase Program, as presented.**

- (11) **Authorize the City Manager to execute a sole source contract with Data Ticket, Inc., to provide services for the processing of parking citation payments and other related services, subject to minor conforming or clarifying changes as recommended by the City Attorney. [Submitted by: B. Jones]** The City of Tulare Police Department has been working without a contract for approximately eight months, related to the processing of parking citation payments and other related services. Data Ticket, Inc. is an industry provider, for at a cost of \$0.65 per citation, processes payments, remittances, issues notices, conducts hearings, as well as collections and is recommended as a sole source as a result, allowing the department to address its parking citation processing needs. **Staff recommends Council authorize the City Manager to execute a sole source contract with Data Ticket, Inc., to provide services for the processing of parking citation payments and other related services,**

subject to minor conforming or clarifying changes as recommended by the City Attorney, as presented.

VI. SCHEDULED CITIZEN OR GROUP PRESENTATIONS

- (1) Proclamation Recognizing Relay for Life of Tulare 2018.

VII. MAYOR'S REPORT

There are no items for this section of the agenda.

VIII. STUDENT REPORTS

There are no items for this section of the agenda.

IX. GENERAL BUSINESS

Comments related to General Business Items are limited to three minutes per speaker, for a maximum of 30 minutes per item, unless otherwise extended by the Council.

(1) Public Hearing:

- a. **Public Hearing to pass-to-print Ordinance 18-08 adopting Sections 1.70.010 (Payment for Prevailing Wages for Public Works Projects) and 1.70.020 (Exceptions) of Chapter 1.70 (Prevailing Wages) of Title 1 (Administrative) of the City of Tulare Municipal Code. [Submitted by: M. Zamora]** Upon review of Resolution No. 14-75 staff finds the need to clarify portions related thereto regarding prevailing wage and to enact an ordinance indicating the same.

State Law, as adopted through State Bill 7 and Labor Code section 1782, provides that all city contracts for public works as defined in the Section, shall require payment of the prevailing wage schedule, if a city is to maintain eligibility for State and Federal grant funding.

All cities in California shall comply with Article 2 of Chapter 1, Part 7, Division 2 of the California Labor Code and with California Administrative Code provision enacted pursuant to those Articles.

The purpose of this Ordinance is to ensure that the City of Tulare remains eligible to receive funding for various projects from the State of California while, to the extent authorized by statute, preserving the City's ability to control the manner in which it contracts for municipal projects.

Subject to the provisions above, all City contracts for public works as defined

in Labor Code section 1782 shall require payment of the prevailing wage schedule and shall comply with Article 2 of Chapter 1, Part 7, Division 2 of the California Labor Code and with California Administrative Code provisions enacted pursuant to those Articles. **Staff recommends Council pass-to-print Ordinance 18-08 adopting Sections 1.70.010 (Payment for Prevailing Wages for Public Works Projects) and 1.70.020 (Exceptions) of Chapter 1.70 (Prevailing Wages) of Title 1 (Administrative) of the City of Tulare Municipal Code, as presented.**

- b. Public Hearing to pass-to-print Ordinance 18-09 approving Zoning Ordinance Amendment No. 730, amending Chapter 10.26 of the Municipal Code, related to revising the City's requirements for processing annexations into the City's limits. The Ordinance Amendment would affect properties city-wide as well as unincorporated properties located within the City's Sphere of Influence. [Submitted by: J. McDonnell]** In response to comments from the local development industry, as well as the review and analysis of staff, an amendment to Municipal Code Section 10.26 "Annexations" is recommended. The purpose of the amendment would be to streamline the process and requirements for new annexation applications, as well as clearly defining the roles of staff, the Planning Commission, and the City Council in the annexation process..

The goal of this effort is to establish an annexation review process that includes submittal requirements that closely mimics the Tulare County Local Agency Formation Commission's requirements, which are well vetted and consistent with State law. While an emphasis of this effort has been placed on encouraging an efficient process, multiple passages in the draft ordinance language make clear that any proposed annexation must be able to prove that the addition of the property or properties to the City will not result in an additional financial burden to existing City properties.

Given the relatively substantial scope of the revisions that have been made to Chapter 10.26, two attachments are provided to this staff report, a document comprising the current Chapter 10.26 text and a document depicting the proposed text. Specific changes to the existing text include the following:

10.26.010 Purpose – This section has been consolidated and re-written to emphasize that the purpose of the chapter is to:

- Assure orderly growth and development
- Assure that the City has the financial resources to service the proposed annexation, and
- Provide a process for annexing land into the City limits

10.26.020 Definitions – This section has been removed. Definitions of pertinent terms are provided in State law as necessary.

10.26.030 General Provisions – The General Provisions have been substantially consolidated and revised. Direct opposition to any proposed action for which city approval has not been sought has been removed. In addition, duplicative and unnecessary statements declaring opposition to waivers of notice and hearing or the provision of discretionary municipal services have also been removed.

10.26.040 City Applications – This section has been re-written to incorporate a number of the requirements in Section 10.26.060 Annexation Impact Reports. The goal of re-writing this section is to provide a single passage that describes the application content requirements, role of the Community Economic Director, role of the Planning Commission, role of the City Council, and the issues the City should consider prior to taking action on a proposed annexation.

10.26.050 Key City Utility Related Property Protection – This section affirms that the City will act consistently with its General Plan regarding land use decisions near the Wastewater Treatment Plant. This section is considered unnecessary, as the General Plan already provides the land use designations for the areas surrounding the Plant.

10.26.060 Annexation Impact Reports – This section was combined with 10.26.040 City Applications. However, some components of the report requirements, particularly City staff's analysis requirements of the annexation impact report as well as provisions for requiring more detailed fiscal impact reports, specific plans, and proposed dedications have been deleted as being unnecessarily burdensome on potential annexation applicants.

10.26.070 Annexation Agreements – This section was slightly revised to consolidate the statement allowing the City to require an agreement.

10.26.080 Proposed Zoning – This section was kept intact.

10.26.090 Standards for Evaluating Applications – Standards for evaluating applications have been consolidated with the standards in 10.26.060 and 10.26.040. The proposed standards now reside within Section 10.26.030 as opposed to being dispersed throughout the Chapter.

10.26.100 – Petitions – This section was kept intact.

10.26.110 Extraterritorial Service – California Government Code Section 56133 provides guidance for when and how a city may provide or extend services to areas outside its jurisdictional boundary. Section 10.26.110 narrowed the City's options for when it may seek to provide extraterritorial services. The revised Chapter deletes this section under the premise that State law already identifies the circumstances under which a City may provide extraterritorial services and further refining these circumstances reduce the City's options for providing services when it may be beneficial for both the City and the receiving area.

10.26.120 Post Annexation, 10.26.130 Applicability Date, 10.26.140 Severability,

10.26.150 Construction of this Chapter– These sections are considered unnecessary and have been deleted.

In addition to the revisions noted above, several sections have been added to the Chapter for Commission consideration. Specifically, sections have been added to provide details on the duties of the Planning Commission, City Council, and Local Agency Formation Commission with regard to reviewing and considering annexation applications. A final section has also been added that specifically subjects any properties annexed to the City to taxation equally with property already within the City.

The proposed revisions were reviewed and considered by the Planning Commission on August 13, 2018. The Planning Commission voted unanimously to recommend that the City Council adopt the proposed Zoning Ordinance Amendment.

ENVIRONMENTAL:

The proposed Zoning Ordinance Amendment is exempt from Environmental Review under the California Environmental Quality Act (CEQA), pursuant to Section 15061(B)(3). No comments have been received during the public review period.

Staff recommends Council pass-to-print Ordinance 18-09 approving Zoning Ordinance Amendment No. 730, amending Chapter 10.26 of the Municipal Code, related to revising the City's requirements for processing annexations into the City's limits. The Ordinance Amendment would affect properties city-wide as well as unincorporated properties located within the City's Sphere of Influence, as presented.

(2) Community & Economic Development:

- a. **Council consideration and direction to staff on two requests for an economic development assistance grant; 1) by Applicant, Paul Garcia for an economic development assistance grant in the sum of \$55,000 for contribution to the interior and exterior renovations to be performed on an existing building located at 138 & 142 South K Street; and 2) by Applicant Esther Sanchez for an economic development assistance grant in the sum of \$25,000 as a contribution to completion of façade improvements to the existing building located at 124 South K Street, Tulare, CA. [Submitted by: T. Myers]**

APPLICANT, PAUL GARCIA

Applicant Paul Garcia is the owner of the property located at 138 & 142 South K Street; commonly known as the EJ Ryan Building in downtown Tulare. The Applicant is in negotiations with tenants who are interested in establishing a restaurant and craft beer and wine bar in one-half of the building's first floor and a gaming center/"Escape Room" in the remaining one-half of the building's first floor. The Applicant is required to meet current building code requirements to comply with accessibility, electrical, plumbing and fire sprinkler retrofit before any tenant can occupy the building.

The Applicant has provided a breakdown of the anticipated budget for the renovation of the building at an estimated \$145,000. He is requesting an economic development assistance grant in the sum of \$55,000 to assist with the various improvements.

This request is based upon the following:

- Applicant is re-investing into the community of Tulare, specifically his own property in Downtown Tulare;
- The proposed tenants will generate sales tax for the City;
- The proposed tenants will provide an entertainment hub for downtown; and
- The Applicant will be improving the aesthetics of the Downtown with the exterior renovations to the building.

APPLICANT, ESTHER SANCHEZ

Applicant Esther Sanchez is the owner of the property located at 124 South K Street (Déjà vu Salon). She is requesting an economic development assistance grant in the amount of \$25,000 for a new building façade to include installation of a back lit sign with LED lights to increase visibility and create a safety light at night. Additionally, she will be creating a new walkway entry to portray a more customer-friendly business front.

Applicant has been in business in Tulare since 2003. She feels that to invest into the upgrade of the building façade will promote innovation and competitiveness for economic growth and success as well as to improve the overall look of the Downtown. Applicant has received estimates from local contractors in the sum of \$25,000 to complete the improvements.

The current balance of the Economic Development Assistance Fund is \$76,053.32. The two requests total \$80,000. There are not enough remaining funds to award both Applicants the full amount requested. **Staff recommends Council consider the following options:**

1. Deny both requests for assistance;
 2. Approve only one request for the full amount;
 3. Approve one request for the full amount and one request for a reduced amount; or
 3. Fund both projects at a reduced amount.
- b. Council consideration to adopt Resolution 18-54 and direction to staff on the request by CNS Steel for a deferral of project related development impact fees in the sum of \$131,506 under section 8.56.080(B) of the Tulare Municipal Code. [Submitted by: T. Myers]** CNS Steel is a family-owned and operated company located in Tulare since 2012. Originally located on East Paige Avenue, Clint Russell, owner/operator, wanted to expand the business to add an additional 36,000 sf. facility to the existing 17,000 sf. facility. However, due to infrastructure requirements and the inability to utilize an existing onsite well for the project expansion, he was unable to make the existing site work for the expansion. Rather than relocating outside of Tulare, Mr. Russell purchased approximately 10 acres in Tulare's Industrial Park and made a commitment to expand his business at the new site.

On November 14, 2016, Mr. Russell received approval from Planning Commission to construct an 80,225 sf. steel fabrication facility (72,600 sf. warehouse/7,625 sf. office constructed in two phases) and associated parking lot and landscaping on the Industrial Park site.

On April 25, 2017, CNS Steel applied for a building permit to construct a 36,855 sf. metal building and 7,728 sf. office on 4.21 of the approximate 10 acre site. Subsequently, on August 9, 2018, an additional building permit application was submitted to construct another 36,000 sf. metal building on remaining acreage. Applicant has constructed a foundation only on phase one of the project and is now seeking to pull permits to finalize construction on both phase one and phase two metal buildings.

Applicant is requesting a five-year deferral of the development impact fees totaling \$131,506 associated with the project pursuant to section 8.56.080 of the Tulare Municipal code, which provides in part:

8.56.080 Payment of fees.

The fees established pursuant to this chapter shall be paid for the property on which a development project is proposed at the time of the issuance of any required building permit, except as otherwise provided below:

(B) Fees imposed on non-residential development may be deferred by action of the City Council. The action shall consist of the adoption of a resolution consistent with the following terms and conditions:

(1) A determination is made that such action will promote and stimulate economic development within the city. The City Council shall make specific findings setting forth how the subject project accomplishes this goal;

(2) Establish a specific timetable for payment in full of the deferred fees. The City Council may also require a percentage to be paid with the issuance of a building permit. In no event shall deferral of payment in full be permitted for more than five years;

(3) Interest on the unpaid portion of deferred impact fees shall accrue at a rate equal to the Local Agency Investment Fund (LAIF) interest rate in effect at the time the resolution is adopted and shall be articulated in the resolution. Interest shall be due and payable, in full, with the final payment, although interest may be paid earlier at the election of the party developing the project;

(4) A written guarantee of payment in full of the impact fees, in the form of a surety bond or some other form of surety instrument as may be acceptable to the City Engineer and the City Attorney, shall be executed and delivered to the city prior to the issuance of a building permit for the project. Interest in real property may be deemed an appropriate form of surety; and

(5) A determination is made that the deferral of the fees shall not materially affect the financial ability of the city to satisfy its then current five year capital improvement program.

Staff will be reviewing the language set forth in Municipal Code 8.56.080 for possible revisions to address future requests under the provisions of the code section.

Applicant agrees to execute a Development Impact Fee Deferral Agreement as the legal property owner and have it recorded with the Tulare County

Recorder's office to establish a lien on the property for the deferred development impact fees. **Staff recommends Council consider adopting Resolution 18-54 and direct to staff on the request by CNS Steel for a deferral of project related development impact fees in the sum of \$131,506 under section 8.56.080(B) of the Tulare Municipal Code incorporating the following:**

- **In addition to non-Development Impact fees associated with the building permits, Applicant to pay \$26,301 which represents twenty percent (20%) of the total development impact fees due and owing at the time of issuance of the building permits on the project;**
- **Applicant agrees to pay the remaining outstanding eighty (80%) balance of \$105,205 in equal installments of \$26,301, plus interest on or before October 2nd of the consecutive years 2019, 2020, 2021 and 2022.**
- **Applicant shall execute an Agreement, which shall be recorded in the office of the County Recorder of Tulare County and, from the date of recordation, shall constitute a lien for the payment of the fee, which shall be enforceable against successors in interest to the Property owner or lessee at the time of issuance of the building permit.**

**X. COUNCIL/STAFF UPDATES, REPORTS OR ITEMS OF INTEREST – GC
54954.2(a)(2)**

**XI. ADJOURN TO CLOSED SESSION PURSUANT TO GOVERNMENT CODE
SECTION(S):**

- (a) 54957.6b Conference with Labor Negotiators [Submitted by: J. Avila]
Represented/Unrepresented Employee(s): CLOCEA, TPOU, Police
Management, Misc. Mid-Managers
Negotiators: Willard Epps, Darlene Thompson, Janice Avila, Mario Zamora
- (b) 54957(b) – Public Employee Appointment: City Manager [Submitted by: J. Avila]

XII. RECONVENE CLOSED SESSION

XIII. CLOSED SESSION REPORT (if any)

XIV. ADJOURN REGULAR MEETING

**ACTION MINUTES OF TULARE
CITY COUNCIL, CITY OF TULARE**

September 18, 2018

A regular session meeting of the City Council, City of Tulare was held on Tuesday, September 18, 2018, at 7:00 p.m., in the Tulare Public Library & Council Chambers, 491 North “M” Street.

COUNCIL PRESENT: David Macedo, Maritsa Castellanoz, Carlton Jones, Jose Sigala, Greg Nunley

STAFF PRESENT: Willard Epps, Mario Zamora, Janice Avila, Barry Jones, Luis Nevarez, Steve Bonville, Rob Hunt, Josh McDonnell, Michael Miller, Darlene Thompson, Trisha Whitfield, Traci Myers, Margie Perez, Nick Bartsch, Frank Rodriguez, Roxanne Yoder

I. CALL TO ORDER REGULAR SESSION

Mayor Macedo called the regular meeting to order at 7:02 p.m.

II. PLEDGE OF ALLEGIANCE AND INVOCATION

Interim City Attorney Mario Zamora led the Pledge of Allegiance and an invocation was given by Community & Economic Development Director Josh McDonnell.

III. CITIZEN COMMENTS

Mayor Macedo requested those who wish to speak on matters not on the agenda within the jurisdiction of the Council, or to address or request a matter be pulled from the consent calendar to do so at this time. He further stated comments related to general business matters would be heard at the time that matter is addressed on the agenda.

Derek Thomas addressed the Council in support of Wes Hensley and restoring him as Police Chief.

Jan Smith addressed the Council regarding the Proud to Wear Pink event on October 6.

Bryette Branco addressed the Council regarding the Tulare Animal Services Annual Open House on September 29 and the Barks and Bourbon Event on October 8.

Mark Fischer of Tulare Nursing & Rehab Center addressed the Council in support of Measure H.

Donnette Silva-Carter addressed the Council in support of Measure H.

IV. COMMUNICATIONS

There were no items for this section.

V. CONSENT CALENDAR:

It was moved by Council Member Jones, seconded by Council Member Sigala and unanimously carried that the items on the Consent Calendar be approved as presented with the exception of item(s) 3, 4, 6 & 8.

- (1) **Authorization to read ordinances by title only.**
- (2) **Approve minutes of September 4, 2018 regular meeting(s). [Submitted by: R. Yoder]**
- (3) **Approve a request by Council Member Sigala to allocate not to exceed \$500 for discretionary use from 001-4010-2116 to cover rental costs associated with the Tulare County Office of Education Early Childhood Program – Parents Group Quarterly Meetings for fiscal year 18/19 located in the Tulare Room at the Meitzenheimer Community Center. [Requested by: J. Sigala]** Council Member Jones pulled the item for clarification and amendment to the request to reflect Council's approval of funding use from travel funds to cover rental costs as described. He further expressed if a Council Member is sponsoring something, as an individual, personal funds should be used. Following comments, it was moved by Council Member Jones, seconded by Council Member Sigala and carried 4-0 (Council Member Macedo not present) to approve the item as amended.
- (4) **Accept a Grant Deed for street right of way along Glass Avenue and authorize the City Manager to sign all Certificate of Acceptances for the dedications located on the west side of Hillman Street, approximately ¼ mile north of Corvina Avenue as follows [Submitted by: M. Miller]:**
 - a. **Relinquishment of Access Rights along Hillman Avenue;**
 - b. **Grant of Easement for public utility purposes along the street frontages from Hillman Tulare Investors, LLC;**
 - c. **Accept a Grant of Easement for street right of way and public utility purposes along Glass Avenue from Bill & Tanya Miller Family Limited Partnership;**
 - d. **Accept a Grant of Easement for storm drain and ponding basin purposes for city street storm water runoff;**
 - e. **Grant of Easement for street and public utilities purposes; and**
 - f. **Grant of Easement for temporary turnaround purposes at the end of Glass Avenue from Blackstone Ranch, LLC & Hidden Oak Development Co., Inc.**

Mayor Macedo pulled the item to declare a business conflict and stepped out of

the room. The item was approved with the balance of the consent calendar.

- (5) **Approve a subdivision improvement agreement with Holt Distressed Properties Fund (Parallel 1), 2010, L.P. for the Montecito Subdivision for recordation. [Submitted by: M. Miller]**
- (6) **Adopt Resolution 18-49 authorizing the installation of one-way stop control at the intersection of King Avenue and “F” Street, and two-way stop control at the intersections of King Avenue and “G” Street and King Avenue and “H” Street. [Submitted by M. Miller]** Council Member Jones pulled the item for clarification on the process. Following response by City Engineer Michael Miller, it was moved by Council Member Jones, seconded by Council Member Nunley and unanimously carried to adopt Resolution 18-49 as presented.
- (7) **Authorize the City Manager or designee to sign a contract amendment with Provost & Pritchard Consulting Group of Visalia, CA in the amount of \$7,000 for electrical engineering services related to Projects SD0016, 0017, and 0018; storm drain lift station upgrades at three sites. [Submitted by: J. Funk]**
- (8) **Reject the liability claim for damages filed by Wesley J. Hensley on August 31, 2018. [Submitted by: J. Avila]** Council Member Sigala pulled the item for clarification of the process. Following response by Interim City Attorney Mario Zamora, it was moved by Council Member Sigala, seconded by Council Member Nunley and unanimously carried to reject the claim as presented.
- (9) **Adopt Ordinance 18-05 amending and replacing Title 7 Chapter 7.16, Garbage Collection and Street Sweeping Services, and Title 7 Chapter 7.18, Recycling and Diversion of Construction and Demolition Debris of the Tulare Municipal Code. [Submitted by: T. Whitfield]**
- (10) **Award and authorize the City Manager or designee to sign a contract with Talley Oil, Inc. of Madera CA for a total amount of \$117,768.00 for the turnkey supply, delivery and application of asphaltic pavement preservation rejuvenating agent; subject only to minor conforming or clarifying changes acceptable to the City Attorney; and authorize the City Manager or designee to approve contract change orders in an amount not to exceed 10% (\$11,776.80) of the contract award amount. [Submitted by: T. Whitfield]**
- (11) **Receive an informational item regarding the Solid Waste Authorized Haulers Resolution 18-07. [Submitted by: T. Whitfield]**

VI. SCHEDULED CITIZEN OR GROUP PRESENTATIONS

- (1) **Presentation of the Tulare Local Healthcare District Board Members Xavier Avila, Steve Harrell and Randy Dodd (Adventist Health Tulare) regarding Measure H, a November 6, 2018 ballot measure seeking voter approval to lease the Tulare Hospital to Adventist Health, to assure ongoing emergency medical services, acute care hospital services, and other healthcare services; and consideration and possible approval of support for Measure H regarding the Tulare Hospital. [Requested by: J. Sigala]** Tulare Local Healthcare District Board Members Steve Harrell and Xavier Avila addressed the Council in support of Measure H. Christine Roche Pickering, Regional Communication Director for Adventist Health and on behalf of Randy Dodd, provided a PowerPoint slide presentation for the Council's review and consideration of support for Measure H. The Board Members and Ms. Pickering addressed questions and comments posed by Council. Following the presentation, it was moved by Council Member Sigala, seconded by Council Member Nunley and unanimously carried to support Measure H.
- (2) **Presentation by economic development consulting firm Buxton regarding the mid-year review of the retail attraction services agreement with the City of Tulare. [Submitted by: T. Myers]** Community Development Deputy Director Traci Myers introduced the item and Buxton Project Manager Cheyenne Robinson who provided a PowerPoint slide presentation for the Council's review and consideration. Informational item only.

VII. MAYOR'S REPORT

There were no items for this section of the agenda.

VIII. STUDENT REPORTS

There were no items for this section of the agenda.

IX. GENERAL BUSINESS

Comments related to General Business Items are limited to three minutes per speaker, for a maximum of 30 minutes per item, unless otherwise extended by the Council.

(1) Public Hearing:

- a. **Public Hearing to pass-to-print Ordinance 18-06 amending Chapter 3.08 of Title 3 of the City Code pertaining to California Fire Regulations Section 3.08.080 (Safe and Sane Fireworks). [Submitted by: L. Nevarez]** Interim Fire Chief Luis Nevarez provided a report for Council's review and consideration. Mayor Macedo opened the public hearing at 8:19 p.m., receiving no public comments he closed the public hearing at 8:19 p.m.

Questions and comments posed by Council were addressed by staff. Following discussion, it was moved by Council Member Nunley, seconded by Council Member Jones and unanimously carried to pass-to-print Ordinance 18-06 as presented.

[The following item was continued from the September 4, 2018 meeting.]

- b. Public Hearing to adopt Resolution 18-50 adopting a Mitigated Negative Declaration Addendum prepared for Tentative Subdivision Map 2018-12 (Liberty Hill) General Plan Amendment No. 2018-01 and Zone Amendment No 728; and adopt Resolution 18-51 to approve General Plan Amendment No. 2018-01 providing for a change in land use designation on approximately 7 acres from Neighborhood Commercial to Low Density Residential, and pass-to-print Ordinance 18-07 approving Zone Amendment No. 728, changing the existing zoning on approximately 79.5 acres from the R-1-6 (Single-Family Residential, 6,000 sq. ft. minimum lot area) and C-1 (Neighborhood Commercial) zone districts to the R-1-5 (Single Family Residential, 5,000 sq. ft. minimum lot area) zone district on property located on the northwest corner of Bardsley Avenue and West Street. [Submitted by: J. McDonnell]** Associate Planner Steven Sopp provided a report for the Council's review and consideration. Mayor Macedo opened the public hearing at 8:25 p.m. Troy Wright, applicant and developer and Project Engineer Jose Lemus addressed the Council in support of the project. With no further public comments, Mayor Macedo closed the public hearing at 8:29 p.m. Staff addressed questions and comments posed by Council. Following discussion, Council Member Sigala stated he would move to approve subject to various conditions. Staff advised that such conditions would need to be discussed with the developer. Council Member Sigala moved to table the item for staff to work with the developer on specific conditions he would like for the project; it failed for a lack of a second. It was moved by Vice Mayor Castellanoz, seconded by Council Member Jones and carried 4 to 1 (Council Member Sigala voting no) to adopt Resolution 18-50 as presented; it was further moved by Vice Mayor Castellanoz, seconded by Council Member Jones and carried 4 to 1 (Council Member Sigala voting no) to adopt Resolution 18-51 as presented; lastly, it was moved by Vice Mayor Castellanoz, seconded by Council Member Jones and carried 4 to 1 (Council Member Sigala voting no) to pass-to-print Ordinance 18-07 as presented.
- c. Public Hearing to adopt Resolution 18-52 approving the 2017-2018 Consolidated Annual Performance and Evaluation Report (CAPER) providing information on the progress and status of projects administered by the City using CDBG funds and authorize the City Manager or his designee to submit the CAPER to the Department of Housing and Urban Development (HUD) on behalf of the City of Tulare. [Submitted by: T. Myers]** Housing and Grant Specialist Margie Perez provided a report for the Council's review and consideration. Mayor Macedo

opened the public hearing at 9:22 p.m., receiving no public comment he closed the public hearing at 9:22 p.m. Staff addressed questions and comments posed by Council. Following discussion, it was moved by Vice Mayor Castellanoz, seconded by Council Member Nunley and unanimously carried to adopt Resolution 18-52 as presented.

X. COUNCIL/STAFF UPDATES, REPORTS OR ITEMS OF INTEREST – GC 54954.2(3)

XI. ADJOURN TO CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION(S):

Mayor Macedo adjourned to closed session at 9:39 p.m. for matters as stated by Interim City Attorney Mario Zamora.

- (a) 54956.9(d)(1) Conference with Legal Counsel – Existing Litigation (1)
Name of Case: TPOU v. City of Tulare, TCSC Case No. VCU275368
[Submitted by: M. Zamora]
- (b) 54957(b) – Public Employee Appointment: City Manager [Submitted by: J. Avila]

XII. RECONVENE CLOSED SESSION

Mayor Macedo reconvened from closed meeting at 10:40 p.m.

