



Porsche Middleton, Mayor
 Tim Schaefer, Vice Mayor
 Jeannie Bruins, Council Member
 Bret Daniels, Council Member
 Steve Miller, Council Member

**CITY OF CITRUS HEIGHTS
 CITY COUNCIL
 Regular Meeting of Thursday, December 8, 2022
 City Hall Council Chambers
 6360 Fountain Square Drive, Citrus Heights, CA
 Regular Meeting 6:00 p.m.**

HOW TO PARTICIPATE:

The City of Citrus Heights welcomes your interest and involvement in the City’s legislative process. The City of Citrus Heights is allowing for remote and in person participation. 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 either complete a Speaker Identification Sheet and give it to the City Clerk, if participating via webcast you may use the Zoom hand raise function (or *9 if you join the webinar via telephone) and the host will unmute you when it is time to speak. Speakers will be limited to 3 minutes each. Alternatively, you may submit your comment via email to cityclerk@citrusheights.net or by completion of an online Speaker Card at <https://www.citrusheights.net/FormCenter/City-Council-Meetings-Speaker-Card-30>. Written public comments shall be limited to 250 words or less. Public Comments should be submitted to the City Clerk by 4:00 p.m. prior to the start of the City Council meeting. Each comment will be read aloud by the City Clerk.

Regular Meeting Zoom Webinar link: <https://zoom.us/j/92566905154>

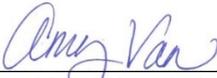
The City provides three ways to watch a City Council meeting.

IN PERSON	ONLINE	ON TELEVISION
 City Council meetings take place in the City Hall Council Chambers.	 Watch the livestream and replay past meetings on the City website .	 Watch live and replays of meetings on Sac Metro Cable, Channel 14.

PLEASE NOTE: In order to minimize the spread of the COVID-19 virus, this meeting is being held pursuant to Government Code Section 54953(e). Please be advised that some, or all, Council Members may attend City Council meetings telephonically or otherwise electronically.

If you need a disability-related modification or accommodation, to participate in this meeting, please contact the City Clerk’s Office 916-725-2448, cityclerk@citrusheights.net, or City Hall 6360 Fountain Square Drive at least 48 hours prior to the meeting. TDD: California Relay Service 7-1-1.

December 2, 2022


 Amy Van, City Clerk

5:00 PM – 6:00 PM
Reception for Retiring Council Members Jeannie Bruins and Steve Miller

REGULAR CITY COUNCIL MEETING
6:00 PM

CALL REGULAR MEETING TO ORDER

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

APPROVAL OF AGENDA

SPECIAL ITEMS

4. Recognition of Retiring Council Members Jeannie Bruins and Steve Miller
5. **SUBJECT:** Certification of November 8, 2022 Election Results
STAFF REPORT: A. Van
RECOMMENDATION: Adopt Resolution No. 2022-___; A Resolution of the City Council of the City of Citrus Heights, California, Reciting the Fact of the General Municipal Election Held on November 8, 2022, Declaring the Result and Other Such Matters as Provided By Law
6. Swearing in of Newly Elected Council Members
7. Selection of Mayor and Vice Mayor

PUBLIC COMMENT

PRESENTATION

8. Employee Service Recognition

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

CONSENT CALENDAR

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

9. **SUBJECT:** Approval of Minutes
RECOMMENDATION: Approve the Minutes of the Special/Regular Meeting of October 27, 2022 and the Regular Meeting of November 10, 2022
10. **SUBJECT:** Approve Resolution for Continued Remote Meetings in Accordance with AB 361

STAFF: A. Van/ R. Jones

RECOMMENDATION: Adopt Resolution No. 2022-____ A Resolution of the City Council of the City of Citrus Heights, California, Making the Legally Required Findings to Continue to Authorize the Conduct of Remote “telephonic” Meetings During the State of Emergency

11. **SUBJECT:** Submission of Application for Tree City USA Designation
STAFF: C. Kempenaar/ E. Singer
RECOMMENDATION: Adopt Resolution No. 2022-____, A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the Submission of an Application to the National Arbor Day Foundation for Consideration of Citrus Heights Being Designated a Tree City USA Community
12. **SUBJECT:** Annual AB 1600 Development Report
STAFF: S. Talwar/ T. Nossardi
RECOMMENDATION: Adopt Resolution No. 2022-____, A Resolution of the City Council of the City of Citrus Heights, California, Accepting, Filing, and Making the Findings Identified in the City’s Annual AB 1600 Fee Report for the Fiscal Year Ended June 30, 2022
13. **SUBJECT:** Second Reading – Sacramento Metropolitan Cable Television Commission Joint Powers Agency Agreement Ordinance Amendment
STAFF: A. Van
RECOMMENDATION: Adopt Ordinance No. 2022-013, An Ordinance of the City Council of the City of Citrus Heights Amending Sections 90-88 and 90-93 of Chapter 90 “Telecommunications” of the Citrus Heights Municipal Code Relating to the Sacramento Metropolitan Cable Television Commission
14. **SUBJECT:** Transportation Development Act (TDA) Claim Authorization
STAFF: R. Cave/ M. Poole
RECOMMENDATION: Adopt Resolution No. 2022-____, A Resolution of the City Council of the City of Citrus Heights, California, Authorizing City Staff to Submit Transportation Development Act Claims for Fiscal Years 2021-2022 and 2022-2023 and to Submit Any Amended Claims Based on Revised Apportionments for Fiscal Year 2022-2023 and Previous Years

PUBLIC HEARING

15. **SUBJECT:** Second Reading – Ordinance Amending Chapter 38 of the City of Citrus Heights Municipal Code Relating to Fire Prevention and Protection
STAFF: C. Kempenaar/ G. Anderson
RECOMMENDATION: Adopt Ordinance No. 2022-014, An Ordinance of the City of Citrus Heights Amending Chapter 38 of the Citrus Heights Municipal Code Relating to Fire Prevention and Protection

REGULAR CALENDAR

16. **SUBJECT:** Resolution Authorizing the City Manager to Execute Service Agreements Not to Exceed \$200,000 for the Development of Infrastructure Financing Strategies and any Necessary Ancillary Engineering Work for the Sunrise Tomorrow Project
STAFF: M. Huber/ C. Kempenaar
RECOMMENDATION: Adopt Resolution No. 2022-____ , A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute Agreements Not to Exceed \$200,000 for the Development of Infrastructure Financing Strategies and any Necessary Ancillary Work for the Sunrise Tomorrow Project
17. **SUBJECT:** Resolution Authorizing the Application for REAP 2.0 Higher Impact Transformative (HIT) Allocation
STAFF: C. Kempenaar/ M. Huber
RECOMMENDATION: Adopt Resolution No. 2022-____ , A Resolution of the City Council of the City of Citrus Heights, California, Authorizing Application to and Participation in the Higher Impact Transformative (HIT) Grant Program

DEPARTMENT REPORTS

CITY MANAGER ITEMS

ITEMS REQUESTED BY COUNCIL MEMBERS/ FUTURE AGENDA ITEMS

ADJOURNMENT



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: December 8, 2022

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Amy Van, City Clerk

SUBJECT: **Certification of November 8, 2022 General Municipal Election Results**

Summary and Recommendation

Sacramento County Voter Registration and Elections has provided the certification document for the November 8, 2022, General Municipal Election.

Staff recommends the City Council adopt Resolution No. 2022-___ reciting the fact of the General Municipal Election Held on November 8, 2022, declaring the result and other such matters as provided by law.

Fiscal Impact

There is no fiscal impact associated with the certification process.

Background and Analysis

Pursuant to Elections Code 10263 the City Council, as the governing body of the city, shall adopt a resolution reciting the fact of the election for each City Council office voted on at a municipal election. As a result of the election, the following Council Members have been elected to the City Council for full, four-year terms (names to be inserted once certification has been received):

City Council District 2

City Council District 3

City Council District 5

Names to be inserted once certification is received.

Attachments

1. Resolution Reciting the Fact of the General Municipal Election Held on November 8, 2022

RESOLUTION NO. 2022- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD ON NOVEMBER 8, 2022, DECLARING THE RESULT AND OTHER SUCH MATTERS AS PROVIDED BY LAW

WHEREAS, a General Municipal Election was held and conducted in the City of Citrus Heights, California, on Tuesday, November 8, 2022, as required by law;

WHEREAS, notice of the election was given in time, form and manner as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the election was held and conducted and the votes were cast, received and canvassed; and the returns made and declared in the time, form and manner required by the provisions of the Elections Code of the State of California for the holding of election in general law cities; and

WHEREAS, the Sacramento County Voter Registration and Elections Department canvassed the returns of the election and has certified the results to this City Council, and the results are received, attached and made a part hereof as “Exhibit A.”

NOW THEREFORE BE IT RESOLVED AND ORDERED that the City of Citrus Heights does hereby determine:

1. That the names of persons nominated for the offices mentioned below to be filled at the General Municipal Election on November 8, 2022 are as follows:

<u>City Council District 2</u>	<u>City Council District 4</u>	<u>City Council District 5</u>
Steven Forrest Durham	Manuel Israel Perez-Salazar	Natalee Price
Michael Nishimura	Albert Fox	Porsche S. Middleton
James J. Tipton	Jayna Karpinski-Costa	
MariJane Lopez-Taff		

2. That the number of votes given in the City to each of the persons above named for the respective offices for which the persons were candidates are listed in Exhibit “A” attached.
3. The City Council does declare and determine that the following individuals were elected as Members of the City Council for the full term of four years:

<u>City Council District 2</u>	<u>City Council District 3</u>	<u>City Council District 5</u>
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Names to be inserted once certification is received.

That the City Clerk shall certify to 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 8th day of December 2022, by the following vote, to wit:

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

Porsche Middleton, Mayor

ATTEST:

Amy Van, City Clerk

Exhibit

- A. Sacramento County Voter Registration and Election Department Certified Election Results for November 8, 2022 General Municipal Election

Exhibit A – Sacramento County Voter Registration and Election Department Certified Election Results for November 8, 2022 General Municipal Election

Exhibit A will be made available and routed under separate cover once certification results are received from Sacramento County.

**CITY OF CITRUS HEIGHTS
CITY COUNCIL
MINUTES
Special/ Regular Meeting of Thursday, October 27, 2022
City Hall Council Chambers and Virtually
6360 Fountain Square Drive
Citrus Heights, CA 95621**

CALL SPECIAL MEETING TO ORDER

1. Roll Call: Council Members: Bruins, Daniels, Miller, Schaefer, Middleton

PUBLIC COMMENT

CLOSED SESSION

2. CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Government Code Section 54957.6
Agency designated representatives: Ashley Feeney, City Manager and Ryan Jones, City Attorney
Employee organizations: Unrepresented Employees

REPORT OUT OF CLOSED SESSION

There was no reportable action from closed session.

ADJOURNMENT

Mayor Middleton adjourned the special meeting at 5:48 p.m.

CALL REGULAR MEETING TO ORDER

The regular council meeting was called to order at 6:00 p.m. by Mayor Middleton.

1. The Flag Salute was led by Council Member Daniels.
2. Roll Call: Council Members present: Bruins, Daniels, Miller, Schaefer, Middleton
Council Members absent: None
Staff present: Anderson, Blomquist, Cave, Feeney, Huber, Jones, Kempenaar, Piva, Reid, Talwar, Turcotte, Van, and Young.
3. The video statement was read by City Clerk Van.

APPROVAL OF AGENDA

ACTION: On a motion by Mayor Middleton, seconded by Vice Mayor Schaefer, the City Council approved the agenda and moved presentation item 4 to follow Comments by Council Members and Regional Board Updates.

AYES: Bruins, Daniels, Miller, Schaefer, Middleton
NOES: None
ABSENT: None

PUBLIC COMMENT

None.

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

Council Member Bruins recently attended the Neighborhood Association meeting for areas seven, eight, and nine. She shared information for upcoming events going on in her neighborhood. She also attended the recent State of the City Address and 25th Anniversary Capitol Pops concert. Lastly, Council Member Bruins shared information from the Citrus Heights Police Department Trunk-or-Treat event.

Council Member Daniels shared information for the upcoming trunk-or-treat at Heights Church. Additionally, he urged residents to be mindful when they are driving through neighborhoods during Halloween.

Council Member Miller provided an update from the Sacramento Regional Transit board meeting. He recently attended the Citrus Heights Police Department bridge event, State of the City Address, and the 25th Anniversary Capitol Pops concert.

Vice Mayor Schaefer provided an update from the Sacramento Public Library Authority board meeting. He also recently attended the State of the City Address, 25th Anniversary Capitol Pops concert, and CHPD trunk-or-treat event.

Mayor Middleton shared some highlights from the recent State of the City Address. Additionally, Mayor Middleton shared that the Sacramento Area Council of Governments recently informed her that the City is two steps away from receiving a Green Means Go grant in the amount of \$160,000 for the Sunrise Tomorrow Project.

PRESENTATION

4. Presentation of Proclamation Honoring October as National Manufacturing Month

Vice Mayor Schaefer read a proclamation honoring October as National Manufacturing month. Kevin McGrew from Siemens Mobility Inc. accepted the proclamation on behalf of the Sacramento Valley Manufacturing Alliance.

CONSENT CALENDAR

5. **SUBJECT:** Approval of Minutes
RECOMMENDATION: Approve the Minutes of the Regular Meeting of October 13, 2022

6. **SUBJECT:** Mariposa Avenue Safe Routes to School Phase 4 – ATPSBIL – 5475(043) Final Acceptance and Notice of Completion – City PN 20-18-001
STAFF: R. Cave/ L. Blomquist
RECOMMENDATION: Adopt Resolution No. 2022-104 A Resolution of the City Council of the City of Citrus Heights, California, Accepting the Mariposa Avenue Safe Routes to School Phase 4 Project as Complete and Authorizing the City Engineer to Record a Notice of Completion and Release the Contract Retention

7. **SUBJECT:** Amendment to Chapter 98, Utilities, of the Citrus Heights Municipal Code
STAFF: R. Cave/ L. Blomquist/ H. Young
RECOMMENDATION: Approve Ordinance No. 2022-009, and Ordinance of the City Council of the City of Citrus Heights, Amending Chapter 98 (Utilities) of the Citrus Heights Municipal Code

8. **SUBJECT:** Stock Ranch Commercial Center Reimbursement Agreement – Approval of Amendment No. 2 and Authorizing the Release of an Adjusted Reimbursement
STAFF: R. Cave
RECOMMENDATION: Adopt Resolution No. 2022-105 A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute Amendment No. 2 to the Stock Ranch Reimbursement Agreement, and Authorizing the Release of an Adjusted Reimbursement of \$154,565.44 to California C&S Properties

ACTION: On a motion by Council Member Daniels, seconded by Council Member Miller, the City Council adopted Consent Calendar Items 5, 6, 7, and 8.

AYES: Bruins, Daniels, Miller, Schaefer, Middleton
NOES: None
ABSENT: None

PUBLIC HEARING

9. **SUBJECT:** Proposed Sunrise MarketPlace Zoning Overlay
STAFF: C. Kempenaar/ A. Bermudez
RECOMMENDATION: Introduce for First Reading, Read by Title Only and Waive the Full Reading of Ordinance No. 2022-011, an Ordinance of the City Council of the City of Citrus Heights Adding Section 106.28.050 of Chapter 106 of the City of Citrus Heights Municipal Code (Zoning Code Section) and Amending the Zoning Map to Include the Sunrise MarketPlace Overlay Zone

Community Development Director Kempenaar and Senior Planner Bermudez presented the item to Council. Bermudez discussed the proposed ordinance amendment, which would incorporate the “Sunrise MarketPlace Overlay Zone” and a section that further refines the allowed land uses within the overlay area. Additionally, the amended zoning map would add the overlay boundary line. The proposed overlay zone modifies the provisions of base zoning but it does not change the zoning designation of the property.

Currently there are three different zoning designations within the proposed boundary. Certain zoning designations will see no change to prohibited uses, while others will have five use categories prohibited. Bermudez stated that all existing uses permitted or conditionally permitted in the underlying applicable commercial zone remain, except service stations, vehicle services, towing, car washes, storage, and specialized transportation.

Kempenaar discussed the proposal and the need for the overlay zone. He stated the city desires to preserve limited available real estate for uses that support neighborhood vibrancy and are consistent with community desires. By incorporating these permitted uses, the City can eliminate other uses along the corridor that pose as a challenge. City staff have conducted extensive outreach to educate the community on what the proposed overlay would consist of. At the most recent Planning Commission meeting, Kempenaar stated there was an overwhelming support for the overlay zone. Kempenaar stated that the project was exempt from CEQA because it showed no possibility for causing a significant effect on the environment and minor alterations in land use limitations.

Mayor Middleton opened the public hearing at 6:37 p.m.

Kathy Morris addressed the Council and stated her support for the overlay zone. She stated she did extensive neighborhood outreach and most of those she heard from were supportive as well. She stated the desire for more dining and entertainment options.

Trevor Knight addressed the Council. He owns the Water Fly carwash business and wanted to address the concerns regarding regulating carwashes. He stated the business uses less water and produces little pollutants and they strive to be active in their community.

Phil Jarrett addressed the Council regarding the overlay. He currently owns the China Buffet location and stated the overlay will hinder his abilities to lease his property. He understands that the City wants more dining and entertainment but believes that will be located further down Sunrise Blvd. He urged the Council to allow membership-based carwashes in the overlay zone.

Albert Fox addressed the Council stating his support for the overlay zone. He stated he was on the Planning Commission for eight years and has a deep understanding of what is going on in the development of the City. He believes the City conducted extensive community outreach regarding the project. Additionally, he believed the overlay will help the City become a destination for residents in Sacramento County.

Jody Ash addressed the Council on behalf of the Birdcage Heights neighborhood. She stated the consensus of the group is they believe a carwash would not benefit the community. Those she spoke with were concerned about increased traffic and pollution.

Susan Baker with El Tapatio restaurant addressed Council. She stated her support of the Sunrise MarketPlace Overlay Zone. She knows that dining along Sunrise Blvd. can become a destination place, just as El Tapatio has done.

Zachary Stagner addressed the Council regarding the overlay. He stated he lives near the proposed overlay zone and he would like to see the area look like the Galleria in Roseville.

Council comments and discussion followed.

Council Member Daniels requested that if this item is passed, City staff work with the property owner of China Buffett to find a use for his building.

Council Member Miller expressed support for Council Member Daniels' request.

ACTION: On a motion by Council Member Bruins, seconded by Council Member Miller, the City Council Introduced for First Reading, Read by Title Only and Waive the Full Reading of Ordinance No. 2022-011, an Ordinance of the City Council of the City of Citrus Heights Adding Section 106.28.050 of Chapter 106 of the City of Citrus Heights Municipal Code (Zoning Code Section) and Amending the Zoning Map to Include the Sunrise MarketPlace Overlay Zone.

AYES: Bruins, Daniels, Miller, Schaefer, Middleton
NOES: None
ABSENT: None

10. **SUBJECT:** Second Reading – Ordinance Amending Various Sections of Chapter 18 of the Citrus Heights Municipal Code relating to Buildings and Building Regulations
STAFF: C. Kempenaar/ G. Anderson
RECOMMENDATION: Approve Ordinance No. 2022-010, an Ordinance amending Chapter 18 of the Citrus Heights Municipal Code Relating to Buildings and Building Regulations and Adopting by Reference the 2022: California Administrative Code, California Building Code, California Residential Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards Code, California Energy Code and California Existing Building Code

Chief Building Official Anderson presented the item to Council. Anderson stated the proposed amendments to the building code were shared at the October 13 City Council meeting. This item is to adopt those ordinance changes.

Mayor Middleton opened the public hearing at 7:10 p.m., hearing no public comment, she closed the public hearing.

ACTION: On a motion by Vice Mayor Schaefer, seconded by Council Member Daniels, the City Council Approved Ordinance No. 2022-010, an Ordinance amending Chapter 18 of the Citrus Heights Municipal Code Relating to Buildings and Building Regulations and Adopting by Reference the 2022: California Administrative Code, California Building Code, California Residential Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards Code, California Energy Code and California Existing Building Code.

AYES: Bruins, Daniels, Miller, Schaefer, Middleton
NOES: None
ABSENT: None

11. **SUBJECT:** Review Final 2023 Action Plan and Funding Recommendations for the Community Development Block Grant Program

STAFF: C. Kempenaar/ N. Piva

RECOMMENDATION: Adopt Resolution No. 2022-106 A Resolution of the City Council of the City of Citrus Heights, California, Approving the Community Development Block Grant 2023 Action Plan and Authorizing the City Manager or Designee to Execute and File all Documents Required to Receive U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Funding

Housing and Human Services Program Coordinator Piva presented the item. At the October 13 City Council meeting, Piva presented the 2023 Action Plan for the Community Development Block Grant Program. This presentation included proposed funding allocations for various non-profits who operate within the City. Citrus Heights received approximately \$600,000 in program funding from HUD, which are then dispersed for a variety of services to residents.

Organizations	2023 CDBG Funding Requests	QOL Funding Recommendations
Campus Life Connection Youth After-School Program	\$15,000	\$10,917
Meals on Wheels Senior Meal Program	\$16,000	\$11,655
Sacramento Self-Help Housing Homeless Navigator & Supplemental Fund	\$16,000	\$16,000
Sacramento Self-Help Renters Helpline	\$25,489	\$22,524
Sunrise Christian Food Ministry Emergency Food Closet	\$39,720	\$28,904
Total	\$112,209	\$90,000

Mayor Middleton opened the public hearing at 7:16 p.m., hearing no public comment, she closed the public hearing.

ACTION: On a motion by Council Member Bruins, seconded by Vice Mayor Schaefer, the City Council Adopted Resolution No. 2022-106 A Resolution of the City Council of the City of Citrus Heights, California, Approving the Community Development Block Grant 2023 Action Plan and Authorizing the City Manager or Designee to Execute and File all Documents Required to Receive U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Funding.

AYES: Bruins, Daniels, Miller, Schaefer, Middleton

NOES: None

ABSENT: None

12. **SUBJECT:** Establishment of the Auburn Boulevard Underground Utility District

STAFF: R. Cave/ L. Blomquist/ H. Young

RECOMMENDATION: Adopt Resolution No. 2022-107 A Resolution of the City Council of the City of Citrus Heights, California, Establishing an Underground Utility District on Auburn Boulevard Between Sylvan Corners and the Northern City Limits

Principal Civil Engineer Young presented the item to Council. Young stated that in the first phase of construction along the Auburn Blvd. corridor utility lines were placed underground. Following Council approval, this item would continue to underground utilities along the Auburn Blvd. corridor.

Mayor Middleton opened the public hearing at 7:22 p.m., hearing no public comment, she closed the public hearing.

ACTION: On a motion by Council Member Bruins, seconded by Vice Mayor Schaefer, the City Council Adopted Resolution No. 2022-107 A Resolution of the City Council of the City of Citrus Heights, California, Establishing an Underground Utility District on Auburn Boulevard Between Sylvan Corners and the Northern City Limits.

AYES: Bruins, Daniels, Miller, Schaefer, Middleton
NOES: None
ABSENT: None

13. **SUBJECT:** Proposed Shopping Cart Ordinance
STAFF: C. Kempenaar/ R. Cave/ A. Turcotte/ A. Bermudez
RECOMMENDATION: Introduce for First Reading, Read by Title Only and Waive the Full Reading of Ordinance No. 2022-012, an Ordinance of the City Council of the City of Citrus Heights Adding Article VII to Chapter 50 of the Citrus Heights Municipal Code Relating to the Regulation of Shopping Carts

City Manager Feeney opened the item stating that the proposed ordinance was a part of the Focus Area Work Plan adopted by Council in May. Senior Planner Bermudez shared that on average the City retrieved around 1,500 shopping carts a year from the public right-of-way. General Services Director Cave stated that this does not reflect any shopping carts that are picked up with personal items in them.

Bermudez stated that the proposed ordinance would take four different approaches, which include prevention, accountability, shared impact, and minimize impact on businesses. Outlined in the ordinance, businesses with shopping carts will be responsible for permanently affixing a sign to the cart to identify the cart owner, post signs to public regarding unauthorized removal, retrieve impounded carts within 72 hours, and submit a shopping cart retrieval plan to the City. Any businesses with fewer than five carts are exempt from submitting a shopping cart retrieval plan. Those possessing six or more carts will need to submit a plan detailing the number of carts, loss prevention measures, employee training, and retrieval methods. The proposed cart impound process includes penalties for repeat impoundments and late fees for carts picked up from the City after four days.

City staff have conducted extensive public outreach, which included a letter to 42 businesses, presentations to the Sunrise MarketPlace and Chamber Board, and various neighborhood association meetings. The proposed ordinance was generally supported with no opposition. Feedback received included some concern with fines, other businesses were supportive, and others stated concerns with the cost impacts to businesses. The proposed ordinance would take effect December 11, 2022 and allow businesses to submit the shopping cart plan until February 28, 2023.

Mayor Middleton opened the public hearing at 7:45 p.m.

David Warren addressed the Council. He stated he believes that the real problem is that people need something to put their personal property in and if we cannot solve the homeless issue than passing this ordinance would not be able to solve the issue of abandoned shopping carts.

Council comments and feedback followed.

Council Member Bruins suggested increasing the number of repeat impoundments from five to ten times a month before requiring businesses to install wheel-locking devices.

Council Member Daniels suggested removing the section for repeat impoundments and evaluate the ordinance after six months to determine if the City should revisit the section on repeat impoundments. Additionally he stated any carts not retrieved within 14 days should be disposed of.

Vice Mayor Schaefer stated the ordinance as presented could encourage business and community members to be mindful of their shopping carts and take the precaution to ensure they are not removed from the business premises.

ACTION: On a motion by Council Member Bruins, seconded by Vice Mayor Schaefer, the City Council Introduced for First Reading, Read by Title Only and Waive the Full Reading of Ordinance No. 2022-012, an Ordinance of the City Council of the City of Citrus Heights Adding Article VII to Chapter 50 of the Citrus Heights Municipal Code Relating to the Regulation of Shopping Carts with the edits that carts will be disposed if they are not retrieved within ten business days and allow ten repeat impoundments within a 30 day period.

AYES:	Bruins, Daniels, Miller, Schaefer, Middleton
NOES:	None
ABSENT:	None

REGULAR CALENDAR

14. **SUBJECT:** Professional Services Agreement for Investment Management/ Advisory Services by Chandler Asset Management, Inc.
STAFF: S. Talwar/ T. Nossardi
RECOMMENDATION: Adopt Resolution No. 2022-108 A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute a Contract with Chandler Asset Management, Inc. for Investment Management and Advisory Services

Administrative Services Director Talwar presented the item to Council. Talwar stated it is common to have a professional investment management for public funds. With the rise in interest rates, there are opportunities for a higher return on investments beyond what we have seen with participation in the Local Agency Investment Fund. A Request for Proposals was issued in spring 2022 and City staff interviewed the top three proposals.

Neil Murphy with Chandler Asset Management introduced his firm. He stated they work with various public agencies across the state to manage investment funds. Currently they manage funds for 66 cities across the state.

Council comments and discussion followed.

ACTION: On a motion by Council Member Bruins, seconded by Vice Mayor Schaefer, the City Council Adopted Resolution No. 2022-108 A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute a Contract with Chandler Asset Management, Inc. for Investment Management and Advisory Services.

AYES: Bruins, Daniels, Miller, Schaefer, Middleton
NOES: None
ABSENT: None

15. **SUBJECT:** Financial Update
STAFF: S. Talwar/ T. Nossardi
RECOMMENDATION: Review information presented on the preliminary General Fund operating results for Fiscal Year 2021-22, the General Fund reserves and expenditures for the first quarter of Fiscal Year 2022-23, and the updated Ten-Year Financial Forecast

Administrative Services Director Talwar presented the item to Council. This presentation will review the Fiscal Year 2021/2022 General Fund preliminary results, Fiscal Year 2022/2023 General Fund 1st Quarter, and the Ten-Year Financial Forecast. Talwar stated the sales tax revenue received came in at \$14.4 million, with building and permits coming in at \$2.4 million, Community Center revenue of \$200,000, and other revenue generated was \$1.4 million. She continued with the total expenditures and the City experienced a significant labor savings for the Police Department of \$2.4 million, largely due to the offset of American Rescue Plan Act funding. Total expenditures came in at \$33.8 million.

Additionally, Talwar provided an update on the ARPA approved funds. Following the current approved allocations of APRA funding, the City has over \$8 million remaining. She stated that the general fund ten-year financial forecast shows \$4 million annually for street repairs, when the actual need is around \$12 million annually.

Council comments and discussion followed.

16. **SUBJECT:** Requests to Utilize American Rescue Plan Act Funds to Upgrade Major, Critical Information Technology Projects and Execute a Contract with Tyler Technologies
STAFF: S. Talwar/ T. Nossardi/ B. Koski
RECOMMENDATION: The following is recommended;
- a. Adopt Resolution No. 2022-109 A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Utilize the American Rescue Plan Act Funds for Information Technology Hardware and Software Critical Projects
 - b. Adopt Resolution No. 2022-110 A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute a Contract with Tyler Technologies for an Enterprise Resource Planning System

Administrative Services Director Talwar presented the item to Council. She stated the item before them tonight was identified by Council as a strategic planning goal. The current financial enterprise resource planning software will become obsolete in 2024. The COVID-19 pandemic brought to light the need for technology updates to communicate effectively and support existing systems. Following extensive staff meetings to identify technology needs, it has become apparent that hardware is outdated and does not allow for interdepartmental operations. AB 2234 mandates online permitting systems and expedited approval of housing projects including planning, building, and civil permits by 2024. Tyler Munis was the selected technology, which would place departments on one system.

Chris Taroach with Tyler Technologies highlighted some of the system streamlining his company offers. He stated Tyler Technologies allows data to flow more efficiently and effectively to help reduce paper and the need for in-person interactions. He shared that Tyler Technologies is currently operating in numerous cities across California.

Council comments and discussion followed.

ACTION: On a motion by Council Member Miller, seconded by Council Member Daniels, the City Council Adopted Resolution No. 2022-109 A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Utilize the American Rescue Plan Act Funds for Information Technology Hardware and Software Critical Projects.

AYES: Bruins, Daniels, Miller, Schaefer, Middleton
NOES: None
ABSENT: None

ACTION: On a motion by Council Member Miller, seconded by Council Member Daniels, the City Council Adopted Resolution No. 2022-110 A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute a Contract with Tyler Technologies for an Enterprise Resource Planning System.

AYES: Bruins, Daniels, Miller, Schaefer, Middleton
NOES: None
ABSENT: None

CITY MANAGER ITEMS

City Manager Feeney shared information for the upcoming Arcade-Cripple Creek Trail ground breaking event on November 1 at 9:00 a.m. He shared that the Sunrise Tomorrow Infrastructure Support project has been recommended to receive \$160,000 in grant funding from SACOG's Green Means Go project.

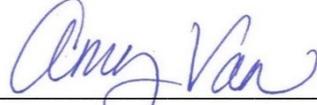
ITEMS REQUESTED BY COUNCIL MEMBERS/ FUTURE AGENDA ITEMS

Council Member Miller asked for support to direct staff to research a Economic Development grant and/or loan program for distressed properties located within the Sunrise MarketPlace overlay zone. Council Member Daniels and Mayor Middleton supported the request.

ADJOURNMENT

Mayor Middleton adjourned the regular meeting at 9:02 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Amy Van". The signature is written in a cursive style with a large initial "A".

Amy Van, City Clerk

**CITY OF CITRUS HEIGHTS
CITY COUNCIL
MINUTES
Regular Meeting of Thursday, November 10, 2022
City Hall Council Chambers and Virtually
6360 Fountain Square Drive
Citrus Heights, CA 95621**

CALL REGULAR MEETING TO ORDER

City Attorney Jones stated that in the absence of Mayor Middleton and Vice Mayor Schaefer the City Council, it is typical to have the longest tenured Council Member chair the meeting, and in this case it would be Council Member Bruins.

The regular council meeting was called to order at 6:00 p.m. by Council Member Bruins.

1. The Flag Salute was led by Council Member Bruins.
2. Roll Call: Council Members present: Bruins, Daniels, Miller, Middleton (remote)
Council Members absent: Schaefer
Staff present: Anderson, Blomquist, Cave, Feeney, Huber, Jones, Kempenaar, Myers, Reid, Singer, Talwar, Turcotte, and Van.
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 Miller, the City Council approved the agenda.

AYES: Bruins, Daniels, Miller, Middleton
NOES: None
ABSENT: Schaefer

PUBLIC COMMENT

City Clerk Van read a public comment from Alfred Sanchez, "I would like the City to come up with guidelines of our own regarding opening cooling centers. I understand the City posts this on the website but it's like the day before sometimes. Can the Council please vote to add this to a future agenda and take necessary steps to do this. It's confusing now"

PRESENTATION

4. Presentation of Proclamation Recognizing Rocky Peterson's Retirement with Sunrise Christian Food Ministry

Council Member Miller read a proclamation recognizing Rocky Peterson's retirement with the Sunrise Christian Food Ministry. Rocky Peterson accepted the proclamation and thanked the Council for recognition.

PUBLIC COMMENT

Rosie Serna addressed the Council sharing her sentiments on Rocky Peterson's retirement. She attributes the growth of the food bank to the hard work Rocky has dedicated to the program. In the Sacramento Region, the Sunrise Christian Food Ministry has grown to be one of the top organizations.

April Jacek addressed the Council. She wanted to thank Rocky for his continued dedication to the community. She stated Rocky has continued to serve those in need with dignity and respect.

5. Presentation of Proclamation Recognizing Law Enforcement Records Appreciation Day

Council Member Daniels presented the proclamation recognizing Law Enforcement Appreciation Day to Police Department records personnel.

6. Presentation of Proclamation Recognizing November as Lung Cancer Awareness Month

Council Member Bruins read the proclamation recognizing November as Lung Cancer Awareness month.

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

Council Member Daniels recently attended the Citrus Heights Chamber luncheon, which included a presentation by Larry Fritz on the history of the Chamber. Additionally he shared information on the Tree Lighting ceremony taking place on December 6 at 6:00 p.m.

Council Member Miller provided an update from the Sunrise MarketPlace Board of Directors meeting. Council Member Miller shared an update from the Sacramento Transportation Authority board meeting.

Council Member Bruins provided an update from Sacramento Regional County Sanitation District board meeting and the Sacramento Regional Sewer District board meeting. Additionally she shared updates from the Police Activities League board meeting. Additionally she thanked Larry Fritz and Teena Stern for preserving and memorializing Citrus Heights' history.

Mayor Middleton had no updates at this time.

CONSENT CALENDAR

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

7. **SUBJECT:** Approval of Minutes

RECOMMENDATION: Approve the Minutes of the Special Meeting of October 25, 2022

8. **SUBJECT:** Approve Resolution for Continued Remote Meetings in Accordance with AB 361

STAFF: A. Van/ R. Jones

RECOMMENDATION: Adopt Resolution No. 2022-111 A Resolution of the City Council of the City of Citrus Heights, California, Making the Legally Required Findings to Continue to Authorize the Conduct of Remote “telephonic” Meetings During the State of Emergency

9. **SUBJECT:** Resolution Adopting Amended Salary Table
STAFF: S. Talwar/ M. Alejandrez
RECOMMENDATION: Adopt Resolution No. 2022-112, A Resolution of the City Council of the City of Citrus Heights, California, Adopting the Amended Salary Table, Exhibit A
10. **SUBJECT:** Quarterly Treasurer’s Report
STAFF: T. Nossardi
RECOMMENDATION: Receive and File the Quarterly Treasurer’s Report for the Quarter Ending September 30, 2022
11. **SUBJECT:** Adoption of Six-Month Strategic Planning Objectives
STAFF: A. Feeney
RECOMMENDATION: Adopt Resolution No. 2022-113 A Resolution of the City Council of the City of Citrus Heights, California, Adopting the “Six-Month Strategic Planning Objectives for November 1, 2022 – May 1, 2023”
12. **SUBJECT:** Authorization for Issuance of an RFP for Consultant Support to Create a Comprehensive Grants Strategy
STAFF: M. Huber/ C. Riddle
RECOMMENDATION: Authorize City Manager to issue a Request for Proposals substantially similar to the draft attached to the staff report for consultant support to create a Comprehensive Grant Strategy
13. **SUBJECT:** Sunrise MarketPlace Zoning Overlay Ordinance – 2nd Reading
STAFF: C. Kempenaar/ A. Bermudez
RECOMMENDATION: The following is recommended;
 - a. The proposed amendments are exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) and 15305 of the Guidelines
 - b. Adopt Ordinance No. 2022-011, an Ordinance of the City Council of the City of Citrus Heights Adding New Section 106.28.050 to Chapter 106 of the City of Citrus Heights Municipal Code (Zoning Code Section) and Amending the Zoning Map to Include the Sunrise MarketPlace Overlay District
14. **SUBJECT:** Shopping Cart Ordinance – 2nd Reading
STAFF: C. Kempenaar/ R. Cave/ A. Turcotte/ A. Bermudez
RECOMMENDATION: Adopt Ordinance No. 2022-012, an Ordinance of the City Council of the City of Citrus Heights Adding Article VII to Chapter 50 of the Citrus Heights Municipal Code Relating to the Regulation of Shopping Carts

PUBLIC COMMENT

Phil Jarret addressed the Council regarding item 13. He stated that he has an agreement, which allows him to construct on his business property. He believes that a car wash would not fit the proposed overlay. Further, he encourages Council to give his property a carve-out in the overlay or remove car washes from the list of banned businesses.

Rick Hodgkins addressed Council regarding item 13. He stated his support for more sit-down restaurants in the City.

ACTION: On a motion by Mayor Middleton, seconded by Council Member Daniels, the City Council adopted Consent Calendar Items 7, 8, 9, 10, 11, 12, 13, and 14.

Council Member Daniels stated his desire for the City to work with the property owners at the former China Buffett to enhance the business location.

AYES: Bruins, Daniels, Miller, Middleton
NOES: None
ABSENT: Schaefer

Mayor Middleton left the meeting.

