

City of Santa Paula

City Council

MAYOR JENNY CROSSWHITE
VICE MAYOR ANDY SOBEL
COUNCILMEMBER RICHARD ARAIZA
COUNCILMEMBER CARLOS JUAREZ
COUNCILMEMBER LESLIE CORNEJO



CITY COUNCIL REGULAR MEETING OF THE SANTA PAULA CITY COUNCIL

WEDNESDAY, NOVEMBER 2, 2022

6:30 PM - City Council Regular Meeting

SANTA PAULA CITY HALL
970 VENTURA STREET
SANTA PAULA, CA 93060

JULIE LATSHAW, CITY CLERK
DAN SINGER, CITY MANAGER
MONICA CASTILLO, INTERIM CITY ATTORNEY

BRINGING ITEMS BEFORE THE CITY COUNCIL

You are invited to participate in all Regular City Council meetings. Agendas are posted in the front of Santa Paula City Hall, 970 Ventura Street, Santa Paula, 72 hours in advance of the scheduled meetings. The City Council's regular meetings start at 6:30 p.m. the first and third Wednesday of each month in the City Hall Council Chambers located at 970 Ventura Street in Santa Paula.

HOW TO PARTICIPATE IN PERSON DURING THE MEETING: If you wish to speak at a City Council meeting, please fill out a **Public Comment Form** noting your name and address and submit the form to the City Clerk. Include the Agenda item number, when appropriate. **Public comments are limited to 3 minutes.**

1. **Items Not on the Agenda:** If you wish to discuss an item which is not scheduled on the Agenda, you may address the City Council during *Public Comment*. Please realize that due to the limitations placed on the City Council by provisions of the *California Government Code*, the City Council ordinarily cannot take action on any item that is not on the agenda. Because of these restrictions, expect that matters that you identify during public comment will be referred to staff or considered on a future agenda.
2. **Agenda Items:** Items being considered by the City Council may appear on the Consent Calendar, as an Action Item, or as a Public Hearing. Public comments on each type of item are handled differently, as explained below:
 - a. For items appearing on the Consent Calendar, please submit a Public Comment Form before the Council takes action on the Consent Calendar. Items that receive a Public Comment Form may be pulled from the Consent Calendar by the Mayor and discussed separately by the City Council.
 - b. For items appearing as an Action Item, the Mayor will announce the Agenda item and request the staff report, the staff member responsible will give a brief summary of the report; the City Council will have an opportunity to ask questions of staff; members of the public will be given an opportunity to comment on the item and ask additional questions (all members of the public should speak directly into the microphone at the speaker's platform); and the City Council will discuss the item and then take appropriate action.
 - c. For items on which a Public Hearing is scheduled, the Mayor will open the public hearing and receive the staff report; members of the public will be given an opportunity to comment on the item and ask additional questions (all members of the public should speak directly into the microphone at the speaker's platform); the City Council will discuss the item; and the Mayor will close the public hearing after City Council action.

HOW TO PARTICIPATE BEFORE THE MEETING: Members of the public are encouraged to submit email correspondence on any agenda item by sending an email to cityclerk@spcity.org. All public correspondence received by 3:00 p.m. (PT) on the meeting date will be provided to the legislative body before the meeting. Public Comments received after 3:00 p.m. will be provided to the legislative body the next day.

Your Participation in this meeting is in the public domain; meetings are cablecast; minutes of this meeting will reflect your participation in this meeting and are posted on the city's website.

PLEASE NOTE: *Be advised that if you bring a legal challenge to an action, you may be limited to raising only those issues you or someone else raised at the meeting described in this Agenda, or in written correspondence delivered to the City Council at or before the meeting.*

Any action is subject to the ninety-day time period set forth in Code of Civil Procedure § 1094.6.

*In compliance with the **Americans with Disabilities Act**, if you need special assistance to*

participate in this meeting, please contact the City Clerk at (805) 933-4208. Notification 48 hours before the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35, 102-35.104 ADA Title II). Written materials distributed to the City Council within 72 hours of the City Council meeting are available for public inspection immediately upon distribution in the City Clerk's office.

REGULAR MATTERS - COUNCIL CHAMBERS

1. CALL TO ORDER

REMINDER: in order to minimize distractions during public meetings, all personal communication devices should be turned off or put in a non-audible mode.

2. INVOCATION

3. FLAG SALUTE

4. ROLL CALL

5. PRESENTATIONS

5.A VETERANS DAY PROCLAMATION

5.B PUBLIC WORKS DEPARTMENT ACTIVITY REPORT
APRIL - SEPTEMBER 2022

RECOMMENDATION:

Staff recommends that the City Council:

Receive and file the Public Works Department Report for April – September 2022

6. PUBLIC COMMENT

At this time, members of the public may comment on any item not appearing on the agenda that is within the subject-matter jurisdiction of the City Council. A Public Comment Form must be submitted to the City Clerk prior to the beginning of the Public Comment period in order to be recognized to speak. Individuals submitting Public Comment Forms after the beginning of the Public Comment period will not be allowed to speak at this time, but may be recognized to speak by the Mayor at the conclusion of the meeting. Individual Councilmembers may briefly respond to Public Comments or ask questions for clarification. The City Council may direct staff to report to the City Council on the item at a later meeting. For items appearing on the Agenda, the public will be invited to make comments at the time the item comes up for City Council consideration. If a member of the public wishes to address a Consent Calendar item, please submit a Public Comment Form for that item. It may then be discussed separately by the Council, and the public will be invited to make comments at that time. At all times, please use the microphone and write your name and address on the Public Comment Form provided.

7. CITY COUNCIL REPORTS

8. CITY MANAGER REPORTS

9. CONSENT CALENDAR

Background information has been provided to the City Council on all matters listed under the Consent Calendar and these items are considered to be routine by the City Council and are normally approved by one motion. If discussion is requested by a Councilmember on any item, or a member of the public wishes to comment on an item, that item may be removed from the Consent Calendar for separate action.

9.A EXTEND APPROVAL TO HOLD VIRTUAL CITY COUNCIL, COMMISSION, COMMITTEE, BOARD AND OTHER CITY BODIES, MEETINGS PURSUANT TO AB361

RECOMMENDATION:

Staff recommends that the City Council:

1. Extend Approval to hold Virtual City Council, Commission, Board, and other City Bodies Meetings Pursuant to AB361.

9.B

SECOND READING AND ADOPTION OF ORDINANCE NO. 1324 RELATING TO THE AUTHORIZATION AND IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

RECOMMENDATION:

Staff recommends City Council:

1. Adopt Ordinance No. 1324 entitled: AN ORDINANCE OF THE CITY COUNCIL OF SANTA PAULA RELATING TO THE AUTHORIZATION AND IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

9.C SECOND READING AND ADOPTION OF ORDINANCE NO. 1322, AMENDING CHAPTER 96 OF THE SANTA PAULA MUNICIPAL CODE TO CLARIFY ENCROACHMENT PERMIT REQUIREMENTS

RECOMMENDATION:

Staff recommends that the City Council:

1. Adopt Ordinance No. 1322 entitled: An Ordinance of the City Council of the City of Santa Paula, California, Amending Subsections 96.20 et. seq. of the Santa Paula Municipal Code Regarding Encroachment Permits

10. ACTION ITEMS

10.A RESOLUTION OF CONSIDERATION OF CHANGE - HARVEST CFD NO. 1

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt Resolution No. 7424 stating its consideration to amend the special tax formula and bond authorization for Improvement Area B and Improvement Area C of Harvest Community Facilities District No. 1

10.B **END TO SUSPENSION OF WATER SERVICE SHUTOFF FOR NONPAYMENT**

RECOMMENDATION:

Staff recommends the City Council:

1. Adopt Resolution 7430 terminating the temporary suspension of the Santa Paula Municipal Code Sections 55.07 and 55.14 relating to late fees associated with utility bills and discontinuation of utility service and adopting an updated residential Water Service Discontinuation Policy.

