

10/26/17 Agenda Packet

Documents:

[AGENDA PACKET.PDF](#)

AGENDA
October 26, 2017
CITY OF CITRUS HEIGHTS
CITY COUNCIL
5:00 PM SPECIAL MEETING
7:00 PM REGULAR MEETING
City Hall Council Chambers
6360 Fountain Square Drive, Citrus Heights, CA

CALL SPECIAL MEETING TO ORDER

1. Roll Call: Council Members: Bruins, Daniels, Fox, Miller, Slowey

PUBLIC COMMENT

Under Government Code Section 54954.3, members of the audience may address the Council on any item of interest to the public and within the Council's purview, or on any Agenda Item before or during the Council's consideration of the Item. If you wish to address the Council during the meeting, please fill out a Speaker Identification Sheet and give it to the City Clerk. When you are called upon to speak, step forward to the podium and state your name for the record. Normally, speakers are limited to five minutes each with 30 minutes being allowed for all comments. Any public comments beyond the initial 30 minutes may be heard at the conclusion of the agenda. The Mayor has the discretion to lengthen or shorten the allotted times.

STUDY SESSION

2. City Awareness / Promotion Campaign Results
3. Community Survey Results

ADJOURNMENT

CALL REGULAR MEETING TO ORDER

1. Flag Salute
2. Roll Call: Council Members: Bruins, Daniels, Fox, Miller, Slowey
3. Video Statement

APPROVAL OF AGENDA

PRESENTATIONS

4. Presentation By Northern California Chapter Of Association Of Public-Safety Communications Officials Telecommunicator Of The Year Award
5. Presentation By The League Of California Cities – 2017 Helen Putnam Award For Excellence
6. Presentation On The 9th Annual Holiday Referral Program

7. Presentation By Citrus Heights Water District Regarding Proposed Water Rate Adjustments

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

PUBLIC COMMENT

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CONSENT CALENDAR

It is recommended that all consent items be acted on simultaneously unless separate discussion and/or action is requested by a Council Member.

8. SUBJECT: Approval Of Minutes

RECOMMENDATION: Approve the Minutes of the City Council Meeting of October 12, 2017

9. SUBJECT: Sunrise MarketPlace Property And Business Improvement District 2016 Annual Report

STAFF REPORT: R. Sherman / D. Rodriguez

RECOMMENDATION: Adopt Resolution No. 2017-____; A Resolution of the City Council of the City of Citrus Heights Approving the Sunrise Marketplace 2016 Annual Report

10. SUBJECT: Second Reading – Ordinance No. 2017-007; Repealing Chapter 2, Division 2 Of The Citrus Heights Municipal Code Regarding The Dissolution Of The History And Arts Commission

STAFF REPORT: R. Sherman / K. Cooley

RECOMMENDATION: Adopt Ordinance No.2017-007; An Ordinance Repealing Chapter 2, Division 2 of the Citrus Heights Municipal Code Regarding the Dissolution of the History and Arts Commission.

11. SUBJECT: Approval Of A Memorandum Of Understanding With The Citrus Heights Police Officers Association (CHPOA) And Adoption Of The Amended Payrate Schedule For City Of Citrus Heights

STAFF REPORT: R. Rivera

RECOMMENDATION: Staff Recommends the following:

a. Adopt Resolution No. 2017-____; A Resolution of the City Council of the City of Citrus Heights, California, Adopting a Memorandum of Understanding with the Citrus Heights Police Officers Association

b. Adopt Resolution No. 2017-____; A Resolution of the City Council of the City of Citrus Heights Adopting the Amended Payrate Schedule

PUBLIC HEARINGS

12. SUBJECT: Letter Of Public Convenience And Necessity Food Maxx 6982 Sunrise Boulevard – File # PCN-17-01

STAFF REPORT: A. Bermudez / J. Baldwin

RECOMMENDATION: Staff Recommends the Following Motion:

a. Move to Approve the Letter of Public Convenience and Necessity that will Allow for

the Issuance of a Type 21 License for Off-Sale Distilled Spirits at Food Maxx Located at 6982 Sunrise Boulevard.

13. SUBJECT: Draft Allocation Of Federal 2018 Community Development Block Grant (CDBG) Funds

STAFF REPORT: R. Sherman / S. Cotter / N. Piva

RECOMMENDATION: Staff Recommends that the City Council:

- a. Hear Public Testimony on the Fund Allocation and Draft Action Plan
- b. Continue Final Action until the November 9, 2017 City Council Meeting

REGULAR CALENDAR

14. SUBJECT: Debt Issuance And Management Policy

STAFF REPORT: R. Rivera

RECOMMENDATION: Adopt Resolution No. 2017-____; A Resolution of the City Council of the City of Citrus Heights, California, Adopting the Debt Issuance and Management Policy and Taking Related Actions

15. SUBJECT: Post-Issuance And Continuing Disclosure Compliance Policy

STAFF REPORT: R. Rivera

RECOMMENDATION: Adopt Resolution No. 2017-____; A Resolution of the City Council of the City of Citrus Heights, California, Adopting the Post-Issuance and Continuing Disclosure Compliance Policy and Taking Related Actions

DEPARTMENT REPORTS

16. SUBJECT: Update On Award Of Active Transportation Program Grant

DEPARTMENT: Community / Economic Development Department

CITY MANAGER ITEMS

ITEMS REQUESTED BY COUNCIL MEMBERS / FUTURE AGENDA ITEMS

ADJOURNMENT



Jeff Slowey, Mayor
Steve Miller, Vice Mayor
Jeannie Bruins, Council Member
Bret Daniels, Council Member
Albert J. Fox, Council Member

**CITY OF CITRUS HEIGHTS
CITY COUNCIL
Special/Regular Meetings of Thursday, October 26, 2017
City Hall Council Chambers
6360 Fountain Square Dr., Citrus Heights, CA
Special Meeting 5:00 p.m.
Regular Meeting 7:00 p.m.**

PLEASE NOTE: The Council may take up any agenda item at any time, regardless of the order listed. Action may be taken on any item on the agenda. The City Council has established a procedure for addressing the Council. Speaker Identification Sheets are provided on the table inside the Council Chambers. If you wish to address the Council during the meeting, please complete a Speaker Identification Sheet and give it to the City Clerk. So that everyone who wishes may have an opportunity to speak, there is a five-minute maximum time limit when addressing the Council. Audio/Visual presentation material must be provided to the City Clerk's Office at least 48 hours prior to the meeting.

Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at City Hall located at 6360 Fountain Square Drive, Citrus Heights during normal business hours. Email subscriptions of the agenda are available online by signing up with the City's Notify Me service.

City Council meetings are televised live on Metro Cable 14, the government affairs channel on the Comcast, Consolidated Communications, and AT&T U-Verse cable systems and replayed on the following Monday at 9:00 a.m. Meetings are also webcast live at www.citrusheights.net.

The Agenda for this meeting of the City Council for the City of Citrus Heights was posted in the following listed sites before the close of business at 5:00 p.m. on the Friday preceding the meeting.

1. City of Citrus Heights, 6360 Fountain Square Drive, Citrus Heights, CA
2. Rusch Park Community Center, 7801 Auburn Boulevard, Citrus Heights, CA
3. Sacramento County Library, Sylvan Oaks Branch, 6700 Auburn Blvd., Citrus Heights, CA

If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's Office 916-725-2448, 6360 Fountain Square Drive at least 48 hours prior to the meeting. TDD: California Relay Service 7-1-1.

October 20, 2017



Amy Van, City Clerk

Please turn off all cellular phones and pagers while the City Council meeting is in session.

SPECIAL MEETING
5:00 PM

CALL SPECIAL MEETING TO ORDER

1. Roll Call: Council Members: Bruins, Daniels, Fox, Miller, Slowey

PUBLIC COMMENT

STUDY SESSION

2. City Awareness / Promotion Campaign Results
3. Community Survey Results

ADJOURNMENT

REGULAR MEETING
7:00 PM

CALL REGULAR MEETING TO ORDER

1. Flag Salute:
2. Roll Call: Council Members: Bruins, Daniels, Fox, Miller, Slowey
3. Video Statement

APPROVAL OF AGENDA

PRESENTATIONS

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STAFF REPORT: R. Sherman / D. Rodriguez
RECOMMENDATION: Adopt Resolution No. 2017-___; A Resolution of the City Council of the City of Citrus Heights Approving the Sunrise Marketplace 2016 Annual Report
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STAFF REPORT: R. Sherman / K. Cooley
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STAFF REPORT: R. Rivera
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PUBLIC HEARING

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DEPARTMENT: Community / Economic Development Department

CITY MANAGER ITEMS

ITEMS REQUESTED BY COUNCIL MEMBERS/ FUTURE AGENDA ITEMS

ADJOURNMENT

**CITY OF CITRUS HEIGHTS
CITY COUNCIL
MINUTES
Regular Meeting of Thursday, October 12, 2017
City Hall Council Chambers
6360 Fountain Square Drive, Citrus Heights, CA**

CALL REGULAR MEETING TO ORDER

The regular council meeting was called to order at 7:00 p.m. by Mayor Slowey.

1. Flag Salute was led by local Cub Scout Pack
2. Roll Call: Council Members present: Bruins, Daniels, Fox, Miller, Slowey
Council Members absent: None
Staff present: Boyd, Cave, Cooley, Lawrence, Maraviov, Rodriguez, Russo, Schaefer, Van, Ziegler and department directors.
3. The video statement was read by City Clerk Van.

APPROVAL OF AGENDA

ACTION: On a motion by Council Member Daniels, seconded by Council Member Bruins, the City Council approved the agenda.

AYES: Bruins, Daniels, Fox, Miller, Slowey
NOES: None
ABSENT: None

PRESENTATIONS

4. Recognition of Volunteers Within Citrus Heights

Support Services Manager Maraviov recognized the City of Citrus Heights volunteers who assist with a multitude of programs and services. The list included volunteers from the American Legion, Citrus Heights Community Marching Band, City Hall, Community Center, Construction Board, History and Arts Commission, Neighborhood Associations, Parade Committee, Planning Commission, Police Department, Sylvan Oaks Library, Soroptimists and the Veteran's Center.

5. Proclamation of the City of Citrus Heights Proclaiming October as Domestic Violence Awareness Month

Vice Mayor Miller read and presented a Proclamation to Elaine Whitefeather, Executive Director of A Community for Peace.

6. City of Citrus Heights 20 Year Celebration – Top 20 Presentation

Economic Development Manager Rodriguez presented the Citrus Heights Top 20 best photos that were submitted.

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

Council Member Fox gave an update on the Leadership Citrus Heights program. He attended A Community for Peace's awards banquet and the Citrus Heights Veteran's Battle of the Bands event.

Council Member Bruins provided updates from REACH and the Sunrise MarketPlace Board meetings. She gave an update from the Sacramento Regional County Sanitation District and Sacramento Area Sewer District Board meeting.

Council Member Daniels announced that Sacramento Metropolitan Air Quality Management District Board has a vacancy on their Hearing Board and are accepting applications.

Vice Mayor Miller commented on the events he attended, which included the Leadership Citrus Heights kick-off mixer, A Community for Peace awards banquet and the American Legion Battle of the Bands. He promoted the Sunrise Crafts, Carvings and Carnival, Spooktacular at the Antelope Crossing Center, the Howl 'O' Ween parade, and the Citrus Heights Homeless Assistance Resource Team's annual spaghetti feed.

Mayor Slowey gave a summary of the Sacramento Area Council of Governments Transportation Committee meeting. He promoted the household hazardous waste pick up to be held Saturday at Sunrise Mall.

PUBLIC COMMENT

Arthur Ketterling had questions regarding the Comprehensive transit study.

Tamara Barbell introduced the Miss Citrus Heights Beauty Queens and King to the City Council.

CONSENT CALENDAR

7. **SUBJECT:** Approval of Minutes
RECOMMENDATION: Approve the Minutes of the Special/Regular Meeting of September 28, 2017
8. **SUBJECT:** Transportation Development Act (TDA) Funding Claim Authorization
STAFF REPORT: C. Fallbeck / M. Poole
RECOMMENDATION: Adopt Resolution No. 2017-083; A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City to Claim its Transportation Development Act (TDA) Funds for Fiscal Year 2017-2018
9. **SUBJECT:** 2016 Local Hazard Mitigation Plan Update
STAFF REPORT: C. Fallbeck

RECOMMENDATION: Adopt Resolution No. 2017-084; A Resolution of the City Council of the City of Citrus Heights, California, Adopting the 2016 Sacramento County Local Hazard Mitigation Plan Update

ACTION: On a motion by Council Member Daniels, seconded by Vice Mayor Miller, the City Council adopted Consent Calendar Items 7, 8, and 9.

AYES: Bruins, Daniels, Fox, Miller, Slowey

NOES: None

ABSENT: None

REGULAR CALENDAR

10. **SUBJECT:** Creation of Competitive Grant Program and Dissolution of History and Arts Commission

STAFF REPORT: R. Sherman / K. Cooley

RECOMMENDATION: Staff Recommends the City Council Adopt the Following:

- a. Approve Resolution 2017 085; A Resolution of the City Council of the City of Citrus Heights, Approving the History And Arts Grant Program Guidelines, and Application.
- b. Introduce for a First Reading Ordinance No. 2017-007 and Waive the Reading of the Entire Ordinance, an Ordinance of the City of Citrus Heights Repealing Chapter 2, Division 2 of the Citrus Heights Municipal Code Regarding the Dissolution of the History and Arts Commission.

Assistant to the City Manager Cooley proposed options for alternative ways in which to deliver history and arts projects. The proposed competitive grant program would provide funds for historical preservation and arts promotion programs, while supporting community inclusivity to benefit the Citrus Heights community.

The recommended program budget is \$ 20,000. Requests under \$ 5,000 would be approved by the City Manager. Requests of \$5,000 or above would be reviewed by the Quality of Life Committee and ultimately the City Council. The maximum award would be \$ 10,000. The funds would be awarded on a reimbursement basis unless an exception is granted.

Thomas Spencer expressed his appreciation for the History and Arts Commission.

Council questions and comments followed.

ACTION: On a motion by Council Member Fox, seconded by Vice Mayor Miller, the City Council Approved Resolution 2017-085; A Resolution of the City Council of the City of Citrus Heights, Approving the History And Arts Grant Program Guidelines, and Application and Introduced for a First Reading Ordinance No. 2017-007, and Waived the Reading of the Entire

Ordinance, an Ordinance of the City of Citrus Heights Repealing Chapter 2, Division 2 of the Citrus Heights Municipal Code Regarding the Dissolution of the History and Arts Commission.

AYES: Bruins, Daniels, Fox, Miller, Slowey

NOES:

ABSENT:

11. **SUBJECT:** Implementing Classification Changes to the Executive Management Broadband and Adopting the Amended Payrate Schedule for the City of Citrus Heights
STAFF REPORT: C. Boyd

RECOMMENDATION: Staff Recommends that City Council Adopt the Following:

- a. Adopt Resolution No. 2017-086; A Resolution of the City Council of the City of Citrus Heights Implementing Classification Changes to the Executive Management Broadband
- b. Adopt Resolution No. 2017-087; A Resolution of the City Council of the City of Citrus Heights Adopting the Amended Payrate Schedule

City Manager Boyd announced the reorganization of the City's executive team. The Finance and Human Resources divisions have been merged under one department which is now Administrative Services and will be overseen by the Assistant City Manager. In addition the General Services and Community/Economic Development department will be overseen by the Community Services Director and that the new classifications will provide oversight to one or more departments. He recommended the City Council adopt two resolutions implementing classification changes to the executive management broadband and adopt the amended payrate schedule.

Mayor Slowey stated "this item is a recommendation to approve two Executive Management Classifications as follows: (1) Assistant City Manager, salary range \$157,146.77 to \$207,826.60 and (2) Community Services Director, salary range \$150,003.73 to \$198,379.93. These classifications will provide oversight to one or more departments as determined by the City Manager. The classifications will participate in the same fringe benefits as other Executive Managers.

City Council questions and comments followed.

ACTION: On a motion by Council Member Bruins, seconded by Council Member Fox, the City Council adopted:

- a. Resolution No. 2017-086; A Resolution of the City Council of the City of Citrus Heights Implementing Classification Changes to the Executive Management Broadband
- b. Resolution No. 2017 -087; A Resolution of the City Council of the City of Citrus Heights Adopting the Amended Payrate Schedule

AYES: Bruins, Daniels, Fox, Miller, Slowey
NOES: None
ABSENT: None

DEPARTMENT REPORT:

12. **SUBJECT:** Update on Transportation Funding SB 1: The Road Repair and Accountability Act of 2017
DEPARTMENT: General Services Department

Management Analyst Cave provided an update on SB 1. She stated that SB 1 will provide increased funding for transportation, bicycles, pedestrian and transit programs.

13. **SUBJECT:** Introduction of Property and Evidence Team
DEPARTMENT: Police Department

Chief Lawrence announced that the Police Department passed their property and evidence audit and praised staff.

Lieutenant Russo and Sergeant Schaefer introduced Crime Scene Property Evidence Specialist, Danielle Veal and Data Entry Assistant Kathy Pentecost; Crime Scene Property Evidence Specialist Mandy Hayre and Andrea Barnett were unable to attend. They highlighted some of the teams accomplishments, such as receiving the 2016 Team Achievement Ribbon for property and evidence as well as 2016 California Property and Evidence Technician of the Year.

CITY MANAGER ITEMS

City Manager Boyd announced the promotions of Assistant City Manager Ronda Rivera and Community Services Director Rhonda Sherman.

ITEMS REQUESTED BY COUNCIL MEMBERS/ FUTURE AGENDA ITEMS

Council Member Daniels requested support to have the City Council explore ways to partner with others to provide prescription drug safe lock devices to the Community.

Vice Mayor Miller supported Council Member Daniels request.

ADJOURNMENT

Mayor Slowey adjourned the regular meeting at 8:49 p.m.

Respectfully Submitted,

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT

MEMORANDUM

DATE: October 26, 2017

TO: Mayor and City Council Members
Christopher W. Boyd, City Manager

FROM: Rhonda Sherman, Community Services Director
Devon Rodriguez, Economic Development Manager

SUBJECT: **Sunrise MarketPlace Property and Business Improvement District
2016 Annual Report**

Summary and Recommendation

The Sunrise MarketPlace property-based business improvement district (PBID) is required by law to provide an annual report to the City Council. The PBID Board of Directors has approved the 2016 Sunrise MarketPlace Annual Report and is ready to present this report to the City Council.

Staff recommends the City Council:

1. Approve Resolution No. 2017-____, a resolution of the City Council of the City of Citrus Heights approving the Sunrise MarketPlace 2016 Annual Report.

Fiscal Impact

There is no fiscal impact associated with this action.

Background

The City Council approved the formation of the Sunrise MarketPlace PBID in July 1999 and approved a seven-year renewal in July 2014 (effective January 1, 2015 through December 31, 2021). The PBID is required to prepare an annual report that must be presented to the City Council for review and approval. The Sunrise MarketPlace Board of Directors approved the 2016 Annual Report at their board meeting on October 12, 2017. The meeting was noticed and held in accordance with the Brown Act.

According to California PBID Law, the Sunrise MarketPlace PBID may request that the City Council modify the PBID Management District Plan after conducting a required public hearing on the proposed modifications. The City Council approved the new Management District Plan as part of a formal public hearing process for the PBID renewal on July 30, 2014. The Sunrise

Subject: Sunrise MarketPlace Property and Business Improvement District 2016 Annual Report

Date: October 26, 2017

Page 2 of 2

MarketPlace PBID has requested that **no** changes be made to the 2015-2021 Sunrise MarketPlace Management District Plan.

Conclusion

Annually, the Sunrise MarketPlace PBID must submit an annual report to the City Council. Staff recommends the City Council approve the Sunrise MarketPlace 2016 Annual Report.

Attachments:

- (1) Resolution
- (2) Annual Report

RESOLUTION NO. 2017- ____**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF CITRUS HEIGHTS APPROVING THE SUNRISE
MARKETPLACE 2016 ANNUAL REPORT**

WHEREAS, the City Council of the City of Citrus Heights approved the formation of the Sunrise MarketPlace property-Based Business Improvement District (PBID) in July 1999 and approved the seven-year renewal of the PBID in July 2014; and

WHEREAS, the Sunrise MarketPlace Board of Directors approved the Sunrise MarketPlace 2016 Annual Report on October 12, 2017; and

WHEREAS, the Sunrise MarketPlace 2016 Annual Report is incorporated as part of this Resolution and is on file with the City Clerk.

NOW THEREFORE BE IT RESOLVED AND ORDERED that the City Council of the City of Citrus Heights does declare as follows:

The City Council of the City of Citrus Heights does approve the Sunrise MarketPlace 2016 Annual Report.

PASSED AND ADOPTED by the City of the City of Citrus Heights, California this 26th day of October, 2017 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jeff Slowey, Mayor

ATTEST:

Amy Van, City Clerk



SUNRISE
MARKETPLACE

2016 ANNUAL REPORT

A MESSAGE FROM THE CHAIR



BY **CHRISTI WOODARDS**
GENERAL MANAGER,
SUNRISE MALL & CHAIR,
SUNRISE MARKETPLACE

As referenced in the 2015 Annual Report, Sunrise MarketPlace implemented an extensive strategic planning process in 2016. This included working with two highly regarded consultants: nationally known Michelle Reeves of Civilis Consultants and Dr. Jessica Kriegel, Organizational Development Consultant for Oracle Corporation.

The main objective was to incorporate more long-term planning into the BID's organizational structure and operation. Ms. Reeves scope of work included identifying the most effective way for Sunrise MarketPlace to maximize its economic performance and enhance environmental branding and the district's physical presence. Dr. Kriegel helped the board convert the findings into a working document including a mission, objectives, strategies, action plan and review of resources.

This process included a comprehensive review of SMP's history and past activities along with engagement and feedback from property and business owners, residents and other community stakeholders. At the end of this process, the board of directors approved a detailed six-month Action Plan and a five-year Strategic Plan. For more detail on these plans, see "Strategic Plan at a Glance".

While Strategic Planning was a major focus for the year, SMP activated several marketing programs with impressive results. The District also unveiled new destination and holiday banners and added new holiday lights to the palm trees. And, we continued to support and participate in community organizations including the Citrus Heights Chamber, Rotary, HART (Homeless Assistance), A Community For Peace, Sylvan Community Garden, local area schools and more.

If you are a business or property owner in the District, please consider participating in the decision-making process for how your dollars are spent. Join the marketing committee or consider a seat on the board. For more information on how to get more involved and maximize your investment (assessment) contact Kathilynn Carpenter at kathilynn@sunrisemarketplace.com or via phone at 916-536-9267.

STRATEGIC PLAN AT A GLANCE



BY **KATHILYNN CARPENTER**
EXECUTIVE DIRECTOR,
SUNRISE MARKETPLACE

The SMP Board of Directors reached consensus on our mission and core objective, as well as three focus areas (Advocacy, Attraction and Awareness) and corresponding tactics for the five-year period 2016-2021. See summary of tactics below. For 2016, the board directed staff to prioritize attention on the following highlighted tactics:

OUR MISSION
IS TO DRIVE THE
ECONOMIC VITALITY
OF THE DISTRICT.

OUR CORE OBJECTIVE
IS TO RETAIN OUR
PRIMARY TRADE
ZONE AND GROW
OUR SECONDARY
TRADE ZONE.

ADVOCACY

- Property transformation
- **Public area improvement refresh**
- **Homelessness**
- Transit shelter renovation
- Pocket parks & nodal connectivity
- **Support City image campaign**
- SMP sign regulations
- Monitor legislation & ordinances
- Government relations
- Business education

ATTRACTION

- Reactivate "Locate-In-SMP" type of program
- **Create experiences & events**
- Leverage existing successful events
- Curate events
- **Enhance SMP & business holiday décor**
- PTA & STA messaging
- Advertising
- Market Research

AWARENESS

- Improve name recognition & Enhance brand identity
- Engage District employees
- Engage District businesses & property owners
- **Develop Robust Digital strategy**
- Kiosk Strategy
- Banners & Signage
- Map Guide

For detailed information on the Five-Year Plan, contact Kathilynn Carpenter at kathilynn@sunrisemarketplace.com or via phone at 916-536-9267.

ACTIVATING THE STRATEGIC PLAN

While substantial time was invested in the Strategic Planning process, SMP continued its marketing, special events and other programs. These activities and results are outlined in this report within the framework of the focus areas: Advocacy, Attraction and Awareness.

ADVOCACY

These strategies focus on creating a clean, safe and attractive environment for visitors, residents, business and property owners and potential businesses.

SUPPORT CITY IMAGE CAMPAIGN



With support and encouragement from SMP, the City of Citrus Heights embarked on a campaign to promote its image in the region. As noted in the City Staff Report: "The City of Citrus Heights has never engaged in a formal strategic awareness or promotion effort, rather we have let our actions speak for themselves." In 2017, the City will unveil a new branding and communication strategy.

SMP ENVIRONMENTAL BRANDING



One of the first objectives of the BID, was to define the District's boundaries with destination signage and to renovate the medians. Additionally, the street signs were branded in SMP colors. Over the years we've worked with the City to keep the area clean and attractive. In the Fall of

2016, the street signs were repainted. We have identified further areas in need of renovation and will work with the city to refresh the remaining signage and maintain the public areas.

HOMELESSNESS IN THE CITY



We have heard loud and clear that our business and property owners are struggling with an increase in homeless-related activities at or near their business. We work closely with the Citrus Heights Police Department (CHPD) to alleviate these issues. However, it is important to note that simply being homeless is not illegal, creating limitations for the police. Officers will come out to your business and do an assessment to highlight

actions that will lessen homeless activity. Our POP Sergeant can be reached at 916-727-5500.



We also support Citrus Heights HART, a homeless assistance program geared to eliminating homelessness in the City. HART manages an annual Stand Down event for homeless veterans and works with local churches to operate a winter sanctuary during the coldest weeks of

winter. HART also supports the City's homeless-outreach Navigator program. The Navigator can be reached at 916-533-3069.

ATTRACTION

In 2016, SMP marketing activities generated positive awareness and brought people to the District.

CREATE, LEVERAGE, & CURATE EVENTS



KIDTOPIA

In March 2016, SMP sponsored CBS Radio's first annual Kidtopia. Thousands of families attended the event at Fair Oaks Park. SMP sponsored the Selfie Gallery, engaging with guests at the site and on social media. The station ran 820 promotional announcements with Sunrise MarketPlace tagged in every one of them, generating 5.8 million impressions.



DARE TO PREPARE DAY

On April 30, 2016, Sunrise MarketPlace and Sunrise Mall produced the region's largest Emergency Preparedness event. The goal of the event was to bring people to the District while encouraging more citizens to be better prepared in the event of an emergency or disaster. More than 1,800 people, 55 emergency preparedness vendors and 60 volunteers came together to experience this unique event. The event was free for the public and held in two locations: Sunrise Mall and Citrus Town Center. Attendees learned about Pet Preparedness, Active Shooter Defense, Senior and Family Needs and Business Owner Preparedness. Participating vendors included FEMA, Metro Fire CERT, EMSA, CHPD, California Office of Emergency Services and many others.

DARE TO PREPARE DAY



CRAFT BEERS & COVERS

With the goal of drawing both our primary and secondary market and boosting brand awareness, we partnered with Citrus Town Center and KHITS for this summer event. For eight consecutive Thursdays, AlleyKatz hosted a live band and featured eight different craft brewers. KHITS provided on air and on-site promotions including 120 :60 second commercials and 45 :15 second commercials and 75 van-hit live mentions!



SUNRISE MALL

SMP participates in this annual event in the parking lot of Sunrise Mall with our branded booth, engaging with attendees, distributing map guides and giveaways via our prize wheel. The event is always well attended and receives significant media coverage.

CHPD TRAFFIC SAFETY FAIR

SMP participates in this annual event in the parking lot of Sunrise Mall with our branded booth, engaging with attendees, distributing map guides and giveaways via our prize wheel. The event is always well attended and receives significant media coverage.