REGULAR CALENDAR

- 15. **SUBJECT:** Sacramento Metropolitan Cable Television Commission Joint Powers Agency Agreement Ordinance Amendment
STAFF: A. Van
RECOMMENDATION: Introduce for a First Reading, Read by Title Only and Waive the Full Reading of Ordinance No. 2022-013, An Ordinance of the City Council of the City of Citrus Heights Amending Sections 90-88 and 90-93 of Chapter 90 "Telecommunications" of the Citrus Heights Municipal Code Relating to the Sacramento Metropolitan Cable Television Commission

City Clerk Van presented the item to Council. The Joint Powers Agency was formed by Sacramento County and is made up of cities within the county. The agency administers state-issued cable and video franchises and operates Metro Cable 14, the government affairs channel. Amendments to the ordinance include removing the current expiration date to allow the JPA to remain in existence indefinitely. Additionally, the Board of Directors will be increased to 13 seats in order to represent all cities and agency members.

ACTION: On a motion by Council Member Daniels, seconded by Council Member Miller, the City Council Introduced for a First Reading, Read by Title Only and Waive the Full Reading of Ordinance No. 2022-013, An Ordinance of the City Council of the City of Citrus Heights Amending Sections 90-88 and 90-93 of Chapter 90 "Telecommunications" of the Citrus Heights Municipal Code Relating to the Sacramento Metropolitan Cable Television Commission

AYES: Bruins, Daniels, Miller
NOES: None
ABSENT: Schaefer, Middleton

- 16. **SUBJECT:** Amending Chapter 38 of the City of Citrus Heights Municipal Code Concerning Fire Prevention and Protection
STAFF: C. Kempenaar/ G. Anderson
RECOMMENDATION: Introduce for First Reading, Read by Title Only and Waive the Full Reading of Ordinance No. 2022-014, An Ordinance of the City of Citrus Heights Amending Chapter 38 of the Citrus Heights Municipal Code Relating to Fire Prevention and Protection

Chief Building Official Anderson presented the item to Council along with Amy Nygren, Deputy Fire Marshall with Sacramento Metropolitan Fire District. Sac Metro Fire District has requested the City adopt amendments to the 2022 Fire Code. Amendments to the current fire code include modification allowing installed fire sprinklers in residential occupancies, first responder radio standards, updated fire sprinkler thresholds, and more. There is no fiscal impact by adoption of the amended ordinance.

ACTION: On a motion by Council Member Miller, seconded by Council Member Daniels, the City Council Introduced for First Reading, Read by Title Only and Waive the Full Reading of Ordinance No. 2022-014, An Ordinance of the City of Citrus Heights Amending Chapter 38 of the Citrus Heights Municipal Code Relating to Fire Prevention and Protection.

AYES: Bruins, Daniels, Miller
NOES: None
ABSENT: Schaefer, Middleton

- 17. **SUBJECT:** History & Arts Grant Program Application – *The Wall That Heals*
STAFF: H. Reid
RECOMMENDATION: Adopt Resolution No. 2022-114 A Resolution of the City Council of the City of Citrus Heights, California, Approving the History and Arts Grant Program Application for *The Wall That Heals* Project

Management Analyst Reid presented the item to Council. The City received an application for the History & Arts Grant program in the amount of \$10,000 for a project with the American Legion Post 637 for The Wall That Heals. As outlined in the History & Arts Grant Program guidelines, any applications over \$5,000 must be approved by Council. Applications are accepted on a first come, first serve basis. The proposed project will bring the travelling Vietnam Veterans Wall Memorial to Rusch Park in March 2023. This travelling memorial, *The Wall That Heals*, is a replica of the memorial in Washington D.C. Requested funds will be used to bring the wall to Citrus Heights.

Reid stated comments in support of the project from Paul Reyes were shared with Council.

PUBLIC COMMENT

Ray Riehle addressed the Council regarding the project. He shared images of seven fallen service members from Citrus Heights whose names are on the wall. Ray expressed the importance of this memorial wall for all those who served in the Vietnam War or those who lost family.

Kermit Schayltz addressed the Council in support of this project. He served as a Marine in the Vietnam War and expressed his desire to bring this wall to Citrus Heights. Additionally he thanked Council for their continued support of the veterans community in Citrus Heights.

Clerk Van read a comment from Vice Mayor Schaefer, "I am eternally grateful for the sacrifice of the families and also recognize the sacrifices our veterans endured away from their families during their service. Without the roughly 1 in 10 people that chose to service in the defense of our great nation, it would not be the great nation that it is today."

Council comments followed.

ACTION: On a motion by Council Member Bruins, seconded by Council Member Daniels, the City Council Adopted Resolution No. 2022-114 A Resolution of the City Council of the City of Citrus Heights, California, Approving the History and Arts Grant Program Application for *The Wall That Heals* Project.

AYES:	Bruins, Daniels, Miller
NOES:	None
ABSENT:	Schaefer, Middleton

DEPARTMENT REPORTS

18. **SUBJECT:** Operation Holiday Cheer
DEPARTMENT: Police Department

Executive Assistant Lofas shared a presentation with Council highlighting this years Operation Holiday Cheer program. This is the fourteenth annual Operation Holiday Cheer program, which is a community partnership program that provides assistance to families in need. Families are adopted by community members or service organizations who then purchase gifts and holiday food for the families. Last year the program adopted 32 families, providing over 200 toys and gifts. This program launches in October in order to vet families and adopters. This year the program has collaborated with Target on Birdcage to allow families to create a registry to ease the gift buying process.

CITY MANAGER ITEMS

City Manager Feeney shared information on various Veterans Day celebrations planned throughout the City. He also shared photos of fence replacement work Cal Trans completed behind the Citrus Grove Shopping Center along I-80 and Auburn. Additionally, he shared information on community engagement information for the Citrus Heights Cares campaign. City Manager Feeney shared event information for the Tree Lighting event, taking place on December 6 from 6-8:30 p.m. Lastly, he shared the November 24 City Council meeting has been cancelled.

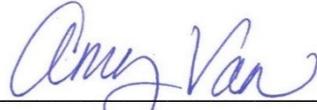
ITEMS REQUESTED BY COUNCIL MEMBERS/ FUTURE AGENDA ITEMS

None

ADJOURNMENT

Council Member Bruins adjourned the regular meeting at 8:20 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Amy Van". The signature is written in a cursive style with a large initial "A".

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: December 8, 2022

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Amy Van, City Clerk
Ryan Jones, City Attorney

SUBJECT: **Approve Resolution for Continued Remote Meetings in Accordance with AB 361**

Summary and Recommendation

On October 17, 2022, Governor Newsom announced that the COVID-19 State of Emergency would end on February 28, 2023. Therefore, staff is recommending the City Council continue to adopt a resolution every 30 days to authorize the conduct of remote meetings through February 28, 2023.

Staff recommends the City Council adopt Resolution No. 2022-___ a resolution making the legally required findings to continue to authorize the conduct of remote “telephonic” meetings during the State of Emergency.

Fiscal Impact

There is no fiscal impact associated with this item.

Background and Analysis

At the October 14, 2021 regular meeting, the City Council adopted Resolution No. 2021-082 making the legally required findings to authorize the conduct of remote “telephonic” meetings during a declared state of emergency pursuant to Government Code (AB 361). The City Council determined that as a result of the COVID-19 pandemic and state of emergency, meetings in person of the City Council and all legislative bodies of the City would present imminent risks to the health or safety of attendees.

Governor Newsom’s March 4, 2020 Proclamation of Emergency related to the COVID-19 pandemic will end on February 28, 2023. Therefore, in order to continue to conduct meetings

remotely until the State of Emergency ends, any time after the first remote meeting of the legislative body, it can meet remotely if both of the following apply:

1. State/local emergency/social distancing. Either:
 - a. “a state of emergency remains active” or
 - b. “state or local officials have imposed or recommended measures to promote social distancing” and
2. 30 days. Within the last 30 days (which vote may occur at that meeting) the legislative body has made the following findings by majority vote “(A) The legislative body has reconsidered the circumstances of the state of emergency. (B) Any of the following circumstances exist (i) The state of emergency continues to directly impact the ability of the members to meet safely in person. (ii) State or local officials continue to impose or recommend measures to promote social distancing.”

In the absence of the statewide state of emergency, members of the legislative bodies will no longer be able to rely upon AB 361. However, the Governor also signed AB 2449 into law, which allows members of legislative bodies to remotely participate in very specific circumstances without posting the address of their remote location and without being required to allow the public to participate from that location. Until AB 2449 takes effect on January 1, 2023, failing to adopt this resolution would require meetings to be held in-person under traditional Brown Act parameters (noticing the teleconference location, providing access to the public, etc.); adopting the resolution would give the flexibility as it moves forward with meetings.

If the City intends to conduct meetings remotely, it should add to the agenda every 30 days a consent calendar item to reaffirm the findings described above, which are required to allow the remote meetings. This resolution also makes the necessary findings for all subordinate legislative bodies of the City, such as the Planning Commission, so these bodies can also continue to meet remotely until the State of Emergency ends on February 28, 2023.

Attachments

1. Resolution to Continue to Authorize the Conduct of Remote “Telephonic” Meetings During the State of Emergency

RESOLUTION NO. 2022-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS MAKING THE LEGALLY REQUIRED FINDINGS TO CONTINUE TO AUTHORIZE THE CONDUCT OF REMOTE “TELEPHONIC” MEETINGS DURING THE STATE OF EMERGENCY

WHEREAS, on March 4, 2020, pursuant to California Gov. Code Section 8625, the Governor declared a state of emergency stemming from the COVID-19 pandemic (“Emergency”); and

WHEREAS, on October 17, 2022, Governor Newsom announced that the COVID-19 State of Emergency would end on February 28, 2023; and

WHEREAS, on September 17, 2021, Governor Newsom signed AB 361, which bill went into immediate effect as urgency legislation; and

WHEREAS, AB 361 added subsection (e) to Government Code Section 54953 to authorize legislative bodies to conduct remote meetings provided the legislative body makes specified findings; and

WHEREAS, as of October 20, 2022, the COVID-19 pandemic has killed more than 95,808 Californians; and

WHEREAS, social distancing measures decrease the chance of spread of COVID-19; and

WHEREAS, this legislative body previously adopted a resolution to authorize this legislative body and all other subordinate legislative bodies of the City to conduct remote “telephonic” meetings; and

WHEREAS, Government Code 54953(e)(3) authorizes legislative bodies of the City to continue to conduct remote “telephonic” meetings provided that the City has timely made the findings specified therein.

NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Citrus Heights as follows:

1. This legislative body declares that it has reconsidered the circumstances of the state of emergency declared by the Governor and at least one of the following is true: (a) the state of emergency, continues to directly impact the ability of the members of this legislative body and all subordinate legislative bodies of the City to meet safely in person; and/or (2) state or local officials continue to impose or recommend measures to promote social distancing.

PASSED, APPROVED AND ADOPTED this 8th day of December, 2022 by the following roll call vote:

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

_____, Mayor

ATTEST:

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: December 8, 2022

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Casey Kempenaar, Community Development Director
Eric Singer, Associate Planner

SUBJECT: **Submission of Application for Tree City USA Designation**

Summary and Recommendation

Staff is requesting authorization to submit an application to the National Arbor Day Foundation for consideration of the City of Citrus Heights to be designated as a Tree City USA community for the fifth consecutive year.

Staff recommends the City Council adopt Resolution No. 2022-_____, a Resolution of the City Council of the City of Citrus Heights, California, authorizing the submission of an application to the National Arbor Day Foundation for consideration of Citrus Heights being designated a Tree City USA community.

Fiscal Impact

Selection as a Tree City USA community is based, in part, on the annual expenditure for tree-related programs and services within a community (e.g. tree care and management, plantings, labor costs). Budgeted tree-related funds exceed \$677,000 annually. This budget includes both the City and Sunrise Recreation and Park District's (SRPD) budget for community forestry expenditures such as tree maintenance, tree planting, and staffing costs. The City's budget for tree-related expenditures was \$472,012, while the SRPD budget was \$205,385. If the Tree City USA designation is awarded, no additional funding will be required beyond the installation of the foundation's provided "Tree City USA" signage and the planting/planning of an annual Arbor Day event.

Background and Analysis

The City of Citrus Heights maintains approximately 22,000 trees along public streets and roadways and Sunrise Recreation and Park District maintains more than 5,500 trees within its parks. The City's tree composition includes over 175 unique species with valley oak being the

most prevalent species. Both the city and the park district work hard to protect the community's urban forest, and staff would like to ensure these efforts continue and are recognized.

If awarded, this will be the fifth consecutive year the city has been recognized as a Tree City USA. The city first received the recognition in 2018 and annual recertification is required.

To qualify for Tree City USA designation, the City must meet four standards established by The Arbor Day Foundation and the National Association of State Foresters. These standards were established to ensure that every qualifying community would have a viable tree management plan and ongoing program. Below is a list of the four required standards and a recap of how the city has met the standard:

- 1) **Observance of an annual Arbor Day** – A tree planting event and an Arbor Day Recognition was held at the Sunday Funday event held on September 25, 2022.
- 2) **Expenditures of at least \$2.00 per capita on tree-related programs** – Both the city's budget and Sunrise Recreation and Park District's budget were reviewed and a total which exceeds \$677,000 in tree related expenditures are budgeted. This exceeds the minimum standard of \$2 per capita by more than \$5 with a per capita expenditure of \$7.78.
- 3) **A Street Tree Ordinance** – The city manages its public tree canopy through a Street Tree Ordinance which was adopted in 2018.
- 4) **A Tree Department** – The City's General Services Department serves this role.

A designation of the City of Citrus Heights to be a Tree City USA community will:

- Encourage better care of our urban forest;
- Touch the lives of people within the community who benefit daily from cleaner air, shadier streets, and aesthetic beauty that healthy, well-managed urban forests provide;
- Increase public awareness of the many social, economic and environmental benefits an urban forest provides;
- Provide education to improve current urban forestry practices;
- Help present the kind of image that most citizens want to have for the place they live or conduct business;
- Inform visitors, through signage, that here is a community that cares about its environment;
- Provide a way to reach large numbers of people with information about tree care; and
- Contribute to our community pride.

Attachments

1. Resolution 2022-_____ A Resolution of the City Council of the City of Citrus Heights, California authorizing the Submission of an Application to the National Arbor Day Foundation for the Consideration of Citrus Heights being Designated a Tree City USA Community

RESOLUTION NO. 2022- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE NATIONAL ARBOR DAY FOUNDATION FOR CONSIDERATION OF CITRUS HEIGHTS BEING DESIGNATED A TREE CITY USA COMMUNITY

WHEREAS, trees play an important role in the quality of life of a community in providing needed shade and cooling, aesthetic beauty, and increased property values;

WHEREAS, the planting of trees today allows us to pass along a legacy of community and environmental awareness to future generations;

WHEREAS, the City of Citrus Heights has an overall tree canopy cover of twenty-five percent which is estimated to provide nearly two million dollars in annual benefits;

WHEREAS, the City of Citrus Heights has made significant policy statements regarding the important role trees play in the development and redevelopment of public and private property within the City as demonstrated by the Street Tree ordinance and a Tree Preservation ordinance which requires new parking surfaces to provide 50% shading within 15 years of the tree being planted;

WHEREAS, the City of Citrus Heights recognizes that trees are a renewable resource giving us paper, wood for our homes and play an important role in reducing greenhouse gases; and

WHEREAS, Tree City USA communities must submit an application for certification, and must on an annual basis submit an application for recertification to maintain their designation.

NOW THEREFORE BE IT RESOLVED AND ORDERED that the City of Citrus Heights does hereby authorize City staff to submit an application for certification to the National Arbor Day Foundation for their consideration of Citrus Heights to be designated as a Tree City USA community for the year 2022.

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 8th day of December 2022 by the following vote, to wit:

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

_____, Mayor

ATTEST:

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: December 8, 2022

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Susan Talwar, Administrative Services Director
Tammy Nossardi, Finance Manager

SUBJECT: **Annual AB 1600 Development Fee Report**

Summary and Recommendation

AB 1600 requires the city to prepare an annual report that reviews the status of the development fees collected.

Staff recommends the City Council adopt Resolution No. 2022- , A Resolution of the City Council of the City of Citrus Heights, California, Accepting, Filing, and Making the Findings Identified in the City's Annual AB 1600 Fee Report for the Fiscal Year Ended June 30, 2022.

Fiscal Impact

There is no fiscal impact associated with this action.

Background and Analysis

By state law, the City is authorized to collect development impact fees from new development to fund public improvements and services to support the new development. The City of Citrus Heights collects development impact fees for roadway improvements, low-income housing, park facilities, and transit. In accordance with the provisions of California Government Code Section 66001 (AB 1600), the City is required to prepare an annual report that reviews the status of the development fees collected. Specifically, the annual report must include:

- A description of the development fee
- Fee schedule
- Amount of fees collected, interest earned, funds spent, and remaining balance
- Estimated timeline for expending funds if sufficient funding has been collected for an identified project

State law also requires the city spend or commit the development impact fees within five years of collection or adopt a resolution stating there remains a reasonable relationship between the current need for the development fees and the purpose for which the development fees were originally proposed.

The city’s four development impact fees had a total balance of \$1,403,083 as of June 30, 2022.

Impact Fee	Balance as of 6/30/2022
Roadway Impact Fee	\$617,719 ^
Low Income Housing Impact Fee	\$378,668 *
Park Facilities Impact Fee	\$222,708 ^
Transit Impact Fee	\$183,988 **

^ All of these funds have been collected within the past five years

* \$172,524 of this amount has been held in excess of five years. It is anticipated that these funds will be used for costs associated with the Sayonara Drive Redevelopment Project.

** \$272 of this amount has been held in excess of five years. It is anticipated these funds will be utilized for CIP projects.

Attached to this staff report is information on each of the city’s four development impact fees including; the current fee and description of the basis for the fee; revenue collected, expenditures and fund balance for each of the past five fiscal years; description of projects funded with the development impact fees; and findings regarding the expenditure of the remaining available funds.

Attachments

1. A Resolution of the City Council of the City of Citrus Heights, California Accepting, Filing, and Making the Findings Identified in the City’s Annual AB 1600 Fee Report for the Fiscal Year Ended June 30, 2022
2. AB 1600 Development Fee Report for Fiscal Year Ended June 30, 2022

RESOLUTION NO. 2022 -

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, ACCEPTING, FILING, AND MAKING THE FINDINGS IDENTIFIED
IN THE CITY'S ANNUAL AB 1600 FEE REPORT FOR THE FISCAL YEAR ENDED
JUNE 30, 2022**

WHEREAS, the Mitigation Fee Act, Government Code §§ 66000, et seq. requires cities to publish an annual report for each fund established to account for development impact fees collected by each city;

WHEREAS, the report must include the beginning and ending balances by public facility type for the fiscal year, and the amount of fees, interest, other income, and expenditures for each fund;

WHEREAS, in connection with the report, cities must make certain findings describing how certain unexpended fees will be used in connection with the purpose for which they were originally proposed and collected.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City of Citrus Heights City Council hereby accepts, files, and makes the findings identified in the AB 1600 Fee Report for the Fiscal Year Ended June 30, 2022, attached hereto and incorporated herein by this reference.

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 8th day of December 2022, by the following vote, to wit:

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

Porsche Middleton, Mayor

ATTEST:

Amy Van, City Clerk



Development Impact Fee Report

Fiscal Year Ended June 30, 2022

City of Citrus Heights
 AB 1600 Fee Report
 Fiscal Year Ended June 30, 2022

Roadway Impact Fee (Fund 262)

The purpose of this fund is to fund the design and construction of streets infrastructure improvements required to mitigate the impact of new development.

Roadway Impact Fee

Single Family (per unit)	Multi-Family (per unit)	Commercial (per square foot)	Office (business park zone per square foot)	Religious Center (per square foot)
\$1,231.00	\$931.00	\$3.59	\$2.87	\$1.23

Account Description	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	Unaudited FY 2021-22
Beginning Fund Balance	\$ 438,263	\$ 455,766	\$ 471,137	\$ 717,072	\$ 818,254
Deferred Inflows		\$ (32,209)			
Revenue					
Developer Fees	30,140	96,631	327,953	228,381	193,171
Interest Income	2,781	11,930	12,842	311	(6,859)
Total Revenue	32,921	108,561	340,795	228,692	186,312
Expenditures	15,418	60,981	94,860	127,510	386,649
Total Available	\$ 455,766	\$ 471,137	\$ 717,072	\$ 818,254	\$ 617,917

Five-Year Revenue Test Using First In First Out Method

Revenue Collected FY 2017-18	32,921
Revenue Collected FY 2018-19	108,561
Revenue Collection FY 2019-20	340,795
Revenue Collection FY 2020-21	228,692
Revenue Collection FY 2021-22	186,312
Total Revenue for Last Five Year	\$ 710,969

Unexpended Fee (Five Year Test Five year test met in accordance with Government Code Section 66001.

CIP Adopted Budget - \$325,000 for FY 21/22; \$0 for FY 22/23

- 1) \$25,000 budgeted for Auburn Blvd Complete Streets Revitalization in FY 21/22 for final design efforts
- 2) \$300,000 budgeted for Greenback Lane Complete Streets Improvements construction expected to commence Fall 2021

Roadway Impact Fee Projects	Project to Date Funding	% Complete	% Funded with Fee
Master Transit Plan	64,403	100%	100%
Transfer to Transit Impact Fee	170,821	100%	100%
Fountain Square Drive	1,852,646	100%	76%
Auburn Blvd/Van Maren Intersection	534,332	100%	34%
Antelope/Saybrook Intersection	407,799	100%	100%
Greenback Lane Widening - Right of Way Acquisitions	853,950	100%	100%
Antelope Road Improvement Project - Design Phase	41,640	100%	6%
2007 Road Reconstruction Project	265,156	100%	19%
Fair Oaks Overlay Project	360,750	100%	46%
Auburn Blvd Design & Right of Way Acquisition-Phase 1	302,001	100%	7%
Auburn Blvd. Complete Streets and Joint Trench Utility Undergrounding Project	241,111	100%	3%
Antelope/Amsterdam/Rosswood Traffic Signal	127,814	100%	33%
Roadway Nexus Study	11,487	27%	27%
Mariposa Avenue Safe Routes - Phase 3	2,874	2%	<1%
Auburn Blvd. Design & Right of Way Acquisition - Phs 2	73,525	40%	<1%
Greenback Lane Complete Streets-Sunrise to Fair Oaks	300,000	100%	18%
Total	\$ 5,610,311		

City of Citrus Heights
 AB 1600 Fee Report
 Fiscal Year Ended June 30, 2022

Low-Income Housing Impact Fee (Fund 263)

The purpose of this fund is to provide a trust fund for low-income housing projects.

Low-Income Housing Impact Fee (per square foot)

	Office	Hotel	Research/ Development	Commercial	Manufacturing	Warehouse
	\$0.97	\$0.92	\$0.82	\$0.77	\$0.61	\$0.26
Account Description	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	
Beginning Fund Balance	\$188,266	\$303,537	\$280,932	\$341,032	\$374,718	
Revenue						
Developer Fees	114,128	31,701	637	38,354	8,117	
Interest Income	1,143	7,909	5,898	425	(4,166)	
Miscellaneous Revenue			1,000	1,000	-	
Total Revenue	115,271	39,610	7,535	39,778	3,950	
Expenditures						
Return Interest Paid on Loan Recorded			(62,215)			
Total Available	\$303,537	\$280,932	\$341,032	\$374,718	\$378,668	

Five-Year Revenue Test Using First In First Out Method

Revenue Collected FY 2017-18	115,271
Revenue Collected FY 2018-19	39,610
Revenue Collected FY 2019-20	7,535
Revenue Collected FY 2020-21	39,778
Revenue Collected FY 2021-22	3,950
Total Revenue for Last Five Years	\$ 206,144

Unexpended Fee (Five Year Test): Must be committed: 172,524

Findings Regarding Unexpended Fee:

1. The Unexpended Fee will be used for costs associated with the city's Affordable Housing Impact Fee for Sayonara Drive Redevelopment Project. The specific use of funds for the Sayonara Drive Redevelopment Project includes the pre-development and development of a low-income housing project, which may include a request for proposals for an affordable housing project, conceptual design work, environmental analysis, site work, development costs as well as other associated fees and costs.
2. The city assessed the fee to mitigate the impact of new development on the need for affordable housing in the city. Consistent with this purpose, the Sayonara Drive Redevelopment Project will mitigate such impacts by providing affordable housing units. Therefore, there exists a reasonable relationship between the Unexpended Fee and the purpose for which it was charged.
3. All Low-Income Housing Impact Fee funds for the project identified above, including the entire unexpended fee, have been deposited in the Low-Income Housing Impact Fee Fund, which is the appropriate fund for this project.

Low-Income Housing Impact Fee Projects	Project to		% Funded with Fee
	Date Funding	% Complete	
Housing Programs Assistance	72,026	Ongoing	
Affordable Housing Nexus Study	6,092	27%	27%
Total	\$ 78,118		

Note: In FY 18/19, \$62,215 expenditure represents repayment of interest to the General Fund as per Resolution Numbers 2003-120 and 2003-121

City of Citrus Heights
 AB 1600 Fee Report
 Fiscal Year Ended June 30, 2022

Park Facilities Impact Fee (Fund 265)

The purpose of this fund is to maintain existing park and recreation facility standards and mitigate the impacts caused by new and anticipated development activity of existing park and recreation facilities.

Park Facilities Impact Fee

Residential (per unit)		Non-Residential (per sq. foot)	
Single-family detached unit	\$1,078.50	Retail use	\$0.18
Single-family attached unit	\$800.65	Office use	\$0.37
Multi-family	\$665.38	Industrial use	\$0.09
Mobile home	\$577.64		

Account Description	FY 2017-18	FY 2018-19	FY 2019-20	FY 20-21	FY 2021-22
Beginning Fund Balance	\$ 114,910	\$ 122,277	\$ 122,358	\$ 35,658	\$ 102,181
Revenue					
Developer Fees	6,471	38,654	12,664	71,492	123,053
Interest Income	896	3,389	2,592	(317)	(2,526)
Total Revenue	7,367	42,043	15,256	71,175	120,527
Expenditures	-	41,962	101,956	4,652	-
Total Available	\$ 122,277	\$ 122,358	\$ 35,658	\$ 102,181	\$ 222,708

Five-Year Revenue Test Using First In First Out Method

Revenue Collected FY 2017-18	7,367
Revenue Collected FY 2018-19	42,043
Revenue Collected FY 2019-20	15,256
Revenue Collected FY 2020-21	71,175
Revenue Collected FY 2021-22	120,527
Total Revenue for Last Five Year	\$ 256,368

Unexpended Fee (Five Year Test): Five year test met in accordance with Government Code Section 66001.

CIP Adopted Budget - \$0 for FY 21/22; \$0 for FY 22/23

Park Facilities Impact Fee Projects	Project to Date Funding	% Complete	% Funded with Fee
Building Permit for Sunrise Park - Restroom Demolition	595	100%	100%
Van Maren Park	334,557	100%	100%
Contribution for Rusch Park Basketball Court	25,000	100%	100%
Park on Sayonara Drive	307,492	100%	100%
Security Cameras at Rusch Park	10,693	100%	100%
Arcade Cripple Creek (Electric Greenway) Trail Project	75,000	0%	1%
C-Bar-C Park Playground Expansion	150,000	0%	100%
Total	\$ 903,338		

City of Citrus Heights
 AB 1600 Fee Report
 Fiscal Year Ended June 30, 2022

Transit Impact Fee (Fund 266)

The purpose of this fund is to maintain existing transit standards and mitigate the impacts caused by new and anticipated development activity.

Transit Impact Fee

	Single Family (per unit)	Multi-Family (per unit)	Commercial (per square foot)	Office (business park zone per square foot)	Religious Center (per square foot)
	\$175.00	\$356.00	\$0.77	\$0.70	\$0.18
Account Description	FY 2017-18	FY 2018-19	FY 2019-20	FY 20-21	FY 2021-22
Beginning Fund Balance	\$ 74,376	\$ 79,153	\$ 95,564	\$ 136,796	\$ 186,690
Deferred Inflows		\$ (6,908)			
Revenue					
Developer Fees	5,218	\$ 21,334	\$ 46,740	\$ 54,005	\$ 54,177
Interest Income	463	\$ 1,986	\$ 1,480	\$ 298	\$ (1,985)
Total Revenue	5,681	\$ 23,320	\$ 48,220	\$ 54,303	\$ 52,193
Expenditures	904	\$ -	\$ 6,984	\$ 4,409	\$ 54,894
Total Available	\$ 79,153	\$ 95,564	\$ 136,796	\$ 186,690	\$ 183,988

Five-Year Revenue Test Using First In First Out Method

Revenue Collected FY 2017-18	5,681
Revenue Collected FY 2018-19	23,320
Revenue Collected FY 2019-20	48,220
Revenue Collected FY 2020-21	54,303
Revenue Collected FY 2021-22	52,193
Total Revenue for Last Five Years	\$ 183,716

Unexpended Fee (Five Year Test): Must be committed 272

CIP Adopted Budget - \$75,000 for FY 21/22; \$16,195 for FY 22/23

- 1) \$45,000 budgeted in FY 21/22 for Greenback Lane Complete Streets Improvements construction expected to commence Fall 2021
- 2) \$30,000 budgeted in FY 21/22 for various signalized intersection safety improvement with estimated completion in Fall 2021

Transit Impact Fee Projects	Project to		% Funded with Fee
	Date Funding	% Complete	
Sunrise Mall ADA Driveway Design	5,562	100%	100%
Greenback/Firestone Concrete Construction	4,379	100%	100%
Miscellaneous Concrete Construction	12,405	100%	100%
Bus Stop Rehabilitation Project 2006	120,981	100%	100%
Bus Stop Improvements	698,470	100%	100%
Purchase Konica Color Copier	1,714	100%	18%
Auburn Blvd. Design and Right of Way Acquisition	125,524	100%	3%
Sunrise Blvd. Bus Stop Improvement Project	179,608	100%	36%
Transit Nexus Study	4,409	27%	27%
School	129,343	100%	3%
Comprehensive Transit Plan	904	0%	<1%
Total	\$ 1,283,300		



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: December 8, 2022

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Amy Van, City Clerk

SUBJECT: **Second Reading - Sacramento Metropolitan Cable Television
Commission Joint Powers Agency Agreement Ordinance Amendment**

Summary and Recommendation

On November 10, 2022, the City Council introduced, read by title only and waived the first full reading of an Ordinance Amending Sections 90-88 and 90-93 of Chapter 90 “Telecommunications” of the Citrus Heights Municipal Code Relating to the Sacramento Metropolitan Cable Television Commission.

The Sacramento Metropolitan Cable Television Commission (Commission) is a joint powers agency (JPA) formed by Sacramento County and cities within the County, including Sacramento, Elk Grove, Folsom, Citrus Heights, Rancho Cordova, and Galt; with the exception of Isleton. The JPA Agreement of Formation that created the Commission was adopted and amended by Sacramento County Ordinance and Ordinances of each of the member cities, and is part of the Sacramento County and Cities Codes (JPA Agreement). The JPA Agreement is codified in Section 90-88 and 90-93 of the Citrus Heights Municipal Code. The Commission and JPA Agreement are currently set to sunset on December 31, 2024.

The background materials associated with this item are contained in the [November 10, 2022 City Council Meeting Staff Report](#) available on the City’s website.

Staff recommends the City Council adopt Ordinance No. 2022-013, An Ordinance of the City Council of the City of Citrus Heights Amending Sections 90-88 and 90-93 of Chapter 90 “Telecommunications” of the Citrus Heights Municipal Code Relating to the Sacramento Metropolitan Cable Television Commission.

Fiscal Impact

Approval of this item would extend the Commission and allow for the City’s continued participation in the JPA. The Commission collects franchise fees from cable operators based on

five percent of their gross revenues; pays for the operation of the Commission and the government channel Metro Cable 14; provides funding for the licensees that operate the Commission's other six PEG Channels; and distributes the remaining franchise fees to the member agencies each year. The revenue distribution to Citrus Heights in Fiscal Year 2021-22 was \$613,020, which is General Fund revenue.

The Commission also collects a PEG Channel Facilities Fee from cable operators based on one percent of their gross revenues. PEG Fee grants are awarded each year to member agencies and channel licensees to pay for facilities and equipment including Board/Council chambers improvements, control room equipment, cameras, monitors and related audio/video equipment.

Attachments

1. Ordinance No. 2022-013 Ordinance Amending Citrus Heights Code relating to Sacramento Metropolitan Cable Television Commission (Strikethrough)

ORDINANCE NO. 2022-013

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS
AMENDING SECTIONS 90-88 AND 90-93 OF CHAPTER 90
“TELECOMMUNICATIONS” OF THE CITRUS HEIGHTS MUNICIPAL CODE
RELATING TO THE SACRAMENTO METROPOLITAN CABLE TELEVISION
COMMISSION**

The City Council of the City of Citrus Heights does ordain as follows:

SECTION 1. Chapter 90 “Telecommunications” of the City of Citrus Heights Municipal Code are hereby amended to read as set forth below:

Sec. 90-88. Board of Directors.

The powers and authority of the Sacramento Metropolitan Cable Television Commission shall be vested in a board of directors which shall consist of a minimum of the following members.

a. Five members of the board of directors shall be members of the governing body of the county.

b. One member of the board of directors shall be a member of the governing body of one of the cities within the County of Sacramento that is a member of the commission and whose population is less than 80,000 people. The member shall be appointed by and serve at the pleasure of the governing bodies of the appointing cities. All member cities whose populations are each less than 80,000 shall be represented by this member of the board of directors.

c. So long as a city with a population less than 80,000 is a member of the commission, three members of the board of directors shall be members of, appointed by and serve at the pleasure of the governing body of the City of Sacramento.

In the event that no city with a population less than 80,000 people is a member of the commission, four members of the board of directors shall be members of, appointed by and serve at the pleasure of the governing body of the City of Sacramento.

d. One member of the board of directors for each city, other than the City of Sacramento, that is a member of the commission and whose population is equal to or greater than 80,000 people. Each member of the board of directors who represents such a member city shall be a member of the governing board of that city and shall be appointed by, and serve at the pleasure of, the governing board of that city.

e. Each member of the board of directors shall be authorized to appoint a personal representative to attend meetings of the board in the absence of the member, and, during such meetings, vote and exercise all other powers of the member. Such an appointment shall be effective when the member files with the clerk of the board of directors a written notice executed by the member which identifies by name and residential address the personal representative who has been appointed. Personal representatives shall serve at the pleasure of the members who appoint them and such appointments may be revoked by the filing of written notice of revocation with the clerk of the board of directors signed by the member and reciting revocation of the appointment of a designated representative. In the event of removal from the board of directors

of a member who serves at the pleasure of a governing body, such removal shall automatically effect removal of any personal representative which that member has appointed.

f. For purposes of this section, a city's population shall be as estimated by the California Department of Finance as of January 1 of each year for the preceding year. Modifications to board membership based on population changes shall be made on July 1, or as soon thereafter is feasible, following the January 1 estimates provided by the Department of Finance.

SECTION 2. Chapter 90 "Telecommunications" of the City of Citrus Heights Municipal Code are hereby amended to read as set forth below:

Sec. 90-93. Amended and Restated Agreement of Formation.

The Sacramento Metropolitan Cable Television Commission was previously created by the county and cities. Enactment of this article and amendments thereto constitutes approval by the governing bodies of the county and cities of the terms of the amended and restated agreement of formation.

AMENDED AND RESTATED AGREEMENT OF FORMATION
SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION

THIS AMENDED AND RESTATED AGREEMENT is made and entered into pursuant to the provisions of Government Code § 6500 et seq. of the State of California by and between the County of Sacramento, herein referred to as "County"; and the City of Sacramento and cities of Citrus Heights, Elk Grove, Folsom, Galt, and Rancho Cordova, herein referred to as "Cities"; who do hereby mutually agree as follows:

1. Establishment. There is hereby created an organization known and denominated as the Sacramento Metropolitan Cable Television Commission, which shall be a public entity, separate and apart from the County and Cities. The Sacramento Metropolitan Cable Television Commission (hereinafter referred to as "Commission") shall be governed by the terms of this Agreement, the terms of an ordinance enacted by each agency which enters into this Agreement which is entitled "Cable Television Ordinance", and is hereinafter referred to as the "Ordinance", and by such rules as are duly passed and adopted by the Board of Directors of the Commission.

2. Board of Directors. The Commission shall be governed by and the powers of the Commission vested in a Board of Directors. The number of members of the Board of Directors, composition thereof, and tenure of Directors shall be prescribed by Sub-Chapter 2 of the Ordinance.

a. Meetings of the Board of Directors and or such advisory or other committees as the Board may appoint, shall be governed by the provisions of the Ralph M. Brown Act (Government Code § 54950 et seq.). The Board of Directors shall establish a time and place for its regular meetings, which shall be held not less frequently than once per year.

b. A majority of the members of the Board of Directors shall constitute a quorum for the purpose of transacting business.

c. No action taken by the Board of Directors shall be effective except by duly adopted motion receiving the votes of a majority of the Directors of the Board.

d. The Board of Directors shall annually elect its Chairperson and Vice-Chairperson.

e. The Clerk of the Board of Supervisors of the County or other person retained by the Board shall serve as Clerk to the Board of Directors, shall be responsible for recordation of the official actions by the Board, and shall be the official custodian of all records of the Board of Directors.

The County may determine reasonable charges to be made against the Commission for the services of the Clerk and the Commission shall pay such charges.

3. Powers. The Board of Directors of the Commission shall be vested with the following powers:

a. To employ or retain in the name of the Commission an Executive Director and such other personnel as the Board of Directors deems appropriate. The Executive Director shall be appointed by and serve at the pleasure of the Board of Directors.

b. To make and enter into contracts in the name of the Commission as authorized by or in order to carry out the objects or purposes of this Agreement or the Ordinance, including, but not limited to, contracts with the County providing for provision by County personnel of services for the Commission and reimbursement of the County by the Commission of the costs thereof.

c. To acquire in the name of the Commission[,] take title to, hold and dispose of real and personal property.

d. To incur in the name of the Commission debts, liabilities and obligations, which shall not constitute debts, obligations or liabilities of any of the member agencies.

e. To accept in the name of the Commission grants, gifts and donations in the public interest to carry out the purposes and functions of the Commission;

f. To establish and provide for the payment of reasonable compensation to its members or their personal representatives for performance of the duties of office; and

g. To exercise such other powers as are expressly conferred by the provisions of this Agreement or the Ordinance.

The Board of Directors shall also be authorized to sue in the name of the Commission. The Commission shall be subject to suit in its name.

4. Limitations. Pursuant to the provisions of Government Code § 6509, the powers of the Commission are subject to the restrictions upon the manner of exercising such powers of one of the designated member agencies. For such purposes, the City of Sacramento is hereby designated.