10.C

DISCUSSION OF CITY CODE SECTION RELATING TO ALCOHOL AND BEVERAGE SALES SIGNAGE

RECOMMENDATION:

Staff recommends that the City Council:

1. Receive the staff report on Municipal Code Section 16.58.010 regarding regulation of signage advertising alcoholic beverages and provide input and direction to staff on potential code amendments.

10.D **PILOT PROGRAM FOR SPANISH LANGUAGE INTERPRETATION AT PUBLIC MEETINGS**

RECOMMENDATION:

Staff recommends City Council:

1. Direct staff to move forward with a six-month pilot program for offering Spanish interpretation services at City Council Meetings;
2. Provide staff feedback as to the level of service and expectations related to Spanish interpretation services; and
3. Direct staff to return at the conclusion of the six months with an evaluation of the program.

Prepared by: Miguel Perez, City Management Fellow

11. ITEMS FOR FUTURE AGENDAS

11.A FUTURE AGENDA ITEMS

12. ADJOURNMENT

State of California)-

County of Ventura)- ss

City of Santa Paula)-

I declare under penalty of perjury that I posted this City Council Agenda on the bulletin board near the front door of City Hall, 970 Ventura Street, Santa Paula, California.

On _____ at _____ Signed: _____

Julie Latshaw

City Clerk

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Clete J. Saunier, Public Works

Subject: PUBLIC WORKS DEPARTMENT ACTIVITY REPORT
APRIL - SEPTEMBER 2022

Date: November 2, 2022

RECOMMENDATION:

Staff recommends that the City Council:

1. Receive and file the Public Works Department Report for April – September 2022.

Presented by: Clete J. Saunier, Public Works Director

CAPITAL IMPROVEMENT PROGRAM (PROJECT ACTIVITY):

FY 2021 - 2022 Citywide Street Maintenance Program

The Street Maintenance Program is a critically integral component of the Pavement Management Program and consists of applying crack seals, rejuvenator seals, and micro-surfacing to maintain and extend the service life of City streets. For the spring/summer paving season, a range of City streets were identified for work consisting of pothole repairs, dig-outs, and single-layer micro-surfacing to extend the service life of the affected roads an additional 5 - 10 years. The streets addressed in this maintenance effort, which commenced in July and completed in August, are summarized below:

SPRING/SUMMER 2022 STREET MAINTENANCE		
STREET NAME	FROM	TO
Santa Barbara Street	Dean Drive	7 th Street
Santa Paula Street	Dean Drive	SR 150 (Ojai Road)
Dean Drive	Main Street	Santa Paula Street
Virginia Terrace	Mill Street	SR 150 (Ojai Road)
Saticoy Street	SR 150 (Ojai Road)	12 th Street
Pleasant Street	Mill Street	10 th Street

For the fall paving season, the current proposed work addresses maintenance work on portions of Tenth Street, Eleventh, Twelfth and Thirteenth Streets, Ojai Street, Saticoy Street, and Orchard Street to the approximate limits reflected below. Additional maintenance will be completed at the City's Corporation Yard, pavement restoration at water line repair locations around town, as well as miscellaneous concrete work associated with access ramp and sidewalk repairs. The specific areas of work, which will be presented for approval at the October City Council meeting and planned for completion in November, 2022, are summarized below.

FALL 2022 STREET MAINTENANCE		
STREET NAME	FROM	TO
Tenth Street	SR 150 (Ojai Road)	Virginia Terrace
Ojai Street	Santa Paula Street	SR 150 (Ojai Road)
Eleventh Street	Santa Paula Street	Saticoy Street
Twelfth Street	Santa Paula Street	Orchard Street
Thirteenth Street	Santa Paula Street	Orchard Street
Saticoy Street	Twelfth Street	Thirteenth Street
Orchard Street	SR 150 (Ojai Road)	Thirteenth Street

Harvard Boulevard Street/Sewer/Water Improvement Project

The project will improve 1.7 miles of Harvard Boulevard from Peck Road to 10th Street. The project scope includes street improvements for this section of Harvard Boulevard which include 750,000 SF of pavement, curb ramp reconstruction, and replacement of 9,000 LF of 12" water main and 8,000 Lf of 24" sewer main. The project was presented to City Council for construction contract approval in June of 2022, and the project is currently under construction.

Crosstown Pipeline Project

The project scope will provide a large diameter pipeline to link the wellfield and completed west side reservoir to the main reservoir on 10th Street. The Water Enterprise Fund will fund the project estimated to cost \$6.7M. Due to recent unit cost increases, staff anticipates the estimated total project cost could increase significantly by the time 100% design documents are completed. In that regard, staff has completed review of the 60% design and completed scope modifications that will reduce the project cost and streamline the Caltrans permitting and construction process.

Mesa Tanks Replacement Project

The project is located on Montclair Drive at the terminus (existing Mesa Tanks site). The project scope includes replacing the two aging aboveground steel water tanks with two new water storage tanks. Funding for the project will come from the Water Enterprise Fund. The City's design consultant has confirmed the new, combined tank capacity shall be 600,000 gallons in order to meet all fire, domestic and backup storage requirements. The project was presented to Council for PS&E approval in June of 2022 and the project is scheduled for construction contract award in October 2022. Staff anticipates construction to commence shortly after Council approval in the late fall of 2022.

FEMA Floodplain Restudy Project

A substantial portion of the City is influenced by flood hazard areas identified by the Federal Emergency Management Agency (FEMA). The areas of flood hazard are mapped on Flood Insurance Rate Map (FIRM) panels that are used by City and FEMA regulators and insurance companies to determine which properties in the City are required to purchase flood insurance. These FIRM panels are updated at intervals as new or updated flood information becomes available. Earlier in 2021, FEMA completed a County-wide flood re-study, which resulted in the release of updated flood maps. These preliminary maps presented significant changes to areas of flood hazard in multiple portions of the City, which would have resulted in 600 or more properties being added to the flood hazard boundary unless appealed by the City. City staff worked in tandem with Ventura County Watershed Protection District (County) staff to review the technical studies and mapping and filed an appeal with FEMA. FEMA reviewed the technical data provided, but the lack of an approved maintenance plan by County resulted in the sustaining of the original studies, with the understanding that applications for Letters of Map Revision (LOMRs) could be provided to address specific areas of concern. The East Area 1 development team is preparing a LOMR for Santa Paula Creek to address revisions for this watercourse. Additional studies for urban portions of the City influenced by Fagan and Adams Canyon and the Peck Road Drain overland drainage and flooding may be required to better define neighborhood topography and drainage facilities. These studies will then be coordinated with FEMA representatives to address the required mapping and map revision as appropriate.