CITRUS TOWN CENTER FALL FAIR

SMP participates in this annual Fall event promoting our businesses and supporting the center. Several hundred people attend this family friendly kick-off to autumn where Sprouts distributed free pumpkins to families.

"I shop Sunrise MarketPlace because I can find what I'm looking for and merchants make it a warm and inviting shopping experience! Plus, I can always get a parking space."

- 1,000 Reasons Contest Comment



WIZARDING WORLD

This media promotion featured our businesses and highlighted the District as the place to shop and spend time during the Fall season. CBS Radio launched 10 van hits in the District where fans could win tickets to a special early viewing of *Fantastic Beasts and Where to Find Them*. SMP joined 176 winners at the theater where they were treated to free SMP-branded popcorn and vied for Harry Potter themed raffle prizes. At the same time, Harry Potter fans could enter to win a trip for four to Universal Studios and the Wizarding World as well as a \$250 shopping spree at Sunrise Mall.

Marketing for the promotion included custom radio commercials, dedicated website page, dedicated text to win lines, website banner ads, social media ads, signage and printed post-cards.

This contest generated the greatest engagement rate to date for an enter-to-win promotion; more than 2,700 people entered between on-line and text to win channels. Paid and non-paid media impressions totaled 2.4 million.

1,000 REASONS



This consumer-engagement promotion included an "Enter-to-Win" contest requesting contestants tell us why they like shopping here. The contest featured a \$1,000 shopping spree with the goal of showcasing the District as "your holiday destination".

The promotion also included a \$1,000 donation to the winner's charity of choice. Contestants posted reasons why SMP is their favorite shopping destination. Nearly 1,250 people participated and through our media partner, ABC TV, the promotion garnered nearly 3 million impressions.

ENHANCE SMP & BUSINESS HOLIDAY DÉCOR



New holiday street pole banners showcasing a "Rustic Christmas" theme, along with new red and green palm tree lights added to the festive holiday ambiance in the District.

AWARENESS

In 2016, SMP continued to promote the three pillars representing the branding promise of the District:

**SHOP
SMART**

**SAVOR
SELECTION**

**STAY
CONNECTED**

DEVELOP ROBUST DIGITAL



FACEBOOK

We enhanced our Facebook presence and increased engagement with our followers, gaining more than 3,000 "Likes". Posts promoted our businesses and shopping centers, their events and promotions and our own activities. We also ran a monthly program of Facebook ads generating thousands of impressions.



PINTEREST

Through our active presence on Pinterest, we are able to promote our businesses throughout the seasons.



SHOPSMP.COM

An analysis of the web site revealed that it was out of date and no longer effective in achieving our digital goals. Request for proposals have been sent out to several companies to develop a completely new web site; one that is more vibrant, colorful, interactive and mobile friendly.

CITY NEWS

CITRUS HEIGHTS CITY COUNCIL APPOINTS NEW CITY MANAGER

On July 16, 2016, the Citrus Heights City Council appointed Christopher Boyd to the City Manager position. Longtime City Manager Henry Tingle retired effective September 30, 2016. Mr. Tingle, who served as City Manager since 1999, announced his retirement effective as of September 30, 2016.

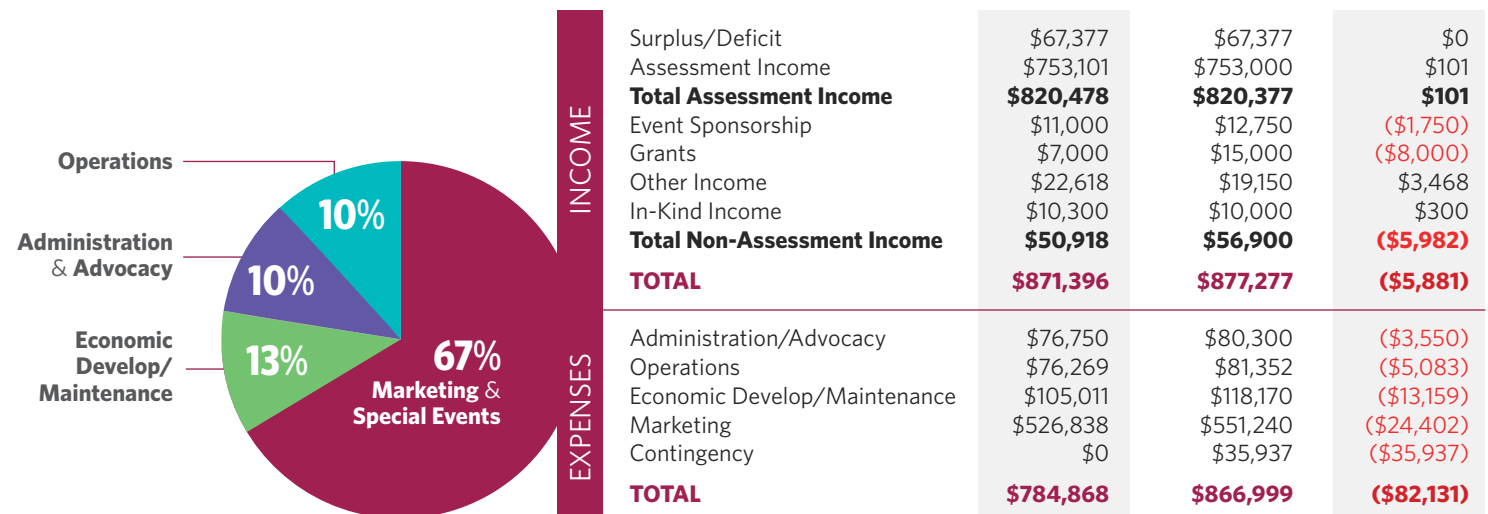
During his successful 18-year run at the City, Mr. Tingle shepherded the City through the development of its own police department, hiring Mr. Boyd as its first Chief in 2005. Under Chief Boyd's leadership, the Department elevated community policing to a new level and introduced effective and creative programs that has resulted in an overall reduction in crime.

NEW CITY HALL



The City relocated to a new state of the art, energy-efficient building on August of 2016. The \$22 million building is adjacent to the post office and just north of the police department. The former City Hall was originally developed as a nursery and was ill equipped to handle the long-term needs of the City. As part of a partnership with Dignity Health, Citrus Heights sold the parcel and purchased new property for the new 35,000 square foot, one-story building with an adjacent storage yard. The former City Hall buildings were demolished and construction is underway for a new Dignity Health medical office building.

FINANCIAL REPORT






2015/2016 BID TERMS



No changes were made to the boundaries in 2016; none are proposed for 2017. Boundaries include approximately ten blocks along Sunrise Boulevard and Greenback Lane.

The BID's seven (7)-year term started January 1, 2015 and will expire on December 31, 2021.

The annual cost to parcel owners is \$0.03 (office) and \$0.06 (retail) per parcel square foot per year. Assessment rates may be subject to an annual increase of no more than \$0.0025 (for office) and \$0.005 (for retail) per parcel square foot per year. No change in assessment is proposed for 2017.

NEW BUSINESSES





COMING SOON

Mitchell Farms - A major residential development, consisting of 261 residential units is being proposed for the current Sunrise Golf Course and surrounding vacant land.

A façade remodel is underway at 5450 Sunrise Boulevard in the Sunrise MarketPlace. Upon completion, the retail strip center will be home to a new **Dos Coyotes** and **Pizza Rev** and the existing Nation Burger.

Capital Nursery Plaza, the new 50,000-square foot retail complex, which took the place of the former Capital Nursery at Sunrise and Madison, is now home to a new Smart & Final and McDonald's; Black Bear Diner, Moe's Southwest Grill, and Jimmy John's Gourmet Sandwiches will open in 2017.



2016 **BOARD OF DIRECTORS**

OFFICERS

Christi Woodards
Chair
Spinoso Real Estate Group/
Sunrise Mall

Andrew Gianulias
Vice-Chair
Greenback Associates

Don Tollefson
Treasurer
Batteries + Bulbs

Michael Nishimura
Secretary
Elephant Bar Restaurant

Jason Bollinger
Inter-Cal Real Estate/
Citrus Town Center

Travis Kimball
Quick Quack Car Wash

Ted Mitchell
Land Owner

Stephen Patterson
Patterson Properties

Wayne Wasulko
Alta Sunrise Building

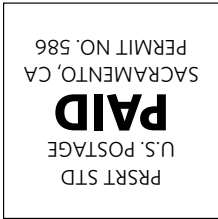
STAFF

Kathilynn Carpenter
Executive Director
kathilynn@sunrisemarketplace.com

Colleen Beatty
Marketing Manager
colleen@sunrisemarketplace.com

Danitza Trylovich
Event and Administrative Coordinator
danitza@sunrisemarketplace.com

5912 Sunrise Mall Rd
Citrus Heights, CA 95610





CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT

MEMORANDUM

DATE: October 26, 2017

TO: Mayor and City Council Members
Christopher W. Boyd, City Manager

FROM: Rhonda Sherman, Community Services Director
Katherine Cooley, Assistant to the City Manager

SUBJECT: **Second Reading – Ordinance No. 2017-007 Repealing Chapter 2, Division 2 of the Citrus Heights Municipal Code regarding the Dissolution of the History and Arts Commission**

Summary and Recommendation

On October 12, 2017, the City Council introduced, read by title only and waived the first full reading of an Ordinance No. 2017-007 repealing Chapter 2, Division 2 of the Citrus Heights Municipal Code regarding the Dissolution of the History and Arts Commission.

Fiscal Impact

Staff does not anticipate any additional fiscal impact associated with the proposed repeal beyond the impact outlined in the October 12, 2017 staff report.

Conclusion

Staff recommends that the Council approve Ordinance No. 2017-007 an Ordinance repealing Chapter 2, Division 2 of the Citrus Heights Municipal Code regarding the Dissolution of the History and Arts Commission.

Attachments: Ordinance No. 2017-007

ORDINANCE NO. 2017-007

**AN ORDINANCE OF THE CITY OF CITRUS HEIGHTS REPEALING CHAPTER 2,
DIVISION 2 OF THE CITRUS HEIGHTS MUNICIPAL CODE REGARDING THE
DISSOLUTION OF THE HISTORY AND ARTS COMMISSION**

RECITALS

WHEREAS, the City Council has previously established a planning commission and a history and arts commission, each of which consist of seven members (collectively, the “Commissions”); and

WHEREAS, due to the effectiveness of the History and Arts Commission, they have met their goals or decided not to pursue certain projects; and

WHEREAS, the City Council desires to dissolve in its entirety the Citrus Heights History and Arts Commission.

NOW THEREFORE, the City of Citrus Heights does ordain as follows:

Section 1. Recitals Made Findings

The above recitals are hereby declared to be true and correct and findings of the City Council of the City of Citrus Heights.

Section 2. Repeal Chapter 2, Division 2 of the Municipal Code

Chapter 2, Article IV, Division 2 (History and Arts Commission) of the City’s Municipal Code is hereby repealed in its entirety.

Section 4. Severability

If any section of this Ordinance is determined to be unenforceable, invalid, or unlawful, such determination shall not affect the enforceability of the remaining provisions of this Ordinance.

Section 5. Effective Date and Publication

This Ordinance shall take effect thirty (30) days after its adoption, and within fifteen (15) days after its passage, shall be posted in three public places.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights this 26th day of October, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jeff Slowey, Mayor

ATTEST:

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT

MEMORANDUM

DATE: October 26, 2017

TO: Mayor and City Council Members
Christopher W. Boyd, City Manager

FROM: Ronda Rivera, Assistant City Manager
Alex Turcotte, Police Lieutenant
Monica Alejandrez, Human Resources Manager

SUBJECT: Approval of a Memorandum of Understanding with the Citrus Heights Police Officers Association and Adoption of the Amended Payrate Schedule for the City of Citrus Heights

Summary and Recommendation

Pursuant to the City Council's direction, the City's labor negotiations representatives met and conferred with the representatives of the Citrus Heights Police Officers Association (CHPOA) regarding a Memorandum of Understanding (MOU). The intent of the MOU is to provide a process by which the City and CHPOA may resolve differences that may arise regarding rates of pay, wages, hours of employment and other conditions of employment. The parties have reached agreement regarding the new MOU. Staff recommends the City Council adopt a resolution formally approving the new MOU and adopting the amended Payrate Schedule for the City of Citrus Heights.

Fiscal Impact

There is no anticipated impact to the approved Fiscal Year 2017/2018 budget. Adoption of the proposed MOU will help the City maintain a balanced budget between fiscal years 2017/2018 and 2019/2020, thus helping the City to remain fiscally sound during this period.

Background and Analysis

The CHPOA is the exclusive collective bargaining representative for the Sworn Officers Unit as defined by the City's Employer/Employee Relations Policy. City and CHPOA representatives began the meet and confer process in July 2017 for the purpose of creating a proposed MOU between the two entities. Pursuant to direction and authority provided by the Council, the City's labor negotiations representatives conferred with the Association's representatives on numerous occasions to respond to its proposals and present counter-proposals. On September 8, 2017, the parties reached agreement on the provisions of the MOU. The Association's members subsequently ratified the new MOU on or about October 15, 2017.

This MOU will be the second MOU between the City and the CHPOA. Following are the major components to which the parties have agreed, subject to the City Council's approval:

1. Three year contract term, commencing October 1, 2017 and ending September 30, 2020.
2. Effective October 29, 2017, the Police Officer salary range will move by 3% on the bottom and the top of the range.
3. CHPOA members will have a 2% salary increase.
4. CHPOA members will have a salary placement adjustment made based upon the following schedule:

Appointment Date	Years in Classification (as of June 30, 2018)	Range Placement
06/30/08 or earlier	10 Plus years	Top of the Range
07/01/08 - 09/30/09	8.75 - 10 years	3% from Top
10/01/09 - 12/31/10	7.5 - 8.75 years	6% from Top
01/01/11 - 03/31/12	6.25 - 7.5 years	9% from Top
04/01/12 - 06/30/13	5 - 6.25 years	12% from Top
07/01/13 - 09/30/14	3.75 - 5 years	15% from Top
10/01/14 - 12/31/15	2.5 - 3.75 years	18% from Top
01/01/16 - 03/31/17	1.25 - 2.5 years	21% from Top
04/01/17 - 10/28/17	1 day to about 1.25 years	24% from Top
Hired after 10/29/17	No Range Placement Adjustment	

5. The City will pay up to the following monthly amounts toward health insurance premiums:

Through December 2017:

Employee Only	\$600
Employee Plus One	\$1,100
Employee Plus Family	\$1,400

Effective January 2018, the City will pay up to the following monthly amounts toward health insurance premiums:

Employee Only	\$700
Employee Plus One	\$1,200
Employee Plus Family	\$1,500

If an employee has qualifying outside health insurance coverage through a spouse, domestic partner or alternative retirement, the employee can cash-out \$600 per month or add this amount to deferred compensation.

6. Education Pay will increase from a maximum of 7.5% to a maximum of 10%.
7. Master's Pay will increase from 2.5% to 5%.

8. Effective 10/29/17, the City will cease paying COPS Legal premiums for all CHPOA members.
9. CHPOA members will receive overtime if required to work while on their scheduled sabbatical.
10. Schedule change notice will move from 5 days to 7 days' notice for all Police Officers who are not part of the FTO program.
11. Extension of probation if unable to perform full patrol duties while on probation.
12. Continuation of the on-duty workout program.
13. The parties agree to a reopener during the term of the MOU to discuss cost-sharing of the City's CalPERS employer contribution.
14. The new MOU incorporates the Memorandum of Understanding approved by the City Council on January 28, 2010 by Resolution 2010-008 and incorporates all approved side letters through September 30, 2017.

California Code of Regulations, Title 2, Section 570.5 and requirements of the California Public Employees' Retirement System (CalPERS) requires that the payrate shall be listed on a schedule which

1. Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meeting laws;
2. Identifies the position title for every employee position;
3. Shows the payrate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
4. Indicates the time base, including but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
5. Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
6. Indicates an effective date and date of any revisions;
7. Is retained by the employer and available for public inspection for not less than five years; and
8. Does not reference another document in lieu of disclosing the payrate.

The amended Payrate Schedule (Attachment 4) revises the salary range for the following classifications:

1. Police Officer
2. Police Officer-Reserve 1 Extra

Conclusion

Staff recommends City Council adopt the proposed resolution approving the new MOU between the CHPOA and the City and adopting the amended Payrate Schedule for the City of Citrus Heights.

Subject: Approval of MOU with CHPOA

Date: October 26, 2017

Page 4 of 4

- Attachments:
- (1) Resolution adopting a Memorandum of Understanding with the Citrus Heights Police Officers Association
 - (2) Memorandum of Understanding Between Citrus Heights Police Officers Association and City of Citrus Heights
 - (3) Resolution Adopting the Amended Payrate Schedule
 - (4) Amended Payrate Schedule effective 10/29/2017

RESOLUTION NO. 2017- ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, ADOPTING A MEMORANDUM OF UNDERSTANDING WITH THE
CITRUS HEIGHTS POLICE OFFICERS ASSOCIATION**

WHEREAS, the City Council of the City of Citrus Heights, pursuant to California Government Code section 3500 et seq., enacted an employer-employee relations policy by adopting Resolutions 2001-110 and 2006-27; and

WHEREAS, under the terms of those Resolutions, the City Manager and his/her representatives and representatives of the Citrus Heights Police Officers Association (CHPOA), the recognized employee organization for the Sworn Officer Unit, as designated in said policy, have met and conferred in good faith; and

WHEREAS, these parties have reached agreement on matters relating to the employment conditions of the said employees, as reflected by the written Memorandum of Understanding (MOU) which is on file in the City Clerk's office and hereby referenced; and

WHEREAS, this Council finds that the provisions and agreements contained in said Memorandum are fair and proper and in the best interest of the City; and

WHEREAS, the Association has previously ratified the terms and conditions of the Memorandum.

NOW THEREFORE BE IT RESOLVED AND ORDERED by the City Council of the City of Citrus Heights that the terms and conditions contained in said Memorandum of Understanding are hereby adopted.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 26th day of October 2017 by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

Jeff Slowey, Mayor

ATTEST:

Amy Van, City Clerk

AGREEMENT

BETWEEN

CITRUS HEIGHTS POLICE OFFICERS ASSOCIATION

AND

CITY OF CITRUS HEIGHTS



10/01/17 through 09/30/20

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Article 1 Introductory Clauses

Section 1.1 Preamble

This Agreement (Agreement) is entered into between the City of Citrus Heights (City) and the Citrus Heights Police Officer's Association (CHPOA). It is the intent and purpose of this Agreement to assure harmonious labor relations between the parties hereto, to provide an equitable and peaceful process of resolving differences which may arise, and to establish rates of pay, wages, hours of employment and other conditions of employment.

Section 1.2 Personnel Rules

The City personnel rules, regulations and/or policies of the Citrus Heights Police Department (CHPD), which are not in conflict with this Agreement, will remain in effect unless modified after applicable process. No employee shall suffer any loss of wages, hours or conditions of employment by reason of signing this agreement.

Article 2 Recognition

Section 2.1 Definition of Bargaining Unit

The City confirms its prior Council recognition of the CHPOA as the exclusive bargaining representative for the Sworn Officers Unit as defined by the City's Employer/Employee Relations Policy.

Section 2.2 Creation of New Classifications

If the City creates a new sworn job classification in the Police Department that the City intends to add to the bargaining unit, the City shall forward the new job class description and proposed wage to the CHPOA for review. The City agrees to meet and confer with the CHPOA, if requested, regarding compensation and benefits for the new classification.

Article 3 Association Security

Section 3.1 Association Dues Deduction

The City agrees to deduct from the paychecks of employees giving written authorization, CHPOA dues in an amount to be determined annually by the CHPOA every two weeks for a maximum of 24 deductions per year. The City will directly deposit said dues into a bank account of the CHPOA's choosing within five (5) business days of each regular paycheck. The CHPOA agrees to have any fees associated with the direct deposit deducted from each direct deposit.

Section 3.2 Fair Share

The City agrees to deduct from the paychecks of employees opting out of CHPOA, a fair share amount equal to the Association's cost of providing collective bargaining and contract enforcement services in the same manner and timing as regular dues deductions. The amount of the fair share shall be set annually by the CHPOA. The CHPOA agrees to hold the City harmless in the event of disputes over the fair share amount charged to non-members in classifications in the bargaining unit. The fair share amount will be consistent with that allowable under state law.

Section 3.3 Nondiscrimination for Association Activity

There shall be no discrimination, interference, restraint, or coercion by the City, or any City representative against any member because of Association membership.

Section 3.4 Noncompetition with the CHPOA

The City agrees there will be no aid, promotion or financing of any labor organizations which purport to represent the employees in this bargaining unit and that any such activities on the part of the City or its agents is prohibited unless permitted under the Meyers Milias Brown Act or the City's Employer/Employer Relations Policy.

Article 4 Employer Security

Neither the CHPOA nor any represented employee shall participate in any unlawful concerted labor activity. During the term of this Agreement, no work slowdown, picket, sympathy strike, blue flu or boycott shall be initiated, participated in, supported, or condoned by the Association. Violation of this section of the agreement shall be grounds for discipline.

Article 5 Management Rights

The City hereby retains and reserves unto itself, without limitation, all powers, rights, authority, duties and responsibilities conferred upon and vested in it by the laws of the Constitution of the State of California, and of the United States, including but not limiting the generality of the foregoing, the right:

- To set standards and levels of service;
- To determine the procedures and standards of selection for employment;
- To assign work to and direct its employees;
- To determine the methods and means to relieve its employees from duty because of lack of funds or other lawful reasons;
- To determine the methods, means and numbers and kinds of personnel by which City operations are to be conducted, including the right to contract or subcontract bargaining unit work provided that the City will meet and confer in advance on the impact of subcontracting on workload and safety and any other matter within the scope of representation;
- To determine methods of financing;
- To determine size and composition of the work force and allocate and assign work by which the City operations are to be conducted;
- To determine and change the number of locations, relocations and types of operations, processes and materials to be used in carrying out all City functions;
- To make all decisions relating to merit, necessity or organization of City service;
- To discharge, suspend, demote, reprimand, or otherwise discipline employees for just cause in accordance with applicable laws;
- To establish employees performance standards including, but not limited to, quality and standards, and to require compliance therewith;
- To take necessary actions to carry out its mission in emergencies; and
- To exercise complete control and discretion over its organization and the technology of performing its work.

The exercise of the foregoing powers, rights, authority, duties, and responsibilities by the City, the adoption of policies, rules, regulations and practices in furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Memorandum and then only to the extent such specific and express terms hereof are in conformance with the Constitution and laws of the United States and the Constitution and laws of the State of California.

The exercise by the City through its Council and management representatives of its rights hereunder shall not in any way, directly or indirectly, be subject to any grievance procedure nor subject to meeting and conferring.

Nothing herein shall be deemed as a waiver by the Citrus Heights Police Officer's Association or its Members of rights granted under Meyers-Milias-Brown Act (Government Code Sections 3500-3511, as amended) or the Police Officer's Bill of Rights.

Article 6 Delivery of Police Services

Section 6.1 Delivery of Police Services

The delivery of police services in the most efficient and effective manner is of mutual importance and interest to both the CHPOA and the City. Work procedures, schedules, and assignments for improving services shall be established and revised from time to time in accordance with this agreement.

Section 6.2 Vehicle Readiness

Officers shall be afforded an opportunity to ready vehicles as follows:

Briefings will start on time and officers will be present in briefing in uniform (or fitness if assigned). On the first and subsequent shifts of their work week, officers will be allowed ten (10) minutes to set up and prepare their assigned patrol vehicle. Officers will then return to roll call for the continuation of the shift briefing. Due to the emergency nature of police work, supervisors may cancel roll call and/or vehicle readiness for officer and/or community safety reasons.

Article 7 Work Rules – Existing Benefits

Section 7.1 Maintenance of Benefits

Unless specifically provided for in this MOU, nothing in this MOU should be deemed to have eliminated or superseded a benefit in an existing policy, rule or binding past practice.

Section 7.2 Primacy of Agreement

The terms and conditions of this Agreement shall control over ordinances and resolutions of the governing body of the City where there is a conflict with a provision of this Agreement.

Article 8 Association Business and Meetings

Section 8.1 Association Meetings

The City will allow elected CHPOA Board Members who are scheduled to work during predetermined Board and Membership meetings release time to attend scheduled Board and Membership meetings, with at least thirty (30) days prior notice to the City, for up to one (1) hour per month, except in cases of emergency, where the staffing impact would not permit the Police Department to operate safely or if the meeting conflicts with Department mandated training. On-duty personnel are required to monitor radio and respond in the event of an emergency.

Section 8.2 Release Time for IA Interviews and Grievances

The City will allow CHPOA Board Members and shop stewards adequate release time to represent members during internal affairs interviews and grievance meetings while on duty except in cases of emergency where the staffing impact would not permit the Police Department to operate safely. This provision applies to one representative per involved member. Employees will not receive pay for off-duty time spent performing these Association representative duties.

Section 8.3 Time off for Association Training and Conferences

The City will allow CHPOA Board members to utilize their accrued time off to attend Association training, and conferences of state/national law enforcement associations, under the same terms and conditions required for all other time-off requests.

Section 8.4 Management Labor Meetings

Employees who would otherwise be working their assigned shift shall be released from their regular duties to attend meet and confer, negotiation and other labor-management meetings, and will be paid for this time during their assigned shift as if they were performing their regular duties. The intent of this section is not to create overtime for any CHPOA member. This article is not subject to grievance.

Section 8.5 List of CHPOA Board Members/Stewards

On January 1st of each year, the CHPOA shall provide the City with a list of the elected Board members of the CHPOA, and any members who are assigned as shop stewards. The CHPOA may update this list as new members are appointed to the Board or to steward positions.

Section 8.6 Association Communication

The City shall provide a location in the Department where a bulletin board may be placed at CHPOA expense to post association business documents. The City shall allow the use of the internal email system for notices of meetings. The City shall allow the use of any City facility that the public may use for the holding of association meetings, with the same reservation and use requirements.

Article 9 Members Rights

Section 9.1 Peace Officers Rights

The City and the CHPOA will both adhere to the rights provided to peace officers under Government Code Section 3300-3312 (the Public Safety Officers Procedural Bill of Rights Act).

Section 9.2 Presumption of Innocence

All CHPOA represented employees shall be treated fairly and equitably during internal investigations. CHPOA represented employees will be presumed innocent of all allegations until proven otherwise. This article shall not be interpreted to be related to the application of administrative leave by the Department. This article is not subject to grievance.

Article 10 Discipline

Section 10.1 Procedure

Disciplinary matters will be handled in accordance with CHPD Policy 340.

Section 10.2 Disciplinary Appeal – Major Discipline

When major discipline action, as defined in Citrus Heights Personnel Rules and Regulations §6.4, has been taken, the employee shall continue to have the right to appeal. All matters will be referred to the Office of Administrative Hearings in Sacramento, California. An Administrative Law Judge (ALJ) will be the hearing officer and will prepare an advisory recommendation following the evidentiary hearing. The written advisory recommendation will be sent to each party. The parties will have the opportunity to meet following receipt of the advisory recommendation. The parties may enter into a settlement agreement prior to the advisory recommendation being sent to the City Manager for final ruling. The City Manager shall send his/her final decision of written findings and decision, along with a proof of service of mailing, to each of the parties and each of the parties' representatives within twenty (20) working days of the receipt of the ALJ's recommendation.

The City shall bear the cost of the Administrative Law Judge and facility. The transcription costs shall be borne by the party requesting the transcription or may be shared if mutually agreed upon. Each party shall be responsible for their own costs associated with expert testimony or other costs associated with the presentation of their case.

The City Manager's decision shall be final, subject only to review by a judicial administrative writ of mandamus action.

Section 10.3 Internal Affairs

The Chief of Police shall designate managers to perform internal affairs investigations, and they shall be performed in the most expeditious manner possible.