XIII. CLOSED SESSION REPORT (if any)

Mayor Macedo advised there were no reportable actions.

XIV. ADJOURN REGULAR MEETING

Mayor Macedo adjourned the regular meeting at 10:40 p.m.

President of the Council and Ex-Officio
Mayor of the City of Tulare

ATTEST:

Chief Deputy City Clerk and Clerk of the
Council of the City of Tulare

**ACTION MINUTES OF TULARE
CITY COUNCIL, CITY OF TULARE**

September 26, 2018

A special meeting of the City Council, City of Tulare, was held on Wednesday, September 26, 2018, at 4:00 p.m., in the Tulare City Hall Training Room/Library Conference Room, 411 East Kern Avenue, Tulare, California.

COUNCIL PRESENT: David Macedo, Maritsa Castellanoz, Carlton Jones, Greg Nunley, Jose Sigala (left at 4:26 p.m.)

STAFF PRESENT: Janice Avila, Steve Bonville, Willard Epps, Rob Hunt, Barry Jones, Luis Nevarez, Josh McDonnell, Matt Machado, Darlene Thompson, Fred Ynclan, Roxanne Yoder

4:00 p.m.

I. CALL TO ORDER SPECIAL MEETING

Mayor Macedo called the special meeting to order at 4:03 p.m. and indicated that the Council intended on interviewing seven candidates.

Council Member Nunley was asked to lead the Pledge of Allegiance and Council Member Jones to lead the invocation.

II. CITIZEN COMMENTS

Mayor Macedo requested those who wish to address a matter on the agenda to do so at this time.

Terry Sayre, Dennis Mederos and Chris Harrell each addressed the Council with concerns over the need to expedite the process when they had originally indicated that they would wait. Each noted that when speaking with district constituents that their focus was on needs such as street lighting, traffic control, public safety, cleaner alleys, etc., rather than immediacy of hiring a city manager.

Council Member Sigala expressed concerns with the urgency as well and although, due to a schedule conflict, he couldn't stay for the interviews, but wanted to go on record with his objection.

Mayor Macedo indicated that, although he couldn't speak on behalf of the other council members, his desire was to interview now to determine if there were candidates that could be ready for consideration come December 1.

Vice Mayor Castellanoz expressed that she was not part of placing this on the past agenda for this process.

Council Member Jones stated that just because council members are leaving doesn't mean they are free from the duty to act. He further expressed concerns with the candidates dictating how Council should proceed.

III. ADJOURN TO CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION(S):

Mayor Macedo adjourned into closed session at 4:25 p.m.

- a) 54957(b) PUBLIC EMPLOYEE APPOINTMENT
Title: City Manager

IV. RECONVENE SPECIAL MEETING

Mayor Macedo reconvened the special meeting at 9:41 p.m.

V. CLOSED SESSION REPORT (if any)

Mayor Macedo stated there was nothing to report from closed session.

VI. ADJOURN SPECIAL MEETING

Mayor Macedo adjourned the special meeting at 9:43 p.m.

President of the Council and Ex-Officio
Mayor of the City of Tulare

ATTEST:

Chief Deputy City Clerk and Clerk of
The Council of the City of Tulare

ORDINANCE 18-07

AN ORDINANCE OF THE CITY OF TULARE AMENDING THE ZONING MAP OF THE CITY BEING A PART OF THE SECTION 10.04.04 OF SAID CODE ZONE AMENDMENT NO. 728

WHEREAS, the Council of the City of Tulare finds that this application is necessary to achieve the objectives of the Zoning Title prescribed in Section 10.04.02 of the Tulare City Code; and,

WHEREAS, the Council of the City of Tulare finds that this zone change is in conformance with the adopted General Plan for the City of Tulare; and,

WHEREAS, the Council of the City of Tulare finds that the request will not be detrimental to the public interest, health, safety, convenience or welfare of the City; and,

WHEREAS, the Council of the City of Tulare finds that a Mitigated Negative Declaration has been prepared in accordance with the California Environmental Quality Act;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TULARE AS FOLLOWS, to wit:

SECTION 1: The Zoning Map of the City of Tulare as referred to in Section 10.24.05 of the City Code of the City of Tulare, and as enacted, being made a part of the Zoning title of said Code in Section 10.04.04; thereof, a property portion of said map, being attached hereto, is hereby amended as follows:

REZONING approximately 79.5 acres of property from the R-1-6 (Single Family Residential, 6,000 sq. ft. minimum lot area) and C-1 (Neighborhood Commercial) zone districts to the R-1-5 (Single Family Residential, 5,000 square foot minimum lot size) zone district located on the northwest corner of Bardsley Avenue and West Street as set forth more specifically on said map.

SECTION 2: All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 3: This Ordinance shall be in full force and effect thirty (30) days from and after its passage, adoption, and approval.

PASSED, APPROVED, AND ADOPTED this 18th day of September 2018.

President of the Council and Ex-Officio
Mayor of the City of Tulare

ATTEST:

Chief Deputy City Clerk and Clerk of the
Council of the City of Tulare

| |
|---------------------|
| AGENDA ITEM: |
|---------------------|

**CITY OF TULARE, CA
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Community & Economic Development Department

For Council Meeting of: October 2, 2018

Documents Attached: Ordinance Resolution Staff Report Other None

AGENDA ITEM:

Adopt Resolution 18-___ approving a Sole Source Agreement between the City of Tulare and Self-Help Enterprises for the purpose of providing grant writing administration and implementation of the City's Affordable Housing Programs including, but not limited to: First-Time Homebuyer and/or Owner-Occupied Housing Rehabilitation over a three-year period using funds sources such as CDBG, HOME, CalHome, CDBG or HOME Program Income, CalHome Reuse Funds as well as any other housing-related funding that may become available; and authorize the Interim City Manager or his/her designee(s) to execute, in the name of the City, all required documents.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

In accordance with the California Department of Housing and Community Development (HCD) procurement policies, the City completed a request for proposals (RFP) process for Grant Writing, Administration and Implementation of the City's Affordable Housing Programs including, but not limited to: First-Time Homebuyer and/or Owner-Occupied Housing Rehabilitation over a three-year period using funds secured through Federal, State, and Local funding sources such as Community Development Block Grant (CDBG) Program, HOME, Investment Partnerships Program, CalHome Program, CDBG or HOME Program Income, CalHome Reuse Funds and any other housing-related funding that may become available.

The Scope of Work contains four distinct activities: Grant Writing, Grant Administration, First-Time Homebuyer Program Implementation, and Owner-occupied Housing Rehabilitation Program Implementation. The RFP was circulated on August 15, 2018 to various service providers seeking proposals. Additionally, a Public Notice was published on August 20, 2018 announcing the RFP. Proposals to the RFP were due on or before 5:00pm on August 31, 2018. Staff received only one proposal, which was from Self-Help Enterprises.

The City conducted a cost reasonableness analysis of the Self-Help Enterprises proposal and determined it to be well within the range of appropriate costs and similar to the City's expiring contract with Self-Help Enterprises, and similar to the costs paid by other jurisdiction to Self-Help Enterprises for the similar work.

On September 18, 2018, staff received an e-mail from Paul Glushku, HCD Representative, approving the sole-source request to hire Self-Help Enterprises as the City's administrative subcontractor for the aforementioned services.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

STAFF RECOMMENDATION:

Adopt Resolution 18-___ approving a Sole Source Agreement between the City of Tulare and Self-Help Enterprises for the purpose of providing grant writing administration and implementation of the City's Affordable Housing Programs including, but not limited to: First-Time Homebuyer and/or Owner-Occupied Housing Rehabilitation over a three-year period using funds sources such as CDBG, HOME, CalHome, CDBG or HOME Program Income, CalHome Reuse Funds as well as any other housing-related funding that may become available; and authorize the Interim City Manager or his/her designee(s) to execute, in the name of the City, all required documents.

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

Submitted by: Traci Myers

Title: Community & Economic Development
Deputy Director

Date: September 13, 2018

Interim City Manager Approval: _____

RESOLUTION 18 ____

A RESOLUTION OF THE TULARE CITY COUNCIL APPROVING AN AGREEMENT BETWEEN THE CITY OF TULARE AND SELF-HELP ENTERPRISES FOR THE PURPOSE OF PROVIDING GRANT WRITING ADMINISTRATION AND IMPLEMENTATION OF THE CITY'S HOUSING PROGRAMS FOR AN ADDITIONAL THREE-YEAR TERM.

WHEREAS, the City prepared a Request for Proposal for Grant Writing, Administration and Implementation of the City's Affordable Housing Programs including but limited to: First-Time Homebuyer and/or Owner-Occupied Housing Rehabilitation, which was circulated on August 15, 2018 and published on August 20, 2018; and

WHEREAS, the City of Tulare conducted an open, fair and competitive bid process from August 15 through August 31, 2018; however, only received one bid from Self-Help Enterprises; and

WHEREAS, the Scope of Work contains four distinct activities: Grant Writing, Grant Administration, First-Time Homebuyer Program Implementation, and Owner-occupied Housing Rehabilitation Program Implementation; and

WHEREAS, Self Help Enterprises will utilize Federal, State and Local fund sources such as Community Development Block Grant (CDBG) Program, HOME, Investment Partnerships Program, CalHome Program CDBG or HOME Program Income, CalHome Reuse Funds and any other housing-related funding that may become available to implement Affordable Housing Programs; and

WHEREAS, the Agreement shall cover a three-year term: September 1, 2018 through August 31, 2021; and

WHEREAS, the City of Tulare conducted a cost reasonableness analysis of the Self-Help Enterprises proposal and determined it to be well within the range of appropriate costs and similar to the City's expiring contract with Self-Help Enterprises and similar to the costs paid by other jurisdiction; and

NOW, THEREFORE, BE IT RESOLVED the Tulare City Council hereby approves the Sole Source Agreement between the City of Tulare and Self-Help Enterprises for the purpose of providing grant writing administration and implementation of the City's Affordable Housing Programs including, but not limited to: First-Time Homebuyer and/or Owner-Occupied Housing Rehabilitation over a three-year period using funds sources such as CDBG, HOME, CalHome, CDBG or HOME Program Income, CalHome Reuse Funds as well as any other housing-related funding that may become available.

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PASSED, APPROVED, AND ADOPTED this 2nd day of October, 2018.

President of the Council and Ex-Officio
Mayor of the City of Tulare

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF TULARE)

I, Willard Epps, City Clerk of the City of Tulare, certify the foregoing is the full and true Resolution 18-___ passed and adopted by the Council of the City of Tulare at a regular meeting held on October 2, 2018, by the following vote:

Aye(s) _____

Noe(s) _____ Absent/Abstention(s) _____.

Dated:

WILLARD EPPS, CITY CLERK

By Roxanne Yoder, Chief Deputy

City of Tulare

Grant Writing, HOME/CalHome Housing Programs Administration and Implementation

AGREEMENT FOR SERVICES

with Self-Help Enterprises

THIS AGREEMENT is made and entered into this 1st day of September, 2018, by and between the City of Tulare, a political subdivision of the State of California, hereinafter referred to as "**CITY**," and Self-Help Enterprises, a California nonprofit corporation, hereinafter referred to as "**SHE**," as follows:

WHEREAS, **CITY** intends to apply for grants from the Federal and State government, most of which are administered by the State of California Department of Housing and Community Development, hereinafter called "HCD," such as the Home Investment Partnerships Program (HOME) and/or the CalHome Program. Any and/or all said grants that are funded shall be hereinafter referred to as "PROJECT", to assist low income residents with housing services; and

WHEREAS, **SHE** was incorporated for the purpose of promoting better living conditions for low income persons through the development and purchase of new housing, community facilities, and repair and rehabilitation of existing housing; and

WHEREAS, **SHE** has the expertise and staff to prepare program applications and administer HCD programs; and

WHEREAS, **SHE** did meet the requirements as outlined by HCD and **CITY** procurement requirements, and was selected to be the contractor by **CITY** for housing PROJECTS.

NOW THEREFORE, it is agreed as follows:

1. SHE RESPONSIBILITY – APPLICATION PREPARATION:

SHE shall prepare such applications as the **CITY** may request, up to the maximum funding amount allowed as set forth in Notices of Funding Availability, and the requirements of **CITY**.

2. SHE RESPONSIBILITY – FIRST-TIME HOMEBUYER PROGRAM ACTIVITY:

Self-Help Enterprises will assist eligible residents in the purchase of qualified homes in accordance with program guidelines adopted by the **CITY** and program regulations, through the following activities:

- a. Provide promotional services to inform potentially eligible applicants;
- b. Determine eligibility of applicants;
- c. Inspect prospective units and determine eligibility and acceptability of properties selected by applicants;
- d. Inform and coordinate with primary lenders to determine the qualification of applicants to meet the program requirements prior to making a formal offer of assistance or loan funds;
- e. Prepare loan documents for qualified applicants and submit completed loan document package to the **CITY** for approval in conformance with program guidelines;

- f. Prepare all loan closing documents and ensure proper closing;
- g. Transfer participant files to **CITY** or contracted loan servicing agent at completion of file closeout; and
- h. Record data for preparation and submittal of records and reports for review and compliance with the requirements of the respective funding source.

3. SHE RESPONSIBILITY – HOUSING REHABILITATION PROGRAM ACTIVITY:

Self-Help Enterprises will assist eligible homeowners with rehabilitation of their homes, in accordance with program guidelines adopted by the **CITY** and program regulations, through the following activities:

- a. Provide promotional services to inform potentially eligible applicants;
- b. Determine participant eligibility;
- c. Prepare loan/grant documents for **CITY** for review and approval;
- d. Process approved loans/grants to closing;
- e. Coordinate with **CITY** Building Official in review and recommendations regarding type and scope of work to be performed and prepare work write-up and necessary plans to accomplish that work;
- f. Assist owners to obtain bids from, and select licensed, pre-approved and pre-qualified contractors to perform authorized work; (SHE will facilitate bid notices to local eligible contractors)
- g. Provide technical support and assistance to owners who will be responsible for executing a contract with the selected contractor for the proposed rehabilitation work;
- h. Confirm contractor has obtained all permits and licenses prior to the start of work;
- i. Monitor the work of authorized contractors and subcontractors, and confirm receipt of approvals from the **CITY's** Building Inspectors for all work prior to processing contractor requests for progress payments, including the final retention payment;
- j. Confirm **CITY** Building Department approval of work as being complete before authorizing final payment(s);
- k. Assist owners to secure labor and material repairs from contractor responsible for construction defects for one year from date of recorded Notice of Completion; and
- l. Transfer participant files to **CITY** or contracted loan servicing agent at completion of file closeout.

4. SHE RESPONSIBILITY – ADMINISTRATION:

- a. Review existing **CITY** Program guidelines, practices and policies and general grant set-up;
- b. Provide the **CITY** with necessary staffing, technical assistance and efforts to implement and administer all Grant Agreements;
- c. Provide reports to the **CITY** on progress and performance in relation to budget and scheduled milestones included in **CITY**'s Grant Agreements or approved amendments, upon request;
- d. Prepare and submit all required reports and funds requests as outlined by the **CITY**'s Finance Department and in accordance with the requirements of the respective Grant Agreements;
- e. Prepare promotional materials and actively market the respective programs to the targeted **CITY** citizens;
- f. Prepare and maintain public information binders as required; and
- g. Prepare and retain all pertinent records and documents sufficient to substantiate all charges submitted. Retain such records and documents for a period of five (5) years from the date of final payment.

5. CITY RESPONSIBILITY:

CITY shall be responsible to:

- a. Review and approve report and loan document packages for applicants who are determined by **SHE** to be qualified for assistance in accordance with PROJECT guidelines in effect at the time of document approval;
- b. Service loans upon completion of PROJECT; and
- c. Verify all records and documents, and monitor and evaluate the activities of **SHE** to ensure compliance with the terms of this Agreement.

6. COMPENSATION:

CITY shall pay **SHE** for services provided, as follows:

- a. Grant application preparation – a fee to be negotiated with **CITY** prior to preparation of the application, based on application type and number of activities.
- b. General Administration Budget – maximum available as permitted by the funding source or a fee to be negotiated with **CITY** when the funding source does not provide administration funds, i.e., full service administration for a HOME grant is \$17,500 for a \$700,000 grant and for CalHome is \$20,000 for a \$1,000,000 grant.

- c. Activity Delivery Budget – maximum available, as permitted by the funding source and program activity.
- d. Loans and Grants - total amount of loans and grants shall equal the balance of the grant awarded after deducting the amounts for services shown in b. and c. above. Any additional funds identified as leverage in the Grant Agreement shall be expended for activities indicated by the application, including activity delivery and loans and grants to participants. Loan and grant funds shall be disbursed by **SHE** on behalf of the **CITY** and are not considered compensation to SHE.
- e. Additional Services and Compensation: At the direction of **CITY**, **SHE** may expend non-grant funds (Program Income, Miscellaneous Revenue) for eligible housing activities as directed by **CITY** subject to activity delivery and administrative charges not to exceed the allowable percentage permitted by HCD for selected activity, which shall be additional compensation to **SHE**.
- f. For each grant awarded to **CITY**, the CITY MANAGER shall specify by letter addendum to SHE, the total budget to be administered by **SHE**. A copy of such addendum shall be attached to and become a part of this Agreement.
- g. Revisions:
 - (1) Monetary revisions that do not exceed 10% of each total negotiated budget may be approved by the CITY MANAGER upon written request and justification.
 - (2) Monetary revisions that exceed 10% shall require an amendment to this Agreement.
 - (3) Transfer of funds between activities can be approved by **CITY** Staff after notification to HCD and does not require an amendment to this agreement.

7. METHOD OF PAYMENT:

- a. SHE shall invoice **CITY** for PROJECT services provided in performance of this Agreement as follows:
 - (1) The invoice for application preparation shall be submitted by **SHE** to **CITY** upon submission of the completed application to **CITY**.
 - (2) General administration charges are to be billed on a flat rate basis prorated over the life of the PROJECT from the month funds are available through the expiration of the State Grant Agreement.
 - (3) Activity Delivery charges will be invoiced at the time of financing approval. Back up documents to the Project Invoice will include financing approval documentation and a financing specific Activity Delivery calculator.
 - (4) Third party charges such as market value appraisals, title reports and pest control reports, not chargeable to a participant loan or grant, are to be billed to Activity Delivery at actual cost.
 - (5) Loan and grant funds shall be requested as needed.
- b. **SHE** shall submit its final invoice under this Agreement within fifteen (15) days following the expiration date of this Agreement.

- c. **CITY** shall make payment to **SHE** within fifteen (15) days after receipt of invoice.

8. INSPECTION AND AUDIT:

- a. **CITY** may inspect all applicable records and may cause to be audited invoices and supporting data relative to funds paid by **CITY** to **SHE**.
- b. During the term of this agreement, **SHE** shall have an annual Single Audit performed, a copy of which shall be provided to **CITY**. If findings are made through a single audit, **SHE** shall evaluate, correct and inform the auditor and the **CITY** in writing in a timely manner established by either the auditor or the **CITY**.
- c. Representatives of **CITY** and HCD shall have the right to examine and inspect rehabilitation work performed pursuant to this Agreement. **CITY**, HCD, the Bureau of State Audits, the Federal government and/or their representatives shall have the right, upon reasonable notice, to monitor, audit or otherwise examine books, records, accounts, documents and all other materials relevant to the services performed under this Agreement for a period of five (5) years after completion of final PROJECT audit or final payment to **CITY**, or resolution of any litigation; whichever is later.

9. INSURANCE AND HOLD HARMLESS:

- a. **SHE** shall carry workers compensation, State disability, and unemployment insurance as prescribed by law. **SHE** will indemnify **CITY**, its officials and employees against and hold them harmless from any and all liability for damages on account of injury to persons or damage to property resulting from or arising out of the performance by **SHE** of this Agreement and reimburse **CITY**, its officials and employees for all costs, expenses and losses incurred by them in consequence of any claims, demands or causes of action which may be brought against them arising out of the performance by **SHE** of this Agreement. Before any work commences, **SHE** shall furnish **CITY** with a Certificate of Insurance with combined single limits of at least \$1,000,000 for bodily injuries and property damages on each occurrence. The Certificate of Insurance shall state that the contractual liability assumed under this Agreement is covered and shall provide that ten (10) days notice shall be given to **CITY** of cancellation or reduction in coverage.
- b. To the extent permitted by law, **CITY** shall defend, indemnify, and hold harmless **SHE**, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs including litigation costs and attorney's fees arising out of or resulting from the active negligence or wrongful acts of **CITY**, its officers, or employees, arising out of **CITY**'s performance of this Agreement.

10. COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS:

Where required, **SHE** shall comply with, and require contractors and subcontractors to comply with, each of the following:

- a. Federal, state and local regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, or any other matters applicable to PROJECT. See Exhibit A, Standard Contract Language -- All Contracts, attached;
- b. The Davis-Bacon Act (40-U.S.C. 276am et seq.) as supplemented by Department of Labor (DOL) regulations (29 C.F.R., Part 5);
- c. Copeland "Anti-Kickback" Act (18 U.S.C. 874, et seq.) as supplemented by DOL Regulations (29 C.F.R., Part 3);
- d. Sections 103 and 107 of the contract Work Hours and Safety Standards Act (40 U.S.C. 327-220) as supplemented by DOL Regulations (29 C.F.R., Part 5);
- e. All applicable standards, orders, and regulations issued pursuant to the Clean Air Act of 1970 (43 U.S.C. 1857, et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251, et seq.)
- f. Executive Order 11246 and all implementing regulations of the DOL;
- g. Americans with Disabilities Act (ADA) of 1990, (42 U.S.C.12101 et seq.);
- h. Rehabilitation Act of 1973, (24C.F.R., Part 8);
- i. Drug-Free Workplace Act of 1990, (Calif. Govt. Code Sec. 8350 et seq.);
- j. HUD Lead-Based Paint regulations, (24 CFR, Part 35);
- k. All applicable laws, ordinances and codes of CITY and the State of California governing the rehabilitation of dwellings, including all required notices, building, plumbing, mechanical, electrical, sewer, water, and other permits; provided, however, that neither SHE nor engaged contractors and subcontractors shall be held responsible for preexisting violations of any law including, but not restricted to, zoning or building codes or regulations;
- l. Benefits for domestic partners; (Calif. Public Contract Code Sec. 10295.3)
- m. Chap. 8, Part 5, Div. 9, Calif. Family Code re: children and family support obligations; and
- n. When applicable, all laws related to the CalHome Program including those of the State of California, all federal laws, all local rules or ordinances, all requirements of the CalHome Program including the statutes, rules, guidelines and duly adopted policies and procedures of the State pertaining thereto. See Exhibit B, State Contract Overlay Requirements, attached.

11. CONFLICT OF INTEREST:

No officer, employee or agent of SHE shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for activities performed under this Agreement. SHE shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purposes of this section.

12. ANTI-LOBBYING CERTIFICATION:

The undersigned certifies that to the best of his or her knowledge or belief:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

13. FORCE MAJEURE:

Neither **CITY** nor **SHE** shall be deemed to be in default if performance of the improvements required by this contract is delayed or becomes impossible because of any act of God, war, earthquake, fire, civil commotion, epidemic, act of government, its agencies or officers, court order, or any other legitimate cause beyond the control of the party and not caused by the negligent, unreasonable or intentional acts of the party.

14. TERM OF CONTRACT:

- a. This Agreement shall take effect on the date first written above and shall expire three years from that date.
- b. Funding of any programs, projects or services beyond the term of this Agreement, by any new contract or amendment or extension of this Agreement, have not been authorized and will depend upon the satisfactory performance of this Agreement by **SHE** and upon the availability to **CITY** of additional grant funds allocated for such purposes; and neither **CITY** nor any employee of **CITY** has made any promise or commitment, expressed or implied, that any additional funds will be paid or made available to **SHE** for the purpose of this Agreement over and above the funds expressly allocated under the terms of this Agreement.
- c. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their heirs, successors, survivors, and assigns.

15. TERMINATION:

- a. This Agreement may be terminated by either party by giving thirty (30) days prior written notice to the other. Any funds advanced by **CITY** to **SHE** and not expended by **SHE** shall be

returned to **CITY** within thirty (30) days after termination. Any funds due SHE will be forwarded by **CITY** to **SHE**. **CITY** expressly reserves the right to demand of and take action to collect from **SHE** the repayment to **CITY** of any funds disbursed to SHE under this Agreement, which in the judgment of **CITY** were not expended in accordance with the terms of this Agreement. **SHE** agrees to promptly refund any such funds upon demand.

b. **CITY** may terminate this Agreement at any time if it determines that one or more of the following conditions exist:

- (1) An illegal or improper use of funds by **SHE**;
- (2) **SHE** fails to comply with any term or condition of this Agreement;
- (3) **SHE** improperly performs any of the services to be performed pursuant to this Agreement.

Upon receipt of notice from **CITY** that one or more of the above conditions exist, SHE shall prepare and submit to **CITY** within thirty (30) days a proposal for the correction of such conditions. If **SHE** fails to submit such a proposal or otherwise fails to properly perform this Agreement after notification as hereinabove set forth, **CITY** may serve **SHE** with written notice of the termination of this Agreement. In the event of such termination, **CITY** shall be liable only for allowable services rendered prior to such termination, but **CITY** shall not be liable for any services that are not performed in accordance with the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the day and in the year first set forth above.

CITY OF TULARE

SELF-HELP ENTERPRISES

Willard Epps Date
Interim City Manager

Thomas J. Collishaw Date
President and CEO

EXHIBIT "A"

STANDARD CONTRACT LANGUAGE -- ALL CONTRACTS

1. Nondiscrimination Clause: During the performance of this contract, Contractor and its subcontractors, as well as their agents and employees, shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, gender identity, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (including, but not limited to, health impairments related to or associated with a diagnosis of cancer), age (over 40 years of age), marital status, and use of or denial of family and medical care leave or use of or denial of pregnancy disability leave. Contractors and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors, as well as their agents and employees, shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 et seq.) and the applicable regulations promulgated hereunder (Title 2, California Code of Regulations, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Contractor shall include the nondiscrimination compliance provisions of this clause in all subcontracts to perform work under the contract.

2. National Labor Relations Board Certification: The Contractor warrants by execution of this Agreement and does swear under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two-year period because of the Contractor's failure to comply with an order of a federal court, which orders the Contractor to comply with an order of the National Labor Relations Board. (PCC 10296) (Not applicable to public entities.)
3. Relocation: The Contractor shall comply with all requirements of applicable California relocation law (Gov. Code, § 7260 et seq. and the regulations promulgated thereunder at Cal. Code Regs., tit. 25, § 6000 et seq.). Any relocation plan for the Development shall be subject to the review and approval by the State.
4. Americans with Disabilities Act (ADA) of 1990: By signing this Agreement, Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.
5. Drug Free Workplace: By signing this contract, the contractor or grantee hereby certifies under penalty of perjury under the laws of the State of California that the contractor or grantee will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture distribution, dispensation, possession or use a controlled substance is prohibited and specifying actions to be taken against for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - i. The dangers of drug abuse in the workplace;
 - ii. The person's or organization's policy of maintaining a drug-free workplace;
 - iii. Any available counseling, rehabilitation, and employee assistance programs; and,
 - iv. Penalties that may be imposed upon employees for abuse violations.
- c. Every employee who works on the proposed contract will:
 - i. Receive a copy of the company's drug-free workplace policy statement; and
 - ii. Agree to abide by the terms of the company's statement as a condition of employment on the contract.