Concurrently, staff will address the City's current floodplain management and development process to communicate hazards and development requirements for projects located in currently established flood hazard areas. These activities will include an update of the City's Municipal Code and associated provisions that address floodplain development and associated regulation. The intent of this process is to insure the City's current floodplain management process complies with FEMA requirements in the interim while the current appeal process is completed. American Rescue Plan Act (ARPA) funding in the amount of \$150,000 was allocated for this effort as authorized by the City Council on July 7, 2021.

Water Recycling Facility Advanced Water Treatment Facility Project

The project scope includes design and procurement for an Advanced Water Treatment Facility (reverse osmosis process) to manage the City's effluent chloride levels. The facility will be located northeast of and immediately adjacent to the WRF. The estimated total project cost is \$20.34M (including design, construction, and construction contingency). The updated Project Financial Projections were reviewed and approved by City Council on January 19, 2022. A Building Department review was performed on the 90% design and the Design Team is coordinating with the City Engineer and their reviewing consultant to address comments before completing the design and construction documents.

The City applied for a low-interest loan from Clean Water State Revolving Fund (CWSRF) through the State Water Board Division of Financial Assistance (DFA). The application is currently under detailed review. City staff and consultants worked with DFA environmental staff on their review of the project environmental documents through the end of 2021. In January 2022, City staff was notified that DFA completed their review of the environmental documents and concurred with the City's determination. DFA staff is currently performing the detailed financial, technical and legal reviews. City staff and the Design Team is coordinating with DFA staff as questions and additional information needs arise through the application review. Completion of DFA review of the application currently sets the schedule for the project. Based on conversations with DFA staff, completion of DFA's application review is near and a final draft of the loan agreement is anticipated by November 2022.

Based on the anticipated schedule, which is dependent on DFA completing the loan application review and coordination with the City on a loan agreement, City staff estimates preparing final bidding documents and requesting authorization to advertise bid for construction in Winter 2022/2023.

Water Recycling Facility Aeration Blower Repairs

The four aeration blowers which are used to promote aerobic digestion of activated sludge have been experiencing failures over the past year. The blowers, which were originally installed during initial construction of the WRF, are facing the end of their useful life. Blower #1 failed in 2021 and was deemed irreparable. Blower #4 failed on July 11, 2022. VRSD was quick to react as the WRF needs three working blowers to operate. VRSD brought in a rental blower to allow the plant to operate while scheduling repairs. Repairs were completed on failed Blower #4 on September 14, 2022. VRSD relocated a redundant digester blower on September 20, 2022, to provide redundancy in the future. The total cost of the emergency repair was \$82,000.

Project Schedule:

Aeration blower failure	July 11, 2022 (emergency authorization)
Repair PO issued	July 25, 2022
Repair complete	September 20, 2022

Water Recycling Facility Reaction Basins 1 and 2 Cleaning / Repair

In FY 2020/2021 anoxic and aerobic basins #3 were cleaned and diffusers replaced. Basins 1 and 3 still need to be cleaned, and diffusers replaced. Diffusers were purchased and are onsite. Procurement documents for obtaining services to clean the basins were approved by Council and advertised for bids May 2022. Three bids were received and Council awarded contract at the June 15, 2022 meeting. Cushman contracting was awarded the project for \$358,310, which was under the FY 2021/2022 budget of \$600,000 for this project. Anoxic and Aerobic Basins 1 have been cleaned and brought back online. Anoxic and Aerobic Basins 2 will be taken down, cleaned, and restored in November 2022.

Project Schedule:

Procurement docs complete	February 2022
Bids received	May 2022
Contract award	June 2022
Contract to be completed	November 2022

Water Recycling Facility Reaction Ammonia Analyzers Replacement

The project will consist of adding ammonia analyzers to the three aerobic basins and modifying the control system to control the blower speed to produce a targeted, low ammonia concentration. Currently the process operates under manual control. This can lead to either excess power consumption (and excess greenhouse gas emission at the electrical generating station) or emission of ammonia into the atmosphere. SoCalREN has secured reimbursement funding for the project up to \$59,000. VCAPCD staff has agreed this project will reduce pollutant and greenhouse gas emissions and has agreed to allow the City to offset its outstanding settlement amount toward the in-kind cost for this project provided it is constructed by December 2023. The estimated project cost including engineering design and construction is approximately \$140,000. Funding for this project has not yet been allocated. Other concurrent CIP projects that have available additional funds or can be postponed until a later fiscal year will be considered to provide funding for this project. This adjustment will be brought to Council for approval at a future public meeting.

Project Schedule:

Design	December 2022
Contract award	March 2023
Contract to be completed	December 2023

DIVISION PERFORMANCE REPORTS:

Permit Review / Approval / Inspection

Staff reviewed, approved and inspected the following permit applications for various utilities, companies and contractors:

Franchise Blanket Permits to SCE, SCG, Frontier and Spectrum = None

Encroachment Permits = 101

Oversize Transportation Permits = 41

Fire Flow Test Permits = 5

Temporary Hydrant Meter Permits = 5

Water Softener Applications with Approved Rebate = None

Water Division:

CATEGORY	APR	MAY	Jun	JUL	AUG	SEP
Total Potable Water Produced (MG)	108.34	120.91	115.67	120.39	121.91	126.09
Main, Service & Meter Leak Repairs	14	18	29	22	29	33
Water Service Requests Addressed	19	12	25	13	17	16
USA Dig-Alert Tickets	127	130	121	125	221	181
Meter Profiles / Readings	2 / 8190	3 / 8165	4 / 8233	3 / 8205	8 / 8217	4 / 8274
Meter Installations & Replacements	30	27	35	21	22	20
Meter Tags and Lock-Offs*	89	116	88	107	127	108

* Note: Only represents notices (tags) placed for public advisements when main line shut offs occurred. No lock-offs occurred for this reporting period.

Three Water Division employees completed the certification requirements established by the State Water Resources Control Board's Drinking Water Operator Certification Program:

- Nick Lane, Water Treatment and Production Operator II, received his Water Distribution Operator Grade 4 and Water Treatment Grade 3 Certification.
- Jacob Tapp, Water Treatment and Production Operator II, received his Water Distribution Operator Grade 3 and Water Treatment Grade 3 Certification.
- Frank Almazan, Lead Water Treatment and Production Operator, received his Water Distribution Operator Grade 5 Certification.