Section 10.4 Probationary Release

Any CHPOA represented employee released from probation may request a Lubey/Liberty Interest hearing with the Chief of Police or his/her designee, as required by law, if the discharge seriously affects the employee's ability to find comparable employment elsewhere. A liberty

interest is implied where: (1) there is a stigmatization charge; (2) the employee denies the charge or contests its accuracy; and (3) there is a public disclosure of the charge. The purpose of the hearing is to provide the discharged employee with an opportunity to clear his or her name.

Article 11 Salary

Section 11.1 Rate of Pay

Base Rate of Pay: Base rate of pay shall be defined as the base hourly rate of pay that an employee receives in the salary range.

Regular Rate of Pay: Regular rate of pay shall be as defined by the Fair Labor Standards Act, i.e. as the employee's base hourly rate of pay, plus all incentive and specialty pays earned on a recurring basis and converted to an hourly rate.

Section 11.2 Overtime

Overtime shall be paid under this MOU for any hours worked outside an employee's prescheduled hours. Overtime shall be paid at 1.5 times the employee's base rate of pay.

FLSA overtime is hours actually worked over the applicable FLSA threshold under Section 207(k) of the FLSA. Despite the City's agreement to pay overtime under the MOU for hours worked outside an employee's prescheduled hours, the threshold for FLSA overtime for all sworn employees remains hours actually worked beyond 171 hours during the applicable 28-day work period.

Section 11.3 Salary Administration

Effective October 29, 2017, the City agrees to the following modifications to employee salaries:

- Modification in salary range with an increase of 3% to the top and bottom of the range as noted in the revised salary range enclosed as Attachment "A" to this MOU;
- 2% increase in salary of all employees.

The parties agree to an annual reopener on the issue of salary only to determine if an agreement can be reached with respect to salary increases only. The parties agree to meet and confer on the reopener no later than the end of May in 2018 and 2019 respectively with any changes effective on October 1st of 2018 and 2019 unless agreed otherwise. If the parties cannot agree on a salary increase during the time period of this reopener, there shall be no salary adjustment.

Article 12 Seniority

Section 12.1 Seniority Defined/Purpose

Seniority will be defined as the date of hire in classification with the City. Seniority will be used to bid for shifts (days/swings/graves) in patrol. Patrol officers will be allowed to select their shift for each half of the fiscal year. Shift sign-ups will generally occur by the end of April, with the new shifts beginning in late June/early July. Officers will have the opportunity to submit an interest card expressing their preference for which half of the year they will work weekends.

Section 12.2 Seniority for Sabbatical or Annual Leave Selection

Seniority will be used for patrol officers to select their annual leave or sabbatical once assigned to their patrol teams for the year. Patrol officers may elect to use their seniority for one selection, and then will go to the bottom of the list for the other. Sabbaticals may be rescheduled by the Department in the event of exigent circumstances or staffing related emergencies.

Section 12.3 Seniority Lists

The City will maintain and update a seniority list of all CHPOA members by classification, and provide it semi-annually to the CHPOA. The list will be by hire date by classification. Ties in hire date will be decided once by random drawing for new hires with no prior sworn law enforcement experience. Ties in hire date of those with prior sworn law enforcement experience will be broken based on total experience prior to coming to CHPD.

Section 12.4 Temporary Reassignment

The Chief of Police has the right to make temporary reassignment of employees, not to exceed 90 days, based on Departmental needs. This reassignment is not considered punitive. This article is not subject to grievance.

Article 13 Special Compensation

Section 13.1 Field Training Officer (FTO) Pay

The City reserves the right to determine the need for Field Training Officers (FTOs) and to assign officers to serve as FTOs. FTOs will receive 5% of the base rate of pay for each hour assigned and worked as an FTO and for the full shift if the officer spent 50% or more of the shift performing FTO duties.

Section 13.2 Acting Supervisor Pay

The City will pay any employee designated by the Department to serve in the capacity of acting supervisor 5% of the base rate of pay for all hours worked in that capacity. This is separate and distinct from out-of-class pay.

Section 13.3 Specialty Assignment Pay

The City shall pay an initial incentive of 3% of the base rate of pay to each CHPOA member assigned as a Detective or as an SRO. The incentive can increase up to 5% based on the employee's six (6) month performance rating in these assignments. The active incentive pay earned in such assignment shall remain with the employee when he/she is reassigned to the Patrol Services Division, provided the employee had completed one year in the assignment. The decision to assign and the length of a specialty assignment is at the discretion of the Chief of Police.

Section 13.4 Education Incentive Pay

The City shall pay an education incentive of a maximum of 10% of base pay per month calculated as follows:

- 2.5% for AA Degree or equivalent
- 2.5% for Intermediate POST
- 2.5% for BA/BS Degree

2.5% for Advanced Post

Section 13.5 Master's Degree Pay

The City shall pay a master's degree incentive in the amount of 5% of base pay per month.

Section 13.6 Bilingual Pay

The City shall pay a bilingual pay incentive in the amount of \$100 per month for employees certified by Human Resources as Spanish or Slavic speaking. The Police Officer would be required to pass a proficiency test. The bilingual pay incentive would also apply to Police Officers passing a proficiency assessment in American Sign Language.

Article 14 Court

Section 14.1 Court Standby

Employees shall receive 2 hours of straight time at the base rate of pay for each day assigned to Court Standby time while off duty. However, the employee shall not be eligible for this standby pay if the employee also reports for a court appearance that day. Standby and Court appearance pay will not be paid for the same court proceeding on the same day. "To Be Notified" status does not qualify for Court Standby pay.

Section 14.2 Court Appearance – Outside of Scheduled Work Hours

Employees required to attend court outside of their scheduled work hours related to actions taken as an employee of the City of Citrus Heights, shall receive the following compensation:

- *Required in court more than two hours outside of a scheduled shift, or during their Patrol Mini-Sabbatical (as defined in the Police Department's Benefit and Compensation Procedures) – 4 hour minimum at 1.5 times the base rate of pay.

- *Required in court less than two hours outside of a scheduled shift – 2 hour minimum at 1.5 times the base rate of pay.

Any employee who receives an a.m. subpoena more than four (4) hours prior to a p.m. subpoena, shall receive the applicable minimum overtime for each subpoena, regardless of length of appearance.

Any employee ordered to return after the court's lunch break will receive compensation during the break period.

Article 15 Call Back Pay

CHPOA members, who are required to report for duty other than a scheduled shift, or during their Patrol Mini-Sabbatical (as defined in the Police Department's Benefits and Compensation Procedures), will be compensated four (4) hours minimum at time and one half the base rate of pay. A continuation or extension of a shift, as defined below, is not considered "Call Back" for the purpose of this section.

Shift Continuation: If called to report to their assigned shift 30 minutes or less prior to the beginning of a shift, the employee will be compensated at time and one-half the base rate of pay.

Shift Extensions: Employees will be compensated at time and one-half the base rate of pay for hours worked after the end of their shifts.

Article 16 On-Call Pay

Employees required to remain in an on-call status shall receive one hour of straight time pay for on-duty days and two hours of straight time pay for off-duty days. On-call pay will be paid in addition to applicable call back pay. This provision currently generally refers to one Detective and/or the Traffic Officer.

Article 17 Schedule Changes

The City may change an employee's schedule with seven (7) days' notice, unless an emergency exists that requires schedule change. Non-emergency schedule changes with less than seven (7) days' notice shall result in overtime compensation for the first full shift of the changed schedule. Nothing in this section is meant to prohibit a schedule change as a result of a mutual agreement between the employee and the City.

Due to the unique requirements of officer training, this section will not apply to members until after they have completed the initial Field Training Program for a full time police officer.

Article 18 Extension of Probation

CHPOA represented employees shall only have their eighteen (18) month probationary period extended due to a time period of longer than thirty (30) days during the member's probation based on a leave of absence or other restricted light duty during which the member was not performing the full regular duties of his/her position - including patrol duties - on a continuous basis. In such circumstance, the employee's probationary period will be extended for the same length of time as he/she did not perform the regular duties of the position.

Article 19 Employment of Relatives

Employees are prohibited from directly supervising, occupying a position in the line of supervision, or being directly supervised by any other employee who is a relative or with whom they are involved in a personal or business relationship.

1. If circumstances require that such a supervisor/subordinate relationship exists temporarily, the supervisor shall make every reasonable effort to defer matters involving the involved employee to an uninvolved supervisor.
2. When personnel and circumstances permit, the Department will attempt to make every reasonable effort to avoid placing employees in such supervisor/subordinate situations. The Department however, reserves the right to transfer or reassign any employee to another position within the same classification, or, if necessary, separate an employee, if it deems it necessary to avoid conflicts with any provision of this section.

Article 20 Retirement Benefits

The City contracts with the California Public Employees' Retirement System (CalPERS) for retirement benefits for eligible employees. All employees regardless of hire date, pay the

member contribution rate as determined by CalPERS. The retirement formula is determined by an employee's date of hire, classification and status with CalPERS.

Police Officers subject to the provisions of the California Public Employees' Pension Reform Act (PEPRA) shall be eligible for the 2.7% @ 57 retirement formula, three year average compensation method, as defined by the PEPRA legislation.

Police Officers determined by CalPERS to be classic members, hired by Citrus Heights Police Department on or after August 15, 2011, shall be eligible for the 3% @ 55 retirement formula, three year average compensation method.

Police Officers hired prior to August 15, 2011, shall be eligible for the 3% @ 50 retirement formula, single highest year compensation method.

CalPERS has the final determination regarding determining an employee's status with CalPERS.

The parties agree to a reopener during the term of the MOU to discuss cost-sharing of the City's CalPERS employer contribution.

Article 21 Personnel Files

Any employee may request access to his/her own personnel file(s) during the normal business hours of the individual(s) responsible for maintaining such file(s). Any employee seeking the removal of any item from his/her personnel file shall file a written request to the Chief of Police through the chain of command. The Department shall thereafter remove any such item if appropriate or within 30 days provide the employee with a written explanation why the contested item will not be removed (Government Code 3306.5). If the contested item is not removed from the file, the employee's request and the department's written response shall be retained with the contested item in the employee's personnel file.

Employees may be restricted from accessing files containing ongoing Internal Affairs investigations to the extent that it could jeopardize or compromise the investigation pending final disposition or notice to the employee of the intent to discipline or confidential portions of Internal Affairs files which have not been sustained against the employee.

Article 22 Grievance Procedure

Section 22.1 Purpose

This grievance procedure shall be used to process and resolve grievances per the definitions listed below:

- To resolve grievances informally at the lowest possible level.
- To provide an orderly procedure for reviewing and resolving grievances promptly.

Section 22.2 Definitions

A grievance is a complaint of one (1) or a group of employees, or a dispute between the City and the CHPOA, involving the interpretation, application, or enforcement of the express terms of this

Agreement, the Department Policy Manual, the City rules, regulations and policies. It does not include discipline matters or personnel evaluations.

As used in this procedure, the term "immediate supervisor" means the individual who assigns, reviews and/or directs the work of an employee.

As used in this procedure the term "party" means an employee, the CHPOA or the City.

Section 22.3 Time Limits

Each party involved in a grievance shall act quickly so that the grievance may be resolved promptly. Every effort should be made to complete action within the time limits contained in the grievance procedure, but with the written consent of all parties the time limitation for any step may be extended.

Section 22.4 Presentation

An employee or the CHPOA representative, who is a full-time employee, or both, may present a grievance while on duty. On group grievances no more than four City employees may participate while on duty, whether grievants, representatives, or witnesses, unless otherwise approved by the City.

Section 22.5 Employee Rights

The employee retains all rights conferred by Section 3500, et seq., of the Government Code. Grievances pertaining to an individual employee must be signed by the employee or the CHPOA representative personally on all appeals.

Section 22.6 Application

Grievances as defined in Article 22 shall be brought through this procedure.

Section 22.7 Informal Discussion

The grievance initially shall be discussed with the immediate supervisor. The employee may be represented by the CHPOA representative. Within seven (7) calendar days, the immediate supervisor shall give a decision or response.

Section 22.8 Formal Grievance Procedure

Formal Grievance – Step 1:

If an informal grievance is not resolved to the satisfaction of the grievant, or if there is reason to bypass the informal step, a formal grievance may be initiated. A formal grievance may be initiated no later than:

Thirty (30) calendar days after the event or circumstances occasioning the grievance; or
Fifteen (15) calendar days of the decision rendered in the informal grievance procedure.

A formal grievance shall be initiated in writing and shall be filed with the Lieutenant as the first level of appeal. The grievant may be represented by the CHPOA representative.

Within fifteen (15) calendar days after the initiation of the formal grievance, the Lieutenant at the first level of appeal shall investigate the grievance, and give a decision in writing to the grievant.

Formal Grievance – Step 2:

If the grievant is not satisfied with the decision rendered pursuant to Step 1, the grievant may appeal the decision within fifteen (15) days to the Division Commander. The grievant may be represented by the CHPOA representative or Association Counsel.

Within fifteen (15) calendar days after the initiation of the Step 2, the Division Commander at the second level of appeal shall investigate the grievance, and give a decision in writing to the grievant.

Formal Grievance – Step 3:

If the grievant is not satisfied with the decision rendered pursuant to Step 2, the grievant may appeal the decision within fifteen (15) calendar days to the Chief of Police. The CHPOA representative or Association Counsel may represent the grievant.

The Chief of Police shall schedule a mutually agreeable time to hear the grievance, which shall be within thirty (30) days of the receipt of the grievance. The Chief of Police shall respond in writing to the grievant within fifteen (15) calendar days following the grievance hearing.

Formal Grievance – Step 4:

If the grievant is not satisfied with the decision rendered pursuant to Step 3, the grievant may appeal the decision within fifteen (15) calendar days to the City Manager. The CHPOA representative or Association Counsel may represent the grievant.

The City Manager will review all documents and render a final decision. The City Manager shall respond in writing to the grievant within fifteen (15) calendar days following the receipt of all documents.

Section 22.9 Grievance Records

At the conclusion of the grievance process, all documents pertaining to the process shall be forwarded to the Chief of Police for inclusion into a secure file for all written grievances.

Article 23 Leave Time

Section 23.1 Annual Leave

Employees shall accrue annual leave as follows:

<u>Years of Service</u>	<u>Annual Accrual</u>	<u>Maximum Accrual</u>
Hire date-Year 4	136	272
Year 5-Year 9	160	320
Year 10-Year 14	184	368
Year 15-Year 19	200	400
Year 20-Beyond	240	480

Once the maximum accrual limit has been reached, the Annual Leave accrual hours will be added to the Long Term Medical Leave hours until the employee utilizes the Annual Leave hours thereby reducing the balance below the maximum accrual limit. At no time may an employee's Annual Leave hours exceed the maximum accrual limit.

Section 23.2 Long Term Medical Leave

Employees accrue a total of 40 hours of Long Term Medical Leave per year beginning on the date of hire. Long Term Medical Leave may be used for an illness or injury requiring the employee to be absent from work. An employee becomes eligible to use this leave only after he/she has utilized 24 hours of accrued leave.

A medical certification may be required. An employee may continue to use Long Term Medical Leave for the same protracted illness even if the need for leave is sporadic (e.g., for treatments, etc.). Unused Long Term Medical Leave is not paid out upon termination of employment.

Article 24 Uniforms

Section 24.1 Uniforms

The City will provide uniforms for CHPOA represented employees at no cost to the employee. Damaged or worn uniforms will be repaired or replaced with supervisor approval.

Section 24.2 Uniform Allowance Benefit

The City shall report a uniform allowance benefit at the rate of \$31.00 biweekly to CalPERS for eligible employees as determined by CalPERS. Eligible employees shall be required to pay the employee contribution rate on the value of the uniform allowance benefit.

Section 24.3 Professional Attire Pay

Eligible Police Detectives assigned to General Investigations shall receive \$850 per fiscal year for purchasing professional attire. The professional attire pay is paid at the beginning of the fiscal year for eligible Police Officers. This pay does not qualify as special compensation for CalPERS pension purposes.

Article 25 Health/Welfare Benefits

Section 25.1 Health Benefit

The City will pay up to the following monthly amounts toward health insurance premiums through December 2017:

Employee only - \$600

Employee Plus One - \$1,100

Employee Plus Family - \$1,400

Effective January 2018, the City will pay up to the following monthly amounts toward health insurance premiums:

Employee only - \$700

Employee Plus One - \$1,200

Employee Plus Family - \$1,500

If an employee has qualifying outside health insurance coverage through a spouse, domestic partner or alternative retirement, the employee can cash-out \$600 per month or add this amount to deferred compensation.

Section 25.2 Cessation of COPS Legal Benefits

The City and the CHPOA agree effective November 1, 2017, the City will cease providing employees in the bargaining unit with COPS Legal benefits.

Article 26 On Duty Workout Program

The City and the CHPOA agree all sworn officers will participate in an On Duty Physical Fitness Program. In general, this program includes one hour of time for officers to complete a forty (40) minute exercise regime and return to duty. The details of this program may be found in the current Citrus Heights Police Department Physical Fitness Program document.

Article 27 Term

The term of this Agreement shall be from October 1, 2017 – September 30, 2020 (all applicable side letters entered).

CITY OF CITRUS HEIGHTS

CITRUS HEIGHTS POLICE OFFICERS
ASSOCIATION (CHPOA)

Christopher W. Boyd, City Manager

Anthony Boehle, CHPOA President

Ronda Rivera, Lead Negotiator

Larry Menth, CHPOA Representative

Attachment “A”

Employee Salary Range Placement
(Effective October 29, 2017)

Salary Range: \$32.3518 to \$41.5398 hourly

Appointment Date	Years of Service in Classification (as of June 30, 2018)	Range Placement
June 30, 2008 or earlier	10 plus years	Top
7/1/2008 – 9/30/2009	8.75 to 10 years	3% from the top
10/01/2009 – 12/30/2010	7.5 to 8.75 years	6% from the top
01/01/2011 – 03/31/12	6.25 to 7.5 years	9% from the top
04/01/2012 – 06/30/2013	5 to 6.25 years	12% from the top
07/01/2013 – 09/30/2014	3.75 to 5 years	15% from the top
10/01/2014 – 12/31/2015	2.5 to 3.75 years	18% from the top
01/01/16 – 03/31/2017	1.25 to 2.5 years	21% from the top
04/01/2017 – 10/28/2017	1 day to about 1.25 years	24% from the top
Hired after 10/29/2017	No Range Placement Adjustment	

RESOLUTION NO. 2017 - ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS
ADOPTING THE AMENDED PAYRATE SCHEDULE**

WHEREAS, the City of Citrus Heights engages in sound economic planning practices; and

WHEREAS, California Code of Regulations, Title 2, Section 570.5 requires governing bodies of local agencies contracting with the California Public Employees' Retirement System to approve and adopt a payrate schedule in accordance with public meeting laws; and

WHEREAS, the payrate schedule must identify each position by title, the individual payrate amount or ranges for that position, the time base upon which the amounts are based, and track all revisions.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Citrus Heights:

Section 1. Findings

The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City Council as set forth below.

Section 2.

The City Council hereby adopts the amended Payrate Schedule attached to this Resolution as Exhibit A, which shall be effective October 29, 2017.

Section 3.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 26th day of October 2017 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jeff Slowey, Mayor

ATTEST:

Amy Van, City Clerk



**CITY OF CITRUS HEIGHTS
SALARY TABLE Effective:
October 29, 2017**

POSITION TITLES	MINIMUM ANNUAL	MAXIMUM ANNUAL	MINIMUM HOURLY	MAXIMUM HOURLY
ACCOUNTANT			33.0195	42.3972
ADMINISTRATIVE ASSISTANT			24.3892	31.3157
ADMINISTRATIVE TECHNICIAN			26.8279	34.4472
ANIMAL SERVICES OFFICER I			24.3088	31.2126
ANIMAL SERVICES OFFICER II			26.7396	34.3337
ASSISTANT CITY CLERK	73,770.38	94,720.98		
ASSISTANT CITY MANAGER	157,146.77	207,826.60		
ASSISTANT ENGINEER			32.6101	41.8716
ASSISTANT PLANNER			29.3446	37.6786
ASSISTANT TO THE CITY MANAGER	95,569.27	122,710.80		
ASSOCIATE CIVIL ENGINEER	82,073.19	105,382.02	39.4583	50.6645
ASSOCIATE ENGINEER			35.8712	46.0585
ASSOCIATE ENGINEER – XTRA HELP			35.8712	46.0585
ASSOCIATE PLANNER	68,349.18	87,760.35		
BUILDING INSPECTOR I			27.5139	35.3279
BUILDING INSPECTOR II			30.2652	38.8606
CHIEF BUILDING OFFICIAL	103,855.71	133,350.93		
CHIEF OF POLICE	167,794.43	221,910.83		
CITY CLERK	91,225.13	117,133.06		
CITY ENGINEER	124,224.81	159,504.67		
CITY ENGINEER – XTRA			59.7235	76.6849
CITY MANAGER	260,100.00			
CITY MANAGER'S EXECUTIVE ASSISTANT	68,680.75	88,186.01		
CODE ENFORCEMENT OFFICER I			24.3088	31.2126
CODE ENFORCEMENT OFFICER II			26.7396	34.3337
CODE ENFORCEMENT TECH			22.0989	28.3750
COMMUNITY & ECON DEV DIRECTOR	142,858.65	188,933.27		
COMMUNITY ENHANCEMENT MANAGER	103,855.71	133,350.93		
COMMUNITY SERVICES DIRECTOR	150,003.73	198,379.93		
COMMUNITY SERVICES OFFICER I			20.2395	25.9875
COMMUNITY SERVICES OFFICER II			22.2635	28.5864
COMMUNITY SVCS OFFICER - XTRA			20.2395	25.9875
CONSTRUCTION / MAINT INSP I			25.8648	33.2105
CONSTRUCTION / MAINT INSP II			28.4513	36.5315
CONSTRUCTION/MAINT INSP SUPERV	86,881.22	111,555.34		
CRIME SCENE / PROP EVD SPEC I			24.4393	31.3800
CRIME SCENE / PROP EVD SPEC II			26.8832	34.5179

POSITION TITLES	MINIMUM ANNUAL	MAXIMUM ANNUAL	MINIMUM HOURLY	MAXIMUM HOURLY
CUSTODIAN			15.8000	20.5500
DATA ENTRY ASST - XTRA HELP			14.3100	18.3740
DATABASE & APPLICATION ANALYST			40.5103	52.0153
DEVELOPMENT SERVICES TECH I			23.3581	29.9917
DEVELOPMENT SERVICES TECH II			25.6940	32.9910
DEVELOPMENT SPECIALIST I	68,680.75	88,186.01		
DEVELOPMENT SPECIALIST II	75,548.90	97,004.61		
ECONOMIC DEVELOPMENT MANAGER	88,962.62	114,228.00		
ENGINEERING AIDE			20.9341	26.8795
ENGINEERING TECHNICIAN I			23.0275	29.5673
ENGINEERING TECHNICIAN II			25.3303	32.5240
EVENT & COMMUNITY CTR TECH			22.0989	28.3750
EVENT AND COMM OUTREACH COORD			29.5107	37.8917
EXECUTIVE ASSISTANT			29.5107	37.8917
FACILITY AIDE			10.5000	10.5000
FACILITY AND GRNDS MANAGER	103,855.71	133,350.93		
FACILITY AND GRNDS SUPERVISOR	86,881.22	111,555.34		
FACILITY ATTENDANT			11.4747	12.2779
FINANCE DIRECTOR	142,858.65	188,933.27		
FINANCE MANAGER	103,855.71	133,350.93		
FINANCIAL ASSISTANT II			19.0463	24.4555
FINANCIAL ASSOCIATE			24.3892	31.3157
GENERAL SERVICES DIRECTOR	142,858.65	188,933.27		
GRANTS & HOUSING PROG TECH I			23.3581	29.9917
GRANTS & HOUSING PROG TECH II			25.6940	32.9910
HOUSING & HUMAN SERVICES MGR	84,242.99	108,168.00		
HOUSING PLANNER	67,140.65	86,208.59		
HR & CITY INFO TECHNICIAN			29.5107	37.8917
HUMAN RESOURCES & CTY INFO DIR	142,858.65	188,933.27		
HUMAN RESOURCES ANALYST I	68,680.75	88,186.01		
HUMAN RESOURCES ANALYST II	75,548.90	97,004.61		
HUMAN RESOURCES ASSOCIATE			24.3892	31.3157
HUMAN RESOURCES MANAGER	109,136.96	140,131.76		
INFORMATION TECH ANALYST I			32.0240	41.1188
INFORMATION TECH ANALYST II			35.2264	45.2307
INFORMATION TECH MANAGER	109,136.96	140,131.76		
INFORMATION TECH TECHNICIAN			27.8658	35.7797
INTERN - EXTRA HELP			10.5000	10.5000
JUNIOR ENGINEERING AIDE			14.9530	19.1996
JUNIOR PLANNER			27.9473	35.8845
MAINTENANCE WORKER I			19.1210	24.5513
MAINTENANCE WORKER II			21.0332	27.0064
MANAGEMENT AIDE			16.6843	21.4227
MANAGEMENT ANALYST I	68,680.75	88,186.01		
MANAGEMENT ANALYST II	75,548.90	97,004.61		
MANAGEMENT INTERN - EXTRA HELP			11.0334	14.1668
OFFICE ASSISTANT			17.6496	22.6620

POSITION TITLES	MINIMUM ANNUAL	MAXIMUM ANNUAL	MINIMUM HOURLY	MAXIMUM HOURLY
OFFICE ASSISTANT - XTRA			17.6496	22.6620
OPERATIONS & MAINT MANAGER	90,585.32	116,311.54		
OPERATIONS MANAGER	103,855.71	133,350.93		
PAYROLL TECHNICIAN			26.8279	34.4472
PLANNING MANAGER	103,855.71	133,350.93		
PLANNING TECHNICIAN			23.9877	30.8002
POLICE COMMANDER	126,661.37	162,633.08		
POLICE COMMUNICATNS SUPERVISOR	77,244.16	99,181.51		
POLICE CRIME ANALYST			29.5715	37.9698
POLICE DISPATCH ASSISTANT			19.0629	24.4768
POLICE DISPATCHER I*			26.6882	34.2675
POLICE DISPATCHER II*			29.3571	37.6944
POLICE DISPATCHER- PER DIEM A			28.3135	28.3135
POLICE DISPATCHER- PER DIEM B			34.2675	34.2675
POLICE DISPATCHER- PER DIEM C			37.6944	37.6944
POLICE FLEET MANAGER-XTRA			49.9306	64.1110
POLICE LIEUTENANT	108,482.72	139,292.01		
POLICE OFFICER			32.3518	41.5398
POLICE OFFICER - R1 TRAINEE-XTRA			15.4467	16.5280
POLICE OFFICER - RESERVE I-XTRA			32.3518	41.5398
POLICE OFFICER - RESERVE II-XTRA			11.4747	14.7336
POLICE OFFICER - TRAINEE			22.2635	28.5864
POLICE RECORDS ASSISTANT I*			20.0340	25.7236
POLICE RECORDS ASSISTANT II*			22.0375	28.2960
POLICE RECORDS ASSISTANT II-XTRA			22.0375	28.2960
POLICE RECORDS SUPERVISOR	57,704.13	74,092.01		
POLICE SERGEANT			39.5056	50.7251
POLICE VOLUNTEER COORDINATOR-XTRA			22.2635	28.5864
PRINCIPAL ACCOUNTANT - AUDITOR	99,215.42	127,392.58		
PRINCIPAL CIVIL ENGINEER	103,822.53	133,308.12		
PRINCIPAL IT ANALYST	99,215.42	127,392.58		
PROGRAM ANALYST-XTRA			32.0240	41.1188
PROGRAM ASSISTANT			19.4145	24.9281
PROPERTY CLERK-XTRA			19.2022	24.6556
PUBLIC INFORMATION OFFICER	75,548.90	97,004.61		
RECEPTIONIST			14.1198	18.1295
SENIOR ACCOUNTANT-AUDITOR	91,225.13	117,133.06		
SENIOR BUILDING INSPECTOR			34.8050	44.6897
SENIOR CIVIL/TRAFFIC ENGINEER	94,384.19	121,189.12		
SENIOR COMMUNITY SERVICES OFCR			25.6030	32.8743
SENIOR IT TECHNICIAN			32.0457	41.1464
SENIOR MAINTENANCE WORKER			24.1881	31.0575
SENIOR MANAGEMENT ANALYST	86,881.22	111,555.34		
SENIOR OFFICE ASSISTANT			19.4145	24.9281

POSITION TITLES	MINIMUM ANNUAL	MAXIMUM ANNUAL	MINIMUM HOURLY	MAXIMUM HOURLY
SENIOR PLANNER	78,601.56	100,924.40		
SENIOR PLANNING TECHNICIAN			26.3864	33.8802
SENIOR POLICE DISPATCHER*			32.2928	41.4638
SENIOR TRAFFIC TECHNICIAN			28.4513	36.5315
SR ANIMAL SERVICES OFFICER			30.7496	39.4871
SR CRIME SCENE / PROP EVID SPC			29.5715	37.9698
SR POLICE RECORDS ASSISTANT*			24.2412	31.1256
SR POLICE RECORDS ASSISTANT-XTRA			24.2412	31.1256
STREETS & UTILITIES MAINT SUP	86,881.22	111,555.34		
SUPPORT SERVICES MANAGER	115,146.70	147,848.25		
TRAFFIC & SIGNAL OPERATION SUP	86,881.22	111,555.34		

*Hourly rate based on 1872 annual hours

CITY COUNCIL \$600 Per month (as outlined in Government Code § 36516)

Revision Summary

Resolution 2013-097 passed 09-04-2013 eff. 07-01-2013
Resolution 2013-129 passed 12-13-2013 eff. pay date of 01-17-2014
Resolution 2014-018 passed 02-13-2014 eff. 02-13-14
Resolution 2014-049 passed 06-12-2014 eff. 06-12-2014
Resolution 2014-118 passed 12-11-2014 Retroactive Schedule for FY 2012-2013
Resolution 2014-122 passed 12-11-2014 eff. 12-28-2014
Resolution 2015-007 passed 01-22-2015 eff. 01-25-2015
Resolution 2015-077 passed 07-23-2015 eff. pay date of 07-17-2015
Resolution 2015-106 passed 12-10-2015 eff. 01-01-2016
Resolution 2016-041 passed 06-23-2016 eff. pay date of 07-15-16
Resolution 2016-057 passed 07-28-2016 eff. 06-25-2016 (incl. represented)
Resolution 2016-099 passed 12-08-2016 eff. 01-01-2017
Resolution 2017-026 passed 04-27-2017 eff. retroactive to 11-14-16
Resolution 2017-024 passed 04-27-2017 eff. 04-27-2017
Resolution 2017-065 passed 08-10-2017 eff. 08-13-2017
Resolution 2017-075 passed 08-24-2017 eff. 09-03-2017
Resolution 2017-087 passed 10-12-2017 eff. 10-12-2017
Resolution 2017- __ passed 10-26-2017 eff. 10-29-2017 (incl. represented POA)



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT

MEMORANDUM

DATE: October 26, 2017

TO: Mayor and City Council Members
Christopher W. Boyd, City Manager

FROM: Alison Bermudez, Associate Planner
Jason Baldwin, Sergeant

SUBJECT: **Letter of Public Convenience and Necessity**
Food Maxx 6982 Sunrise Boulevard – File # PCN-17-01

Summary and Recommendation

The City's authority to issue Letters of Public Convenience and Necessity (PCN) provides the City Council the ability to approve or deny alcohol license applications when the surrounding area is considered high crime or the number of existing licenses within a census tract exceeds the standards established by the Department of Alcoholic Beverage Control (ABC). The current request is to allow the issuance of a Type 21 license for the sale of beer, wine, and distilled spirits at an existing Food Maxx store located within the Copperwood Shopping Center, which is at the northeast corner of Sunrise Boulevard and Woodmore Oaks Drive.