5. Budget. Prior to July 1st of each fiscal year, the Board of Directors shall adopt a preliminary budget. Prior to September 1st of each fiscal year, said Board shall adopt a final budget.

6. Payments. Not later than the first day of August of each year during the term of this Agreement, the Commission shall distribute to the County and Cities who are members of the Commission the difference between: (i) the revenue required to finance the costs of operations incurred in accordance with the Commission's Budget (including a reserve for contingencies) for the fiscal year ending on the prior June 30; and (ii) the revenues from franchise fees actually received by the Commission for the same fiscal year. Revenues from

sources other than franchise fees shall be utilized and distributed as required by the source of the funds.

The franchise fees shall be paid to the County and Cities who are members of the Commission in the same proportion as the ratios which the population of the unincorporated area of the County and incorporated area of the Cities bear to the total population of Sacramento County, excluding the City of Isleton, as disclosed by the most recent Federal Decennial Census and as updated by the California Department of Finance January 1st of each calendar year.

7. Treasurer. The Treasurer of the County shall be the depository of funds of the Commission, and said Treasurer shall be the ex officio Treasurer of the Commission.

The Treasurer shall receive and have custody of and disburse Commission funds on the warrant of the Auditor and shall make disbursements authorized by this Agreement. The Treasurer shall invest Commission funds in accordance with the general law. All interest collected on Commission funds shall be accounted for and posted to the account of said funds.

The County may determine reasonable charges to be made against the Commission for the Services of the Treasurer, and the Commission shall pay such charges.

8. Auditing. The Auditor of the County shall be the ex officio Auditor of the Commission, and shall draw warrants against the funds of the Commission when the demands are approved by the Executive Director or his designee. At the close of each fiscal year, as provided in Government Code § 6505, the Directors may contract with a public accountant or certified public accountant to make an audit of the accounts and report of the Commission.

The Auditor shall establish and maintain such funds and accounts as are deemed necessary to account for and report on receipts and disbursements. The Commission shall keep such additional records and accounts which are deemed necessary to account for and report on sources of funds, expenditures, grants and programs as may be required by good accounting practices. The books and records of the Commission shall be open to inspection at all reasonable times by representatives of the member agencies.

The County may determine reasonable charges to be made against the Commission for the services of the Auditor, and the Commission shall pay such charges.

9. Term. Except as hereinafter provided, this Agreement shall terminate and the Commission shall be deemed dissolved on upon a two-thirds vote of the member agencies.

Notwithstanding the foregoing, a member agency may withdraw from the Commission with at least one year's prior written notice. Upon withdrawal, the member agency shall be liable for its proportional share of the Commission liabilities, including any retirement benefits obligations, in the same proportion as distributions to member agencies have most recently been made pursuant to the provisions of Paragraph 6, above. Such member agency shall not receive or have any right to any share of Commission assets.

10. Disposition of Assets. Upon dissolution of the Commission, its remaining assets, after satisfying all liabilities, including any retirement benefits obligations, shall be distributed to member agencies in the same proportion as distributions to member agencies have most recently been made pursuant to the provisions of Paragraph 6, above unless the member agencies agree to a different distribution. Any real property owned by the Commission shall, in advance of dissolution, be conveyed by the Board of Directors to member agencies as tenants in common with proportional interests equal to the proportion of distributions most recently made pursuant to the provisions of said Paragraph 6 unless the member agencies agree to a different distribution.

11. Debts. Except to the extent provided by law, the debts, liabilities and obligations of the Commission shall not constitute any debts, liabilities or obligations either jointly or severally of the County or any city.

12. Amendment. This Agreement may be amended by written contract approved by and executed in behalf of the Governing Bodies of each member agency. No Franchisee or other person or entity shall be deemed to either expressly or impliedly be a party to this Agreement, a third party beneficiary thereof, or to have any interest which precludes amendment of the terms of this Agreement in any manner in which the Governing Bodies of the member agencies, in their discretion, may mutually agree.

IN WITNESS HEREOF, the parties hereto have approved and executed this Agreement as follows.

SECTION 3. Severability. If any section, subdivision, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 4. Effective Date and Notice. This ordinance shall take effect thirty (30) days after its adoption, provided it is published in full or in summary within fifteen (15) days of its adoption, in a newspaper of general circulation published and circulated in the City of Citrus Heights.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights this 8th day of December 2022 by the following vote:

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

_____, Mayor

ATTEST:

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS
CITY COUNCIL STAFF REPORT
MEMORANDUM

DATE: December 8, 2022

TO: Mayor and City Council Members
 Ashley J. Feeney, City Manager

FROM: Regina Cave, General Services Director
 Mary Poole, Operations Manager

SUBJECT: **Transportation Development Act (TDA) Funding Claim Authorization**

Summary and Recommendation

This item is administrative in nature. The accompanying resolution authorizes the City to claim Transportation Development Act (TDA) Local Transportation Fund (LTF) apportionments for Fiscal Year (FY) 21-22 and FY 22-23 to provide funding support for the City’s bicycle/pedestrian-related planning and capital projects.

Staff recommends the City Council approve Resolution No. 2022_____, a Resolution of the City Council of the City of Citrus Heights, California, authorizing City staff to submit Transportation Development Act claims for Fiscal Years 2021-2022 and 2022-2023 and to submit any amended claims based on revised apportionments for Fiscal Year 2022-2023 and previous years.

Fiscal Impact

The table below reflects funds claimed and retained by the City for planning and capital projects that benefit pedestrians and bicyclists. The amounts being claimed are the FY 21-22 and FY 22-23 apportionments. The funds are programmed as part of the Capital Improvement Program (CIP) process.

Fund Source	Fund	Amount
LTF – Bicycle/Pedestrian FY 21-22	212	94,890
LTF – Bicycle/Pedestrian FY 22-23	212	98,325
Total Claim		\$193,215

Background and Analysis

The TDA authorizes two major funding sources for public transportation, LTF and State Transit Assistance (STA). The LTF and STA carry different restrictions associated with their use. LTF

funds are derived from a ¼ cent of the general sales tax collected statewide. The State then returns the tax revenue to each county according to the amount of tax collected within its boundaries. LTF and STA apportionment is carried out by Regional Transportation Planning Agencies (RTPAs) throughout the State. In Sacramento County, the RTPA is SACOG, which then distributes LTF based on population. STA funds are derived from a statewide tax on diesel fuel. STA dollars are allocated to transit operators and providers.

The City of Citrus Heights annexed into the Sacramento Regional Transit District (SACRT) on January 1, 2019. Under the terms of the Annexation Agreement, SACRT directly claims the LTF and STA funding apportionments related to transit service. The City continues to claim the bicycle-pedestrian apportionments, the subject of this TDA Claim.

SACOG's apportionment claim process includes the following:

- 1) SACOG receives an adopted resolution from the city/local agency authorizing the TDA funding claim;
- 2) SACOG holds annual public hearings to identify if there are any unmet transit needs within the city that are reasonable to meet;
- 3) The city/local agency files various reports for SACOG staff review and approval; and
- 4) SACOG submits the city's claim for review and approval by SACOG.

Attachments:

1. Resolution No. 2022_____, a Resolution of the City Council of the City of Citrus Heights, California, authorizing City staff to submit Transportation Development Act claims for Fiscal Years 2021-2022 and 2022-2023 and to submit any amended claims based on revised apportionments for Fiscal Year 2022-2023 and previous years.

RESOLUTION NO. 2022- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, AUTHORIZING CITY STAFF TO SUBMIT TRANSPORTATION DEVELOPMENT ACT CLAIMS FOR FISCAL YEARS 2021-2022 AND 2022-2023 AND TO SUBMIT ANY AMENDED CLAIMS BASED ON REVISED APPORTIONMENTS FOR FISCAL YEAR 2022-2023 AND PREVIOUS YEARS

WHEREAS, the City of Citrus Heights implemented a transit services contract with Sacramento Regional Transit in 2007;

WHEREAS the transit services contract was amended multiple times through December 31, 2017;

WHEREAS, the City entered into a negotiated Annexation Agreement effective January 1, 2019;

WHEREAS, the Agreement provides for the Sacramento Regional Transit District (SACRT) to directly claim the City's TDA Local Transportation Funds (LTF) and State Transit Assistance (STA) apportionments related to transit service;

WHEREAS, the Agreement further provides for the City to directly claim TDA LTF bicycle and pedestrian funds set aside for pedestrian and bicycle related projects;

WHEREAS, the Sacramento Area Council of Governments (SACOG) is the state appointed Regional Transportation Planning Agency (RTPA) for Sacramento County;

WHEREAS, as the RTPA for Sacramento County, SACOG is responsible for administering the TDA apportionment and claim process; and

WHEREAS, SACOG requires a resolution authorizing Citrus Heights to claim the City's TDA apportionment be included in the City's TDA claim submittal package.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Citrus Heights that City staff is hereby authorized to submit claims, including amended claims, to SACOG for the TDA for FY 2021-2022 and 2022-2023 Citrus Heights LTF Bicycle and Pedestrian apportionments as well as any revised TDA apportionments for previous years.

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 8th day of December, 2022 by the following vote, to wit:

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

Mayor

ATTEST:

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: December 8, 2022

TO: Mayor and City Council Members
Ashley Feeney, City Manager

FROM: Casey Kempenaar, Community Development Director
Greg Anderson, Chief Building Official

SUBJECT: **Second Reading – Ordinance amending Chapter 38 of the City of Citrus Heights Municipal Code relating to Fire Prevention and Protection**

Summary and Recommendation

On November 10, 2022 the City Council introduced, read by title only and waived the first full reading of an Ordinance amending Chapter 38 of the City of Citrus Heights Municipal Code to adopt local amendments to the 2022 California Fire Code. The City Council did not make any amendments to the proposed ordinance at the first reading. Background materials associated with this item are contained in the [November 10, 2022 City Council Meeting Staff Report](#) available on the City’s website.

Staff recommends that the Council hold a public hearing and approve Ordinance No. 2022-014 an Ordinance of the City of Citrus Heights amending chapter 38 of the Citrus Heights Code relating to Fire Prevention and Protection.

Fiscal Impact

There is no fiscal impact with this action.

Attachments

- (1) Ordinance No. 2022 –014 , An Ordinance of the City of Citrus Heights amending chapter 38 of the Citrus Heights Code relating to Fire Prevention and Protection.
- (2) 2022 Fire Code, summary of changes

ORDINANCE NO. 2022-014

AN ORDINANCE OF THE CITY OF CITRUS HEIGHTS AMENDING CHAPTER 38 OF THE CITRUS HEIGHTS MUNICIPAL CODE RELATING TO FIRE PREVENTION AND PROTECTION

The City Council of the City of Citrus Heights does ordain as follows:

SECTION 1. CHAPTER 38 “FIRE PREVENTION AND PROTECTION” is hereby repealed in its entirety and replaced as follows:

**Chapter 38
FIRE PREVENTION AND PROTECTION**

Sec. 38-27 Title. These regulations shall be known as the "Fire Code."

Sec. 38-28 Adoption of California Fire Code. There is hereby adopted by the City of Citrus Heights for the purpose of prescribing regulations governing conditions hazardous to life and property from fire or explosion, that certain code known as the 2022 California Building Standards Code, Title 24, California Code of Regulations, Part 9 (California Fire Code), published by the International Code Council in its entirety including Appendix Chapter 4, Appendix B, Appendix BB, Appendix C, Appendix CC, Appendix H, and Appendix O, save and except such portions as hereinafter deleted, modified, or amended. Not less than one (1) copy of such code has been and now is filed with the Clerk of the City of Citrus Heights. From the effective date of this ordinance from which this article is derived, the provisions thereof shall be controlling within the limits of the City of Citrus Heights except that any inconsistent regulations and ordinances adopted pursuant to applicable law by a fire protection district or a community service district having a fire department within the city shall be controlling within that district's jurisdictional areas.

Sec. 38-29 – Enforcement. The division of authority for enforcement of this chapter shall be as follows:

The Chief of the Sacramento Metropolitan Fire District or the Chief's designated representatives shall have authority to enforce this chapter and issue citations for violations.

Sec. 38-30 – Findings. The findings of fact are filed separately with the California Building Standards Commission and State Department of Housing and Community Development.

Sec. 38-31 Definitions.

- (a) Where the word “municipality” is used in the California Fire Code, it shall mean the City of Citrus Heights.
- (b) Wherever the word "Chief" is used in this Chapter or the California Fire Code, it shall mean the Chief of the Sacramento Metropolitan Fire District.

Sec. 38-32 Amendments to the 2022 Edition of the California Fire Code

SECTION 105.5.5 "CARNIVALS AND FAIRS" IS AMENDED AS FOLLOWS:

Section 105.5.5 Carnivals, fairs, festivals, or exhibitions. An operational permit is required to conduct a carnival, fair, festival, or exhibition.

SECTION 107.7 "COST RECOVERY FEES" IS ADDED AS FOLLOWS:

Section 107.7 Cost recovery fees. Cost recovery fees may be charged to any person, firm, corporation, or business that through negligence, violation of the law, or as a result of carelessness, is responsible for an incident resulting in Fire Department response. (Health & Safety Code 13916).

SECTION 109.3.1 "ELECTRONIC FILING" IS ADDED AS FOLLOWS:

Section 109.3.1 Electronic filing. When required by the fire code official, records of all system inspections, tests and maintenance required by the referenced standards and Title 19 of the California Code of Regulations shall be submitted to the fire code official electronically.

SECTION 111.1 "BOARD OF APPEALS ESTABLISHED" IS AMENDED AS FOLLOWS:

Section 111.1 Board of appeals established. In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretation of this code, there shall be and is hereby created a board of appeals. The board of appeals shall be the Board of Directors of the fire protection district or community services district having jurisdiction, or the County of Sacramento Board of Supervisors in the Sacramento County Airport System.

SECTION 112.4 "VIOLATION PENALTIES" IS AMENDED AS FOLLOWS:

Section 112.4 Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of an infraction or a misdemeanor punishable by a fine of not less than one hundred dollars (\$100) and not more than one thousand dollars (\$1,000), or by imprisonment not exceeding 180 days, or both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

SECTION 112.4.2 "CITATIONS" IS ADDED AS FOLLOWS:

Section 112.4.2 Citations. The Chief, or the Chief's duly authorized representative, may issue citations for infractions or misdemeanor violations of this code pursuant to Section 13871 of the Health and Safety Code of the State of California and Chapter 5c (commencing with Section 853.6) of Title 3 of Part 2 of the Penal Code of the State of

California.

SECTION 112.4.3 "CALIFORNIA BAIL SCHEDULE" IS ADDED AS FOLLOWS:

Section 112.4.3 – California Bail Schedule.

SECTION	NATURE OF OFFENSE	PC	MA	BAIL PA	NCA	TOTAL
112.4.3*	NC W/ORDERS OR NOTICE	X		\$1000	\$1700	\$2700
112.4.3*	NC W/CONDEMNATION TAG	X		\$1000	\$1700	\$2700
112.4.3*	DESTRUCTION OF TAGS	X		\$1000	\$1700	\$2700
112.4.3*	CONTINUANCE OF HAZARD	X		\$1000	\$1700	\$2700
ALL OTHER SECTIONS		X		\$100	\$170	\$270

*- MISDEMEANOR

PC – ELIGIBLE FOR PROOF OF CORRECTION

PA – PENALTY ASSESSMENT

NCA – NIGHT COURT ASSESSMENT

NC - NONCOMPLIANCE

SECTION 113.4 "FAILURE TO COMPLY" IS AMENDED AS FOLLOWS:

Section 113.4 Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition shall be guilty of an infraction or a misdemeanor punishable by a fine of not less than one hundred (\$100) dollars or more than one thousand (\$1000) dollars.

SECTION 202, "GENERAL DEFINITIONS," HAS "ALL-WEATHER DRIVING SURFACE" ADDED AS FOLLOWS:

ALL-WEATHER DRIVING SURFACE. A roadway with a minimum surface finish of one layer of asphalt or concrete that is designed to carry the imposed weight loads of fire apparatus.

Exception: R-3 occupancies located on Agricultural or Agricultural-Residential zoned lots.

SECTION 202, "GENERAL DEFINITIONS," HAS THE DEFINITIONS OF "SUPERVISING STATION" AND "FALSE ALARM" AMENDED AS FOLLOWS:

SUPERVISING STATION. An approved UL listed, Type A, Full Service Central Station facility that receives signals and at which personnel are in attendance at all times to respond to these signals. The approved supervising station shall have the ability to relay the alarm to the (a) Sacramento Regional Fire/EMS Communications Center or (b) to the Sacramento International Airport Communication Center in an approved manner.

FALSE ALARM. The willful and knowing or negligent initiation or transmission of a signal, message or other notification of an event of fire when no such danger exists.

SECTION 503.1.2.1 "REMOTENESS" IS ADDED AS FOLLOWS:

Section 503.1.2.1 Remoteness. Where two fire apparatus access roads are required, they shall be placed a distance apart equal to not less than one-half of the length of the maximum overall diagonal dimension of the property or area to be served, measured in a straight line between accesses.

Section 503.6.1 "ELECTRIFIED SECURITY FENCES" IS ADDED AS FOLLOWS:

Section 503.6.1 Electrified security fences. Electrified security fences, where permitted by the building official of the municipality, must be approved by the fire code official prior to installation.

SECTION 505.1 "ADDRESS IDENTIFICATION" IS AMENDED AS FOLLOWS:

Section 505.1 Address Identification. New and existing buildings shall be provided with approved address identification. The address identification shall be legible and in a position that is visible from the street or road fronting the property. Address identification characters shall contrast with their background. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall not be spelled out. Each character shall be not less than 6 inches (152.4 mm) high with a minimum stroke width of ½ inch (12.7 mm). Where required by the fire code official, address identification shall be provided in additional approved locations to facilitate emergency response. Where access is by means of a private road and the building cannot be viewed from the public way, a monument, pole or other sign or means shall be used to identify the structure. Address identification shall be maintained.

SECTION 505.1.1 "ILLUMINATION" IS ADDED AS FOLLOWS:

Section 505.1.1 Illumination. Address identification shall be internally or externally illuminated on all new buildings and existing buildings undergoing alterations. An illuminated directory board shall be required at every entrance where deemed necessary by the fire code official.

SECTION 507.1.1 "CONNECTION" IS ADDED AS FOLLOWS:

Section 507.1.1 Connection. When required by the fire code official, buildings without a

public water supply shall be connected to the public water supply once the public water supply becomes available.

Exception: Group R-3 and Group U occupancies

SECTION 507.5.1 “WHERE REQUIRED” IS AMENDED AS FOLLOWS:

Section 507.5.1 Where required. Where a portion of the facility or building hereafter constructed or moved into or within the jurisdiction is more than 300 feet (91.44 m) from a hydrant on a fire apparatus access road, as measured by an approved route around the exterior of the facility or building, on-site fire hydrants and mains capable of supplying the required fire flow shall be provided where required by the fire code official.

Exception: For Group R-3 and Group U occupancies, *equipped throughout with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1 or 903.3.1.3*, the distance requirement shall be *not more than 600 feet (183 m)*.

SECTION 507.5.1.1 “HYDRANT FOR STANDPIPE SYSTEMS” IS AMENDED AS FOLLOWS:

Section 507.5.1.1 Hydrant for standpipe systems. Buildings equipped with a standpipe installed in accordance with Section 905 shall have a fire hydrant within 40 feet (12,192 mm) of the fire department connection.

Exception: The distance shall be permitted to be increased up to 100 feet (30,480 mm) where approved by the fire code official.

SECTION 510.4.1.1 “MINIMUM SIGNAL STRENGTH INTO THE BUILDING” IS AMENDED AS FOLLOWS:

Section 510.4.1.1 Minimum signal strength into the building. The minimum inbound signal strength shall be sufficient to provide usable voice communications throughout the coverage area as specified by the fire code official. The inbound signal level shall be a minimum of -95dBm throughout the coverage area and sufficient to provide not less than a Delivered Audio Quality (DAQ) of 3.4 or an equivalent Signal-to-Interference-Plus-Noise Ratio (SINR) applicable to the technology for either analog or digital signals.

SECTION 510.4.1.2 “MINIMUM SIGNAL STRENGTH OUT OF THE BUILDING” IS AMENDED AS FOLLOWS:

Section 510.4.1.2. Minimum signal strength out of the building. The minimum outbound signal strength shall be sufficient to provide usable voice communications throughout the coverage area as specified by the fire code official. The outbound signal level shall be sufficient to provide not less than a DAQ of 3.4 or an equivalent SINR applicable to the technology for either analog or digital signals.

SECTION 901.4.7 "PUMP AND RISER ROOM SIZE" IS AMENDED AS FOLLOWS:

Section 901.4.7 Pump and riser room size. Approved fire pump rooms and/or automatic sprinkler system riser rooms shall be provided in all new buildings protected by an automatic sprinkler system. Fire pump rooms and automatic sprinkler system riser rooms shall be designed with adequate space for all equipment necessary for the installation, as defined by the manufacturer, with sufficient working space around the stationary equipment. Clearances around equipment to elements of permanent construction, including other installed equipment and appliances, shall be sufficient to allow inspection, service, repair or replacement without removing such elements of permanent construction or disabling the function of a required fire-resistance-rated assembly. Fire pump and automatic sprinkler system riser rooms shall be provided with doors and unobstructed passageways large enough to allow removal of the largest piece of equipment.

Exception: Group R-3 Occupancies.

SECTION 901.4.7.2 MARKING ON ACCESS DOORS IS AMENDED AS FOLLOWS:

Section 901.4.7.2 Marking on access doors. Access doors for automatic sprinkler system riser rooms and fire pump rooms shall be labeled with an approved sign. The lettering shall be in contrasting color to the background. Letters shall have a minimum height of 4 inches (101.6 mm) with a minimum stroke of 1/2 inch (12.7 mm).

SECTION 901.4.7.4 LIGHTING IS AMENDED AS FOLLOWS:

901.4.7.4 Lighting. Permanently installed artificial illumination and emergency illumination shall be provided in the automatic sprinkler system riser rooms and fire pump fire control rooms.

SECTION 903.2. "WHERE REQUIRED" IS AMENDED AS FOLLOWS:

Section 903.2 Where required. Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations described in Sections 903.2.1 through 903.2.12 and Sections 903.2.14 through 903.2.21. For the provisions of this section, portions of buildings separated by fire walls shall not be considered separate buildings.

Exception: Non-combustible, detached canopies open on four sides not exceeding the basic allowable area in CBC Table 506.2 used exclusively for any of the following:

1. Parking or storage of private or recreational vehicles.
2. Non-combustible storage
3. Fuel islands.

SECTION 903.2.1.1 "GROUP A-1" IS AMENDED AS FOLLOWS:

Section 903.2.1.1 Group A-1. An automatic sprinkler system shall be provided throughout stories containing Group A-1 occupancies and throughout all stories from the Group A-1 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 3,599 square feet (334.36 m²).
2. The fire area has an occupant load of 300 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies
4. The fire area contains a multi-theater complex

SECTION 903.2.1.2 "GROUP A-2" IS AMENDED AS FOLLOWS:

Section 903.2.1.2 Group A-2. An automatic sprinkler system shall be provided throughout stories containing Group A-2 occupancies and throughout all stories from the Group A-2 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 3,599 square feet (334.36 m²);
2. The fire area has an occupant load of 100 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.
4. *The structure exceeds 3,599 square feet (334.36 m²).*

SECTION 903.2.1.3 "GROUP A-3" IS AMENDED AS FOLLOWS:

Section 903.2.1.3 Group A-3. An automatic sprinkler system shall be provided throughout stories containing Group A-3 occupancies and throughout all stories from the Group A-3 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 3,599 square feet (334.36 m²).
2. The fire area has an occupant load of 300 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.
4. The structure exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.1.4 "GROUP A-4" IS AMENDED AS FOLLOWS:

Section 9.3.2.1.4 Group A-4. An automatic sprinkler system shall be provided throughout stories containing Group A-4 occupancies and throughout all stories from the Group A-4 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 3,599 square feet (334.36 m²).
2. The fire area has an occupant load of 300 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.

SECTION 903.2.2.1 "GROUP B" IS ADDED AS FOLLOWS:

Section 903.2.2.1 Group B. An automatic sprinkler system shall be provided throughout stories containing Group B occupancies and throughout all stories from the Group B occupancy to and including the levels of exit discharge serving that occupancy where the fire area exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.3 "GROUP E" IS AMENDED AS FOLLOWS:

Section 903.2.3 Group E. An automatic sprinkler system shall be provided for Group E occupancies as follows:

1. Throughout all Group E fire areas greater than 3,599 square feet (334.36 m²) in area.
2. The Group E fire area is located on a floor other than a level of exit discharge serving such occupancies.

Exception: In buildings where every classroom has not fewer than one exterior exit door at ground level, an automatic sprinkler system is not required in any area below the lowest level of exit discharge serving that area.

3. The Group E fire area has an occupant load of 300 or more.
4. *In rooms or areas with special hazards such as laboratories, vocational shops and other such area where hazardous materials in quantities not exceeding the maximum allowable quantity are used or stored.*
5. *Throughout any Group E structure greater than 3,599 square feet (334.36 m²) in area.*
6. *For public school state funded construction projects see Section 903.2.19.*

7. For public school campuses, Kindergarten through 12th grade, see Section 903.2.20.

SECTION 903.2.4 "GROUP F-1" IS AMENDED AS FOLLOWS:

Section 903.2.4 Group F-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy where one of the following conditions exists:

1. A Group F-1 fire area exceeds 3,599 square feet (334.36 m²).
2. A Group F-1 fire area is located more than three stories above grade plane.
3. The combined area of all Group F-1 fire areas on all floors, including any mezzanines, exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.4.4 "GROUP F-2" IS ADDED AS FOLLOWS:

Section 903.2.4.4 Group F-2. An automatic sprinkler system shall be provided throughout all buildings containing a Group F-2 occupancy where the following condition exists:

1. A Group F-2 fire area exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.7 "GROUP M" IS AMENDED AS FOLLOWS:

Section 903.2.7 Group M. An automatic sprinkler system shall be provided throughout buildings containing a Group M occupancy where one of the following conditions exists:

1. A Group M fire area exceeds 3,599 square feet (334.36 m²).
2. A Group M fire area is located more than three stories above grade plane.
3. The combined area of all Group M fire areas on all floors, including any mezzanines, exceeds 3,599 square feet (334.36 m²).
4. [SFM]The structure exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.7.2 "GROUP M UPHOLSTERED FURNITURE OR MATTRESSES" IS AMENDED AS FOLLOWS:

Section 903.2.7.2 Group M upholstered furniture or mattresses: An automatic sprinkler system shall be provided throughout a Group M fire area where the area used for the display and sale of upholstered furniture or mattresses exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.8.1.1 "GROUP R-3 MANUFACTURED HOUSING" IS ADDED AS FOLLOWS:

Section 903.2.8.1.1 Group R-3 manufactured housing. An automatic sprinkler system in accordance with Title 25 of the California Code of Regulations, shall be installed in new or used one and two-family manufactured homes, mobile homes, and multi-unit manufactured

housing with two dwelling units where a fire sprinkler system would normally be required in any residential unit that could be built on the same site.

SECTION 903.2.8.3 "GROUP R-4, CONDITION 2" IS AMENDED AS FOLLOWS:

Section 903.2.8.3 Group R-4. An automatic sprinkler system installed in accordance with Section 903.3.1.1 shall be provided in Group R-4 occupancies.

SECTION 903.2.9 "GROUP S-1" IS AMENDED AS FOLLOWS:

Section 903.2.9 Group S-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group S-1 occupancy where one of the following conditions exists:

1. A Group S-1 fire area exceeds 3,599 square feet (334.36 m²).
2. A Group S-1 fire area is located more than three stories above grade plane.
3. The combined area of all Group S-1 fire areas on all floors, including any mezzanines, exceeds 3,599 square feet (334.36 m²).
4. A Group S-1 fire area used for the storage of commercial motor vehicles where the fire area exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.9.1 "REPAIR GARAGES" IS AMENDED AS FOLLOWS:

Section 903.2.9.1 Repair garages. An automatic sprinkler system shall be provided throughout all buildings used as repair garages in accordance with Section 406.8 of the California Building Code, as shown:

1. Buildings having two or more stories above grade plane, including basements, with a fire area containing a repair garage exceeding 3,599 square feet (334.36 m²).
2. Buildings no more than one story above grade plane, with a fire area containing a repair garage exceeding 3,599 square feet (334.36 m²).
3. Buildings with repair garages servicing vehicles parked in basements.
4. A Group S-1 fire area used for the repair of commercial motor vehicles where the fire area exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.10 "GROUP S-2 PARKING GARAGES" IS AMENDED AS FOLLOWS:

Section 903.2.10 Group S-2 parking garages. An automatic sprinkler system shall be provided throughout buildings classified as parking garages where any of the following conditions exist:

1. Where the fire area of the enclosed parking garage, in accordance with Section 406.6 of the California Building Code, exceeds 3,599 square feet (334.36 m²).

2. Where the enclosed parking garage, in accordance with Section 406.6 of the California Building Code, is located beneath other groups.

Exception: Enclosed parking garages located beneath Group R-3 occupancies.

3. Where the fire area of the open parking garage, in accordance with Section 406.5 of the California Building Code, exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.10.1 "COMMERCIAL PARKING GARAGES" IS AMENDED AS FOLLOWS:

Section 903.2.10.1 Commercial parking garages. An automatic sprinkler system shall be provided throughout buildings used for storage of commercial motor vehicles where the fire area exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.10.3 "GROUP S-2" IS ADDED AS FOLLOWS:

Section 903.2.10.3 Group S-2. An automatic sprinkler system shall be provided throughout all buildings containing a Group S-2 occupancy where the following condition exists:

1. A Group S-2 fire area exceeds 3,599 square feet (334.36 m²).

SECTION 903.2.18.1 "GROUP U PRIVATE GARAGES AND CARPORTS" IS ADDED AS FOLLOWS:

Section 903.2.18.1 Group U private garages and carports. Carports and garages within 6-feet of a Group R occupancy equipped with automatic fire sprinklers, shall be protected by fire sprinklers in accordance with NFPA 13D or NFPA 13, as applicable.

SECTION 903.3.1.2 "NFPA 13R SPRINKLER SYSTEMS" IS DELETED

SECTION 903.3.1.2.1 "BALCONIES AND DECK" IS DELETED

SECTION 903.3.1.2.2 "CORRIDORS AND BALCONIES IN THE MEANS OF EGRESS" IS DELETED

SECTION 903.3.1.2.3 "ATTICS" IS DELETED

SECTION 903.3.8.4 "SUPERVISION" IS AMENDED AS FOLLOWS:

Section 903.3.8.4 Supervision. Control valves shall not be installed between the water supply and sprinklers unless the valves are of an approved indicating type that are supervised and secured in the open position.

SECTION 903.3.9 "FLOOR CONTROL VALVES" IS AMENDED AS FOLLOWS:

903.3.9 Floor control valves. Floor control valves and waterflow detection assemblies shall be installed at each floor in multi-story buildings, at an approved location.

Exception: Group R-3 and R-3.1 occupancies floor control valves and

waterflow detection assemblies shall not be required.

SECTION 903.4.2 "ALARMS" IS AMENDED AS FOLLOWS:

Section 903.4.2 Alarms. One exterior approved audible/visual device, located on the exterior of the building in an approved location, and shall be connected to each automatic sprinkler system. Such sprinkler water-flow alarm devices shall be activated by water flow equivalent to the flow of a single sprinkler of the smallest orifice size installed in the system. Where a fire alarm system is installed, actuation of the automatic sprinkler system shall actuate the building fire alarm system.

SECTION 903.4.3 "FLOOR CONTROL VALVES" IS AMENDED AS FOLLOWS:

Section 903.4.3 Floor control valves. Approved supervised indicating control valves shall be provided at the point of connection to the riser on each floor in multi-story buildings.

SECTION 903.6 "WHERE REQUIRED IN EXISTING BUILDINGS AND STRUCTURES" IS AMENDED AS FOLLOWS:

Section 903.6 Where required in existing buildings and structures. An automatic sprinkler system shall be provided in existing buildings and structures where required in Chapter 11 and as follows:

1. When there is a change in occupancy classification that results in an increased life safety or fire risk as determined by the fire code official and the structure exceeds 3,599 square feet (334.36 m²), an automatic fire sprinkler system shall be installed throughout the building.
2. In existing buildings and structures exceeding 3,599 square feet (334.36 m²), where the floor area of the building or structure is increased.

Exception: When the building increase is to accommodate state mandated ADA improvements and is less than 500 square feet (46.45 m²).

3. In existing buildings and structures less than 3,600 square feet (334.45 m²), where the floor area of the building or structure is increased to exceed 3,599 square feet (334.36 m²).

Exception: When the building increase is to accommodate state mandated ADA improvements and is less than 500 square feet (46.45 m²).

SECTION 903.6.1 "MONITORING" IS ADDED AS FOLLOWS:

Section 903.6.1 Monitoring. When required by the fire code official, valves controlling the water supply for automatic sprinkler systems, pumps, tanks, water levels and temperatures, critical air pressures, and water flow switches on all existing sprinkler systems shall be

monitored by an approved supervising station.

SECTION 1028.5.1 "EXIT DISCHARGE SURFACE" IS ADDED AS FOLLOWS:

Section 1028.5.1 Exit discharge surface. Exterior exit pathway surfaces shall be suitable for pedestrian use in inclement weather and shall terminate at a public way as defined in the California Building Code.

SECTION 1201.1 "SCOPE" IS AMENDED AS FOLLOWS:

Section 1201.1 Scope. The provisions of this chapter shall apply to the installation, operation, maintenance, repair, retrofitting, testing, commissioning, and decommissioning of energy systems used for generating or storing energy including but not limited to energy storage systems under the exclusive control of an electric utility or lawfully designated agency. It shall not apply to equipment associated with the generation, control, transformation, transmission, or distribution of energy installations that is under the exclusive control of an electric utility or lawfully designated agency. Energy storage systems regulated by section 1207 shall comply with this chapter as appropriate and NFPA 855.

SECTION 3313.1 "WHEN REQUIRED" IS AMENDED AS FOLLOWS:

Section 3313.1 When required. A permanent approved water supply for fire protection shall be made available as soon as combustible building materials arrive on the site, on commencement of foundation, on commencement of vertical construction and on installation of a standpipe system in buildings under construction.

Exception: The fire code official is authorized to reduce the fire flow requirements in rural areas or small communities where the development of full fire flow requirements is impractical.

SECTION 3313.2 "COMBUSTIBLE BUILDING MATERIALS" IS DELETED

SECTION 3313.3 "VERTICAL CONSTRUCTION OF TYPES III, IV, AND V CONSTRUCTION" IS DELETED.

SECTION 3313.3.1 "FIRE SEPARATION UP TO 30 FEET" IS DELETED.

SECTION 3313.3.2 "FIRE SEPARATION OF 30 FEET UP TO 60 FEET" IS DELETED.

SECTION 3313.3.3 "FIRE SEPARATION OF 60 FEET OR GREATER" IS DELETED.

SECTION 3313.4 "VERTICAL CONSTRUCTION, TYPE I AND II CONSTRUCTION" IS DELETED.

SECTION 3313.5 “STANDPIPE SUPPPY” IS DELETED.

SECTION 5003.9.1.2 "EMERGENCY RESPONSE SUPPORT INFORMATION" IS ADDED AS FOLLOWS:

Section 5003.9.1.2 Emergency response support information. Ready access to floor plans, safety data sheets (SDS), Hazardous Materials Management Plans (HMMP), Hazardous Material Inventory Statement (HMIS), shall be provided, as determined by the fire code official.

Chapter 80 “REFERENCED STANDARDS” HAS AMENDED NFPA 24 AS FOLLOWS:

NFPA 24-22: Standard for Installation of Private Fire Service Mains and Their Appurtenances, as amended*

Chapter 80 "REFERENCED STANDARDS" HAS ADDED NFPA 855 AS FOLLOWS:

NFPA 855-23: Standard for the Installation of Stationary Energy Storage Systems.

APPENDIX B, TABLE NO. B105.1(1) "REQUIRED FIRE FLOW FOR ONE- AND TWO-FAMILY DWELLINGS, GROUP R-3 AND R-4 BUILDINGS AND TOWNHOUSES" IS AMENDED AS FOLLOWS:

**TABLE NO. B105.1(1)
REQUIRED FIRE FLOW FOR ONE- AND TWO-FAMILY DWELLINGS, GROUP R-3
AND R-4 BUILDINGS AND TOWNHOUSES^a**

FIRE FLOW CALCULATION AREA (square feet)	AUTOMATIC SPRINKLER SYSTEM (Design Standard)	MINIMUM FIRE-FLOW (gallons per minute)	FLOW DURATION (hours)
0-3,600	No automatic sprinkler system	1000	1
3,601 and greater	No automatic sprinkler system	Value in Table B105.1 (2)	Duration in Table B105.1 (2) at the required flow rate
0-3,600	Section 903.3.1.3 of the CFC or Section 313.3 of the CRC	1000	1
3,601 and greater	Section 903.3.1.3 of the CFC or Section 313.3 of the CRC	½-value in Table B105.1 (2) ^a	1

For SI: 1 square foot= 0.0929 m², 1 gallon per minute= 3.785 *Um*.

- a. The reduced fire-flow shall not be less than 1,000 gallons per minute for a duration of 1 hour.

SECTION B105.2 "BUILDINGS OTHER THAN ONE- AND TWO-FAMILY DWELLINGS, GROUP R-3 AND R-4 BUILDINGS AND TOWNHOUSES," IS AMENDED AS FOLLOWS:

Section B105.2 Buildings other than one- and two-Family dwellings, Group R-3 and R4 buildings and townhouses. The minimum fire flow and flow duration for buildings other than one- and two-family dwellings, Group R-3 and R-4 buildings and townhouses shall be as specified in Tables B105.1(2) and B105.2.

Exceptions:

- A. Group B, S-2 and U occupancies having a floor area not exceeding 1,000 square feet, primarily constructed of noncombustible exterior walls with wood or steel roof framing, having a Class A roof assembly, with uses limited to the following or similar uses:
 - 1. California State Parks buildings of an accessory nature (restrooms).
 - 2. Safety roadside rest areas, (SRRA), public restrooms.
 - 3. Truck inspection facilities, (TIF), CHP office space and vehicle inspection bays.
 - 4. Sand/salt storage buildings, storage of sand and salt.

- B. Group U occupancies accessory to a one or two-family dwelling.