SCADA (Supervisory Control and Data Acquisition) system software has been updated implementing a fully functional, system-wide alarm system. The Limoniera Water Tank (0.5 MG) has been electronically connected to the SCADA system to allow 24/7 remote operator monitoring.

Wastewater Division:

The Water Recycling Facility (WRF) continues to run smoothly and systems are functioning normally. Ventura Regional Sanitation District (VRSD) took over contract operation of the WRF on April 17, 2021 and has provided improved operation of the WRF. VRSD has continued to perform routine maintenance and repair systems which had not been maintained in the past. All regulatory requirements are being met. Design of the Advanced Water Treatment Facility for chloride reduction is nearing completion. All critical equipment alarms, facility alarms and emergency response systems have been continuously monitored.

Referencing the table below, the average composite chloride concentration in the treated effluent and surrounding groundwater monitoring wells has showed a steady decrease over the last six months. The treated effluent has remained below the Regional Board's maximum allowable chloride concentration of 110 mg/L since it first dropped below in

August 2021. Staff has initiated a formal chloride source study to investigate possible reasons for the improved concentration readings aside from heightened vigilance by Santa Paula utility customers to reduce the amount of chlorides deposited into the waste collection system, including the replacement of old (prohibited) salt-based water softener systems. This study is currently underway with MKN & Associates assisted by VRSD for collection system sampling. The draft study was completed September 2022 and the conclusions will be presented to Council regarding next steps.

CATEGORY	APR	MAY	JUN	JUL	AUG	SEP
Total Raw Wastewater Received in Millions of Gallons (MG)*	67.6	68.8	64.1	69.9	67.7	79.0
Total Treated Effluent Discharged to Percolation Ponds (MG)	55.1	54.8	52.4	54.7	53.0	55.5
Total Reused Water Used Within Facility Process (MG)	2.03	2.99	2.56	1.92	2.58	3.02
Total Biosolids Transported to Permitted Disposal Facility (Tons)	102.4**	290.9	285.1	314.9	358.2	317.1
Treated Effluent: Avg. Composite Chloride Concentration (mg/L)	109.5	101.3	106	107.8	109.4	108.8
Groundwater Monitoring Wells: Average, Composite*** Chloride Concentration (mg/L)	115	118	120	122	121	125

* Due to hydrologic factors resulting from the design of the WRF influent headworks, the influent flow meter experiences more turbulence than the effluent flow meter. Effluent flow meter reading accuracy has been verified.

** The screw press at the facility was down for repair during the first part of April, resulting in a period of time where no sludge was hauled offsite.

*** This composite is the average of chloride concentrations for downgradient monitoring wells only: MW-4, MW-5, MW-6, MW-7a, MW-8, MW-9, AW01, AW02, and AW03.

Fleet Division:

The Fleet Division addressed 309 inspection, repair and maintenance service orders on 162 on-road and off-road vehicles and equipment (some units were assigned more than one service order). The Fleet Division took delivery on one Water Division service truck placing it into service. The Police Department had one command unit picked up from Adamson Police Products and it was placed into service. Staff has ordered one Ford F150 Responder as requested by the Police Department and one Ford Transit Connect Wagon on behalf of the Parks and Recreation Department. Staff is performing yearly CARB smog testing on all City vehicles.

The Fleet Division hired a new Mechanic, Sergio Guerrero. Mr. Guerrero brings 35 years of knowledge and experience to the Fleet Division team.

Vehicle service order activity for April – September 2022 is provided below:

DEPARTMENT	VEHICLES SERVICED	SERVICE ORDERS
Police	70	127
Public Works	67	120
Parks & Recreation	20	56
Community Development	3	3
Administration	2	3
TOTAL	162	309

Streets Division:

CATEGORY	APR	MAY	JUN	JUL	AUG	SEP
Street Sweeping Mileage	274	256	253	179	225	227
Potholes Repaired (Tons)	187 (7)	235 (9)	186 (8)	137 (6)	173 (9)	98 (9)
Curb Painting (LF)	45	35	75	35	82	35
Banners Setup	4	2	17	2	4	21
Permitted Event Setup	6	6	2	4	5	6
Camps / Dumpsites Removed	9	15	11	7	11	8
Hazmat Call Outs	0	0	0	0	0	0
Carcass Removal	1	0	2	3	2	4
Stormwater Systems Cleaned	2	1	3	1	2	1
Traffic Sign Installations	7	10	9	13	9	11
Road Closures	0	0	0	0	0	0
Sidewalks Repaired (LF)	4	6	2	4	6	3
USA Marking - Alert Tickets	96	101	114	114	189	145

Solid Waste Division:

Waste Collection Services:

Athens continues to provide solid waste collection and hauling services in accordance with their contract service agreement. From April 2022 to September 2022, Athens has achieved the following solid waste and recycling waste milestones:

Milestone: Total No. Customers Served – April to September

	April - June	July - Sept.
Solid Waste Customers	6,149	6,216
Recycling Waste Customers	5,936	6,020

Milestone: Total Tonnage Collected – April to September

	April - June	July - Sept.
Solid Waste	4,798 Tons	4,827 Tons
Recycling Waste	3,014 Tons	2,969 Tons

New Solid Waste Franchise Agreement:

Throughout April to September, City Staff and the Ad-Hoc Committee and Athens Services were finalizing negotiation details of an exclusive 25-year, Solid Waste Franchise Agreement (SWFA).

In July 2022, both parties agreed to a final draft of the new SWFA. On August 3, 2022, City Council adopted a Resolution awarding an exclusive solid waste franchise agreement to Athens Services, contingent upon the outcome of a required Proposition 218 Public Hearing scheduled for September 28, 2022. The hearing concluded without a majority of written protests against the proposed rate changes. Therefore, the proposed rate changes went into effect October 1, 2022. The new 25-year SWFA commenced on October 1, 2022 and will end on September 30, 2047.

Energy Efficiency Program

Staff and SoCalREN have updated information on labor and material costs for solar panel installations. SoCalREN is recommending the following energy efficiency options: 1) rooftop solar panels, 2) carport solar panels, or 3) a combination of options 1 and 2. The total installation cost is estimated at \$510,000. A structural analysis is required and cost range from \$4,000 to \$8,000 per building.

Under the current 2-year budget cycle (2021-23), there is no budget for this project. Staff intends to pursue the City's Water Bond proceeds of up to \$3 million to cover projects costs as directed by Council at its February 2, 2022 public meeting. Staff and SoCalREN shall submit its solar panel proposal to the Bond Oversight Financial Committee to request approval to allocate these funds to cover related project costs.

SoCalREN has recommended the following two sites for the installation of Electric Vehicle Charging Stations (EVCS).

- Main Street from 8th Street to 10th Street (Downtown Strip)
- Parking Lot on south side of Main Street behind PWD office

Under the current 2-year budget cycle (2021-23), no funding has been allocated for this project. Both sites would provide 20 EVCS at an estimated cost of \$400,000. Staff shall apply for funding under Southern California Edison's (SCE) "Charge Ready Program." SCE can provide \$320,000 of funding with a required City match of \$60,000.