Staff recommends approval, for the following reason:

Food Maxx grocery store has provided information demonstrating the proposed addition of distilled spirits will not be sold in a manner that will burden police services, and is not expected to increase crime in the area.

The following motion is recommended:

Motion: Move to approve the Letter of Public Convenience and Necessity that will allow for the issuance of a Type 21 license for off-sale distilled spirits at Food Maxx located at 6982 Sunrise Boulevard.

Fiscal Impact

None

Background

ABC requires an applicant to obtain a PCN from the affected jurisdiction (the City of Citrus Heights) because the area is either deemed “high crime” or “over concentrated” by ABC standards. ABC considers an area high crime when a reporting district exceeds 120% the average number of offenses of all reporting districts. Over concentration is based on the number of existing licenses within each census tract with a maximum number assigned per tract. In the case of Food Maxx, ABC considers the location both high crime and over concentrated.

Chapter 6 of the Citrus Heights Municipal Code regulates the issuance of “Letters of Public Convenience.” In essence, the Chapter outlines a process by which a variety of departments and agencies review applications for “Letters of Public Convenience.” Department review is related to current and past problems at the location, including criminal activity, building code violations, business license renewal, zoning approval, health violations, zoning enforcement and complaints to ABC. Each department reviews the application and can recommend denial of the application based on problems with the site. The City Council is not obligated to approve the license request even if the business has not violated any department’s provisions. While Chapter 6 contains standards for reviewing in order for departments to recommend application denial, it does not contain any standards for application approval and determining that the “public convenience and necessity” are met. There are no criteria for spacing of these uses or other limitations found within the Code. The Council has the full discretion to approve, or deny the “Letter of Public Convenience” request. The Council does not have the authority to condition the approval of a PCN, according to the ABC. The Council must either approve or deny the PCN.

History

It should be noted that in 2007, Food Maxx filed this same request to upgrade the liquor license. Upon notification from ABC of the application, the City filed an objection of the license change. The objection was based upon the high volume of calls for service at the store’s location, generally for theft and shoplifting. After receipt of the City’s objection, Food Maxx withdrew the license upgrade request. In May 2017, Food Maxx submitted a new application to upgrade the license. Upon receipt of this application, the Police Department reviewed the current calls for service and noted that calls have dramatically decreased. Over the past few years, store management has consulted with the Police Department in regard to improving store security and operational procedures through Crime Prevention through Environmental Design (CPTED) assessments.

Food Maxx Request

Food Maxx grocery store is located on Sunrise Boulevard within the Copperwood Shopping Center. The 30,000+ square foot store sells a variety of goods and is open daily from 6:00 am to midnight. As described in Attachment 1, Food Maxx is requesting a PCN to allow the addition of distilled spirits to the store’s alcohol product mix as currently only beer and wine are offered.

Food Maxx has provided a floor plan (Attachment 2) that indicates the location of the proposed alcohol products will be kept in good visibility near the front of the store. The shelf space currently dedicated to wine will be reduced to accommodate the placement of a new 16 foot locking liquor cabinet (Attachment 3). To purchase product, the customer will ring a bell located

near the locked case and a store clerk will retrieve the requested product. The clerk will take the product to the checkout area and the product will be held until the purchase is complete.

Food Maxx has stated the following operational procedures will be followed:

- Security cameras are placed in strategic locations and recordings are made available to Police Department upon request
- Product mix will be limited in variety as well as size
- Staff receives training in compliance with California law in regard to the sale of alcohol
- Parking lot will remain well lit and security measures are in place to discourage loitering and prohibit the consumption of alcohol on premise

Request Summary:

- A Type 21 Off-Sale license is being requested
- The license will allow the sale of beer, wine, and distilled spirits
- Single beer will be sold in containers no less than 24oz
- Wine will be sold in 750 ml bottles or larger
- Distilled spirit is sold in 750 ml bottles or larger

Analysis and Recommendation

Food Maxx is located within census tract 81.20 which is considered over concentrated by ABC. Over concentration is based on the number of existing licenses within each census tract with a maximum number assigned per tract. Census tract 81.20 currently has six existing licenses. Three licenses are allowed by ABC standards without PCN approval. As shown on the map provided as Attachment 4, census tract 81.20 includes large commercial areas including Citrus Town Center which is over $\frac{3}{4}$ of a mile away, where three of the six licenses exist. Within the Copperwood Shopping Center, where Food Maxx is located, there are two licenses. One license is currently held by Food Maxx (for the sale of beer and wine) and the other is held by Tony's Liquor. The other license in the census tract is held by 7-11 located at the corner of Sunrise Boulevard and Woodmore Oaks Drive. In review of Food Maxx's adjacency to the existing Tony's Liquor, staff found several centers where multiple alcohol sale locations co-exist including the Raley's Shopping Center on Antelope Road, the Safeway Shopping Center on Greenback Lane, and Citrus Town Center where Sprouts is located immediately adjacent to BevMo.

A number of grocery stores within Citrus Heights offer distilled spirits as part of their product mix. Of the City's 11 grocery stores, including Food Maxx, all but three carry a Type 21 license:

Citrus Heights Grocery Stores	Location	License Type
Costco	7000 Auburn Boulevard	Type 21
Food Maxx	6982 Sunrise Boulevard	Type 20
Grocery Outlet	6059 Greenback Lane	Type 20
Raley's	7847 Lichen Drive	Type 21

Safeway	7301 Greenback Lane	Type 21
Smart & Final	8481 Auburn Boulevard	Type 21
Smart & Final	7945 Madison Avenue	Type 21
Sprouts	7905 Greenback Lane	Type 20
Target	5837 Sunrise Boulevard	Type 21
Walmart	6197 Sunrise Boulevard	Type 21
Walmart	7010 Auburn Boulevard	Type 21

Based upon this information, staff believes the number of licenses is not unusual due to the amount of commercial properties and shopping centers within the census tract.

As mentioned earlier, ABC also considers the location “high crime”. ABC considers an area high crime when a reporting district exceeds 120% the average number of offenses of all reporting districts. The Police Department reviewed calls service for 6982 Sunrise Boulevard and found that 56 calls for service were logged since June 2016. It is important to note that when calls for service are taken, it is common to use the nearest address, even when the call is not associated with activity at that particular address. In order to determine the number of calls associated with Food Maxx, an in-depth call review was completed. The review found that of the 56 calls, only one was from an incident at the Food Maxx location. Based upon this review, and an analysis of the proposed operational procedures and security plan, the Police Department does not object to the license change (Attachment 5).

Public Outreach

Upon receipt of the application, staff notified both Neighborhood Association Areas 9 and 10 of the application. Following that notification, staff received emails stating objection to the license issuance. Copies of all communication received are provided as Attachment 6 and the comments are summarized below:

- Locked cabinet is not friendly
- Availability of alcohol within the Center at Tony’s Liquor Store
- Impact on Tony’s Liquor Store
- Number of existing licenses within the area
- Addition of spirits will increase crime
- Addition of spirits will increase drunk driving
- Center has a high number of homeless persons
- Parking lot is not properly maintained
- Store used to operate 24 hours but reduced operating hours
- Financial impact the addition of spirits will have on the existing liquor store
- Proximity to day care center
- Will the existing license be transferred to AM/PM?

On August 9th, Food Maxx representatives attended Neighborhood Association Area 9’s monthly meeting to present their request and respond to questions from the community. A meeting recap submitted by the applicant is provided as Attachment 7.

The application is being processed in accordance with Municipal Code Chapter 6 for alcohol sales, which requires a public hearing before the City Council. A notice of this hearing was published in the newspaper and circulated to the surrounding property owners as required. The applicant has provided the required justification for the request and staff supports the proposal because:

- The sale of alcohol is a small component to a large grocery store
- The addition of distilled spirits provides for one-stop shopping
- The amount of floor space dedicated to alcohol sales is minimal and less than 5% of total store sales is expected to be from alcohol
- Food Maxx has demonstrated improved operations that have led to a reduction in calls for service
- The store has provided security, operational and policy procedures that satisfies the Police Department
- The business practice of large grocery retailers carrying a Type 21 license is common within the City and has not been attributed to a rise in crime, homelessness, or drunk driving

Recommended Motion

Based upon the information discussed in this report, staff recommends approval of the Letter of Public Convenience and Necessity.

Motion: Move to approve the Letter of Public Convenience and Necessity that will allow for the issuance of a Type 21 license for off-sale distilled spirits at Food Maxx located at 6982 Sunrise Boulevard.

Attachments:

1. Justification and Operational Plan
2. Floor Plan
3. Photo Example of Locked Case
4. Alcohol Location Map
5. Police Department Memo
6. Comments Received
7. Neighborhood Recap provided by Food Maxx

May 16, 2017

City of Citrus Heights
Planning Department
6360 Fountain Square Drive
Citrus Heights, CA 95621

Re: FoodMaxx #420, 6982 Sunrise Blvd, Citrus Heights, CA 95610 - Impact on Neighborhood

Dear Representative,

The Save Mart Companies provides many services and conveniences to communities throughout California and Northern Nevada. Our company cares about and has consistently maintained good relationships with the residents of the communities we serve, and Citrus Heights is no exception. We have been a responsible seller of beer and wine since opening this FoodMaxx store in 2007.

The Save Mart Companies wishes to assure you that upgrading our existing liquor license to a Type 21 (off-sale general) from a Type 20 (off-sale beer and wine) will not negatively impact nearby residents at the above referenced location. We are seeking this upgrade in response to our customers' requests for the added convenience of purchasing spirits along with their groceries during a single shopping trip.

We have carefully reviewed the concerns raised to the Department of Alcoholic Beverage Control by 29 community members. These community members have 2 primary concerns about increases in:

- 1) Crime in the form of drunk driving and stealing alcohol
- 2) Homeless population on the premises

Adding spirits to the selection of alcoholic beverages sold at our location will not increase drunk driving or theft because liquor is currently available at other locations in this shopping center. Our goal is to benefit the neighborhood and its residents, and we will do everything possible to ensure that this is the case.



We plan to do the following to address the community's concerns:

- 1) **Locked Liquor Display Case** – All spirits offered for sale will be placed in a locked case. To purchase product, customers will ring a bell located near the case, and one of our clerks will retrieve the requested product from the locked case. Our clerk will take the product to the checkout area and hold it there for the customer to complete the sale. The customer will not be allowed to possess the alcohol until it is purchased.

This store currently has an extremely low rate of theft for beer and wine. We believe this number will not increase with the introduction of spirits as the locked cabinet will dramatically reduce opportunity for theft of these new items.

- 2) **Limited Liquor Variety** – The store will not sell spirits in bottles smaller than 750ml. This means there will not be any "single serve" bottles of spirits which typically contribute to public drinking and drunk driving as they can be easily consumed and concealed in the parking lot. The liquor store currently located in the shopping center sells single serve sizes of beer, wine, and spirits.
- 3) **Control of Loitering** – The store has a strict no loitering policy. Store management will take action to prevent persons from loitering on the premise. If people are loitering, they will be asked to leave the premises.
- 4) **Trained Staff** – Our Checkers are trained in the sale of age-restricted products, including alcohol. In addition to being trained upon hire, Checkers receive mandatory annual training along with periodic reminders. This training covers checking ID as well as not selling alcohol to obviously intoxicated persons.

We hope the plan above demonstrates our awareness of the community members' concerns and that we are addressing their concerns by implementing processes that reduce the likelihood of a negative impact while also meeting the demands of other community members. We will continue to maintain the premises and operate this location in a responsible manner to ensure we do not disrupt the neighborhood.

Sincerely,



Greg Hill
Co-President and CFO
The Save Mart Companies



Requested Information for Upgrade to the Current Liquor License at FoodMaxx #420

Reason for the Upgrade:

Our store would like to expand our product offering to our customers and compete for new business among other grocery stores with full liquor licenses.

Hours of Operation:

This location is open Sunday – Saturday from 6am – 12am

Projected Percentage of Total Sales from Alcohol:

The estimated percentage of total sales from alcohol is 5%.

Floor Plan of Alcohol Display Area:

Please see attached store diagram.

Security Measures in Place:

The store has a good overall security posture. It has a Loss Prevention Supervisor who is responsible for this store. This person will make visits on a regular basis to assess the security posture of the store. Incident trends are monitored and loss prevention assets are assigned to the location based on this analysis. The store and the parking area are well lit and kept in good repair. Store associates are trained in security and loss prevention policies and procedures with an eye toward preventing issues from occurring.

Control of Theft:

The store is equipped with closed circuit television cameras covering the liquor display and Points of Sale. Video is routinely reviewed by store management and Loss Prevention personnel.

Control of Loitering:

The premises has a strict no loitering policy. Store management will take action to prevent persons from loitering on the premises. If people are loitering they will be asked to leave the premises.



Control of Litter:

The outside of the store is regularly monitored for litter and cleaned as necessary. The parking area is swept five days per week (Mon, Wed, Fri, Sat, and Sun) to insure litter is removed promptly and to maintain a clean parking area.

Control of Noise:

No entertainment is conducted at the site. Store management will insure there are no loud activities outside the store. Store deliveries will be coordinated to reduce noise impacts.

Training on Sale of Alcohol:

All team members who are involved in the sale of alcohol are trained annually. This training covers the laws governing the sale of alcohol, the checking of identification, and verification of age. We also cover denial of sale to obviously intoxicated persons, the effects of underage drinking, and penalties for violations of alcohol sale regulations.

Summary:

The Save Mart Companies strives to be an exemplary corporate citizen and we wish to be an asset to every community in which we operate. We believe the situation at this store is much improved over what was experienced in 2007. We look forward to partnering with the City of Citrus Heights to insure that our operation meets the expectations of the City and the community.



August 24, 2017

City of Citrus Heights
Planning Department
6360 Fountain Square Drive
Citrus Heights, CA 95621

Re: FoodMaxx #420, 6982 Sunrise Blvd, Citrus Heights, CA 95610 – Letter of Public Convenience or Necessity

Dear Representative,

The Save Mart Companies wishes to assure you that upgrading our existing liquor license to a Type 21 (off-sale general) from a Type 20 (off-sale beer and wine) will not negatively impact nearby residents at the above referenced location. We are seeking this upgrade in response to our customers' overwhelming requests for the added convenience of purchasing spirits along with their groceries during a single shopping trip.

We previously submitted a Statement of Justification to the City of Citrus Heights detailing the security measures that we will take to ensure a safe shopping environment. The following is a brief summary list of these measures:

- 1) **Locked Liquor Display Case** – All spirits offered for sale will be placed in a locked case.
- 2) **Limited Liquor Variety** – The store will not sell spirits in bottles smaller than 750ml.
- 3) **Control of Loitering** – The store has a strict no loitering policy.
- 4) **Trained Staff** – Our Checkers are trained in the sale of age-restricted products, including alcohol.

In addition to the above measures, all external lighting (parking lot lights, building lights, door exit lights, etc.) is currently in good working order and will remain in good working order to ensure increased safety and reduce loitering outside the store.

We hope we have demonstrated our awareness of the community members' concerns and that we are addressing their concerns by implementing processes that reduce the likelihood of a negative impact while also meeting the demands of other community members. We will continue to maintain the premises and operate this location in a responsible manner to ensure we do not disrupt the neighborhood.

We have been a responsible seller of beer and wine since opening this FoodMaxx store in 2007. Our goal is to benefit the neighborhood and its residents, and we will do everything possible to ensure that this is the case.

Thank you.

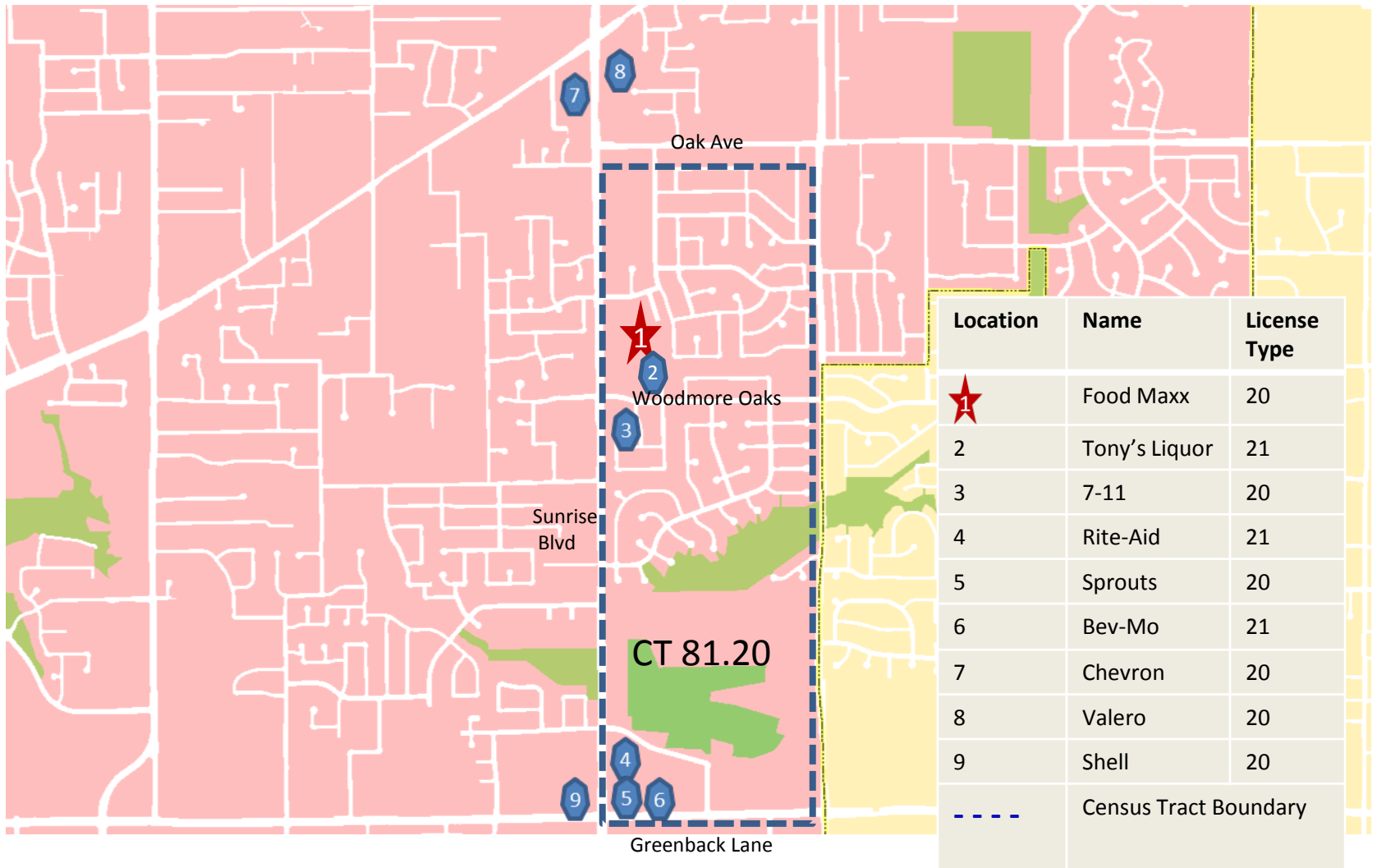


Front of Store



Location Map

Attachment 4





CITRUS HEIGHTS POLICE DEPARTMENT



MEMORANDUM

DATE: July 6, 2017

TO: Alison Bermudez
City of Citrus Heights Planning Division

FROM: Dave Gutierrez
Lieutenant – Special Operations Unit

SUBJECT: Food Maxx #420 – Type 21 Liquor License Application

It came to our attention that the Food Maxx located at 6982 Sunrise Boulevard submitted an application to obtain an Alcohol Beverage Control (ABC) type 21 liquor license which is considered an off-sale general liquor license. The type 21 license would allow Food Maxx to sell distilled spirits in addition to the beer and wine they currently are authorized to sell under their type ABC type 20 liquor license.

Food Maxx is within census tract 81.20. ABC currently allows three off-sale licenses and there are currently six within census tract 81.20, including Food Maxx. The other five off-sale licenses within census tract 81.20 are possessed by Rite Aid located at 7900 Arcadia Drive, Sprouts located at 7905 Greenback Lane, BevMo located at 7929 Greenback Lane, 7-Eleven located at 6882 Sunrise Boulevard, and Tony's Liquor located at 6968 Sunrise Boulevard.

The Citrus Heights Police Department has conducted a review of the proposed type 21 liquor license. The review process included an analysis of all calls for service for 6982 Sunrise Boulevard as well as all areas within census tract 81.20. The calls for service analysis revealed no apparent crime trends or above average number of calls for service when compared to other similar businesses or areas in Citrus Heights. Although the calls for service analysis showed some calls related to transient and alcohol related activity, there are no known factors that would lead us to believe the type 21 license would increase the level of activity.

Our review also consisted of meeting with you. During our meeting, you showed me the proposed sales location for the distilled spirits (front of store) and you informed me of Food Maxx's proposed security efforts which included locking the distilled spirits in a cabinet and having a store employee bring the distilled spirits up to the cash register area for purchase. Food Maxx also indicated they would not be serving single serving size distilled spirit bottles.

At this time, the Citrus Heights Police Department does not object to the approval of the type 21 license for the Food Maxx located at 6982 Sunrise Boulevard.

6/6

Bermudez, Alison

From: Nancy Graham ·
Sent: Tuesday, June 06, 2017 10:32 PM
To: Bermudez, Alison
Subject: Re Response from Save Mart / Food Maxx re request for upgrade of Liquor License

Hello Alison,

I received your letter with the response from Save Mart/ DBA Food Maxx #420 regarding upgrading their existing liquor license to a type 21 so they can also sell distilled liquor.

Their proposal to have it located in a locked cabinet with a buzzer requiring an employee to come open the cabinet and then walk this liquor to the front check stands sounds very thorough from a security standpoint. It also sounds preposterous! I am wondering if they have.

- 1) Ever done this in another store
- 2) If so, is this process still in place

Talk about a way to keep a lid on sales!

In the schematic they have provided they show this liquor cabinet set up in the back of the store. This means each time a person wants to buy liquor, they have to wait for an employee to come, then that employee has to open the cabinet, wait while the person chooses what they want- the employee picks it up and walks all the way to the front of the store with that one purchase. Very inefficient..

They have survived just fine all these years without selling distilled liquor. There just happens to be a liquor store just a few feet from Food Maxx. I have gone looked at his inventory and you would be hard pressed to need / want something and not be able to find it in there. It's a small space inside and the owner is on top of things.

Note: "a liquor store is just a few feet away". I have addressed this in the following paragraph taken from a letter dated Feb 17, 2017

:

At the present time Copperwood Shopping Center has 2 (of 3 approved for the entire 81.20 tract) of Off Sale Licenses. Tony's Liquor, type 21 license and Food Maxx, type 20 license. Another one of the Off Sale licenses is at 7-Eleven right across Woodmore Oaks Drive, to the south of Copperwood. So this means 3 (of 3 authorized) Off Sale Licenses concentrated within feet of one another in a residential area. There are 3 more (equaling a total of 6-or 200% of those approved) in commercial areas up toward Greenback Lane.

ABC refers to 29 letters received in protest to the Food Maxx proposal to upgrade their license. There were actually over 80, but ABC has very strict rules about the wording and the proper form being filled out so only 29 were accepted. (Per ABC, their average response for a neighborhood opposed to something is between 15 and 20). They distilled (no pun intended!) the concerns expressed in these letters down to:

- 1) Crime in the form of drunk driving and stealing alcohol.

They claim they will not increase drunk driving as there are other liquor stores around. ADDING liquor sales will not diminish drunk driving. Once they have it outside, they can drink it. If they put distilled liquor in a locked cabinet and KEEP it there, it will deter theft.

2) Homeless population on the premises.

This is a real problem. The police census of homeless indicates there are fewer of them this year than last year. But at a REACH meeting, last night, it was brought to the officer's attention that when it rains, if the homeless get wet, they stay wet for days, so they go where they can get in out of the rain. There are more overnight places in Sacramento, so they may have gone there just about the time he was out taking the census. The people around Copperwood Shopping Center are seeing more and more homeless and they don't know why. People who live behind the center (backyard parallel to Crux, see them in and out of the dumpsters. They are also sleeping back there. I've seen homeless just hanging around outside in front of the stores. Another lady lives on Sungarden and she said they just spread out all over the grass that is behind the center and along Sungarden. The police aren't always called because it's non-stop.