APPENDIX B, TABLE NO. B105.2, "REQUIRED FIRE FLOW FOR BUILDINGS OTHER THAN ONE- AND TWO-FAMILY DWELLINGS, GROUP R-3 AND R-4 BUILDINGS AND TOWNHOUSES" IS AMENDED AS FOLLOWS:

**TABLE NO. B105.2
REQUIRED FIRE FLOW FOR BUILDINGS OTHER THAN ONE- AND TWO-FAMILY DWELLINGS, GROUP R-3 AND R-4 BUILDINGS AND TOWNHOUSES**

AUTOMATIC SPRINKLER SYSTEM (Design Standard)	MINIMUM FIRE-FLOW (gallons per minute)	FLOW DURATION (hours)
No automatic sprinkler system	Value in Table B105.1 (2)	Duration in Table B105.1 (2)
Section 903.3.1.1 of the California Fire Code	50% of the Value in Table B105.1 (2) ^a	Duration in Table B105.1 (2) at the reduced flow rate

a. The reduced fire flow shall not be less than 1,500 gallons per minute.

APPENDIX C, TABLE NO. C102.1, "REQUIRED NUMBER AND SPACING OF FIRE HYDRANTS" IS AMENDED AS FOLLOWS:

**TABLE NO. C102.1
REQUIRED NUMBER AND SPACING OF FIRE HYDRANTS^e**

FIRE FLOW REQUIREMENT (gpm)	MINIMUM NO. OF HYDRANTS	AVERAGE SPACING BETWEEN HYDRANTS^{a,b,d} (Ft.)	MAXIMUM DISTANCE FROM HYDRANT TO ANY POINT ON STREET OR ROADWAY FRONTAGE-(Ft.)
1750 or less	1	300	150
1751-2250	2	300	150
2251-2750	3	300	150
2751-3250	3	300	150
3251-4000	4	300	150
4001-5000	5	300	150
5001-5500	6	300	150
5501-6000	6	250	150
6001-7000	7	250	150
7001 or more	8 or more ^c	200	120

For SI: 1 foot= 304.8 mm, 1 gallon per minute= 3.785 L/m.

- a. Where streets are provided with median dividers that cannot be crossed by fire fighters pulling hose lines, or where arterial streets are provided with four or more traffic lanes or street width is in excess of 88 feet (26.82m), hydrant spacing shall average 300 feet on each side of the street and be arranged on an alternating basis.
- b. Where new water mains are extended along streets where hydrants are not needed for protection of structures or similar fire problems, fire hydrants shall be provided at spacing not to exceed 1,000 feet (305m) to provide for transportation hazards. In addition, there shall be at least one hydrant at each intersection.
- c. One hydrant for each 1,000 gallons per minute or fraction thereof.
- d. Average spacing between fire hydrants may be extended to 500 feet (152.4m) on streets serving one and two-family dwellings.
- e. The fire code official is authorized to modify the location, number and distribution of fire hydrants based on site-specific constraints and hazards.

SECTION C104.2 "SINGLE OUTLET FIRE HYDRANTS" IS ADDED AS FOLLOWS:

Section C104.2 Single outlet fire hydrants. Where required by the fire code official, existing single outlet 2 ½ inch fire hydrants shall be changed to an approved steamer fire hydrant, when the following conditions occur:

1. The recoding of a tentative subdivision or parcel map.
2. A lot merger or split.
3. The modification of an existing structure resulting in an increased fire flow.
4. A change in occupancy type, use, or character of the building that results in an increased life safety or fire risk, as determined by the fire code official.
5. The construction of a new building.

SECTION C104.3 "RIGHT OF WAY IMPROVEMENTS" IS ADDED AS FOLLOWS:

Section C104.3 Right of way improvements. Existing fire hydrants affected by right of way improvements shall be moved to an approved location.

SECTION C106.1 "HYDRANT TYPE" IS ADDED AS FOLLOWS:

Section C106.1 Hydrant type. The fire code official shall approve the type of fire hydrants to be installed in public right of way or on private property prior to any such installation.

SECTION 2. AMENDMENT. Article II, Sections 38-33 through 38-34 of the Citrus Heights Code is hereby added as set forth below:

Sec. 38-33 Repeal of Conflicting Ordinances.

All former fire prevention ordinances or parts thereof conflicting or inconsistent with the provisions of this ordinance or of the code hereby adopted are hereby repealed.

Sec. 38-34 Prior References.

Prior references to the local Code shall be construed to apply to the corresponding provisions of this Code.

SECTION 3. VALIDITY

The City of Citrus Heights hereby declares that should any section, paragraph, sentence, or word of this ordinance or of the code hereby adopted be declared for any reason to be invalid, it is the intent of the city council that it would have passed all other portions of this ordinance independent of the elimination therefrom of any such portion as may be declared invalid.

SECTION 4. FINDINGS

In connection with the amendments enacted by Section 2 relating to the California Fire Code and its appendices, 2022 edition, the City Council of the City of Citrus Heights makes the following findings pursuant to Health and Safety Code Sections 17958.5, 17958.7, and 18941.5. The changes are reasonably necessary because of local climatic, topographical, or geological conditions.

The City Council of the City of Citrus Heights hereby adopt, pursuant to Section 18941.5 of the California Health and Safety Code, the following findings of fact:

(a) Under this adopting ordinance, specific amendments have been established which are more restrictive of nature than those adopted by the State of California (State Buildings Standards Code, State Housing & Community Development Codes) commonly referred to as Title 24 & Title 25 of the California Code of Regulations. These amendments to the California Fire Code, 2022 edition, have been recognized by the City of Citrus Heights to address the fire problems, concerns, and future direction by which the City can establish and maintain an environment which will afford a level of fire and life safety to all who live and work within its boundary.

(b) The International Code Council has assumed responsibility for the International Fire Code and International Fire Code Standards. The International Code Council provided a means for participation by all code enforcement officials from throughout the country as well as industry representatives, consultants, and other private parties with an interest in the International Fire Code.

(c) The International Fire Code, being the 2021 edition thereof, published by the International Code Council nationally recognized compilation of proposed rules, regulations and standards of said Association.

(d) Said International Fire Code has been printed and published as a Code in book form within the meaning of Section 50022.1 of the Government Code of the State of California.

(e) Under the provisions of Section 18941.5 of the Health and Safety Code, local amendments are based on climatic, topographical and geological conditions. The findings of fact contained herein address each of these situations and present the local situation, which either singularly or in combination, caused the aforementioned amendments to be adopted.

LOCAL CONDITIONS

A. This amendment is justified on the basis of a local climatic condition. The City of Citrus Heights, located within Sacramento County and within the jurisdiction of the Sacramento Metropolitan Fire District, is subject to precipitation, relative humidity, temperature extremes, and high velocity winds.

1. **Precipitation and relative humidity**

a. Conditions

Monthly precipitation ranges from .05 to 2.87 inches with an average of approximately 17.2 inches per year. The majority of this precipitation falls during the months of November through April. There is a dry period of at least six (6) months each year, May through October. Additionally, the area is subject to occasional drought. Relative humidity remains in the middle range most of the time. It ranges from twenty-nine (29) to thirty-eight (38) percent during spring, summer, fall, and from fifty-seven (57) to ninety (90) percent in the winter. It occasionally falls as low as fifteen (15) percent (National Weather Service Sacramento Branch average of historical data (<https://wrcc.dri.edu/cgi-bin/clilcd.pl?ca23232>)).

b. Impact

Locally experienced dry periods cause extreme dryness of untreated wood shakes and shingles on buildings and non-irrigated grass, brush, and weeds, which are often near buildings with wood roofs and sidings. Such dryness causes these materials to ignite very readily and burn rapidly and intensely.

Due to dryness, a rapidly burning grass fire or exterior building fire can quickly transfer to other buildings by means of radiation or flying brands, sparks, and embers. A small fire can rapidly grow to a magnitude beyond the control capabilities of the Fire District resulting in an excessive fire loss.

The Sacramento area has had several consecutive years of drought conditions thus reducing available water supply. The drought conditions have led to lower water tables. Groundwater as well as surface supplies have all been affected. The degradation of water supplies reduces the efficiency of fixed fire protection systems as well as hampering fire suppression activities. As an example, in 1998, the City of Sacramento lowered its static water pressure from 50 psi to 30 psi.

The doubling of average rainfall called an "El Nino" event has occurred from time to time and does cause the grass to mature and grow in excess of six feet high before it dries out. Ten sq. feet of this type of fuel is equivalent to the explosive force of one gallon of

gasoline.

Low-level fog (Tule Fog) is present throughout the winter months, which brings visibility to almost zero feet. The fog delays emergency responders and has caused numerous vehicle accidents including the December 11, 1997, Interstate 5 incident in Elk Grove which involved 36 vehicles and caused 31 casualties including 5 fatalities. The fog can also cause freezing and slick roadways.

2. **Temperature**

a. Condition

Temperatures have been recorded as high as 115° F throughout the Sacramento region. Average summer highs are in the 86° F range, with average maximums of 108° F (National Weather Service Sacramento Branch average of historical data (<https://wrcc.dri.edu/cgi-bin/clilcd.pl?ca23232>)).

b. Impact

The Sacramento region has extreme variations in weather patterns too. Summers are arid and warm, winters are cool to freezing, fall and spring can bring any combination of weather pattern together. It is this cyclical uncertainty that allows weather events such as the rapid melting of the snow pack which causes flooding in the low-lying valley areas of Sacramento County.

High temperatures cause rapid fatigue and heat exhaustion of firefighters, thereby reducing their effectiveness and ability to control large building and wildland fires.

Another impact from high temperatures is that combustible building material and non-irrigated weeds, grass, and brush are preheated, thus causing these materials to ignite more readily and burn more rapidly and intensely. Additionally, the resultant higher temperature of the atmosphere surrounding the materials reduces the effectiveness of the water being applied to the burning materials. This requires that more water be applied, which in turn requires more Fire District resources in order to control a fire on a hot day. High temperatures directly contribute to the rapid growth of fires to an intensity and magnitude beyond the control capabilities of the Fire District.

3. **Winds**

a. Condition

Prevailing winds in the area are from the south or southeast. However, winds are experienced from virtually every direction at one time or another. Velocities are generally in the six (6) mph to nine

and one half (9.5) mph ranges, gusting to twenty-five (25) to thirty-five (35) mph. Forty (40) mph winds are experienced occasionally and winds up to seventy-four (74) mph have been registered locally. During the winter half of the year strong, dry, gusty winds from the north move through the area for several days creating extremely dry conditions. (National Weather Service Sacramento Branch average of historical data (<https://wrcc.dri.edu/cgi-bin/clilcd.pl?ca23232>)).

b. Impact

Winds such as those experienced locally can and do cause fires, both interior and exterior, to burn and spread rapidly. Fires involving non-irrigated weeds, grass, and brush can grow to a magnitude and be fanned to intensity beyond the control capabilities of the Fire District very quickly even by relatively moderate winds. During wood shake and shingle roof fires, or exposure fires, winds can carry sparks and burning brands to other structures, thus spreading the fire and causing conflagrations. When such fires are not controlled, they can extend to nearby buildings, particularly those with untreated wood shakes or shingles. In building fires, winds can literally force fires back into the building and can create a blow torch effect, in addition to preventing "natural" ventilation and cross-ventilation efforts.

Winds of the type experienced locally also reduce the effectiveness of exterior water streams used by the Fire District on fires involving large interior areas of buildings, fires which have vented through windows and roofs due to inadequate built-in fire protection and fires involving wood shake and shingle building exteriors. Local winds will continue to be a factor toward causing major fire losses to buildings not provided with fire resistive roof and siding materials. Buildings with inadequately separated interior areas or lacking automatic fire protection systems are also at risk.

Throughout the District, homes are being built within grass and brush covered rural areas creating an urban interface environment. Combustible weeds on vacant lots, coupled with windy conditions can be a recipe for disaster. Throughout the State of California, large catastrophic fires in these urban interface environments have resulted in loss of life and property at an increasing rate.

- B. This amendment is justified on the basis of a local geologic condition. Sacramento County is subject to seismicity as it is located within seismic zone 3 (major damage capability). Faults within this area are (1) Rescue Lineament-Bear Mountain Fault; (2) San Joaquin Fault; (3) Vacca-Kirby Fault; (4) Greenville Fault; and (5) Dunnigan Hills Fault.

Sacramento County is bisected by major transportation corridors including Interstate 80 and U.S. 50 which traverses in an east/west direction and is bisected by both Highway 99 and Interstate 5. The Sacramento Metropolitan Fire District and The Cosumnes Fire Department serve a combined population in excess of 923,000 residents and over 500 square miles. There are 2 major rail lines which run through the Districts. An overpass or underpass crossing collapse would significantly increase response time for fire and emergency vehicles and hinder mutual aid efforts. This is due to the limited crossings of the major highways and rail lines.

Earthquakes of the magnitude experienced locally can cause major damage to electrical transmission facilities, which, in turn, cause power failures while at the same time starting fires throughout the Fire Districts. The occurrence of multiple fires will quickly deplete existing fire districts' resources; thereby reducing and/or delaying their response to any given fire. Additionally, without electrical power, elevators, smoke management systems, lighting systems, alarm systems, and other electrical equipment urgently needed for building evacuation and fire control in large buildings without emergency generator systems would be inoperative, thereby resulting in loss of life and/or major fire losses in such buildings.

The above local topographical conditions impede emergency response activities and increase response times. Public Safety resources would have to be prioritized to mitigate the greatest threat and may likely be unavailable for smaller single dwelling or structure fires.

- C. This amendment is justified on the basis of a local topographic condition. Sacramento County is subject to increased vegetation, varied surface features, hazardous building operations, increased landscaping and terrain risk factors.

1. Vegetation

Highly combustible dry grass, weeds, and brush are common in the hilly and open space areas adjacent to built-up locations six (6) to eight (8) months of each year. Many of these areas frequently experience wildland fires, which threaten nearby buildings, particularly those with wood roofs, or sidings. This condition can be found throughout the Fire Districts, especially in those fully developed areas and those areas marked for future development.

Development continues to extend from the urban core into grass-covered areas and brush/tree covered canyons, such as the American River Parkway, where every 20-percent increase in slope doubles the rate of fire spread.

2. Surface features

The Districts are bisected by Sacramento RT Light Rail running east/west and the Union Pacific mainline running north/south with an average of eighteen to twenty-four trips daily and with the ability to increase the trips significantly without prior notice to the District.

Underground pipelines run parallel to the mainline in a north/south direction in the western portion of the district and carry liquid petroleum, and natural gases under high pressure. It is reasonably foreseeable that this bisection of the Districts by the railroad track could result in the reduction of response time for fire and emergency vehicles in the event a train is traveling on the railroad track at the time of a fire or other emergency.

3. Buildings, landscaping, and terrain

The Districts include several topographical features, including major rivers and creeks, aqueducts, lakes, sloughs, natural parkways, open space, bridges/overpasses, freeways, railroad tracks, drainage canals, and sprawling industrial facilities such as Kinder Morgan, U.S. Cold Storage, Ampaq, and McClellan Park. Traffic has to be channeled around several of these topographical features and limitations, which creates traffic congestion and delays in emergency response. In the event of an accident or other emergency at one of the key points of intersection between a road and river or freeway, sections of the Districts could be isolated or response times could be significantly increased so as to increase the risk of injury or damage. These features are located between many of the District's fire stations.

Preservation of wetland areas, natural parkways, riparian corridors along rivers/streams, vernal pools, open space and endangered species habitats have all contributed to access problems as well as exemption from vegetation abatement programs. These situations, though very environmentally important, do increase the demands on the fire service due to the extreme fire hazard created by fuel loading and limited access. Reduced available infrastructure features, such as roads, water supplies, and fire protection, hamper the effectiveness of fire response resources. These rural areas are subject to a higher degree of risk without mitigation measures.

Intricate levee systems hold back a portion of the floodwater. However, significant flooding has occurred in many of the Districts' low-lying areas where soil conditions are not conducive to rapid infiltration. Localized street flooding has occurred near creeks which make access for fire-fighting equipment difficult.

The above local topographical conditions impede emergency response activities and increase response times. Public Safety resources would have to be prioritized to mitigate the greatest threat and may likely be unavailable for smaller single dwelling or structure fires.

Additional variables that may negatively impact emergency response:

1. The extent of damage to the water system.

2. The extent of isolation due to bridge and/or freeway overpass collapse.
3. The extent of roadway damage and/or amount of debris blocking the roadways.
4. Climatic conditions (hot, dry weather with high winds).
5. Time of day will influence the amount of traffic on roadways and could intensify the risk to life during normal business hours.
6. The availability of timely mutual aid or military assistance.

2022 California Fire Code

Section	Title	Adopted from CFC	Amended from CFC	Added to CFC	Deleted from CFC	Justification
105.5.5	Carnivals and fairs		X			Administrative
107.7	Cost Recovery Fees			X		Administrative
109.3.1	Electronic Filing			X		Administrative
111.1	Board of Appeals Established		X			Administrative
112.4	Violation Penalties		X			Administrative
112.4.2	Citations			X		Administrative
112.4.3	California Bail Schedule			X		Administrative
113.4	Failure to comply		X			Administrative
202	General Definitions		X	X		Administrative
503.1.2.1	Remoteness			X		B, C2
503.6.1	Electrified security fences			X		Administrative
505.1	Address identification		X			A1
505.1.1	Illumination			X		A1
507.1.1	Connection			X		A2, A3, C1
507.5.1	Where required		X			A2, A3, C1
507.5.1.1	Hydrant for standpipe systems		X			A2, A3, C1
510.4.1.1	Minimum signal strength into the buildings		X			C3
510.4.1.2	Minimum signal strength out of the building		X			C3
901.4.7	Pump and riser room size		X			A1, A2
901.4.7.2	Marking on access doors		X			A1
901.4.7.4	Lighting		X			A3, B
903.2	Where required		X			A2, A3, B, C1, C2, C3

Section	Title	Adopted from CFC	Amended from CFC	Added to CFC	Deleted from CFC	Justification
903.2.1.1	Group A-1		X			A2, A3, B, C1, C2, C3
903.2.1.2	Group A-2		X			A2, A3, B, C1, C2, C3
903.2.1.3	Group A-3		X			A2, A3, B, C1, C2, C3
903.2.1.4	Group A-4		X			A2, A3, B, C1, C2, C3
903.2.2.1	Group B			X		A2, A3, B, C1, C2, C3
903.2.3	Group E		X			A2, A3, B, C1, C2, C3
903.2.4	Group F-1		X			A2, A3, B, C1, C2, C3
903.2.4.4	Group F-2			X		A2, A3, B, C1, C2, C3
903.2.7	Group M		X			A2, A3, B, C1, C2, C3
903.2.7.2	Group M Upholstered Furniture or Mattresses		X			A2, A3, B, C1, C2, C3
903.2.8.1.1	Group R-3 manufactured housing			X		A2, A3, B, C1, C2, C3
903.2.8.3	Group R-4, Condition 2		X			A2, A3, B, C1, C2, C3
903.2.9	Group S-1		X			A2, A3, B, C1, C2, C3
903.2.9.1	Repair garages		X			A2, A3, B, C1, C2, C3
903.2.10	Group S-2 parking garages		X			A2, A3, B, C1, C2, C3
903.2.10.1	Commercial parking garages		X			A2, A3, B, C1, C2, C3
903.2.10.3	Group S-2			X		A2, A3, B, C1, C2, C3
903.2.18.1	Group U private garages and carports accessory to Group R-3 occupancies		X			A2, A3, B, C1, C2, C3
903.3.1.2	NFPA 13R sprinkler systems				X	A2, A3, B, C1, C2, C3
903.3.1.2.1	Balconies and decks				X	A2, A3, B, C1, C2, C3
903.3.1.2.2	Corridors and balconies in the means of egress				X	A2, A3, B, C1, C2, C3
903.3.1.2.3	Attics				X	A2, A3, B, C1, C2, C3
903.3.8.4	Supervision		X			B, C2, C3
903.3.9	Floor control valves		X			B, C2, C3
903.4.2	Alarms		X			A1, B, C2, C3
903.4.3	Floor control valves		X			B, C2, C3
903.6	Where required in existing buildings and structures		X			A1, A3, C1, C2, C3
903.6.1	Monitoring			X		B, C2, C3
1028.5.1	Exit discharge surface			X		A1
1201.1	Scope		X			A1, A3, B, C1, C2, C3

Section	Title	Adopted from CFC	Amended from CFC	Added to CFC	Deleted from CFC	Justification
3313.1	When required		X			A2, A3, B, C1, C2, C3
3313.2	Combustible building materials				X	A2, A3, B, C1, C2, C3
3313.3	Vertical construction of Types II, IV, and V construction				X	A2, A3, B, C1, C2, C3
3313.3.1	Fire separations up to 30 feet				X	A2, A3, B, C1, C2, C3
3313.3.2	Fire separations of 30 feet up to 60 feet				X	A2, A3, B, C1, C2, C3
3313.3.3	Fire separations of 60 feet or greater				X	A2, A3, B, C1, C2, C3
3313.4	Vertical construction, Type I and II construction				X	A2, A3, B, C1, C2, C3
3313.5	Standpipe supply				X	A2, A3, B, C1, C2, C3
3312.2 – 3313.5	Water supply for fire protection				X	A2, A3, B, C1, C2, C3
5003.9.1.2	Emergency response support information			X		A, B, C
Chapter 80	Reference standards, NFPA 24		X			A, B, C
Chapter 80	Reference standards, NFPA 855			X		A, B, C
Appendix Chapter 4	Special detailed requirements based on use and occupancy	X				A2, A3, B, C1, C2, C3
Appendix B	Fire-Flow Requirements for Buildings	X				A2, A3, B, C1, C2, C3
Appendix B, Table B105.1(1)	Required fire flow for one and two- family dwellings, Group R-3 and R-4 buildings and townhouses		X			A2, A3, B, C1, C2, C3
Appendix B B105.2	Buildings other than one and two- family dwellings, Group R-3 and R-4 buildings and townhouses		X			A2, A3, B, C1, C2, C3
Appendix B Table B105.2	Required fire flow for buildings other than one and two-family dwellings, Group R-3 and R-4 buildings and townhouses		X			A2, A3, B, C1, C2, C3
Appendix BB	Required fire flow requirements for building	X				A2, A3, B, C1, C2, C3
Appendix C, Table C102.1	Required number and spacing of fire hydrants		X			A2, A3, B, C1, C2, C3
Appendix C	Fire hydrant locations and distribution	X				A2, A3, B, C1, C2, C3
Appendix C, Section C104.2	Single outlet fire hydrants			X		A2, A3, B, C1, C2, C3
Appendix C, Section 104.3	Right of way improvements			X		A2, A3, B, C1, C2, C3
Appendix C, Section C106.1	Hydrant type			X		A2, A3, B, C1, C2, C3
Appendix CC	Fire hydrant location and distribution	X				A2, A3, B, C1, C2, C3
Appendix H	Hazardous materials management plans and hazardous materials inventory statements	X				A2, A3, B, C1, C2, C3
Appendix O	Temporary haunted houses, ghost walks and similar amusement uses	X				A2, A3, B, C1, C2, C3

Section 10: Severability

If any section, subdivision, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 11: Effective Date and Notice

This ordinance shall take effect thirty (30) days after its adoption, provided it is published in full or in summary within fifteen (15) days of its adoption, in a newspaper of general circulation published and circulated in the City of Citrus Heights.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights this 8th day of December, 2022 by the following vote:

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

, Mayor

Amy Van, City Clerk

CHAPTER 38 -FIRE PREVENTION AND PROTECTION

SECTION 1

- Section numbers revised to coincide with sections as updated

Chapter 38 - 27, Fire Code

Sec. 38 - 28

- Changed to adopt entire California Fire Code and Appendices necessary to meet local geographic, topographic, and climatic conditions.

Sec. 38 -29

- Enforcement – remains unchanged.

Sec. 38 – 30

- Findings – remains unchanged.

Sec. 38-31

- Definitions – remains unchanged.

Sec. 38 - 32

- Section 105.6.5 is changed to section 105.5.5. This is a change in section numbers only. The requirement is consistent with 105.6.5 of the previous ordinance.
- Section 106.6 is changed to section 107.7. This is a change in section numbers only. The requirement is consistent with 106.6 of the previous ordinance.
- Section 109.3.1 is a section moved from section 901.6.3.1 of the previous ordinance. This is a change in section number only.
- Section 109.1 is changed to section 111.1. This is a change in section numbers only. The requirement is consistent with 109.1 of the previous ordinance.
- Section 110.4 is changed to section 112.4. This is a change in section numbers and removed of bracket in text. The requirement is consistent with 110.4 of the previous ordinance.
- Section 110.4.2 is changed to section 112.4.2. This is a change in section numbers only. The requirement is consistent with 110.4.2 of the previous ordinance.
- Section 110.4.3 is changed to section 112.4.3. This is a change in section numbers only. The requirement is consistent with 110.4.3 of the previous ordinance.
- Section 112.4 is changed to section 113.4. This is a change in section numbers only. The requirement is consistent with 112.4 of the previous ordinance.

- Section 202 maintains the definitions for “all-weather driving surface”, and “false alarm”, and removed the word “approved” from the definition of “supervising station”. “Supervising Station” is amended to incorporate the language from the previous ordinance.
- Section 503.1.2.1 is deleted as the requirement is incorporated into local fire prevention standard.
- Section 503.6.1 remains unchanged.
- Section 505.1 remains unchanged.
- Section 505.1.1 remains unchanged.
- Section 507.1.1 remains unchanged.
- Section 507.5.1 adds state language to the exception allowing installed fire sprinklers in residential occupancies to increase the fire hydrant distance.
- Section 507.5.1.1 remains unchanged.
- Section 510.4.1.1 is added and changes the minimum inbound signal strength for first responder radios from 3.0 Delivered Audio Quality (DAQ) to 3.4 DAQ.
- Section 510.4.1.2 is added and changes the minimum outbound signal strength for first responder radios from 3.0 DAQ to 3.4 DAQ.
- Section 901.4.6 is changed to section 901.4.7. This is a change in section numbers only. The requirement is consistent with 901.4.6 of the previous ordinance.
- Section 901.4.6.2 is changed to section 901.4.7.2. This is a change in section numbers only. The requirement is consistent with 901.4.6.2 of the previous ordinance.
- Section 901.4.6.4 is changed to section 901.4.7.4. This is a change in section numbers only. The requirement is consistent with 901.4.6.4 of the previous ordinance.
- Section 901.6.4 is deleted as requirements are included in Fire Code and nationally recognized standards.
- Section 903.2 is revised to include updated code section reference and reformatting of the exception.
- Section 903.2.1.1 remains unchanged.
- Section 903.2.1.2 amends exception #4 to be consistent with existing Section 903.2.
- Section 903.2.1.3 amends exception #4 to be consistent with existing Section 903.2.
- Section 903.2.1.4 remains unchanged.
- Section 903.2.2.1 remains unchanged.
- Section 903.2.3 amends exception #5 to be consistent with existing Section 903.2.
- Section 903.2.4 removed condition #4 from previous ordinance as current edition of the Fire Code created a new section.

- Section 903.2.4.4 is a new amendments. This adds the fire sprinkler requirement to F-2 occupancies for structures that exceed 3,599 sq. ft. consistent with all other occupancies.
- Section 903.2.7 removed condition #4 from previous ordinance and relocated to new code section. Conditions renumbered.
- Section 903.2.7.2 is a new amendment. This is the previous condition #4 from Section 903.2.7. Fire sprinkler threshold reduced to 3,599 sq. ft. consistent with the previous ordinance.
- Section 903.2.8.1.1 remains unchanged.
- Section 903.2.8.3 amends condition #2 in title only. Remaining amendment remains consistent with previous ordinance.
- Section 903.2.9 removed condition #5 from previous ordinance and relocated to new code section. Remaining conditions remain unchanged.
- Section 903.2.9.1 remains unchanged.
- Section 903.2.10 code change removing “enclosed” in title. Fire Code added condition #3 with amendment to square footage threshold for fire sprinklers for buildings exceeding 3,599 sq. ft. consistent with other occupancies.
- Section 903.2.10.1 remains unchanged.
- Section 903.2.10.3 is a new amendment. This adds the fire sprinkler requirement to S-2 occupancies for structures that exceed 3,599 sq. ft. consistent with all other occupancies.
- Section 903.2.18.1 remains unchanged.
- Section 903.3.1.2 remains unchanged.
- Section 903.3.1.2.1 is deleted. This is a subsection of deleted section 903.3.1.2 from previous ordinance.
- Section 903.3.1.2.2 is deleted. This is a subsection of deleted section 903.3.1.2 from previous ordinance.
- Section 903.3.1.2.3 is deleted. This is a subsection of deleted section 903.3.1.2 from previous ordinance.
- Section 903.3.8.4 remains unchanged.
- Section 903.3.9 remains unchanged.
- Section 903.4.2 remains unchanged.
- Section 903.4.3 remains unchanged.
- Section 903.6 remains unchanged.
- Section 903.6.1 remains unchanged.
- Section 1028.5.1 remains unchanged.
- Section 1201.1 is a new amendment. This amendment adds reference to NFPA 855 in the scope.
- Section 1206.2 is deleted as requirements are now included in the Fire Code.
- Section 1206.3 is deleted as requirements are now included in the Fire Code.

- Section 3313.1 is a new amendment to require installation of the water supply prior to commencement of construction. This amendment is consistent with current practice.
- Section 3313.2 is deleted for compliance with section 3313.1 amended requirements.
- Section 3313.3 is deleted for compliance with section 3313.1 amended requirements.
- Section 3313.3.1 is deleted for compliance with section 3313.1 amended requirements.
- Section 3313.3.2 is deleted for compliance with section 3313.1 amended requirements.
- Section 3313.3.3 is deleted for compliance with section 3313.1 amended requirements.
- Section 3313.4 is deleted for compliance with section 3313.1 amended requirements.
- Section 3313.5 is deleted for compliance with section 3313.1 amended requirements.
- Section 5003.9.1.2 is an existing amendment with a revision. Suggested locations for cabinets removed.
- Chapter 80 updated previous referenced NFPA standard 855 to the 2023 edition and amends referenced NFPA 24 standard to the 2022 edition.
- Appendix B, Table B105.1 (1) remains unchanged.
- Appendix B, Section B105.2 is a revised amendment. Revised amendment removes exceptions #3 and #4 as requirements are now included in Fire Code.
- Appendix B, Table B105.2 remains unchanged.
- Appendix C, Table C102.1 remains unchanged.
- Section C104.2 remains unchanged.
- Section C104.3 remains unchanged.
- Section C106.1 remains unchanged.

SECTION 2

- AMENDMENT – remains unchanged

Sec. 38 - 33

- Section remains unchanged.

Sec. 38 - 34

- Section remains unchanged.

SECTION 3

- VALIDITY - remains unchanged.



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: December 8, 2022

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Meghan Huber, Economic Development & Community Engagement
Director
Casey Kempenaar, Community Development Director

SUBJECT: **Resolution authorizing the City Manager to execute Service Agreements not to exceed \$200,000 for the development of Infrastructure Financing Strategies and any necessary ancillary engineering work for the Sunrise Tomorrow project**

Summary and Recommendation

Citrus Heights City Council unanimously approved the Sunrise Tomorrow Specific Plan on November 10, 2021. At the City Council Strategic Planning Retreat held on May 10, 2022, a goal was set to “Issue a Request for Proposals (RFP) to conduct analysis of various public infrastructure financing scenarios and other economic development tools to inform future development agreement discussions for Sunrise Tomorrow.” On July 28, 2022, the City Council unanimously approved the issuance of an RFP.

Staff issued the RFP on August 3, 2022, and received three responses. Staff interviewed the three finalist firms and have identified Kosmont Companies as the best qualified firm to perform the work. The Kosmont proposal included a total fixed fee budget of \$52,500 to complete the scope of work as identified in the Infrastructure Financing Strategies RFP. Additionally, it is anticipated that the Infrastructure Financing Strategy will require some ancillary engineering work and data to inform the analysis and address phasing scenarios. Staff recommends a total funding allocation of \$200,000 to ensure a complete and implementable Infrastructure Financing Strategy. This amount would include \$52,000 for Kosmont’s identified scope of work and a remaining amount of \$148,000 for engineering work to inform the study and address phasing scenarios. The recommended \$200,000 funding allocation would be comprised of \$160,000 Green Means Go grant funding and \$40,000 of American Rescue Plan Act funding.

Staff recommends the City Council approve Resolution No. 2022-___ authorizing the City Manager to execute contracts and any necessary amendments not to exceed \$200,000 for the completion of Infrastructure Financing Strategies and any ancillary engineering work.

Fiscal Impact

The Kosmont proposal included a total fixed fee budget of \$52,500 to complete the scope of work as identified in the Infrastructure Financing Strategies RFP. Additionally, it is anticipated that the Infrastructure Financing Strategy will require some ancillary engineering work and data to inform the analysis and address phasing scenarios to ensure the most usable and implementable product.

Staff recently received notice the City of Citrus Heights was awarded \$160,000 in grant funding through Sacramento Area Council of Government’s Green Means Go program. The program will fund non-transportation infrastructure and planning that accelerates infill housing and supports housing affordability. The bulk of this infrastructure financing strategies analysis is related to non-transportation related infrastructure; however, since there is a direct relation between the underground infrastructure and roadway/transportation infrastructure, (which are not an eligible expense under Green Means Go) additional funding is required. It is anticipated that \$40,000 in engineering expenses will be related to transportation infrastructure, requiring a non-Green Means Go funding source. Staff recommends utilization of American Rescue Plan Act funding to cover this portion of costs to complete this strategic objective.

In summary, a funding allocation of \$200,000 will ensure a complete and implementable Infrastructure Financing Strategy. This amount would include \$52,000 for the Kosmont identified scope of work and a remaining amount of \$148,000 for any engineering or other needs to ensure successful completion and eventual implementation. The recommended \$200,000 funding allocation would be comprised of \$160,000 Green Means Go grant funding and \$40,000 of American Rescue Plan Act funding.

The current balance of American Rescue Plan Act funds with previous allocations as follows:

ARPA FUNDING ALLOCATION SUMMARY		
	Total City Allocation	\$15,676,972
6/24/2021	Police Department Staffing – FY 2021/22	(\$1,568,805)
6/24/2021	Police Department Staffing – FY 2022/23	(\$2,811,775)
1/13/2022	Small Business COVID Recovery Program	(281,111)
6/23/2022	Beautification Crew	(\$875,000)
6/23/2022	Community Block Party Trailer	(\$50,000)
6/23/2022	Police Fleet Vehicles and Equipment	(\$1,400,000)
9/22/2022	Community Projects Grant Program	(\$50,000)
6/23/2022	Police Department Communications Center Critical Needs	(\$600,000)
10/27/2022	ERP System and Technology	(\$1,198,350)
	Total Allocation Remaining	\$6,841,931

Background and Analysis

The Sunrise Tomorrow Specific Plan was approved in November 2021 tripling the density and diversifying uses on the 100-acre Sunrise Mall site. The plan supports a mixed-use redevelopment/infill project proposed to be phased in over a period of 5 to 20 years. At build out, development allowances permit approximately 2,200 multifamily residential units, 480 hotel rooms, 320,000 SF of retail, 960,000 SF of office/employment campus, and 450,000 SF of community/institutional space.

With the Specific Plan’s approval, City Council and City staff can now turn attention to implementation and catalyzing development. Although infrastructure such as water, sewer, storm drainage, power and utilities exist along Sunrise Blvd. and Greenback Lane, the site still requires project specific infrastructure and an associated funding plan to facilitate eventual infill redevelopment.

This need was acknowledged at the City Council Strategic Planning Retreat on May 10, 2022, and is codified as the following current strategic goal: “Issue a Request for Proposals to conduct analysis of various public infrastructure financing scenarios and other economic development tools to inform future development agreement discussions for Sunrise Tomorrow.”

As a next step in Specific Plan implementation and consistent with the above strategic goal, staff issued an Infrastructure Financing Strategies RFP to comprehensively understand:

1. The options, fiscal and economic benefits, advantages and disadvantages to designating portions of infrastructure as public to facilitate development; and
2. How to potentially leverage a variety of financing tools and public funding sources to plan and construct needed infrastructure.

The Infrastructure Financing Strategies RFP was released on August 3, 2022, and received three responses. In accordance with City of Citrus Heights RFP best practices and consistent with the City’s purchasing policy, staff used a two-step process to evaluate all of the proposals and to determine which respondent was most qualified to provide the required services. The process began with an initial review of the proposals to identify the most qualified submittals based on the requirements and scope of work set forth in the RFP. The second step in the process consistent of in-person interviews with each of the three responding firms (listed below with their proposed consulting fee).

Firm	Proposal Scope	Proposal Fee
Kosmont	Infrastructure Financing Strategies	\$52,500
EPS	Infrastructure Financing Strategies	\$70,000
Goodwin Consulting/Cunningham Engineering	Infrastructure Financing Strategies and Engineering Analysis	\$152,000

The interviews allowed the review team to gauge the depth of project understanding, discuss work-plans and project challenges, hear innovative strategies and approaches as well as gain a clear picture of how well the project team would work with staff, owners and stakeholders. Kosmont Companies was selected as the best qualified consultant for the project as a result of the evaluation process. The firm provided a solid proposal, introduced a highly qualified team that demonstrated a clear understanding and expertise in project goals, community and City values, and sensitivity to budget.

The successful completion of an Infrastructure Financing Strategy will require ancillary engineering work or analysis to inform the strategy. Staff is recommending utilizing an on-call engineering firm and associated funding allocation to inform the project.

The resulting study is intended to be used as an action plan to potentially position the site to be eligible for infrastructure grants and implement financing tools that will help facilitate its development. Completion of the study will advance the Sunrise Tomorrow project and thereby create progress toward the city's strategic goal to "Diversify for a resilient economy".