The City has collaborated efforts with Ventura Energy (VE) a private for profit renewable energy developer for EVCS. VE submitted an EVCS grant application to the California Energy Commission (CEC) to install five (5) dual charging stations and was recently approved for funding. A total 10 vehicles can connect to the five dual chargers at a given time. VE requested a total budget amount of \$968,929 to CEC and they approved total grant funding of \$775,144. VE will provide the difference of \$193,785 in matching funds. The City is not required to provide matching funding for this project.

Asset Management System

The project kickoff meeting was held in early May in which project details were outlined, expectations were managed, and a schedule was laid out. Routine meetings were scheduled to occur twice a week through to October, alongside any additional meetings that needed to be held each week. The initiation phase of the project lasted 3 months and ended in July, in which a general overview of the departments was composed and a roadmap was developed with target milestones to be reached for project completion. During the initiation phase of the project needs and desires were documented from the respective department heads and a rough module outline was ultimately made for each department/division.

Based on the fact that each department/division would require a customized module to meet daily operation needs and procedures, individual modules were created at separate times upon data extraction and feedback from the supervisory staff. This is the current phase of the project. The departments that have completed modules include the Public Works Dept. divisions of Fleet, Water, and Streets, along with the Parks & Recreation Dept. The divisions listed are at varying levels of use, with Fleet being fully converted, followed by Streets, which is in need of minor modifications. The Water division module is in testing for further development in collaboration with the Finance department to determine and outline a new order of operations as it pertains to Utility Billing. An outline is being developed, with testing and feedback to take place after development.

As of September 2022, three of six modules have been created and are live. For the status on the remaining modules, the Parks & Rec Department training and go-live set to occur in October, with implementation in progress for one of the two remaining modules (WRF), and the final outstanding module awaiting further data for importing and module development (VRSD). The Water Division and Finance Department are to continue to collaborate and brainstorm new operations for Utility Billing. An additional integration module (\$15,000) may be necessary for a formal connection between Maintstar and Incode if no clear order of operations has been developed with the purchased module as the project nears completion of the implementation phase. Carollo and VRSD are to provide completed GIS data to be incorporated into Maintstar modules for completion of GIS components. The project continues to remain on schedule.

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Julie Latshaw, City Clerk

Subject: EXTEND APPROVAL TO HOLD VIRTUAL CITY COUNCIL,
COMMISSION, COMMITTEE, BOARD AND OTHER CITY BODIES,
MEETINGS PURSUANT TO AB361

Date: November 2, 2022

Agenda Item: 9.A

RECOMMENDATION:

Staff recommends that the City Council:

1. Extend Approval to hold Virtual City Council, Commission, Board, and other City Bodies Meetings Pursuant to AB361.

BACKGROUND:

With the expiration of the Governor's Executive Order, the Governor signed into law Assembly Bill 361. Effective October 1, 2021, AB 361 allows local governments to continue to conduct remote virtual meetings so long as there is a state-proclaimed state of emergency and the legislative body makes mandatory findings.

On October 6, 2021, the Council unanimously voted to continue virtual City Council meetings under AB 361 by adopting Resolution No. 7369. In November, however, the Council returned to in-person meetings and allowed Resolution No. 7369 to lapse.

On January 19, 2022, the Council again unanimously voted to continue virtual City Council, Commission, Board, and other City Bodies meeting under AB 361 by adopting Resolution No. 7384.

In order to extend the ability to hold virtual City Council, Commission, Board, and other City Bodies Meetings pursuant to AB 361, the City Council must make the findings and determinations under AB 361 to again allow the Council to meet virtually.

ANALYSIS:

In order to continue to qualify for AB 361's waiver of in-person meeting requirements, the City Council must, within thirty (30) days of its first meeting under AB 361, and every thirty (30) days thereafter, make findings that (a) state or local officials continue to recommend measures to promote social distancing, or that (b) an in-person meeting would constitute an imminent risk to the safety of attendees.

The above conditions continue to exist at this time, and staff recommends the City Council by motion reconfirm the findings and determinations made in Resolution No. 7384 so that the City Council may continue to meet virtually under AB 361.

Lastly, it is important to note that AB 361 is optional. If the City Council wishes, it may meet in person.

STRATEGIC PLAN:

None.

FISCAL IMPACTS:

There is no fiscal impact associated with this item.

OPTIONS:

1. Approve staff recommendations; or
2. Without a majority vote of the City Council every 30 days adopting the mandatory findings under AB 361, Resolution No. 7384 approving virtual meetings pursuant to AB 361 would lapse, requiring Council to hold in-person meetings until extended by a majority vote.

ATTACHMENTS:

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Jonathan Royas, Management Analyst

Subject: SECOND READING AND ADOPTION OF ORDINANCE NO. 1324
RELATING TO THE AUTHORIZATION AND IMPLEMENTATION OF A
COMMUNITY CHOICE AGGREGATION PROGRAM

Date: November 2, 2022

Agenda Item: 9.B

RECOMMENDATION:

Staff recommends City Council:

1. Adopt Ordinance No. 1324 entitled: AN ORDINANCE OF THE CITY COUNCIL OF SANTA PAULA RELATING TO THE AUTHORIZATION AND IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

BACKGROUND:

On June 1, 2022, the City Council received a presentation from staff and Ted Bardacke, Executive Director for Clean Power Alliance (CPA), in an effort to determine if the City of Santa Paula would be interested in joining the CPA.

CPA is the largest Community Choice Aggregator (CCA) in California, covering 32 agencies in Los Angeles and Ventura counties. CPA is a Joint Powers Authority (JPA) and each member agency has a representative on the Board of Directors. The Board of Directors determines the programs, rates, and policies of the JPA with guidance from Clean Power Alliance staff. Current CPA program offerings include: solar plus clean backup power for critical member agency facilities; rebates for publicly accessible electric vehicle chargers; demand response incentives for residential and commercial smart technologies; and community solar for customers in disadvantaged communities. CPA handles all customer billing and administration for its members though each member's governing board determines its agency's default renewable energy tier, relating to customer rates. CPA currently offers three energy tier options: Lean Power (which is 40 percent clean energy, similar to SCE's base product), Clean Power (which is 50 percent clean energy), and 100 percent Green Power (100 percent renewable energy).

At the conclusion of the June 1, 2022 presentation to Council, staff was directed to:

1. Determine where the required, one-time cost of \$10,000, would come from to cover the feasibility study needed to support the City's inclusion in the Clean Power Alliance (CPA); and
2. Further investigate the risks and impacts to the City and residents in joining the CPA.

On August 3, 2022, Council approved Resolution 7416, amending the City's Operating and CPI budget for FY 21/22 authorizing a \$10,000, one-time cost, required feasibility study to support the City's inclusion in the Clean Power Alliance (CPA). In addition, staff provided an analysis on the risks and impact to residents and the City should the City join the CPA.