6. Union Organizing:

- a. Contractor, by its execution of this Agreement, hereby acknowledges that it has read the prohibitions on use of state funds and facilities to assist, promote, or deter union organizing set forth in Chapter 6 of Part 2 of Division 4 of Title 2 of the Government Code, commencing with Section 16645.
- b. By signing this Agreement, Contractor hereby certifies that none of the funds being provided hereunder will be used to assist, promote, or deter union organizing.
- c. If the assistance provided hereunder is in the form of a grant, Contractor shall account for the grant funds as follows:
 - (1) State funds designated by Contractor for use for a specific expenditure shall be accounted for as allocated to that expenditure.
 - (2) State funds not so designated shall be allocated on a pro rata basis to all expenditures by the Contractor that support the program or project for which the grant is made.
- d. If Contractor is a private employer or if the assistance provided hereunder is in the form of a grant, and Contractor makes expenditures, regardless of source of funds, to assist, promote, or deter union organizing, Contractor shall maintain records sufficient to show that State funds have not been used for those expenditures.

EXHIBIT "B"

STANDARD CONTRACT LANGUAGE:
ALL CONTRACTS AND SUBCONTRACTS

1. The Civil Rights, HCD, and Age Discrimination Acts Assurances:
During the performance of this Agreement, the Grantee assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, national origin, sex, age, or handicap, under any program or activity funded by this contract, as required by Title VI of the Civil Rights Act of 1964, Title I of the Housing and Community Development Act of 1974, as amended, and the Age Discrimination Act of 1975, and all implementing regulations.
2. Rehabilitation Act of 1973 and the "504 Coordinator"
The Grantee further agrees to implement the Rehabilitation Act of 1973, as amended, and its regulations, 24 CFR Part 8, including, but not limited to, for Grantees with 15 or more permanent full or part time employees, the local designation of a specific person charged with local enforcement of this Act, as the "504 Coordinator".
3. The Training, Employment and Contracting Opportunities for Business and Lower Income Persons Assurance of Compliance:
 - a) The grant activity to be performed under this Agreement is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C 1701u. Recipients, contractors and subcontractors shall direct their efforts to provide, to the greatest extent feasible, training and employment opportunities generated from the expenditure of Section 3 covered assistance to Section 3 residents in the order of priority provided in 24 CFR 135.34(a)(2).
 - b) The parties to this Agreement will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
 - c) The Grantee will include these Section 3 clauses in every contract and subcontract for Work in connection with the grant activity and will, at the direction of the State, take appropriate action pursuant to the contract or subcontract upon a finding that the Grantee or any contractor or subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135 and, will not let any contract unless the Grantee or contractor or subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
 - d) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the Agreement shall be a condition of the federal financial assistance provided to the project,

binding upon the Grantee, its successors and assigns. Failure to fulfill these requirements shall subject the Grantee, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

4. Assurance of Compliance with Requirements Placed on Construction Contracts of \$10,000 or more

The Grantee hereby agrees to place in every contract and subcontract for construction exceeding \$10,000 the Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity (Executive Order 11246), the Standard Equal Employment Opportunity, and the Construction Contract Specifications. The Grantee furthermore agrees to insert the appropriate Goals and Timetables issued by the U.S. Department of Labor in such contracts and subcontracts.

5. Labor Standards –Federal Labor Standards Provisions

The Grantee shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of:

Davis-Bacon Act (40 USC 276a-276a-5) requires that workers receive no less than the prevailing wages being paid for similar work in their locality. Prevailing wages are computed by the Department of Labor and are issued in the form of Federal wage decisions for each classification of work. The law applies to most construction, alteration, or repair contracts over \$2,000.

Copeland “Anti-Kickback” Act (47 USC 276(c)) requires that workers be paid at least once a week without any deductions or rebates except permissible deductions.

Contract Work Hours and Safety Standards Act – CWHSSA (40USC 327-333) requires that workers receive “overtime” compensation at a rate of 1-1/2 times their regular hourly wage after they have worked 40 hours in one week.

Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended.

ATTACHMENT A



CHARGE RATE SCHEDULE 2018-2019

| Title | Charge Rate Range | |
|---------------------------------------|--------------------------|--------|
| Administrative Analyst 1 | 77.02 | 90.49 |
| Administrative Analyst 2 | 83.25 | 98.86 |
| Area Superintendent | 88.81 | 106.30 |
| Asset Management Specialist 1 | 77.02 | 90.49 |
| Asset Management Specialist 2 | 83.25 | 98.86 |
| Asset Management Specialist, Sr. | 93.14 | 112.10 |
| Assistant Program Director | 108.55 | 132.73 |
| Community Development Specialist 1 | 77.02 | 90.49 |
| Community Development Specialist 2 | 83.25 | 98.86 |
| Community Development Specialist, Sr. | 88.81 | 106.30 |
| Community Development Manager 1 | 87.96 | 105.15 |
| Community Development Manager 2 | 98.86 | 119.76 |
| Construction Assistant | 64.66 | 73.94 |
| Construction Specialist 1 | 79.70 | 94.08 |
| Construction Specialist 2 | 84.03 | 99.90 |
| Coordinator | 88.81 | 106.30 |
| Homeownership Counselor 1 | 68.44 | 78.99 |
| Homeownership Counselor 2 | 73.33 | 85.56 |
| Homeownership Counselor 3 | 78.99 | 93.14 |
| Housing Specialist 1 | 77.02 | 90.49 |
| Housing Specialist 2 | 83.25 | 98.86 |
| Housing Specialist, Sr. | 93.14 | 112.10 |
| Loan Processor 1 | 68.44 | 78.99 |
| Loan Processor 2 | 73.33 | 85.56 |
| Loan Processor, Sr. | 78.99 | 93.14 |
| Management Analyst | 93.14 | 112.10 |
| Manager 1 | 87.96 | 105.15 |
| Manager 2 | 98.86 | 119.76 |
| Office Manager | 78.99 | 93.14 |
| Program Director | 119.76 | 147.77 |
| Project Manager 1 | 77.02 | 90.49 |
| Project Manager 2 | 83.25 | 98.86 |
| Project Manager, Sr. | 93.14 | 112.10 |
| Project Technician 1 | 62.94 | 71.62 |
| Project Technician 2 | 66.96 | 77.02 |
| Project Technician 3 | 71.62 | 83.25 |
| Secretary 1 | 62.94 | 71.62 |
| Secretary 2 | 66.96 | 77.02 |
| Secretary 3 | 71.62 | 83.25 |
| Superintendent 1 | 75.76 | 88.81 |
| Superintendent 2 | 79.70 | 94.08 |
| Superintendent 3 | 84.03 | 99.90 |

Current Charge Rates are effective July 1, 2018 through June 30, 2019. Charges incurred after June 30, 2018 will be billed according to then-current schedule. Rates are all inclusive, i.e., they include not only salary and benefits, but travel and overhead including routine clerical and administrative support, office expense, space, telephone, etc. Certain pass-through costs such as PIRTs and appraisals will be billed separately and in addition to these charge rates.

1.00

**CITY OF TULARE
SUMMARY TREASURER'S REPORT
SUMMARY OF ALL INVESTMENTS
AUGUST 31, 2018**

AGENDA ITEM: Consent

| <u>TYPE OF INVESTMENT</u> | <u>BOOK VALUE</u> | <u>MARKET VALUE</u> | <u>CURRENT YIELD</u> | <u>BOOK VALUE % OF TOTAL</u> |
|---------------------------------------|-----------------------|-------------------------|--------------------------|--------------------------------------|
| UNRESTRICTED INVESTMENTS - SEE PAGE 2 | 119,123,629 | 116,600,286 | 2.048% | 58.12% |
| RESTRICTED INVESTMENTS - SEE PAGE 4 | 85,842,328 | 84,892,604 | N/A | 41.88% |
| TOTAL INVESTMENTS | <u>204,965,957</u> | <u>201,492,890</u> | N/A | <u>100.00%</u> |

Note: The City's financial statements will report market values, not book values, at June 30 each year.

I certify that this report reflects all City investments and complies with the investment policy of the City of Tulare as approved by City Council. Furthermore, I certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditures for the next six months.

Presented to the City Council on September 24, 2018.

Presented to the Board of Public Utility Commissioners on September 24, 2018.

Respectfully submitted, Darlene J. Thompson, CPA, Finance Director/Treasurer



9-24-18
Date

CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
SUMMARY OF UNRESTRICTED INVESTMENTS
AUGUST 31, 2018

| TYPE OF INVESTMENT | ISSUER OF INVESTMENT | DATES: | | INTEREST RATES: | | BOOK VALUE MARKET VALUE | UNREALIZED | ESTIMATED | BOOK |
|---|------------------------|-------------|----------|-----------------|---------------|---------------------------------|-------------|--|-----------------------------------|
| | | ACQUISITION | MATURITY | STATED | CURRENT YIELD | | PAR VALUE | GAIN/(LOSS): THIS MONTH LAST MONTH | EARNINGS: ANNUAL THIS MONTH |
| Petty Cash | N/A | N/A | N/A | N/A | N/A | 6,825 | N/A | N/A | 0.01% |
| | | N/A | None | | | 6,825 | N/A | N/A | |
| Checking Account - City | Wells Fargo Bank | N/A | N/A | N/A | N/A | 373,302 | N/A | N/A | 0.31% |
| | | On Demand | None | | | 373,302 | N/A | N/A | |
| | | | | | | Balance per bank is \$1,469,693 | | | |
| Local Agency Investment Fund (LAIF) | State of California | Various | N/A | N/A | N/A | 30,500,000 | (57,130) | 609,390 | 25.60% |
| | | On Demand | 1.998% | | * | 30,442,870 | (65,560) | 50,783 | |
| Sub-Total | | | N/A | N/A | | 30,880,127 | (57,130) | 609,390 | 25.92% |
| | | | 1.977% | | | 30,822,997 | (65,560) | 50,783 | |
| Fixed Income Investments | Various (See page 6-9) | | N/A | N/A | | Per BNY WTC 88,243,502 | (2,466,213) | 1,778,675 | 74.08% |
| Investments in Safekeeping With BNY Western Trust Company | | | 2.070% | | | 85,777,289 | (2,785,922) | 148,223 | |
| TOTAL UNRESTRICTED INVESTMENTS | | | N/A | N/A | | 119,123,629 | (2,523,343) | 2,388,065 | 100.00% |
| | | | 2.048% | | | 116,600,286 | (2,851,482) | 199,005 | |

* LAIF market values are based on the most currently available amortized cost information - June, 2018;

0.998126869

~ U/I = Unrestricted Investments

CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
SUMMARY OF RESTRICTED INVESTMENTS
AUGUST 31, 2018

| TYPE OF INVESTMENT | ISSUER OF INVESTMENT | ACQUISITION DATE | MATURITY DATE | STATED INTEREST RATE | PAR VALUE | BOOK VALUE | MARKET VALUE | BALANCES AS-OF DATE |
|---|-----------------------|---------------------|----------------------|---------------------------------|--------------|-------------------|-------------------|---------------------------|
| Bond Funds (All are Managed by U.S. Bank Trust Except LAIF): | | | | | | | | |
| 2018 Lease Revenue and Refunding Bonds (Account No. 244938000) | | | | | | | | |
| U S Bk Mmkt | U.S. Bank Trust | Various | On Demand | Various | N/A | 4,006,927 | 4,006,927 | 08-31-18 |
| First American Govt Fund | U.S. Bank Trust | Various | On Demand | Various | N/A | 8,581 | 8,581 | 08-31-18 |
| | | | | Reserve Fund | | <u>4,015,508</u> | <u>4,015,508</u> | |
| 2009 Sewer Revenue Bonds (Account No. 133007000) | | | | | | | | |
| U S Bk Mmkt | U.S. Bank Trust | Various | On Demand | Various | N/A | 214 | 214 | 08-31-18 |
| Ge Funding Cap Mkt Svcs GIC | Ge Funding | 08-06-09 | 08-06-19 | 3.812% | N/A | 6,038,709 | 6,038,709 | 08-31-18 |
| | | | | Reserve Fund | | <u>6,038,923</u> | <u>6,038,923</u> | |
| 2012 Sewer Revenue Refunding Bonds (Account No. 162033000) | | | | | | | | |
| U S Bk Mmkt | U.S. Bank Trust | Various | On Demand | Various | N/A | 309,748 | 309,748 | 08-31-18 |
| U S Bk Mmkt | U.S. Bank Trust | Various | On Demand | Various | N/A | 924,164 | 924,164 | 08-31-18 |
| | | | | Reserve Fund | | <u>1,233,912</u> | <u>1,233,912</u> | |
| 2013 Sewer Revenue Refunding Bonds (Account No. 203701000) | | | | | | | | |
| U S Bk Mmkt | U.S. Bank Trust | Various | On Demand | Various | N/A | 63,868 | 63,868 | 08-31-18 |
| Guarantee Invest. Cont. | Bayerische Landesbank | 08-01-13 | 11-15-22 | 2.310% | N/A | 2,745,132 | 2,745,132 | 08-31-18 |
| | | | | | | <u>2,809,000</u> | <u>2,809,000</u> | |
| 2015 Sewer Revenue Refunding Bonds (Account No. 2615940000) | | | | | | | | |
| U S Bk Mmkt | U.S. Bank Trust | Various | On Demand | Various | N/A | 199,675 | 199,675 | 08-31-18 |
| First American Govt Fund | U.S. Bank Trust | Various | On Demand | Various | N/A | 12 | 12 | 08-31-18 |
| | | | | Reserve Fund | | | | |
| Investment Repurchase GIC | Bayerische Landesbank | 11-15-15 | 11-15-25 | 1.960% | N/A | 6,668,131 | 6,668,131 | 08-31-18 |
| | | | | Reserve Fund | | <u>6,867,818</u> | <u>6,867,818</u> | |
| 2016 Sewer Revenue Refunding Bonds (Account No. 260) | | | | | | | | |
| U S Bk Mmkt | U.S. Bank Trust | Various | On Demand | Various | N/A | 1,280,703 | 1,280,703 | 08-31-18 |
| Cash | | | | Reserve Fund - 2009 Sewer Bonds | | 9,017 | 9,017 | 08-31-18 |
| U S Treasuries | U S Treasuries | Various | 11-15-16 to 11-15-19 | 1.125% - 3.75% | N/A | 51,452,891 | 50,503,167 | 08-31-18 |
| | | | | Reserve Fund - 2009 Sewer Bonds | | <u>52,742,611</u> | <u>51,792,887</u> | |
| 2017 Water Revenue Bonds (Account No. 219189000) | | | | | | | | |
| U S Bk Mmkt | U.S. Bank Trust | Various | On Demand | Various | N/A | 12,111,823 | 12,111,823 | 08-31-18 |
| | | | | | | <u>12,111,823</u> | <u>12,111,823</u> | |

- CONTINUED ON PAGE 4 -

**CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
SUMMARY OF RESTRICTED INVESTMENTS
AUGUST 31, 2018**

| <u>TYPE OF INVESTMENT</u> | <u>ISSUER OF INVESTMENT</u> | <u>ACQUISITION DATE</u> | <u>MATURITY DATE</u> | <u>STATED INTEREST RATE</u> | <u>PAR VALUE</u> | <u>BOOK VALUE</u> | <u>MARKET VALUE</u> | <u>BALANCES AS-OF DATE</u> |
|--|-----------------------------|--|--------------------------|---------------------------------|----------------------|--|-------------------------|------------------------------------|
| Bond Funds (All are Managed by U.S. Bank Trust Except LAIF): | | | | | | | | |
| 2017 Successor Agency Tax Allocation Bonds - Series A & B (Account No. 24534600) | | | | | | | | |
| U S Bk Mmkt | U.S. Bank Trust | Various | On Demand | Various | N/A | 10,941 | 10,941 | 08-31-18 |
| | | | | | | <u>10,941</u> | <u>10,941</u> | |
| TOTAL BOND FUNDS | | | | | | <u>85,830,536</u> | <u>84,880,812</u> | |
| Restricted Insurance Deposits Managed by Fiscal Agents: | | | | | | | | |
| Employee Welfare Fund | (60) Various | N/A | N/A | Various | N/A | 11,792 | 11,792 | 08-31-18 |
| Workers' Comp. Fund | (61) Various | N/A | N/A | Various | N/A | 0 | 0 * | 06-30-17 |
| General Insurance Fund | (62) Various | N/A | N/A | Various | N/A | 0 | 0 * | 06-30-17 |
| | | | | | | <u>11,792</u> | <u>11,792</u> | |
| | | | | | | * NOTE: Reported as information is made available. | | |
| | | | | | | * Adjusted annually. | | |
| TOTAL RESTRICTED INVESTMENTS | | | | | 41.88% | <u>85,842,328</u> | <u>84,892,604</u> | |
| | | <i>Book Value % of Total Investments =</i> | | | | | | |

**CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
FIXED INCOME INVESTMENTS
AUGUST 31, 2018**

| TYPE OF FIXED INCOME INVESTMENT | CUSIP NUMBER | DATES: | | INTEREST RATES: | | BOOK VALUE MARKET VALUE | UNREALIZED | ESTIMATED |
|--|--------------|-------------|----------|-----------------|---------------|----------------------------|----------------------------|------------|
| | | ACQUISITION | MATURITY | STATED | CURRENT YIELD | | GAIN/(LOSS): THIS MONTH | LAST MONTH |
| <u>U.S. GOVERNMENT AGENCY OBLIGATIONS</u> | | | | | | | | |
| | | | | | | | | |
| | | | ** | | | Per BNY WTC | | |
| Federal Home Ln Bks | | 07-13-16 | | 1.375% | 1,500,000 | 1,500,000 | (44,466) | 20,625 |
| | 3130A8MP5 | 10-13-20 | C | 1.420% | | 1,455,534 | (48,255) | 1,719 |
| Federal Home Ln Bks | | 10-28-15 | | 1.720% | 2,000,000 | 2,000,000 | (43,784) | 34,400 |
| | 3130A6MH7 | 10-28-20 | C | 1.760% | | 1,956,216 | (48,200) | 2,867 |
| Federal Nat'l Mortgage Assoc | | 09-30-16 | | 1.500% | 1,500,000 | 1,500,000 | (38,952) | 22,500 |
| | 3136G4AB9 | 12-30-20 | C | 1.540% | | 1,461,048 | (43,035) | 1,875 |
| Federal Farm Credit Banks | | 07-19-16 | | 1.440% | 1,000,000 | 999,250 | (29,041) | 14,400 |
| | 3133EGMP7 | 01-19-21 | C | 1.480% | | 970,209 | (32,400) | 1,200 |
| Federal Farm Credit Banks | | 01-29-18 | | 2.250% | 1,500,000 | 1,497,825 | (15,051) | 33,750 |
| | 3133EJAW9 | 01-29-21 | C | 2.280% | | 1,482,774 | (19,620) | 2,813 |
| Federal Farm Credit Banks | | 07-06-16 | | 1.500% | 2,500,000 | 2,500,000 | (86,672) | 37,500 |
| | 3133EGKA2 | 07-06-21 | C | 1.550% | | 2,413,328 | (96,450) | 3,125 |
| Federal Nat'l Mortgage Assoc | | 07-27-16 | | 1.500% | 1,000,000 | 998,750 | (35,776) | 15,000 |
| | 3136G3A70 | 07-27-21 | C | 1.560% | | 962,974 | (39,660) | 1,250 |
| Federal Nat'l Mortgage Assoc | | 07-27-16 | | 1.550% | 1,000,000 | 999,500 | (37,416) | 15,500 |
| | 3136G3G90 | 07-27-21 | C | 1.610% | | 962,084 | (41,320) | 1,292 |
| Federal Nat'l Mortgage Assoc | | 07-28-16 | | 1.550% | 1,000,000 | 999,250 | (34,119) | 15,500 |
| | 3136G3C78 | 07-28-21 | C | 1.610% | | 965,131 | (37,940) | 1,292 |
| Federal Nat'l Mortgage Assoc | | 07-28-16 | | 1.600% | 2,000,000 | 2,000,000 | (65,300) | 32,000 |
| | 3136G3J30 | 07-28-21 | C | 1.650% | | 1,934,700 | (72,660) | 2,667 |
| Federal Nat'l Mortgage Assoc | | 07-28-16 | | 1.650% | 2,000,000 | 2,000,000 | (73,682) | 33,000 |
| | 3136G3R72 | 07-28-21 | C | 1.710% | | 1,926,318 | (82,740) | 2,750 |
| Federal Nat'l Mortgage Assoc | | 10-28-16 | | 1.500% | 1,500,000 | 1,500,000 | (58,732) | 22,500 |
| | 3136G4EF6 | 07-28-21 | C | 1.560% | | 1,441,268 | (64,650) | 1,875 |
| Federal Home Loan Mtg Corp | | 08-24-16 | | 1.550% | 2,000,000 | 2,000,000 | (65,812) | 31,000 |
| | 3134G94T1 | 08-24-21 | C | 1.600% | | 1,934,188 | (73,580) | 2,583 |

- CONTINUED ON PAGE 6 -

**CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
FIXED INCOME INVESTMENTS, CONTINUED
AUGUST 31, 2018**

| TYPE OF FIXED INCOME INVESTMENT | CUSIP NUMBER | DATES: | | INTEREST RATES: | | BOOK VALUE MARKET VALUE | UNREALIZED | ESTIMATED |
|--|--------------|-------------|----------|-----------------|---------------|----------------------------|--------------|-----------|
| | | ACQUISITION | MATURITY | STATED | CURRENT YIELD | | GAIN/(LOSS): | EARNINGS: |
| | | | | | | | THIS MONTH | ANNUAL |
| | | | | | | LAST MONTH | THIS MONTH | |
| U.S. GOVERNMENT AGENCY OBLIGATIONS, CONTINUED | | | | | | | | |
| | | | | | | | | |
| | | | ** | | | Per BNY WTC | | |
| Federal Nat'l Mortgage Assoc | | 08-24-16 | | 1.500% | 1,500,000 | 1,500,000 | (60,622) | 22,500 |
| | 3136G3X26 | 08-24-21 | C | 1.560% | | 1,439,378 | (66,735) | 1,875 |
| Federal Home Loan Mtg Corp | | 08-25-16 | | 1.625% | 3,000,000 | 3,000,000 | (92,658) | 48,750 |
| | 3134G9X44 | 08-25-21 | C | 1.680% | | 2,907,342 | (103,860) | 4,063 |
| Federal Nat'l Mortgage Assoc | | 08-25-16 | | 1.500% | 1,500,000 | 1,500,000 | (58,686) | 22,500 |
| | 3136G3Y25 | 08-25-21 | C | 1.560% | | 1,441,314 | (64,755) | 1,875 |
| Federal Home Loan Mtg Corp | | 09-29-16 | | 1.650% | 2,000,000 | 2,000,000 | (62,974) | 33,000 |
| | 3134GAEF7 | 09-29-21 | C | 1.700% | | 1,937,026 | (70,560) | 2,750 |
| Federal Home Ln Bks | | 09-30-16 | | 1.625% | 2,000,000 | 1,999,200 | (77,226) | 32,500 |
| | 3130A9F89 | 09-30-21 | C | 1.690% | | 1,921,974 | (84,840) | 2,708 |
| Federal Nat'l Mortgage Assoc | | 09-30-16 | | 1.625% | 2,000,000 | 2,000,000 | (89,702) | 32,500 |
| | 3136G4AH6 | 09-30-21 | C | 1.700% | | 1,910,298 | (98,200) | 2,708 |
| Federal Nat'l Mortgage Assoc | | 09-30-16 | | 1.500% | 1,500,000 | 1,499,775 | (59,952) | 22,500 |
| | 3136G4CY7 | 09-30-21 | C | 1.560% | | 1,439,823 | (66,165) | 1,875 |
| Federal Home Ln Banks | | 10-12-16 | | 1.700% | 1,500,000 | 1,500,000 | (53,313) | 25,500 |
| | 3130A9GS4 | 10-12-21 | C | 1.760% | | 1,446,687 | (58,815) | 2,125 |
| Federal Home Ln Banks | | 10-12-16 | | 1.580% | 1,500,000 | 1,500,000 | (58,240) | 23,700 |
| | 3130A9KH3 | 10-12-21 | C | 1.650% | | 1,441,760 | (63,975) | 1,975 |
| Federal Nat'l Mortgage Assoc | | 10-13-16 | | 1.650% | 2,255,000 | 2,255,000 | (101,385) | 37,208 |
| | 3136G4AS2 | 10-13-21 | C | 1.730% | | 2,153,615 | (111,014) | 3,101 |
| Federal Nat'l Mortgage Assoc | | 10-25-16 | | 1.550% | 1,500,000 | 1,500,000 | (66,886) | 23,250 |
| | 3136G4ED1 | 10-25-21 | C | 1.620% | | 1,433,114 | (73,320) | 1,938 |
| Federal Home Ln Mtg Corp | | 11-10-16 | | 1.700% | 2,500,000 | 2,500,000 | (78,920) | 42,500 |
| | 3131GATC8 | 11-10-21 | C | 1.760% | | 2,421,080 | (88,500) | 3,542 |
| Federal Farm Credit Bks | | 02-22-18 | | 2.740% | 1,500,000 | 1,499,475 | (10,749) | 41,100 |
| | 3133EJDR7 | 11-22-21 | C | 2.760% | | 1,488,726 | (14,895) | 3,425 |