This has nothing to do with liquor sales, but In their response letter, they mention control of litter. "The parking are is swept 5 days a week". To keep it clean, they really do need to sweep or monitor it more often. The parking lot as a whole is messy and it must blow onto their lot. I have seen the area under the shopping carts full of debris. I'll have to look more closely the next time I'm there to see if this is now under control.

Save Mart/ Food Maxx states that their "goal is to benefit the neighborhood and it's residents". Having more distilled liquor for sale in a residential neighborhood does not benefit the neighborhood. It benefits Food Maxx. They have a license from a store they closed and want to transfer it on the store in Copperwood.

I maintain my original stance that the license in this store should remain type 20 and they should not be allowed to transfer their type 21 to this location.

Nancy Graham

President Area 9

Bermudez, Alison

From: Nancy Graham
Sent: Wednesday, June 07, 2017 10:36 AM
To: Bermudez, Alison
Cc: Minhas, Karamjit (Tony's Liquor); Fred and Kathy Sullivan A9
Subject: Additional information regarding liquor in Copperwood Shopping center

Good Morning Alison,

I talked to Karamjit, the owner of Tony's liquor and he pointed out a couple of things that I wanted to pass along to you.

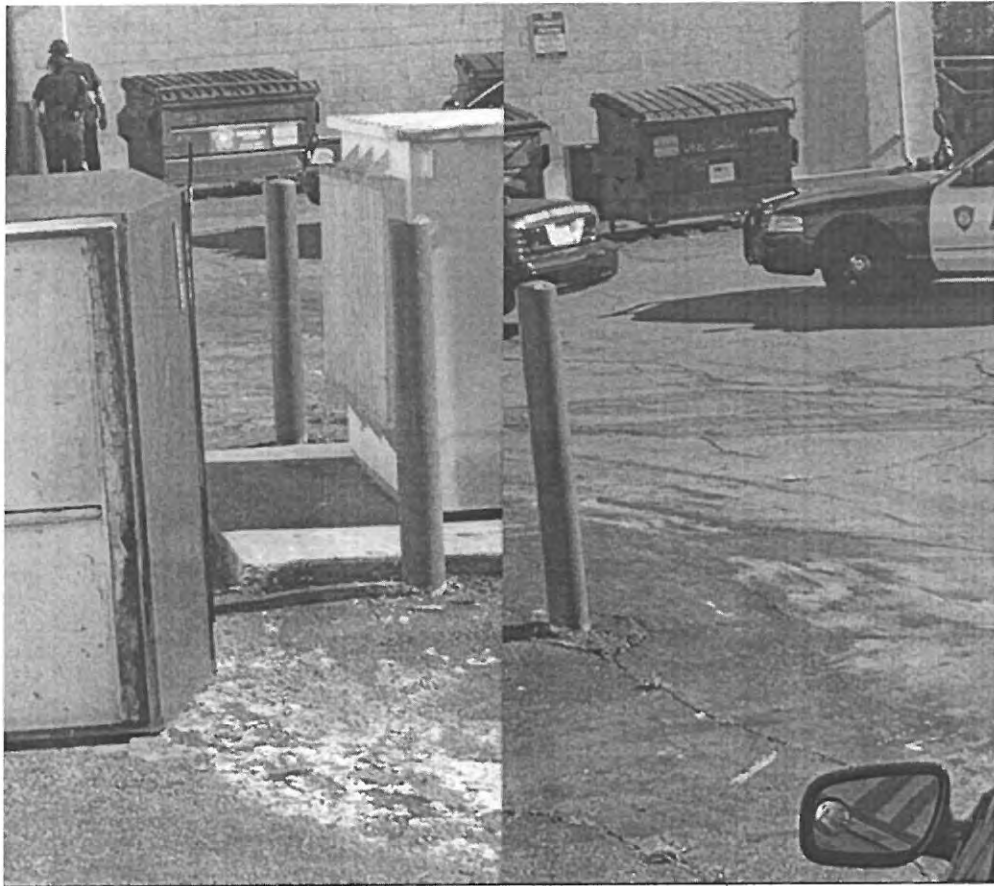
Food Maxx is open from 6am to 12am - making wine/beer available 18 hours a day at that one location in this residential neighborhood.

Another thing that I would never have thought of- and only a small business could possibly do this: he has 7 or 8 pictures by the register that family members have brought in asking him not to sell liquor to a another family member. "Please don't sell to my son:", "Please don't sell any liquor to my wife". Etc. There is absolutely nothing that would stop these people from going next door to Food Maxx and buy there, but they aren't going to get it from Tony's. Some alcoholics will drink anything, but some only drink beer, or wine, or hard liquor.

He also has taken pictures of the homeless sleeping behind the shopping center. He is going to give them to me. If you want them for the file, let me know.

Thanks,

Nancy Graham



June 14, 2017

Re: Tony Liquor Store & Deli

I used to work at FoodMaxx not too long ago. We would get people coming in the store and stealing beer and run out of the store.

Also, we have a lot of homeless people living behind FoodMaxx.

When I used to take breaks and go outside for a smoke I would get a beggar asking me for something. ~~That~~

I feel having another store that sells liquor would be a disaster. We had managers that were fired from drinking. It is proposed not to allow distilled spirits.

A Concern Neighbor

6/15

Bermudez, Alison

From: David Seim
Sent: Thursday, June 15, 2017 2:28 PM
To: Bermudez, Alison
Subject: food maxx

I am a concerned neighbor in Citrus Heights. As a long time resident of the city, I am opposed to more liquor being sold in the neighborhood. There are more than enough outlets in existence. Please do not approve the request.

Thank You
David D. Seim

cc: Jeff Slowey

Bermudez, Alison

6118

From: Gary Penwell <gpenwell@comcast.net>
Sent: Sunday, June 18, 2017 3:17 PM
To: Bermudez, Alison
Subject: FoodMaxx Application for Distilled Spirits (Type 20 License)

We recently became aware of the FoodMaxx application for a Distilled Spirits (Type 20 License). My wife and I own and live at 8025 Larwin Drive, several blocks from FoodMaxx. We strongly oppose the approval of this license. We already have several establishments in the close vicinity with various types of liquor licenses, including FoodMaxx, Tony's Liquor and Deli, and 7-Eleven. These stores already sell various forms of liquor and currently provide a sufficient variety of liquor at competitive prices.

We already have homeless people living both near these stores and in the nearby Tempo Community Park. We see them daily in our neighborhood, in the general vicinity of the shopping area, as well as sleeping in these same areas. Our grown children, grandchildren and their friends visit us and use the park and shopping area. We are very unhappy with this situation. It is unfortunate and disgraceful!

We simply DO NOT NEED another store selling more liquor in this area! Please DENY this application.

/s/ Gary and Peggy Penwell
8025 Larwin Drive
Citrus Heights, CA 95610

Bermudez, Alison

From:
Sent: Saturday, June 24, 2017 10:40 AM
To: Bermudez, Alison
Cc: Graham, Nancy; City Council Members
Subject: Food Maxx PCN Issue Comments
Attachments: ProtestGoundsFoodMaxx.docx; CensusTract_81.2.xls

Hello Ms. Bermudez,

I was informed by our AREA 9 President, Nancy Graham, of your letter dated May 31, 2017 regarding the PCN for Food Maxx/Savemart store located in the Cooperwood Square Shopping Center. I live within 500 feet of this Food Maxx store and I received a letter from the ABC informing my household of this request in early February. I sent my formal protest to ABC on February 17th and I have attached two documents from that protest letter outlining the central points of my objection. In essence, our tract is already over-saturated with alcohol sales and this particular shopping center has over 33% of all the licenses in our tract. This shopping Center is located in the center of residential housing on all four sides. I urge the city to help keep our neighborhood safe and deny further alcohol sales in this location.

I have copied the city council as well as our area 9 president. Please add this letter and attached documents to your "Comments" file and forward on to any others involved in this decision.

Thank you,
Sharon Puricelli
Area 9 Resident

spur@surewest.net
(916) 726-0140

Protest Grounds Food Maxx

SAVE MART SUPERMARKETS dba FOODMAXX #420
6882 SUNRISE BLVD, CITRUS HEIGHTS, CA 95610-3144
License Type 21, Off Sale General

The census tract (81.2) that this business is located within is already over saturated with alcohol licenses. There are 20 businesses selling Alcohol (BevMo has three licenses so I only counted that business once). Of these 20 businesses, seven (7) are located in the same shopping center as FoodMaxx - that is slightly over 33% of all the licenses in this tract. I have highlighted these 7 businesses on the attached graph. Tract 81.2 already has 3 type 21 active licenses and 1 of those is also located in this same shopping center. Our Neighborhood Association reports that Sacramento County Concentration of Off Sale Licenses is 162% and our tract, 81.20, is 200%. Specifically, my protest addresses the ratio issue listed at:
https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=BPC§ionNum=23958.4 as follows:

As to off-sale retail license applications, the ratio of off-sale retail licenses to population in the census tract or census division in which the applicant premises are located exceeds the ratio of off-sale retail licenses to population in the county in which the applicant premises are located.

In addition, a daycare center is located within the same shopping Center and it is completely surrounded by residential housing. For these reasons, I urge the ABC to deny this application.

Attachment
Poricelli

LICENSE TYPE	PRIMARY OWNER	PREMISES ADDR	BUSINESS NAME	CENSUS TRACT
42	STUMPF, ERIC PAUL	8039 GREENBACK LN	WINE CONSULTANT THE	81.2
86	BEVERAGES & MORE INC	7929 GREENBACK LN	BEVMO	81.2
21	BEVERAGES & MORE INC	7929 GREENBACK LN	BEVMO	81.2
42	BEVERAGES & MORE INC	7929 GREENBACK LN, UNIT A	BEVMO	81.2
20	7 ELEVEN INC	6882 SUNRISE BLVD	7 ELEVEN 2235 19156	81.2
21	THRIFTY PAYLESS INC	7900 ARCADIA DR	RITE AID 6046	81.2
20	SAVE MART SUPERMARKETS	6982 SUNRISE BLVD	FOOD MAXX 420	81.2
41	DECELLE INVESTMENTS LLC	8097 GREENBACK LN	BEACH HUT DELI	81.2
41	M & L PIZZA COMPANY INC	7943 GREENBACK LN	ROUND TABLE PIZZA	81.2
47	BLACK ANGUS STEAKHOUSES LLC	7925 GREENBACK LN	BLACK ANGUS STEAKHOUSE 1018	81.2
20	SF MARKETS LLC	7905 GREENBACK LANE	SPROUTS FARMERS MARKET	81.2
41	WASABI HOUSE (YA)	8031 GREENBACK LN	WASABI HOUSE	81.2
41	ROCKY MILLER CORP	7054 SUNRISE BLVD	ALONZOS PIZZA DEPOT	81.2
41	NH & M GREENBACK ENTERPRISES INC	7951 GREENBACK LN	LA FIESTA TAQUERIA	81.2
47	ANTIGUA CANTINA & GRILL LLC	7942 ARCADIA DR	ALLEY KATZ	81.2
21	MINHAS, KARAMJIT SINGH	6968 SUNRISE BLVD	TONYS LIQUOR & DELI	81.2
41	FAMOUS STAR EATERY LLC	7064 SUNRISE BLVD	TEMPLE GARDEN	81.2
41	PUTSON, KONGKIAT	6974 SUNRISE BLVD	THAI ORCHID	81.2
47	JORDAN KERGAN LLC	7925 ARCADIA DR	STICKS BAR & GRILL	81.2
41	PHUONG, QUOC HUNG	8069 GREENBACK LN	MONGOLIAN BBQ	81.2
47	GARRETT, JEFF PATRICK	7040 SUNRISE BLVD	CATTLE RUSTLERS STEAKHOUSE	81.2

6/29

Bermudez, Alison

From: John Klunder
Sent: Thursday, June 29, 2017 6:24 AM
To: Bermudez, Alison
Cc: Karpinski-Costa, Jayna
Subject: RE: FoodMaxx PCN

Hello Allison,

I'm responding to an email I received from Jayna on the FoodMaxx PCN and I agree with her about denying the license to sell hard liquor at the Woodmore Oaks Store but for different reasons.

As it happens, Tony's Liquor is in the same shopping center less than 100 yards from FM. I don't see any reason we should have another venue selling hard liquor so close.

Regards,

John Klunder

From: Dr. Jayna Karpinski-Costa
Sent: Friday, July 21, 2017 11:04 AM
To: Bermudez, Alison
Subject: Food Maxx Liquor license

Alison,

These are the comments received at the last SOAR meeting re Food Maxx liquor license

#1. I 100% disagree w/giving a new liquor lic to Food Maxx. We are already over the legal limit of Alcohol Licenses for this area. Allowing Food Maxx to get this new license and allowing them to give Arco their license looks like a quid pro quo. Seems illegal. Follow the laws of ABC. David Paige,

#2 RE: Booze at Food Maxx. Against it. We don't need another liquor source in this area, especially in a neighborhood grocery store. There are plenty of places to buy alcohol now. It seems out of the way for someone to go (drive all the way down into the center, get out of car and go all the way into store, etc) when there are so many sources right on Greenback and closer in. I am against it.

#3 How many more drunk drivers do we need?

#4 from the president of area 10: No one at the SOAR meeting (17 people) were in favor of the Food Maxx application. Not all people wanted their comments recorded -- here are a few we picked up

- It was pointed out that Tony's Liquor is in the same center. And Rite Aid not too far.
- That the parking lot is filthy all the time. Vomit seen at entrance once.
- The center is a hangout for homeless already.
- Where is management?
- The store used to be 24 hours until they had so many police issues in the wee hours.
- Fears that the old beer and wine license will pass to the proposed Arco. Apparently this can be done -- and easily.
- The unlikelihood that proposed measures taken to protect the liquor from theft will be effective or even practical (ask Rite Aid). And employees are instructed not to pursue thieves (ask them about how many people wheel out groceries without stopping at the checkout)
- we just don't need this in our neighborhood -- not for convenience and not for any reason. in fact, it will cause inconvenience. You all don't live here. We do. Please don't do this to us.

Bermudez, Alison

8/2

From: Lynn Avery
Sent: Wednesday, August 02, 2017 5:13 PM
To: Bermudez, Alison
Subject: Food Maxx & Arco

A SOLID AND RESOUNDING "NO" ON EACH OF THESE LICENSING ISSUES—ARCO —BECAUSE WE IN CITRUS HEIGHTS CURRENTLY HAVE TOO MANY CRIME RIDDEN AREAS. THE AREA WHERE FOOD MAXX AND THE PROPOSED ARCO ARE LOCATED--- ARE ALREADY ON THE FRINGES AND DON'T NEED A PUSH OVER THE EDGE. CAN'T WE TRY TO INCREASE POSITIVE IMPROVEMENT IN THESE AREAS INSTEAD OF INVITING THIS 'PREGNANT' PROBLEM? DOES EVERYTHING HAVE TO BE FOR TAX REVENUE? IT IS SAD COMMENTARY ON OUR CITY.

LYNN AVERY --7551 SYLVAN CREEK CT.-- 95610

From: Nancy Graham
Sent: Wednesday, August 16, 2017 3:59 PM
To: City Council Members
Cc: Bermudez, Alison
Subject: RE: Save Mart Proposal to transfer a type 21 liquor license to Food Maxx in Copperwood Shopping Center

Hello,

Sunrise Oaks Neighborhood Association, Area 9, met on Aug 9, to discuss Save Mart's proposal to transfer in a type 21 license to Food Maxx, to sell hard liquor. This type 21 license is from a store they have sold. At present, Food Maxx has a type 20 license to sell wine and beer.

The store manager, Rich Miller and the District Manager, Bob Hess, came to present their side. Basically, they said that almost all of their stores had a full liquor license as a part of doing business. They defended their plan to keep distilled spirits under lock and key and have a customer ring a bell, an employee would open the locked cabinet, let the customer select his item(s) and walk to the cashiers and hand the bottle(s) to them. There were comments from the audience that this would make the store look like it was in Oakland. Surprisingly, everyone in the audience wants the shopping center to be "Family Friendly". This wasn't discussed ahead of time, but one person after another spoke up and others agreed. (We'd have to get rid of the homeless to move toward that goal.)

Mr Miller and Mr. Hess seemed very surprised at the audience response. Not one person there wanted to add another source for distilled spirits. One man, who had never been to a meeting before, and did not stay after the Save Mart presentation, came with a page and a half of hand written comments. One stood out in my mind, has nothing to do with hard facts and figures, but he wondered if they ever made a decision based on an overall desire of the community.

The audience was (politely) vocal about the desire to try to keep the shopping center Family Friendly. There was a surprising swell of unanimous emotion over protecting Tony's Liquor. People were describing his business as small business, the backbone of America. (Even more interesting and "American"- Tony's is owned by an East Indian who purchased the business from the original "Tony"). Karamjit Minhas is very active in Area 9. Tony's is 2 or 3 doors down from Food Maxx and would be severely effected by hard liquor sales in Food Maxx. Everyone there wanted to protect his business! He must have been very pleased at the outpouring of affection.

I read from an email I sent to City Council, Planning Department and Officer Felicia Taylor (PD) on March 1, 2017. I also read a quote from a letter I had written to Alison Bermudez (Planner) on June 6, 2107, about this proposal:

(Note: Type 20 and 21 **"Off Sale"** Licenses means sale is for **off site consumption** from where it is sold.) The following illustrates how tract 81.20 is over saturated. ABC tract 81.20 has almost the same perimeters as Area 9.

"At the present time Copperwood Shopping Center has 2 (of 3 approved for the entire 81.20 tract) of Off Sale Licenses. Tony's Liquor, type 21 license and Food Maxx, type 20 license. Another one of the Off Sale licenses is

at 7-Eleven right across Woodmore Oaks Drive, to the south of Copperwood [Shopping Center] So this means 3 (of 3 authorized) Off Sale Licenses concentrated within feet of one another in a residential area. There are 3 more (equaling a total of 6-or 200% of those approved) in commercial areas up toward Greenback Lane. "

This is from an email I sent to Alison Bermudez (Planner) June-6- 2017:

*"ABC refers to 29 letters received in protest to the Food Maxx proposal to upgrade their license. There were actually **over 80**, but ABC has very strict rules about the wording and the proper forms being filled out so only 29 were accepted. (Per ABC, their average response for a neighborhood opposed to something is between 15 and 20)."*

To put all this in perspective, when reading the following, consider that the last time I counted there were 9 empty store fronts in this shopping center. (The new owners, from New Port Beach, thought the rent should be equal to a shopping on the corner of Greenback and Sunrise and raised the rents dramatically and people left in protest. This included Bill Van Duker who had been on the south end of the shopping center for years, a Mexican restaurant. Home Town Buffet left very quickly also, but I don't know if that had anything to do with the rent. End result- a stripped down shopping center and STILL we have the following:

In addition to the type 20 and 21 licenses in the shopping center, consider that ABC has approved only 5 "**On Sale**" Licenses for all of 81.20 Tract and there are 4 just in Copperwood Shopping Center.

Type 41 License: On Sale Beer and Wine - Eating Place (restaurant) Authorizes sale of beer and wine for CONSUMPTION ON OR OFF premises where sold. Distilled spirits (except for cooking) may not be on the premises.

Alonzos Pizz Depot

Temple Garden

Thai Orchid

Type 47 License: On Sale General-Eating Place (Restaurant) Authorizes sale of beer, wine and distilled spirits for consumption on the premises. It *also* **authorizes the sale of beer and wine for consumption OFF the premises!**

Cattle Rustlers

I count 15 **On Sale** licenses approved by our City for Tract 81.20 That is 300% of the 5 approved by ABC!

Please consider denying the transfer of a type 21 license to Food Maxx. They have done very well for many years with a type 20 license. Copperwood Shopping Center is saturated not only with **Off Sale Licenses**, but also **On Sale Licenses**, leaving it awash with places to buy booze. In addition to what is already there and the attempt to transfer in the Type 21 license, there is the proposal for the AMPM to go on the NW corner of the shopping center- with the intent to also sell even MORE booze. As you can see, with no one paying attention, the licenses have incrementally moved in over time leaving Copperwood Shopping Center with an **over saturation** of liquor licenses.

Thank you,

Nancy Graham

President

Sunrise Oaks Neighborhood Association

Area 9.

August 9, 2017

Re: FoodMaxx #420, 6982 Sunrise Blvd, Citrus Heights, CA 95610 - Impact on Neighborhood

Rich Miller (Store Manager) and I (Bob Hess) met with approximately 15 residents and concerned citizens at City Hall at 19:00 hours to discuss the impact of Liquor sales in our store. I read the letter provided to me from our company in response to the letters sent into ABC. One of the residences advised us that she was not sure why the letters advised the problem with selling alcohol would be drunk driving and theft. She advised that was not their real concern. She pointed out that she did not want to see stores with bars on the windows, Homeless people hanging out in back of our stores and throughout the lots. I advised that adding spirits to the selection of alcoholic beverages sold at our location will not increase drunk driving or theft because liquor is currently available at other locations in this shopping center. Our goal is to benefit the neighborhood and its residents, and we will do everything possible to ensure that this is the case. I read the following bullet points to them and then took questions.

We plan to do the following to address the community's concerns:

- 1) **Locked Liquor Display Case** – All spirits offered for sale will be placed in a locked case. To purchase product, customers will ring a bell located near the case, and one of our clerks will retrieve the requested product from the locked case. Our clerk will take the product to the checkout area and hold it there for the customer to complete the sale. The customer will not be allowed to possess the alcohol until it is purchased.

This store currently has an extremely low rate of theft for beer and wine. We believe this number will not increase with the introduction of spirits as the locked cabinet will dramatically reduce opportunity for theft of these new items.

- 2) **Limited Liquor Variety** – The store will not sell spirits in bottles smaller than 750ml. This means there will not be any "single serve" bottles of spirits which typically contribute to public drinking and drunk driving as they can be easily consumed and concealed in the parking lot. The liquor store currently located in the shopping center sells single serve sizes of beer, wine, and spirits.
- 3) **Control of Loitering** – The store has a strict no loitering policy. Store management will take action to prevent persons from loitering on the premise. If people are loitering, they will be asked to leave the premises.



- 4) **Trained Staff** – Our Checkers are trained in the sale of age-restricted products, including alcohol. In addition to being trained upon hire, Checkers receive mandatory annual training along with periodic reminders. This training covers checking ID as well as not selling alcohol to obviously intoxicated persons.

We hope the plan above demonstrates our awareness of the community members' concerns and that we are addressing their concerns by implementing processes that reduce the likelihood of a negative impact while also meeting the demands of other community members. We will continue to maintain the premises and operate this location in a responsible manner to ensure we do not disrupt the neighborhood.

One of the Employees from Tony's liquor store (Gil) advised that we would be putting them out of business and that was not right. Gil also mentioned that he does not think we have enough employees in the evening to stop theft of beer as it is. He mentioned that he could easily take a few buddies in there and do a beer run and they would not be able to stop them. This was just an example and by no means did he mean he would do this. Gil meant that there are only two employees at the front end. He said that if we had spirits and we had to go to the lock box to get a bottle then our employees would be easily distracted for other types of thefts. I advised him that Rich would be in charge of the schedule and would need to make sure we had adequate help during those peak hours.

One of the Citrus Heights police officers asked Gil from Tony's liquor if they sold Pepsi and he said yes. He pointed out that Foodmaxx also sells Pepsi and that we actually share customers and thinks that Foodmaxx and Tony's could both benefit from the extra traffic.

Another man spoke up and said that he liked buying his alcohol from Tony's and they have been there for over 40 years in that location. The man also stated that he likes shopping at our store but that he might have to boycott us if we bring in hard liquor.

Rich advised the residence that he gets requests every day from his customers for spirits. Rich feels like this would only increase the customer traffic in his store and would benefit both Tony's and Foodmaxx.

There were a couple more residents that mentioned that they liked Tony's liquor store and did not want to see the small business go out of business and felt this would happen if we introduced spirits into our set.



Rich advised them that we would only be selling bottles larger than 750ml and would be in direct competition with other grocery stores. Rich advised them that it was not uncommon for grocery stores and liquors stores to be in the same complex and both thrive.

One of the residents mentioned that she drives behind the store at 5 am on her way to work and has never seen any transients or homeless people back there. Rich advised the residents that he has been there for about 8 months and he is staying on top of the homeless who use to like to stand around or sit on the benches. Rich takes each incident separately and researches the reason the person is out front. I explained to everyone that just because you are homeless does not mean you are a drunk. Sometimes people just get down on their luck and we should treat them with respect and dignity until the situation calls for us to get Law enforcement involved.

One of the residents asked me if we were going to sell our 20 license to the AM/PM (ARCO) that was rumored to be coming into the complex. I advised her that we were not going to be selling that 20 license to them. The same lady also mentioned that we needed to spend some money remodeling the store. She pointed out how outdated and dingy the store is. I agreed with her and advised her that our company has been giving our stores a face lift and remodeling some each year.

I explained to them all that we own the 21 license and were just asking to transfer this license to this location. I assured them that we responded to the customer requests and that we look forward to their business. One of the residents said that we are not really set against you from selling liquor but that they were more concerned with the ARCO coming to this location. They were all concerned and asked that we ban with them to keep them from coming in. The residents were wearing "no AM/PM" buttons during the meeting.

I advised everyone that I appreciated their time and questions and excused myself from the meeting. Store manager Rich Miller stayed for the rest of the meeting and listened to their concerns and the Citrus Heights police officer's presentation.





CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: October 26, 2017

TO: Mayor and City Council Members
Christopher W. Boyd, City Manager

FROM: Rhonda Sherman, Community Services Director
Stephanie Cotter, Management Analyst II
Nicole Piva, Housing and Grants Program Technician II

SUBJECT: **Draft Allocation of Federal 2018 Community Development Block Grant (CDBG) Funds**

Summary and Recommendation

Staff requests the City Council consider the draft 2018 Community Development Block Grant (CDBG) Action Plan (“Action Plan”) in anticipation of the final Action Plan adoption on November 9, 2017. Staff recommends the City Council:

1. Hear public testimony on the fund allocation and draft Action Plan
2. Continue final action until the November 9, 2017 City Council meeting

On Thursday, September 7, 2017, the City Council’s Quality of Life Committee met and developed recommendations to allocate the City’s 2018 CDBG funding. Staff has prepared the draft Action Plan to reflect the committee’s recommendations; changes can be made to reflect the Council’s majority decision.

Final discussion and approval of the Action Plan will be continued until the November 9 Council meeting to allow for the federally required public review period.

Fiscal Impact

CDBG funds are federal grant funds; there is no impact on the City’s general fund. The CDBG program allows for the City to be reimbursed from the costs of administering the grant in an amount not-to-exceed 20 percent of the annual grant.

Background and Analysis

In January 2000, the City became an entitlement community under the federal Community Development Block Grant (CDBG) Program. As an entitlement community, the City of Citrus Heights receives federal CDBG funds directly from the U.S. Department of Housing and Urban Development (HUD) according to a fixed formula. In 2017, the City was awarded \$589,469.

The federal allocation for 2018 CDBG has yet to be determined by the U.S. Congress at the time of this report.

Available Funds

Based on the City's estimated 2018 award of \$589,000, available funding will be distributed is as follows:

Estimated 2018 CDBG Annual Award	\$589,000
Available for public services (15% maximum)	88,000
Available for administration (20% maximum)	118,000
Available for other activities (65%)	383,000

Funding Recommendations

Based on the available funding, the Quality of Life Committee recommends the following:

Organization	Recommended Amount
<i>Public Service (15% maximum)</i>	
A Community for Peace	8,000
Campus Life Connection	10,000
Crossroads Diversified Services	5,000
Meals on Wheels	14,000
Sacramento Self-Help Housing Housing Counseling & Navigator	14,000
Sacramento Self-Help Housing Renter's Helpline	18,965
Sunrise Christian Food Ministry	10,035
Terra Nova Counseling	8,000
<i>Administration (20% maximum)</i>	
Program administration	118,000
<i>Capital Projects (65%)</i>	
Citywide Accessibility Improvement Project	383,000

The City's Action Plan has been drafted to reflect the above-listed recommendations; however, changes may be made to reflect Council direction.