Rates

Individual customers and the City both have the option of choosing lower clean energy content or opting out of the CPA program altogether and returning to paying SCE for both generation and delivery costs. An example of this opt out ability, and one the City would most likely take advantage of, would be the special street light rate the City currently receives from Southern California Edison (SCE). In staff's further conversation's with the CPA, CPA confirmed they would not be able to match the special rate we receive from SCE for street lights, similar to those received by other municipalities in Ventura County. Should Council continue moving forward with joining the CPA, the City would simply opt-out of those accounts which service City street lights resulting in no additional financial impact to the City beyond our current costs. The same holds true for any additional accounts staff may identify during the transition process.

In July 2022, the CPA implemented its annual FY 22/23 rates, resulting in bills for CPA customers being similar to January 2022 levels, and competitive with SCE's base rates as demonstrated below.

Average Customer Bill Comparison to SCE (% Discount or Premium)

Customer Class	Lean Power	Clean Power	100% Green Power
<i>Residential</i>	-1.0%	0.0%	3.0%
<i>Residential - CARE</i>	-1.0%	0.0%	0.0%
<i>Small/Medium Business</i>	-1.0%	0.0%	3.0%

The percentages above are examples of what the rates would look like based on the FY 22/23 rates CPA recently approved if CPA implementation were to occur this year. The three Customer Class options are explained below:

Option 1 - With the CPA Lean Power option, rates for residents and City accounts would be on average 1.0% lower than SCE's current rates. The Lean Power option provides 40% carbon free content and access to local programs. Lean power is the most affordable way to reliable, clean power.

Option 2 - With the CPA Clean Power option, rates for residents and City accounts would be on average at parity, or 0.0% different than SCE's current rates. The Clean Power option supports building a cleaner future with 50% clean power (40% renewable content and 10% hydroelectricity) and receives competitively priced green energy.

Option 3 - With the CPA Green Power option, rates for residents and City accounts would be on average 3.0% higher than SCE's current rates. This option would provide 100% renewable content from wind, solar and geothermal sources. One benefit of this option is that all customers currently on SCE-CARE would not see a 3.0% rate increase and would receive 100% Green power at the Clean Power rate or 0% increase to their monthly bills. All other customers, including the City's accounts, would see a roughly 3% increase in energy costs. This option would have fiscal impacts to the City which staff would have to further evaluate based on our current energy usage.

Reliability

Resource Adequacy (RA) is a program of the California Public Utilities Commission (CPUC) to ensure reliable electric service in California. This program requires Clean Power Alliance and other electricity providers to purchase enough power to meet customers' anticipated needs, plus reserves that can be called upon if they are needed in an emergency. Clean Power Alliance is required to meet the same resource adequacy and reliability standards as investor-owned utilities such as SCE.

In addition, CPA is also regulated by the California Independent System Operator (CAISO), one of the largest independent system operators in the world, delivering 300 million megawatt-hours of electricity each year and managing about 80% of California's electric flow. The California Legislature created the CAISO in 1998 as part of the state restructuring of electricity markets. The legislature was responding to Federal Energy Regulatory Commission (FERC) recommendations following the passage of the federal Energy Policy Act of 1992, which removed barriers to competition in the wholesale generation of electricity business. FERC regulates the CAISO because interstate transmission lines fall under the jurisdiction of federal commerce laws.

Risk

The JPA format relieves the member agencies from any liability to their general funds. The Board of Directors determines the programs, rates, and policies of the JPA with the guidance from Clean Power Alliance staff. CPA handles all customer billing and administration for its members though each member's governing board determines its agency's default renewable energy rates.

Based on the analysis above, at the conclusion of the August 3, 2022 meeting, Council approved Resolution 7416, funding a feasibility study to support the City's inclusion in the Clean Power Alliance (CPA).

Feasibility Study Results

Throughout the month of August, CPA proceeded in conducting their feasibility study on the potential inclusion of Santa Paula into the JPA and on September 7, 2022, the Mayor and City Manager were notified (Exhibit A - Invitation Letter & Resolution) that on September 1, 2022, the CPA Board of Directors approved Resolution 22-09-039, inviting the City of Santa Paula to become a member of CPA's Joint Powers Authority, with electricity service to customers within the City's jurisdiction to begin in 2024.

Next Steps This Year

Should Council wish to continue moving forward, the City needs to adopt Ordinance No. 1324 (Exhibit B) by November 30, 2022, to implement Community Choice Aggregation within the City's jurisdiction.

Following the City's passage of the ordinance, the CPA Board of Directors will conduct a public hearing during its meeting on December 1, 2022, to consider and approve an Implementation Plan Addendum to add Santa Paula to the CPA. Though this is a routine matter, the Addendum must be submitted to the California Public Utilities Commission no later than December 31, 2022 for Santa Paula customers to be eligible for CPA service starting in 2024. Thus, the deadline for the City to adopt the ordinance is the end of November.

Next Steps in 2023

In 2023, staff will return to Council to request the appointment of a member of City Council to represent the City on CPA's Board of Directors, along with one or two alternate directors who may be elected leaders, city staff, or members of the public. In addition, staff will return to Council to choose the "default rate." As discussed in the Background section of this report. CPA currently has three rates which come with different levels of renewable energy content at different price points. The default rate is the rate Santa Paula customers would be automatically enrolled in at the start of the CPA transition unless residents take an affirmative action to choose a different CPA rate or decide to opt-out of CPA service and purchase their electricity from Southern California Edison.

Then, over the course of 2023 and 2024, CPA will work with staff to educate the community about the impending change in their default electricity provider and make residents and businesses aware of their new options and the benefits of being a customer of Clean Power Alliance.

ANALYSIS:

On October 19, 2022, the City Council introduced and waived the first reading of Ordinance No. 1324. This evening is the second reading of the ordinance and Council's first opportunity to adopt the ordinance. If adopted this evening, the ordinance will become effective thirty (30) days from today (*i.e.*, December 2, 2022). Note that the ordinance need only be adopted (not effective) before December 1, 2022, when the CPA Board of Directors will hold a public hearing to add Santa Paula to the CPA.

STRATEGIC PLAN:

This agenda item does not directly address the strategic goals within the City's two-year adopted Strategic Plan.

FISCAL IMPACTS:

Other than staff time, there will be no direct fiscal impact to the City's General Fund at this time.

Future Costs: Risks and Impact to the City

There may be potential cost increases to City utility expenses due to this change. Staff understands almost all entities actually opt-out of CPA rates and retain SCE for street lighting

because those rates cannot be matched at this time. Just as residents may opt out, the City may also choose to opt out.

OPTIONS:

1. Decline adopting Ordinance No. 1324. Doing so may jeopardize our ability to join the CPA at this time as the CPA Board of Directors will conduct a public hearing during their meeting on December 1, 2022, to consider and approve an Implementation Plan Addendum to add Santa Paula to the CPA. The addendum must be submitted to the California Public Utilities Commission no later than December 31, 2022 for Santa Paula customers to be eligible for CPA service starting in 2024.