Attachments

1. Resolution authorizing the City Manager to execute Service Agreements not to exceed \$200,000 for the development of Infrastructure Financing Strategies and any necessary ancillary engineering work for the Sunrise Tomorrow project
2. Draft Service Agreement
 - a. Kosmont Companies Proposal for Citrus Heights Sunrise Tomorrow Specific Plan Infrastructure Financing Strategies
3. Sunrise Tomorrow Infrastructure Financing Strategies RFP

RESOLUTION NO. 2022- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE SERVICE AGREEMENTS NOT TO EXCEED \$200,000 FOR THE DEVELOPMENT OF INFRASTRUCTURE FINANCING STRATEGIES AND ANY NECESSARY SUPPORTIVE WORK FOR THE SUNRISE TOMORROW PROJECT

WHEREAS, Citrus Heights City Council set strategic goal to “diversify for a resilient economy”;

WHEREAS, Citrus Heights City Council unanimously approved the Sunrise Tomorrow Specific Plan to densify and diversify the 100-acre Sunrise Mall site on November 10, 2021;

WHEREAS, at the City Council Strategic Planning Retreat on May 10, 2022 a goal was set to “Issue a Request for Proposals (RFP) to conduct analysis of various public infrastructure financing scenarios and other economic development tools to inform future development agreement discussions for Sunrise Tomorrow”;

WHEREAS, at the City Council meeting July 28, 2022 City Council unanimously approved the issuance of an RFP; and

WHEREAS, staff issued the RFP on August 3, 2022 and received three responses;

WHEREAS, staff interviewed the three finalist firms and have identified Kosmont Companies as the best qualified firm to perform the work;

WHEREAS, the proposal from Kosmont included a total fixed fee budget of \$52,500 to complete the scope of work as identified in the Infrastructure Financing Strategies RFP;

WHEREAS, staff recently received notice the City of Citrus Heights was awarded \$160,000 in grant funding through Sacramento Area Council of Government’s Green Means Go program that funds non-transportation infrastructure and planning that accelerates infill housing and supports housing affordability.

NOW THEREFORE BE IT RESOLVED AND ORDERED the City Council authorizes the City Manager to execute contracts and any necessary amendments not to exceed \$200,000 for the completion of Infrastructure Financing Strategies and any supportive engineering work.

BE IT FURTHER RESOLVED that the City Council of the City of Citrus Heights approves an amendment to the Fiscal Year 2022-23 Budget as provided below:

Budget Amendment	\$40,000
Fund:	General Fund/American Rescue Plan Act Funds (Fund 101)

Department: Economic Development

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 8th day of December 2022 by the following vote, to wit:

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

, Mayor

ATTEST:

Amy Van, City Clerk

Prepared For
CITY OF CITRUS HEIGHTS

September 9, 2022

PROPOSAL FOR
CITRUS HEIGHTS SUNRISE
TOMORROW SPECIFIC
PLAN INFRASTRUCTURE
FINANCING STRATEGIES



Photo Credit: www.citrusheights.net



Prepared By
Kosmont Companies
1601 N. Sepulveda Blvd. #382
Manhattan Beach, CA 90266
(424) 297-1070
Agenda Packet Page 91



September 9, 2022

Meghan Huber
Economic Development & Community Engagement Director
City of Citrus Heights
6360 Fountain Square Drive
Citrus Heights, CA 95621-5577

Delivered via email to mhuber@citrusheights.net.

Re: Request for Proposal for Citrus Heights Sunrise Tomorrow Specific Plan Infrastructure Financing Strategies

Dear Ms. Huber and City Staff,

Kosmont & Associates, Inc. doing business as Kosmont Companies (“Kosmont” or “Consultant”) is pleased to present this proposal to the City of Citrus Heights (“City” or “Client”) for the preparation of an Infrastructure Financing Strategies for the Sunrise Tomorrow Specific Plan.

Kosmont, a certified Minority Business Enterprise (“MBE”) and Small Business Enterprise (“SBE”), was founded in 1986 by Larry J. Kosmont, Chairman and CEO. Kosmont is a full-service local government, economics, and real estate advisory firm with an award-winning track record of working with cities, counties, and other public agencies on economic development plans, infrastructure funding strategies, land use market analyses, site development feasibility, business/industry attraction, and real estate projects, as well as real estate asset strategies and public finance transactions exceeding \$12 billion.

Our team is extremely well-suited to complete this assignment. Kosmont has extensive experience in tax increment financing (“TIF”), special tax districts (e.g., CFD), business and development incentives, public-private partnership structuring and negotiations, market and investment analysis, and innovative public and private financing mechanisms.

Kosmont’s public and private sector experience and in-depth expertise in multiple yet integrated core competencies, such as economic development, real estate and public finance make us the ideal team to assist Citrus Heights with this assignment. We are enthusiastic, ready, and available to provide the requested services.

No other firm possesses the same level of understanding, strategic thinking, and hands-on expertise necessary to successfully evaluate and potentially implement these types of tools and districts in the State of California. **Kosmont has facilitated the successful formation of more TIF**



Districts than any other firm since the dissolution of Redevelopment Agencies in 2012 (11 of the approximately 20 fully-formed enhanced infrastructure financing districts ["EIFD"] formed thus far). No other firm has been successful in facilitating City/County partnerships in such special districts statewide, and Kosmont has done so in four different communities. Kosmont guidance was additionally critical in the formation of the Metro Air Park in unincorporated Sacramento County.

Kosmont Financial Services ("KFS") has additionally facilitated the first debt issuance to be repaid from EIFD tax increment for the La Verne EIFD. We specialize in the overlap and combination of multiple available infrastructure funding and financing tools, such as EIFD, CFD, specific grant sources, and private sector contributions.

Kosmont has reviewed and understands the services requested in the corresponding RFP and will comply with the requirements including those related to insurance. Please find enclosed an abbreviated summary of our firm's qualifications (overview, experience, team) and proposed approach (scope tasks and fixed fee budget) with contact information shown below.

Our team is excited about this opportunity and looks forward to assisting the City of Citrus Heights with the requested advisory services. We are available to discuss our proposal at your convenience. Thank you.

Sincerely,

Larry J. Kosmont, CRE®
Chairman and CEO
(213) 507-9000 / lkosmont@kosmont.com

Ken K. Hira
President
(949) 226-0288 / khira@kosmont.com

SUBMITTED BY: KOSMONT AND ASSOCIATES, INC., DBA KOSMONT COMPANIES

Physical/Headquarters: 2301 Rosecrans Ave, Ste. 4140El Segundo, CA 90245
Mailing Address: 1601 N. Sepulveda Blvd. #382, Manhattan Beach, CA 90266
Main Office: (424) 297-1070 / Website: www.kosmont.com

AUTHORIZED PRINCIPAL AND PRIMARY CONTACT

Mr. Ken K. Hira, President / Cell: (949) 226-0288 / Email: khira@kosmont.com

CONTRACT REPRESENTATIVE:

Ms. Kelly Aguilar / Director of Admin. & Ops. / (323) 527-5004 / kaguilar@kosmont.com

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SECTION 3.	PROJECT EXPERIENCE	PAGE 13 - 16
SECTION 4.	PROJECT TEAM	PAGE 17 - 23
SECTION 5.	PROJECT PRICING	PAGE 24 - 25
SIGNED ADDENDUM		



Photo Credit: www.facebook.com/LongBeachCity/r_idr



Photo Credit: www.citrusheights.net

KOSMONT MISSION:

Pursuit of *four pillars of strength...*

Innovation, Integration, Intelligence, and Integrity

On the *cutting edge* of products and services

Achieve *financial success* for our public and private sector clients

Committed to *community prosperity* and quality of life

Professional standards of the *highest caliber*

**SECTION 1.
COMPANY OVERVIEW**

KOSMONT COMPANIES FIRM OVERVIEW



KOSMONT AND ASSOCIATES, INC. DBA KOSMONT COMPANIES - www.kosmont.com

California Corporation - Established 1986 – 36 years in Business

Physical/Headquarters: 2301 Rosecrans Avenue, Suite 4140, El Segundo, CA 90245

Mailing: 1601 N. Sepulveda Blvd. #382, Manhattan Beach, CA 90266

Kosmont provides services to Clients virtually from satellite locations, in-person, and from the El Segundo headquarters across the Western U.S.

Kosmont Companies (“Kosmont”), a certified Minority Business Enterprise (“MBE”) and certified Small Business Enterprise (“SBE”), is a real estate and economic development services firm offering a full range of real estate and financial advisory, economic development strategies/plans, retail/business strategies, project finance, transaction structuring, negotiations, market analysis, feasibility studies, special district analysis, community outreach/project implementation services for both the public and private sectors. Kosmont Companies was founded in 1986 by Larry J. Kosmont, Chairman and CEO, and is nationally recognized. With decades of advisory services, Kosmont has assisted hundreds of public agencies in their quest for services and successful public private projects. What sets Kosmont apart is our understanding of how economics relates to future project shaping, as well as our understanding of both the public and private sectors. Kosmont will integrate our established ability, strengths, seasoned experience, and hands-on approach to deliver the requested consulting services.

Rather than just write reports, Kosmont believes in a comprehensive approach to advisory services that Analyzes, Strategizes, and Implements. A brief highlight of our services is as follows.

Economic Development Consulting Services

- Economic Development Strategies (EDSP/CEDS)
- Kosmont Retail NOW!® Platform
- Special Districts (EIFD, CRIA, CFD)
- Downtown Revitalization
- Asset Management Plans
- Developer Selection RFQ/RFP & DDA/ENA
- Sustainable Economic Development
- ROPS & RDA Dissolution Advisory Services

Land Use/Zoning and Community Planning Services

- Development Opportunity Reserve (D.O.R.)®
- Sales Tax Assessment Revenue (STAR*)®
- Other Zoning & Implementation Strategies for Economic Development

Planning and Development Services

- Project Evaluation
- Project Financials & Pro-Forma Assessment
- Property Acquisition/Leasing
- Land Use/Entitlements
- Due Diligence Reports

Real Estate Economics & Financial Advisory Services

- Fiscal & Economic Impacts
- Project Economics, Highest & Best Use (HBU) & Market Studies
- Public & Private Financing Structures
- Affordable Housing (Pro Forma, Housing Element, Negotiations, Feasibility)

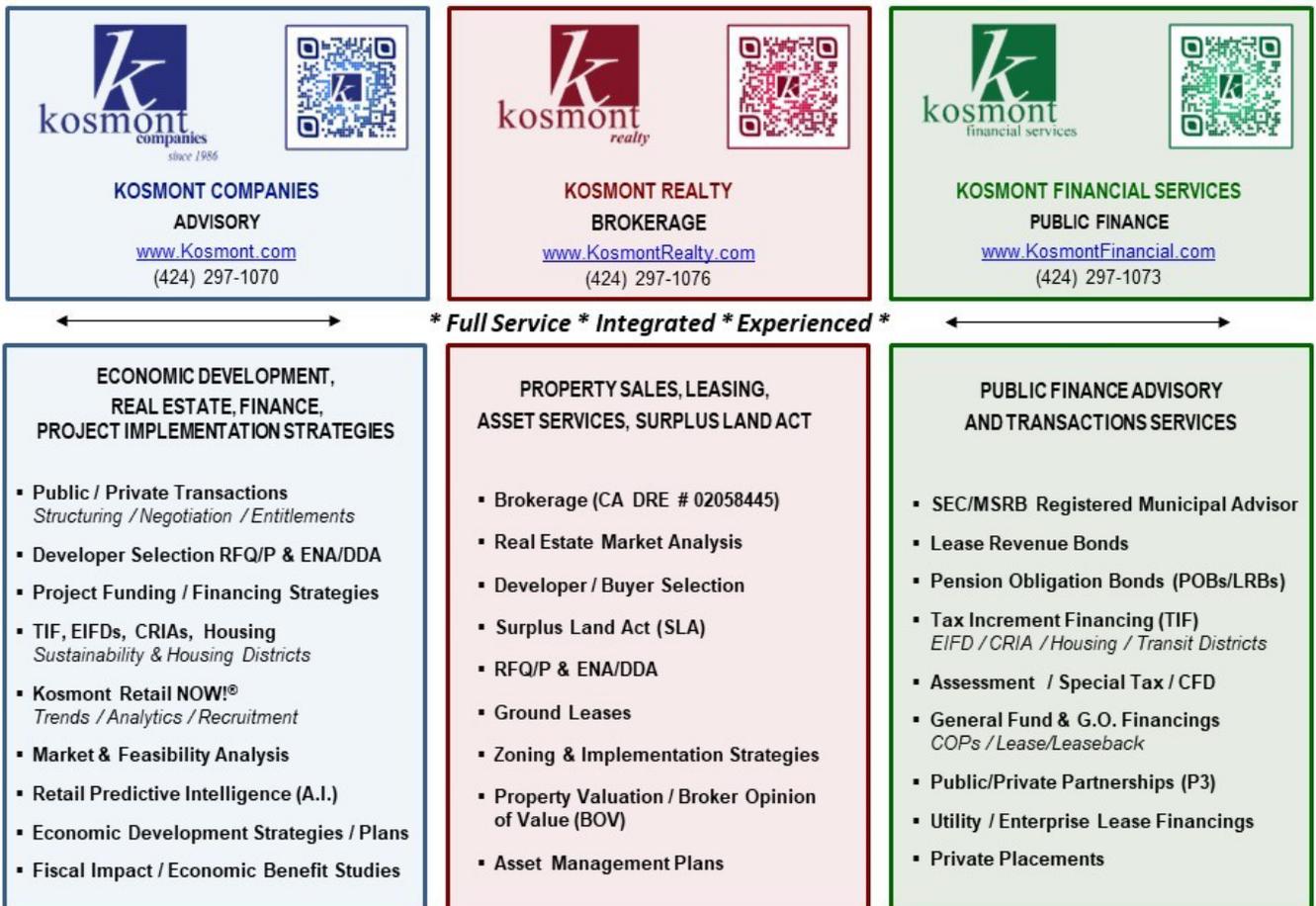
Kosmont’s Mission Statement is the pursuit of four pillars of strength: Innovation, Integration, Integrity and Intelligence. We are on the cutting edge of products and services, we achieve financial success for our public and private sector clients, we are committed to community prosperity and quality of life, and our professional standards are of the highest caliber.

SECTION 1. COMPANY OVERVIEW

Kosmont is a full-service firm which also provides various integrated services through Kosmont Realty (“KR”) and Kosmont Financial Services (“KFS”). KR is a full service and licensed real estate brokerage firm and KFS is a public finance firm providing financial advisory services, and is registered with the SEC.

In the aggregate, Kosmont Companies, KR, and KFS have extensive experience working with local and State government on real estate transactions between public agencies and private parties and structured project financing involving public and private funding sources. Collectively, Kosmont provides public agencies broad access to real estate consultants and brokers, public sector deal structure experts, and public-private financial advisors. **We know of no other integrated set of companies that can provide a full complement of Economic Development Services, Real Estate Brokerage, and Municipal Advisory.** Our diverse roles and experience in the real estate and financial industries have made us highly adaptable and skilled for this type of assignment. The chart below represents Kosmont’s wide-array of integrated services.

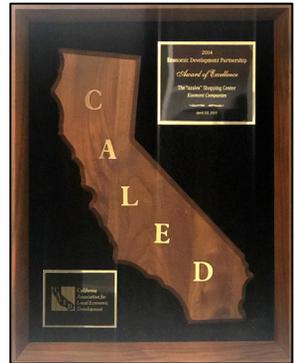
KOSMONT SERVICES OVERVIEW



SECTION 1. COMPANY OVERVIEW

KOSMONT COMPANIES & LARRY J. KOSMONT ARE PROUD RECIPIENTS OF THE FOLLOWING AWARDS:

- California City Management Foundation (CCMF)
Kosmont Companies is the proud recipient of the **“2022 CCMF Corporate Sponsor of the Year Award”**
- Southern California Association of Governments (SCAG)
Sustainability Award “5/2019 – City of Placentia”
- Mr. Larry J. Kosmont, CRE® is the honored recipient of the **“2016 California Business Properties Association (CBPA) Champion of the Industry Award”** (for his service in real estate and economic development)
- California Association for Local Economic Development (CALED)
Awards of Excellence Program
“2014 Award of Excellence in Economic Development Partnerships South Gate azalea Project”
- California Association for Local Economic Development (CALED)
Awards of Excellence Program
“2017 Award of Excellence for Economic Development Partnerships – Redondo Beach Marine Ave Hotels Project ”
- L.A. Business Journal Latino Business of the Year Awards
“2015 Small Private Latino Business of the Year Award”
- Mr. Larry J. Kosmont, City of Seal Beach (1980) is a proud recipient of the **John H. Nail Memorial Award** (Awarded annually by the City Managers Department of the League of California Cities)



Larry J. Kosmont, Chairman and CEO of Kosmont Companies accepting the CBPA Champion of the Industry Award for his service in real estate and economic development. Pictured with Pat Donahue, Chairman and CEO of Donahue Schriber (left) and Rex Hime, President & CEO of CBPA (right).

SPECIALTY AREAS OF EXPERTISE RELATED TO THIS ASSIGNMENT

Kosmont has been providing cities, counties, and other public agencies with economic development, real estate, and public finance advisory services since 1986. In that time, we have guided the development of more than 1,000 public-private projects. Kosmont currently provides advisory services to help numerous city and county clients across California, navigate and implement comprehensive economic development and infrastructure funding strategies.

Kosmont’s specialty areas include various types of infrastructure funding and financing mechanisms. In addition to the “traditional” funding and financing approaches for infrastructure such as development impact fees (DIF), community facilities districts (CFD), and general obligation debt issuances, Kosmont has specialized in assisting with the evaluation and issuance of “alternatives” structures, such as lease-leaseback and other types of lease revenue financing and tax increment financing (TIF/EIFD).

Kosmont has been uniquely capable in assisting our municipal agency clients in structuring multi-component infrastructure funding and financing strategies, including contributions of property tax increment and other local resources from **multiple taxing entities** (e.g., City and County), as well as successful **complementary grant funding acquisition** catalyzed by the other local contributions.

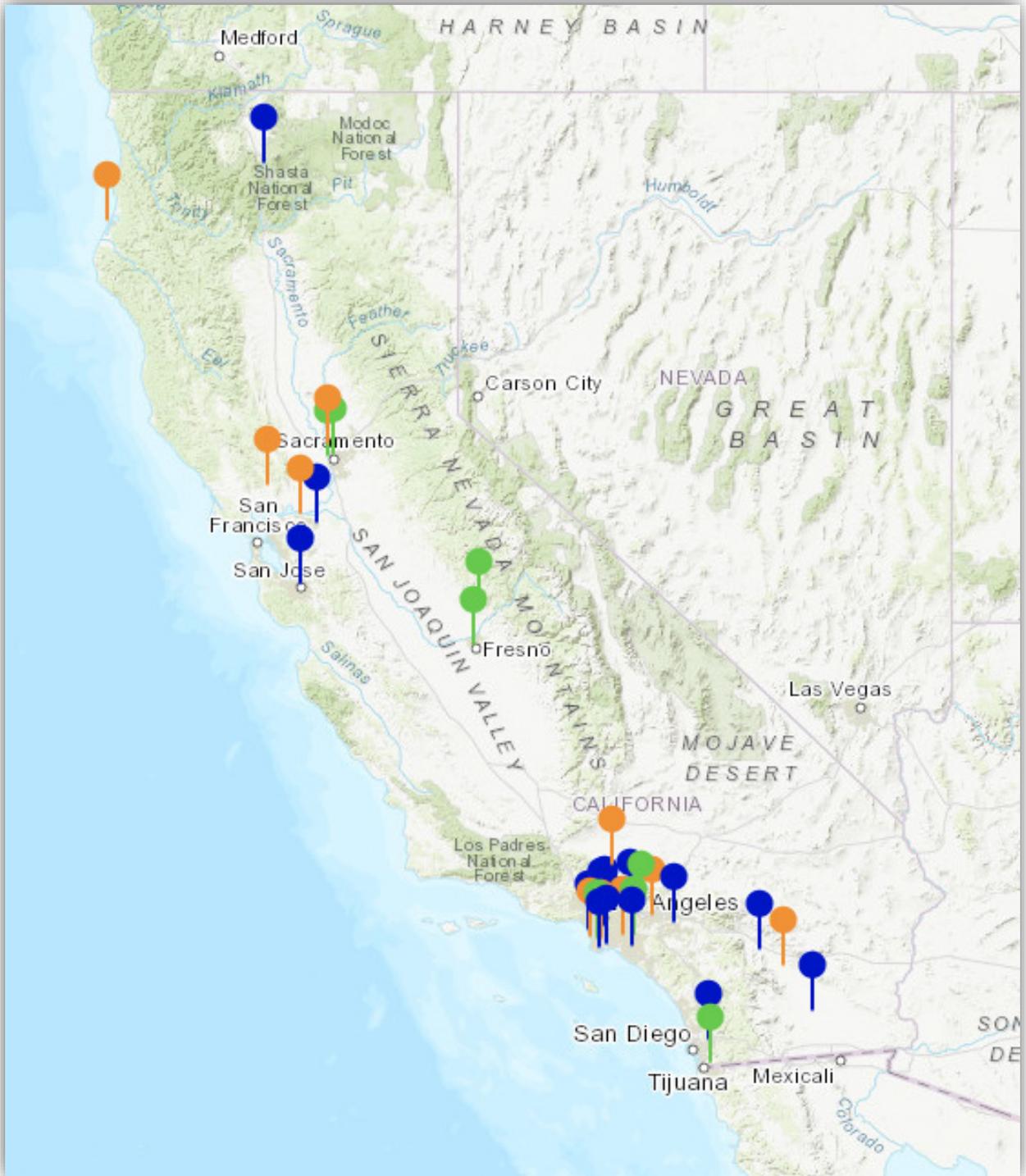
As you will see on the following pages, Kosmont is the leader in this field supported by Exhibit 1 which is a map and detailed listing of specific jurisdictions where Kosmont has led or is currently leading special district formations. Exhibit 1 is followed up by Kosmont’s list of references and a letter of recommendation.



The Kosmont Companies Team

SECTION 1. COMPANY OVERVIEW

Exhibit 1: Special Districts (TIF / EIFD / CRIA) in Progress Statewide



SECTION 1. COMPANY OVERVIEW

Exhibit 1 Continued: Sample of Kosmont-Led District Progress by Stage of Implementation (Table and Legend Correspond to Map on Previous Page)

Jurisdiction	Purpose	
Azusa	Housing and transit-supportive infrastructure	
Brentwood	Housing and transit-supportive infrastructure	
Buena Park	Mall reimagination, housing-supportive infrastructure	
Carson + L.A. County	Remediation, housing infrastructure, recreation	
Coachella Valley Association of Govts (CVAG) Cities	Housing and transit-supportive infrastructure	
Covina	Housing and transit-supportive infrastructure	
El Cajon	Housing and transit-supportive infrastructure	
El Segundo + L.A. County	Various infrastructure, regional connectivity	
Fairfield	Housing and transit-supportive infrastructure	
Fontana	Housing, mixed-use and industrial infrastructure	
Fresno	Housing and transit-supportive infrastructure	
Fresno County	Industrial and commercial supportive infrastructure	
Humboldt County	Coastal mixed-use & energy supportive infrastructure	
Indian Wells	Housing and tourism-supportive infrastructure	
Imperial County	Housing and greenfield infrastructure	
La Verne + L.A. County	Housing and transit-supportive infrastructure	
Long Beach (Multiple Areas)	Housing and transit-supportive infrastructure	
Los Angeles (Downtown, San Pedro)	Housing and transit-supportive infrastructure	
Los Angeles County Uninc. West Carson	Housing / bio-science / tech infrastructure	
Madera County (3 Districts)	Greenfield infrastructure (water / sewer)	
Modesto + Stanislaus County	Housing, transit, recreation-supportive infrastructure	
Mount Shasta + Siskiyou County	Rural Brownfield site mixed-use infrastructure	
Napa	Housing and transit-supportive infrastructure	
Oakland	Affordable housing and housing-supportive infrastructure	
Ontario	Housing and transit-supportive infrastructure	
Palmdale + L.A. County	Housing and transit-supportive infrastructure	
Pittsburg	Housing and transit-supportive infrastructure	
Placentia + Orange County	Housing and transit-supportive infrastructure	
Rancho Cucamonga	Housing and transit-supportive infrastructure	
Redlands	Housing and mixed-use supportive infrastructure	
Redondo Beach + L.A. County	Parks / open space, recreation infrastructure	
Riverside	Housing and transit-supportive infrastructure	
Sacramento County (Unincorporated)	Industrial / commercial supportive infrastructure	
San Bernardino County (Unincorporated)	Transit-supportive infrastructure	
San Jose	Housing and transit-supportive infrastructure	
Sanger	Housing and commercial supportive infrastructure	
Santa Ana	Housing and transit-supportive infrastructure	
South Gate	Housing and transit-supportive infrastructure	
Vacaville	Housing and transit-supportive infrastructure	
Yucaipa	Housing and transit-supportive infrastructure	
Fully Formed	In Formation Process	Under Evaluation

SECTION 1. COMPANY OVERVIEW

KOSMONT REFERENCES

- REFERENCE 1. Special district formation – Bob Russi, City Manager, City of La Verne / (909) 596-8726 / brussi@ci.la-verne.ca.us / <https://www.cityoflaverne.org/413/Enhanced-Infrastructure-Financing-Distri>
- REFERENCE 2. Special district formation and debt issuance structure - Damien Arrula, City Administrator, City of Placentia / (714) 745-5615 / darrula@placentia.org / <https://www.placentia.org/860/Enhanced-Infrastructure-Financing-Distri>
- REFERENCE 3. Value capture district advisory - Kome Ajise, Executive Director, Southern California Association of Governments (SCAG) / (213) 236-1836 / ajise@scag.ca.gov / <https://scag.maps.arcgis.com/apps/MapSeries/index.html?appid=ca8e18588d2e47c59c79f23a4d927d8b>
- REFERENCE 4. EIFD formation – Vincent Smith, Community Dev. Director, City of Napa / (707) 257-9530 / vsmith@cityofnapa.org [SEE FOLLOWING LETTER OF RECOMMENDATION] / <https://www.cityofnapa.org/1079/Napa-Enhanced-Infrastructure-Financing-D>
- REFERENCE 5. EIFD Formation – Lori Sassoon, formerly Deputy City Manager, City of Rancho Cucamonga; currently City Manager, City of Norco / (951) 270-5617 / citymanager@ci.norco.ca.us / Noah Daniels, Finance Dir., City of Rancho Cucamonga / (909) 774-2402 / Noah.Daniels@cityofrc.us / <https://www.cityofrc.us/EIFD>
- REFERENCE 6. Special district evaluation and formation - Garrett Evans, City Manager, City of Pittsburg / (925) 252-4850 / gevans@ci.pittsburg.ca.us
- REFERENCE 7. Special district formation - Scott Adair, Director of Economic Development, County of Humboldt / (707) 445-7745 / sadair@co.humboldt.ca.us / <https://www.gohumco.com/273/Samoa-Peninsula-EIFD>
- REFERENCE 8. Special district formation - Joshua Ewen, City Manager’s Office, City of Brentwood / (925) 418-2418 / jewen@brentwoodca.gov / <https://www.brentwoodca.gov/government/boards-commissions/public-financing-authority-enhanced-infrastructure-financing-districts>
- REFERENCE 9. Downtown Los Angeles EIFD Evaluation – Blair Miller, City of Los Angeles Economic and Workforce Development Department / (213) 744-7232 / blair.miller@lacity.org
- REFERENCE 10. Public-private transaction structuring – Tatum Mothershead, Director of Economic and Community Development, City of Daly City / (650) 991-8159 / tmothershead@dalycity.org
- REFERENCE 11. Special district administration – Matthew Treber, Chief of Development Services, County of Madera / (559) 675-7821 / matthew.treber@maderacounty.com

SECTION 1. COMPANY OVERVIEW

LETTER OF RECOMMENDATION



August 8, 2022

To Whom it May Concern:

RE: Letter of Recommendation for Kosmont Companies

Kosmont Companies was engaged by the City of Napa in November 2020 to evaluate the feasibility of an Enhanced Infrastructure Financing District (EIFD) to assist in the funding of critical infrastructure through property tax increment and complementary funding sources as a way to facilitate future development and community amenities throughout the City.

Throughout the ensuing 18 months or so, Joe Dieguez and the Kosmont team provided critical analysis, strategic guidance, and outreach support for communications with our elected officials, staff across various City departments, our legal team, County of Napa representatives, landowners, residents, and other community stakeholders.

We are excited to report that our great work together culminated in the successful formation of our approximately 840-acre EIFD in July 2022 – the first EIFD in Napa County.

Kosmont was an essential partner along this journey, leveraging their extensive experience, creative thinking, and collaborative problem-solving abilities to keep our evaluation and implementation process moving forward smoothly at all times. They were always responsive and provided critical guidance throughout the process.

I am pleased to endorse Kosmont for their economic development, real estate, and public finance expertise. We could not have had a better partner. Please feel free to reach out with any questions regarding our experience with Kosmont at nharrison@cityofnapa.org.

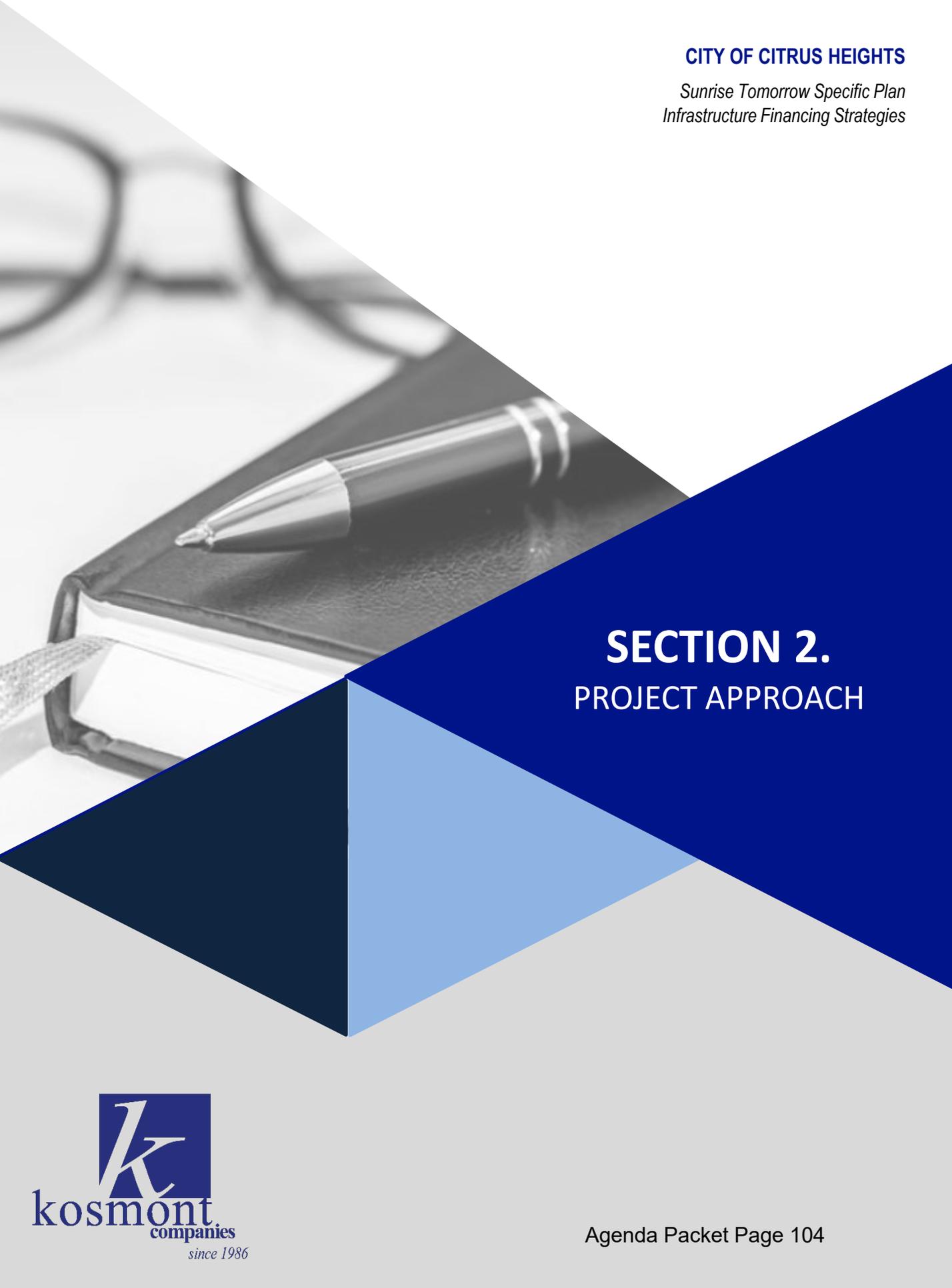
Sincerely,

A handwritten signature in blue ink, appearing to read "Vin C. Smith".

Vin Smith, Community Development Director
City of Napa, 1600 First Street Napa, CA 94559
vsmith@cityofnapa.org

A handwritten signature in blue ink, appearing to read "Neal A. Harrison".

Neal Harrison, Economic Development Manager
City of Napa, 1600 First Street Napa, CA 94559
nharrison@cityofnapa.org



SECTION 2.
PROJECT APPROACH

PROJECT UNDERSTANDING

Although infrastructure such as water, sewer, storm drainage, power and utilities exist along Sunrise Blvd. and Greenback Lane in the City, the Sunrise Mall site still requires tactical infrastructure phasing/implementation/financing analysis in order to facilitate eventual redevelopment, and to support infill development, the roadways and infrastructure within the proposed development will need to be constructed.

Kosmont understands that the City seeks to comprehensively understand:

1. The options, fiscal and economic benefits and drawbacks to designating portions of infrastructure as public to facilitate development.
2. How to potentially leverage a variety of financing tools and public funding sources to plan and construct needed infrastructure.

PROJECT APPROACH

Approach to Tasks: *The prospective assignment and consulting services that Kosmont will provide will be of a relatively limited scope and duration, and advisory in nature. Kosmont will be making recommendations only, which advise the Client and jurisdictions, including their elected officials, appointed officials, and staff, which they can accept or reject. None of Kosmont's staff will act in a capacity as an elected official, nor appointed official, nor as staff, nor as serving in a "designated" position.*

TASK 1: Identification and Evaluation Relevant Financing Tools and Public Funding Sources

Kosmont will coordinate a kickoff meeting with City staff to discuss the various potential funding and financing tools to plan and construct the needed site infrastructure (e.g., CFD, assessment district, tax increment financing, grants, private sector contributions). Based on initial research and discussion with City staff (and potential private sector investment/development stakeholders), Kosmont will evaluate key strategic and implementation considerations, including:

- a) Property ownership and planned / proposed / potential future development (based on information to be provided or confirmed by the City)
- b) Potential public and private sector partners (e.g., City, County of Sacramento, other affected taxing entities, developers / property owners)
- c) Land use mix and corresponding market and economic feasibility as evaluated in the Specific Plan process
- d) Overlap with former Redevelopment Agency Project Area boundaries and status of redevelopment dissolution (e.g., Finding of Completion from Department of Finance).

Supporting data for Task 1 will be found in the existing Specific Plan, ongoing conversations with City staff, publicly available data sources (e.g., County Auditor-Controller tax roll), and Kosmont's extensive experience with acceptable and effective tools in other communities.

TASK 2: Preliminary Funding and Financing Analysis

Kosmont will prepare a preliminary funding and financing analysis, including special tax/assessment and tax increment analysis, as appropriate, reflecting potential future site development and potential public and private sector partners. The analysis will identify:

- a) Potential assessed value generation from future development in the district
- b) Special tax / assessment and tax increment funding capacity at select annual benchmarks (e.g., year 5, year 10, year 15, year 20) and cumulatively over estimated district lifetime(s)
- c) Sensitivity analysis based on fiscal and market feasibility for special tax burden by land use and tax increment allocation
- d) Phasing to reflect funding allocations by parcel / ownership according to readiness for development
- e) Initial estimates of potential bonding capacity (to be prepared by Kosmont Financial Services, registered Municipal Advisor)
- f) Complementary economic development tools and funding resources (e.g., grants and corresponding amounts and timing)
- g) As related to potential overlap of proposed district boundaries with former redevelopment agency project areas, analysis of corresponding relevant outstanding enforceable obligations and implications on available revenues.

Supporting data for Task 2 will be found in the existing Specific Plan, ongoing conversations with City staff, publicly available data sources (e.g., County Auditor-Controller tax rate data), and Kosmont data subscriptions (e.g., CoStar market data on prevailing lease rates, tenant pass-through expenses).

TASK 3: Fiscal and Economic Impact Analysis

The purpose of Task 3 is to illustrate the fiscal and economic benefits and drawbacks for the various options in designating portions of infrastructure as public to facilitate site development. Kosmont will evaluate fiscal revenues (e.g., property tax, sales tax) and fiscal expenditures (e.g., police, fire, maintenance, community service costs) and the resulting net fiscal impact to the City from project implementation over time. It should be noted that such fiscal impact analysis is required by EIFD legislation as part of district formation, as one example tool.

Supporting data for Task 3 will be found in publicly available data sources (e.g. adopted City Budget, ACFR) and ongoing conversations with City staff.

TASK 4: Governance and Implementation Roadmap

The purpose of Task 4 is to provide a description of the process, schedule, and costs to develop the implementation measures necessary to facilitate the preferred Infrastructure Financing Strategies. Based on discussion of the previous Task findings with City staff, Kosmont will evaluate and summarize feasible governance and implementation alternatives, including district governing board composition, voting / approval procedures, district formation milestones, debt issuance procedures, estimated timing, and costs, in order to provide potential public and private sector stakeholders with an illustrative “roadmap” for implementation.

Supporting data for Task 4 will be found in adopted legislation / Government Code Sections and Kosmont's extensive experience with the implementation of these tools in other communities.

TASK 5: City Meeting / Workshop

Kosmont will coordinate a meeting with City staff, City Council, and/or other key community stakeholders, such as property owners and/or local developers. Kosmont will prepare and present a summary of analysis findings and the potential Infrastructure Financing Strategies. The purpose of the workshop will be to facilitate education of key stakeholders, and to achieve buy-in for potential implementation.

Potential Future (Phase Two) Services

- Taxing entity (e.g., County) stakeholder outreach for potential partnership
- Preparation of required implementation documentation based on preferred tool(s) (e.g., Infrastructure Financing Plan, related staff reports, public notices, resolutions for review by City Attorney's Office)
- District formation meeting and hearings
- Municipal Advisory activities for potential debt issuances to be provided by Kosmont Financial Services, registered Municipal Advisor.

SCHEDULE AND REQUIRED DATA

Consultant is prepared to commence work upon receipt of an executed Professional Services Agreement. A summary PowerPoint presentation characterizing findings from Tasks 1 through 4, a technical memorandum summarizing the implementation roadmap, and backup calculation tables in spreadsheet format are anticipated to be delivered within twelve (12) to sixteen (16) weeks from assignment authorization. Timing for the Task 5 City Meeting / Workshop will be contingent on availability of elected officials and/or other required stakeholders.