- CONTINUED ON PAGE 7 -

**CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
FIXED INCOME INVESTMENTS, CONTINUED
AUGUST 31, 2018**

| TYPE OF FIXED INCOME INVESTMENT | CUSIP NUMBER | DATES: | | INTEREST RATES: | | BOOK VALUE MARKET VALUE | UNREALIZED | ESTIMATED |
|---|--------------|-------------|----------|-----------------|---------------|----------------------------|--|-----------------------------------|
| | | ACQUISITION | MATURITY | STATED | CURRENT YIELD | | GAIN/(LOSS): THIS MONTH LAST MONTH | EARNINGS: ANNUAL THIS MONTH |
| <u>U.S. GOVERNMENT AGENCY OBLIGATIONS, CONTINUED</u> | | | | | | | | |
| | | | | | | Per BNY WTC | | |
| Federal Home Ln Mtg Corp | | 11-22-16 | | 1.650% | 2,000,000 | 2,000,000 | (66,870) | 33,000 |
| | 3134GAUB8 | 11-22-21 | C | 1.710% | | 1,933,130 | (74,760) | 2,750 |
| Federal Nat'l Mtg Corp | | 11-23-16 | | 1.600% | 2,000,000 | 2,000,000 | (86,472) | 32,000 |
| | 3136G4GM9 | 11-23-21 | C | 1.670% | | 1,913,528 | (95,100) | 2,667 |
| Federal Home Ln Mtg Corp | | 10-02-17 | | 2.000% | 2,000,000 | 1,998,500 | (50,756) | 40,000 |
| | 3134GBK68 | 12-29-21 | C | 2.050% | | 1,947,744 | (57,300) | 3,333 |
| Federal Home Ln Mtg Corp | | 12-30-16 | | 2.000% | 2,000,000 | 2,000,000 | (54,652) | 40,000 |
| | 3134GAYV0 | 12-30-21 | C | 2.060% | | 1,945,348 | (65,120) | 3,333 |
| Federal Farm Credit Bks | | 09-14-17 | | 1.950% | 1,500,000 | 1,500,000 | (44,709) | 29,250 |
| | 3133EHYQ0 | 03-14-22 | C | 2.010% | | 1,455,291 | (51,135) | 2,438 |
| Federal Farm Credit Bks | | 03-29-18 | | 3.000% | 1,500,000 | 1,500,000 | 2 | 45,000 |
| | 3133EJJA8 | 06-29-22 | C | 3.000% | | 1,500,002 | (2,955) | 3,750 |
| Federal Home Ln Mtg Corp | | 07-27-17 | | 2.250% | 1,500,000 | 1,500,000 | (42,890) | 33,750 |
| | 3134GBXU1 | 07-27-22 | C | 2.320% | | 1,457,110 | (49,635) | 2,813 |
| Federal Nat'l Mtg Assoc. | | 08-23-17 | | 2.000% | 1,500,000 | 1,498,500 | (48,151) | 30,000 |
| | 3136G4NQ2 | 08-23-22 | C | 2.070% | | 1,450,349 | (55,140) | 2,500 |
| Federal Home Ln Mtg Corp | | 08-24-17 | | 2.150% | 1,500,000 | 1,500,000 | (52,227) | 32,250 |
| | 3130AC2L7 | 08-24-22 | C | 2.230% | | 1,447,773 | (59,205) | 2,688 |
| Federal Farm Credit Bks | | 09-12-17 | | 2.000% | 1,500,000 | 1,500,000 | (58,764) | 30,000 |
| | 3133EHXZ1 | 09-12-22 | C | 2.080% | | 1,441,236 | (53,580) | 2,500 |
| Federal Home Ln Mtg Corp | | 10-02-17 | | 2.150% | 1,500,000 | 1,499,250 | (43,336) | 32,250 |
| | 3134GBM74 | 09-29-22 | C | 2.220% | | 1,455,914 | (50,385) | 2,688 |
| Federal Farm Credit Bks | | 10-17-17 | | 2.280% | 1,500,000 | 1,500,000 | (36,573) | 34,200 |
| | 3133EHF73 | 10-17-22 | C | 2.340% | | 1,463,427 | (36,330) | 2,850 |
| Federal Home Ln Banks | | 10-26-17 | | 2.280% | 2,000,000 | 2,000,000 | (57,884) | 45,000 |
| | 3130ACJU9 | 10-26-22 | C | 2.320% | | 1,942,116 | (67,300) | 3,750 |

- CONTINUED ON PAGE 8 -

**CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
FIXED INCOME INVESTMENTS, CONTINUED
AUGUST 31, 2018**

| TYPE OF FIXED INCOME INVESTMENT | CUSIP NUMBER | DATES: | | INTEREST RATES: | | PAR VALUE | BOOK VALUE MARKET VALUE | UNREALIZED | ESTIMATED |
|---|--------------|-------------|----------|-----------------|---------------|-----------|----------------------------|----------------------------|-----------------------------------|
| | | ACQUISITION | MATURITY | STATED | CURRENT YIELD | | | GAIN/(LOSS): THIS MONTH | EARNINGS: ANNUAL THIS MONTH |
| <u>U.S. GOVERNMENT AGENCY OBLIGATIONS, CONTINUED</u> | | | | | | | | | |
| | | | | ** | | | Per BNY WTC | | |
| Federal Nat'l Mtg Corp | | 10-27-17 | | | 2.250% | 1,500,000 | 1,500,000 | (37,174) | 33,750 |
| | 3136G4PV9 | 10-27-22 | C | | 2.310% | | 1,462,826 | (44,145) | 2,813 |
| Federal Home Loan Mtg Corp | | 11-22-17 | | | 2.350% | 2,000,000 | 2,000,000 | (53,118) | 47,000 |
| | 3134GBW73 | 11-22-22 | C | | 2.410% | | 1,946,882 | (62,540) | 3,917 |
| Federal Farm Credit Bks | | 05-31-17 | | | 2.220% | 2,000,000 | 1,999,700 | (58,436) | 44,400 |
| | 3133EHKT9 | 11-25-22 | C | | 2.290% | | 1,941,264 | (70,080) | 3,700 |
| Federal Home Loan Mtg Corp | | 11-28-17 | | | 2.400% | 2,000,000 | 2,000,000 | (55,568) | 48,000 |
| | 3134GBY63 | 11-28-22 | C | | 2.470% | | 1,944,432 | (64,980) | 4,000 |
| Federal Home Loan Mtg Corp | | 12-29-17 | | | 2.400% | 2,000,000 | 2,000,000 | (53,746) | 48,000 |
| | 3134GB4U3 | 12-29-22 | C | | 2.470% | | 1,946,254 | (63,180) | 4,000 |
| Federal Home Loan Mtg Corp | | 02-23-18 | | | 2.750% | 2,000,000 | 2,000,000 | (24,616) | 55,000 |
| | 3134GSCQ6 | 02-23-23 | C | | 2.780% | | 1,975,384 | (34,000) | 4,583 |
| Federal Home Loan Mtg Corp | | 02-23-18 | | | 2.850% | 2,000,000 | 2,000,000 | (19,466) | 57,000 |
| | 3134GSDH5 | 02-23-23 | C | | 2.880% | | 1,980,534 | (28,760) | 4,750 |
| Federal Home Loan Mtg Corp | | 03-15-18 | | | 3.000% | 2,000,000 | 2,000,000 | (10,130) | 60,000 |
| | 3134GSEQ4 | 03-15-23 | C | | 3.020% | | 1,989,870 | (19,240) | 5,000 |
| Federal Home Loan Mtg Corp | | 05-15-18 | | | 3.200% | 2,000,000 | 2,000,000 | (28) | 64,000 |
| | 3134GSKY0 | 05-15-23 | C | | 3.200% | | 1,999,972 | (9,680) | 5,333 |
| Federal Farm Credit Bks | | 07-25-18 | | | 3.280% | 2,000,000 | 1,999,000 | (4,820) | 65,600 |
| | 3133EJVF3 | 07-25-23 | C | | 3.290% | | 1,994,180 | (5,220) | 5,467 |
| Federal Home Ln Banks | | 08-22-18 | | | 3.200% | 2,000,000 | 2,000,000 | (5,704) | 64,000 |
| | 3130AESZ4 | 08-22-23 | C | | 3.210% | | 1,994,296 | 0 | 5,333 |
| Government National Mortgage Association II Pool | | 01-24-94 | | | 8.500% | N/A | 527 | (9) | 42 |
| | | 09-20-22 | | | 8.090% | | 518 | (8) | 4 |
| TOTAL FIXED INCOME INVESTMENTS | | | | | N/A | N/A | 88,243,502 | (2,466,213) | 1,778,675 |
| All are in safekeeping with BNY Western Trust Company | | | | | 2.070% | | 85,777,289 | (2,785,922) | 148,223 |

**CITY OF TULARE
TREASURER'S EXECUTIVE SUMMARY
AUGUST 31, 2018**

| CHANGES IN BALANCES AND YIELDS: CATEGORY | BOOK VALUE MARKET VALUE DIFFERENCE | | | AVERAGE STATED YIELD | | |
|---|--|--|--|----------------------|--------|--------|
| | AUGUST | JULY | CHANGE | AUGUST | JULY | CHANGE |
| Total Investments | 204,965,957 <u>201,492,890</u> (3,473,067) | 209,340,510 <u>205,409,930</u> (3,930,580) | (4,374,553) <u>(3,917,040)</u> 457,513 | N/A | N/A | N/A |
| Unrestricted Investments | 119,123,629 <u>116,600,286</u> (2,523,343) | 122,231,408 <u>119,379,926</u> (2,851,482) | (3,107,779) <u>(2,779,640)</u> 328,139 | 2.048% | 2.006% | 0.042% |
| Restricted Investments | 85,842,328 <u>84,892,604</u> (949,724) | 87,109,102 <u>86,030,004</u> (1,079,098) | (1,266,774) <u>(1,137,400)</u> 129,374 | N/A | N/A | N/A |
| Local Agency Investment Fund (LAIF) | 30,500,000 <u>30,442,870</u> (57,130) | 35,000,000 <u>34,934,440</u> (65,560) | (4,500,000) <u>(4,491,570)</u> 8,430 | 1.998% | 1.944% | 0.054% |
| Fixed Income Investments (Total) | 88,243,502 <u>85,777,289</u> (2,466,213) | 86,243,513 <u>83,457,591</u> (2,785,922) | 1,999,989 <u>2,319,698</u> 319,709 | 2.070% | 2.050% | 0.020% |

TRANSACTIONS (BOOK VALUE): *

| CATEGORY | PURCHASES | SALES / CALLS |
|---------------------------------|-----------|---|
| Certificates of Deposit | | Certificates of Deposit |
| | | |
| | | |
| <u>Fixed Income Investments</u> | | <u>Fixed Income Investments</u> |
| Federal Home Loan Banks, 3.20% | 2,000,000 | Government National Mortgage Assn. Pool |
| | | |
| | | |
| | 2,000,000 | 11 |

Net LAIF transactions are represented by the change in book value balance shown above. Changes in Restricted Investments are not shown.

CITY OF TULARE
INVESTMENTS BALANCE AND YIELD HISTORY FOR EIGHT MONTHS
AUGUST 31, 2018

| BALANCES: CATEGORY | BOOK VALUE | | | | | | | |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | MARKET VALUE | | DIFFERENCE | | | | | |
| | JULY | JUNE | MAY | APRIL | MARCH | FEBRUARY | JANUARY | DECEMBER |
| | 2018 | 2018 | 2018 | 2018 | 2018 | 2018 | 2018 | 2017 |
| Total Investments | 209,340,510 | 212,735,233 | 214,807,457 | 216,598,146 | 212,192,382 | 204,084,297 | 204,396,706 | 198,499,425 |
| | <i>205,409,930</i> | <i>207,711,718</i> | <i>209,917,607</i> | <i>210,521,533</i> | <i>207,395,528</i> | <i>198,971,988</i> | <i>199,546,709</i> | <i>194,719,597</i> |
| | (3,930,580) | (5,023,515) | (4,889,850) | (6,076,613) | (4,796,854) | (5,112,309) | (4,849,997) | (3,779,828) |
| Unrestricted Investments | 122,231,408 | 127,231,101 | 121,119,444 | 122,362,040 | 112,458,214 | 112,834,892 | 112,821,306 | 107,431,925 |
| | <i>119,379,926</i> | <i>124,575,816</i> | <i>118,596,063</i> | <i>119,408,632</i> | <i>110,077,270</i> | <i>110,174,200</i> | <i>110,363,692</i> | <i>105,766,198</i> |
| | (2,851,482) | (2,655,285) | (2,523,381) | (2,953,408) | (2,380,944) | (2,660,692) | (2,457,614) | (1,665,727) |
| Restricted Investments | 87,109,102 | 85,504,132 | 93,688,013 | 94,236,106 | 99,734,168 | 91,249,405 | 91,575,400 | 91,067,500 |
| | <i>86,030,004</i> | <i>83,135,902</i> | <i>91,321,544</i> | <i>91,112,902</i> | <i>97,318,258</i> | <i>88,797,788</i> | <i>89,183,017</i> | <i>88,953,399</i> |
| | (1,079,098) | (2,368,230) | (2,366,469) | (3,123,204) | (2,415,910) | (2,451,617) | (2,392,383) | (2,114,101) |
| Local Agency Investment Fund (LAIF) | 35,000,000 | 42,000,000 | 34,500,000 | 36,621,257 | 28,000,000 | 31,500,000 | 37,000,000 | 32,000,000 |
| | <i>34,934,440</i> | <i>41,921,328</i> | <i>34,415,061</i> | <i>36,531,096</i> | <i>27,946,619</i> | <i>31,439,946</i> | <i>36,929,461</i> | <i>31,938,993</i> |
| | (65,560) | (78,672) | (84,939) | (90,161) | (53,381) | (60,054) | (70,539) | (61,007) |
| Certificates of Deposit | | | | | | 245,000 | 245,000 | 245,000 |
| | | | | | | <i>244,989</i> | <i>244,907</i> | <i>244,779</i> |
| | 0 | 0 | 0 | 0 | 0 | (11) | (93) | (221) |
| Fixed Income Investments (Total) | 86,243,513 | 84,244,524 | 84,244,535 | 84,244,546 | 84,244,644 | 80,744,660 | 75,245,201 | 74,747,397 |
| | <i>83,457,591</i> | <i>81,667,911</i> | <i>81,806,093</i> | <i>81,381,299</i> | <i>81,917,081</i> | <i>78,144,033</i> | <i>72,858,219</i> | <i>73,142,898</i> |
| | (2,785,922) | (2,576,613) | (2,438,442) | (2,863,247) | (2,327,563) | (2,600,627) | (2,386,982) | (1,604,499) |

AVERAGE STATED YIELDS:

| | | | | | | | | |
|-------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| Unrestricted Investments | 2.006% | 1.940% | 1.901% | 1.853% | 1.845% | 1.767% | 1.675% | 1.627% |
| Restricted Investments | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Local Agency Investment Fund (LAIF) | 1.944% | 1.854% | 1.755% | 1.661% | 1.524% | 1.412% | 1.350% | 1.239% |
| Certificates of Deposit | | | | | | 1.100% | 1.100% | 1.100% |
| Fixed Income Investments (Total) | 2.050% | 2.020% | 2.020% | 1.970% | 1.960% | 1.850% | 1.770% | 1.730% |

AGENDA ITEM:

**CITY OF TULARE, CA
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Finance/Transit

For Council Meeting of: October 2, 2018

Documents Attached: Ordinance Resolution Staff Report Other None

AGENDA ITEM:

Authorize the City Manager to execute an agreement with the City of Visalia for the distribution of Federal Transit 5307 Funding.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

Since 2013 the City of Tulare and City of Visalia has had a Memorandum of Understanding (MOU) that outlines the distribution of Federal Transit (FTA) 5307 funds. April of 2018 an FTA audit was conducted and recommended that an agreement be executed in place of an MOU. The FTA audit reflected that both cities have followed all regulations and this minor change needs to be corrected by October 15. A copy of the original MOU is provided for reference.

STAFF RECOMMENDATION:

Authorize the City Manager to execute an agreement with the City of Visalia for the distribution of Federal Transit 5307 Funding.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

Submitted by: Darlene Thompson **Title:** Finance Director

Date: September 24, 2018

Interim City Manager Approval: _____

**AGREEMENT
BETWEEN
THE CITY OF VISALIA
AND
The City of Tulare**

**“Regarding the Coordination of Ongoing Federal Transportation Administration (FTA) Section 5307
Funded Activities for the Visalia Urbanized Area”**

This AGREEMENT between the City of Visalia and the City of Tulare is made and entered into this _____ day of _____ by and between the City of Visalia hereinafter referred to as “Visalia” and the City of Tulare, hereinafter referred to as “Tulare”.

RECITALS

WHEREAS, Cities of Visalia and Tulare previously entered into the Agreement on July 16, 2013 to provide coordination of ongoing Federal Transportation Administration (FTA) Section 5307 funded activities for the Visalia Urbanized Area; and

WHEREAS, the parties intend that the Agreement continue in full force and effect but, as amended; and

WHEREAS, the Agreement, at Section IV, provides that the parties, by mutual written agreement can amend the Agreement; and

WHEREAS, this Agreement is also intended to clarify that the Agreement covers a broad array of transportation related grants and is not limited to any specific grant(s). The Tulare County Association of Governments (TCAG) has been designated by the Federal Transit Administration (FTA) to receive Section 5307 federal transit funds, which are made available to the Visalia Urbanized Area.

WHEREAS, TCAG is the Metropolitan Planning Organization for the Tulare County region. Located in Tulare County, Tulare is part of the federally designated Visalia and Tulare Urbanized Area (VUA), as designated by the U.S Census Bureau. Tulare has current and future eligible activities for FTA Section 5307 federal transit funds that have and will be included in the TCAG transit planning and programming documents.

WHEREAS, Visalia, as designated by the U.S. Census Bureau, is the major population center in the federally defined VUA. Visalia has been the designated applicant for FTA Section 5307 funds within the VUA since 1981. As a result of Census 2010, Tulare is now included in the VUA.

WHEREAS, FTA formula funds are allocated to the VUA based on criteria that now includes Tulare, making Tulare eligible for these funds, which have increased as a result of the added Tulare data.

WHEREAS, In accordance with the provisions of the FTA, Tulare and Visalia must enter into an MOU to define roles and responsibilities of the two cities in the FTA Section 5307 grant application and grant management process to ensure the smooth and equitable distribution of funds and ensure compliance with all federal grant regulations and requirements.

WHEREAS, Visalia and Tulare mutually agree that the responsibilities outlined in this AGREEMENT foster healthy collaboration for the purpose of transit planning and programming federal funds within the VUA.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements therein contained, the parties hereto mutually agree as follows:

I. TERM

The term of this AGREEMENT shall commence upon adoption of a formal resolution by each entity authorizing entry into this AGREEMENT, and shall continue until terminated by any party according to the termination provisions contained herein.

II. Distribution of Funds

All parties agree that Tulare and Visalia's share of the VUA's annual Section 5307 allocation shall be based on the following:

1. Population, Revenue Miles, and Passenger data will be used to allocate funds to Visalia or Tulare. Each agency will include data from other communities it serves and has a contractual responsibility to do so, within the VUA. Visalia's data includes Farmersville, Exeter, Goshen CDP and county islands surrounded by the City of Visalia. Visalia provides service to these areas under separate agreements. Tulare's data will include the East Tulare Villa CDP and the portions of the county surrounding the College of the Sequoias campus located near the City of Tulare, and county islands included in the urbanized area, surrounded by the City of Tulare, each of which are located outside of the City of Tulare.
2. For Fiscal Year 2012/2013 and Fiscal Year 2013/2014, allocation will be based on the percentage of the population served by Tulare and Visalia transit according to the previous year California Department of Finance published annual figures every January (for Tulare, Visalia, Farmersville, Exeter) and the US Department of Commerce US Census Bureau Selected Social Characteristics Place of Birth Total Population (for Goshen & East Tulare Villa). This percentage shall be applied to VUA's Section 5307 apportionment service area. The population percentage shall include all incorporated and unincorporated areas served by either agency.
3. For Fiscal Year 2014/2015 and thereafter: Allocations will be based on a weighted average index comprised of and weighted 40% by population which will come from the previous year California Department of Finance published figures each January (for Tulare, Visalia, Farmersville, Exeter) and the US Department of Commerce US

Census Bureau Selected Social Characteristics Place of Birth Total Population (for Goshen & East Tulare Villa) ; 20% by Bus Revenue Miles and 40% by Ridership which will come from each agencies' previous Fiscal Year State Controllers Report (Fixed Route, Trolley, and Dial-A-Ride only). The population percentage shall include all incorporated and unincorporated areas served by either agency.

III. Transportation Services for Each Agency

The cities of Visalia and Tulare will operate transit services independent of each other. Each city will determine their separate fares and pass policies, transit policies, transit information, marketing schedules, service coordination, data needed to meet periodic reporting requirements, and other activities as required. Each agency will be responsible for their separate financial obligations including the National Transit Database (NTD), State Controller's Report, and any other state, local, and federal reports. Each agency will have their separate contractor to run the operations and maintenance contract.

IV. PRINCIPLES

Visalia & Tulare will be responsible for complying with all Federal requirements independently. These requirements will include but are not limited to:

1. Federal Transit Administration (FTA) grants management including contract compliance, quarterly reporting, and Electronic Clearing House Operation (ECHO) draws.
2. Annual certifications submitted to FTA that detail the federal requirements with which it must comply to be eligible to receive federal transit assistance. The annual submission of these Certification and Assurance is required by Federal law prior to the submission of any grant application.
3. National Transit Data Base (NTD) annual report. If each agency desires to receive FTA funding based on services provided, or any factors other than population each agency, must submit NTD information to the FTA. This would require each agency to provide adequate and properly trained staff resources to regularly attend FTA training on NTD reporting. Neither agency shall receive any portion of the FTA Section 5307 apportionment that is determined, in whole or in part, on the basis of bus revenue miles or other data obtained through the National Transit Database process, unless that agency submits NTD reporting data by the required deadlines or cures any noncompliance as allowed by federal regulations.
4. Comply with all applicable civil rights statutes and implementing regulations including, but not limited to, the following: nondiscrimination in Federal Public Transportation Programs; nondiscrimination following the requirements of Title VI of the Civil Rights Act of 1964; Equal Employment Opportunity; nondiscrimination on the basis of sex; nondiscrimination on the basis of age; nondiscrimination on the basis of disability; and, Disadvantaged Business Enterprise.

V. REVISIONS, ADDENDUM

Revisions to the basic framework of this MOU shall be by the mutual written agreement of the parties. Supplements to this MOU may be by numeric addendums executed by each party and attached to the original of this MOU.

VI. TERMINATION

Either party may terminate this MOU at the end of any federal fiscal year. In the event of termination, the parties shall consult prior to the date of termination to ensure termination occurs on the most equitable terms; however, such consultation shall not prohibit or restrict either party from exercising its right to terminate.

VII. SETTLEMENT OF DISPUTES

The parties have worked cooperatively to prepare their framework for this MOU, and the language herein should not be construed against any of the parties. Disagreement between the parties arising under or relating to this MOU, as amended and supplemented, shall be resolved only by consultation between the parties and not referred to any other person or entity for settlement unless mutually agreed in writing.

CITY OF Tulare

City of Tulare City Manager

Date _____

City Attorney
(NAME)

Date: _____

City of Tulare Risk Manager

Date: _____

City of Tulare Project Manager

Date: _____

City of Visalia

City of Visalia City Manager

Date _____

City Attorney
(DOOLEY, HERR, PELTZER & RICHARDSON, LLP)

Date: _____

City of Visalia Risk Manager

Date: _____

City of Visalia Project Manager

Date: _____

MEMORANDUM OF UNDERSTANDING

Between the

CITY OF VISALIA

And the

CITY OF TULARE

**“Regarding the Coordination of Ongoing Federal Transportation Administration (FTA) Section 5307
Funded Activities for the Visalia Urbanized Area”**

This **Memorandum of Understanding (MOU)** is entered into between the City of Visalia, hereinafter referred to as “Visalia” and the City of Tulare, hereinafter referred to as “Tulare” this 16 day of

July, 2013

This MOU is made with reference to the following recitals:

1. The Tulare County Association of Governments (TCAG) has been designated by the Federal Transit Administration (FTA) to receive Section 5307 federal transit funds, which are made available to the Visalia Urbanized Area.
2. TCAG is the Metropolitan Planning Organization for the Tulare County region.
3. Located in Tulare County, Tulare is part of the federally designated Visalia and Tulare Urbanized Area (VUA), as designated by the U.S Census Bureau. Tulare has current and future eligible activities for FTA Section 5307 federal transit funds that have and will be included in the TCAG transit planning and programming documents.
4. Visalia, as designated by the U.S. Census Bureau, is the major population center in the federally defined VUA. Visalia has been the designated applicant for FTA Section 5307 funds within the VUA since 1981. As a result of Census 2010, Tulare is now included in the VUA.
5. FTA formula funds are allocated to the VUA based on criteria that now includes Tulare, making Tulare eligible for these funds, which have increased as a result of the added Tulare data.
6. In accordance with the provisions of the FTA, Tulare and Visalia must enter into an MOU to define roles and responsibilities of the two cities in the FTA Section 5307 grant application and grant management process to ensure the smooth and equitable distribution of funds and ensure compliance with all federal grant regulations and requirements.
7. Visalia and Tulare mutually agree that the responsibilities outlined in this MOU foster healthy collaboration for the purpose of transit planning and programming federal funds within the VUA.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements therein contained, the parties hereto mutually agree as follows:

I. **TERM**

The term of this MOU shall commence upon adoption of a formal resolution by each entity authorizing entry into this MOU, and shall continue until terminated by any party according to the termination provisions contained herein.

II. **Distribution of Funds**

All parties agree that Tulare and Visalia's share of the VUA's annual Section 5307 allocation shall be based on the following:

1. Population, Revenue Miles, and Passenger data will be used to allocate funds to Visalia or Tulare. Each agency will include data from other communities it serves and has a contractual responsibility to do so, within the VUA. Visalia's data includes Farmersville, Exeter, Goshen CDP and county islands surrounded by the City of Visalia. Visalia provides service to these areas under separate agreements. Tulare's data will include the East Tulare Villa CDP and the portions of the county surrounding the College of the Sequoias campus located near the City of Tulare, and county islands included in the urbanized area, surrounded by the City of Tulare, each of which are located outside of the City of Tulare.
2. For Fiscal Year 2012/2013 and Fiscal Year 2013/2014, allocation will be based on the percentage of the population served by Tulare and Visalia transit according to the previous year California Department of Finance published annual figures every January (for Tulare, Visalia, Farmersville, Exeter) and the US Department of Commerce US Census Bureau Selected Social Characteristics Place of Birth Total Population (for Goshen & East Tulare Villa). This percentage shall be applied to VUA's Section 5307 apportionment service area. The population percentage shall include all incorporated and unincorporated areas served by either agency.
3. For Fiscal Year 2014/2015 and thereafter: Allocations will be based on a weighted average index comprised of and weighted 40% by population which will come from the previous year California Department of Finance published figures each January (for Tulare, Visalia, Farmersville, Exeter) and the US Department of Commerce US Census Bureau Selected Social Characteristics Place of Birth Total Population (for Goshen & East Tulare Villa) ; 20% by Bus Revenue Miles and 40% by Ridership which will come from each agencies' previous Fiscal Year State Controllers Report (Fixed Route, Trolley, and Dial-A-Ride only). The population percentage shall include all incorporated and unincorporated areas served by either agency.

III. **PRINCIPLES**

Visalia & Tulare will be responsible for complying with all Federal requirements independently. These requirements will include but are not limited to:

1. Federal Transit Administration (FTA) grants management including contract compliance, quarterly reporting, and Electronic Clearing House Operation (ECHO) draws.
2. Annual certifications submitted to FTA that detail the federal requirements with which it must comply to be eligible to receive federal transit assistance. The

annual submission of these Certification and Assurance is required by Federal law prior to the submission of any grant application.