ATTACHMENTS:

[Exhibit A - Invitation Letter & Resolution.pdf](#)

[Exhibit B - Ordinance No. 1324.pdf](#)

EXHIBIT A -
CPA INVITATION
LETTER &
RESOLUTION



September 7, 2022

Mayor Jenny Crosswhite
City of Santa Paula
970 Ventura Street
Santa Paula, CA 93060

Dear Mayor Crosswhite,

On September 1, 2022, the Clean Power Alliance Board of Directors approved Resolution 22-09-039 inviting the City of Santa Paula to become a member of CPA's Joint Powers Authority, with electricity service to customers within the City's jurisdiction to begin in 2024. We are excited to work with you and City staff over the coming year to implement community choice in Santa Paula for the benefit of the City's residents and businesses.

To move forward, the City needs to adopt an ordinance by November 30, 2022, to implement Community Choice Aggregation within the City's jurisdiction and approve the CPA Joint Powers Agreement. Our staff has already shared a draft ordinance template with city staff and are available to answer any questions prior to and/or during your Council's deliberation on the ordinance.

Following the City's passage of the ordinance, the CPA Board of Directors will conduct a public hearing during its meeting on December 1, 2022, to consider and approve an Implementation Plan Addendum to add Santa Paula to the JPA. This is a routine matter. However, the Addendum must be submitted to the California Public Utilities Commission no later than December 31, 2022 for Santa Paula customers to be eligible for CPA service starting in 2024, thus the deadline for the City to wrap up the ordinance process by the end of November.

Assuming you move forward, in 2023 your City Council would appoint a member of your City Council to represent the City on CPA's Board of Directors, along with one or two alternate directors who may be elected leaders, city staff, or members of the public. Over the course of 2023 and 2024 our teams would work with the City to educate the community about the impending change in their default electricity provider and make residents and businesses aware of their new options and the benefits of being a customer of Clean Power Alliance.

Another decision the City Council must make is the choice of a "default rate." Clean Power Alliance currently has three rates which come with different levels of renewable energy content and at different

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Los Angeles, CA 90017
cleanpoweralliance.org

County of Los Angeles	Carson	Moorpark	Simi Valley
County of Ventura	Claremont	Ojai	South Pasadena
Agoura Hills	Culver City	Oxnard	Temple City
Alhambra	Downey	Paramount	Thousand Oaks
Arcadia	Hawaiian Gardens	Redondo Beach	Ventura
Beverly Hills	Hawthorne	Rolling Hills Estates	West Hollywood
Calabasas	Malibu	Santa Monica	Westlake Village
Camarillo	Manhattan Beach	Sierra Madre	Whittier

price points. The default rate is the rate Santa Paula customers would be automatically enrolled in at the start of CPA unless they take an affirmative action to choose a different CPA rate or decide to opt-out of CPA service and purchase their electricity from Southern California Edison.

The City Council may choose to select the default rate for the City in conjunction with joining CPA, or it may defer this decision to 2023. CPA does not advocate for one particular default rate over another; however, CPA staff has deep experience with the considerations many cities take into account when choosing a default rate and would be happy to share those experiences with you and the rest of the members of your City Council.

Please don't hesitate to reach out to me or Karen Schmidt at kschmidt@cleanpoweralliance.org or 805-798-1629 or if you have any questions or if we can be of assistance as you take the next steps toward joining CPA.

Warmly,

A handwritten signature in black ink, appearing to read 'Ted Bardacke', written in a cursive style.

Ted Bardacke
Chief Executive Officer

cc: Dan Singer

Attachment: CPA Board of Directors Resolution 22-09-039

RESOLUTION NO. 22-09-039

RESOLUTION OF THE BOARD OF DIRECTORS OF CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA AUTHORIZING THE OFFER OF MEMBERSHIP TO THE CITIES OF HERMOSA BEACH, MONROVIA, AND SANTA PAULA TO JOIN CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA (“CPA”) WITH CPA SERVICE TO CUSTOMERS IN THOSE JURISDICTIONS TO BEGIN IN 2024

THE BOARD OF DIRECTORS OF CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the cities of Hermosa Beach, Monrovia, and Santa Paula (individually, “City”; collectively, “Cities”) requested to be considered for membership in CPA so that customers in those jurisdictions can begin receiving service from CPA in 2024;

WHEREAS, each City contributed \$10,000 (“Study Fee”) toward the cost of conducting a feasibility study to assess the potential impacts to existing CPA customers of adding each City to CPA’s service territory;

WHEREAS, in 2019, the CPA Board of Directors (“Board”) identified the following priorities when considering new member agencies for expansion of CPA’s service territory in Los Angeles and Ventura counties: (1) fill geographic holes within CPA’s service territory; (2) seek out load centers where there are synergies with CPA’s environmental and/or programmatic goals; or (3) increase diversity among CPA membership (“New Membership Priorities”);

WHEREAS, each of the Cities meets one or more of the New Membership Priorities;

WHEREAS, benefits to expanding CPA membership to the Cities include (1) extending local control and choice to more customers and communities; (2) expanded use of renewable energy and reduction in greenhouse gas emissions; (3) leveraging outreach and communications across contiguous geographies in CPA territory; and (4) expanding scale economies in CPA’s energy procurement and operations;

WHEREAS, the risks and impacts of offering CPA membership to the Cities are small relative to CPA’s size and can be mitigated;

NOW, THEREFORE, BE IT DETERMINED, AFFIRMED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA THAT:

IT IS DETERMINED, AFFIRMED, AND ORDERED that CPA hereby authorizes the offer of CPA membership to each City to join CPA with CPA service to customers to begin in 2024; and,

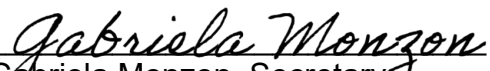
IT IS FURTHER DETERMINED, AFFIRMED, AND ORDERED that the Study Fee shall constitute each City's pro rata share of CPA's organizational and planning expenditures.

ADOPTED AND APPROVED this 1st day of September 2022.



Julian Gold, Chair

ATTEST:



Gabriela Monzon, Secretary

ORDINANCE NO. 1324

AN ORDINANCE OF THE CITY COUNCIL OF SANTA PAULA RELATING TO THE AUTHORIZATION AND IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

The City Council of Santa Paula does ordain as follows:

Section 1. The City Council finds and declares as follows:

- A. The City of Santa Paula has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provision of electric services and promoting renewable energy at competitive rates.
- B. On September 24, 2002, the Governor signed into law Assembly Bill 117 (Stat. 2002, Ch. 838; see California Public Utilities Code section 366.2; hereinafter referred to as the "Act"), which authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation ("CCA") .
- C. The Act expressly authorizes participation in a CCA program through a joint powers agency.
- D. Through Docket No. R.03-10-003, the California Public Utilities Commission ("Commission") has issued various decisions and rulings addressing the implementation of CCA programs, including a procedure by which the Commission will review "Implementation Plans," which are required for submittal under the Act as the means of describing the CCA program and assuring compliance with various elements contained in the Act.
- E. The Clean Power Alliance of Southern California ("CPA") is a joint powers authority established pursuant to California Government Code section 6500 *et seq.* and California Public Utilities Code section 366.2(c) and a Joint Powers Agreement ("Joint Powers Agreement"), which purposes include the following:
 - 1. To form a Joint Powers Authority known as "Clean Power Alliance of Southern California" (formerly known as "Los Angeles Community Choice Energy Authority"); and
 - 2. To specify the terms and conditions by which participants may participate as a group in energy programs, including the implementation of a CCA program.