Public Service Proposals

In response to a Request for Proposals, the City received eight proposals from outside agencies for public service projects using CDBG funds. The total request equals \$130,348; the total amount available is \$88,000. The public service project applications are on file and copies can be provided upon request.

Summary of 2018 CDBG Public Service Project Applications:

Public Service Agency	Service	Amount Requested (CDBG)	General Fund Received FY 17/18
Currently Funded Agencies			
Campus Life Connection	After School Program	11,000	10,000
Meals on Wheels	Senior Nutrition Program	16,000	82,000
Sacramento Self-Help Housing	Housing Counseling & Navigator Program	16,477	ED Support 20,000 Comm. Support 15,400
Sacramento Self-Help Housing	Renter's Helpline Program	18,965	-
Sunrise Christian Food Ministry	Emergency Food Program	15,000	5,000
Terra Nova Counseling	Juvenile Diversion & Education Program	25,706	3,000
New Funding Requests			
A Community for Peace	Safety Patrol for Children Exposed to Domestic Violence	12,000	-
Crossroads Diversified Services	Youth Employment Readiness Program	15,200	-
Total Requests		\$130,348	\$135,400

Affirmatively Furthering Fair Housing

Of note, HUD requires the City to certify it will take steps to affirmatively further fair housing in order to receive federal funding. The City has been operating its own fair housing program since 2013 in order to satisfy the City's requirement to affirmatively further fair housing. Beginning in 2016, Citrus Heights entered into a regional effort to develop a more efficient cost sharing model for Renter's Helpline services.

As listed in the table below, the cost for each agency is calculated based upon the number of rental units within its jurisdiction. Thus, staff recommends allocating \$18,965 to Sacramento Self-Help Housing to fund Citrus Heights' portion of the Renter's Helpline Program as it provides an integral service to the community and satisfies the City's federal obligation to affirmatively further fair housing.

Jurisdiction	Allocation Amount	Services Provided
City of Sacramento	119,942	<ul style="list-style-type: none"> • Renter's Helpline • Fair housing education • Property owner trainings • Property testing • Discrimination case investigations • Referrals to HUD/DFEH • Litigation
County of Sacramento	126,117	
City of Citrus Heights	18,965	
City of Elk Grove	18,070	
City of Rancho Cordova	14,020	
Total	\$297,114	

Capital Projects

If approved, up to 65 percent of the 2018 CDBG allocation will be used to fund citywide accessibility improvements, such as construction of Americans with Disabilities Act (ADA) compliant ramps, relocation of drainage inlets, installation of pedestrian signal heads, and accessible crosswalks.

Conclusion

On October 26, 2017, the City Council will hear public testimony on the draft 2018 Action Plan. Consideration of the final Action Plan will be continued until November 9, 2017. At the November 9, 2017 meeting, the City Council will be requested to adopt the final Action Plan by resolution and grant the City Manager authority to execute any related agreements and necessary amendments in order to carry out the activities as described in the Action Plan. Upon Council approval, staff will submit the Action Plan to HUD for final approval.

Attachments:

- (1) 2018 CDBG Public Service Applications Summary Sheet
- (2) Draft 2018 CDBG Action Plan

ATTACHMENT 1- 2018 CDBG Public Service Funding Requests

Table 1-1, Summary of 2018 CDBG Public Service Funding Requests

Total Funds Requested: \$130,348 Total Funds Available: \$88,000

Agency	Service	2018 Committee Recommendation	2018 CDBG Request	2017 CDBG Award	FY17/18 General Fund Award
Organizations Currently Receiving Funding					
1. Campus Life Connection	After-School Tutoring	10,000	11,000	10,845	10,000
2. Meals on Wheels	Senior Nutrition	14,000	16,000	15,790	82,000
3. Sacramento Self-Help Housing	Housing Counseling & Navigator	14,000	16,477	15,790	ED Support 20,000 Comm. Support 15,400
4. Sacramento Self-Help Housing	Renter's Helpline	18,965	18,965	18,965	0
5. Sunrise Christian Food Ministry	Ongoing Emergency Food to Low-Income and Homeless Population	10,035	15,000	9,856	5,000
6. Terra Nova Services	Juvenile Diversion & Education Program	8,000	25,706	16,779	3,000
New Funding Requests					
7. A Community for Peace	Safety Patrol for Children Exposed to Domestic Violence	8,000	12,000	0	0
8. Crossroads Diversified Services	Youth Employment Readiness Program	5,000	15,200	0	0
Total Requests		\$88,000	\$130,348	\$88,025	\$135,400

The public service project applications are on file and copies can be provided upon request.

ATTACHMENT 1- 2018 CDBG Public Service Funding Requests

Table 1-2, Detailed Descriptions of 2018 CDBG Public Service Funding Requests

Agency Name Service Location	Service Description	2018 Request Amount Persons Served Cost per Objective	Previous Award (CDBG & General Fund)	Staff Comments
Organizations Currently Receiving Funding				
1. Campus Life Connection 7836 Sayonara Drive Children & Youth Neighborhood Center	Funding will continue to increase the educational and social development of children ages 6-18. The center moves students in a positive direction in life and keeps them from the potential dangers of being unsupervised after school.	\$11,000 95 Youth \$221 Per Youth (count include general fund)	<u>2017</u> \$10,845 CDBG \$10,000 GF 17/18 <u>2016</u> \$11,000 CDBG \$10,000 GF 16/17	<ul style="list-style-type: none"> • General Fund has been sustained at \$10,000 since FY 14/15; therefore CDBG funds are not capped. • In 2017, the center expanded its impact to serve students from 1-12 grades and is open Monday thru Friday. • The center continues to provide ongoing technology resources for high school students. • Campus Life has a large network of community support. • CDBG award will only cover staff salaries.
2. Meals on Wheels Rusch Park (congregate meals) Citywide (home-delivered meals)	To provide balanced, nutritious meals Mon-Fri, 250 days per year to frail homebound seniors and seniors dining at Rusch Park Community Center 5 days a week.	\$16,000 277 Seniors \$354 per senior (count includes general fund)	<u>2017</u> \$15,790 CDBG \$82,000 GF 17/18 <u>2016</u> \$16,000 CDBG \$82,909 GF 16/17	<ul style="list-style-type: none"> • Provides 29,078 meals to 277 seniors in a year. • Congregate Nutrition Program (All Seasons Café) <ul style="list-style-type: none"> ○ Serves 1 hot meal, Mon-Fri to an average of 25 active seniors. • Home Delivered Meals Program (HDM) provides daily nutritional requirements to our most frail and homebound seniors and addresses their social and emotional needs. <ul style="list-style-type: none"> ○ Delivers one hot, nutritious meal daily, Mon-Fri, or five frozen meals 1x per week to an average of 116 seniors.
3. Sacramento Self-Help Housing (SSHH) Office Hours Drop-ins: Crossroads Diversified Tuesday from 9am-12pm	Housing Counselor services are for those at risk of becoming homeless. Navigator services are for those who are currently homeless.	\$16,477 Housing Counseling 60 Households Navigator Program 50 Households	<u>2017</u> Housing Counseling \$15,790 CDBG Navigator Services GF 17/18 \$20,000 ED Support Fund	<ul style="list-style-type: none"> • Housing Counseling Services: SSHH works with households that are at-risk of becoming homeless. SSHH will provide housing information, referrals based on the household's intake assessment, and serve as an advocate until the household secures permanent or stable housing. <ul style="list-style-type: none"> ○ Goal: 35 of the 60 households will find stable housing.

ATTACHMENT 1- 2018 CDBG Public Service Funding Requests

Agency Name Service Location	Service Description	2018 Request Amount Persons Served Cost per Objective	Previous Award (CDBG & General Fund)	Staff Comments
Sylvan Oaks Library Thursday from 10am- 12pm		\$472 per household (count includes general fund)	\$15,400 Comm. Support Fund <u>2016</u> Housing Counseling \$10,000 CDBG Navigator Services GF 16/17 \$20,000 ED Support \$15,400 Comm. Support	<ul style="list-style-type: none"> Navigator Services: SSHH provides outreach services to those who are currently homeless or in immediate danger of becoming homeless. The navigator partners with CHPD to locate and identify clients. SSHH connects the homeless to services, and schedules and transports clients to appointments.
4. Sacramento Self-Help Housing (SSHH)	Renter's Helpline will provide information and advice to tenants regarding landlord-tenant issues.	\$18,965 310 Households \$61 per household	<u>2017</u> \$18,965 CDBG <u>2016</u> \$15,000 CDBG	<ul style="list-style-type: none"> Renter's Helpline: Provide information and advice to tenants regarding landlord-tenant matters, including rental agreements, leases, etc. Refer calls concerning fair housing or discrimination to Project Sentinel. Renter's Helpline takes all incoming calls from Mon-Fri from 8:30am-5pm. Funding reflects regional fair share of renter helpline services. For more information, refer to the attached Renter's Helpline summary.
5. Sunrise Christian Food Ministry (SCFM) Advent Lutheran Church 5901 San Juan Avenue Citrus Heights	SCFM will provide ongoing emergency food for low-income and homeless people in Citrus Heights.	\$15,000 8,030 Individuals \$2.50 (count includes general fund)	<u>2017</u> \$9,856 CDBG \$5,000 GF 17/18 <u>2016</u> \$15,000 CDGB \$5,000 GF 16/17	<ul style="list-style-type: none"> SCFM has received CDBG since 2016. Program provides nutritional emergency food for the current and increasing numbers of seniors, children and homeless. Provides three meals per day for five days per person every 30 days. SCFM serve clients five days a week. Over the last five years SCFM has never closed their doors, they continue to meet their increasing demand with no reduction in service. All staff members are volunteers. CDBG funds go towards the purchase of food, not salary cost.

ATTACHMENT 1- 2018 CDBG Public Service Funding Requests

Agency Name Service Location	Service Description	2018 Request Amount Persons Served Cost per Objective	Previous Award (CDBG & General Fund)	Staff Comments
6. Terra Nova Counseling 7844 Madison Ave., #152 Fair Oaks	Juvenile Diversion and Education Program (JDEP) provides individual and family therapy to decrease crime recidivism and improve quality of life for Citrus Heights youth.	\$25,706 65 Households \$442 per household (per youth count includes general fund)	<u>2017</u> \$16,779 CDBG \$3,000 GF 17/18 <u>2016</u> \$17,000 CDBG \$2,845 GF FY 16/17	<ul style="list-style-type: none"> This program is operated in partnership with CHPD as a therapeutic and educational program provided to youth who have committed a misdemeanor offense in the city. Youth and caregivers participate in weekly educational and cohort groups aimed at skill building. In addition to JDEP groups, the youth has the opportunity to participate in individual and/or family therapy sessions. Terra Nova has been providing the JDEP program at the request of CHPD since 2013. Terra Nova received CDBG funds for the first time in 2015. Offers eight group therapy sessions.
New Funding Requests				
7. A Community for Peace (ACFP) 6060 Sunrise Vista, #2340 Citrus Heights	ACFP will provide support services to children and their families who have been exposed to domestic violence.	\$12,000 280 Youth \$43 per youth	<u>2017</u> \$0 CDBG \$0 GF 17/18 <u>2016</u> \$0 CDBG \$0 GF 16/17	<ul style="list-style-type: none"> ACFP received CDBG funds in 2012 and 2015. The organization elected to not apply for CDBG funds in other years. This program is operated in partnership with CHPD and CPS to identify families of children who have been exposed to domestic violence. This is a prevention strategy to reduce trauma to children exposed to domestic violence in the household. CDBG funds will be used to retain the former reserve officer specialized in this area.
8. Crossroads Diversified Services 7011 Sylvan Road, Citrus Heights	Crossroads will provide a Youth Employment Readiness Program (YERP). The program includes development workshops to high school students ages 14-18 who attend Mesa Verde or San Juan high school and live in Citrus Heights.	\$15,200 250 Youth \$61 per youth	N/A	<ul style="list-style-type: none"> In prior years Crossroads provided this service, due to funding cuts the YERP was eliminated. CDBG and SETA funds would make the budget whole. Crossroads will partner with the teachers to provide a series of in-class workshops. At the end of the program year each student will receive a certificate of completion, a resume, and will have completed a mock interview to test their employment readiness.

October 26, 2017

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2018 Action Plan is an annual plan to address the community development and low-income housing needs within the City of Citrus Heights. The following document covers the fourth year of implementation of the City's 2015-2019 Consolidated Plan. Both the Consolidated Plan and the Action Plan are implemented by the City's Housing and Grants Division.

The City anticipates receiving \$589,000 in 2018 funds from the federal Community Development Block Grant (CDBG) program. The City also plans to address its community development and housing needs through the City's First-Time Homebuyer and Housing Repair Programs.

City staff has encouraged citizen participation throughout the Action Plan process. Outreach efforts included holding public meetings and providing the opportunity for public comment during the public review period. Using research and input from the public, City staff formulated the objectives and outcomes briefly described below.

2. Summarize the objectives and outcomes identified in the Plan

Objectives

- Assist community-based organizations with financing that allows them to provide a new or expanded services to target-income residents, especially seniors, youth, and the homeless.
- Provide a housing repair program that addresses the quality and affordability of ownership housing stock for target-income households.
- Remove barriers to accessibility throughout the city, especially those barriers identified as a priority by the City's General Services Department.

Outcomes

The City's housing outcomes for this planning period will utilize funding from prior years to provide loans to eligible low-income homeowners for health and safety repairs to their single-fam. The City will continue to offer a First-Time Homebuyer Program, which will provide a low-interest loan to eligible households looking to purchase their first home in Citrus Heights. The First-Time Homebuyer Program is funded with Home Consortium funds and loan repayments. The City will also fund a Citywide Accessibility Improvement Project, a project compliant with Americans with Disabilities Act (ADA) standards.

The City received applications from eight eligible organizations to provide residents with a variety of services. On October 26, 2017, City Council will review funding recommendations and hear public comment. On November 9, the City Council will provide final funding recommendations and approve the 2018 Action Plan. The following applications were received:

- **Campus Life Connection** offers educational and social development to elementary and middle age children and provides an after-school experience that moves students in a positive direction.
- **Meals on Wheels** provides daily hot or frozen meals to homebound seniors or seniors in a congregate setting.
- **Sacramento Self-Help Housing** offers housing counseling and Homeless Navigator services to homeless individuals and those who are at risk of homelessness.
- **Sacramento Self-Help Housing** provides a Renter's Helpline to tenants, educating them about their tenant-landlord rights, mediation, and investigation through a partnership with Project Sentinel and Rental Housing Association.
- **Sunrise Christian Food Ministry** offers ongoing emergency food to low-income residents.
- **Terra Nova Counseling** administers a Juvenile Diversion and Education Program in partnership with Citrus Heights Police Department to provide individual and/or family therapy to decrease crime recidivism and improve quality of life for low-income youth.
- **A Community for Peace** provides support services to children and their family who have been exposed to domestic violence.
- **Crossroads Diversified Services** provides a Youth Employment Readiness Program which includes developmental workshops to high school students, ages 14-18, who live in Citrus Heights and attend Mesa Verde or San Juan high schools.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals and activities. The City evaluated its past performance as part of determining which activities to fund in 2018.

Over the last few years, the City has taken steps to identify and address needs related to homelessness. The City has funded a Homeless Navigator Program with local general fund revenue; this program is under the umbrella of Sacramento Self-Help Housing. The homeless navigator identifies homeless individuals in Citrus Heights and provides resource referrals for this population.

In the area of accessibility, the City has completed dozens of ADA-compliant curb ramps and several sidewalk infill projects in recent years. The need for these activities remains high.

The City has typically devoted the full 15% allowed to public services, providing thousands of households with a wide range of services, from meals to youth and education to housing counseling. Many households have come to depend on these services and new households are accessing them. The City plans to continue to devote the maximum allowable funding to public services and also to supplement the CDBG funding with approximately \$135,400 in general fund revenue.

4. Summary of Citizen Participation Process and Consultation Process

The City offered several opportunities for public participation and comment throughout the Action Plan process:

On July 25, 2017, City staff held a funding application workshop for non-profit organizations interested in applying for public service funds. The workshop was noticed in *The Sacramento Bee* and staff sent

Attachment 2 – Draft CDBG Action Plan

emails to a large mailing list of interested persons and organizations. A total of six participants attended the workshop. City staff also held an interdepartmental meeting to identify potential citywide projects.

The City will provide an opportunity for members of the public to comment at its October 26, 2017 City Council meeting, wherein the City Council will discuss the federal 2018 Community Development Block Grant funding allocation. The City will also offer an opportunity for public comment at the November 9, 2017 City Council meeting, when the Council will consider final adoption of the Action Plan.

The Action Plan will be made available for public review during public comment period from October 11, 2017 to November 9, 2017. A public notice announcing its availability was published in *The Sacramento Bee* on July 10, 2017. The first public hearing on the Action Plan will be held in front of the Citrus Heights City Council on October 26, 2017; the second public hearing will be held on November 9, 2017.

5. Summary of public comments

Comments received during the public comment period from October 11, 2017 to November 9, 2017 will be included upon Action Plan finalization.

6. Summary of comments or views not accepted and the reasons for not accepting them

To date, the City has not received any public comments. Comments received during the public comment period from October 11, 2017 to November 9, 2017 will be included in the final Action Plan, if applicable.

7. Summary

As part of the Consolidated Plan effort, the City selected two key priorities:

1. Build healthy communities; and
2. Expand economic opportunities.

Those goals align closely with three of the City Council's five goals, which include grow the local economy, enhance the quality of life, and improve overall city infrastructure with emphasis on neighborhood revitalization.

Within those priorities, the City identified six main goals:

1. Foster affordable housing;
2. Expand homeless transitional housing and services;
3. Create job training opportunities;
4. Improve accessibility;
5. Construct or upgrade public facilities; and
6. Provide other social services.

To address these goals in 2018, the City plans to provide homebuyer assistance loans to first-time homebuyers, provide health and safety housing repair loans to homeowners, support nonprofits offering a wide range of social services, and assist with citywide accessibility projects.

PR-05 Lead & Responsible Agencies – 91.200(b)**1. Agency/entity responsible for preparing/administering the Plan****Table 1 – Responsible Agencies**

CDBG Administrator	CITRUS HEIGHTS	Community and Economic Development Department
HOME Administrator	CITRUS HEIGHTS	Sacramento Housing and Redevelopment Agency (SHRA)

The City of Citrus Heights Housing and Grants Division, within the Community and Economic Development Department, serves as the lead agency for the Annual Action Plan and the administration of CDBG, HOME, and other housing and community development funds. Within the Housing and Grants Division, the Management Analyst II oversees the day-to-day administration of the CDBG program. The Housing and Grants Program Technician II assists in administering the program.

For the receipt of HOME funds, Citrus Heights is in a consortium with Sacramento County, the City of Sacramento, and the City of Rancho Cordova. Citrus Heights receives an annual allocation from the consortium. Sacramento Housing and Redevelopment Agency (SHRA) is the lead organization in the consortium.

Action Plan Contact Information

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 916-727-4752
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AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

In preparing the Consolidated Plan, the City consulted a variety of agencies, including local and regional nonprofits, government organizations, and faith based organizations. In preparation of the Consolidated Plan, the City also prepared an online survey that received a high response rate of 251 responses including interested residents and service providers. City staff also attended a meeting of the Citrus Heights Collaborative to gain feedback from its service provider membership.

The goal of the consultation process was to gather data to help determine the priority needs of Citrus Heights' citizen and opportunities for coordination to improve availability and accessibility to services.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The City's public housing agency is Sacramento Housing and Redevelopment Agency (SHRA), which has consulted with several agencies in an attempt to determine the level of coordination needed during the preparation of SHRA's Consolidated Plan.

At the local level, Sacramento Self-Help Housing (SSHH) provides case management services and homeless navigator who will provide outreach to homeless individuals in the city. SSHH is also in regular communication with Sacramento Steps Forward, the organization that administers the Continuum of Care on behalf of Sacramento County. Sunrise Christian Food Ministry also maintains a food pantry at Advent Lutheran Church and connects clients to local and regional services when possible. Both of these groups regularly attend Citrus Heights Collaborative meetings to maintain connection and communication with their partner organizations.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City maintains strong involvement in the Continuum of Care, which is currently administered by Sacramento Steps Forward. The City's Interim Assistant to the City Manager, Katherine Cooley, is a member of the Continuum of Care Advisory Board. The Continuum of Care Board is responsible for advising the Sacramento Steps Forward Board of Directors on policy around the issue of homelessness. The goal of the Advisory Board is to ensure Sacramento Steps Forward retains a broad representation of constituents in the community, allowing the organization to establish a more efficient method of community planning and evaluation.

The City has a strong history of funding Self-Help Housing, which provides housing counseling to homeless individuals or those at risk of homelessness. The City looks forward to exploring additional solutions for homelessness during the coming Consolidated Plan.

Other City efforts to address the needs of homeless persons include the partnership with the Citrus Heights Homeless Assistance Resource Team (HART). HART is a local nonprofit made up of various public and private organizations and volunteers. The group's mission is to provide resources that will enable at risk people and people experiencing homelessness to become independent, self-sustaining and participating members of the community. In 2017, Citrus Heights HART, coordinated their first ever winter sanctuary. The immediate goal of the winter sanctuary is to provide shelter for those without homes in the winter; HART's ultimate goal is the help the homeless individuals find permanent housing. The City partnered with HART in its housing endeavor and provided a homeless navigator connects homeless individuals with public services. The homeless navigator visited the sanctuary one a week, helping homeless individuals to obtain state IDs, driver licenses, and access housing counseling.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Sacramento Steps Forward, the lead agency for the Sacramento County Continuum of Care, receives funding through SHRA. Citrus Heights does not have sufficient population to receive Emergency Shelter Grant (ESG) funds directly, and typically SHRA has made decisions related to ESG funding. The City will remain diligent regarding its involvement in the Continuum of Care and will look for opportunities to be involved in ESG funding decision in the future.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

The City offered several opportunities for participation and comment throughout the Action Plan process, as indicated below.

Table 2 – Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	
1	Newspaper Ad	Non-targeted/broad community	The City published a public notice in the Sac Bee newspaper to publicize two public hearing meetings which will be held on October 26 and November 9, 2017 and public review and comment period begins October 11 and will end November 9, 2017.	No comments have been received.	No comments have been received.	

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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	
2	Internet Outreach	Non-targeted/broad community	The City published the two public hearing meetings (October 26 and November 9, 2017) on the City's Housing and Grants webpage.	No comments have been received.	No comments have been received.	
3	Public Hearing	Non-targeted/broad community	On October 26, 2017 City Council will hold a public hearing.	No comments have been received.	No comments have been received.	
4	Public Hearing	Non-targeted/broad community	A second public hearing will be held on November 9, 2017 recommending the City Council approve the Action Plan.	No comments have been received.	No comments have been received.	

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

The City anticipates continuing to receive CDBG funding throughout the Consolidated Plan period. In addition, the City will apply for grant funding through grant applications to the California Department of Housing and Community Development.

Table 3 - Expected Resources – Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	Estimated Award: 589,000	100,279.72	0	689,279.72	The City is an entitlement jurisdiction receiving Community Development Block Grant funds on a calendar year basis. Program income is from loan repayments, which has been reallocated to the city's Housing Repair Program.
HOME	public - federal	First-Time Homebuyer Program (down payment assistance) Housing Programs	0	119,269.16	634,754.84	754,024.00	The City receives HOME funds through Sacramento Housing Redevelopment Agency (SHRA). Program income is received by loan repayments.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	
General Fund	public - local	Public Services	135,400	0	0	135,400	The City allocates local Community Support funds to support nonprofits. The nonprofits serve low-income residents, but that is not a requirement of the funding source.
Other	public - state	Admin and Planning Housing Repair Program	1,000,000	0	0	1,000,000	The City has received a one-time \$1,000,000 grant through Housing and Community Development (HCD) for mobile home health and safety repairs within the Citrus Heights.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The CDBG program does not have a match requirement. However, the City does allocate general fund revenue to further support a few of the nonprofit organizations receiving CDBG funding.

If appropriate, describe publically-owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

During the life of the City's Redevelopment Agency, the Agency purchased fourteen four-plexes and one eight-plex on Sayonara Drive. As these properties were severely dilapidated they were demolished and the City now has statutory requirements to replace the affordable

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units. Unfortunately with the dissolution of redevelopment agencies in California, what would have been the main source of funding for this project is no longer available. The City is pursuing alternate funding sources in accordance with state law to replace the units.

Discussion

The City attempts to maximize the use of all of its available funding sources by encouraging projects that access private financing (grants/loans) or other federal or state funding sources. The City always actively pursues available grants for housing and community development programs.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Table 4 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category		Needs Addressed		Goal Outcome Indicator
1	Foster Affordable Housing	2015	2019	Affordable Housing		Build Healthy Communities		To provide homeowners who are low-income with health and safety home repairs.
2	Expand Homeless Housing and Services	2015	2019	Homeless		Build Healthy Communities		Sacramento Self-Help Housing will provide a public service to low-and moderate income households who are in need of temporary or permanent housing.
4	Improve Accessibility	2015	2019	Non-Housing Community Development		Build Healthy Communities		To provide a Citywide Accessibility project where construction of new curb access ramps and fully ADA compliant ramps with pedestrian signal heads and accessible crosswalks will be installed. Locations have yet to be determined.
5	Other Public Service Needs	2015	2019	Homeless Non-Homeless Special Needs		Building Healthy Communities		Beneficiaries include those estimated from CDBG projects except Self-Help Housing (already mentioned above).

Table5 – Goal Descriptions

1	Goal Name	Foster Affordable Housing
	Goal Description	In 2014, Citrus Heights received a grant in the amount of \$1,000,000 from the Department of Housing and Community Development (HCD) to provide health and safety repairs to low-income mobile home owners. Funding comes from HCD; an estimated 30 low-income mobile home homeowners will receive health and safety repairs to their homes.
2	Goal Name	Expand Homeless Housing and Services
	Goal Description	In 2016, the City funded a homeless navigator position with local Community Support funds for the first-time to identify and assist people who are homeless within the City. In 2018, Sacramento Self-Help Housing (SSHH) will continue to provide a full-time homeless navigator, who will proactively seek to connect with the homeless who have not yet to receive resources directly. The homeless navigator will continue to build relationships with community service providers, Citrus Heights Homeless Assistance Resource Team (HART) members as well as City and Citrus Heights Police Department staff to assist the homeless population.
4	Goal Name	Improve Accessibility
	Goal Description	The Citywide Accessibility Improvement Project will consist of the construction of new curb access ramps and fully compliant ramps, relocation of drainage inlets and restriping where necessary, pedestrian signal heads and accessible crosswalks. Locations have yet to be determined.
5	Goal Name	Other Public Service Needs
	Goal Description	Beneficiaries include those estimated from CDBG and non-CDBG activities, except for Self-Help Housing (listed under previous goals).

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

Currently, Citrus Heights does not have its own affordable housing program and HOME funding is incorporated into SHRA's Action Plan as that organization is the lead organization in the HOME Consortium. Although, the City plans to pursue new affordable housing within the City of Citrus Heights thus, affordable housing projects may be considered throughout the timeframe of the Consolidated Plan.

AP-35 Projects – 91.220(d)

Introduction

The table below summarizes the city's recommendation to allocate 2018 Community Development Block Grant funding. On September 7, the Quality of Life Committee recommended funding, the following projects. On October 26, the City Council will hear public comment on the draft 2018 Action Plan, on November 9; the City Council will consider the 2018 Action Plan. Staff will then submit the Action Plan to the Department of Housing and Urban Development for review and final approval.