Client will provide Consultant with existing project and property data, such as any specific proposals for redevelopment from property ownership, infrastructure cost estimates, etc.

PROJECT METHODOLOGY / QUALITY CONTROL

Kosmont has served clients throughout California for 36 years and attributes its continued success and extensive track record to delivering value and completing projects on time. Kosmont's approach to providing consulting services is to understand each project and the unique opportunities and challenges they present and then to incorporate our expertise, knowledge, and services as appropriate.

Continued →

SECTION 2. PROJECT APPROACH

Kosmont utilizes a system of controls and has an organized structure in place to effectively manage and ensure each project's success. We believe in maintaining regular communication with appropriate client staff / representatives to keep activities in alignment with the client's schedule. This could involve emails, conference calls, virtual meetings (Zoom or Teams), and in-person meetings (when necessary) with the appropriate parties working on a project. In addition to project meetings, Kosmont will provide an open channel of communication and understanding between client and the Kosmont team. To satisfy project management needs, Kosmont will make certain its staff and team is available to client as necessary to complete the assignment per requirements of client.

Kosmont allocates tasks and responsibilities to team members based on subject-matter expertise and available capacity to optimize efficiency, cost effectiveness, and on schedule delivery of work product to its clients. Tasks within the skill sets and responsibility of a Project Manager ("PM") are completed by that PM and remaining tasks are sent out to the appropriate parties (i.e., other team members, clients, subconsultants). The PM then actively monitors the progress of tasks distributed to confirm they are completed in a timely and accurate manner.

In order for projects to proceed smoothly and efficiently, Kosmont utilizes a series of comprehensive checklists based on years of project management experience and includes various aspects and milestones from proposal to close-out for detailed tasks on all types of projects to carefully manage schedule and cost, and to deliver work product. These checklists are utilized monthly to report potential challenges and keep the project on track to ensure the requested deadlines are met.

Additionally, the Kosmont team corresponds internally by utilizing SharePoint and Microsoft Office Teams. Specifically, Microsoft Office Teams allows the Kosmont project team to make and relay information in real time and keep everyone up to date on the latest project information. This streamlines our communication, saves time, and allows the entire project team access to current information keeping everyone on the same page and the project moving forward.

Finally, Kosmont staff members participate in staffing calls two to three times a week and monthly project meetings to discuss the progress of each project, confirm future tasks, and provide updates to the PM. This ensures efficiency in workload, reduces redundancy, and provides a forum for cross checking each team member's work and affords the PM the ability to confirm the predetermined checklists of each phase of the project are proceeding smoothly while being completed in the highest quality and most efficient manner possible. Mr. Ken K. Hira reviews work product for quality control purposes prior to submission to clients.



SECTION 3. **PROJECT EXPERIENCE**

RELEVANT EXPERTISE

As previously mentioned, Kosmont has been providing advisory services since 1986 and is uniquely capable in assisting municipal agency clients in structuring multi-component infrastructure funding and financing strategies. Kosmont is the leader in this field as supported by the abbreviated sample of our team’s extensive experience, knowledge, and capabilities shown in the project descriptions below and on the following pages. Since Kosmont is well acquainted with the City of Citrus Heights and the local and regional economic context, our knowledge of the area along with 36 years of experience will enable us to ramp up expeditiously and add significant value to the requested services.

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG): Special District Expertise Advisory

Work Samples: [SCAG Application Link](#) / [City of Placentia](#) / [County of Orange EIFD](#)



For many years, Kosmont has been engaged by the Southern California Association of Governments (SCAG) for special district and tax increment financing subject matter expertise and technical advisory, serving its 191 member cities and six member counties. Kosmont developed with SCAG a special district technical screening application and assists with ongoing training services for its member cities and counties.

Kosmont is additionally leading over a dozen EIFD/CRIA "Pilot Projects" funded by SCAG throughout the SCAG region, involving district feasibility evaluation, stakeholder outreach, and actual district formation. One Pilot involves the City of Placentia, where Kosmont provided the initial EIFD feasibility study for an approximately 300-acre Transit-Oriented Development (“TOD”) area surrounding their forthcoming Metrolink station. Kosmont assisted Placentia with drafting of the required Infrastructure Financing Plan (“IFP”) and tax increment negotiations with the County of Orange. Kosmont worked with Placentia and Orange County to **form the first city and county cooperative EIFD in the State**, established on July 30, 2019.

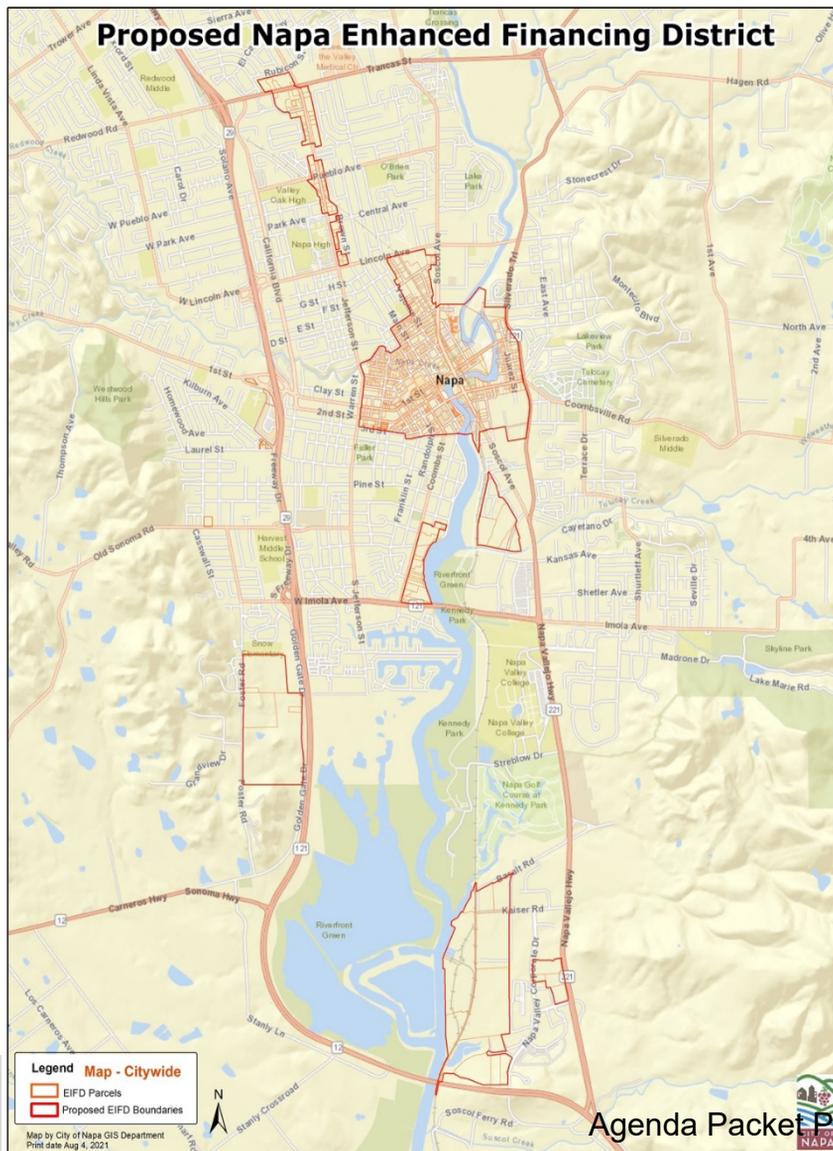
An additional Pilot involves the unincorporated community of West Carson in Los Angeles County, where Kosmont provided initial feasibility analysis and additionally provided technical advisory, stakeholder outreach, and other assistance to form the **first County-led EIFD in Southern California**. The West Carson EIFD is approximately 1,587 acres, encompassing the West Carson TOD Specific Plan and Harbor-UCLA Medical Center Campus Master Plan areas.

SECTION 3. PROJECT EXPERIENCE

CITY OF NAPA: Enhanced Infrastructure Financing District (EIFD) Formation

Work Sample: Link to Napa EIFD website (*see Infrastructure Financing Plan and Appendices*):
<https://www.cityofnapa.org/1079/Napa-Enhanced-Infrastructure-Financing-D>

Kosmont was retained by the City of Napa for technical advisory related to the formation of the City of Napa Enhanced Infrastructure Financing District (EIFD). The EIFD encompasses approximately 840 acres including a mix of potential future land uses on significantly underutilized properties. Kosmont prepared the governing Infrastructure Financing Plan (IFP), tax increment revenue projections, fiscal impact and economic benefit analysis, staff reports, resolutions, and required public mailing, newspaper, and website notices. Kosmont lead presentations to the City Council, the EIFD Public Financing Authority (PFA), and County staff and elected officials regarding the proposed activities of the EIFD. The Napa EIFD was successfully formed as the first EIFD in Napa County on July 6, 2022.



CITY OF LA VERNE / COUNTY OF LOS ANGELES: Enhanced Infrastructure Financing District (EIFD) Feasibility Analysis and Formation

Work Samples: [City of La Verne / County of LA EIFD](#)

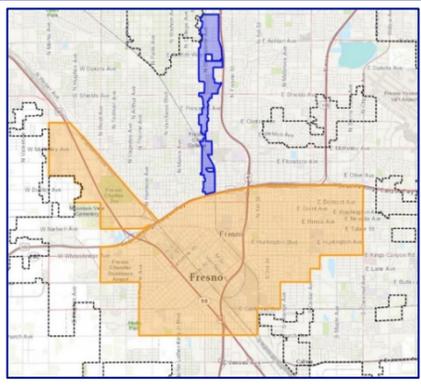
Kosmont was retained by the City of La Verne to initiate an EIFD feasibility study for a multi-agency proposed District that would help finance public infrastructure and encourage private investment for a variety of commercial and mixed-use projects. The proposed project area is in a transit-oriented development (TOD) area of the La Verne Old Town Specific Plan and surrounds a proposed Metro Gold Line Extension light rail station. Anticipated infrastructure improvements include a range of first mile / last mile, pedestrian and bicycle connectivity, roadway and other infrastructure projects. Kosmont’s work resulted in EIFD formation by the City in October 2017 as the **first EIFD in the County of Los Angeles and the six-county SCAG region**. After lengthy negotiations, the County of Los Angeles formally joined the district as a partner in January 2020, committing 50% of its share of property tax increment to the district. La Verne represents the **second EIFD statewide involving a city and county partnership** (after Placentia / Orange County).



CITY OF FRESNO: Downtown and Blackstone BRT Corridor Enhanced Infrastructure Financing District (EIFD) Evaluation and Formation

Kosmont evaluated and led the successful formation of an enhanced Infrastructure Financing District (EIFD) encompassing approximately 4,200 acres in the Downtown and Blackstone Avenue Bus Rapid Transit (BRT) Corridor areas of the City, an area almost entirely comprised of Opportunity Zone and Disadvantaged Community Census Tracts.

The district will generate approximately \$350 million in funding for transit and housing-supportive infrastructure to catalyze and support future growth and reinvestment into the local community. The Fresno City Council and the EIFD Public Financing Authority (PFA) approved the final Infrastructure Financing Plan (IFP) in September 2020, marking the first City-lead EIFD in the Central Valley.



LETTER OF RECOMMENDATION



COUNCIL VICE PRESIDENT NELSON ESPARZA

May 25, 2021

To: Whom it May Concern

RE: Letter of Recommendation for Kosmont Companies

The City of Fresno retained Kosmont Companies in August of 2019 to evaluate the feasibility of a tax increment financing (TIF) district. The purpose of such a district was to assist in the funding of critical infrastructure and other public improvements, as a means of catalyzing the development of housing and other community amenities in historically underserved areas of the City.

With Kosmont's technical analysis and guidance, and after a great deal of coordination with City staff across Planning & Development, Public Works, Transportation, Finance, the City Attorney's Office, landowners, residents, and other community stakeholders, Fresno successfully formed its Enhanced Infrastructure Financing District (EIFD) in the Fall of 2020. The Fresno EIFD is approximately 4,200-acres encompassing Downtown Fresno and the Blackstone Avenue Corridor Enhanced. The EIFD is comprised almost entirely of Disadvantaged Community (DAC) and Federal Opportunity Zone (OZ) Census Tracts.

Following district formation, interest from the development and investment community has risen sharply (due to a number of factors). Kosmont is currently assisting the City in the evaluation of multiple proposed/potential uses of EIFD proceeds as funds become available.

Kosmont has my enthusiastic recommendation for their real estate, economic development, and public finance expertise. Please feel free to reach out with any questions regarding our experience with Kosmont via telephone at 621-8000 or via email at nelson.esparza@fresno.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Nelson Esparza".

Nelson Esparza
Council Vice President, District 7



SECTION 4. PROJECT TEAM

MEET THE TEAM

Kosmont brings a well-rounded and seasoned professional cohort with the required expertise and exemplary skillsets to provide the requested services. Kosmont has extensive experience, a proven track record, and the qualifications to provide the knowledge, guidance, and execution of those services necessary to assist the City.

If selected, the **Project Manager will be Kosmont Senior Vice President, Mr. Joseph Dieguez**. Mr. Dieguez leads Kosmont's Special District Practice Group and brings over 14 years of experience with 11+ of those years at Kosmont. He serves public and private sector clients primarily through special district funding and financing strategies, market and economic analyses, and real estate development advisory. *Mr. Dieguez will oversee the project from start to completion. He will be responsible for day-to-day management of the engagement with the City and coordination of the Kosmont team to ensure the project is completed on time and within budget.*

Mr. Dieguez will be supported by the following key team members:

- **Mr. Larry J. Kosmont, CRE® is Kosmont Chairman and CEO.** His over 36-year career encompasses public/private financial structuring, negotiation, development, and management of real estate and public finance transactions exceeding \$12B. He has assisted hundreds of local government agencies in public finance and real estate matters ranging from large-scale economic development programs to site-specific real estate strategies and projects. Mr. Kosmont has guided over 1,000 private sector projects in obtaining public approvals, structuring deal terms, and securing public/private financing. *For this assignment, he will provide Executive Oversight for Kosmont.*
- **Mr. Ken K. Hira, President** has expertise in real estate and economic development. He brings over 30 years of varied experience in virtually every aspect of acquisition, entitlement, development, financing, asset management, disposition, downtown revitalization, and strategic plans. His strengths include a keen understanding of land use trends, business retention/attraction, negotiating public-private transactions and implementing blended-use projects. *He will provide project oversight, quality control, strategic advisory support and make public presentations as necessary as the Principal Advisor.*
- **Ms. Felicia Williams, Senior Vice President** brings over 20 years of experience and will *provide support on taxing entity outreach, formation proceedings, and public presentations.*
- **Mr. Fernando Sanchez, Vice President** assists public and private sector clients with market and economic analyses, strategic planning, and real estate development advisory. *Mr. Sanchez will provide project research and analysis support.*
- **Ms. Stephanie Ontiveros, Vice President** has extensive public agency consulting experience specializing in property tax related analysis. *Ms. Ontiveros will provide parcel research and tax rate analysis support.*

Team members are assigned as appropriate based on their skills and qualifications in order to adequately provide services to the City and stay within budget. The subsequent pages contain resumes for the above team members.

Our team is enthusiastic, ready, and available to provide the requested services when called upon.

Larry J. Kosmont, CRE®

Chairman and CEO



Mr. Larry J. Kosmont, CRE® is Chairman and CEO of Kosmont Companies, which he founded in 1986. Kosmont Companies is an industry leader in public/private real estate/land use transactions and economic development. In 1990, he founded Kosmont Realty, a real estate brokerage firm. In 2015, he launched Kosmont Transactions Services which sources financing for public/private projects, P3 initiatives, and infrastructure funding. He is a co-principal, California Golden Fund, a USCIS approved EB-5 Regional Center.

Project Role:

Executive Oversight

Years with Firm: 36

Years of Experience: 40+

Education:

- Masters Public Administration, USC
- B.A. Political Science, State Univ. of New York – Binghamton

FAMILIARITY PUBLIC-PRIVATE TRANSACTIONS AND INCENTIVE PROGRAMS:

Mr. Kosmont's 4-decade career encompasses public/private and public agency projects which have included pursuit of funding sources, financial structuring, negotiation, development, and management of real estate and public finance transactions exceeding \$10B. He has assisted hundreds of local government agencies in public finance and real estate matters ranging from large-scale economic development programs to site-specific real estate strategies and projects. He has guided over 1,000 private sector projects in obtaining public approvals, structuring deal terms, and securing public/private financing. These projects have involved working with hundreds of Federal State regional and local public agencies and jurisdictions on a wide variety of project and funding initiatives.

RELEVANT EXPERIENCE: Throughout his career, Mr. Kosmont has managed hundreds of public and private sector consulting assignments, the majority of which in the SCAG region and many of which involving state and local housing policies and programs. A few of the more recent projects within the last 10 years are summarized below:

- City of La Verne/County of Los Angeles - Enhanced Infrastructure Financing District Formation + Debt Issuance
- Southern California Associated of Governments (SCAG), CA - Housing and Sustainability District Technical Advisor
- City of Placentia/County of Orange, CA - Enhanced Infrastructure Financing District Formation
- City of Carson + L.A. County, CA – EIFD Evaluation
- City of Duarte, CA – EIFD Evaluation
- City of El Cajon, CA – EIFD Evaluation
- City of El Segundo + L.A. County, CA – EIFD Evaluation
- City of Los Angeles, CA – Downtown – EIFD Evaluation
- County of Madera, CA – EIFD Evaluation and EIFD Annual Report Preparation
- City of Napa, CA – EIFD Evaluation
- City of Ontario, CA – EIFD Evaluation
- City of Redondo Beach + L.A. County, CA – EIFD Evaluation
- City of Riverside, CA – EIFD and Community Revitalization and Investment Authority (CRIA) Evaluation
- Private Sector Client, Sacramento County, CA – EIFD Evaluation and Formation
- City of South Gate, CA – EIFD Evaluation

Ken K. Hira

President



Project Role:
Principal Advisor

Years with Firm: 13+

Years of Experience: 30+

Education:
Bachelor of Economics
and Business, UCLA

Mr. Ken K. Hira serves as President for Kosmont Companies. An expert in real estate and economic development, Mr. Hira brings over 30 years of varied experience in virtually every aspect of acquisition, entitlement, development, financing, asset management, disposition, downtown revitalization, and strategic plans. His strengths include a keen understanding of retail trends, business retention/attraction, negotiating public-private transactions and implementing blended-use projects that revitalize communities and assist in economic development/tax generation programs.

A former Executive Vice President and mixed-use developer, Mr. Hira managed a portfolio of over \$100 million of retail sites, while operating the commercial division of the company. Prior to this, as Managing Director of Acquisitions for a development company and Vice President of Development at a development firm, he evaluated and underwrote hundreds of acres of land, successfully captured and negotiated anchor tenant commitments creating \$60 million of value in ground-up development and redevelopment and was responsible for 800,000 square feet of retail entitlement, design and development. As Vice President of a shopping center company based in San Diego (6 years), Mr. Hira entitled one million square feet of retail development projects, as well as led the acquisition of 24 neighborhood and community shopping centers, totaling 3.3 million square feet and valued at \$375 million, and organized a \$287 million recapitalization.

LICENSES/AFFILIATIONS: Mr. Hira is an active volunteer leader of the Innovating Commerce Serving Communities (ICSC) (formerly International Council of Shopping Centers). He was nominated and serves as the Co-Chair of the ICSC Community Advancement Board, nationally advocating public-private partnerships, while previously serving as the ICSC Western Division P3 Retail Co-Chair, Southern California State Director, Program Committee Chair and Alliance Co-Chair.

RELEVANT EXPERIENCE: Throughout his career, Mr. Hira has managed hundreds of public and private sector consulting assignments. A few of the more recent projects within the last 10 years are summarized below:

- Confidential Client, San Jose, CA – EIFD and CFD Evaluation
- City of Fresno, CA – Downtown / Blackstone Bus Rapid Transit Corridor EIFD Formation
- City of Daly City – Market analysis, Public Private Transaction structuring for key opportunity sites
- City of Capitola – Mall Reimagination and developer negotiation assistance
- City of Indian Wells, CA – EIFD Evaluation and County Partnership Negotiations
- City of Seaside, CA – EIFD and Community Revitalization and Investment Authority (CRIA) Evaluation
- City of Laguna Hills – Mall Reimagination, fiscal impact analysis, development agreement
- City of Agoura Hills - Agoura Village Specific Plan Feasibility Analysis
- City of Buellton, CA – Econ Dev / Specific Plan for Downtown with Development Opportunity Reserve (D.O.R.)®
- City of El Cajon, CA – EIFD Evaluation
- City of Norwalk, CA - Economic Development Opportunities Plan and implementation services
- City of San Rafael (ongoing) – Economic Development Strategic Plan including Mall evaluation

Joseph Dieguez

Sr. Vice President



Mr. Joseph Dieguez is a Senior Vice President with Kosmont Companies serving public and private sector clients primarily through market and economic analyses, strategic planning, and real estate development advisory. His recent work includes special / tax increment district implementation (including Enhanced Infrastructure Financing Districts and Community Revitalization and Investment Authorities), market supply and demand analysis, fiscal impact and economic benefit studies, financial feasibility and development pro forma evaluation, and property reuse strategies for municipalities, real estate investment and development firms, and multiple Fortune 500 clients.

Prior to joining Kosmont Companies, Mr. Dieguez served as a senior analyst at a real estate investment and development firm and as an analyst at a top management consulting firm, responsible for industry, market, portfolio and property-level analysis, negotiations, and transaction execution support for investment banks, private equity firms, and other financial institution clients. Joseph was previously an assistant project manager at a construction management firm, where he assisted with RFQ/P development and project implementation.

LICENSES/AFFILIATIONS:

Mr. Dieguez is a licensed Real Estate Salesperson, licensed by the State of California Department of Real Estate (No. 01893926). He is also a Municipal Advisor Representative having achieved the MSRB Series 50 professional qualification and is duly registered with the SEC/MSRB.

Project Role:
PROJECT MANAGER

Years with Firm: 11+

Years of Experience: 14+

Education:

Bachelors of Science,
Mechanical Engineering,
Massachusetts Institute
of Technology

RELEVANT EXPERIENCE: Samples within the last 10 years are summarized below:

- City of La Verne/County of L.A. – Enhanced Infrastructure Financing District (EIFD) Formation + Debt Issuance
- City of Placentia/County of Orange, CA – EIFD Formation
- Southern California Associated of Governments (SCAG) - Housing and Sustainability District Technical Advisor
- County of Humboldt - Samoa Peninsula EIFD Formation
- City of Fresno, CA – Downtown / Blackstone Bus Rapid Transit Corridor EIFD Formation
- Private Sector Client, San Luis Obispo, CA – Development Agreement Negotiation, Infrastructure Financing Plan Preparation, Community Facilities District Formation
- Private Sector Client, Simi Valley, CA – Market / Highest and Best Use and Financial Feasibility Analysis
- City of Azusa, CA – EIFD Evaluation
- City of Brentwood, CA – EIFD Evaluation
- City of Carson + L.A. County, CA – EIFD Evaluation
- City of Duarte, CA – EIFD Evaluation
- City of El Cajon, CA – EIFD Evaluation
- City of El Segundo + L.A. County, CA – EIFD Evaluation
- City of Grand Terrace, CA – EIFD Evaluation
- City of Indian Wells, CA – EIFD Evaluation
- City of Los Angeles, CA – Downtown – EIFD Evaluation
- County of Madera, CA – EIFD Evaluation and EIFD Annual Report Preparation
- City of Napa, CA – EIFD Evaluation City of Ontario, CA – EIFD Evaluation
- City of Pittsburg, CA – EIFD Evaluation
- City of Redondo Beach + L.A. County, CA – EIFD Evaluation
- City of Richmond, CA – EIFD Evaluation
- City of Riverside, CA – EIFD and Community Revitalization and Investment Authority (CRIA) Evaluation
- Private Sector Client, Sacramento County, CA – EIFD Evaluation
- City of Santa Fe Springs, CA – EIFD Evaluation
- City of Seaside, CA – EIFD and CRIA Evaluation
- City of South Gate, CA – EIFD Evaluation

Felicia Williams

Senior Vice President



Ms. Felicia Williams is a Senior Vice President at Kosmont Companies and assists municipal clients with a comprehensive approach to economic development and climate action, in addition to identifying funding sources for key projects. She has a background in public finance, economic development, and sustainability. Specifically for Kosmont clients, Ms. Williams provides financial feasibility analysis for various types of infrastructure and tax increment financing districts, fiscal impact analysis, Specific / General Plan land use analysis, and Climate Action Plan implementation and project financing.

Project Role:

Special District Formation Strategy

Years with Firm: 7

Years of Experience: 25

Education:

- M.B.A., Finance, University of Michigan Ross School of Business
- M.A., Urban Planning, UCLA
- B.A., Public Policy, Stanford University

Association:

Ms. Williams was elected as a Councilmember to the City of Pasadena in 2020 and represents District 2.

FAMILIARITY PUBLIC-PRIVATE TRANSACTIONS AND INCENTIVE PROGRAMS:

Ms. Williams has worked with local and State governments for 15 years in municipal finance. This experience includes individual cities throughout the SCAG territory, Los Angeles and Riverside Counties, as well as local Councils of Government in the South Bay, Western Riverside, Gateway Cities, and San Gabriel Valley. Additionally, Ms. Williams has worked with State of California agencies on environmental financing programs and has served on policy advisory committees for State Senators and Assemblymembers. With broad experience in finance, public policy, and environment, she understands the policy underlying the financing programs to provide comprehensive solutions in key areas highlighted by the City of Citrus Heights.

RELEVANT EXPERIENCE:

Throughout her career, Ms. Williams has managed hundreds of public and private sector consulting and banking assignments, the majority of which in the SCAG region and many of which involving state and local housing policies and programs. A few samples within the last 10 years are summarized below:

- City of Azusa – EIFD Evaluation
- City of Brentwood – EIFD Evaluation
- City of Carson + L.A. County – EIFD Evaluation
- City of Duarte – EIFD Evaluation
- City of El Segundo + L.A. County – EIFD Evaluation
- City of Los Angeles – Downtown – EIFD Evaluation
- City of Pittsburg – EIFD Evaluation
- City of La Verne/County of Los Angeles - Enhanced Infrastructure Financing District Formation
- Southern California Associated of Governments (SCAG) - Housing and Sustainability District Technical Advisor
- County of Los Angeles, Chief Executive Office – Opportunity Zone Policy
- City of Redondo Beach - Enhanced Infrastructure Financing District for AES power plant regional park, including Prop 68 State Parks grant
- County of Los Angeles Second District / Southern California Association of Governments – West Carson Enhanced Infrastructure Financing District
- County of Los Angeles First District / Southern California Association of Governments – LA County / USC Medical Center Tax Increment Financing Feasibility Analysis
- Friends of the Hollywood Central Park – Revenue and Feasibility Analysis

Fernando Sanchez

Vice President



Project Role:

Project Analytics, Research and Support

Years with Firm: 6+

Years of Experience: 8+

Education:

- Master of City Planning, Univ. of Pennsylvania, (focus: public and private real estate development)
- Bachelor of Arts, Princeton University

Mr. Fernando Sanchez is a Vice President with Kosmont Companies assisting public and private sector clients with market and economic analyses, strategic planning, and real estate development advisory. His recent work includes market supply and demand analysis, prioritization of strategic opportunity sites for retail and future development, analysis of potential development uses, and geospatial analysis of boundaries and funding and financing feasibility studies of new infrastructure financing districts, including Enhanced Infrastructure Financing Districts (EIFDs).

Prior to joining Kosmont Companies, Mr. Sanchez also worked as an Analyst for Entertainment and Culture Advisors, a Los Angeles-based economic consulting firm specializing in the entertainment and attractions industry. Other previous experience includes working as an Analyst and Project Manager for JDT International Inc., a residential real estate developer in Philadelphia, and working as a Transportation Planner with the City of Philadelphia Mayor’s Office of Transportation and Utilities.

LICENSES/AFFILIATIONS: Mr. Sanchez is a member of the American Planning Association and the Urban Land Institute. He also serves as the Treasurer of the Princeton Club of Southern California.

LANGUAGES: Mr. Sanchez is fluent in English and Spanish.

RELEVANT EXPERIENCE: Recent projects (General/Specific Plans and EIFD/CRIA Evaluations) are summarized below:

- City of Agoura Hills (Agoura Village Specific Plan Feasibility Analysis)
- City of Brentwood (Enhanced Infrastructure Financing District (“EIFD”) Evaluation; Contra Costa County General Fund Fiscal Impact Analysis)
- City of Buellton (Market and Economic Analysis; Economic Development Plan / Specific Plan for Avenue of Flags Downtown District with Development Opportunity Reserve (D.O.R.)®)
- City of Napa (EIFD Evaluation and Formation; General Fund Fiscal Impact Analysis)
- City of Norwalk (Economic Development Opportunities Plan)
- City of Ontario (EIFD Evaluation)
- City of Santa Barbara (Retail Market Study and Economic Development Strategy; Downtown Revitalization)
- City of Seaside (EIFD and CRIA Evaluation)
- City of St. Helena (Highest and Best Use Analysis; Asset Strategy; Downtown Revitalization)
- City of Watsonville (EIFD Evaluation)
- City of Thousand Oaks (Economic Development Specific Plan)

Stephanie Ontiveros

Vice President



Project Role:
Tax Analysis Specialist

Years with Firm: 1
Years of Experience: 26

Education:
- Bachelor of Science,
Business Administration
– Finance, California
State University, Fresno

Ms. Stephanie Ontiveros is a Vice President with Kosmont Companies and has extensive public agency consulting experience in economic development, redevelopment and finance. Prior to joining Kosmont, Ms. Ontiveros served as a financial consultant to over 90 cities, agencies and special districts throughout California, specializing in Property Tax and Tax Increment analysis, revenue evaluation, forecasting and budgeting. Ms. Ontiveros has conducted numerous special analysis projects for various city specific needs.

LICENSES/AFFILIATIONS:

Ms. Ontiveros is a Municipal Advisor Representative having achieved the MSRB Series 50 professional qualification.

RELEVANT EXPERIENCE:

A few of her more recent projects are summarized below:

- City of Napa EIFD Evaluation and Formation
- City of Fairfield EIFD Evaluation
- City of Fresno EIFD Evaluation and Formation
- City of Mount Shasta EIFD Evaluation
- City of Rancho Cucamonga EIFD Evaluation
- City of Sanger EIFD Formation
- County of Madera EIFD implementation and annual reporting
- County of Madera EIFD base year and tax increment audit
- City of Placentia and County of Orange EIFD implementation and annual reporting
- Menlo Park Fire Protection District – Tax Increment Projections
- City of Torrance – Tax Increment Projections
- City of Thousand Oaks – Tax Increment Projections
- City of Napa – Tax Increment Projections
- City of Roseville – Tax Increment Projections
- City of Clovis – Annual Annexation Review and County Fire Transition Fee Calculations

SECTION 5.
PROJECT PRICING

SECTION 5. PROJECT PRICING

BUDGET

Fixed fee compensation for Tasks 1 through 5 is shown below. Additional professional services requested will be billed at Consultant's billing rates (hourly) found on the following page.

Tasks	Estimated Budget
1) Identification and Evaluation Relevant Financing Tools and Public Funding Sources	\$11,500
2) Preliminary Funding and Financing Analysis	\$17,500
3) Fiscal and Economic Impact Analysis	\$14,000
4) Governance and Implementation Roadmap	\$5,500
5) City Meeting / Workshop	\$4,000
Total Fixed Fee Budget	\$52,500

NOTE: Duties may be allocated between tasks and team members as deemed appropriate by Kosmont's Project Manager in order to adequately provide services to the Client and stay within budget. If needed, other team members not included herein may be assigned to work on this project in a support or research role.

SECTION 5. PROJECT PRICING

HOURLY RATES

Professional Services

Chairman & CEO	\$395.00 / hour
President	\$365.00 / hour
Senior Vice President/Senior Advisor	\$325.00 / hour
Vice President	\$225.00 / hour
Senior Project Analyst	\$195.00 / hour
Project Analyst/Project Research	\$165.00 / hour
Assistant Project Analyst/Assistant Project Manager	\$125.00 / hour
Project Promotion/Graphics/GIS Mapping Services	\$ 95.00 / hour
Clerical Support	\$ 70.00 / hour



Additional Expenses

In addition to professional services (labor fees):

- 1) An **administrative fee** for in-house copy, fax, phone, postage costs, digital/technological support and related administrative expenses will be charged, which will be computed at four percent (4.0 %) of monthly Kosmont Companies professional service fees incurred; **plus**
- 2) **Out-of-pocket expenditures**, such as travel and mileage, professional printing, and delivery charges for messenger and overnight packages will be charged at cost.
- 3) Project/Market data sources for support of evaluation and analysis e.g., ESRI, Placer.ai, CoStar/STR, IMPLAN and other based on quoted project cost.
- 4) If Kosmont retains **Third Party Vendor(s)** for Client (with Client's advance approval), fees and cost will be billed to Client at 1.1X (times) fees and costs.
- 5) Consultant's **attendance or participation at any public meeting**, whether such participation is in person, digital, video and/or telephonic (e.g., City Council, Planning Commission, Public Agency Board, other) requested by Client and are beyond those specifically identified in the Scope of Work will be billed at the professional services (hourly) fees as shown on this on this rate sheet.

Charges for Court/Deposition/Expert Witness-Related Appearances

Court-related (non-preparation) activities, such as court appearances, depositions, mediation, arbitration, dispute resolution and other expert witness activities, will be charged at a court rate of 1.5 times scheduled rates, with a 4-hour minimum.

Rates shall remain in effect until December 31, 2022.

(A) Questions and Answers

- 1) Is the City looking for the RFP response to include subcontracting for engineering data information and analysis that informs infrastructure financing strategies?

Response: The city is open to alternatives to inform needed engineering data and analysis. The proposer can include engineering subcontractor information and pricing as part of the proposal to address anticipated needs to complete desired scope associated with RFP. The city may choose to ultimately contract this separately but would consider a proposal that includes an engineering subcontractor.

With the addition of this information, the **RFP deadline will be extended to 5:00pm Friday September 9, 2022.**



Public Notice

REQUEST FOR PROPOSALS (RFP)

Citrus Heights Sunrise Tomorrow Specific Plan Infrastructure Financing Strategies

Release Date: Wednesday, August 3, 2022

Deadline for Submission: ~~5:00pm Friday, September 2, 2022~~

Revised Deadline for Submission: 5:00pm Friday, September 9, 2022

Contact person: Meghan Huber

**City of Citrus Heights
6360 Fountain Square Drive
Citrus Heights, CA 95621-5577
(916) 725-2448**

REQUEST FOR PROPOSALS
Sunrise Tomorrow Specific Plan
Infrastructure Financing Strategies

RELEASE DATE: Wednesday August 3, 2022

CLOSING DATE: Friday September 2, 2022

CONTACT PERSON: Meghan Huber
Economic Development & Community Engagement Director
916-727-4745
mhuber@citrusheights.net

City of Citrus Heights
6360 Fountain Square Drive
Citrus Heights, CA 95621-5577

Purpose

The City of Citrus Heights is requesting proposals from qualified financial consultants/economists to prepare Infrastructure Financing Strategies for the Sunrise Tomorrow Specific Plan (STSP).

The STSP is a mixed-use redevelopment/infill project proposed to be phased in over period of 5 to 20 years. At build out, development allowances permit approximately 2,200 multifamily residential units, 480 hotel rooms, 320,000 SF of retail, 960,000 SF of office/employment campus, and 450,000 SF of community/institutional space.

The City

The City incorporated as a General Law city with a Council/Manager form of government in January 1997. It is located approximately 10 miles east of downtown Sacramento on Interstate 80 between Sacramento and Roseville, California. The City has a population of almost 90,000 residing in a 14 square mile area in a mature, urbanized area estimated to be approximately 97% built out.

The City currently employs over 190 full-time employees providing services in the areas of community development, general services, general administration, economic development, finance and police services. Citrus Heights is not a full-service city. Various special districts within Citrus Heights provide such services as water, fire, schools, and parks & recreation. The City Council

priorities include maintain fiscal stability, improving streets and infrastructure, diversifying for a changing economy, enhancing and expanding public safety, and improving community vibrancy and engagement.

Project Background

Sunrise Mall in Citrus Heights was built in 1971 and has the distinction of being the Sacramento region's original destination shopping mecca. Over time, with the addition of other shopping centers and the advent and eventual prominence of online shopping, the mall's occupancy and economic impact have been in steep and continued decline. Like other older malls and commercial centers, Sunrise Mall has the added dynamic of multiple owners (the site is subdivided with separate owners for anchor, inline shops, and outlying buildings). Given these factors, the City of Citrus Heights was reasonably concerned about the mall's long-term viability.

Despite its challenges, Sunrise Mall is still retaining tenants and the site has much potential for redevelopment and revitalization. The property sits at the second highest volume intersection in Sacramento County, and 75 of the site's 100 acres is surplus parking. With this potential and the looming impacts of decreased economic activity in mind, the City of Citrus Heights embarked on a process to create a new future for the Sunrise Mall site.

In October 2019 Citrus Heights City Council approved a General Plan amendment that directed staff to begin a Specific Plan process: a set of zoning and entitlement tools that create a new vision for the site's future by allowing new uses, increasing density, and incentivizing development. Specific Plans also require any future development to be consistent with the outlined vision. The process involved contracting a variety of expert consultants to perform a market analysis, execute a Specific Plan, and complete an Environmental Impact Report.

With its adoption in November 2021, the Sunrise Tomorrow Specific Plan:

- Allows new uses at the Sunrise Mall site, with zoning for a variety of residential typologies, entertainment, retail, hospitality, employment campus, and more.
- Triples the development potential on the site, creating an opportunity for the community to diversify its economy, attract quality industry sectors like medical and tech, and more.
- Streamlines future development review, so that projects aligned with the Sunrise Tomorrow vision can be expedited, saving developer's time and money.
- Allows flexibility for redevelopment, empowering responsiveness to changes in the market.
- Fulfills CEQA requirements and mitigates development risk, which is one of the most impactful ways local government can stimulate redevelopment.
- Aligns market demand with community vision, building grassroots, local support in favor of re-imagining the Sunrise Mall site.

Sunrise Mall will continue to operate and new development will likely phase around it, starting with the surplus parking areas. The City actively encourages the community to continue to shop and attend events at the Sunrise Mall. Should the mall itself ever close, this plan will serve as a toolbox for accelerated revitalization.