3. National Transit Data Base (NTD) annual report. If each agency desires to receive FTA funding based on services provided, or any factors other than population each agency, must submit NTD information to the FTA. This would require each agency to provide adequate and properly trained staff resources to regularly attend FTA training on NTD reporting. Neither agency shall receive any portion of the FTA Section 5307 apportionment that is determined, in whole or in part, on the basis of bus revenue miles or other data obtained through the National Transit Database process, unless that agency submits NTD reporting data by the required deadlines or cures any noncompliance as allowed by federal regulations.
4. Comply with all applicable civil rights statutes and implementing regulations including, but not limited to, the following: nondiscrimination in Federal Public Transportation Programs; nondiscrimination following the requirements of Title VI of the Civil Rights Act of 1964; Equal Employment Opportunity; nondiscrimination on the basis of sex; nondiscrimination on the basis of age; nondiscrimination on the basis of disability; and, Disadvantaged Business Enterprise.

IV. REVISIONS, ADDENDUM

Revisions to the basic framework of this MOU shall be by the mutual written agreement of the parties. Supplements to this MOU may be by numeric addendums executed by each party and attached to the original of this MOU.

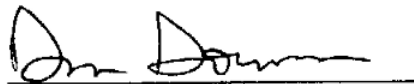
V. TERMINATION

Either party may terminate this MOU at the end of any federal fiscal year. In the event of termination, the parties shall consult prior to the date of termination to ensure termination occurs on the most equitable terms; however, such consultation shall not prohibit or restrict either party from exercising its right to terminate.

VI. SETTLEMENT OF DISPUTES

The parties have worked cooperatively to prepare their framework for this MOU, and the language herein should not be construed against any of the parties. Disagreement between the parties arising under or relating to this MOU, as amended and supplemented, shall be resolved only by consultation between the parties and not referred to any other person or entity for settlement unless mutually agreed in writing.

CITY OF Tulare



City of Tulare City Manager

Date 7/24/2013

[Signature] Date: 07.24.13

City Attorney
(NAME)

[Signature] Date: 7/24/13

City of Tulare Risk Manager

[Signature] Date: 7-24-13

City of Tulare Project Manager

City of Visalia
[Signature] Date: 8/12/13

City of Visalia City Manager

[Signature] Date: 8-2-2013

City Attorney
(DOOLEY, HERR, PELTZER & RICHARDSON, ^{LLC} LLP)

[Signature] Date: 8/8/13

City of Visalia Risk Manager

[Signature] Date: 7/30/13

City of Visalia Project Manager

AGENDA ITEM:

**CITY OF TULARE, CA
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Finance/Transit

For Council Meeting of: October 2, 2018

Documents Attached: Ordinance Resolution Staff Report Other None

AGENDA ITEM:

Authorize the Mayor to execute a Memorandum of Understanding with the Tulare County Association of Governments (TCAG) for the ongoing transit planning and programming of Federal Transit 5307 funds.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

On October 2, 2018, the Tulare City Council will consider for approval an agreement between the City of Tulare and the City of Visalia for the allocation of the Federal Transit 5307 Funds. The Tulare County Association of Governments (TCAG) will be the agency that will collect and distribute the federal funds based on this approved agreement. The Memorandum of Understanding with TCAG will provide for assistance to the City of Tulare in the overall planning, grant assistance and grant application for the City's transit program planning that is being offered by the federal government.

STAFF RECOMMENDATION:

Authorize the Mayor to execute a Memorandum of Understanding/Agreement with the Tulare County Association of Governments (TCAG) for the ongoing transit planning and programming of Federal Transit 5307 funds.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

Submitted by: Darlene Thompson

Title: Finance Director

Date: September 24, 2018

City Manager Approval: _____

**MEMORANDUM OF UNDERSTANDING
REGARDING THE COMPREHENSIVE, CONTINUING, AND COOPERATIVE
TRANSIT PLANNING AND PROGRAMMING PROCESS
BETWEEN THE
TULARE COUNTY ASSOCIATION OF GOVERNMENTS
AND
THE CITY OF TULARE**

This Memorandum of Understanding (MOU) is entered into as of the ___ day of _____, 2018 between the Tulare County Association of Governments, hereinafter referred to as “TCAG”, and the City of Tulare, a public transportation provider, hereinafter referred to as “City,” and collectively referred to together as the “Parties”.

The purpose of this MOU is to:

1. Foster a cooperative and mutually beneficial working relationship between TCAG and City of Tulare for the provision of comprehensive, effective, and coordinated transit planning for the benefit of the City of Tulare’s public mass transportation system; and
2. Identify which entities will perform the transit planning responsibilities for the purpose of programming local, state, and federal funds within the TCAG Federal Transportation Improvement Program (FTIP); and
3. Provide for coordinated planning and foster region-wide coordinated services while avoiding duplication of effort; and

Witness that:

WHEREAS, the City of Tulare was incorporated in 1888; and

WHEREAS, all powers of the City of Tulare are vested in the City Council, which is empowered to perform all duties of and obligations of the city as imposed by state law and federal law, and as provided for in the city charter; and

WHEREAS, the City of Tulare has a five (5) member City Council comprised of members elected by district. Each council member is elected for four years with staggering terms; and

WHEREAS, the City of Tulare is also a public transportation provider and receives Federal Transit Administration (FTA) grant funding for capital, operating, and planning assistance for the delivery of public mass transportation; and

WHEREAS, during the 2010 U.S. Census, the City of Visalia, the City of Tulare, and adjacent unincorporated areas have been identified and combined as one Large Urbanized Area under the name “Visalia UZA”; and

WHEREAS, the City of Visalia is the designated recipient of FTA funds apportioned to the Visalia UZA and the City of Tulare is a subrecipient thereof; and

WHEREAS, the City of Visalia and the City of Tulare have come to an agreement on the distribution of FTA 5307 and 5339 apportionment funding, according to the apportioned amount as published in the Federal Register, through a Memorandum of Understanding between the City of Visalia and the City of Tulare “Regarding the Coordination of Ongoing Federal Transportation Administration (FTA) Section 5307 Funded Activities for the Visalia Urbanized Area” (referred to herein as the “Visalia-Tulare MOU”). The Visalia-Tulare MOU provides that TCAG will program the above-mentioned FTA funds according to actual apportionments published in the Federal Register using the approved distribution formula agreed upon in Section II, “Distribution of Funds” in the Visalia-Tulare MOU, as updated annually and provided to TCAG; and

WHEREAS, TCAG is a joint powers authority, created in 1971 by the County of Tulare and the cities of Visalia, Tulare, Porterville, Lindsay, Dinuba, Exeter, Farmersville and Woodlake; and

WHEREAS, TCAG is directed by a seventeen (17) member Board. This includes (13) locally elected official voting members, composed of five (5) members of the Tulare County Board of Supervisors and one (1) Councilmember from each City, appointed by the City Councils of such respective cities; three (3) residents of the County, appointed by a majority vote of the other members of the governing board of TCAG; and one (1) representative of transit providers, nominated by the Council of Cities and confirmed by the other sixteen (16) members of the TCAG Board; and

WHEREAS, TCAG is the Regional Transportation Planning Agency (RTPA), Transportation Management Agency (TMA), and Metropolitan Planning Organization (MPO) for Tulare County; and

WHEREAS, TCAG recognizes that transportation planning and programming must be conducted as an integral part of and consistent with the comprehensive planning and development process, and that the process must involve the fullest possible participation by state agencies, local governments, federal agencies, and other appropriate groups; and

WHEREAS, TCAG has developed committee structures that advise the TCAG Board on planning and policy issues. These committees include the Technical Advisory Committee (TAC), the Social Service Transportation Advisory Council (SSTAC), and others; and

WHEREAS, the federal transportation bill, Fixing America’s Surface Transportation (FAST Act), also requires MPOs to work cooperatively with public transit operators to develop Regional Transportation Plans (RTPs) and Federal Transportation Improvement Programs (FTIPs) through performance-based planning and programming for urbanized areas, which are intended to improve the safety of the nation’s transportation systems, ensure that those systems are in a state of good repair, and provide increased transparency into agencies’ budgetary decision-making processes; and

WHEREAS, TCAG and the City of Tulare rely upon a cooperative relationship to foster comprehensive regional transit planning which feeds directly into state and national planning.

NOW, THEREFORE, for good and valuable consideration, including the mutual benefits to the Parties hereto, and the covenants and conditions herein contained, the Parties agree as follows:

1. City of Tulare Representation on TCAG Board and Committees

City of Tulare shall:

- 1.1. In accordance with the joint powers agreement, designate one (1) representative and one (1) alternate from the City Council to represent the City of Tulare as a member on the TCAG Board of Directors. Board of Directors meetings are held on the third Monday of every month. City of Tulare transit staff should update and brief their respective Board member regarding current transit issues and those that will be on the agenda for the upcoming TCAG Board meeting.
- 1.2. Appoint one (1) representative to serve as a member of the TCAG Technical Advisory Committee (TAC). The TAC meetings are held on the Thursday preceding the Monday Board meeting of every month.
- 1.3. Identify a representative to attend Social Service Transportation Advisory Council (SSTAC) and Transit Forum meetings regularly.

2. Transit Planning and Programming

2.1. Regional Planning

TCAG will provide a forum to foster partnerships that support the development of public transit services throughout Tulare County. As part of the coordinated regional transportation system, TCAG will continue to work to expand cooperative and consistent planning between the City of Tulare's transportation system and the regional and interregional transit network.

As the RTPA and MPO, TCAG is responsible for the development of regional planning documents such as the Tulare County Regional Transportation Plan/Sustainable Communities Strategy, Congestion Management Plan, Overall Work Program, and the analysis and determination of unmet transit needs in Tulare County. The City of Tulare will have the opportunity to provide technical advice during the development of these regional planning documents through the TCAG committee structure. The City of Tulare may also provide input during the TCAG Board's consideration of these documents for approval.

As a critical part of the regional planning process, the City of Tulare shall assist TCAG with its efforts to achieve regional goals, including taking the following specific actions: (1) assist in the attainment of federal air quality standards; and (2) ensure coordination of services, when possible, with the other transit providers in Tulare County to accommodate the transit rider and provide for an easy-to-navigate regional transit system.

2.2. FTIP Programming Criteria

As part of the FTIP updating process, federally-funded projects are programmed by TCAG on behalf of all Tulare County transit providers receiving federal funds. As such, the establishment of common criteria used for the programming of federal funds for proposed transit projects is essential. TCAG and the City of Tulare will employ the following selection criteria to establish priorities for transit funding:

- a) Project purpose and need.
- b) Anticipated benefit.
- c) Degree to which a project will improve transit availability.
- d) Degree to which a project will improve level of service performance standards.
- e) Air quality benefits.
- f) Overall cost effectiveness.
- g) Leveraging other funding sources.
- h) Degree to which project will coordinate with the other transit providers in Tulare County.
- i) Compliance with regional policies and regional planning documents.

2.3. Planning Assistance to the City of Tulare

TCAG will provide input into the development of transit planning documents produced by the City of Tulare. Examples of the type of transit planning documents include a Short Range Transit Plan, Long Range Transit Plan, and others as needed. In addition, TCAG will work cooperatively with and assist the City of Tulare in its efforts to generate planning and forecasting information needed to establish and maintain the Short and Long Range Transit Plans. The type of assistance provided by TCAG may include, but is not limited to, the following:

- a) Obtain and analyze data from various sources to develop concrete demographic, growth, and use assumptions for the purpose of transit forecasting and development (e.g., trip generation tables, census information, and maps).
- b) Assist in securing funds to conduct transit demand studies and in-depth analysis (e.g. research funding options, grant writing, grant assistance).
- c) Assist in obtaining state and federal funding of projects consistent with the TCAG Regional Transportation Plan/Sustainable Communities Strategy (e.g. completing

paperwork, facilitating FTIP amendments, etc.).

2.4. City of Tulare's Short Range Transit Planning

In accordance with the planning regulations and FTA guidance, the City of Tulare is required to prepare and implement a five- (5) year Short Range Transit Plan (SRTP) to support sound financial and operational decision-making in transit planning and programming. In the development of short-range transit plans, the City of Tulare will provide a draft list of projects for FTA funding. The list shall:

- a) Identify and describe the scope of the specific projects and service, which address ongoing and increased future transit demands. These projects and services are to include Americans with Disabilities Act (ADA) elements, and Transportation Control Measures (TCM) with sufficient detail (design, concept, and scope) to permit air quality conformity analysis to be performed by TCAG.
- b) Provide qualitative and quantitative analysis showing how the project addresses transit needs.
- c) Identify the amount and type of federal and non-federal funds required supporting the projects for each year represented in the plan. In addition, identify anticipated discretionary funding estimates for the FTIP.
- d) Identify how the projects implement the Transit Asset Management (TAM) Plan.

2.5. City of Tulare's Input for RTP

The City of Tulare shall provide any pertinent information required to fully comply with planning regulations and/or federal and state guidance on the preparation of Regional Transportation Plans/Sustainable Communities Strategies (RTP/SCSs). Examples of the type of information the City of Tulare agrees to provide to TCAG include, but are not limited to:

- a) An overview of key performance measures of existing transit systems.
- b) Anticipated equipment replacement and rehabilitation needs.
- c) Anticipated facility needs.
- d) Documentation of the public participation process used to develop the transit system.
- e) A financial plan, including expected revenues, planned expenditures, and documentation of fiscal ability to operate and expand services.
- f) The City of Tulare's most recent planning assumptions, considering local general plans and other factors.

2.6. Coordinated Public Transit-Human Services Plan

The City of Tulare shall cooperate in the development and implementation of the Coordinated Public Transit-Human Services Plan as required by federal law. This plan will be adopted through a process that includes representatives of public, private, and nonprofit transportation and human services providers and participation by the public.

2.7. Applications for Transit Funding

The City of Tulare shall work with TCAG to develop and make consistent and timely funding requests from all potential transit funding sources in order to facilitate programming and prevent funding delays. The City of Tulare agrees to prepare any applications necessary to obtain applicable funding, including state, Measure R, and federal transit funding. The City of Tulare's applications for transit funding shall be consistent with the TCAG Regional Transportation Plan/Sustainable Communities Strategy and other pertinent planning documents and regional policies. Prior to submitting such applications, the City of Tulare agrees to submit drafts of the applications to TCAG for review. TCAG will review the applications for accuracy (to the best of its information and knowledge) and consistency of projects with FTIP Programming Criteria. If TCAG considers the application to be appropriate, accurate, and consistent with all applicable requirements, TCAG may prepare a letter of concurrence.

3. Project Monitoring & Maintenance

3.1. Progress Reporting

Per Federal requirements, TCAG is required to produce an annual list of projects for which federal funds have been obligated in the preceding fiscal year and will ensure that the annual list of projects is made available for public review.

The City of Tulare shall submit annual reports that address the status of each of its projects receiving federal funds, due each year to TCAG by October 31st. At a minimum, the report shall:

- a) Identify and correlate the documentation of projects to individual categories as identified in the FTIP (e.g., Operations, Capital Purchases, Facility Maintenance, and Planning).
- b) Document the stage of project implementation.
- c) State the reasons for the delay if a project is behind schedule.
- d) State the reasons for any cost overruns if the project is over budget.
- e) Project savings to be reverted, if any, at project completion.

- f) Report on the status of the amount of federal funding obligated, received, and used to support projects.
- g) Identify the need for an FTIP amendment.

In addition to providing the above supporting documentation, the City of Tulare shall forward to TCAG a final copy of all planning documents produced, FTA Triennial Audits, annual Transportation and Transit Financial Statements, National Transit Database reports, Transit Asset Management Plans, and State Controller's Reports. This will assist TCAG in overall transit planning as well as ensure that FTA Section 5307, 5339, 5303, and other funds were used accordingly for planning purposes as per FTA's requirements.

3.2. National Transit Database Reporting

The National Transit Database Reporting (NTD) is FTA's primary source for information and statistics collected from transit systems that receive FTA formula funding under the Urbanized Area Formula Program. Transit operators receiving funds from these programs are required by statute and FTA guidance to submit annual reports to the NTD. Service factors reported in the UZA determine the amounts of FTA 5307 and 5339 funds generated in the region. The City of Tulare shall report service factors to the NTD to maximize the amounts of funds generated in the region and to determine urbanized area eligibility.

3.3. FTIP Amendments

The City of Tulare shall submit requests for FTIP amendments in writing, and at the earliest possible time as of the identification of the need for an amendment. All requests for FTIP amendments shall include documentation related to the project funding, such as published funding allocations, published carryover balances, grant award letters, etc. TCAG shall request such documentation as is needed to certify the project funding for programming in the FTIP.

TCAG's Executive Director will exercise the authority delegated by the TCAG Board of Directors to process minor administrative amendments, which includes (but is not limited to) amendments such as minor changes in the project scope, cost, or schedule.

The City of Tulare will alert TCAG as to the need for a formal amendment to the FTIP as early as possible. Formal amendments require a public notice process, approval by the TCAG Board, approval by Caltrans, and final approval by the Federal Highway Administration (FHWA). This process can take up to approximately three (3) months, but often varies. Formal FTIP amendments will be necessary if major changes are proposed, which may include, but are not limited to, the following: major changes in project scope, cost, or schedule, or new projects that need to be included in the FTIP. TCAG maintains criteria for determining whether changes to scope, cost, or schedule are minor or major.

4. Additional Terms and Conditions of the MOU

4.1. Responsibility for MOU

The Executive Director of TCAG and the City Manager of Tulare are the primary individuals responsible for ensuring that the provisions specified in this MOU are followed.

4.2. Participation in MOU Required for Federal Funding

The Parties understand and agree that their participation in this MOU is required for the receipt of Federal FTA and FHWA funds, including the FTA Urbanized Area Formula Grants (5307) and Bus and Bus Facilities (5339) programs.

4.3. Rescission of Prior MOU

This MOU supersedes the existing MOU between the Parties related to the Comprehensive, Continuing, And Cooperative Transit Planning and Programming Process. This MOU does not supersede the Joint Powers Agreement or any other Agreements entered into between TCAG and the City of Tulare.

4.4. Term

This MOU shall continue in effect until superseded by a new agreement or cancelled by either party in accordance with the MOU.

4.5. MOU Amendments

This MOU may be amended by the written agreement of both Parties. Amendments must be approved by both TCAG and the Tulare City Council.

4.6. MOU Termination

Either party, upon ninety (90) days' advance written notice to the other party, may withdraw its participation in this MOU. Any transit provider that withdraws from the MOU forfeits its eligibility to receive FTA funds, including Urbanized Area Formula Grants (5307) and Bus and Bus Facilities (5339) program funds.

4.7. Conflict with Laws or Regulations/ Severability

This MOU, and the Parties' performance under this MOU, is subject to all applicable laws and regulations.

If any provision of this MOU is found by any court of other legal authority, or is agreed by the Parties, to be in conflict with any code or regulation governing its subject, the

conflicting provisions shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the MOU to either party is lost, the MOU may be terminated at the option of the affected party. In all other cases, the remainder of the MOU shall continue in full force and effect.

4.8. Records and Audit

The City of Tulare agrees to maintain records in accordance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements, and upon request shall make available all records and supporting information for inspection by TCAG and permit TCAG the ability to respond to official audits..

4.9. Headings

Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning, or intent of the provisions under the headings.

4.10. Waiver of Breach

The failure of either Party to insist on strict compliance with any provision of this MOU will not be considered a waiver of any right to do so, whether for that breach or any later breach.

4.11. No Third-Party Beneficiaries

This MOU is for the benefit of and applies to the undersigned Parties. There are no third-party beneficiaries, intended or otherwise.

4.12. Counterparts

The Parties may sign this MOU in counterparts, each of which is an original and all of which taken together form one single document.

5. Authorization of MOU

By its authorized signatures below, the Parties agree that the responsibilities outlined in this MOU foster healthy collaboration for the purpose of fostering transit planning and programming of local, state, and federal funds within the TCAG Federal Transportation Improvement Program.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have entered into this MOU as of the day and year first above written.

CITY OF TULARE

David Macedo
Mayor, City of Tulare

Date

TULARE COUNTY ASSOCIATION OF GOVERNMENTS

Kuyler Crocker
Chair, TCAG

Date

DRAFT

| |
|---------------------|
| AGENDA ITEM: |
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**CITY OF TULARE, CA
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Finance / Transit / General Services

For Council Meeting of: October 2, 2018

Documents Attached: Ordinance Resolution Staff Report Other None

AGENDA ITEM:

Approve an extension with MV Transportation, Inc. for the management and operation of the city's fixed-route and dial-a-ride transit services for an additional 120 days (July 1, 2018 to October 31, 2018).

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

The original 1 year Transit service agreement entered into with MV Transportation Inc., for years 2013-2014, allows for four (4) additional one year contract extensions with a price adjustment based on the average between Los Angeles and San Francisco annual Consumer Price Index. The current 2017-2018 contract extension granted by Council on April 18, 2017 was the fourth and final extension on this agreement and has expired on June 30, 2018.

The City participated with the Cities of Visalia, Hanford, and the County of Tulare in publishing a single Request for Proposal ("RFP") for all of their transit services in order to attract transit service providers to bid on services for the entire group. No single bid came in for entire group, only individual bids for each agencies transit operations, leaving the Agencies to negotiate on their own with the transit service bidders.

MV Transportation Inc. the current Transit service provider for the City, agreed to, and the City approved, a ninety (90) day extension the existing contract with no change in terms while the City continues negotiations for its Transit operations. MV Transportation has agreed to an additional thirty (30) day extension while the City finalizes it contract.

STAFF RECOMMENDATION:

Approve an extension with MV Transportation, Inc. for the management and operation of the city's fixed-route and dial-a-ride transit services for an additional 120 days (July 1, 2018 to October 31, 2018).

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

Submitted by: Steve Bonville

Title: General Services Director

Date: September 24, 2018

City Manager Approval: _____

ORDINANCE 18-06

AN ORDINANCE OF THE COUNCIL OF THE CITY OF TULARE AMENDING CHAPTER 3.08 OF TITLE 3 OF THE CITY OF TULARE MUNICIPAL CODE PERTAINING TO CALIFORNIA FIRE REGULATIONS SECTION 3.08.080 (SAFE AND SANE FIREWORKS)

WHEREAS, pursuant to Chapter 3.08 Section 3.08.080 (Safe and Sane Fireworks) authorization of fireworks booth vendors within the city is calculated by a formula based upon current population (i.e. one booth per 3,250), which has remained unchanged for decades resulting in a saturation of vendors within the community; and,

WHEREAS, presently, there are 18 permitted fireworks booths, the proposed formula change (ex. one booth per 4,500) will not affect existing vendors, but will allow the Fire Department to carry out its goal of protecting the public's safety and well-being by keeping vendors at a manageable number. While these approved vendors are only selling safe and sane fireworks, injuries still can and do occur from improper use.

BE IT ORDERED BY THE COUNCIL OF THE CITY OF TULARE AS FOLLOWS TO WIT:

SECTION 1: Section 3.08.080 of Chapter 3.08 (SAFE AND SANE FIREWORKS) of Title 3 of the City Code of Tulare is hereby amended and replaced to read as follows:

(A) Condition of Sale.

It is unlawful for any person, firm, corporation, association or organization to sell or offer for sale any fireworks within the city, except as expressly permitted under the terms of and for the time period set forth in this ordinance.

(B) Time of Sale.

Subject to the provisions of the State Fireworks Law (California Health and Safety Code, Division II, Part 2 and §§ 12500—12637), and the provisions of this code and California Health and Safety Code § 12599.5, “safe and sane” fireworks as defined in California Health and Safety Code § 12529, may be sold within the city beginning at 12:00 PM on June 28 through 12:00 PM July 6 (hereinafter “Days of Sale”). The daily hours of sale on Days of Sale shall be 9:00 AM to 11:00 PM. Pyrotechnic displays may deviate from these restrictions subject to applicable provisions of the California Health and Safety Code, and provided they are approved by the Fire Chief or his or her designated representative.

(C) Permit Required.

No person, firm, association, corporation or organization shall sell fireworks within the city without first having obtained a permit thereof (“Fireworks Permit”). Prior to issuance of a permit the requesting party shall fulfill all municipal licensing requirements and fire safety conditions outlined by the Fire Department. All permit applications shall be received in the Fire Marshal's office by no later than 5:00 p.m. May 1, of each year. Each sales booth must obtain its own permit.

(D) Information required for application.

Each applicant for such permit shall file a written application within the Bureau of Prevention including:

- (1) Tulare Fire Department Fireworks Application Form;
- (2) Property Use Agreement Form with required signatures;
- (3) Certificate of Liability Insurance; and
- (4) State Fire Marshal Fireworks Retail License.
- (5) Copy of the organizations non-profit status, such as 501 C3 filing.

(E) Qualified Organization.

Permits shall only be granted to nonprofit organizations, corporations or local community service organizations organized primarily for veteran, patriotic, welfare, civic betterment or charitable purposes (hereinafter “Qualified Organization”), which can demonstrate that a majority of their financial resources and manpower are donated to projects of benefit to the total community within the city limits of Tulare.

(F) Number of Available Fireworks Permits.

- (1) The total number of Fireworks Permits available to the public shall be determined by 1 booth for every 4,500 persons residing within the City as determined by the City of Tulare Planning Department population statistics.
- (2) Once approved for a Fireworks Permit, a Qualified Organization shall maintain the right to that permit from year to year unless terminated by any of the following:
 - a. A failure to engage in the business of retailing “safe and sane” fireworks in the city during the prior calendar year;
 - b. A safety violation that in the determination of the Fire Department created or had the potential to create a danger to the public;
 - c. A failure to maintain the requirements of this ordinance; or
 - d. Any other violations of federal, state, or local law.

Such termination is immediate. An appeal may be made to the City Council by giving notice to the City Manager within five (5) days of receipt of the notice of revocation.

- (3) If a permit becomes available, either due to termination, voluntary relinquishment, or an increase in population, a notice shall be posted publicly for a two-week application process. All completed applications will be reviewed and one eligible organization will be selected randomly by the City Clerk’s office to fill the vacancy. Applications can be picked up at either the Fire Department or the City Clerk’s Office. All completed applications must be turned in to the City Clerk’s office by the date and time specified in the public notice.

(G) Application Insurance Requirements.

Each applicant for a permit shall provide, prior to the issuance of any permit, a policy of public liability insurance with coverage of at least \$1,000,000.

(H) Fees.

- (1) Prior to issuance of a Fireworks Permit, a permit fee, as determined by the current fee schedule for Fireworks Booth Investigation, must be tendered to the City of Tulare upon receipt of permit.
- (2) A \$50 safety clean-up fee is required for each organization approved to sell. This fee is forfeited to the city in the event that the sales booth site is not left in a clean and orderly condition. Organizations forfeiting this fee must resubmit this fee prior to being permitted to sell the following year.

(I) Identification of Fireworks Booth Locations.

- (1) Each application shall contain a description of the site desired. Written permission of the property owner must be included in the application.
- (2) No booth shall be within 100 feet of any flammable liquid storage.
- (3) No booth shall be placed closer than 30 feet to any building or structure.
- (4) No booth shall be placed within 400 feet of another booth.

(J) Fireworks Booth Construction.