#	Project Name
1	Planning & Administration
2	Citywide Accessibility Improvement Project
3	A Community for Peace, Safety Patrol Program for Children Exposed to Domestic Violence
4	Campus Life Connection, After-School Program
5	Crossroads Diversified Services, Youth Employment Readiness Program
6	Meals on Wheels, Senior Nutrition Program
7	Sacramento Self-Help Housing, Housing Counseling & Homeless Navigator Program
8	Sacramento Self-Help Housing, Renter's Helpline Program
9	Sunrise Christian Food Ministry, Emergency Food Program
10	Terra Nova Counseling, Juvenile Diversion & Education Program

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

In making project recommendations, consideration is given based on a variety of thresholds that projects must meet to comply with CDBG objectives, including meeting one of the national objectives and addressing one of the community priorities set out in the Consolidated Plan. Staff took into account activity need and justification, cost reasonableness and effectiveness, activity management and implementation, experience with similar activities, past performance, leveraged funds, and completeness of the application.

While there are several constraints to meeting the needs of low-income residents, the primary obstacle is the lack of funding to fully address all needs. The economic challenges facing the nation have forced many nonprofits to cut services at a time when governmental entities and others are least able to provide them. In response to the level of need, the City has maintained its commitment to providing local funding to nonprofits, even though budget cuts that have been required in a number of areas.

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A second obstacle to meeting underserved needs is the location of many available services is in the City of Sacramento. Citrus Heights works closely with the regional transit agencies to improve access, and there are several daily public transportation linkages between Citrus Heights and downtown Sacramento.

AP- 38 Projects Summary**Project Summary Information**

All projects identified are expected to be completed no later than December 31, 2018.

Project Name	Goals Supported	Needs Addressed	Recommended Funding
Planning & Administration	-	-	CDBG \$118,000
Citywide Accessibility Improvement Project	Improve Accessibility	Build Healthy Communities	CDBG \$383,000
A Community for Peace	Provide Public Services	Build Healthy Communities	CDBG \$8,000
Campus Life Connection	Provide Public Services	Building Healthy Communities	CDBG \$10,000
Crossroads Diversified	Provide Public Services and Economic Opportunities	Build Healthy Communities	CDBG \$5,000
Meals on Wheels	Provide Public Services	Build Healthy Communities	CDBG \$14,000
Sacramento Self-Help Housing, Housing Counseling & Homeless Navigator	Provide Public Services	Build Healthy Communities	CDBG \$14,000
Sacramento Self-Help Housing, Renter's Helpline	Provide Public Services	Build Healthy Communities	CDBG \$18,965
Sunrise Christian Food Ministry	Provide Public Services	Build Healthy Communities	CDBG \$10,035
Terra Nova Counseling	Provide Public Services	Build Healthy Communities	CDBG \$8,000

AP-50 Geographic Distribution – 91.220(f)**Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

The geographic distribution is predicated on the nature of the activity to be funded. The majority of the activities the City plans to conduct will be offered to residents citywide. The Citywide Accessibility Project, First-Time Homebuyer Program, and the Housing Repair Program are not specific to target areas, these projects are eligible citywide and will eventually have a specific location.

Rationale for the priorities for allocating investments geographically

The City did not allocate investments geographically; no particular areas were identified as needing higher level of investment than others.

Discussion

No geographic priorities.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

Although the Action Plan focuses on affordable housing, the City identifies first-time homebuyer and housing repair programs as the primary components of the City's housing strategy.

Table 6 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households to be Supported	
Homeless	60
Non-Homeless	0
Special-Needs	0
Total	60

Table 7 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	7
Acquisition of Existing Units	0
Total	7

Discussion

Over the last several years many households struggle with different challenges as a result of economic factors. The Consolidated Plan identifies preservation and rehabilitation of the existing housing stock and the city's First-Time Homebuyer Program as the primary components of the City's housing strategy. Since 1198, the City has continued to provide down payment assistance to those that purchase homes in Citrus Heights. The program will be funded using the city's annual share of Home Consortium funds; the level of assistance is up to \$40,000 per project.

The City's Home Repair Program offers loans to homeowners making health and safety repairs to their homes. The program offers conventional loans to eligible homeowners for up to \$60,000 in assistance for needed home repairs. The City also offers grants for accessibility improvements, lead-based paint inspection, abatement, and relocation.

Located within the City of Citrus Heights, there are two affordable public housing complexes on Mariposa Avenue and Tiara Way under the jurisdiction of Sacramento Housing and Redevelopment Agency (SHRA).

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SHRA operates 89 conventional housing units and over 660 assisted housing units throughout seven complexes within the City.

The City has a housing In-Lieu funding source; this funding source receives fees collected per square foot on new non-residential development in the City. Housing In-Lieu Fund revenue must be used to produce housing that is affordable to households earning at or below 60 percent of area median income (AMI).

Other measures to promote affordable housing are identified and explained in detail in the City's Housing Element.

AP-60 Public Housing – 91.220(h)

Introduction

The City of Citrus Heights does not have its own local housing authority. Public housing located on Mariposa Avenue and Tiara Way in Citrus Heights is administered directly by SHRA, which serves as the housing authority for all the Sacramento County.

Actions planned during the next year to address the needs to public housing

Please refer to the SHRA Public Housing Authority Annual Plan for information on the ways SHRA plans to address public housing needs.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

SHRA encourages public housing residents to participate in policy, procedure, and the program implementation and development through its Resident Advisory Board. In addition, the Housing Authority recognizes Resident Committees throughout the Sacramento region where residents are elected bodies representing residents in their respective complexes. SHRA also distributes quarterly newsletters to all residents, which contain relevant news, information on training and employment opportunities, and other community resources available to public housing residents. Public housing residents also participate in the development of SHRA's five-year and annual plans. The Residents Services Division distributes a survey to prioritize resident's needs and schedule short- and long-term improvements.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

SHRA is not designated as "troubled."

Discussion

A wealth of information on SHRA and their programs, housing resources, budgets, and financial planning and reporting is available on their website at www.shra.org.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City's strategy related to the needs of the homeless, those at risk of homelessness, and other special needs populations is focused primarily on funding supportive services in Citrus Heights.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Since 2003, the City has provided housing counseling to homeless persons and those at risk of becoming homeless through the partnership with Sacramento Self-Help Housing (SSHH). SSHH provides housing counseling, including access to a database of low-cost housing resources in the region and limited motel vouchers to households in immediate need of housing. In 2016, the City funded a homeless navigator position with general fund revenue for the first-time to identify and assist individuals who are homeless within the city. In 2018, SSHH will continue to provide a full-time homeless navigator, who will proactively seek to connect with the homeless individuals who have not yet sought help directly. The homeless navigator will build relationships with community, service providers, Citrus Heights Homeless Assistance Resource Team (HART) members and City and Citrus Heights Police Department staff to assist the homeless population.

Addressing the emergency shelter and transitional housing needs of homeless persons

While Citrus Heights currently does not have a shelter providing services within the city limits, residents are referred to agencies such as St. John's, Volunteers of America, Sacramento Housing Prevention and Rapid Rehousing Program, Sacramento Area Emergency Housing, and Union Gospel Mission for different shelter options. Homeless individuals are referred to the City's homeless navigator for more information; City staff also works with informal committees of social service nonprofits and faith-based organizations. The City continues to research opportunities for permanent supportive housing services.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Sacramento Self-Help Housing (SSHH) will connect the client with other services and resources as needed including the Career Center, Department of Human Assistance, County Mental Health services, Social Security, adult education, and medical clinics. In 2018, the City will fund SSHH to provide housing counseling and case management for residents in need of permanent housing.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The City will fund one activity aimed at preventing homelessness:

- Sacramento Self-Help Housing will provide housing counseling with the goal of helping people who are currently homeless or in imminent danger of becoming homeless to secure new housing. The homeless navigator will also identify and assist people who are homeless in the city and assist in connecting the client with available resources.

Discussion

In addition to services for homeless individuals or those at risk of homelessness, the City's special needs population includes seniors, disabled persons, foster children, victims of domestic violence and other needs. The City will fund several programs and services assisting the special needs population in 2018. These include the following:

- Senior Services, including home-delivered meals and meals served at Rusch Park Community Center
- Public Services, including the Sunrise Christian Food Ministry and A Community for Peace
- Citywide Accessibility Improvement Project , which will primarily benefit disabled individuals

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

The City identified several barriers to affordable housing in the process of drafting the Housing Element update. Notable barriers to developing affordable housing include:

- The balance between owner-occupied and renter-occupied housing and the preservation and maintenance of the City's aging housing stock.
- As suburbs mature with an aging housing stock, both single family homes and apartment complexes in Citrus Heights face an increasing need to maintain.
- Land availability and land zoned at densities appropriate for multi-family housing.
- Environmental factors such as floodplain and native oak trees.
- Availability of financing.
- Design guidelines, which control the appearance of new development. Due to the requirements the cost of building new housing may increase.
- Site improvements, development impact, and processing fees. These fees can add significant cost to developing new housing. Developers must often pay for new roadways, sewer, water, and park facilities, along with other miscellaneous fees. There are also costs associated with getting projects approved by the City and other agencies.
- Permit and approval process. In addition to the cost of fees on new projects, the amount of time required to process them varies by project, and the developer generally must pay holding costs, such as property taxes, during the time.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City is undertaking actions to reduce potential barriers and constraints to affordable housing, as well as promote housing for special needs populations. These are described in more detail in the City's Housing Element.

AP-85 Other Actions – 91.220(k)

Introduction

While there are several constraints to meeting the needs of target-income residents, the primary obstacle is the lack of funding to fully address all needs. Economic challenges in recent years forced many nonprofits to cut services.

Actions planned to address obstacles to meeting underserved needs

The economic challenges in recent years have forced many nonprofits to cut services at time when government entities and others are least able to provide them. There is no federal requirement for the City to match CDBG funds; however, the City has maintained a commitment to providing local funding to nonprofits despite other budget cuts. As such, the City's general fund commitment for FY 17/18 is \$135,400.

Another obstacle to meeting underserved needs is the locations of many available services are in the City of Sacramento. Citrus Heights works closely with the regional transit agencies to improve access, and there are several daily public transportation linkages between Citrus Heights and downtown Sacramento.

Another obstacle is, the City has very little vacant land available for development. The City will focus heavily on preservation of the existing housing stock through the Housing Repair Program.

Actions planned to foster and maintain affordable housing

In 2018, the City will offer several programs to foster and maintain affordable housing:

- The Housing Repair Program will offer low-interest 30-year deferred loans to homeowners making health and safety repairs to their homes. This program will be funded using prior-year CDBG funds and loan repayments.
- The CalHome Mobilehome Grant Program will offer 20-year gradually forgivable loans to mobilehome homeowners making health and safety repairs to their homes. The program will be funded by a \$1,000,000 CalHome Grant.
- The City's Home Consortium Program will offer 30-year deferred loans to first-time homebuyers for down payment assistance.
- The City will continue to support Code Enforcement programs that assure lower income households have a safe, decent, and appropriate place to live.
- The City will continue to support public services through nonprofits funded by CDBG that serve the community's youth, seniors, domestic violence victims, families, and those with special needs.

Actions planned to reduce lead-based paint hazards

While most housing units were built prior to 1978, and estimated 5,312 units are occupied by target income households that may contain lead-based paint. The City will provide lead-abatement assistance

Attachment 2 – Draft CDBG Action Plan

for residential units through its Housing Repair Program. The City contracts with a third-party firm to administer its Housing Repair Program.

The city's consultant, Michael Baker International, has staff qualified to evaluate lead-based paint hazards and implement lead-safe work practices. Independent contractors are also employed to develop the appropriate lead hazard reduction plans and or abatement scopes of work. The programs will comply with the Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) and subsequent changes in September 1999. The procedures regarding lead-based paint in all repair programs will include notification and identification.

Actions planned to reduce the number of poverty-level families

The City's anti-poverty strategy is based on providing a range of employment opportunities and supportive services aimed at enabling those in poverty to move into the workforce or obtain benefits to which they are entitled (e.g. social security, disability). During the 2018 program year, these activities will include Sacramento Self-Help Housing (SSHH) counseling services and Crossroads Diversified unemployment services. The City will also continue to support activities that preserve and expand the supply of housing affordable to low-income households.

Actions planned to develop institutional structure

The City's Housing and Grants Division is responsible for the management, implementation, and monitoring of the Consolidated Plan documents, including the annual Action Plan. The Housing and Grants Division works in close consultation with the City's advisory committees, the Citrus Heights Collaborative, the General Services Department, and the Director of the Community and Economic Development Department.

Actions planned to enhance coordination between public and private housing and social service agencies

The City will continue to work with neighboring jurisdictions, such as the County and the City of Sacramento and the Sacramento Housing and Redevelopment Agency, to address the regional issues that affect the needs of low-income persons as well as special needs populations. The City will also continue to work with many of the local nonprofits that provide a range of services to low-income Citrus Heights residents. In addition, the City plans to work with the other entitlement jurisdictions in the Sacramento County, City of Elk Grove and City of Rancho Cordova to research issues of interest to all jurisdictions and to coordinate on shared subrecipient monitoring.

In 2016, the City entered into a Memorandum of Understanding (MOU) with Sacramento Housing and Redevelopment Agency, Roseville Housing Authority, Housing Authority of the County of Yolo, and seven other local entitlement jurisdictions to conduct a regional fair housing assessment. It is anticipated the Affirmatively Furthering Housing Assessment will be adopted and approved by each member's governing body in September 2019.



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: October 26, 2017

TO: Mayor and City Council Members
Christopher W. Boyd, City Manager

FROM: Ronda Rivera, Assistant City Manager

SUBJECT: Debt Issuance and Management Policy

Summary and Recommendation

On September 12, 2016, the Governor signed Senate Bill (SB) 1029 into law, amending Section 8855 of the Government Code to require state and local agencies that issue debt to adopt comprehensive debt management policies that meet certain criteria. Citrus Heights does not currently have a formal written debt policy. Although the City does not have existing debt, a debt management policy provides guidance for future decisions, articulates policy goals, provides guidelines for the structure of debt issuance, and demonstrates the City's commitment to long-term capital and financial planning.

In response to SB 1029 and Government Finance Officers Association (GFOA) recommendations, the proposed Debt Issuance and Management Policy ("Debt Policy") attached hereto as Exhibit A is intended to provide transparency regarding the City's approach to debt financing.

City staff recommends the City Council adopt Resolution No. ____, adopting the Debt Issuance and Management Policy and taking related actions.

Fiscal Impact

There is no impact to the City's General Fund or any other special revenue fund as a result of this action.

Background and Analysis

On September 12, 2016, the Governor signed into law SB 1029, the California Debt and Investment Advisory Commission: Accountability Reports. The new law amended Government Code Section 8855(i) and became effective January 1, 2017. Among other things, SB 1029 effectively requires a local government agency to adopt a formal debt policy at least 30 days prior to the issuance of new debt.

Subject: Debt Issuance and Management Policy

Date: October 26, 2017

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In response to SB 1029 and in order to adhere to sound financial management practices, the City finds it desirable to adopt and maintain debt issuance and management policies. Although the City does not have existing debt, the Debt Issuance and Management Policy (“Debt Policy”) attached hereto as Exhibit A provides guidance for future decisions, articulates policy goals, provides guidelines for the structure of debt issuance, and demonstrates the City’s commitment to long-term capital and financial planning.

SB 1029 imposes a new requirement that each Report of Proposed Debt Issuance must include the issuer’s certification that it has adopted a local debt policy and that the contemplated bond issue is consistent with such adopted policy.

SB 1029 provides the local debt policy must include the following:

1. The purpose for which the debt proceeds may be used;
2. The types of debt that may be issued;
3. The relationship of the debt to, and integration with the issuer’s capital improvement program or budget, if applicable;
4. Policy goals related to the issuer’s planning goals and objectives; and,
5. The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

The City currently does not have a formal written debt policy pertaining to the issuance of bonds and the maintenance of bond-related records. The Debt Policy has been drafted in furtherance of the City’s goals of fiscal sustainability and financial prudence. The policy sets forth formal written guidelines for the City’s bond issuances and the administration of bond records, reporting obligations and expenditures of bond proceeds. In addition, the Debt Policy contains provisions that reflect the City’s current practices and comply with the requirements of SB 1029.

Conclusion

The proposed Debt Policy is intended to comply with Government Code Section 8855 (i), effective January 1, 2017. Properly issued and managed debt is a critical element in any financial management program. It assists the City’s effort to allocate limited resources to provide the highest quality of service to the public. The purpose of this policy is to provide a functional tool for financial and capital planning to promote economic growth and enhance the vitality of Citrus Heights for its residents and businesses.

City staff recommends the City Council adopt Resolution No. ____, adopting the Debt Issuance and Management Policy and taking related actions.

Attachments: (1) Resolution No. _____

(2) Exhibit A, Debt Issuance and Management Policy

RESOLUTION NO. 2017- ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, ADOPTING THE DEBT ISSUANCE AND MANAGEMENT POLICY AND
TAKING RELATED ACTIONS**

WHEREAS, on September 12, 2016, the California Governor signed Senate Bill (SB) 1029 into law, requiring state and local agencies that issue debt to adopt comprehensive debt management policies that meet certain criteria; and

WHEREAS, in order to adhere to sound financial management practices, the City of Citrus Heights desires to be in compliance with SB 1029 and the Government Finance Officers Association (GFOA) best practices; and

WHEREAS, adopting and maintaining a debt issuance and management policy provides guidance for future decisions, articulates policy goals, provides guidelines for the structure of debt issuance, and demonstrates the City's commitment to long-term capital and financial planning; and

WHEREAS, the Debt Issuance and Management Policy ("Debt Policy") has been drafted in furtherance of the City's goals of fiscal sustainability and financial prudence; and

WHEREAS, the purpose of the Debt Policy is to provide a functional tool for financial and capital planning, as well as to enhance the City's ability to take advantage of future opportunities in a conservative and prudent manner; and

NOW THEREFORE BE IT RESOLVED AND ORDERED that the City of Citrus Heights does hereby adopt the Debt Issuance and Management Policy as set forth in Exhibit A and attached hereto .

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The City Council hereby determines and finds that the Policy complies with the requirements of Section 8855(i)(1).

Section 3. The Policy, as set forth in Exhibit A, is hereby approved and adopted. The Policy shall be applicable to local debt issued by or on behalf of the City (including its related entities).

Section 4. The City Manager and all other officers of the City are hereby authorized and directed, jointly and severally, to do any and all things to effectuate the purposes of this Resolution and to implement the Policy, and any such actions previously taken by such officers are hereby ratified and confirmed.

Section 5. This Resolution shall take effect upon its adoption.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 26 day of October 2017 by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

Jeff Slowey, Mayor

ATTEST:

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

Debt Issuance and Management Policy

SECTION 1 – PURPOSE

The purpose of this Debt Issuance and Management Policy (the “Policy”) is to provide written guidelines for issuing debt and managing outstanding debt and to provide guidance to policy makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt, and method of sale that may be used. Adherence to a debt policy helps to ensure the City’s debt is issued and managed prudently in order to maintain a sound financial position and optimal credit ratings. The debt policies and procedures are subject to and limited by applicable provisions of state and federal law and prudent debt management principles.

When used in this Policy, “debt” or “bonds” refers to all indebtedness and financing lease obligations.

This Policy is intended to comply with the requirements of S.B. 1029, codified as part of Government Code Section 8855 (i), effective on January 1, 2017. This Policy is applicable to all entities for which the City Council acts as legislative body, and the term “City” shall refer to each of such entities.

SECTION 2 – POLICY OBJECTIVES

The City recognizes that a fiscally prudent debt issuance and management policy is required in order to:

- Maintain the City’s sound financial position.
- Ensure the City has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the City’s creditworthiness.
- Ensure the City’s debt is consistent with the City’s planning goals and objectives, capital improvement program and/or budget, as applicable.

The main objectives are to establish conditions for the use of debt in order to:

- Ensure debt capacity and affordability are adequately considered.
- Minimize the City’s interest and issuance costs.
- Achieve the highest practical credit ratings.
- Provide complete financial disclosure and reporting.

Properly issued and managed debt is a critical element in any financial management program. It assists the City's effort to allocate limited resources to provide the highest quality of service to the public. A properly managed debt program promotes economic growth and enhances the vitality of the City of Citrus Heights for its residents and businesses.

SECTION 3 – ACCEPTABLE USES OF DEBT PROCEEDS

The City will consider the use of long-term debt financing primarily for the acquisition, substantial refurbishment, replacement, or expansion of capital assets and capital improvement projects only if the project's useful life will equal or exceed the term of the financing or will otherwise comply with Federal tax law requirements, or for the purpose of refunding, refinancing, or restructuring debt (including the City's pension obligations), subject to refunding parameters and objectives discussed later in this Policy. Examples of purposes for which long-term debt can be issued include, but are not limited to, the acquisition and/or improvement of land, right-of-way or long-term easements; acquisition of a capital asset with a useful life of a minimum of three years; and the construction or reconstruction of a facility.

An exception of this long-term driven focus is the issuance of short-term instruments such as tax and revenue anticipation notes, which are to be used for prudent cash management purposes, as described below. Bonded debt should not be issued to finance normal operating expenses. General Fund debt will not be issued to support ongoing operational costs unless such debt issuance achieves net operating cost savings and such savings are verified by independent analysis.

A. Long-Term Debt

- (i) Long-term debt may be issued to finance or refinance the construction, acquisition, substantial refurbishment, rehabilitation, replacement, or expansion of capital improvements, facilities, equipment, and land to be owned and/or operated by the City. Long-term debt financings may be appropriate when any of the following conditions exist:
 - When the project being financed is necessary to provide basic municipal services.
 - When the project being financed will provide benefit to constituents over multiple years.
 - When the total long-term debt financing would not impose an unreasonable burden on the City and its taxpayers or ratepayers, as applicable.
 - When the debt is issued to refinance outstanding debt in order to produce debt service savings or to benefit from debt restructuring.
- (ii) Long-term debt financing will not generally be considered appropriate for current operating expenses and routine maintenance expenses.
- (iii) The City may use long term debt financings subject to the following conditions:

- The project to be financed has been, or will be, included in the City's Capital Improvement Program and/or annual Operating Budget and will be approved by the City Council.
 - The weighted average maturity of the debt allocated to the project will not exceed 120 percent of the average reasonably expected economic life of the project being financed.
 - The City estimates sufficient income and revenues will be available to service the debt through its maturity.
 - The City determines the debt issuance will comply with the applicable requirements of state and federal law.
 - The City considers the project to be of vital, time-sensitive need of the community and there are no plausible alternative financing sources after considering other alternatives, such as pay-as-you-go funding, the use of grants or existing funds on hand, current or anticipated cash reserve balances, or any combination thereof.
- (iv) The City will undertake periodic reviews of outstanding long-term debt to identify refunding opportunities. Refundings will be considered (within the federal tax law constraints, if applicable) if and when there is a net economic benefit from the refunding. Refundings which are non-economic may be undertaken to achieve City objectives related to changes in covenants, call provisions, operational flexibility, tax status of the issuer, or restructuring of the debt service profile. In general, refundings resulting in a minimum of three percent net present value savings of the refunded debt will be considered economically viable. Refundings producing less than 3 percent net present value savings will be considered on a case-by-case basis, and are subject to City Council approval.

B. Short-Term Debt

- (i) Short-term debt may be issued to provide financing for the City's operational cash flows in order to maintain a steady and even cash flow balance in the event of temporary shortfalls in cash flow for the City due to timing of receipt of revenues and the lack of cash on hand to cover temporary deficits.
- (ii) Short-term debt may also be used to finance the City's short-lived capital projects, such as lease-purchase financing or equipment.
- (iii) Prior to issuance of any short-term debt, a reliable revenue source shall be identified for repayment of the debt.

C. Financings on Behalf of Other Entities

- (i) The City may also find it beneficial to issue debt on behalf of other governmental agencies in order to further the public purposes of the City. In such cases, the City shall take reasonable steps to confirm the financial feasibility of the project being financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

SECTION 4 – TYPES OF DEBT

In order to maximize the financial options available to benefit the public, the City will consider the issuance of all generally acceptable types of debt subject to a careful review by management of all available and projected funding sources and how the proposed issuance of a specific debt structure would fit within the overall debt portfolio and profile of the City to determine whether it meets the City's long-term objectives. The City shall not undertake any new debt obligations without a thorough analysis of the City's long-term revenue and expenditure trends and its ability to support and service additional debt payments.

A. General Obligation (GO) Bonds

- (i) GO Bonds are suitable for use in the construction or acquisition of improvements to real property that benefit the public at large. Examples of projects include libraries, parks, and public safety facilities. All GO bonds shall be authorized by the requisite number of voters in order to pass.

B. Revenue Bonds/Certificates of Participation (COPs)

- (i) Revenue Bonds and COPs are limited-liability obligations tied to a specific enterprise or special fund revenue stream where the projects financed clearly benefit or relate to the enterprise or are otherwise permissible uses of the special revenue. Generally, no voter approval is required to issue this type of obligation and it is not subject to a debt limitation, but in some cases, the City must comply with Proposition 218 regarding rate adjustments.

C. General Fund-Supported Debt

- (i) General Fund-Supported Debt is generally comprised of COPs and Lease Revenue Bonds (LRBs) which are lease obligations secured by an installment sale or lease-back arrangement between the City and another public entity. Typically, the City appropriates annually available General Fund revenues or funds on hand to pay the lease payments to the other entity and, in turn, the public entity uses the lease payments received by the City to pay debt service on the COPs or the LRBs.
- (ii) General Fund-Supported Debt may also include judgment obligation bonds (JOBs) issued to refund obligations imposed by law, such as judgments, or pension obligation bonds (POBs) issued to refund unfunded accrued actuarial liabilities for pension plans.

- (iii) Lease-backed debt does not constitute indebtedness under the state or City's constitutional debt limit and does not require voter approval.

D. Land-Secured Debt

- (i) Land-Secured Debt is generally comprised of special assessment/special tax debt issued under the Mello-Roos Community Facilities Act of 1982, as amended, by special districts such as Community Facilities Districts (CFDs) and limited obligation bonds issued under applicable assessment statutes by 1913/1915 Act Assessment Districts (ADs).
- (ii) The City will consider requests for special district formation and debt issuance secured by property based assessments or special taxes in order to provide necessary infrastructure for new development under guidelines adopted by City Council (the Statement of Local Goals and Policies), which may include minimum value-to-lien ratios and debt service coverage, and maximum tax burdens. Each application will be considered on a case by case basis. In order to protect bondholders as well as the City's creditworthiness, the City will also comply with all State guidelines regarding the issuance of special tax or special assessment debt.

E. Loans

- (i) The City is authorized to enter into loans, installment payment obligations, or other similar funding structures secured by a prudent source or sources of repayment. Examples include State Revolving Fund Loans, Infrastructure and Development Bank (I-Bank) Loans, Interfund loans to and from special revenue, enterprise, and internal service funds.

F. Tax Increment Financing

- (i) Tax Increment Financing provides options to finance infrastructure and economic development projects using as a repayment stream property tax revenues generated above an established "base year" value (tax increment). The City may consider tax increment financing to the extent permitted under State law. Examples include tax allocation bonds, which are special obligations secured by the allocation of tax increment revenues generated by increased property taxes in a designated redevelopment project area, as well as debt issued by Enhanced Infrastructure Financing Districts (EIFDs) or Community Revitalization and Investment Authorities (CRIAs). When considering tax increment financing mechanisms permitted by law, the City should analyze the practical viability of the proposed financing and take into account the potential impact of the proposed structure on existing debt limitations.

G. Conduit Financing

- (i) Conduit financing involves the issuance of securities by a government agency to finance a project of a third party such as a non-profit organization or other private entity. Conduit financings are typically not secured by the City's credit. Examples include

industrial development bonds and financings for affordable rental housing and qualified 501(c)(3) organizations. The City may sponsor conduit financings for those activities that have a general public purpose and are consistent with the City's overall service and strategic objectives. While conduit financings do not constitute a general obligation of the issuer, the same level of due diligence prior to bond issuance is required.