Although infrastructure such as water, sewer, storm drainage, power and utilities exist along Sunrise Blvd and Greenback Lane, the site still requires tactical infrastructure phasing/implementation/financing analysis in order to facilitate eventual redevelopment. To support infill development, all the roadways and infrastructure within the proposed development will need to be constructed.

Scope of Work

Project Goal

The city seeks to comprehensively understand:

1. The options, fiscal and economic benefits and drawbacks to designating portions of infrastructure as public to facilitate development
2. How to potentially leverage a variety of financing tools and public funding sources to plan and construct needed infrastructure

Deliverables

- Provide a sensitivity analysis for an acceptable market range of assessment burden for the various land use types in the STSP.
- Provide an evaluation of potential revenue generating scenarios based upon overall assessment burden load scenarios at different debt terms (i.e. 25, 50, 75-year).
- Provide analysis of available tax increment financing scenarios, forecasting potential revenues based upon reasonable development assumptions.
- Provide an analysis for a financing districts that allows for phasing of specific parcels by different owners when ready for development.
- Prepare an achievable financing plan strategy that provides options for creative use of public financing tools.
- Provide a description of the process, schedule and costs to develop the implementation measures necessary to facilitate the Infrastructure Financing Strategies.

A technically accurate document is essential, but the City also requires submitted proposals to be easy to use. The proposal text must clearly address the scope topics raised and listed under the “Deliverables” section of this RFP, and must indicate where supporting documentation/evidence for conclusions, policies or synopsis of data is found.

Proposal Format

- **Cover Letter**
- **Company Overview:** Should contain a brief description of vendor's company and its qualifications and technical capacity, listing of all sub-consultants, explanation of past projects relevant to all phases of the project described in this RFP, and a minimum of three references with URLs and contact information.
- **Project Approach:** Should include a statement of the project as vendor understands it, and a description of vendor's development process or execution plan (project stages, milestones, and deliverables). It should also describe vendor's quality control and testing processes and criteria, and a general timeline (number of days to complete project).
- **Project Experience:** Should include examples of similar projects with which vendor has experience
- **Project Team:** Should list the proposed team (including sub-consultants), their qualifications and roles. May also request identification of a project manager and resumes for all team members.
- **Project Pricing:** Should include fixed price amount for development, assumptions, and/or terms of payment.

Evaluation Criteria

Proposals will be evaluated based on qualifications and ability to execute quality work product in an expedited manner.

Key Action Dates/Timeline

Release of RFP: Wednesday August 3, 2022

Informational Meeting (virtual): 2:00pm – 3:00pm, Wednesday August 17, 2022

Deadline for Receipt of Proposal: 4:00pm, Friday September 2, 2022

Notifications to Finalists: Friday, September 9, 2022

Interviews with Finalists: Wednesday, September 21, 2022

Tentative Date of Award of Contract*: Friday, October 14, 2022

*Dependent on final funding plan and approval by Citrus Heights City Council

General Terms & Conditions

Limitation: The Request for Proposals (RFP) does not commit the City of Citrus Heights (City) to award a contract, to pay any cost incurred in the preparation of the firm's RFP response or to procure or contract for services or supplies. The City reserves the right to accept or reject any or all RFP responses received as a result of this request, to negotiate with all qualified sources or to cancel all or part of this RFP.

Award: The firm/entity selected may be required to participate in negotiations and to submit such revisions of their proposals as may result from negotiations. The City reserves the right to award a contract/select a service provider without discussion based upon the initial proposals.

Insurance: The consultant shall maintain in full force and effect the insurance as outlined in **Attachment A**. The City reserves the right to waive or modify such insurance coverage. However, consultants meeting the insurance requirements will receive greater consideration during the selection procedure. All insurance shall be evidenced by a Certificate of Insurance and endorsement, acceptable to the Risk Manager, prior to execution of a contract. The consultant shall state their ability to meet the City's insurance requirements within their submittal.

Signature: The consultant's RFP response shall provide the following the following information: name, title, address and telephone number of individuals with authority to bind the service provider and also who may be contacted during the period of proposal evaluation. The consultant's RFP response shall be signed by an official authorized to bind the consultant, signifying complete understanding of and ability to comply with all requirements of the RFP, including those related to insurance as identified above.

Submission Instructions

Email or mailed proposals must be received no later than **4:00pm Friday, September 2, 2022** at the City of Citrus Heights:

Meghan Huber
Economic Development & Community Engagement Director
City of Citrus Heights
6360 Fountain Square Drive
Citrus Heights, CA 95621-5577
mhuber@citrusheights.net

Late proposals will not be accepted.

Attachments: Attachment A – Standard Insurance Requirements

The Sunrise Tomorrow Specific Plan can be found at www.sunrisetomorrow.net

Attachment A
Standard Insurance Requirements

To the fullest extent permitted by law, Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, agents and volunteers (collectively, "Indemnitees") from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney's fees, costs and fees of litigation, (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services under this Agreement, or its failure to comply with any of its obligations contained in this Agreement, or its failure to comply with any applicable law or regulation, except such Liability caused by the sole negligence or willful misconduct of City.

In order to comply with the bonding and insurance requirements contained in your contract with the City of Citrus Heights there are several things that we require. It is our intent to facilitate consideration of every project, so we are including here a **summary** checklist for your convenience.

All bonds and insurance requirements need to be complete and submitted prior to your contract being approved.

I. GENERAL

- A. Send these requirement sheets to your insurance broker for immediate compliance.**
- B. NO CONTRACTS WILL BE APPROVED UNTIL ALL BONDS AND CERTIFICATES ARE IN ORDER.**
- C.** New and renewal Certificates and endorsements must reference a specific job. "All Operations" certificates are not acceptable.
- D.** All contractors and subcontractors working on a project or jobsite must meet the same insurance requirements you do, prior to starting work on the project or site.
- E.** All insurance companies must have an AM Best rating of A:VII or better.
- F.** Any deductibles must be declared to and approved by the City.
- G.** All insurance coverage, with the exception of Professional Liability coverage must be written on a full "per occurrence" basis.
- H.** A 30-day cancellation notice is required, and written or modified to a form that binds the insurer to provide it. For non-payment of premium, a 10-day notice is acceptable.
- I.** Expiration dates are required on all certificates.
- J.** All Bonds and Certificates must have an original signature.

II. GENERAL LIABILITY/AUTOMOBILE LIABILITY

A. GENERAL LIABILITY

\$4,000,000 General Aggregate
\$2,000,000 Products and/or Completed Operations
\$2,000,000 Each Occurrence

AUTOMOBILE LIABILITY

\$1,000,000 Combined Single Limit

B. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

STATUTORY Workers' Compensation

C. PROFESSIONAL LIABILITY

Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than \$1,000,000 per occurrence or claim covering the Consultant's errors and omissions.

III. ENDORSEMENTS

A. The GENERAL LIABILITY AND AUTOMOBILE LIABILITY policies are to be endorsed to contain, the following provisions:

1. The Entity, its officers, officials, employees, and agents are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an **Additional Insured endorsement** (CG 20 10 11 85 or equivalent) to the contractor's insurance policy, or as a separate owner's policy.
2. There must be an **endorsement** indicating that coverage is primary and non-contributory with respect to additional insureds.
3. There must be an **endorsement** that includes a severability of interest clause. (cross liability).
4. Where applicable, the General Liability policy shall contain an endorsement or provision stating that such insurance applies to the liability assumed by any subcontractor. (Owners and Contractors Protective)
5. The General Liability coverage shall be at least as broad as ISO form CG 00 01 (ed. 10/01).
6. The auto coverage shall be provided for owned, hired, and non-owned autos.
7. The auto coverage shall be as broad as ISO form CA 00 01.

B. The WORKERS COMPENSATION/EMPLOYERS LIABILITY policy must contain an endorsement with a waiver of subrogation in favor of the City of Citrus Heights for all work performed by the contractor, its employees, agents and subcontractors.

C. Acceptance of any bond, certificate of insurance, or endorsement showing proof of insurance required by your contract does not constitute approval or agreement by the City of Citrus Heights that the insurance requirements have been met or that the bond or insurance policies referenced on any certificates and endorsements are in compliance with your contractual requirements.



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: December 8, 2022

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Casey Kempenaar, Community Development Director
Meghan Huber, Economic Development Director
Regina Cave, General Services Director
Leslie Blomquist, City Engineer

SUBJECT: **Resolution Authorizing the Application for REAP 2.0 Higher Impact Transformative (HIT) Allocation**

Summary and Recommendation

In November 2022, the State Department of Housing and Community Development (HCD) released a Notice of Funding Availability (NOFA) for the Regional Early Action Planning (REAP) Grant Higher Impact Transformative Allocation grant program.

This funding program is intended to be a flexible program that seeks to accelerate progress towards state housing goals and climate commitments through a strengthened partnership between the state, its regions, and local entities. REAP 2.0 seeks to accelerate infill housing development, reduce Vehicle Miles Traveled (VMT), increase housing supply at all affordability levels, affirmatively further fair housing, and facilitate the implementation of adopted regional and local plans to achieve these goals.

The competitive grant applications are due December 31, 2022, and require City Council authorization to submit an application. The HIT funding would work in conjunction with and support the proposed Infrastructure Financing Strategy being considered tonight by Council as well.

As a result, Staff recommends the City Council Adopt Resolution 2022-___, a resolution of the City Council of the City of Citrus Heights Authorizing staff to submit an application for REAP 2.0 Higher Impact Transformative (HIT) Allocation if Successful Authorize a \$1 Million Dollar Match Utilizing American Rescue Plan Act (ARPA) Funding.

Fiscal Impact

If successful, the grant application would provide up to \$10,000,000 to support the development of the Sunrise Tomorrow Specific Plan related infrastructure. Due to the competitive nature of the grant program and limited funds available, staff recommends the Council allocate \$1,000,000 in

American Rescue Plan Act (ARPA) funding to increase the competitiveness of the application. In the event the grant application is unsuccessful, the \$1,000,000 in ARPA funding would remain available for reallocation for other purposes as directed by the City Council. In the event the City is awarded funding less than \$10,000,000 the contribution would be prorated accordingly.

The current balance of American Rescue Plan Act funds with previous allocations as follows:

ARPA FUNDING ALLOCATION SUMMARY		
	Total City Allocation	\$15,676,972
6/24/2021	Police Department Staffing – FY 2021/22	(\$1,568,805)
6/24/2021	Police Department Staffing – FY 2022/23	(\$2,811,775)
1/13/2022	Small Business COVID Recovery Program	(\$281,111)
6/23/2022	Beautification Crew	(\$875,000)
6/23/2022	Community Block Party Trailer	(\$50,000)
6/23/2022	Police Fleet Vehicles and Equipment	(\$1,400,000)
9/22/2022	Community Projects Grant Program	(\$50,000)
6/23/2022	Police Department Communications Center Critical Needs	(\$600,000)
10/27/2022	ERP System and Technology	(\$1,198,350)
	Total Allocation Remaining	\$6,841,931¹

Background and Analysis

The California Department of Housing and Community Development (Department), in collaboration with the Office of Planning and Research (OPR), the Strategic Growth Council (SGC), and the State Air Resources Board (CARB), announced the release of this Notice of Funding Availability (NOFA) for approximately \$30 million for the Regional Early Action Planning Grants of 2021 (REAP 2.0) Higher Impact Transformative (HIT) allocation.

HIT is made available as a portion of the overall REAP 2.0 funds and provides funding to Metropolitan Planning Organizations (MPOs), Councils of Governments (COGs), local governments, transit agencies, Tribal Entities, and other affected entities (through legally binding partnerships) on a competitive basis to support novel, unique, or innovative approaches that are scalable and that further REAP 2.0’s Goals and Objectives. REAP 2.0 makes funding available to meet the State’s housing and equity goals, reduce Vehicle Miles Traveled (VMT) Per Capita, and advance implementation of the region’s Sustainable Communities Strategy (SCS).

Staff believes the Sunrise Tomorrow Specific Plan is a model for achieving these state objectives, is replicable throughout the State, and has a fair chance of being awarded funding. If awarded, the City would utilize the funding to facilitate infrastructure development to serve the Sunrise Tomorrow site through frontage improvements necessary to support the ultimate buildout of the site. The HIT grant program allows for applications up to \$10,000,000.

¹ \$40,000 of ARPA funding has been identified for Item 16 for the Council’s consideration (Infrastructure Financing Strategy)

If successful, the grant application will advance the Sunrise Tomorrow project and thereby create progress toward the City's strategic goal to "Diversify for a resilient economy".

Attachments

1. Resolution 2022-__, a resolution of the City Council of the City of Citrus Heights Authorizing Application to and Participation in the Higher Impact Transformative (HIT) Grant Program
2. NOFA for HIT Program

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, AUTHORIZING APPLICATION TO AND PARTICIPATION IN THE
HIGHER IMPACT TRANSFORMATIVE (HIT) GRANT PROGRAM**

The City Council of the City of Citrus Heights (“Applicant”) hereby consents to, adopts and ratifies the following resolution:

- A. WHEREAS, the Department is authorized to provide up to \$30,000,000 to Eligible Entities (“Applicant”) listed in Health and Safety Code Section 50515.08, subdivisions (a)(1)-(6) under the Higher Impact Transformative (HIT) Allocation of the Regional Early Action Planning grants program (REAP 2.0), as detailed in Health and Safety Code Section 50515.08-10.
- B. WHEREAS the State of California (the “State”), Department of Housing and Community Development (“Department”) issued a Notice of Funding Availability on November 9, 2022 for REAP 2.0 HIT Allocation funds available to Eligible Entities;
- C. WHEREAS Applicant is an Eligible Entity eligible to submit a Request for Funds pursuant to Health and Safety Code Section 50515.08(c) to develop and accelerate the implementation of the requirements described in Health and Safety Code section 50515.08(c)(1).
- D. WHEREAS the Department shall approve the Request for Funds, subject to the terms and conditions of Eligibility, Guidelines, NOFAs, Program requirements, and the Standard Agreement by and between the Department and REAP 2.0 Grant Recipients;

NOW THEREFORE BE IT RESOLVED THAT:

- 1. The **City of Citrus Heights** is hereby authorized and directed to request an allocation of funds not to exceed **\$ 10,000,000** (the amount allocated pursuant to Health and Safety Code section 50515.07(a) consistent with the methodology described in 50515.09(a)).
- 2. The **City Manager** is authorized to execute the Request for Funds, on behalf of the **City of Citrus Heights** as required by the Department for receipt of REAP 2.0 funds.
- 3. When **the City of Citrus Heights** receives an allocation of REAP 2.0 funds in the authorized amount of **\$ 10,000,000** from the Department pursuant to the above referenced Request for Funds, it represents and certifies that it will use all such funds only for eligible activities as set forth in Health and Safety Code section 50515.08(c)(1), as approved by the Department and in accordance with all REAP 2.0 requirements, guidelines, all applicable state and federal statutes, rules, regulations, and the Standard Agreement executed by and between the Applicant **City of Citrus Heights** and the Department.
- 4. The **City Manager** is authorized to enter into, execute, and deliver a State of California Standard Agreement for the amount of **\$10,000,000**, and any and all other documents required or deemed necessary or appropriate to evidence and secure the REAP 2.0 Allocation, the **City of Citrus Heights** obligations related thereto and all amendments the Department deems necessary and in accordance with REAP 2.0.

5. In the event the HIT grant application is successful, the City Manager is authorized to provide up to a **\$1,000,000** match of American Rescue Plan Act (ARPA) to support the scope of work described within the HIT application submitted to the Department.

PASSED AND ADOPTED at a regular meeting of the **City of Citrus Heights** this 8th day of December, 2022 by the following vote:

AYES: _____ ABSTENTIONS: _____
NOES: _____ ABSENT: _____

,Mayor

ATTEST: _____
Amy Van, City Clerk

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



November 9, 2022

MEMORANDUM FOR: ALL POTENTIAL APPLICANTS

FROM: MEGAN KIRKEBY, DEPUTY DIRECTOR
DIVISION OF HOUSING POLICY DEVELOPMENT

SUBJECT: **NOTICE OF FUNDING AVAILABILITY AND FINAL
GUIDELINES – REGIONAL EARLY ACTION PLANNING
GRANTS OF 2021 (REAP 2.0) HIGHER IMPACT
TRANSFORMATIVE (HIT) ALLOCATION**

The California Department of Housing and Community Development (Department), in collaboration with the Office of Planning and Research (OPR), the Strategic Growth Council (SGC), and the State Air Resources Board (CARB), is pleased to announce the release of this Notice of Funding Availability (NOFA) for approximately \$30 million for the Regional Early Action Planning Grants of 2021 (REAP 2.0) Higher Impact Transformative (HIT) allocation. HIT is made available as a portion of the overall REAP 2.0 funds and provides funding to Metropolitan Planning Organizations (MPOs), Councils of Governments (COGs), local governments, transit agencies, Tribal Entities, and other affected entities (through legally binding partnerships) on a competitive basis to support novel, unique, or innovative approaches that are scalable and that further REAP 2.0's Goals and Objectives. REAP 2.0 makes funding available to meet the state's Housing and equity goals, reduce Vehicle Miles Traveled (VMT) Per Capita, and advance implementation of the region's Sustainable Communities Strategy (SCS) or Alternative Planning Strategy, as applicable.

The following Guidelines address the HIT allocation of REAP 2.0 and are made available as a portion of the Local Government Planning Support Grants Program pursuant to Chapter 3.15 of Health and Safety Code (Sections 50515.06 to 50515.10) (Chapter 111, Statutes of 2021).

In order to be eligible for grant funding, an applicant must submit a completed application by email to: REAP2021@hcd.ca.gov. Applications will be accepted as of the date of this NOFA through December 31, 2022. The Department encourages early applications.

Program applications, forms and instructions are available on the Department's [REAP 2.0 website](#). If you have questions regarding this NOFA, please email the Department at REAP2021@hcd.ca.gov. For future notifications, please use the Department's email notification sign up at [Subscribe \(ca.gov\)](#).

Higher Impact Transformative Allocation of the Regional Early Action Planning Grants of 2021 (REAP 2.0)

Final Guidelines for the Higher Impact Transformative Allocation

**State of California
Governor Gavin Newsom**



CALIFORNIA
STRATEGIC
GROWTH
COUNCIL



November 2022

Website: <https://www.hcd.ca.gov/grants-and-funding/programs-active/regional-early-action-planning-grants-of-2021>

Email: REAP2021@hcd.ca.gov

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Section 100: Introduction

The REAP 2.0 Program (Program) is funded in the amount of \$600 million from the State General Fund. The Regional Early Action Planning Grants of 2021 will be administered by the California Department of Housing and Community Development (HCD/Department), in collaboration with the Governor's Office of Planning and Research (OPR), the California Strategic Growth Council (SGC), and the California Air Resources Board (CARB). (Referred hereafter collectively as "State Collaborative Partners".)

Five percent of the funds have been set aside for the Tribal and Rural allocation, and an additional 5 percent has been set aside for the Higher Impact Transformative allocation. A majority of the funds (85 percent) are allocated directly to the state's Metropolitan Planning Organizations (MPOs).

Section 101: Program Background

California is committed to a future where we all have the option to live closer to our jobs, services, and daily destinations fostered through more housing options and affordability in nearby neighborhoods, which include transportation options so we can walk our kids to school, ride our bikes to work, or take transit. REAP 2.0 is a key part of the state's strategic investments toward this more sustainable, resilient, and inclusive future for people in all areas of the state.

REAP 2.0 builds on the success of 2019's REAP program but expands the focus by integrating housing, equity, and climate goals, and allowing for broader planning and implementation investments, including infrastructure investments that support future housing development. REAP 2.0 is explicitly intended to meet multiple objectives – Infill development, housing for all incomes, Vehicle Miles Traveled (VMT) reduction, and Affirmatively Furthering Fair Housing (AFFH) – in ways that lead to high impact transformative outcomes. The Program also seeks to accelerate the implementation of regional and local plans to achieve the state's land use goals.

The Higher Impact Transformative (HIT) allocation of REAP 2.0 funding makes \$30 million available to Eligible Entities (EE) across the state that pursue innovative approaches to advancing all of the REAP 2.0 goals and objectives. The HIT allocation differs from the majority of REAP 2.0 funds. For example, the funds are competitive, provided directly to EEs, and are intended to support novel, unique or innovative approaches with expanded benefits and impact as reflected in the Scoring Criteria.

Section 102: Scope and Authority

These Guidelines are authorized pursuant to Chapter 3.15 of Health and Safety Code sections 50515.06 to 50515.10 and implement, interpret, and make the statute specific for purposes of implementing REAP 2.0. These Guidelines establish terms, conditions, forms, procedures, and other mechanisms as the Department deems necessary to exercise the powers and perform the duties conferred by Chapter 3.15.

The matters set forth herein are regulatory mandates, and are adopted in accordance with the authorities set forth below:

Quasi-legislative regulations ... have the dignity of statutes ... [and]... delegation of legislative authority includes the power to elaborate the meaning of key statutory terms...

Ramirez v. Yosemite Water Co., 20 Cal. 4th 785, 800 (1999).

Further, the Department and State Collaborative Partners may implement REAP 2.0 through the issuance of forms, guidelines, and one or more NOFAs, as the Department deems necessary, to exercise the powers and perform the duties conferred on it by Chapter 3.15 of the Health and Safety Code. Any forms, guidelines, and NOFAs adopted pursuant to section 50515.10 are specifically exempted from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with section 11340) of Part 1 of Division 3 of Title 2 of the Gov. Code). (Health and Safety Code section 50515.10, (h).)

The Department reserves the right, at its sole discretion, to suspend or amend the provisions of these Guidelines in collaboration with the State Collaborative Partners, including, but not limited to, grant award amounts.

Section 200: Program Goals, Objectives, Threshold Requirements and Eligible Uses

Section 201: Program Goals

Program goals include:

Invest in housing, planning, and Infill housing-supportive infrastructure across the entire state in a manner that reduces VMT, increases housing affordability, and advances equity, consistent with all of the following:

- (A) Accelerating housing supply, choice, and affordability for all income groups to attain the state's housing goals, including facilitating Housing Element compliance and implementation and progress toward the Regional Housing Need Allocation (Gov. Code § 65584).

- (B) Advancing the State Planning Priorities (Gov. Code § 65041.1) through Infill development.
- (C) Affirmatively Furthering Fair Housing (AFFH) (Gov. Code § 8899.50) by addressing significant disparities in housing needs and access to opportunity and transforming areas of poverty into areas of opportunity.
- (D) Reducing Vehicle Miles Traveled Per Capita to advance the state's climate goals and further the region's Sustainable Communities Strategies (Gov. Code § 65080), as applicable.

Section 202: Program Objectives

Program Objectives include:

- (A) Accelerating Infill Development that Facilitates Housing Supply, Choice, and Affordability
 - 1. Accelerating Infill Development near jobs and other key destinations to support increasing housing choices and affordability that effectively reduce VMT and greenhouse gas emissions.
 - 2. Eligible Entities must describe how Proposed Uses prioritize development that increases housing choice and affordability at Infill sites.
- (B) Affirmatively Furthering Fair Housing (AFFH)
 - 1. Proposed Uses must combat discrimination, overcome patterns of segregation, and foster equitable and inclusive communities.
 - 2. Proposed Uses must include meaningful actions, that taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, and transforming racially and ethnically concentrated areas of poverty into areas of opportunity pursuant to Government Code section 8899.50.
 - 3. Proposed Uses must support regional and local efforts that work towards ensuring all people have full and equal access to opportunities, enabling them to lead healthy lives.
 - 4. Actions to AFFH generally include, but are not limited to:
 - i. Enhancing housing mobility strategies that remove barriers to housing, infrastructure, and transportation in areas of opportunity.
 - ii. Protecting existing residents from displacement and preserving housing choices and affordability in areas of lower or moderate opportunity and concentrated poverty.
 - iii. Improving place-based strategies to encourage community revitalization. This includes preservation of existing Affordable Housing that involves approaches focused on conserving and improving assets in areas of lower opportunity and concentrated poverty, such as targeted investments in neighborhood revitalization, preserving or rehabilitating existing Affordable Housing, and improving infrastructure, schools, employment, parks, transportation, and other community amenities.

5. Eligible Entities are required to consider AFFH principles and equity in all Proposed Uses. Any Proposed Uses that may have a negative impact on AFFH objectives must have appropriate mitigation efforts. Recipients shall take no action that is materially inconsistent with AFFH.
 6. Eligible Entities are required to pursue geographic equity in how the application(s) disburse funding across the region or a broad impact area.
 7. Eligible Entities shall target funding to benefit Disadvantaged and Historically Underserved Communities.
- (C) Reducing VMT
1. The REAP 2.0 Program provides for investments to support housing planning, production and affordability in Infill areas that reduce VMT. Proposed Uses must promote development and align housing production and equitable quality of life in Infill locations consistent with the state's climate targets and goals discussed in the [California Climate Change Scoping Plan](#).
 2. Proposed Uses must support or implement action-oriented plans, policies, and investment strategies broadly described as:
 - i. Land Use Planning, Policies, and Investment Strategies: Encourage Infill development that facilitates housing supply, choice, and affordability located in Infill areas serviced by existing or planned-for expansions of a multimodal transportation system.
 - ii. Transportation Planning, Policies, and Investment Strategies: Increase travel options to homes, jobs, services, and other key destinations that provide, support, or enhance Multimodal Communities, and reduce the number or length of vehicle trips.
 3. Eligible Entities are encouraged to pursue uses that support new housing development and shift travel away from driving by implementing or supporting pedestrian, bicycle, transit, and other alternative transportation programs.

Section 203: Threshold Requirements

- (A) Disadvantaged and Historically Underserved Communities
1. Eligible Entities must demonstrate each Proposed Use directly benefits and is located in Disadvantaged and Historically Underserved Communities.
- (B) Improving Place-based Strategies to Encourage Community Revitalization
1. Eligible Entities must demonstrate each Proposed Use improves place-based strategies to positively impact Disadvantaged and Historically Underserved Communities and encourage community revitalization.
 2. Place-based strategies generally focus investments in a strategic location to conserve and improve assets. Examples include targeted investments in neighborhood revitalization, developing, preserving, or rehabilitating Affordable Housing and preventing displacement. Other examples include improving access to transit and active transportation options, infrastructure, schools, employment, parks, and other community amenities.

(C) Significant Beneficial Impact

1. Eligible Entities must demonstrate each Proposed Use advances all Program goals and objectives, meets the definition of a Transformative Planning and Implementation Activity, and provides a significant beneficial impact.
2. Significant beneficial impacts must lead to substantial changes in land use patterns, housing supply and travel behaviors. In demonstrating significant beneficial impacts, Eligible Entities may consider rates of change (e.g., percent increase over a baseline), the magnitude of impact relative to variables or targets, the proportion of need achieved, and the impact relative to past trends, policies, and practices. Variables or targets may include, but are not limited to, benefitting households by income group; Regional Housing Needs Assessment; housing units (new construction, preservation/conservation, and rehabilitation); density; infrastructure; infrastructure capacity and accessibility; public space; community amenities; investments; VMT reduction goals or targets; regional or local equity policies and programs included in applicable regional transportation plans; and regional or local GHG reduction goals or targets.
3. Eligible Entities must explain how each Proposed Use demonstrates a nexus to all REAP 2.0 objectives through Policy Outcomes, provide a reasonable and verifiable methodology, and utilize forms in a manner prescribed by the Department and State Collaborative Partners.
4. Proposed Uses may combine eligible uses. Combined eligible uses must demonstrate a reasonable relationship to each other, including related timing and completion, location, and complimentary activities. Examples include rezoning or other planning with infrastructure investment or a multimodal plan in an area targeted with a Housing Trust Fund.
5. Proposed Uses may combine eligible uses with other non-REAP 2.0 efforts, including planning and implementation (e.g., other funding sources). Proposed Uses that combine eligible uses with non-REAP 2.0 efforts must demonstrate a reasonable relationship to each other, including timing and completion.
6. Where instructed, Eligible Entities must provide clear evidence that demonstrates a nexus between each Proposed Use and REAP 2.0 Program Objectives, utilizing numeric metrics, targets, outputs, or other units of measurement that can be measured and evaluated as defined by these Guidelines (See Attachment 4: Examples of Units of Measurement). Eligible Entities may propose other units of measurement in consultation with the Department and State Collaborative Partners; such other measurements may be subject to a greater level of scrutiny.

Section 204: Eligible Uses

(A) Activities generally may include:

1. Technical assistance, planning, staffing, consultant needs (Program-related),

2. Administration costs (see 204(J)),
 3. Eligible uses that meet one or more of the following categories of allowable uses:
 - i. Accelerating Infill development that facilitates housing supply, choice, and affordability through various planning and investment,
 - ii. Realizing Multimodal Communities through programs, plans, and implementation actions,
 - iii. Shifting travel behavior by reducing driving through programs, ordinances, funds, and other mechanisms, and
 - iv. Increasing transit ridership through funding, implementation actions, and planning.
- (B) Eligible Entities may determine the blend of planning and implementation activities. The blend of planning and implementation may consider the extent to which planning needs remain in the region after other local, state, and federal planning investments, including, but not limited to, REAP 1.0, SB 2 Planning Grants, LEAP, SB 1 Sustainable Communities Grants, and Homeless Housing, Assistance and Prevention (HHAP) Local Homelessness Action Plans. The blend of planning and implementation may also consider housing and infrastructure needs of the communities and overall region, consideration of outreach and priority setting, including to disadvantaged communities, overall impact of proposed projects on housing production, VMT reduction, and AFFH.
- (C) The collection of eligible uses in the application should be integrated wherever possible and should lead to greater impact when implemented together.
- (D) Eligible uses may be coupled with other verifiable and related activities being undertaken that will be completed by the Eligible Entity or in coordination with other entities as demonstrated by a formal written agreement or other documentation (e.g., resolution) to the satisfaction of the Department.
- (E) The eligible uses should facilitate innovation and creativity and have a higher impact transformative outcome for the region. Eligible uses that demonstrate a new or creative model for achieving REAP 2.0 goals and that have a high potential to be scalable and replicable in communities across the state will be most competitive.
- (F) Eligible uses could include, but are not limited to:
1. Accelerating Infill Development that facilitates housing supply, choice, and affordability:
 - i. Affordable Housing development programs – which may involve predevelopment costs (e.g., studies, land acquisition and entitlements), large expenditures and capital investments – are eligible uses if the programs accelerate the supply of long-term Affordable Housing for Lower-income and Moderate-income Households in Infill areas, remove barriers to encourage development and commit to development within a reasonable time frame (e.g., within five years of the expenditure deadline). Affordable Housing developments can include mixed-uses (e.g., a minimum of

50 percent total floor area is residential use), and Affordable Housing units that are part of mixed income development programs.

- ii. Rezoning and guiding development by updating planning documents, development standards, and zoning ordinances, including general plans, community plans, specific plans, and local coastal programs. All uses that include the creation of planning documents must be accompanied by a commitment to adopt and implement. Completion and adoption of any planning documents or ordinances must occur by the expenditure deadline.
 - iii. Revamping local planning processes to Accelerate Infill Development that facilitates housing supply, choice, and affordability.
 - iv. Completing environmental clearance to eliminate the need for project-specific review for Infill development that facilitates housing supply, choice, and affordability.
 - v. Establishing and funding an Affordable Housing catalyst fund, Housing Trust Fund, or revolving loan fund for location efficient projects.
 - vi. Performing infrastructure planning and investing in upgrading infrastructure, including but not limited to sewers, water systems, transit, active transportation, roads that do not induce additional vehicle demand, or other public facilities necessary to enable reduction in VMT Per Capita and Accelerate Infill Development that facilitates housing supply, choice, and affordability.
2. Realizing Multimodal Communities:
- i. Establishing and implementing a Vision Zero policy and program, a safety plan, and a slow streets program.
 - ii. Developing bicycle and pedestrian infrastructure plans and other multimodal plans or policies.
 - iii. Investing in infrastructure projects and other programs to expand active transportation and implement bicycle or pedestrian plans.
 - iv. Producing multimodal corridor studies associated with developing specific planning documents or implementation actions.
3. Shifting travel behavior through reducing driving through mechanisms that support active transportation or increase transit ridership:
- i. Studying roadway pricing feasibility and implementing road pricing programs.
 - ii. Funding the establishment of a local VMT impact fee or catalyzing a regional VMT mitigation bank (seed funding for mitigation is ineligible).
 - iii. Funding and implementing parking and transportation demand management programs or ordinances.
 - iv. Accelerating Infill Development production near jobs, transit, and resources.
4. Increasing transit ridership:

- i. Funding and implementing actions to establish more seamless regional transit systems between and across communities, including establishing common fares, seamlessly connecting transit to active transit systems, syncing transit routing systems and schedules, service design, and wayfinding to connect residential neighborhoods with employment centers and other key destinations.
 - ii. Developing and implementing multimodal access plans to and from transit facilities.
 - iii. Planning for additional housing near transit. All uses that include the creation of planning documents must be accompanied by a commitment to adopt by the expenditure deadline.
- (G) Eligible activities under technical assistance may be broadly construed but must demonstrate a nexus to all REAP 2.0 objectives.
- (H) Eligible activities, as a whole, must have a significant geographic or region-wide benefit; awards are not intended to fund projects that are small in scope relative to the needs of the region.
- (I) Outreach and engagement activities are eligible as priority setting and components of other Proposed Uses. Program outreach shall not be a stand-alone Proposed Use.
- (J) Recipients shall use no more than 5 percent of the allocation(s) for costs related to the administration of the activity(ies) for which the allocation(s) were made. Staff and overhead costs directly related to carrying out Proposed Uses are not administrative costs.
- (K) All Proposed Uses must AFFH.

Section 205: Ineligible Uses

Ineligible uses include but are not limited to:

1. Roadway or highway capacity increases
2. Advocacy work (direct lobbying for specific bills or local propositions)
3. Bonus payments of any kind
4. Ceremonial expenses
5. Commission fees
6. Real estate brokerage fees or expenses
7. Services, materials, or equipment obtained under any other state program
8. Stewardship of legal defense funds
9. General meetings that do not specifically discuss or advance implementation of awarded REAP 2.0 funds
10. Using funds for mitigation activities already mandated by local or state governing bodies or agencies
11. On-going expenses (e.g., routine maintenance or operations of transportation infrastructure associated with transit service expansion)

12. Costs associated with automobile or motorcycle parking (excluding EV charging infrastructure). Proposed Uses with a surface parking component are not eligible.
13. Costs associated with infrastructure related to fossil fuels, including connections to natural gas infrastructure
14. Costs associated with on-going provisions of internet service
15. In lieu fees for local inclusionary housing programs
16. Organizational membership fees
17. Street construction or repair to benefit single use occupancy vehicles
18. Other items unrelated to the REAP 2.0 Program or application

Section 300: Eligible Entity and Application Provisions

Section 301: Application Requirements and Contents

- (A) Until December 31, 2022, or as otherwise prescribed, an Eligible Entity may request an allocation of funds by submitting a full application, in the form and manner prescribed by the Department, and developed with the Department and State Collaborative Partners, that includes all of the following information:
1. An identification of priorities that reflects Program goals and objectives and consideration of inter- and intra-regional coordination, geographic equity, appropriate blends of planning and implementation activities and eligible uses (e.g., technical assistance and other activities, Accelerating Infill Development that facilitates housing supply, choice, and affordability) that addresses the unique needs of the region related to housing, land use, transportation, climate change, equity, and other planning priorities;
 2. An allocation budget for the funds;
 3. An explanation of how the Proposed Uses will meet the definition of Transformative Planning and Implementation Activities and, as applicable, constitute higher-impact and innovative projects;
 4. An explanation of how the Proposed Uses will implement and achieve housing and equity goals that also result in VMT Per Capita reductions in furtherance of the region's Sustainable Communities Strategy or alternative planning strategy, as applicable.
 5. An explanation of how each Proposed Use has a geographic or region-wide benefit.
 6. An explanation of how each Proposed Use focuses implementation in areas that satisfy an applicable definition of Infill development (See Attachment 2: Definitions).
 7. The application shall reference one or more of the following categories of allowable uses of the funds:
 - i. Accelerating Infill Development that facilitates housing supply, choice, and affordability.
 - ii. Supporting residents through realizing Multimodal Communities.

- iii. Reducing driving through shifting travel behavior.
 - iv. Increasing transit ridership.
8. An explanation of how Proposed Uses will advance equity by benefitting Disadvantaged and Historically Underserved Communities.
 9. An explanation of the targeted outreach the Eligible Entity has conducted to Disadvantaged and Historically Underserved Communities and how that outreach was incorporated into the Proposed Uses. Outreach conducted as part of other REAP 2.0 activities (e.g., during the application process for the MPO and Rural/Tribal allocations) may be utilized to meet this requirement.
 10. An explanation of how Proposed Uses improve place-based strategies to encourage community revitalization.
 11. An explanation of how Proposed Uses meet scoring criteria pursuant to Section 405.
 12. The link to the Eligible Entity's webpage where land use maps and VMT generation maps, as available, are publicly accessible.
 13. The Department may request additional information and documentation as appropriate.
 14. The Department may consult with and gather relevant information from any individual, entity, or public agency.

Section 302: Application Submittal

- (A) An Eligible Entity must submit a complete and signed application under the penalty of perjury by email to REAP2021@hcd.ca.gov.
- (B) Applications must be on Department forms and cannot be altered or modified by the Eligible Entity. Program applications and forms are available on the [Department's website](#).
- (C) The Department and State Collaborative Partners encourage early applications and will accept applications up to the date noted in this Notice of Funding Availability.