- (1) All retail sales of fireworks shall be permitted only from within a temporary fireworks booth. The sale from any other building or structure is hereby prohibited.
- (2) Fireworks booths need not comply with provisions of the ~~Uniform~~ California Building Code; provided the booth is erected under the supervision of the local Building Inspector who shall require the booth be constructed in a manner, which will, reasonably, insure the safety of attendant and patrons.
- (3) Each booth shall have a minimum of two exit doors.
- (4) All lighting appliances used in the booth must be safe and in good condition, all bulbs or fluorescent tubes must be shielded against accidental breakage or contact. No heating devices of any kind are permitted in or near fireworks booths.
- (5) All electrical wiring, including the power source, shall be installed to the satisfaction of the Building Inspector. Electrical wiring shall be at least 12 feet above the ground when subject to foot traffic, and 16 feet above the ground when subject to vehicle traffic.

(K) Operational Requirements.

- (1) No person other than a member of the licensee organization will be permitted to sell or otherwise participate.
- (2) All permits are non-transferable.

(3) All persons engaged in the selling of fireworks shall be over the age of 18 years. At least one person 21 years of age or older must be in attendance and in charge during the hours of booth operation.

(4) The hours of operations shall be limited as identified in sub-section B of this Section.

(5) Fireworks may be sold at the booth only.

(6) No sale or delivery thereof shall be made to any person under 16 years of age in accordance with Cal. Health and Safety Code § 12689(b).

(7) All permits and licenses shall be posted inside the booth.

(8) Broken or damaged fireworks are not to be sold. The items will be collected and a receipt issued so credit may be received from the vendor.

(L) Safety and Security.

(1) Each stand shall be provided with two (2) fire extinguishers, rated 2A10BC or better. Such equipment is to be serviceable and accessible during all business hours.

(2) No smoking is allowed within 50 feet of any booth.

(3) "No Smoking" signs shall be placed on all exterior sides of each booth and one such sign shall be posted within the booth.

(4) All weeds and combustible material shall be cleared from the location of the stand or within 30 feet thereof.

(5) No person shall light or cause to be lit any fireworks or other combustible article within 200 feet thereof.

(M) Permit Revocation.

(1) If, in the judgment of the Fire Chief or his or her agent or the Building Inspector or his or her agent, the construction of the booth or the conduct of the operation therein do not conform to the provisions of this article or if in any way the operation of the stand poses a threat to public safety, such officers or either of them, may have the permit revoked and/or the booth immediately closed.

(2) No person shall sell, store, hold or possess any fireworks classified as dangerous, including fire crackers, rockets or the like, from or within any booth. If such is discovered, the permit will be revoked and the booth immediately closed.

(3) Failure to remove all traces of the booth and/or any debris resulting from the operation thereof within 48 hours of the close of business on July 6, shall result in the loss of the cleanup security deposit.

(4) On the second Tuesday of May of each year, at 6:00 PM, there shall be a meeting of all fireworks permittees and the Fire Marshal, at 800 South Blackstone in the City of Tulare. Any organization failing to have a representative at this meeting will suffer loss of their permit.

SECTION 3. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 4. This ordinance shall be in full force and effective 30 days after adoption.

PASSED, ADOPTED AND APPROVED THIS ___ DAY OF _____, 2018

President of the Council and Ex-Officio
Mayor of the City of Tulare

ATTEST:

Chief Deputy City Clerk and Clerk of the
Council of the City of Tulare

AGENDA ITEM:

**CITY OF TULARE, CA
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Fleet Maintenance Division

For Council Meeting of: October 02, 2018

Documents Attached: Ordinance Resolution Staff Report Other None

AGENDA ITEM:

Approve the purchase amount of \$130,367.44 for the purchase of four (4) 2019 Ford Police Interceptor Patrol Vehicles from National Auto Fleet Group using State of California and Sourcewell Co-Operative Purchase Program.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

For the 2018 / 2019 budget year, the Police Department requested and was approved the purchase of four (4) replacement patrol vehicles.

Bid 19-667 was sent out to local vendors soliciting bids for four (4) AWD Police Interceptor Utility K8A vehicles. No bids were received.

The City is a member of the Sourcewell Cooperative Purchasing program (formally the NJPA) which is a national public service agency that provides for cooperative purchasing for government agencies. Thru Sourcewell a search was made of participating dealer's inventories to find and obtain four (4) units conforming the City specifications. Units were located at National Auto Fleet Group a Sourcewell participating dealer.

The City's Purchasing Policy (Section 4, page 18, O) allows for the Use of Cooperative Purchasing Agreements and gives the City Manager the authority to approve purchases over \$25,000.

Based upon the language in the purchasing policy and prior service that has been provided by National Auto Fleet Group whose in stock units meet the City specifications, staff is recommending making the purchase.

STAFF RECOMMENDATION:

Approve the purchase amount of \$130,367.44 for the purchase of four (4) 2019 Ford Police Interceptor Patrol Vehicles from National Auto Fleet Group using State of California and Sourcewell Co-Operative Purchase Program.

CITY ATTORNEY REVIEW/COMMENTS: Yes No N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

Submitted by: Steve Bonville

Title: General Services Director

Date: 09/24/2018

City Manager Approval: _____



National Auto Fleet Group

A Division of Chevrolet of Watsonville

490 Auto Center Drive, Watsonville, CA 95076

(855) 289-6572 • (855) BUY-NJPA • (831) 480-8497 Fax

Fleet@NationalAutoFleetGroup.com

September 24, 2018

Steve Bonville
City of Tulare
3989 South K Street
Tulare, Ca 93274
Delivery Via Email

Dear Mr. Bonville,

In response to your inquiry, we are pleased to submit the following for your consideration:

National Auto Fleet Group will sell, service and deliver at Sacramento, new/unused 2019 Police Interceptor Utilities responding to your requirement with the attached specifications for \$29,759.00 plus State Sales Tax, and \$8.75 tire tax (non-taxable). These vehicles are available under the Sourcewell (Formerly Known as NJPA) master vehicle contract# 120716-NAF. This unit includes Black and White Paint

| | |
|-------------------|-----------|
| Selling Price | 29,759.00 |
| Sales Tax 8.25% | 2,455.11 |
| Tire Tax | 8.75 |
| Delivery to Lehar | 369.00 |
| Total | 32,591.86 |

National Auto Fleet Group welcomes the opportunity to assist you in your vehicle requirements.

Kevin Buzzard
National Law Enforcement Sales Manager
National Auto Fleet Group
Wondries Fleet Group
626-457-5590 O
714-264-1867 C
626-380-1174 F
Buzzard5150@gmail.com



AGENDA ITEM:

**CITY OF TULARE, CA
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Police Department

For Council Meeting of: October 2, 2018

Documents Attached: Ordinance Resolution Staff Report Other None

AGENDA ITEM:

Authorize the City Manager to execute a sole source contract with Data Ticket, Inc., to provide services for the processing of parking citation payments and other related services, subject to minor conforming or clarifying changes as recommended by the City Attorney.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

The City of Tulare Police Department has been working without a contract for approximately eight months, related to the processing of parking citation payments and other related services. Data Ticket, Inc. is an industry provider, for at a cost of \$0.65 per citation, processes payments, remittances, issues notices, conducts hearings, as well as collections and is recommended as a sole source as a result, allowing the department to address its parking citation processing needs.

STAFF RECOMMENDATION:

Authorize the City Manager to execute a sole source contract with Data Ticket, Inc., to provide services for the processing of parking citation payments and other related services, subject to minor conforming or clarifying changes as recommended by the City Attorney.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER:

001-4221-2018

Signed: Barry Jones

Title: Interim Chief of Police

Date: 9/25/2018

City Manager Approval: _____

AGENDA ITEM: Gen Bus PH

**CITY OF TULARE, CA
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: City Attorney

For Council Meeting of: October 2, 2018

Documents Attached: Ordinance Resolution Other None

AGENDA ITEM:

Public Hearing to pass-to-print Ordinance 18-___ adopting Sections 1.70.010 (Payment for Prevailing Wages for Public Works Projects) and 1.70.020 (Exceptions) of Chapter 1.70 (Prevailing Wages) of Title 1 (Administrative) of the City of Tulare Municipal Code.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

Upon review of Resolution No. 14-75 staff finds the need to clarify portions related thereto regarding prevailing wage and to enact an ordinance indicating the same.

State Law, as adopted through State Bill 7 and Labor Code section 1782, provides that all city contracts for public works as defined in the Section, shall require payment of the prevailing wage schedule, if a city is to maintain eligibility for State and Federal grant funding.

All cities in California shall comply with Article 2 of Chapter 1, Part 7, Division 2 of the California Labor Code and with California Administrative Code provision enacted pursuant to those Articles.

The purpose of this Ordinance is to ensure that the City of Tulare remains eligible to receive funding for various projects from the State of California while, to the extent authorized by statute, preserving the City's ability to control the manner in which it contracts for municipal projects.

Subject to the provisions above, all City contracts for public works as defined in Labor Code section 1782 shall require payment of the prevailing wage schedule and shall comply with Article 2 of Chapter 1, Part 7, Division 2 of the California Labor Code and with California Administrative Code provisions enacted pursuant to those Articles.

STAFF RECOMMENDATION:

Pass-to-print Ordinance 18-___ adopting Sections 1.70.010 (Payment for Prevailing Wages for Public Works Projects) and 1.70.020 (Exceptions) of Chapter 1.70 (Prevailing Wages) of Title 1 (Administrative) of the City of Tulare Municipal Code.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER:

Submitted by: Mario Zamora

Title: Interim City Attorney

Date: September 6, 2018

City Manager Approval: _____

ORDINANCE 18-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TULARE ADOPTING SECTIONS 1.70.010 (Payment for Prevailing Wages for Public Works Projects) and 1.70.020 (Exceptions) OF CHAPTER 1.70 (Prevailing Wages) OF TITLE 1 (Administrative) OF THE CITY OF TULARE MUNICIPAL CODE

WHEREAS, the City Council of the City of Tulare, a Charter city under California law, finds the need to clarify portions of Resolution No. 14-75 regarding prevailing wage and to enact an ordinance indicating the same.

WHEREAS, State Law, as adopted through State Bill 7 and Labor Code section 1782, provides that all city contracts for public works as defined in the Section, shall require payment of the prevailing wage schedule, if a city is to maintain eligibility for State and Federal grant funding.

WHEREAS, all cities in California shall comply with Article 2 of Chapter 1, Part 7, Division 2 of the California Labor Code and with California Administrative Code provision enacted pursuant to those Articles.

WHEREAS, the purpose of this Ordinance is to ensure that the City of Tulare remains eligible to receive funding for various projects from the State of California while, to the extent authorized by statute, preserving the City's ability to control the manner in which it contracts for municipal projects.

WHEREAS, subject to the provisions above, all City contracts for public works as defined in Labor Code section 1782 shall require payment of the prevailing wage schedule and shall comply with Article 2 of Chapter 1, Part 7, Division 2 of the California Labor Code and with California Administrative Code provisions enacted pursuant to those Articles.

BE IT ORDERED BY THE COUNCIL OF THE CITY OF TULARE AS FOLLOWS TO WIT:

SECTION 1: A new chapter 1.70 “Prevailing Wages” is added to Title 1 “Administrative” of the Tulare Municipal Code to read as follows:

Chapter 1.70

PREVAILING WAGES

1.70.010 Payment of Prevailing Wages for Public Works Projects.
1.70.020 Exceptions.

1.70.010 **PAYMENT OF PREVAILING WAGES FOR PUBLIC WORKS PROJECTS.**
Except as provided in section 1.70.020, the city shall require the payment of prevailing wages for all of its public works projects to the same extent and in the same manner such wages would be required to be paid, if the city was subject to the requirements imposed upon contracts entered into

pursuant to the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the California Labor Code, as those provisions may be amended from time to time. Any notice inviting bids for such public works projects shall include notifications of the provisions of this section.

1.70.020 EXCEPTIONS. In accordance with Labor Code section 1782, the City's prevailing wage requirement does not apply to the following:

- A. A contract of \$25,000 or less when the contract is for construction work; or
- B. A contract of \$15,000 or less when the contract is for alteration, demolition, repair, or maintenance work.

SECTION 2: The City Council finds that this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

SECTION 3: If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

SECTION 4: All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 5: This ordinance shall be in full force and effective 30 days after adoption.

PASSED, ADOPTED AND APPROVED THIS ____ DAY OF _____, 2018

President of the Council and Ex-Officio
Mayor of the City of Tulare

ATTEST:

Chief Deputy City Clerk and Clerk of the
Council of the City of Tulare

AGENDA ITEM:

**CITY OF TULARE
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Community and Economic Development

For Council Meeting of: October 2, 2018

Documents Attached: **Ordinance** **Resolution** **Staff Report** **Other** **None**

AGENDA ITEM:

Public Hearing to pass-to-print Ordinance 18-___ approving Zoning Ordinance Amendment No. 730, amending Chapter 10.26 of the Municipal Code, related to revising the City’s requirements for processing annexations into the City’s limits. The Ordinance Amendment would affect properties city-wide as well as unincorporated properties located within the City’s Sphere of Influence.

IS PUBLIC HEARING REQUIRED: **Yes** **No**

BACKGROUND/EXPLANATION:

In response to comments from the local development industry, as well as the review and analysis of staff, an amendment to Municipal Code Section 10.26 “Annexations” is recommended. The purpose of the amendment would be to streamline the process and requirements for new annexation applications, as well as clearly defining the roles of staff, the Planning Commission, and the City Council in the annexation process..

The goal of this effort is to establish an annexation review process that includes submittal requirements that closely mimics the Tulare County Local Agency Formation Commission’s requirements, which are well vetted and consistent with State law. While an emphasis of this effort has been placed on encouraging an efficient process, multiple passages in the draft ordinance language make clear that any proposed annexation must be able to prove that the addition of the property or properties to the City will not result in an additional financial burden to existing City properties.

Given the relatively substantial scope of the revisions that have been made to Chapter 10.26, two attachments are provided to this staff report, a document comprising the current Chapter 10.26 text and a document depicting the proposed text. Specific changes to the existing text include the following:

10.26.010 Purpose – This section has been consolidated and re-written to emphasize that the purpose of the chapter is to:

- Assure orderly growth and development
- Assure that the City has the financial resources to service the proposed annexation, and
- Provide a process for annexing land into the City limits

10.26.020 Definitions – This section has been removed. Definitions of pertinent terms are provided in State law as necessary.

10.26.030 General Provisions – The General Provisions have been substantially consolidated and revised. Direct opposition to any proposed action for which city approval has not been sought has been removed. In addition, duplicative and unnecessary statements declaring opposition to waivers of notice and hearing or the provision of discretionary municipal services have also been removed.

10.26.040 City Applications – This section has been re-written to incorporate a number of the requirements in Section 10.26.060 Annexation Impact Reports. The goal of re-writing this section is to provide a single passage that describes the application content requirements, role of the Community Economic Director, role of the Planning Commission, role of the City Council, and the issues the City should consider prior to taking action on a proposed annexation.

10.26.050 Key City Utility Related Property Protection – This section affirms that the City will act consistently with its General Plan regarding land use decisions near the Wastewater Treatment Plant. This section is considered unnecessary, as the General Plan already provides the land use designations for the areas surrounding the Plant.

10.26.060 Annexation Impact Reports – This section was combined with 10.26.040 City Applications. However, some components of the report requirements, particularly City staff's analysis requirements of the annexation impact report as well as provisions for requiring more detailed fiscal impact reports, specific plans, and proposed dedications have been deleted as being unnecessarily burdensome on potential annexation applicants.

10.26.070 Annexation Agreements – This section was slightly revised to consolidate the statement allowing the City to require an agreement.

10.26.080 Proposed Zoning – This section was kept intact.

10.26.090 Standards for Evaluating Applications – Standards for evaluating applications have been consolidated with the standards in 10.26.060 and 10.26.040. The proposed standards now reside within Section 10.26.030 as opposed to being dispersed throughout the Chapter.

10.26.100 – Petitions – This section was kept intact.

10.26.110 Extraterritorial Service – California Government Code Section 56133 provides guidance for when and how a city may provide or extend services to areas outside its jurisdictional boundary. Section 10.26.110 narrowed the City's options for when it may seek to provide extraterritorial services. The revised Chapter deletes this section under the premise that State law already identifies the circumstances under which a City may provide extraterritorial services and further refining these circumstances reduce the City's options for providing services when it may be beneficial for both the City and the receiving area.

10.26.120 Post Annexation, 10.26.130 Applicability Date, 10.26.140 Severability, 10.26.150 Construction of this Chapter– These sections are considered unnecessary and have been deleted.

In addition to the revisions noted above, several sections have been added to the Chapter for Commission consideration. Specifically, sections have been added to provide details on the duties of the Planning Commission, City Council, and Local Agency Formation Commission with regard to reviewing and considering annexation applications. A final section has also

been added that specifically subjects any properties annexed to the City to taxation equally with property already within the City.

The proposed revisions were reviewed and considered by the Planning Commission on August 13, 2018. The Planning Commission voted unanimously to recommend that the City Council adopt the proposed Zoning Ordinance Amendment.

ENVIRONMENTAL:

The proposed Zoning Ordinance Amendment is exempt from Environmental Review under the California Environmental Quality Act (CEQA), pursuant to Section 15061(B)(3).

No comments have been received during the public review period.

STAFF RECOMMENDATION:

Pass-to-print Ordinance 18-___ approving Zoning Ordinance Amendment No. 730, amending Chapter 10.26 of the Municipal Code, related to revising the City's requirements for processing annexations into the City's limits. The Ordinance Amendment would affect properties city-wide as well as unincorporated properties located within the City's Sphere of Influence.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER: N/A

Submitted by: Josh McDonnell

Title: Community and Economic Development Director

Date: October 2, 2018

City Manager Approval: _____

ATTACHMENT 1

PROPOSED

CHAPTER 10.26: ANNEXATIONS

Section

- 10.26.010 Purpose.
- 10.26.020 General provisions.
- 10.26.030 Application.
- 10.26.040 Annexation agreements.
- 10.26.050 Proposed zoning.
- 10.26.060 Petitions.
- 10.26.070 Planning Commission duties.
- 10.26.080 City Council duties.
- 10.26.090 Tulare County Local Formation Commission.
- 10.26.100 Taxation Authorization.

§ 10.26.010 Purpose.

(A) The purpose of this chapter is to:

- (1) Assure orderly growth and development, which are essential to the social, fiscal, and economic well-being of the City and its residents; and
- (2) Assure that the need for services and facilities are weighed against the total financial resources available for securing such services and facilities; and
- (3) Provide a process for the annexation of land into the City limits.

§ 10.26.020 General provisions.

Whether initiated by petition or by resolution for application, the following general provisions will apply with regard to all proposed or requested annexation actions:

- (A) Staff is authorized to take all actions and file any protests or notices necessary to protect and preserve city rights and opportunities for further comment or action; whether in connection with LAFCO or any other entity to the extent the city is an “affected city,” as defined in Cal. Gov’t Code § 56011 or as amended.
- (B) The city's adopted General Plan and Zoning Ordinance reflect the City Council's statement of the city's intentions with regard to future development and expansion. City staff is to work with the County of Tulare and LAFCO to implement the City Council's intent in documents and processes within their jurisdiction and with regard to all actions to achieve consistency with the city's adopted General Plan and Zoning Ordinance.
- (C) Complete applications are required and fees must be paid before processing any annexation request.

(D) The city will seek to recover the costs of facilities and system capacities needed by any annexed properties proposed for annexation in a manner consistent with the city's connection fee and development impact fee programs.

§ 10.26.030 Application.

(A) An application for an annexation shall be initiated with the City by submission of an application to the Community and Economic Development Department. The Community and Economic Development Director is directed to establish appropriate application forms, fee studies, and processes and to issue administrative guidelines defining a "complete" application and to set the required number of copies. The application materials shall include, but not be limited to, the following:

(1) A copy of any annexation or pre-annexation agreement between the party and the City or between the party and the county;

(2) Copies of any known studies or reports by any local governmental agency concerning the condition of the infrastructure and any service deficiencies within the area proposed for annexation;

(3) A statement regarding the nature and extent of existing public safety and emergency services and an evaluation of additional such services required with regard to the area proposed to be annexed;

(4) A statement of the applicant's plans (if any) for extending, financing, and providing municipal services within the area to be annexed;

(5) A summary identifying all existing special districts within the area to be annexed;

(6) A map of the city and adjacent area showing;

(a) Present and proposed boundaries of the city in the vicinity of the proposed annexation;

(b) The present streets, major trunk water lines, sewer interceptors and outfalls, other utility lines and ditches and the proposed extension of such streets and utility lines in the vicinity of the proposed annexation;

(c) The existing and proposed land use patterns in the areas to be annexed;

(7) A map and legal description of the area proposed to be annexed.

(B) The Applicant/Petitioner shall be responsible for the cost of preparing all environmental documentation required by the California Environmental Quality Act associated with the proposed annexation.

(C) Only owners of the properties proposed for annexation using the city resolution process permitted under Cal. Gov't Code § 56654, and registered electors within the proposed area proposed for annexation (or an organization lawfully formed by them to represent their interests), may submit an application.

(D) Community and Economic Development Director. The Community and Economic Development Director shall administer all city processes required by either the Act or this chapter in cooperation with department heads from other affected departments. Upon receipt of an application, the Director shall determine if the application is complete and will notify the applicant within 30 days if the application is

deficient in any manner. Deficient applications will not be processed further until the defects are remedied.

(E) In connection with any LAFCO sphere of influence reviews, LAFCO annexation proceedings, or annexation pre-application (collectively, the action) processes the Director will perform an evaluation identifying potential city issues and will make recommendations with regard to such issues. At a minimum the following issues will be analyzed:

(1) Whether the property meets the statutory requirements for annexation.

(2) Whether the property is within the City of Tulare's sphere of influence as shown on the last adopted city General Plan.

(3) Whether the proposed action is consistent with intergovernmental agreements where the city is a party.

(4) Whether the proposed action creates concerns regarding the city's finances or ability to provide municipal services (including without limitation municipal utility services) to the entire city if the proposed action is approved.

(5) Projects that will be required or impacted if the city supports the proposed action or if it is completed.

(6) City policies that will be affected (such as voting districts, by way of example) if the proposed action is completed.

(7) Any other foreseeable consequences about which the Planning Commission and City Council should be informed.

(F) In connection with proposed annexations which include inhabited territory, at a minimum, the following additional standards will be applied:

(1) The Pavement Condition Index (PCI), as applied to city streets through the city's adopted Transportation System Management Policy will be used to assess the transportation infrastructure and service needs;

(2) The factors specified in Cal. Health and Safety Code §§ 33030 - 33031 for determining whether "blight" exists and its degree; and,

(3) Expected specific increases to city general fund and other fund revenues and other articulable expected city benefits are to equal or exceed the expected increased city disbursements and expected adverse city impacts;

(G) Staff decisions are reviewable by City Manager. All final decisions of City Manager are appealable to the City Council.

§ 10.26.040 Annexation agreements.

The city may require that applicants requesting a resolution for application from the Council enter into an Annexation agreement with the city as a condition to issuing a resolution of application for a proposed annexation. The annexation agreement may contain provisions for zoning of the property, the

physical development of the property, the timing of development, the allocation of the cost of required public improvements and services, and/or other matters relating to the public interest.

§ 10.26.050 Proposed zoning.

(A) The proposed zoning for the area to be annexed may be addressed in an annexation agreement pursuant to § 10.26.040. The annexation agreement may provide for further reorganization to detach the property if, after annexation, the proposed zoning is materially different than that specified in the annexation agreement.

(B) The city may zone the property either concurrent with the proposed annexation or within 90 days of recording of the annexation.

§ 10.26.060 Petitions.

(A) When LAFCO annexation proceedings are initiated by landowner or voter petitions, the city will fully participate in proceedings in a manner consistent with the provisions, purposes, and objectives in this chapter. City staff is directed and authorized to take all actions consistent with these directions. Such participation will include, without limitation, the following:

(1) Seeking LAFCO imposition of terms and conditions on any annexations to mitigate adverse impacts and to implement the provisions of this chapter;

(2) If preliminary staff analysis demonstrates the potential for significant adverse fiscal or other impacts to the city, staff is directed to take all actions to mitigate such adverse impacts and to fully inform the City Council regarding such events;

(3) Pursue formation of improvement districts and Mello-Roos districts and other financing tools to address significant blight, infrastructure deficiencies, and anticipated disproportionately burdensome service costs as terms and conditions for annexation;

(4) Negotiate in good faith with the County of Tulare for a property tax transfer agreement based on the anticipated financial impacts to the city;

(5) Prepare and publish factual information describing likely impacts to the residents in the proposed annexation area and to the city in connection with the proposed action. Such information should include, but not be limited to, any information that might be helpful in with the process and in describing differences between being in the county and being in the city such as the following: tax differences, land use regulation, code enforcement and animal control ordinance standards, potential effects of the city's water and sewer ordinances, specific city fees, assessments related to indebtedness, procedures and policies defined by this chapter.

(B) Staff will, in all discussions, negotiations and processes established by the Act or otherwise, seek to cause an application with all related fees and costs and deposits to be filed with the city in order to be able to complete the Annexation impact report described in § 10.26.060 above and all city reviews allowed by the Act and provided for in this Code.

(C) Regardless of whether that occurs, the city's efforts to obtain fair share contributions from the other agencies for impact related costs and LAFCO imposed terms and conditions will be the same whether the annexation process is commenced by a resolution for application of annexation or by landowner/voter petition directly to LAFCO.

§ 10.26.070 Planning Commission duties

(A) Public Hearing Required. Following acceptance of an application, the Planning Commission shall conduct a public hearing for consideration of the application with the following minimum requirements:

(1) Notice of a hearing shall be given in accordance with Chapter 10.16 Public Hearings of this article.

(2) The Planning Commission shall conduct the public hearing and hear testimony for and against the application. A public hearing may be continued without additional public notice.

(3) Following the conclusion of the public hearing, the Planning Commission shall make written recommendations to the City Council to approve, approve with conditions or modifications, or deny the application as submitted or in modified form and shall make written findings supporting the reasons for the recommendation.

§ 10.26.080 City Council duties

(A) Public Hearing Required. After the Planning Commission makes a recommendation on the application the City Council shall hold a public hearing on the application with the following minimum requirements:

(1) Notice of a hearing shall be given in accordance with Chapter 10.16 Public Hearings of this article.

(2) The City Council shall conduct the public hearing and hear testimony for and against the application. A public hearing may be continued without additional public notice.

(3) Following the conclusion of the public hearing, the City Council shall approve, modify, or reject the Planning Commission's recommendation, provided that a substantial modification not previously considered by the Planning Commission shall be referred to the Planning Commission for a written recommendation prior to consideration of an amendment. Prior to adoption of an annexation, the City Council shall make written findings supporting the reason for the decision. Approval of the annexations shall be by adoption of a resolution of application.