H. Short-Term Financing

- (i) Short-term borrowing, such as commercial paper, Tax and Revenue Anticipation Notes (TRANs), Bond or Grant Anticipation Notes (BANs), and lines of credit, will be considered as an interim source of funding in anticipation of long-term borrowing or receipt of revenues and may be issued to generate funding for cash flow needs. The final maturity of the debt issued to finance the project shall be consistent with the useful life of the project.
- (ii) In compliance with applicable State law, any such notes shall be payable either not later than the last day of the fiscal year in which they are issued or during the fiscal year succeeding the fiscal year of issuance, but in no event later than 15 months after the issuance date, and only if such notes are payable only from revenue received or accrued during the fiscal year in which they were issued.
- (iii) Short-term debt may also be used to finance short-lived capital projects, such as equipment or lease-purchase financing.

I. Joint Powers Authority (JPA) Financing

- (i) In addition to some of the long- and short-term financing instruments described above, the City may also consider joint powers arrangements with other governmental agencies when a project serves the public interest beyond city boundaries.

J. Refunding Bonds

- (i) The City shall refinance debt pursuant to the authorization that is provided under California law, including but not limited to Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, as market opportunities arise. The City Manager shall identify refunding opportunities and prepare a present value analysis that describes the economic effects of the refunding. Refundings may be undertaken in order to:
 - Take advantage of lower interest rates and achieve debt service cost savings.
 - Eliminate restrictive or burdensome bond covenants.
 - Restructure debt to lengthen the duration of repayment, relieve debt service spikes, reduce volatility in interest rates or free up reserve funds.
- (ii) Generally, the City shall strive to achieve a minimum of 3 percent net present value savings for a current refunding and a minimum of 5 percent net present value savings for

an advance refunding. Upon the advice of the City Manager and with the assistance of the City's municipal advisor and bond counsel, the City will consider undertaking refundings for other than economic purposes based upon a finding that such a restructuring is in the City's overall best financial interest.

The City may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Policy. Although alternative financing structures and debt instruments sometimes provide a lower borrowing cost in the short run, they may carry greater risk in the medium and/or long run. Before entering into such arrangements, the City should carefully evaluate the benefits and risks associated with such alternative financing mechanisms and the potential implications on the City's debt affordability and credit profile.

Debt shall be issued as fixed rate debt unless the City makes a specific determination as to why a variable rate issue would be beneficial to the City in a specific circumstance.

SECTION 5 – STRUCTURE AND TERM OF DEBT ISSUES

The City will establish all terms and conditions related to the issuance of debt, and will control, manage, and invest all debt proceeds. The following restrictions will be followed unless otherwise authorized by the City.

A. Term of Debt

- (i) Debt will be structured for the shortest practicable period, consistent with a fair allocation of costs to current and future users. Typically, the term of long-term debt borrowing is 5-30 years. Generally, the weighted average maturity of the debt should not exceed 120 percent of the weighted average economic life of the projects or equipment being financed, unless there are specific circumstances that would mitigate the extension of time to repay the debt and it would not result in violation of any covenants to maintain the tax-exempt status of such debt, if applicable.

B. Debt Repayment Structure

- (i) In structuring a debt issue, the City will manage the amortization of debt and, to the extent possible, match its cash flow to the anticipated debt service payments. The City shall design the repayment of debt to take best advantage of market conditions, provide flexibility, and, as practical, to recapture or achieve its best credit rating. The City will evaluate alternative debt structures to ensure the most cost-efficient financing under prevailing market conditions.
- (ii) The City will generally seek to structure debt with aggregate level annual debt service payments over the life of the debt. Structures with unlevel debt service will be considered when one or more of the following exist:

- Natural disasters or extraordinary unanticipated external factors make payments on debt in the early years prohibitive.
- Such structuring is beneficial to the City's aggregate overall debt payment schedule.
- Such structuring will allow debt service to more closely match project revenues.

C. Bond Maturity Options

- (i) For each bond issuance, the City will select serial bonds or term bonds, or both. On occasions where circumstances warrant, capital appreciation bonds (CABs) may be used. The decision to use serial bonds, term bonds or CABs or any combination is typically based on market conditions and investor demand.

D. Credit Enhancement

- (i) Credit enhancement may be used to improve or establish a credit rating on a City debt obligation. Types of credit enhancement include letters of credit, bond insurance and surety policies. The City's municipal advisor may recommend the use of a credit enhancement if it reduces the overall cost of the proposed financing or if the use of such credit enhancement furthers the City's overall financing objectives.

E. Debt Service Reserve Fund

- (i) Debt service reserve funds are held by the bond trustee to make principal and interest payments to bondholders in the event that pledged revenues are insufficient to do so. The City will fund debt service reserve funds when it is in the City's overall best financial interest.
- (ii) Under federal tax law, the size of the reserve fund is generally limited to the lesser of 10 percent of par amount of bonds, 125 percent of average annual debt service, and 100 percent of maximum annual debt service.
- (iii) In lieu of holding a cash reserve, the City may substitute a surety bond or other credit instrument in its place. The decision to cash fund a reserve fund rather than to use a credit facility is dependent on the cost of the credit instrument and the investment opportunities.
- (iv) The City may decide not to utilize a reserve fund or to fund a partial reserve fund if the City Manager, assisted by the City's municipal advisor, determines there would be no adverse impact on the City's credit rating or interest rates.

F. Call Provisions

- (i) A call option or optional redemption provision gives the City the right to prepay or retire debt prior to its stated maturity date. This option may permit the City to achieve interest

savings in the future through the refunding of the debt. Because the cost of call options can vary depending on market conditions, an evaluation of factors will be conducted in connection with each issuance.

- (ii) In general, the City's debt issues will include a call feature that is no later than ten (10) years from the date of delivery of the debt. The City will generally avoid the sale of non-callable debt. The use of a call option will be evaluated and recommended on a case by case basis.

SECTION 6 – STRUCTURE OF SECURITIES

The City will determine on a case-by-case basis whether to sell its bonds through a public sale or a private placement.

- A. Public Sale – There are two methods of public sale of debt, competitive and negotiated. Both methods of sale shall be considered for all issuance of debt to the extent allowed by law, as each method has the potential to achieve the lowest financing cost given the right conditions.
 - (i) Competitive Sale – When a competitive bidding process is deemed the most advantageous method of sale for the City, award shall be based upon, among other factors, the lowest offered True Interest Cost ("TIC"), as long as the bid adheres to requirements set forth in the official notice of sale.
 - (ii) Negotiated Sale – When a negotiated sale process is deemed the most advantageous method of sale for the City, selection shall be based upon, among other factors, qualifications, experience, pricing ability, and fees.
- B. Private Placement – Such method of sale shall be considered if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and timing considerations require that a financing be completed.

SECTION 7 – RELATIONSHIP TO CAPITAL IMPROVEMENT PROGRAM AND OPERATING BUDGET

The City's multi-year Capital Improvement Program (CIP) sets priorities for projects and funding while this Debt Policy provides direction and limitations for proposed financings undertaken to implement the CIP. Debt issuance for capital projects should be incorporated into the Capital Improvement Program to be recommended for City Council approval and integrated with the City Council-adopted annual Operating Budget. Prior to issuance of debt, a reliable revenue source shall be identified to secure repayment of the debt and the annual debt service payments shall be included in the Operating Budget.

The City shall integrate its debt issuances with the goals of its Capital Improvement Program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the City's public purposes.

SECTION 8 – POLICY GOALS RELATED TO PLANNING GOALS AND OBJECTIVES

The City is committed to long-term financial planning, maintaining appropriate reserve levels and employing prudent practices in governance, management and budget administration. The City intends to issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the City's annual Operating Budget.

It is a policy goal of the City to protect taxpayers, ratepayers (if applicable) and constituents by utilizing conservative and prudent financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

SECTION 9 – INTERNAL CONTROL PROCEDURES

When issuing debt, in addition to complying with the terms of this Policy, the City shall comply with other applicable policies regarding initial bond disclosure and continuing disclosure, and post-issuance compliance and investment of bond proceeds such as the City's Post-Issuance and Continuing Disclosure Compliance Policy. The City will periodically review the requirements of and will remain in compliance with the following:

- Federal securities law, including any continuing disclosure undertakings under SEC Rule 15c2-12.
- Any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues.
- The City's investment policies as they relate to the investment of bond proceeds.
- Government Code Section 8855(k) and the annual reporting requirements therein.

The City shall be vigilant in using bond proceeds in accordance with the stated purpose at the time such debt was issued. The City Manager or designee will monitor the expenditure of bond proceeds to ensure they were used only for the purpose and authority for which the bonds were issued. Proceeds of debt will be held either by: (a) a third-party trustee or fiscal agent, who will disburse such proceeds to or upon the order of the City upon the submission of one or more requisitions by the City Manager (or written designee), or (b) by the City, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the City.

SECTION 10 – AMENDMENT AND WAIVER OF DEBT POLICY

This Policy will be reviewed and amended from time to time as appropriate subject to City Council approval.

There will be circumstances from time to time when strict adherence to one or more provisions of this Policy is not possible or not in the best interest of the City. If City staff determines a waiver of one or more provisions of this Policy should be considered by the City Council, an analysis will be prepared for the City Council describing the rationale for the waiver and the impact of such waiver on the proposed debt issuance. Upon a majority vote of the City Council, one or more provisions of this Policy may be waived for a particular debt financing.

The failure of a debt financing to comply with one or more provisions of this Policy shall in no way affect the validity of any debt issued by the City in accordance with applicable laws.

SECTION 11 – SB 1029 COMPLIANCE

Senate Bill 1029, signed by Governor Brown on September 12, 2016, and enacted as Chapter 307, Statutes of 2016, requires issuers to adopt debt policies addressing each of the five items below:

- A. The purposes for which the debt proceeds may be used.
 - (i) Section 3 (Acceptable Uses of Debt Proceeds) addresses the purposes for which debt proceeds may be used.
- B. The types of debt that may be issued.
 - (i) Section 4 (Types of Debt) and Section 5 (Structure and Term of Debt Issues) provide information regarding the types of debt that may be issued.
- C. The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.
 - (i) Section 7 (Relationship to Capital Improvement Program and Operating Budget) provides information regarding the relationship between the City's debt and Capital Improvement Program and annual Operating Budget.
- D. Policy goals related to the issuer's planning goals and objectives.
 - (i) Section 2 (Policy Objectives) and Section 8 (Policy Goals Related to Planning Goals and Objectives) address some of the City's policy goals and how this Policy has implemented them. As described in these and other sections, this Policy has been adopted to assist the City with its goal of maintaining fiscal sustainability and financial prudence.
- E. The internal control procedures that the issuer has implemented, or will implement, to ensure the proceeds of the proposed debt issuance will be directed to the intended use.

- (i) Section 9 (Internal Control Procedures) provides information regarding the City's internal control procedures designed to ensure that debt proceeds are spent as intended.



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT

MEMORANDUM

DATE: October 26, 2017

TO: Mayor and City Council Members
Christopher W. Boyd, City Manager

FROM: Ronda Rivera, Assistant City Manager

SUBJECT: **Post-Issuance and Continuing Disclosure Compliance Policy**

Summary and Recommendation

The proposed Post-Issuance and Continuing Disclosure Compliance Policy (“Policy”) and associated procedures (“Procedures”) are intended to ensure compliance with applicable federal tax and disclosure requirements regarding tax-exempt bonds.

City staff recommends the City Council adopt Resolution No. ____, adopting the Post-Issuance and Continuing Disclosure Compliance Policy (“Policy”) which outlines tax-advantaged bonds post-issuance compliance procedures and continuing disclosure compliance procedures (the “Procedures”) and taking related actions.

Fiscal Impact

There is no impact to the City’s General Fund or any other special revenue fund as a result of this action.

Background and Analysis

The City and the City’s related public entities may issue bonds from time to time, including tax-exempt bonds (i.e., bonds the interest on which is exempt from federal income tax) and bonds sold through public offerings.

Tax-Advantaged Bonds Compliance. Bonds that are issued by local government entities to finance (or refinance) public capital improvements or for certain other purposes are sometimes provided preferential treatment under the federal tax laws. Such bonds include those that are commonly referred to as “tax-exempt bonds” and others referred to as “tax credit bonds.” They are collectively referred to by the Internal Revenue Service (“IRS”) as “tax-advantaged bonds.”

Tax-advantaged bonds are subject to federal tax requirements both at the time the bonds are issued and for as long as they remain outstanding. A failure by an issuer to comply with applicable federal tax requirements would jeopardize their preferential treatment and could subject the issuer to IRS penalties or civil liability.

In recent years, the IRS has focused on the importance of issuers establishing written procedures to monitor post-issuance compliance with respect to tax-advantaged bonds.

The post-issuance compliance procedures help the City monitor compliance with applicable federal tax requirements. These procedures advance recent IRS objectives and serve as a measure of added internal controls to assist in preventing violations from occurring, or timely correcting identified violations, to ensure the continued tax-advantaged status of the bonds.

Continuing Disclosure Compliance. Whenever the City and the City's related public entities issue bonds, the bonds may be sold either through a public offering (in which the bonds are sold to a bond underwriter and, in turn, the bond underwriter then offers the bonds to the public through the securities market) or a private placement (in which the bonds are sold to a limited number of designated sophisticated investors or a single investor).

Pursuant to federal securities law, for each public offering of municipal bonds, the issuer (or the relevant entity responsible for the repayment of the bonds) must execute a continuing disclosure agreement. Under each continuing disclosure agreement, the issuer agrees to periodically provide certain relevant information and make such information available to the investing market.

In recent years, the Securities and Exchange Commission has placed increased emphasis on local government entities' compliance with their continuing disclosure undertakings. The adoption of the continuing disclosure compliance procedures would formalize the process by which the City and its related public entities comply with bond continuing disclosure obligations. Bond underwriters often view the existence of such adopted procedures favorably with respect to the marketing of the bonds.

Conclusion

City staff recommends the City Council adopt Resolution No. ____, adopting the Post-Issuance and Continuing Disclosure Compliance Policy ("Policy") which outlines tax-advantaged bonds post-issuance compliance procedures and continuing disclosure compliance procedures (the "Procedures") and taking related actions.

Attachments: (1) Resolution No. _____

(2) Exhibit A - Post-Issuance and Continuing Disclosure Compliance Policy

RESOLUTION NO. 2017- ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, ADOPTING THE POST-ISSUANCE AND CONTINUING DISCLOSURE
COMPLIANCE POLICY AND TAKING RELATED ACTIONS**

WHEREAS, the City of Citrus Heights and its related entities may issue bonds, the interest on which is excluded from gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the City and its related public entities may issue additional tax-exempt bonds and may also issue bonds or other obligations that entitle the issuer, the owners of the bonds, or another party to a credit against federal income tax liability or to a refundable credit from the United States Treasury. Such tax-exempt or tax-credit bonds are sometimes referred to as “tax-advantaged bonds.” Issuers of tax-advantaged bonds are required to comply with certain post issuance requirements in accordance with the Code; and

WHEREAS, The City Council desires to adopt procedures, in the form of “Post-Issuance and Continuing Disclosure Compliance Policy” set forth in Exhibit A and attached hereto; and

WHEREAS, The City and its related public entities may issue bonds that are sold through public offerings and, in connection with such bonds, agree to undertake certain continuing disclosure obligations pursuant to Rule 15c2-12 promulgated by the Securities and Exchange Commission. The City and its related public entities may issue additional bonds to be sold through public offerings and, in connection with such bonds, agree to undertake certain continuing disclosure obligations pursuant to Rule 15c2-12; and

NOW THEREFORE BE IT RESOLVED AND ORDERED that the City of Citrus Heights does hereby adopt the Post-Issuance and Continuing Disclosure Compliance Policy.

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Post-Issuance and Continuing Disclosure Compliance Policy, as set forth in Exhibit A, is hereby approved and adopted, and shall be made applicable to all tax-advantaged bonds issued by or on behalf of the City and its related public entities with respect to the Post-Issuance Compliance Procedures and to all bonds issued by, or on behalf of the City and its public entities with respect to the Continuing Disclosure Compliance Procedures. The City Manager, in consultation with legal counsel, is hereby authorized to amend such Procedures from time to time as necessary or appropriate.

Section 3. The City Manager and all other officers of the City are hereby authorized and directed, jointly and severally, to do any and all things to effectuate the purposes of this Resolution and to implement the Post-Issuance and Continuing Disclosure Compliance Policy, and any such actions previously taken by such officers are hereby ratified and confirmed.

Section 4. This Resolution has become effective upon adoption.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 26 day of October 2017 by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

Jeff Slowey, Mayor

ATTEST:

Amy Van, City Clerk

City of Citrus Heights

Post-Issuance and Continuing Disclosure Compliance Policy

SECTION 1 – PURPOSE

The purpose of this Post-Issuance and Continuing Disclosure Compliance Policy (the "Policy") is to set forth specific procedures and administration guidelines of the City of Citrus Heights (the "City") designed to comply with the applicable post-issuance provisions of the Internal Revenue Code of 1986, as amended (the "Code") and the continuing disclosure compliance regulations of the Securities Exchange Commission (SEC) Rule 15c2-12 (the "Rule"). Post-issuance and continuing disclosure compliance is an integral part of the proper administration of debt of the City. This due diligence will improve the City's ability to identify non-compliance and prevent violations from occurring, or correct identified violations on a timely basis.

SECTION 2 – DEFINITIONS

For purposes of this Policy, the City shall mean all entities for which the City Council acts as legislative body. When used in this Policy, "debt" or "bonds" refers to all indebtedness and financing lease obligations of the City.

This Policy applies to all Tax-Exempt and Taxable Bonds of the City, except conduit bond financings as the City is not in a position to directly monitor compliance with certain arbitrage and qualified use requirements and the information and control of those activities lies with the private borrower. The City's policy is to require that the bond documents in such financings impose on the borrower (or other applicable party) responsibility to monitor compliance with arbitrage and qualified use rules and other federal tax requirements and to take necessary action if remediation of nonqualified bonds is required.

SECTION 3 – COMPLIANCE OFFICER

The City Manager shall designate a Bond Compliance Officer (the "Compliance Officer") to be responsible for monitoring post-issuance and continuing disclosure compliance issues and overseeing the fulfillment of this Policy. The following duties of the Compliance Officer include, but are not limited to:

- Consulting with bond counsel, the City's legal counsel, accountants, tax return preparers, dissemination agents, and other outside experts to the extent necessary to carry out the purposes of this Policy.
- Coordinating procedures for record retention and review of such records. All documents and other records relating to bonds issued by the City and records evidencing required filings shall be maintained by or at the direction of the Compliance Officer.

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- Ensuring that all necessary financial information, operating data and other data required for the Annual Reports and Material Event notices is filed by the filing dates in the required manner.
 - Monitoring compliance violations and taking such corrective action when necessary and appropriate.
 - Reviewing the City's compliance procedures, systems, and annual reports each year.
 - Maintaining a compilation of the City's current continuing disclosure agreements and obligations.

The Compliance Officer may coordinate with City staff, and may engage a dissemination agent, counsel, and/or other professionals to assist in completing the Compliance Officer's duties under this Policy, as deemed necessary.

SECTION 4 – ANNUAL COMPLIANCE CHECKLISTS

The Compliance Officer will work with bond counsel and/or legal counsel to the City and cause Annual Compliance Checklists to be completed for all outstanding applicable bonds. Each Annual Compliance Checklist will be designed and completed for the purpose of identifying potential noncompliance with the terms of the bond documents or this Policy (such as investment records, arbitrage calculations, or qualified management contracts).

SECTION 5 – CORRECTION OF PRIOR POST-ISSUANCE COMPLIANCE DEFICIENCIES

The Compliance Officer shall, upon the determination or identification of any non-compliance with, or violation of, the Code with respect to any issue of applicable bonds, and upon consultation with bond counsel and the City's legal counsel, cause corrective or remedial action to be taken by the City in accordance with applicable regulations under the Code and the Tax-Exempt Bonds Voluntary Closing Agreement Program of the Internal Revenue Service.

SECTION 6 – ARBITRAGE AND REBATE COMPLIANCE

The City shall follow a policy of full compliance with all applicable use, arbitrage and rebate requirements of the federal tax code and Internal Revenue Service (IRS) regulations. Due to the complexity of the Federal arbitrage rebate regulations and the severity of penalties for non-compliance, the City will retain a Rebate Analyst in connection with its outstanding bonds and may solicit related legal and tax advice from its bond counsel and legal counsel. The Compliance Officer will follow the directions of the Rebate Analyst with respect to the preparation of and the timing of rebate or yield reduction computations. All necessary rebates will be filed and paid when due. In addition, the Rebate Analyst shall be responsible for the following:

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- The periodic calculation of any accrued arbitrage rebate liability and of any rebate payments due under and in accordance with the federal tax code and the related rebate regulations.
 - Advice regarding strategies for minimizing arbitrage rebate liability.
 - The preparation and filing of periodic forms and information required to be submitted to the IRS.
 - The preparation and filing of requests for reimbursement of any prior overpayments.
 - Other related matters as requested by the City.

SECTION 7 – USE OF BOND PROCEEDS

The Compliance Officer will monitor the qualified use of project funds financed with bond proceeds and the investment of funds to assure compliance with the provisions of the applicable bond documents. The Compliance Officer and other appropriate City personnel shall:

- Monitor the use of debt proceeds and the use of bond-financed assets throughout the term of the debt, or beyond the term of the debt when necessary, to ensure compliance with covenants and restrictions set forth in the bond documents.
- Consult with bond counsel and other professional experts in the review of any contracts or arrangements involving use of bond-financed facilities to ensure compliance with all covenants and restrictions set forth in the bond documents.
- Employ appropriate internal controls to ensure all approved contracts and expenditures are consistent with the terms of the bond documents.
- Meet at least annually with personnel responsible for bond-financed assets to identify and discuss any existing or planned use of bond-financed assets to ensure that those uses are compliant with all covenants and restrictions set forth in the bond documents.

SECTION 8 – INVESTMENT OF BOND PROCEEDS

The City Manager or designee shall invest bond proceeds and reserve funds in accordance with each issue's applicable indenture or trust agreement. All investments will be made in compliance with the City's Investment Policy, however, each issue's indenture or trust agreement will dictate the specific permitted investments.

Unspent bond proceeds shall be held by the bank trustee. The trustee will be responsible for recording all investments and transactions relating to the proceeds and providing monthly statements regarding the investments and transactions.

The Administrative Services Department will review all invoices and the City Manager or designee will direct the payment of each reviewed invoice.

SECTION 9 – CONTINUING DISCLOSURE COMPLIANCE

Pursuant to the Rule, obligated issuers of bonded debt are required to provide financial and operating information on an annual basis to the Municipal Securities Rulemaking Board (the “MSRB”). In accordance with the Rule, the Compliance Officer will undertake the following tasks:

A. Compilation of Currently Effective Continuing Disclosure Agreements

The Compliance Officer shall compile and maintain a set of the entire City’s currently effective continuing disclosure agreements. For purposes of this Policy, continuing disclosure agreements are deemed to be “currently effective” for as long as the respective bonds are outstanding. The Compliance Officer shall remove the related continuing disclosure agreements from the set of currently effective continuing disclosure agreements as the bonds are completely repaid or redeemed.

For each fiscal year, the Compliance Officer shall maintain a list of the City’s current outstanding obligations, comprised of the name, original paramount, date of issuance and CUSIP numbers for each such issue, the dates by which the Annual Reports are required to be submitted to the MSRB using Electronic Municipal Market Access (EMMA), and the current contact information for the dissemination agent, if any.

B. Annual Reporting

The Compliance Officer shall be knowledgeable and familiar with the provisions of each continuing disclosure undertaking as to the timing, format and content of the financial and operating information required for each annual report.

On or before the submission date established under each continuing disclosure undertaking, the Compliance Officer shall submit the annual report together with any other required information to the MSRB using EMMA. If the Audited Financial Statements are not then available, unaudited financial information shall be filed by the Compliance Officer and the Audited Financial Statements shall be filed by the Compliance Officer within 10 business days of their receipt and acceptance by the City Council.

C. Annual Review of Prior Filings

Annually, the Compliance Officer shall review prior filings made within the past five years. The Compliance Officer, upon determination of any late or missing filing and upon consultation with the City’s dissemination agent, counsel or other agents, as necessary, shall remedy such prior failures by ensuring that the missing information is filed subsequent to filing a Failure to File Notice.

D. Monitoring of Material Events

The Compliance Officer shall monitor the occurrence of any of the following events and/or other events set forth in the currently effective continuing disclosure agreements and shall provide notice of the event in the required manner within 10 days of the occurrence:

- Principal and interest payment delinquencies;
- Non-payment related defaults, if material;
- Unscheduled draws on debt service reserves reflecting financial difficulties;
- Unscheduled draws on credit enhancements reflecting financial difficulties;
- Substitution of credit or liquidity providers, or their failure to perform;
- Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the City's bonds, or other material events affecting the tax status of the City's bonds;
- Modification to rights of holders of the City's bonds, if material;
- Calls of the City's bonds, if material, and tender offers;
- Defeasances of the City's bonds;
- Release, substitution or sale of property securing repayment of the City's bonds, if material;
- Rating changes;
- Bankruptcy, insolvency, receivership or similar event of the City;
- The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- Appointment of a successor or additional trustee or the change of name of a trustee, if material.

E. Review of Official Statements

The Compliance Officer shall review drafts of any official statement for a new offering of bonds, with assistance from its dissemination agent, counsel or other agents of the City as necessary, and shall determine if the official statement accurately and completely describes the City's continuing disclosure compliance history within the five years prior to the date of the respective official statement.

SECTION 10 – RETENTION OF RECORDS

A copy of all relevant documents and records, in paper or electronic format, will be maintained by the City's Administrative Services Department or the City Clerk for the term of the bonds (including refunding bonds, if any) plus three years. Relevant documents and records will include sufficient

documentation to support the requirements relating to the tax-exempt status, if applicable, including the following:

- Bond transcripts, official statements and other offering documents (including without limitation tax certificate and agreement and Form 8038G).
- All documents relating to capital expenditures financed by bond proceeds. Such documents will include construction contracts, purchase orders, invoices and payment records.
- Records identifying the assets or portion of assets that are financed with bond proceeds.
- All reports, contracts and arrangements involving private use of the bond-financed assets.
- All records of investments, investment agreements, arbitrage reports, return filings with the IRS and underlying documents, trustee statements, rating correspondence, and continuing disclosure.
- Documentation evidencing the City's annual reviews.
- Documentation evidencing the City's reviews of official statements.
- Documentation evidencing filings with the MSRB using EMMA showing the dates and nature or contents of all filings for each issue of obligations of the City outstanding during each fiscal year.

SECTION 11 - TRAINING

The Compliance Officer shall ensure that the members of the City staff involved in the post-issuance or continuing disclosure process and the City Council are properly trained to understand and perform their responsibilities.

The training process shall be conducted at least annually, or on an as-needed basis, and shall encompass a review of the EMMA submission process, post-issuance tax compliance process, and an understanding of the timing requirements necessary for full compliance. Such training may include training sessions conducted by consultants with expertise in municipal securities disclosure, attendance at conferences, programs offered by the IRS, or other appropriate methods identified by the Compliance Officer.

At the time the individual acting as the Compliance Officer passes the responsibilities for carrying out the provisions of this Policy to another individual, the outgoing Compliance Officer is responsible for training the incoming individual acting as Compliance Officer to ensure the City's continued compliance with the provisions of this Policy.

SECTION 12 – OTHER FILINGS

The filing of certain other disclosures or reports may be required, and are listed below.

- California Debt and Investment Advisory Commission (CDIAC). The City, and/or its financing team, will comply with all CDIAC filing requirements. These include, but are not limited to:

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- Filing a report of proposed debt issuance
 - Filing a report of final sale
 - Annual filing of fiscal year status reports for all Mello-Roos and Marks-Roos bond issues
 - Reporting of any draw on reserves or defaults
 - Annual report on all outstanding debt required pursuant to SB 1029.
 - Landowner/Conduit Debt Disclosure. The Compliance Officer will check, semi-annually, that Landowner and/or Conduit Borrowers have filed the reports required by the Continuing Disclosure Certificate.
 - The bond documents may also require that financial records, budgets, or other information be periodically filed with the Trustee, Rating Agency, Bond Insurer, or Credit Enhancer. The Compliance Officer will be responsible for such reporting as they relate to applicable bonds.