Section 400: Higher Impact Allocation

Section 401: Eligible Entities

- (A) Eligible Entities include:
 1. MPOs and Councils of Governments (COGs) listed in Health and Safety Code section 50515.08, subdivision (a), paragraphs (1) to (6). These include: the Metropolitan Transportation Commission, the Sacramento Area Council of Governments, the San Diego Association of Governments, the Southern California Association of Governments, the Association of Monterey Bay Area Governments, the San Luis Obispo Council of Governments, the Santa Barbara County Association of Governments, the Fresno Council of Governments, the Kern Council of Governments, the

- Kings County Association of Governments, the Madera County Transportation Commission, the Merced County Association of Governments, the San Joaquin Council of Governments, the Stanislaus Council of Governments, the Tulare County Association of Governments, the Butte County Association of Governments, Shasta Regional Transportation Agency, and the Tahoe Regional Planning Agency.
2. Counties of Alpine, Amador, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Sierra, Siskiyou, Tehama, Tuolumne, and Trinity.
 3. A county, a city, a city and county, a transit agency or district, and a county transportation agency located within any of the counties described in Section 401(A)(1).
 4. Tribal Entities within the state of California.
- (B) Eligible Entities that are COGs may include a single or multicounty Council of Governments.
 - (C) The Department may approve a fiscal agent to receive funds on behalf of a consortium of Eligible Entities listed.
 - (D) Eligible Entities may apply directly to HCD for funds pursuant to the Program or through a fiscal agent.
 - (E) If appointing a fiscal agent, Eligible Entities may apply as a single Eligible Entity, or they may partner with one or more Eligible Entities and apply together.
 - (F) More than one Eligible Entity may apply per county. If there is more than one Eligible Entity per county applying for REAP 2.0 funding, Eligible Entities are encouraged but not required to submit a joint application through a fiscal agent.
 - (G) Eligible Entities may partner through legally binding agreements where the proposal will have a direct effect on land-use, transportation, or development within areas of influence of the Eligible Entity. This includes, but is not limited to, partnerships with other localities, regional governments, housing authorities, school districts, academic institutions, special districts, community-based organizations, non-profit and for-profit developers, Tribal Entities or any duly constituted governing body of an Indian Reservation or Rancheria. Eligible Entities forming partnerships must submit separate, completed, and signed application packages, including resolutions and a copy of the signed agreement between partners. Partners of Eligible Entities may not submit an application on behalf of the Eligible Entity. Legally binding agreements may be subsequently submitted by March 31, 2023.

Section 402: Award Amounts

- (A) The minimum award amount per Eligible Entity is \$1,000,000.
- (B) The maximum award amount per Eligible Entity is \$10,000,000.
- (C) The Department may adjust the award amounts, including minimum and maximum award amounts, based on demand or unique circumstances.
- (D) Eligible Entities may consult the State Collaborative Partners regarding award amounts less than \$1,000,000 or more than \$10,000,000.

Section 403: Application Review

- (A) Applications will be reviewed on a competitive basis.
- (B) The Department, in collaboration with State Collaborative Partners, shall review an application in an expeditious manner.
- (C) Applications will be reviewed for completeness, accuracy, threshold, and eligibility requirements.
- (D) Complete applications meeting Threshold Requirements will be scored and ranked according to scoring criteria.
- (E) Applications submitted by Tribal Entities for the Tribal Entities allocation (Section 404(A)(6)) are subject to an over-the-counter application review process until the final application deadline.
- (F) Upon the Department's initial review of an application from a Tribal Entity, if Threshold Requirements are not met, the Eligible Entity may return a revised application within 30 days of the Department's communication of initial review findings, regardless of the application deadline.
- (G) Eligible Entities in the top quartile of ranked applications will be invited to an interview where an application will be re-evaluated by a panel according to scoring criteria. The panel will consist of, at minimum, State Collaborative Partners and may include additional state agencies. The Department may adjust the number of applications invited for an interview based on demand or unique circumstances.
- (H) The Department may request additional, new, or substantive information to complete and approve the application for funding.
- (I) Applications recommended for funding are subject to conditions specified by the Department and State Collaborative Partners.
- (J) Successful Eligible Entities will receive an Award Letter from the Department and will be awarded funds. Eligible Entities will enter into a state Standard Agreement for distribution of funds. The Standard Agreement will specify, among other things, the amount of funds granted, timeline for expenditure of funds, and the approved use of funds.

Section 404: Geographic Distribution

- (A) The Department and State Collaborative Partners will strive for geographic equity in the distribution of funds. Factors to be considered may include, but are not limited to, the degree of need or impact, degree of benefit toward the state goals, degree of benefit relative to local conditions and circumstances, the extent the Eligible Entity has already received REAP 2.0 funding, spatial distribution across the state and rural, urban, and suburban localities and regions.
- (B) The Department may consider exceptions to geographic distribution criteria depending on demand or other unique circumstances.

Section 405: Scoring Criteria

- (A) Scoring criteria are generally described as:
 1. **Higher Impact**, including the extent that Proposed Uses are beyond significant beneficial impact and target goals that exceed typical practice and mandated objectives such as the RHNA and demonstrating an overall GHG reduction (1) accelerating housing supply, choice, and affordability,

(2) Affirmatively Furthering Fair Housing and (3) reducing Vehicle Miles Traveled Per Capita.

2. **State Planning Priorities and Other Statewide Objective Alignment** includes Proposed Uses that are integrated and achieve multiple objectives (e.g., affordability, climate adaptation, drought, equity, hazard mitigation, Infill development, and VMT reduction).
3. **Scalability/Transferability** includes Proposed Uses that can be replicated and include a component to distribute lessons learned or facilitate scaling in other areas in the region or parts of the state.
4. **Build Long-Term Capacity and Expertise** includes activities that build stability in knowledge and expertise to continue the work toward the objectives of the Proposed Uses, including but not limited to facilitating local hiring and local training opportunities, as well as local decision making.
5. **Partnership/Collaboration toward Implementation** includes whether the Proposed Uses builds upon existing collaboration or is a collaboration between different neighborhoods, regions, Jurisdictions, governments, or academic institutions. Partnership and collaboration will emphasize implementation and outcomes, including involvement and support of final decision makers and approval bodies.
6. **Readiness** includes removing barriers or completing activities to expedite and facilitate development or completion of Proposed Uses toward Policy Outcomes.
7. **Timeliness** includes how fast Policy Outcomes are anticipated to be achieved.
8. **Community Engagement** includes how the proposal has been shaped by community-identified needs and input; as well as how the project will continue to conduct community engagement throughout the implementation of the project if awarded.
9. **Needs or Potential for Housing, Infrastructure, VMT Reduction** including the relative level of benefit – examples include high overpayment, degree of inadequate infrastructure, etc.
10. **Leveraging Other Funding** includes additional funding commitments from public and private entities.

(B) Points will be awarded as follows:

Scoring Criteria	Points
Higher Impact	180
Accelerating Housing Supply, Choice, and Affordability (60)	
Affirmatively Furthering Fair Housing (60)	
Reducing Vehicle Miles Traveled Per Capita (60)	
State Planning Priorities and Other Statewide Objective Alignment	50
Scalability/Transferability	50
Build Long-Term Capacity and Expertise	50
Partnerships/Collaboration toward Implementation	40
Readiness	35
Timeliness	35
Community Engagement	20

Needs or Potential for Housing, Infrastructure, VMT Reduction	20
Leveraging other funding	20
Total	500

- (C) Scoring criteria will be evaluated according to the following criteria:
1. Location Considerations: The location of Proposed Uses and the degree of impact relative to achieving Program Objectives. Examples include urbanized areas, established community areas, areas with transit or housing densities (e.g., units per acre), population and employment densities, land use mix, street network connectivity, linkages and pathways with active transportation infrastructure, accessibility between destinations, contiguousness of land uses and transportation networks, identified high growth areas, proximity to multimodal mobility options, surrounding urban uses, areas of lower resource or concentrated areas of poverty and Disadvantaged and Historically Underserved Communities.
 2. Supporting Attributes: Characteristics of Proposed Uses and the degree of beneficial impact relative to Program Objectives. Examples include job and housing fits, access to housing options and affordability, walkable communities, expanded transit services, multimodal infrastructure, enhanced pedestrian and bicycle safety measures, protected pedestrian and bicycle amenities, multimodal infrastructure connections, housing mobility strategies, Affordable Housing for Lower-income Households, reductions in barriers to high density and housing accessibility.
 3. Measurable Policy Outcomes: Proposed Uses should be supported by evidence, including quantifiable targets that assess the degree of impact relative to Program Objectives. Examples include, but are not limited to, mix and intensity of land uses, linkages between land uses and transportation network, mix of housing units, limited number of off-street parking, VMT reduced, Affordable Housing by income group, housing types by income group, safety improvements, infrastructure connections, density, and development costs and timing.

Section 500: Administration

Section 501: Grant Execution and Term

- (A) The Department will notify the grantee if they have been selected for a grant award.
- (B) After the Standard Agreement has been sent electronically, the grantee will be provided instructions for signing all required documents. The grantee must submit all supporting materials and a signed Standard Agreement within the timeline provided in the instructions or risk forfeiting the grant award.
- (C) The grant term begins on the day the Department and the grantee have fully executed the Standard Agreement. The Department will notify the grantee and partners when work may proceed under the agreement. However, eligible activities that are approved by the Department may be retroactively reimbursed to July 1, 2021.

- (D) Each recipient of funds under REAP 2.0 must encumber those funds no later than June 30, 2024 and expend those funds no later than June 30, 2026. Final invoices must be submitted to the Department three months prior to the expenditure deadline.

Section 502: Accounting and Records

- (A) The grantee, its staff, contractors, and subcontractors shall establish and maintain an accounting system and reports that properly accumulate incurred project costs by line. The accounting system shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for payment vouchers and invoices. Grantees may establish and maintain an accounting system and reports, as described above, on behalf of contractors and subcontractors.
- (B) The grantee must establish a separate ledger account for receipts and expenditures of grant funds and maintain expenditure details in accordance with the budget and timeline. Separate bank accounts are not required. As appropriate, grantees must establish separate ledgers for State General Funds, and other funds associated with Proposed Uses not provided by the REAP 2.0 Program.
- (C) The grantee shall maintain documentation of its normal procurement policy, competitive bid process (including the use of sole source purchasing), and financial records of expenditures incurred during the course of the project in accordance with GAAP.
- (D) The grantee agrees that the Department or designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of the Standard Agreement.
- (E) The grantee agrees to maintain such records for possible audit after the final payment for at least five years after all funds have been expended or returned to the state unless a longer period of records retention is stipulated. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.
- (F) Subcontractors employed by the grantee and paid with moneys under the terms of this Standard Agreement shall be responsible for maintaining accounting records as specified above.

Section 503: Invoicing

- (A) Grant funds cannot be disbursed until the Standard Agreement has been fully executed.
- (B) The grantee will be responsible for compiling and submitting all invoices and reporting documents.
- (C) The grantee must bill the Department based on clear deliverables outlined in the Standard Agreement or budget timeline. Generally, approved and eligible costs incurred for work after execution of the Standard Agreement and completed during the grant term will be reimbursable. However, eligible activities conducted prior to award will be reimbursable to July 1, 2021. Approved and eligible costs incurred prior to July 1, 2021, are ineligible.

- (D) Project invoices may be submitted to the Department by the grantee on a quarterly basis or upon completion of a deliverable, subject to the Department's approval.
- (E) The Department may consider advance payments or alternative arrangements to reimbursement and payment methods based on demonstrated need. The Department may consider factors such as available funds for eligible activities.
- (F) Supporting documentation may include, but is not limited to, purchase orders, receipts, progress payments, subcontractor invoices, timecards, reports, or any other documentation as deemed necessary by the Department to support the reimbursement to the grantee for expenditures incurred.
- (G) Invoices must be accompanied by supporting documentation where appropriate. Invoices without supporting documentation will not be paid. The Department may withhold up to 10 percent of the grant until grant terms have been fulfilled, including all required reporting.

Section 504: Audits

- (A) At any time during the term of the Standard Agreement, the Department may perform or cause to be performed a financial audit of any and all phases of the award. At the Department's request, the grantee shall provide, at its own expense, a financial audit prepared by a certified public accountant. The State of California has the right to review project documents and conduct audits during project implementation and over the project life.
- (B) The grantee agrees that the Department or the Department's designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement.
- (C) The grantee agrees to provide the Department or the Department's designee with any relevant information requested.
- (D) The grantee agrees to permit the Department or the Department's designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records, and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with statutes, Program Guidelines, and the Standard Agreement.
- (E) The Department may request additional information, as needed, to meet other applicable audit requirements.
- (F) The Department may monitor expenditures and activities of a grantee, as the Department deems necessary, to ensure compliance with REAP 2.0 requirements.
- (G) Grantees using federal or state transportation planning funds administered through the Overall Work Program (OWP) shall clearly identify the source of funds.
- (H) If there are audit findings, the grantee must submit a detailed response acceptable to the Department for each audit finding within 90 days from the date of the audit finding report.
- (I) The grantee agrees to maintain such records for possible audit after the final payment for at least five years after all funds have been expended or returned to the state unless a longer period of records retention is stipulated. Wherever

practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

- (J) If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of the required record retention period, all records must be retained by the grantee, contractors, and sub-contractors until completion of the action and resolution of all issues which arise from it. In any contract that it enters into in an amount exceeding \$10,000, the grantee shall include the Department's right to audit the contractor's records and interview their employees.
- (K) The grantee shall comply with the caveats and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in California Public Contracts Code Section 10115.10.

Section 505: Remedies of Non-performance

- (A) In the event that it is determined, at the sole discretion of the Department, that the grantee is not meeting the terms and conditions of the Standard Agreement, immediately upon receiving a written notice from the Department to stop work, the grantee shall cease all work under the Standard Agreement. The Department has the sole discretion to determine that the grantee meets the terms and conditions after a stop work order, and to deliver a written notice to the grantee to resume work under the Standard Agreement.
- (B) The Department has the right to terminate the Standard Agreement at any time upon 30 days written notice. The notice shall specify the reason for early termination and may permit the grantee or the Department to rectify any deficiency(ies) prior to the early termination date. The grantee will submit any requested documents to the Department within 30 days of the early termination notice.
- (C) The Eligible Entity must demonstrate a clear and significant nexus to REAP 2.0 Program goals and objectives, including, but not limited to, completion of activities toward Policy Outcomes. Any action inconsistent with REAP 2.0 Program goals and objectives may result in review and could be subject to repayment of the grant.
- (D) At any time, if the Department finds the grantee falsely proposed information in the application or as part of the application review, the Department may require the repayment of funds.
- (E) The Department may, as it deems appropriate or necessary, require the repayment of funds from a grantee or pursue any other remedies available to it by law for failure to comply with all REAP 2.0 Program requirements.

Section 506: Reporting

- (A) At any time during the term of the Standard Agreement, the Department may request a performance report that demonstrates satisfaction of all requirements identified in the Standard Agreement with emphasis on eligible activities, eligible uses, and expenditures according to timelines and budgets referenced in the Standard Agreement.
- (B) Grantees shall submit a report, in the form and manner prescribed by the Department, to be made publicly available on its website, by April 1 of the year

following the receipt of those funds, and annually thereafter until those funds are expended, that contains the following information:

1. The status of the Proposed Uses and expenditures listed in the Eligible Entity's application for funding and the corresponding impact, including, but not limited to:
 - i. Housing units accelerated, and
 - ii. Reductions in VMT Per Capita and
 - iii. Location of investment, and
 - iv. Socioeconomic statistics about the impacted geography, and
 - v. Regional impact explanation
 2. All status and impact reports shall be categorized based on the eligible uses specified in Section 50515.08.
- (C) Grantees shall collaborate and share progress, templates, and best practices with the Department and fellow recipients in implementation of funds. To the greatest extent practicable, adjacent Eligible Entities shall coordinate in the development of applications, consider potential for joint activities, and seek to coordinate housing and transportation planning across regions.
- (D) Upon completion of all deliverables within the Standard Agreement, the grantee shall submit a close out report in a manner and form prescribed by the Department.
1. Grantee may include a line item for advance payment or reimbursement, as part of its administrative costs, for its final report that is due by June 30, 2026. Funding requests for final reports must be submitted no later than March 31, 2026.

Section 600: Right to Modify or Suspend Guidelines and Final Decision Making

- (A) The Department reserves the right, at their sole discretion, to suspend, amend, or modify the provisions of these Guidelines at any time, including, without limitation, the amount of funds available hereunder. If such an action occurs, the Department will notify all interested parties and will post the revisions to the Department's website. You may subscribe to the [Department email listserv](#).
- (B) The Department's decision to approve or deny an application or request for funding pursuant to the Program, and its determination of the amount of funding to be provided or requested for repayment or other remedies for failure to comply with Program requirements, shall be final.

Attachment 1: Statute

HEALTH AND SAFETY CODE - HSC

DIVISION 31. HOUSING AND HOME FINANCE [50000 - 54913]

(Division 31 repealed and added by Stats. 1977, Ch. 610.)

PART 2. DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

[50400 - 50899.7] (Heading of Part 2 amended by Stats. 1981, Ch. 996.)

CHAPTER 3.15. Regional Early Action Planning Grants Program of 2021 [50515.06 - 50515.10] (Chapter 3.15 added by Stats. 2021, Ch. 111, Sec. 15.)

50515.06.

For purposes of this chapter:

- (a) "Department" means the Department of Housing and Community Development.
- (b) "Program" means the Regional Early Action Planning Grants of 2021 established pursuant to this chapter.
- (c) "Regional housing need assessment" means the existing and projected need for housing for each region, as determined by the department pursuant to Section 65584.01 of the Government Code.
- (d) "Sustainable Communities Strategy" refers to the plan prepared by each metropolitan planning organization pursuant to paragraph (2) of subdivision (b) of Section 65080 of the Government Code.
- (e) "Alternative Planning Strategy" refers to the document, if any, prepared by a metropolitan planning organization pursuant to paragraph (1) of subdivision (b) of Section 65080 of the Government Code.
- (f) (1) "Transformative planning and implementation activities" means housing, planning, infrastructure investments supporting infill housing, and other actions that enable meeting housing goals that also result in per capita vehicle miles traveled reductions, including accelerating infill development, supporting residents through realizing multimodal communities, shifting travel behavior through reducing driving, and increasing transit ridership.
 - (2) Transformative planning and implementation activities shall be in furtherance of all of the following:
 - (A) State planning priorities, as described in Section 65041.1 of the Government Code.
 - (B) Affirmatively furthering fair housing pursuant to Section 8899.50 of the Government Code.
 - (C) Facilitating housing element compliance for the sixth cycle regional housing needs assessment pursuant to Section 65302 of the Government Code prepared in accordance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.
 - (D) A region's sustainable community strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, or alternative planning strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, as applicable.
- (g) "Eligible entity" means any recipient of these funds either through direct allocation from the department or through a suballocation from a recipient. For the purposes of this chapter, an eligible entity can include a metropolitan planning organization (MPO),

a single or multicounty council of governments (COG), a regional transportation planning agency (RTPA), a county, a city, a city and county, a transit agency or district, a county transportation agency, or a tribal entity.

(h) "Tribal entity" means an entity formed by the duly constituted governing body of a California Native American Tribe in Chapter 905 of the Statutes of 2004, as described in Section 21073 of the Public Resources Code.

(Added by Stats. 2021, Ch. 111, Sec. 15. (AB 140) Effective July 19, 2021.)

50515.07.

(a) (1) The Regional Early Action Planning Grants Program of 2021 is hereby established for the purpose of providing regions with funding, including grants, for transformative planning and implementation activities.

(2) Upon appropriation by the Legislature for this purpose, funds shall be distributed under the program in accordance with this chapter.

(b) The department, in collaboration with the Office of Planning and Research, the Strategic Growth Council, and the State Air Resources Board, shall develop and administer the program and, consistent with the requirements of this chapter, provide grants to eligible entities for implementing planning and implementation activities. The department shall seek input from the transportation and housing coordination workgroup established through Section 50407.5.

(c) Distribution and expenditures of funds shall be made consistent with the state planning priorities, established pursuant to Section 65041.1 of the Government Code, and shall consider geographic equity among regions of the state.

(d) Of the total amount of any moneys appropriated for purposes of this chapter, the department shall set aside up to 5 percent for program administration, including state operations expenditures and technical assistance, as well as expenditures by recipients of funding pursuant to Sections 50515.08 and 50515.09.

(Added by Stats. 2021, Ch. 111, Sec. 15. (AB 140) Effective July 19, 2021.)

50515.08.

(a) The funds described in paragraph (2) of subdivision (a) of Section 50515.07 shall be available only to the following entities before any suballocation:

(1) The Metropolitan Transportation Commission, representing the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(2) The Sacramento Area Council of Governments, representing the Counties of El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba.

(3) The San Diego Association of Governments, representing the County of San Diego.

(4) The Southern California Association of Governments, representing the Counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura.

(5) The Association of Monterey Bay Area Governments, representing the counties of Monterey, San Benito and Santa Cruz.

(6) The San Luis Obispo Council of Governments, the Santa Barbara County Association of Governments, the Fresno Council of Governments, the Kern Council of Governments, the Kings County Association of Government, the Madera County Transportation Commission, the Merced County Association of Governments, the San Joaquin Council of Governments, the Stanislaus Council of Governments, the Tulare County Association of Governments, the Butte County Association of Governments, Shasta County Regional Transportation Agency, and the Tahoe Regional Planning Agency created by interstate compact and ratified by Title 7.4 (commencing with Section 66800) of the Government Code. Notwithstanding any other provision of this chapter, the eligible entities described in this paragraph may apply directly to the department for funds pursuant to the program.

(7) Eligible entities in the Counties of Alpine, Amador, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Sierra, Siskiyou, Tehama, Tuolumne, and Trinity. Notwithstanding any other provision of this chapter, eligible entities within the counties listed in this paragraph or tribal entities may apply directly to the department for funds pursuant to the program. The department may approve a fiscal agent to receive funds on behalf of a consortium of entities listed in this paragraph.

(b) (1) The department shall calculate the amount of each maximum grant allocation in accordance with the methodology described in subdivision (a) of Section 50515.09.

(2) An eligible entity shall, in consultation with the department and consistent with the requirements of this chapter, determine the appropriate use of funds and suballocations within its boundaries in a manner that appropriately addresses its unique housing, land use, transportation, climate change, equity and other planning priorities.

(c) (1) Subject to paragraph (5), until December 31, 2022, an eligible entity described in subdivision (a) may request an allocation of funds pursuant to this section by submitting an application, in the form and manner prescribed by the department, developed in collaboration with the Office of Planning and Research, the Strategic Growth Council, and the State Air Resources Board, that includes all of the following information:

(A) An allocation budget for the funds provided pursuant to this section.

(B) The amounts retained by the eligible entity and any suballocations.

(C) An explanation of how the proposed uses will meet the definition of transformative planning and implementation activities and, as applicable, constitute high

(D) An explanation of how the proposed uses will implement and achieve housing goals that also result in per capita vehicle miles traveled reductions in furtherance of the region's sustainable communities strategy or alternative planning strategy, as applicable.

(E) The application shall reference one or more of the following categories of allowable uses of the funds:

(i) Accelerating infill development, including housing.

(ii) Supporting residents through realizing multimodal communities.

(iii) Shifting travel behavior through reducing driving.

(iv) Increasing transit ridership.

(F) An explanation of the targeted outreach the MPO has conducted to disadvantaged and historically underserved communities and how that outreach was incorporated into the proposed uses.

- (G) An explanation of how proposed uses will advance equity by benefiting disadvantaged and historically underserved communities.
- (2) The department, in collaboration with the Office of Planning and Research, the Strategic Growth Council, and the State Air Resources Board, shall review an application submitted pursuant to this subdivision in an expeditious manner. Upon approval of an application for funds pursuant to this subdivision, the department shall award the moneys for which the eligible entity qualifies.
- (3) Commencing January 1, 2022, an eligible entity described in paragraphs (1) to (6), inclusive, of subdivision (a), as applicable, may request up to 10 percent of the funding available to it under this section in advance of a full request for funding made pursuant to paragraph (1) to develop and accelerate the implementation of the requirements described in paragraph (1), including, but not limited to, regional engagement in the development of the full application and of an education and outreach strategy. The department shall award funds requested pursuant to this paragraph to the relevant eligible entity in an expeditious manner after receiving that request.
- (4) The department may develop a streamlined application procedure that accounts for the limited resources generally among the regional entities listed in paragraph (7) of subdivision (a).
- (5) If an amount of funds described in paragraph (2) of subdivision (a) of Section 50515.07 remains unallocated after December 31, 2022, the department, at its discretion, may make those funds available through a subsequent notice of funding availability in which funds are offered on a competitive basis pursuant to this chapter. An eligible entity described in subdivision (a) may request an allocation of funds made available through the subsequent notice of funding availability by submitting an application, in the form and manner prescribed by the department.
- (d) In consultation with the department, any entity that receives an allocation of funds pursuant to this section shall establish priorities and use those moneys for eligible transformative planning and implementation activities that include, but are not limited to, all of the following:
- (1) Providing jurisdictions and other local agencies with technical assistance, planning, temporary staffing, or consultant needs associated with updating local planning and zoning documents and other actions that accelerate infill housing production.
 - (2) Administering any programs described in this subdivision.
 - (3) Covering the costs of temporary staffing or consultant needs associated with the activities described in paragraphs (1) and (2), inclusive.
 - (4) Accelerating infill development, including through all of the following:
 - (A) Rezoning and encouraging development by updating planning documents and zoning ordinances, including general plans, community plans, specific plans, sustainable communities strategies, and local coastal programs.
 - (B) Revamping local planning processes to accelerate infill housing production and other infill development.
 - (C) Completing environmental clearance to eliminate the need for project-specific review for infill development.
 - (D) Establishing and funding an affordable housing catalyst fund, trust fund, or revolving loan fund for location efficient projects.
 - (E) Performing infrastructure planning and investing in upgrading infrastructure, including for sewers, water systems, transit, roads, or other public facilities

necessary to enable reduction in per capita vehicle miles traveled, including accelerating housing production.

- (5) Supporting residents through realizing multimodal communities, including through all of the following:
 - (A) Establishing and implementing a vision-zero policy and program, a safety plan, and a slow streets program.
 - (B) Developing bicycle and pedestrian infrastructure plans and other multimodal plans or policies.
 - (C) Investing in infrastructure projects and other programs to expand active transportation and implement bicycle or pedestrian plans.
 - (D) Producing multimodal corridor studies associated with developing specific planning documents or implementation actions.
- (6) Shifting travel behavior through reducing driving, including through all of the following:
 - (A) Studying and implementing road pricing.
 - (B) Funding the establishment of a local vehicle miles traveled impact fee or regional vehicle miles traveled mitigation bank.
 - (C) Funding and implementing parking and transportation demand management programs or ordinances.
 - (D) Accelerating infill housing production near jobs, transit, and resources.
- (7) Increasing transit ridership, including through all of the following:
 - (A) Funding and implementing actions to establish more seamless regional transit systems between and across communities, including establishing common fares, schedules, service design, and wayfinding.
 - (B) Developing and implementing multimodal access plans to and from transit facilities.
 - (C) Planning for additional housing near transit.
- (f) (1) In consultation with the department, any entity that receives an allocation of funds pursuant to this section may suballocate moneys directly to eligible entities in the form of grants. Following awards to eligible entities, eligible entities shall award suballocations within 60 days.
 - (2) All suballocations pursuant to this subdivision shall consider geographic equity, including the needs of rural and urban communities, transformative and collaborative approaches, including through subregions, and the degree to which the suballocation will be in furtherance of all of the requirements of transformative planning and implementation activities described in paragraph (2) of subdivision (f) of Section 50515.06.

(Amended by Stats. 2021, Ch. 255, Sec. 8. (AB 175) Effective September 23, 2021.)

50515.09.

- (a) Of the amount described in paragraph (2) of subdivision (a) of Section 50515.07, 85 percent shall be available to the entities described in paragraphs (1) to (6), inclusive, of subdivision (a) of Section 50515.08 for transformative planning and implementation activities. The maximum amount that an entity may receive pursuant to this subdivision shall be determined as follows:
The maximum amount that an eligible entity may receive pursuant to this subdivision shall be based on the most recent Department of Finance P-2A County Population

Projections as of July 1, 2021. Amounts shall be calculated based on aggregate 2030 projected population per each eligible applicant as a percentage of projected 2030 statewide population.

(b) Of the amount described in paragraph (2) of subdivision (a) of Section 50515.07, 5 percent shall be available to the eligible entities described in paragraph (7) of subdivision (a) of Section 50515.08 for transformative planning and implementation activities.

(c) Of the amount described in paragraph (2) of subdivision (a) of Section 50515.07, 5 percent shall be available as a competitive set aside available to all eligible entities for transformative planning and implementation activities that demonstrably exceed the requirements of this chapter and further multiple policy objectives. Scoring criteria for this competitive set aside will include, but are not limited to, the extent of acceleration of infill housing production and reduction of per capita vehicle miles traveled.

(Amended by Stats. 2021, Ch. 255, Sec. 9. (AB 175) Effective September 23, 2021.)

50515.10.

(a) (1) Subject to paragraph (2), an eligible entity that receives an allocation of program funds pursuant to Section 50515.08 shall submit a report, in the form and manner prescribed by the department, to be made publicly available on its internet website, by April 1 of the year following the receipt of those funds, and annually thereafter until those funds are expended, that includes, but is not limited to, the following information:

(A) The status of the proposed uses and expenditures listed in the eligible entity's application for funding and the corresponding impact, including, but not limited to, housing units accelerated and reductions in per capita vehicle miles traveled.

(B) All status and impact reports shall be categorized based on the eligible uses specified in Section 50515.08.

(2) The department may request additional information, as needed, to meet other applicable reporting or audit requirements.

(b) The department shall maintain records of the following and provide that information publicly on its internet website:

(1) The name of each applicant for program funds and the status of that entity's application.

(2) The number of applications for program funding received by the department.

(3) The information described in subdivision (a) for each recipient of program funds.

(c) A recipient of funds under this program shall post, make available, and update, as appropriate on its internet website, land use maps and vehicle miles traveled generation maps produced in the development of its adopted sustainable communities strategy.

(d) A recipient of funds under this program shall collaborate and share progress, templates, and best practices with the department and fellow recipients in implementation of funds. To the greatest extent practicable, adjacent eligible entities shall coordinate in the development of applications, consider potential for joint activities, and seek to coordinate housing and transportation planning across regions.

(e) (1) A recipient of funds under the program shall obligate those funds no later than June 30, 2024, and expend those funds no later than June 30, 2026.

- (2) No later than June 30, 2026, each eligible entity that receives an allocation of funds pursuant to Section 50515.08 shall submit a final report on the use of those funds to the department, in the form and manner prescribed by the department. The report required by this paragraph shall include an evaluation of actions taken in support of the entity's proposed uses of those funds, as specified in the entity's application, including, but not limited to, housing units accelerated and per capita reductions in vehicle miles traveled.
- (f) The department may monitor expenditures and activities of an applicant, as the department deems necessary, to ensure compliance with program requirements.
- (g) The department may, as it deems appropriate or necessary, request the repayment of funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.
- (h) The department, in collaboration with the Office of Planning and Research, the Strategic Growth Council, and the State Air Resources Board, may implement the program through the issuance of forms, guidelines, application materials, funding allocation methodologies, and one or more notices of funding availability, as the department deems necessary, to exercise the powers and perform the duties conferred on it by this chapter. Any forms, guidelines, application materials, funding allocation methodologies, or notices of funding availability prepared or adopted pursuant to this section are exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).
- (i) The department's decision to approve or deny an application or request for funding pursuant to the program, and its determination of the amount of funding to be provided or request for repayment or other remedies for failure to comply with program requirements, shall be final.

(Amended by Stats. 2021, Ch. 255, Sec. 10. (AB 175) Effective September 23, 2021.)

Attachment 2: Definitions

All terms not defined below shall, unless their context suggests otherwise, be interpreted in accordance with the meanings of terms described in Chapter 3.15 of Health and Safety Code sections 50515.06 to 50515.10.

1. “Accelerating Housing Production” or “Accelerating Infill Development, Including Housing” means planning, infrastructure, and other investment and actions that improve the affordability, timing, cost, feasibility, approval, and amount of housing development.
2. “Affirmatively Furthering Fair Housing”, pursuant to Government Code section 8899.50 means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, Affirmatively Furthering Fair Housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.
3. “Affordable Housing” means housing that is affordable (generally 30 percent of gross income) to Lower- and Moderate-income households.
4. “Areas of High Segregation and Poverty” means areas that meet consistent standards for both poverty (30 percent of the population below the federal poverty line) and racial segregation (overrepresentation of people of color relative to the county).
5. “Council of Governments” or “COG” means a single or multicounty council created by a joint powers agreement pursuant to Chapter 5 (commencing with section 6500) of Division 7 of Title 1 of the Government Code that is responsible for allocating regional housing needs pursuant to sections 65584, 65584.04, and 65584.05 of the Government Code.
6. “Department” means the California Department of Housing and Community Development.
7. “Disadvantaged and Historically Underserved Communities” includes concentrated areas of poverty; Areas of High Segregation and Poverty and areas of low to moderate access to opportunity ([TCAC/HCD Opportunity Area Maps](#)); Communities of Concern, Disadvantaged Communities (SB 535 [Disadvantaged Communities](#) Map), and Low-Income Communities pursuant to Senate Bill 535 (De León, Chapter 830, Statutes of 2012) and Assembly Bill 1550 (Gomez, Chapter 369, Statutes of 2016); areas of high housing cost burdens; areas with high vulnerability of displacement; areas related to Tribal Entities; and other areas experiencing disproportionate impacts of California’s housing and climate crisis. Eligible Entities may propose alternative definitions to Disadvantaged and Historically Underserved Communities in consultation with the Department and the State Collaborative Partners.

8. "Eligible Entity" means any entity that is eligible to be a recipient of these funds either through direct allocation from the Department or through a suballocation from a recipient. For the purposes of this chapter, an Eligible Entity can include a metropolitan planning organization (MPO), a single or multicounty Council of Governments (COG), a regional transportation planning agency (RTPA), a county, a city, a city and county, a transit agency or district, a county transportation agency, or a Tribal Entity.
9. "Housing Element" or "Element" means the Housing Element of a community's General Plan, as required pursuant to subdivision (c) of section 65302 of the Government Code and prepared in accordance with Article 10.6 (commencing with section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.
10. "Housing Trust Fund" means a Local or Regional Housing Trust Fund that is required to be a public, joint public and private, or charitable nonprofit organization organized under Section 501(c)(3) of the Internal Revenue Code, which was established by legislation, ordinance, resolution (including nonprofit articles of incorporation), or a public-private partnership organized to receive specific public, or public and private, revenue to address local or regional housing needs.
11. "Infill", for the purposes of the REAP 2.0 Program, means areas where all the following apply: (1) the area consists of unused or underutilized lands (2) within existing development patterns (3) that is or will be accessible to destinations and daily services by transit, walking, or bicycling and located in either:
 - a. An urban center, urban corridor, or area with transit-supportive densities, or
 - b. An established community that meets all the following criteria:
 - i. The area consists or previously consisted of qualified urban uses
 - ii. The area is predominantly surrounded (approximately 75 percent of the perimeter) by parcels that are developed or previously developed with qualified urban uses. In counting this, perimeters bordering navigable bodies of water and improved parks shall not be included, and
 - iii. No parcel within or adjoining the area is classified as agricultural or natural and working lands.
 - c. Under unique circumstances, Eligible Entities may propose an alternative definition of "Infill" subject to approval by the Department and State Collaborative Partners.
12. "Jurisdiction" means:
 - a. any city, including a charter city,
 - b. county, including a charter county, or
 - c. city and county, including a charter city and county.
13. "Lower-income Households" as defined by Section 50079.5 the California Health and Safety Code means individual households with either 1) household incomes at or below 80 percent of the statewide median income, or 2) household incomes at or below the threshold designated as low-income by the California Department of Housing and Community Development's State Income Limits adopted pursuant to Health and Safety Code Section 50093.
14. "Moderate-income Households", means individual households with either 1) household incomes between 80 and 120 percent of the statewide median income, or 2) household

incomes at or below the threshold designated as moderate-income by the California Department of Housing and Community Development's State Income Limits adopted pursuant to Health and Safety Code Section 50093.

15. "Multimodal Communities" are those which are served by a variety of travel options that accommodate a variety of transportation modes for the public to access daily destinations. Multimodal options can include, but are not limited to, complete street improvements for active transportation, improving access to transit, and creating high-quality transit stops.
16. "Policy Outcomes" means measures that are a direct result of and demonstrate efficacy of the REAP 2.0 Program.
17. "Program" means the Regional Early Action Planning Grants of 2021 established pursuant to this chapter.
18. "Proposed Use" means an eligible use, combination of eligible uses, or a combination of eligible uses with non-REAP 2.0 planning or implementation efforts that demonstrate a reasonable relationship to each other. It does not mean subcomponents, task, or sub-task of an eligible use.
19. "Regional Housing Needs Assessment" means the existing and projected need for housing for each region, as determined by the Department pursuant to Section 65584.01 of the Government Code.
20. "State Collaborative Partners" means the California Air Resources Board (CARB), Governor's Office of Planning and Research (OPR) and California Strategic Growth Council (SGC).
21. "State Planning Priorities" means priorities that are intended to promote Infill development and equity, protect environmental and agricultural resources, and encourage efficient development patterns outside of Infill areas pursuant to Government Code section 65041.1.
22. "Transformative Planning and Implementation Activities" means housing, planning, and infrastructure investments supporting Infill development that facilitate housing supply, choice, and affordability, and other actions that enable meeting housing goals that also result in Vehicle Miles Traveled Per Capita reductions, including Accelerating Infill Development, supporting residents through realizing Multimodal Communities, shifting travel behavior through reducing driving, and increasing transit ridership. Transformative Planning and Implementation Activities are meant to address these goals together and to lead to changes in land use patterns and behaviors. Transformative Planning and Implementation Activities shall be in furtherance of all of the following:
 - a. State Planning Priorities, as described in Section 65041.1 of the Government Code.
 - b. Affirmatively Furthering Fair Housing pursuant to Section 8899.50 of the Government Code.
 - c. Facilitating Housing Element compliance for the sixth cycle Regional Housing Needs Assessment pursuant to Section 65302 of the Government Code

prepared in accordance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

- d. A region's sustainable community strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, or alternative planning strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, as applicable.

23. "Tribal Entity" means an entity that meets at least one of the following definitions:

- a. An entity formed by the duly constituted governing body of a California Native American Tribe in Chapter 905 of the Statutes of 2004, which means a Native American Tribe located in California that is on the contact list maintained by the Native American Heritage Commission, as described in Section 21073 of the Public Resources Code.
- b. A Tribally Designated Housing Entity as defined in Section 4103(22) of Title 25 of the United States Code and Section 50104.6.5,
- c. An Indian Tribe as defined in Section 4103(13)(B) of Title 25 of the United States Code and Section 50104.6.5.

24. "Tribal Lands" means Tribal trust land, as defined in 18 USC section 1151, fee land within Reservation or Rancheria, fee land outside Reservation or Rancheria, and leasehold estate outside of Reservation or Rancheria.

25. "Vehicle Miles Traveled" (VMT) means a metric to evaluate the total miles of vehicles traveling on a roadway over a period of time.

26. "Vehicle Miles Traveled Per Capita" means the number of Vehicle Miles Traveled, per person.