(B) Property Tax Exchange Resolution. If the City Council adopts a resolution of application in accordance with Section 56700 of the Government Code, the Council shall also adopt a property tax exchange resolution in accordance with Section 99 of the Revenue and Taxation Code establishing the amount of property tax revenues to be exchanged between and among local agencies whose service area or service responsibility will be altered by the amount of, and allocation factors with respect to, property tax revenue estimated from the proposed application.

(C) Filing. The City Council shall direct the Tulare City Clerk to file a certified copy of the resolution of application and a copy of the property tax exchanged resolution with the executive officer of the Tulare County Local Agency Formation Commission (LAFCO)

§ 10.26.090 Tulare County Local Agency Formation Commission (LAFCO)

Following approval of the resolution of application by the city council, the applicant shall submit an application to the Tulare County LAFCO in order to initiate annexation proceedings with that agency.

§ 10.26.100 Taxation authorization

In addition to any and all fees, all property annexed to the city shall be subjected to taxation equally with property within the city, and to pay and bonded indebtedness outstanding or authorized on the effective date of the annexation.

ATTACHMENT 2

EXISTING

CHAPTER 10.26: ANNEXATIONS

Section

- [10.26.010](#) Purpose.
- [10.26.020](#) Definition.
- [10.26.030](#) General provisions.
- [10.26.040](#) City applications.
- [10.26.050](#) Key city utility related property protection.
- [10.26.060](#) Annexation impact reports.
- [10.26.070](#) Annexation agreements.
- [10.26.080](#) Proposed zoning.
- [10.26.090](#) Standards for evaluating applications.
- [10.26.100](#) Petitions.
- [10.26.110](#) Extraterritorial service.
- [10.26.120](#) Post annexation.
- [10.26.130](#) Applicability date.
- [10.26.140](#) Severability.
- [10.26.150](#) Construction of this chapter.

§ 10.28.010 Purpose.

(A) This chapter sets forth City Council policies, processes, and directions in relation to processes connected with LAFCO actions such as annexation petitions, sphere of influence determination proceedings, and requests for extraterritorial city services. By this chapter Council intends to:

(1) Ensure that city's internal processes are orderly and efficient, that adequate municipal services are, or can be made, available to annexed properties to meet health and safety standards; and

(2) Assure that annexations will not cause unreasonable and unanticipated adverse financial impacts to the city nor undermine the city's ability to provide essential municipal services within existing city limits; and

(3) Provide city staff with direction and authorization to take all actions within the deadlines contained in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Cal. Govt. Code §§ 56000 *et seq.* ("the Act"), and to preserve the city's rights and the city's ability to meaningfully participate in proceedings, all as permitted under the Act; and

(4) Provide notice of the city's internal policies, processes, and directions to city staff in connection with discretionary acts permitted under the Act.

(B) This chapter promotes fulfillment of the City Council's intent that the fiscal impact of annexation, subdivision and development should properly be borne by those parties who receive the benefits therefrom to the maximum extent permitted by law.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.020 Definitions.

Unless otherwise stated, all other terms used in this chapter which coincide with terms defined by the Act will carry the definitions stated in the Act.

ACTION. Any determination or decision made by LAFCO.

ANNEXATION AGREEMENT. A contract between a property owner and the city in connection with a proposed annexation into the city, which may include provisions for: property pre-zoning, property development, timing of development, dedications, cost recovery and allocation of costs for required public improvements and service costs, and any other matters relating to the public interest.

ANNEXATION APPLICATION. An application filed with the city requesting that the City Council issue a resolution of application for annexation to LAFCO.

ANNEXATION REQUEST. An application filed with the city requesting that the City Council issue a resolution in support of the applicant's landowner/ voter LAFCO petition to be annexed to the city.

APPLICATION. Either an annexation application, annexation request or an extraterritorial service application or combination of the above, depending upon context.

DEVELOPMENT AGREEMENT. A contract between a developer and the city in connection with any discretionary development approval, including without limitation, rezoning, subdivision and/or planned development approval.

EXTRATERRITORIAL SERVICE APPLICATION. An application filed with the city requesting that the City Council issue a resolution in support of the applicant's LAFCO petition for the city to provide extraterritorial services to the applicant's property outside of the city limits.

LAFCO. The County of Tulare Local Agency Formation Commission.

PETITION. A petition filed by a third party with LAFCO.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.030 General provisions.

Whether initiated by petition or by resolution for application, the following general provisions will apply with regard to all proposed or requested actions:

(A) Staff is authorized to take all actions and file any protests or notices necessary to protect and preserve city rights and opportunities for further comment or action; whether in connection with LAFCO or any other entity to the extent the city is an affected city, as defined in Cal. Gov't Code § 56011 or as amended. Without limitation, staff is authorized to do the following to preserve the city's rights and opportunities:

(1) File a written demand on behalf of the city objecting to waiver of notice and hearing as allowed by Cal. Gov't Code § 56663(b);

(2) Prepare and submit letters to LAFCO correcting errors, stating factual information, or stating city's position in connection with any LAFCO proceedings regarding proposed actions reasonably likely to impact the city's financial status, financial plans, work plans, staffing, programs, projects, policies, or any of the foregoing in any combination.

(B) The city's adopted General Plan and Zoning Ordinance reflect the City Council's statement of the city's intentions with regard to future development and expansion; city staff is to work with the County of Tulare and LAFCO to implement the City Council's intent in documents and processes within their jurisdiction and with regard to all actions to achieve consistency with the city's adopted General Plan and Zoning Ordinance.

(C) To the maximum extent permitted by law, the city will not provide discretionary municipal services or make improvements to infrastructure in areas into which the city does not intend to grow or expand or in areas annexed to the city which were outside of the sphere of influence line defined in the city's adopted General Plan until clearly defined methods for paying and financing such services and improvements are specified.

(D) Applications are required and fees must be paid before processing any request to the city for a resolution or other Council or Board of Public Utilities actions or approval in connection with the following: mandatory service review, sphere of influence proposed actions, annexation pre-application meetings and services, pre-zoning applications, reorganizations as defined by the Act, plans for service creation (Cal. Gov't Code § 56653), and creation of financing mechanisms and satisfaction of conditions in connection with Cal. Gov't Code §56886, and all California Environmental Quality Act (CEQA) compliance related to the foregoing. The City Council will from time to time set deposit and fees amounts by resolution.

(E) City staff will analyze and report on the financial, project, programming, and General Plan impacts with regard to any extraterritorial service application.

(F) The city will seek to recover the costs of facilities and system capacities needed by any annexed properties proposed for annexation in a manner consistent with the city's connection fee and development impact fee programs.

(G) The city opposes, and staff is directed to take any and all actions permitted by law to express such opposition and to stop any proposed actions for which city approval has not been sought or denied by the city, in compliance with the provisions of this Code.

(H) Subdivision review may be conducted concurrently with initial zoning or with site-plan review.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.040 City applications.

(A) *Petitioner/applicant.* Any person filing an application is required to prepare all necessary documents to be filed with the city in a complete manner and submit the required number of copies of complete sets of all documents. The Planning Director is directed to establish appropriate application forms, fee studies, and processes and to issue administrative guidelines defining a "complete" application and to set the required number of copies. The City Council may set required elements, formats, timelines, and standards for such applications from time to time by resolution.

(B) Only owners of the properties proposed for annexation using the city resolution process permitted under Cal. Gov't Code § 56654, and registered electors within the proposed area proposed for annexation (or an organization lawfully formed by them to represent their interests), may submit an application.

(C) *Planning Director.* The Planning Director shall administer all city processes required by either the Act or this chapter in cooperation with department heads from other affected departments. Upon receipt of an application, the Planning Director shall determine if the application is complete and will notify and applicant within 30 days if the application is deficient in any manner. Deficient applications will not be processed further until the defects are remedied. In connection with any LAFCO sphere of influence reviews, LAFCO annexation proceedings, or annexation pre-application (collectively, the

action) processes the Planning Director will perform an evaluation identifying potential city issues and will make recommendations with regard to such issues. At a minimum the following issues will be analyzed:

- (1) Whether the property meets the statutory requirements for annexation.
- (2) Whether the property is within the City of Tulare's sphere of influence as shown on the last adopted city General Plan.
- (3) Whether the proposed action is consistent with intergovernmental agreements where the city is a party.
- (4) Whether the proposed action creates concerns regarding the city's finances or ability to provide municipal services (including without limitation municipal utility services) to the entire city if the proposed action is approved.
- (5) Projects that will be required or impacted if the city supports the proposed action or if it is completed.
- (6) City policies that will be affected (such as voting districts, by way of example) if the proposed action is completed.
- (7) Any other foreseeable consequences about which the City Council should be informed.

(D) *City Manager/City Clerk.* The City Manager/City Clerk or deputy designee will comply with all public notice requirements for any public hearings before the City Council or Board of Public Utilities in the manner required by state law. The City Clerk will also be responsible for serving any adopted city resolutions, ordinances or other documents evidencing City Council or Board of Public Utility actions on LAFCO, the County Board of Supervisors, or any other party on which a notice or comment is to be served to be effective, under the Act.

(E) *Public Works Director.* The Public Works Director, in consultation with the City Engineer and Finance Director will evaluate city's available infrastructure and planned infrastructure and the funding available for new infrastructure and the requirements to remedy existing infrastructure deficiencies, and will render an opinion regarding the impacts of the proposed action. This evaluation will consider the condition of public infrastructure in the property subject to the action.

(F) *Police Chief and Fire Chief.* The Police and Fire Chiefs will assess the needs and capabilities of providing all public safety and emergency services in connection with proposed actions and in particular will, in consultation with the Finance Director, estimate the costs of any change in service requirements. For purposes of this paragraph the term, **PUBLIC SAFETY AND EMERGENCY SERVICES** includes, without limitation, code enforcement and animal control and sheltering services.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.050 Key city utility related property protection.

The city will act consistently with its General Plan and any plans adopted by the City Council or the Board of Public Utilities to protect the buffer around its wastewater pollution control facility ("wastewater treatment plant") from land uses or activities that might induce growth that could jeopardize or significantly increase costs of operating the wastewater treatment plant. The city will similarly act to protect its entire utility infrastructure system and the adopted expansion, operating, replacement, and maintenance plans associated with its municipal utility systems.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.060 Annexation impact reports.

(A) Included, without limitation, in the processing of annexation applications, will be a requirement for an annexation impact report that will be prepared for parcels larger than ten acres. The report will be used as a basis for property tax exchange negotiations with the county as provided for in Cal. Revenue and Taxation Code § 99, for CEQA reviews, and for allowing the city to prepare all reports required or helpful to participating in proceedings under the Act, and will be a condition of the City Council issuing any resolution in connection with a proposed action. Applicants will be responsible for the costs of preparing the annexation impact report. Fees and deposits for the annexation impact report will be set by City Council resolution.

(B) Applicants will submit the following at a minimum:

(1) A copy of any annexation or pre-annexation agreement between the party and the city or between the party and the county;

(2) A proposed voting district that will apply if the property is annexed;

(3) Copies of any studies or reports by any local governmental agency concerning the condition of the infrastructure and any service deficiencies within the area proposed for annexation;

(4) The nature and extent of existing public safety and emergency services (as defined in § 10.26.040) and an evaluation of additional such services required with regard to the area proposed to be annexed;

(5) A statement of the applicant's plans (if any) for extending, financing and providing municipal services within the area to be annexed;

(6) A statement identifying all existing special districts within the area to be annexed;

(7) A map of the city and adjacent area showing;

(a) Present and proposed boundaries of the city in the vicinity of the proposed annexation;

(b) The present streets, major trunk water lines, sewer interceptors and outfalls, other utility lines and ditches and the proposed extension of such streets and utility lines in the vicinity of the proposed annexation;

(c) The existing and proposed land use patterns in the areas to be annexed;

(8) A map and legal description of the area proposed to be annexed;

(9) As to urbanized areas, a written plan specifying how compliance will be achieved with City of Tulare Municipal Code § [7.20.160](#) (Duty to connect to municipal sewer) and related provisions in the city's Sewer Code.

(C) City staff will, at the applicant's expense, analyze and include in the report determinations regarding the following:

(1) The condition of the transportation system including without limitation the portion of the transportation used for multi-modal transportation purposes along with an estimate of the costs of required improvements;

(2) An evaluation of whether blight exists, as defined in Cal. Health and Safety Code §§ 33030 - 33031, and if so the programs needed to remedy the blight and the best preliminary estimate that can be made of the costs to remediate such blight.

(3) Staffs recommendation on whether the city should notify LAFCO that it elects to succeed or to not succeed to any Williamson Act contracts in the proposed annexation area pursuant to Cal. Gov't Code § 51243.5.

(4) Staffs discussion and recommendations regarding city comments and suggestions for inclusion into the comprehensive fiscal analysis that LAFCO must perform pursuant to Cal. Gov't Code § 56800.

(5) Staffs discussion and recommendation regarding a Council finding about whether the proposed service plan is feasible and whether the annexation is feasible from both the standpoint of the property proposed to be annexed as well as from the impacts the annexation will likely have on the existing city services and capacities.

(D) The city may also require that a more detailed fiscal impact report be prepared under its direction at the applicant's expense if needed by the city to evaluate the fiscal costs and benefits of the proposed annexation over a multi-year period and to devise a financing and funding plan to make the annexation feasible or to mitigate adverse financial impacts to existing city residents.

(E) The city may also require a specific plan as described in Cal. Gov't Code §§ 65450 *et seq.*, be prepared at the applicant's expense to show the infrastructure plan and to allow the city to prepare a meaningful plan for services as described in Cal. Gov't Code § 56653.

(F) Staff discussion and analysis as to proposed dedications to be requested of LAFCO as terms and conditions of annexation pursuant to § [10.26.080](#).

(G) Nothing in this chapter shall be construed as preempting the Planning Commission's role in recommending approval of the zoning for the property. The Planning Commission shall conduct a public hearing on any application for the initial zoning of the property separately from any proposed action related application review process; although the zoning hearing and any hearings concerning an annexation proposal before the City Council may occur on the same date.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.070 Annexation agreements.

(A) The city may require that applicants requesting a resolution for application from the Council enter into an Annexation agreement with the city as a condition to issuing a resolution of application for a proposed annexation. The annexation agreement may contain provisions for zoning of the property, the physical development of the property, the timing of development, the allocation of the cost of required public improvements and services, and/or other matters relating to the public interest.

(B) Any annexation agreement entered into will address the issues and concerns raised by any of the studies and reports required under this chapter.

(C) All executed annexation agreements shall be recorded with the appropriate County Clerk/Recorder.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.080 Proposed zoning.

(A) The proposed zoning for the area to be annexed may be addressed in the annexation agreement. The annexation agreement may provide for further reorganization to detach the property if, after annexation, the proposed zoning is materially different than that specified in the annexation agreement.

(B) The city may zone the property either concurrent with the proposed annexation or within 90 days of recording of the annexation.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.090 Standards for evaluating applications.

The City Council may from time to time adopt standards for evaluating applications. Such evaluation standards will be applied to applications requesting a resolution for application from the city and may

also be used in connection with LAFCO landowner/voter petitions, in formulating specific property tax transfer negotiation proposals to the County of Tulare, for formulating comments and a request to LAFCO to impose specific terms and conditions in relation to any determinations and approvals it makes, and as allowed by Cal. Gov't Code § 56886. In connection with proposed annexations which include inhabited territory, at a minimum, the following standards will be applied:

(A) The Pavement Condition Index (PCI), as applied to city streets through the city's adopted Transportation System Management Policy will be used to assess the transportation infrastructure and service needs;

(B) The factors specified in Cal. Health and Safety Code §§ 33030 - 33031 for determining whether "blight" exists and its degree;

(C) Expected specific increases to city general fund and other fund revenues and other articulable expected city benefits are to equal or exceed the expected increased city disbursements and expected adverse city impacts.

(D) Staff decisions are reviewable by City Manager. All final decisions of City Manager are appealable to the City Council.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.100 Petitions.

(A) When LAFCO annexation proceedings are initiated by landowner or voter petitions the city will fully participate in proceedings in a manner consistent with the provisions, purposes and objectives in this chapter. City staff is directed and authorized to take all actions consistent with these directions. Such participation will include, without limitation, the following:

(1) Seeking LAFCO imposition of terms and conditions on any annexations to mitigate adverse impacts and to implement the provisions of this chapter;

(2) If preliminary staff analysis demonstrates the potential for significant adverse fiscal or other impacts to the city, staff is directed to take all actions to mitigate such adverse impacts and to fully inform the City Council regarding such events;

(3) Pursue formation of improvement districts and Mello-Roos districts and other financing tools to address significant blight, infrastructure deficiencies, and anticipated disproportionately burdensome service costs as terms and conditions for annexation;

(4) Negotiate in good faith with the County of Tulare for a property tax transfer agreement based on the anticipated financial impacts to the city;

(5) Prepare and publish factual information describing likely impacts to the residents in the proposed annexation area and to the city in connection with the proposed action. Such information should include, but not be limited to, any information that might be helpful in with the process and in describing differences between being in the county and being in the city such as the following: tax differences, land use regulation, code enforcement and animal control ordinance standards, potential effects of the city's water and sewer ordinances, specific city fees, assessments related to indebtedness, procedures and policies defined by this chapter.

(B) Staff will, in all discussions, negotiations and processes established by the Act or otherwise, seek to cause an application with all related fees and costs and deposits to be filed with the city in order to be able to complete the Annexation impact report described in § [10.26.060](#) above and all city reviews allowed by the Act and provided for in this Code.

(C) Regardless of whether that occurs, the city's efforts to obtain fair share contributions from the other agencies for impact related costs and LAFCO imposed terms and conditions will be the same

whether the annexation process is commenced by a resolution for application of annexation or by landowner/voter petition directly to LAFCO.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.110 Extraterritorial service.

The city will only seek LAFCO approval to provide extraterritorial services pursuant to Cal. Gov't Code § 56133 in the following circumstances:

(A) Where application for a resolution to annex is anticipated to be filed with the city within three years of the city's application to LAFCO to provide extraterritorial services pursuant to an annexation agreement to which the city is a party; or

(B) Under circumstances in which the City Council makes findings that providing extraterritorial services are in the best interests of the city and that annexation of the area will not compromise the purposes and intent of this chapter.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.120 Post annexation.

(A) Following an annexation the following will apply:

(1) The Finance Director will provide prompt written notice to all service-suppliers of the boundary change for purposes of collecting the city's utility users tax and will notify any residents in the area by letter of the applicability of the tax.

(2) The Public Works Director will promptly notify the residents within the annexed area of the current city water conservation stage and the rules applicable to such stage.

(3) The Police Chief, or his or her Code Enforcement Division supervisor, will promptly send written notice to all property owners identifying City Code violations that are subject to penalization or abatement and will begin the Code Enforcement process to bring violations of the City Code into compliance. Said notices will include, without limitation, any nonconforming keeping of animals and will advise regarding the period during which non-conforming use of the properties must be abated.

(4) All lands shall be designated OS (open space) districts, unless otherwise classified through pre-zoning at the time of annexation.

(B) Following a landowner/voter petition initiated annexation of any property not within the city's sphere of influence as shown in its adopted General Plan or opposed by the city at LAFCO, or for which City proposed terms and conditions to mitigate city service capacity and financial concerns are rejected by LAFCO, at a minimum the following will apply:

(1) The city will take full advantage of the financial provisions provided by Cal. Gov't §§ 56886.6, and 56886.7.

(2) No projects will be commenced within the annexed area except those selected and approved through the Tulare Project Management System Policy adopted by the City Council.

(3) The city will make all efforts to assure services are maintained within the non-newly annexed portions of the city before extending compelled services into newly annexed areas.

(4) City will seek all financing and revenue mechanisms available to it to pay for services required in newly annexed areas that exceed the service standards in existing portions of the city.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.130 Applicability date.

The chapter is applicable to the processing of applications and petitions dated after the effective date of this chapter.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.140 Severability.

If any portion of this chapter is found to be unconstitutional or invalid, the City Council hereby declares that it would have enacted the remainder of this chapter regardless of the absence of any such invalid part and that the unconstitutional or invalid portion may be severed from the chapter without affecting the validity of the remaining portion.

(Ord. 15-09, passed 1-19-2016)

§ 10.26.150 Construction of this chapter.

(A) This chapter is intended to be consistent with the Act and is to be construed accordingly.

(B) All other provisions of this Code pertaining to any topic subject to this chapter are to supplement this chapter and are to be interpreted consistently with the provisions of this chapter.

(Ord. 15-09, passed 1-19-2016)

ORDINANCE 18-_____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF TULARE REPEALING
CHAPTER 10.26 OF TITLE 10 (ZONING) OF THE MUNICIPAL CODE IN ITS
ENTIRETY AND RESTATING AND ADDING CHAPTER 10.26 (ANNEXATIONS TO
REVISE THE ANNEXATION PROCESS.

The City Council of the City of Tulare, State of California, ordains as follows:

WHEREAS, To protect the public health, safety, and welfare, it is the desire of the City Council of the City of Tulare to modify Zoning Ordinance Chapter 10.26 regarding the revision of the Annexation process. The Zoning Ordinance Amendment would affect properties city-wide.

WHEREAS, The City Council of the City of Tulare determined that the proposed amendment is in the public interest.

WHEREAS, The City Council of the City of Tulare determined the proposed action will promote the goals and objectives of the Zoning Title as prescribed in Section 10.04.020 of the Tulare City Code.

WHEREAS, The City Council of the City of Tulare determined that the proposed request will not be detrimental to the public health, safety, and welfare or be materially injurious to properties or improvements in the vicinity.

WHEREAS, At a duly noticed public hearing on October 2, 2018, the Planning Commission of the City of Tulare reviewed and recommended that the City Council revise Chapter 10.120 of Title 10 (Zoning) of the Municipal Code and associated references to Chapter 10.120 in other chapters of Title 10 (Zoning) of the Tulare Municipal Code.

WHEREAS, The Zoning Ordinance Amendment is exempt from Environmental Review under the California Environmental Quality Act (CEQA), pursuant to Section 15061(B)(3).

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TULARE, CALIFORNIA AS FOLLOWS:

SECTION I: Chapter 10.26 of Title 10 (Zoning) of the Tulare Municipal Code is repealed in its entirety.

SECTION II: Chapter 10.120 of Title 10 (Zoning) of the Tulare Municipal Code is re-stated and added as follows:

CHAPTER 10.26: ANNEXATIONS

Section

- 10.26.010 Purpose.
- 10.26.020 General provisions.
- 10.26.030 Application.
- 10.26.040 Annexation agreements.
- 10.26.050 Proposed zoning.
- 10.26.060 Petitions.
- 10.26.070 Planning Commission duties.
- 10.26.080 City Council duties.
- 10.26.090 Tulare County Local Formation Commission.
- 10.26.100 Taxation Authorization.

§ 10.26.010 Purpose.

(A) The purpose of this chapter is to:

- (1) Assure orderly growth and development, which are essential to the social, fiscal, and economic well-being of the City and its residents; and
- (2) Assure that the need for services and facilities are weighed against the total financial resources available for securing such services and facilities; and
- (3) Provide a process for the annexation of land into the City limits.

§ 10.26.020 General provisions.

Whether initiated by petition or by resolution for application, the following general provisions will apply with regard to all proposed or requested annexation actions:

(A) Staff is authorized to take all actions and file any protests or notices necessary to protect and preserve city rights and opportunities for further comment or action; whether in connection with LAFCO or any other entity to the extent the city is an “affected city,” as defined in Cal. Gov't Code § 56011 or as amended.

(B) The city's adopted General Plan and Zoning Ordinance reflect the City Council's statement of the city's intentions with regard to future development and expansion. City staff is to work with the County of Tulare and LAFCO to implement the City Council's intent in documents and processes within their jurisdiction and with regard to all actions to achieve consistency with the city's adopted General Plan and Zoning Ordinance.

(C) Complete applications are required and fees must be paid before processing any annexation request.

(D) The city will seek to recover the costs of facilities and system capacities needed by any annexed properties proposed for annexation in a manner consistent with the city's connection fee and development impact fee programs.

§ 10.26.030 Application.

(A) An application for an annexation shall be initiated with the City by submission of an application to the Community and Economic Development Department. The Community and Economic Development Director is directed to establish appropriate application forms, fee studies, and processes and to issue administrative guidelines defining a "complete" application and to set the required number of copies. The application materials shall include, but not be limited to, the following:

(1) A copy of any annexation or pre-annexation agreement between the party and the City or between the party and the county;

(2) Copies of any known studies or reports by any local governmental agency concerning the condition of the infrastructure and any service deficiencies within the area proposed for annexation;

(3) A statement regarding the nature and extent of existing public safety and emergency services and an evaluation of additional such services required with regard to the area proposed to be annexed;

(4) A statement of the applicant's plans (if any) for extending, financing, and providing municipal services within the area to be annexed;

(5) A summary identifying all existing special districts within the area to be annexed;

(6) A map of the city and adjacent area showing;

(a) Present and proposed boundaries of the city in the vicinity of the proposed annexation;

(b) The present streets, major trunk water lines, sewer interceptors and outfalls, other utility lines and ditches and the proposed extension of such streets and utility lines in the vicinity of the proposed annexation;

(c) The existing and proposed land use patterns in the areas to be annexed;

(7) A map and legal description of the area proposed to be annexed.

(B) The Applicant/Petitioner shall be responsible for the cost of preparing all environmental documentation required by the California Environmental Quality Act associated with the proposed annexation.

(C) Only owners of the properties proposed for annexation using the city resolution process permitted under Cal. Gov't Code § 56654, and registered electors within the proposed area proposed for annexation (or an organization lawfully formed by them to represent their interests), may submit an application.

(D) Community and Economic Development Director. The Community and Economic Development Director shall administer all city processes required by either the Act or this chapter in cooperation with department heads from other affected departments. Upon receipt of an application, the Director shall determine if the application is complete and will notify the applicant within 30 days if the application is deficient in any manner. Deficient applications will not be processed further until the defects are remedied.

(E) In connection with any LAFCO sphere of influence reviews, LAFCO annexation proceedings, or annexation pre-application (collectively, the action) processes the Director will perform an evaluation identifying potential city issues and will make recommendations with regard to such issues. At a minimum the following issues will be analyzed:

(1) Whether the property meets the statutory requirements for annexation.

(2) Whether the property is within the City of Tulare's sphere of influence as shown on the last adopted city General Plan.

(3) Whether the proposed action is consistent with intergovernmental agreements where the city is a party.

(4) Whether the proposed action creates concerns regarding the city's finances or ability to provide municipal services (including without limitation municipal utility services) to the entire city if the proposed action is approved.

(5) Projects that will be required or impacted if the city supports the proposed action or if it is completed.

(6) City policies that will be affected (such as voting districts, by way of example) if the proposed action is completed.

(7) Any other foreseeable consequences about which the Planning Commission and City Council should be informed.

(F) In connection with proposed annexations which include inhabited territory, at a minimum, the following additional standards will be applied:

(1) The Pavement Condition Index (PCI), as applied to city streets through the city's adopted Transportation System Management Policy will be used to assess the transportation infrastructure and service needs;

(2) The factors specified in Cal. Health and Safety Code §§ 33030 - 33031 for determining whether "blight" exists and its degree; and,

(3) Expected specific increases to city general fund and other fund revenues and other articulable expected city benefits are to equal or exceed the expected increased city disbursements and expected adverse city impacts;

(G) Staff decisions are reviewable by City Manager. All final decisions of City Manager are appealable to the City Council.

§ 10.26.040 Annexation agreements.

The city may require that applicants requesting a resolution for application from the Council enter into an Annexation agreement with the city as a condition to issuing a resolution of application for a proposed annexation. The annexation agreement may contain provisions for zoning of the property, the physical development of the property, the timing of development, the allocation of the cost of required public improvements and services, and/or other matters relating to the public interest.

§ 10.26.050 Proposed zoning.

(A) The proposed zoning for the area to be annexed may be addressed in an annexation agreement pursuant to § 10.26.040. The annexation agreement may provide for further reorganization to detach the property if, after annexation, the proposed zoning is materially different than that specified in the annexation agreement.

(B) The city may zone the property either concurrent with the proposed annexation or within 90 days of recording of the annexation.

§ 10.26.060 Petitions.

(A) When LAFCO annexation proceedings are initiated by landowner or voter petitions, the city will fully participate in proceedings in a manner consistent with the provisions,

purposes, and objectives in this chapter. City staff is directed and authorized to take all actions consistent with these directions. Such participation will include, without limitation, the following:

(1) Seeking LAFCO imposition of terms and conditions on any annexations to mitigate adverse impacts and to implement the provisions of this chapter;

(2) If preliminary staff analysis demonstrates the potential for significant adverse fiscal or other impacts to the city, staff is directed to take all actions to mitigate such adverse impacts and to fully inform the City Council regarding such events;

(3) Pursue formation of improvement districts and Mello-Roos districts and other financing tools to address significant blight, infrastructure deficiencies, and anticipated disproportionately burdensome service costs as terms and conditions for annexation;

(4) Negotiate in good faith with the County of Tulare for a property tax transfer agreement based on the anticipated financial impacts to the city;

(5) Prepare and publish factual information describing likely impacts to the residents in the proposed annexation area and to the city in connection with the proposed action. Such information should include, but not be limited to, any information that might be helpful in with the process and in describing differences between being in the county and being in the city such as the following: tax differences, land use regulation, code enforcement and animal control ordinance standards, potential effects of the city's water and sewer ordinances, specific city fees, assessments related to indebtedness, procedures and policies defined by this chapter.

(B) Staff will, in all discussions, negotiations and processes established by the Act or otherwise, seek to cause an application with all related fees and costs and deposits to be filed with the city in order to be able to complete the Annexation impact report described in § 10.26.060 above and all city reviews allowed by the Act and provided for in this Code.

(C) Regardless of whether that occurs, the city's efforts to obtain fair share contributions from the other agencies for impact related costs and LAFCO imposed terms and conditions will be the same whether the annexation process is commenced by a resolution for application of annexation or by landowner/voter petition directly to LAFCO.

§ 10.26.070 Planning Commission duties

(A) Public Hearing Required. Following acceptance of an application, the Planning Commission shall conduct a public hearing for consideration of the application with the following minimum requirements:

(1) Notice of a hearing shall be given in accordance with Chapter 10.16 Public Hearings of this article.

(2) The Planning Commission shall conduct the public hearing and hear testimony for and against the application. A public hearing may be continued without additional public notice.

(3) Following the conclusion of the public hearing, the Planning Commission shall make written recommendations to the City Council to approve, approve with conditions or modifications, or deny the application as submitted or in modified form and shall make written findings supporting the reasons for the recommendation.

§ 10.26.080 City Council duties

(A) Public Hearing Required. After the Planning Commission makes a recommendation on the application the City Council shall hold a public hearing on the application with the following minimum requirements:

(1) Notice of a hearing shall be given in accordance with Chapter 10.16 Public Hearings of this article.

(2) The City Council shall conduct the public hearing and hear testimony for and against the application. A public hearing may be continued without additional public notice.

(3) Following the conclusion of the public hearing, the City Council shall approve, modify, or reject the Planning Commission's recommendation, provided that a substantial modification not previously considered by the Planning Commission shall be referred to the Planning Commission for a written recommendation prior to consideration of an amendment. Prior to adoption of an annexation, the City Council shall make written findings supporting the reason for the decision. Approval of the annexations shall be by adoption of a resolution of application.

(B) Property Tax Exchange Resolution. If the City Council adopts a resolution of application in accordance with Section 56700 of the Government Code, the Council shall also adopt a property tax exchange resolution in accordance with Section 99 of the Revenue and Taxation Code establishing the amount of property tax revenues to be

exchanged between and among local agencies whose service area or service responsibility will be altered by the amount of, and allocation factors with respect to, property tax revenue estimated from the proposed application.

(C) Filing. The City Council shall direct the Tulare City Clerk to file a certified copy of the resolution of application and a copy of the property tax exchanged resolution with the executive officer of the Tulare County Local Agency Formation Commission (LAFCO)

§ 10.26.090 Tulare County Local Agency Formation Commission (LAFCO)

Following approval of the resolution of application by the city council, the applicant shall submit an application to the Tulare County LAFCO in order to initiate annexation proceedings with that agency.

§ 10.26.100 Taxation authorization

In addition to any and all fees, all property annexed to the city shall be subjected to taxation equally with property within the city, and to pay and bonded indebtedness outstanding or authorized on the effective date of the annexation.

SECTION III: If any section, subsection, sentence, clause or phrase of this ordinance is for any reason declared to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The City Council hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

SECTION IV: This ordinance shall be in full force and effect at 12:01 a.m. on the thirty first day (31) from and after is final passage, adoption and approval.

PASSED, ADOPTED AND APPROVED this _____ day of _____, 2018.

President of the Council and
Ex-Officio Mayor of the City of Tulare

ATTEST:

Chief Deputy City Clerk and Clerk of the
Council of the City of Tulare

AGENDA ITEM:

**CITY OF TULARE, CA
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Community & Economic Development Department

For Council Meeting of: October 2, 2018

Documents Attached: Ordinance Resolution Staff Report Other None

AGENDA ITEM:

Council consideration and direction to staff on two requests for an economic development assistance grant; 1) by Applicant, Paul Garcia for an economic development assistance grant in the sum of \$55,000 for contribution to the interior and exterior renovations to be performed on an existing building located at 138 & 142 South K Street; and 2) by Applicant Esther Sanchez for an economic development assistance grant in the sum of \$25,000 as a contribution to completion of façade improvements to the existing building located at 124 South K Street, Tulare, CA.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

APPLICANT, PAUL GARCIA

Applicant Paul Garcia is the owner of the property located at 138 & 142 South K Street; commonly known as the EJ Ryan Building in downtown Tulare. The Applicant is in negotiations with tenants who are interested in establishing a restaurant and craft beer and wine bar in one-half of the building's first floor and a gaming center/"Escape Room" in the remaining one-half of the building's first floor. The Applicant is required to meet current building code requirements to comply with accessibility, electrical, plumbing and fire sprinkler retrofit before any tenant can occupy the building.

The Applicant has provided a breakdown of the anticipated budget for the renovation of the building at an estimated \$145,000. He is requesting an economic development assistance grant in the sum of \$55,000 to assist with the various improvements.

This request is based upon the following:

- Applicant is re-investing into the community of Tulare, specifically his own property in Downtown Tulare;
- The proposed tenants will generate sales tax for the City;
- The proposed tenants will provide an entertainment hub for downtown; and
- The Applicant will be improving the aesthetics of the Downtown with the exterior renovations to the building.

APPLICANT, ESTHER SANCHEZ

Applicant Esther Sanchez is the owner of the property located at 124 South K Street (Déjà vu Salon). She is requesting an economic development assistance grant in the amount of \$25,000 for a new building façade to include installation of a back lit sign with LED lights to increase visibility and create a safety light at night. Additionally, she will be creating a new walkway entry to portray a more customer-friendly business front.

Applicant has been in business in Tulare since 2003. She feels that to invest into the upgrade of the building façade will promote innovation and competitiveness for economic growth and success as well as to improve the overall look of the Downtown.

Applicant has received estimates from local contractors in the sum of \$25,000 to complete the improvements.

The current balance of the Economic Development Assistance Fund is \$76,053.32. The two requests total \$80,000. There are not enough remaining funds to award both Applicants the full amount requested. Council has a number of options available:

1. Deny both requests for assistance;
2. Approve only one request for the full amount;
3. Approve one request for the full amount and one request for a reduced amount; and
3. Fund both projects at a reduced amount.

STAFF RECOMMENDATION:

Council consideration and direction to staff on two requests for an economic development assistance grant; 1) by Applicant, Paul Garcia for an economic development assistance grant in the sum of \$55,000 for contribution to the interior and exterior renovations to be performed on an existing building located at 138 & 142 South K Street; and 2) by Applicant Esther Sanchez for an economic development assistance grant in the sum of \$25,000 as a contribution to completion of façade improvements to the existing building located at 124 South K Street, Tulare, CA.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER: Economic Development Assistance Fund

Signed: Traci Myers

Title: Community & Economic Development Deputy Director

Date: September 20, 2018

City Manager Approval: _____

Attachments: Applications
Renovation budget

CITY OF TULARE APPLICATION FOR ECONOMIC DEVELOPMENT ASSISTANCE



APPLICATION FOR ECONOMIC DEVELOPMENT ASSISTANCE

This application must be completed any time City assistance is requested of the Tulare City Council by an individual, existing or new business. City assistance includes any direct/indirect assistance or subsidy (other than federal/state funding sources), including the following or any combination of the following: loans, grants, below market value transfer of City real property or facilities, guarantees, City fee reductions, deferrals or abatements, subsidized infrastructure or on-site/off-site improvements, non-market concessions on ground or facility leases, bonding capacity, revenue or tax sharing agreements.

INSTRUCTIONS

Please complete the information below. Applicants must submit one (1) signed original and two (2) copies – a total of 3 – copies of this Application to the City Economic Development Department. Incomplete or partial applications will not be accepted.

1. APPLICANT INFORMATION

Contact Person: Paul Garcia

Address: PO Box 435

City: Tulare

State: CA

Zip Code: 93274

Telephone: (559) 991-6665

FAX Number: () -

E-mail: pgarcia01@sbcglobal.net

Website of Applicant or Applicant Entity:

Type of Applicant (Select all that apply)

Use additional space to provide as much detail about the Applicant as possible.

Project Category: (Select only one)

- Individual/Owner
- Developer
- LLP
- Corporation
- Other **New LLC**

- New construction
- Existing business
- Other Existing building, new owners and new potential tenants.

PROJECT NAME:

EJ Ryan Building

CITY OF TULARE APPLICATION FOR ECONOMIC DEVELOPMENT ASSISTANCE

2. CITY COSTS FOR PROCESSING OF APPLICATION

The City shall provide the Applicant an estimate of the maximum cost of staff and Consultants' costs to conduct each phase of evaluation. Applicant, prior to initiation of the Due diligence process by the City, must deposit that amount with the City, to pay for City billing of staff time, consultants and any special studies or reports that may be needed to assist the City in its evaluation and before the evaluation will begin. The City, at its sole discretion, may reduce the billing fee for staff time. Any amounts remaining after the process is concluded will be refunded to the Applicant.

I am requesting a waiver of City costs (including staff costs) as part of this request.

3. AMOUNT AND TYPE OF CITY ASSISTANCE REQUESTED

Please provide a brief description of amount and type of assistance requested:

Requesting \$55,000 for assistance with interior and exterior renovations in order to comply with current accessibility, electrical and plumbing codes and possible fire sprinkler retrofit.

4. PROJECT SUMMARY

Briefly summarize your project emphasizing the primary objectives and results, including but not limited to, project investment, anticipated job creation, estimate as to the dollar value of sales subject to sales tax, potential property taxes to be generated at 1% of construction value and any other favorable impacts on City direct revenues.

We are negotiating with tenants who are interested in establishing a restaurant and craft beer and wine bar in our building. In order to change the occupancy of our building from business/retail to restaurant and bar we need to meet current building code requirements. Bringing these types of businesses to downtown Tulare will continue to promote our revitalization effort.

5. PROJECT TIMELINE AND BUDGET

Briefly summarize your project timeline and budget, including anticipated funding source.

Our goal is to have the building ready for our tenants in 3 months. Our budget for this project is \$145,000. Our funding source is private financing.

CITY OF TULARE APPLICATION FOR ECONOMIC DEVELOPMENT ASSISTANCE


6. PROJECT STATUS (If project is underway)

Summarize the status of the project and provide the name(s) of any technical consultants with any additional information on the project. Include whether the Applicant or any representative of the Applicant has undertaken any environmental work on the project as required by CEQA.

Design is underway and we have completed our initial site plan review. Environmental work is not required for this project.

The Tulare City Council requires applicants to seek alternative assistance sources prior to a submittal of an assistance request to the City of Tulare. Applications for City assistance will be placed on City Council agenda no sooner than 30 days from the receipt of a completed, signed Application for Assistance from the applicant and with the approval of the City Manager. Placing the request on the Council agenda is not an approval of the Applicant's request.

SIGNATURE OF AUTHORIZING OFFICIAL: (Original copy must have an original signature and be in ink.)

Signature:  _____ Date: 9/9/18 _____

Print Name and Title: Paul Garcia, Owner _____

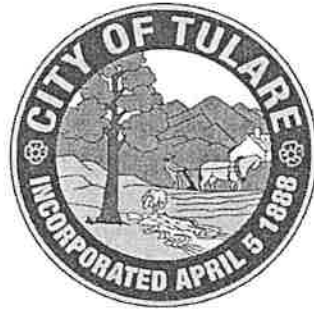
Tulare City Council meetings are held on the 1st and 3rd Tuesdays of each month and begin at 7:00pm unless otherwise specified. Applications for City Assistance will be heard in the order that they are placed on the agenda, unless otherwise directed by the Mayor.

**For more information please contact the Economic Development Department at:
(559) 684-4230**

EJ Ryan Building Renovation

| Interior Improvements | Estimated Cost |
|---------------------------------------|------------------|
| Demolition | \$14,000 |
| New Bathrooms | \$20,000 |
| Framing | \$8,000 |
| Doors and Windows | \$8,000 |
| Sheetrock and Texture | \$15,000 |
| Paint | \$12,000 |
| Flooring | \$6,000 |
| HVAC | \$24,000 |
| Electrical | \$8,000 |
| Interior Improvements Subtotal | \$115,000 |
| Facade Improvements | Estimated Cost |
| Demolition | \$4,000 |
| Stucco | \$6,000 |
| Stone | \$10,000 |
| Awning | \$5,000 |
| Paint | \$5,000 |
| Facade Improvements Subtotal | \$30,000 |
| Total Costs | \$145,000 |

CITY OF TULARE APPLICATION FOR ECONOMIC DEVELOPMENT ASSISTANCE



APPLICATION FOR ECONOMIC DEVELOPMENT ASSISTANCE

This application must be completed any time City assistance is requested of the Tulare City Council by an individual, existing or new business. City assistance includes any direct/indirect assistance or subsidy (other than federal/state funding sources), including the following or any combination of the following: loans, grants, below market value transfer of City real property or facilities, guarantees, City fee reductions, deferrals or abatements, subsidized infrastructure or on-site/off-site improvements, non-market concessions on ground or facility leases, bonding capacity, revenue or tax sharing agreements.

INSTRUCTIONS

Please complete the information below. Applicants must submit one (1) signed original and two (2) copies – a total of 3 – copies of this Application to the City Economic Development Department. Incomplete or partial applications will not be accepted.

1. APPLICANT INFORMATION

Contact Person: **Esther Sanchez**

Address: **124 S "K" St**

City: **Tulare**

State: **CA**

Zip Code: **93274**

Telephone: **(559)901-8765**

FAX Number: **(559)688-5121**

E-mail: **Tularedejavu@sbcglobal.net**

Website of Applicant or Applicant Entity: **Déjà vu Hair & Nail Salon; Individual/Owner**

Type of Applicant (Select all that apply)

Use additional space to provide as much detail about the Applicant as possible.

Project Category: (Select only one)

- Individual/Owner
- Developer
- LLP
- Corporation
- Other New LLC

- New construction
- Existing business
- Other _____

PROJECT NAME: Déjavu's new façade/outside structure

CITY OF TULARE APPLICATION FOR ECONOMIC DEVELOPMENT ASSISTANCE

2. CITY COSTS FOR PROCESSING OF APPLICATION

The City shall provide the Applicant an estimate of the maximum cost of staff and Consultants' costs to conduct each phase of evaluation. Applicant, prior to initiation of the Due diligence process by the City, must deposit that amount with the City, to pay for City billing of staff time, consultants and any special studies or reports that may be needed to assist the City in its evaluation and before the evaluation will begin. The City, at its sole discretion, may reduce the billing fee for staff time. Any amounts remaining after the process is concluded will be refunded to the Applicant.

I am requesting a waiver of City costs (including staff costs) as part of this request.

3. AMOUNT AND TYPE OF CITY ASSISTANCE REQUESTED

Please provide a brief description of amount and type of assistance requested:

I'm requesting assistance for \$25,000 for a new building façade to promote an attractive & safe environment to downtown Tulare. Installment of a back lit signage with LED lights to increase visibility and attract customers and creates a safety light at night. Create a new walkway entry that will be welcoming and safe for a business that services all ages.

4. PROJECT SUMMARY

Briefly summarize your project emphasizing the primary objectives and results, including but not limited to, project investment, anticipated job creation, estimate as to the dollar value of sales subject to sales tax, potential property taxes to be generated at 1% of construction value and any other favorable impacts on City direct revenues.

We have been in business since 2003, serving generations of clients. We would like to invest in the façade/outside of our business to promote innovation and competitiveness for economic growth and success. We are located in the heart of Tulare and creating a better visual for my business will help Déjà vu as well as other local businesses around us to spur economic growth. Bringing in new clients and creating new jobs as we have the space inside for potential employees. The construction value based on the location is a prime investment for all.

5. PROJECT TIMELINE AND BUDGET

Briefly summarize your project timeline and budget, including anticipated funding source.

We are looking forward to construction as soon as possible with completion by the end of 2018. We have received two estimates from two different contractors for a total cost of \$25,000; any further unexpected cost will be resumed by Déjà vu to finish the project by the end of 2018, as stated.

CITY OF TULARE APPLICATION FOR ECONOMIC DEVELOPMENT ASSISTANCE

6. PROJECT STATUS (If project is underway)

Summarize the status of the project and provide the name(s) of any technical consultants with any additional information on the project. Include whether the Applicant or any representative of the Applicant has undertaken any environmental work on the project as required by CEQA.

We have obtain the city permit for construction with blueprint approvals with the assistance of Carlos Melendez the President of Tulare Downtown Association.

We have also received two construction bids from Brian Martino Construction Inc and Effective Systems/Mark Wentworth Construction and a bid for the sign from Roox Agency.

The Tulare City Council requires applicants to seek alternative assistance sources prior to a submittal of an assistance request to the City of Tulare. Applications for City assistance will be placed on City Council agenda no sooner than 30 days from the receipt of a completed, signed Application for Assistance from the applicant and with the approval of the City Manager. Placing the request on the Council agenda is not an approval of the Applicant's request.

SIGNATURE OF AUTHORIZING OFFICIAL: (Original copy must have an original signature and be in ink.)

Signature: _____ Date: _____

Print Name and Title: _____

Tulare City Council meetings are held on the 1st and 3rd Tuesdays of each month and begin at 7:00pm unless otherwise specified. Applications for City Assistance will be heard in the order that they are placed on the agenda, unless otherwise directed by the Mayor.

**For more information please contact the Economic Development Department at:
(559) 684-4230**

CITY OF TULARE APPLICATION FOR ECONOMIC DEVELOPMENT ASSISTANCE

AGENDA ITEM:

**CITY OF TULARE, CA
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Community Development Department

For Council Meeting of: October 2, 2018

Documents Attached: Ordinance Resolution Staff Report Other None

AGENDA ITEM:

Council consideration to adopt Resolution 18-___ and direction to staff on the request by CNS Steel for a deferral of project related development impact fees in the sum of \$131,506 under section 8.56.080(B) of the Tulare Municipal Code.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

CNS Steel is a family-owned and operated company located in Tulare since 2012. Originally located on East Paige Avenue, Clint Russell, owner/operator, wanted to expand the business to add an additional 36,000 sf. facility to the existing 17,000 sf. facility. However, due to infrastructure requirements and the inability to utilize an existing onsite well for the project expansion, he was unable to make the existing site work for the expansion. Rather than relocating outside of Tulare, Mr. Russell purchased approximately 10 acres in Tulare’s Industrial Park and made a commitment to expand his business at the new site.

On November 14, 2016, Mr. Russell received approval from Planning Commission to construct an 80,225 sf. steel fabrication facility (72,600 sf. warehouse/7,625 sf. office constructed in two phases) and associated parking lot and landscaping on the Industrial Park site.

On April 25, 2017, CNS Steel applied for a building permit to construct a 36,855 sf. metal building and 7,728 sf. office on 4.21 of the approximate 10 acre site. Subsequently, on August 9, 2018, an additional building permit application was submitted to construct another 36,000 sf. metal building on remaining acreage. Applicant has constructed a foundation only on phase one of the project and is now seeking to pull permits to finalize construction on both phase one and phase two metal buildings.

Applicant is requesting a five-year deferral of the development impact fees totaling \$131,506 associated with the project pursuant to section 8.56.080 of the Tulare Municipal code, which provides in part:

8.56.080 Payment of fees.

The fees established pursuant to this chapter shall be paid for the property on which a development project is proposed at the time of the issuance of any required building permit, except as otherwise provided below:

(B) Fees imposed on non-residential development may be deferred by action of the City Council. The action shall consist of the adoption of a resolution consistent with the following terms and conditions:

(1) A determination is made that such action will promote and stimulate economic development within the city. The City Council shall make specific findings setting forth how the subject project accomplishes this goal;

(2) Establish a specific timetable for payment in full of the deferred fees. The City Council may also require a percentage to be paid with the issuance of a building permit. In no event shall deferral of payment in full be permitted for more than five years;

(3) Interest on the unpaid portion of deferred impact fees shall accrue at a rate equal to the Local Agency Investment Fund (LAIF) interest rate in effect at the time the resolution is adopted and shall be articulated in the resolution. Interest shall be due and payable, in full, with the final payment, although interest may be paid earlier at the election of the party developing the project;

(4) A written guarantee of payment in full of the impact fees, in the form of a surety bond or some other form of surety instrument as may be acceptable to the City Engineer and the City Attorney, shall be executed and delivered to the city prior to the issuance of a building permit for the project. Interest in real property may be deemed an appropriate form of surety; and

(5) A determination is made that the deferral of the fees shall not materially affect the financial ability of the city to satisfy its then current five year capital improvement program.

Staff will be reviewing the language set forth in Municipal Code 8.56.080 for possible revisions to address future requests under the provisions of the code section.

Applicant agrees to execute a Development Impact Fee Deferral Agreement as the legal property owner and have it recorded with the Tulare County Recorder's office to establish a lien on the property for the deferred development impact fees.

STAFF RECOMMENDATION:

Council consider adopting Resolution 18-____ and direct to staff on the request by CNS Steel for a deferral of project related development impact fees in the sum of \$131,506 under section 8.56.080(B) of the Tulare Municipal Code incorporating the following:

In addition to non-Development Impact fees associated with the building permits, Applicant to pay \$26,301 which represents twenty percent (20%) of the total development impact fees due and owing at the time of issuance of the building permits on the project;

Applicant agrees to pay the remaining outstanding eighty (80%) balance of \$105,205 in equal installments of \$26,301, plus interest on or before October 2nd of the consecutive years 2019, 2020, 2021 and 2022.

Applicant shall execute an Agreement, which shall be recorded in the office of the County Recorder of Tulare County and, from the date of recordation, shall constitute a lien for the payment of the fee, which shall be enforceable against successors in interest to the Property owner or lessee at the time of issuance of the building permit.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER:

Signed: Traci Myers

Title: Community Development Deputy Director

Date: September 24, 2018

City Manager Approval: _____

RESOLUTION 18-_____

RESOLUTION OF THE TULARE CITY COUNCIL APPROVING A DEFERRAL OF DEVELOPMENT IMPACT FEES PURSUANT TO SECTION 8.56.080 OF THE TULARE MUNICIPAL CODE

WHEREAS, Applicant, CNS Steel has submitted plans and specifications and applied for associated permits for a development project (the “Project”) to be located at 3201 Industrial Place; and,

WHEREAS, as a condition of receiving the required permits to commence construction on the Project, Applicant must agree to pay the required development impact fees in the sum of \$131,506, which includes sewer, drainage and transportation impact fees which have been set by Resolution of the City Council and in conformity with California Government Code Section 66001 et seq.; and,

WHEREAS, City Council has made determination the project will promote and stimulate economic development within the city; and,

WHEREAS, Applicant has requested and City Council approved on October 2, 2018, a five-year development impact fee deferral said approval to be ratified by Resolution; and,

WHEREAS, Applicant shall pay \$26,301 which represents twenty percent (20%) of the total development impact fees due and owing at the time of issuance of the building permits on the project; and,

WHEREAS, Applicant shall pay the remaining outstanding eighty (80%) balance of \$105,205 in equal installments of \$26,301, plus interest on or before October 2nd of the consecutive years 2019, 2020, 2021 and 2022.

WHEREAS, Applicant shall execute an Agreement, which shall be recorded in the office of the County Recorder of Tulare County and, from the date of recordation, shall constitute a lien for the payment of the fee, which shall be enforceable against successors in interest to the Property owner or lessee at the time of issuance of the building permit; and

WHEREAS, a determination is made that the deferral of the fees shall not materially affect the financial ability of the city to satisfy its then current five year capital improvement program.

NOW, THEREFORE, BE IT RESOLVED, by the Tulare City Council that the request by CNS Steel for a deferral of project related development impact fees in the sum of \$131,506 under section 8.56.080 of the Tulare Municipal Code is approved.

NOW, THEREFORE, BE IT FURTHER RESOLVED, Applicant shall pay \$26,301 which represents twenty percent (20%) of the total development impact fees due and owing at the time of issuance of the building permits on the project, with the remaining outstanding eighty (80%) balance of \$105,205 in equal installments of \$26,301, plus interest on or before October 2nd of the consecutive years 2019, 2020, 2021 and 2022

PASSED, APPROVED, AND ADOPTED this 2nd day of October, 2018.

President of the Council and Ex-Officio
Mayor of the City of Tulare

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF TULARE)

I, Willard Epps, Interim City Clerk of the City of Tulare, certify the foregoing is the full and true Resolution 18-___ passed and adopted by the Council of the City of Tulare at a regular meeting held on October 2, 2018, by the following vote:

Aye(s) _____

Noe(s) _____ Absent/Abstention(s) _____.

Dated:

WILLARD EPPS, INTERIM CITY CLERK

By Roxanne Yoder, Chief Deputy