- F. An Implementation Plan Addendum will be submitted for review and adoption by the CPA Board of Directors.
- G. Community Choice Aggregation by and through CPA appears to provide a reasonable opportunity to accomplish all of the following:
 - 1. To provide greater levels of local involvement in and collaboration on energy decisions;
 - 2. To significantly increase the amount of renewable energy available to CPA energy customers;
 - 3. To provide price stability, long-term electricity cost competitiveness and other benefits for the community; and
 - 4. To reduce greenhouse gas emissions related to the electricity sector.
- H. The Act requires CCA program participants to individually adopt an Ordinance ("CCA Ordinance") electing to implement a CCA program within its jurisdiction by and through its participation in CPA.
- I. It is in the public's interest and welfare to establish a CCA program within the City of Santa Paula.
- J. The Joint Powers Agreement expressly allows the City to vote to withdraw its membership in CPA (and its participation in the CCA program) by providing no less than 180 days' advance written notice to CPA.

Section 2. Chapter 61 of the Santa Paula Municipal Code, entitled "Community Choice Aggregation" is hereby added as follows:

CHAPTER 61: COMMUNITY CHOICE AGGREGATION

"§ 61.01 Findings and Purpose

(A) The California Public Utilities Code, Chapter 2.3 of Division 1, Part 1, Section 366.2, allows electric utility customers to aggregate their electric loads as members of their local community with community choice aggregators, where a community choice aggregator may be any city, county, or group of cities or counties who have elected to combine the loads of their programs through the formation of a joint powers agency established under Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code.

(B) The City of Santa Paula has been investigating options to provide electric services to constituents within its service areas with the intent of achieving greater local involvement over the provisions of electric services, competitive electric rates, the development of clean, local renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs through a community choice aggregation (CCA) program.

(C) The City of Santa Paula has requested to become a member of the Clean Power Alliance ("CPA") a joint powers authority whose member entities also include the county of Los Angeles and Ventura, and the cities of Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Camarillo, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Moorpark, Ojai, Oxnard, Paramount, Redondo Beach, Rolling Hills Estates, Santa Monica, Sierra Madre, Simi Valley, Santa Paula, South Pasadena, Temple City, Thousand Oaks, Ventura, West Hollywood, Westlake Village, and Whittier to act as a regional agency to promote sustainable energy initiatives that reduce energy demand, increase energy efficiency, and advance the use of clean, efficient and renewable resources available in the region.

(D) CPA is authorized by ordinance to act as a community choice aggregator to implement and operate a CCA program under California law.

(E) CPA has established key CCA program goals of maximizing the use of local renewable resources while also providing competitive rates to customers. These goals are aimed at supporting local economic development as well as reducing the environmental impacts resulting from the use of electricity in a technically and economically feasible manner.

(F) To analyze the feasibility of operating a CCA program that achieves these goals, CPA has procured technical support services and has retained independent technical support services to conduct the appropriate development and operational studies, including technical, financial and risk analyses. These studies have assisted CPA, its member agencies, and the community in continually evaluating a rate structure, energy portfolio, and general CCA program viability through an implementation plan filed with the CPUC.

(G) Participation in a CCA program implemented and operated by the CPA, rather than independently electing to become a community choice aggregator, will reduce the city's financial exposure from community choice aggregation, if any, because CPA's joint power authority structure immunizes its member agencies from its debts, liabilities and obligations, and therefore the debts, liabilities and obligations of a CCA program.

(H) Electric customers have the right to opt out of the CCA program and

continue to receive service from the existing utility under California Public Utilities Code section 366.2(c).

(I) Under the CPA program structure, the city will have CCA program voting privileges on the CPA board of directors as set out in the CPA Joint Powers Agreement.

§ 61.02. Participation in Community Choice Aggregation.

Based on all of the above, the City Council of the city of Santa Paula elects to implement a community choice aggregation program within the city's jurisdiction by and through the CPA, subject to the determination of the CPA, based on its CCA program developmental and operational analyses and member agency input, that a CCA program based on the key goals set out above is not technically or economically feasible and consequently decides not to launch the CCA program."

Section 4. Upon the effective date of this Ordinance, the provisions hereof shall supersede any inconsistent or conflicting provisions of the Santa Paula Municipal Code.

Section 5. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance for any reason is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

Section 6. The City Clerk shall certify as to the passage and adoption of this Ordinance and shall cause a summary thereof to be published within fifteen (15) days of the adoption and shall post a certified copy of this Ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code section 36933.

PASSED, APPROVED AND ADOPTED this 2nd day of November 2022

Jenny Crosswhite, Mayor

ATTEST

Julie Latshaw, City Clerk

APPROVED AS TO FORM:

Monica Castillo, Interim City Attorney

APPROVED AS TO CONTENT

Dan Singer, City Manager

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Clete Saunier, Public Works Director

Subject: SECOND READING AND ADOPTION OF ORDINANCE NO. 1322,
AMENDING CHAPTER 96 OF THE SANTA PAULA MUNICIPAL CODE
TO CLARIFY ENCROACHMENT PERMIT REQUIREMENTS

Date: November 2, 2022

Agenda Item: 9.C

RECOMMENDATION:

Staff recommends that the City Council:

1. Adopt Ordinance No. 1322 entitled: An Ordinance of the City Council of the City of Santa Paula, California, Amending Subsections 96.20 et. seq. of the Santa Paula Municipal Code Regarding Encroachment Permits

BACKGROUND:

From time to time, staff finds it necessary to update relevant portions of the City of Santa Paula Municipal Code (SPMC) to ensure alignment of SPMC sections to current permitting requirements, terminology, safety standards, and evolving patterns of traffic circulation and regulation throughout the City. Subsections of Chapter 96, ranging from 96.20 to 96.39, were first adopted in 1981 and last amended in 2003.

In recent years, City staff has observed an increase in encroachment permit and related construction activity associated with improvements and repairs to existing overhead and underground utility infrastructure located in public right of ways, as well as expansions and improvements to infrastructure associated with development projects. Such increases in construction activity within the public right of way must be considered relative to evolving patterns of traffic circulation city-wide associated with population growth, changes in mobility patterns, and the return of traffic volumes to pre-COVID levels.

In this context, the timely accommodation of encroachment permit requests, permit processing and related construction must be balanced against the need for the safe and efficient operation of the public right of way and the protection of vehicular and pedestrian traffic in accordance with current safety standards. Further, it is understood that portions of City right of way abutting sensitive and essential facilities such as fire and police stations, schools, hospital and airport facilities, as well as critical City infrastructure should be afforded an elevated level of consideration relative to lane and road closures and similar restrictions of vehicular and pedestrian circulation. Similarly, established cross-town streets and those streets with

collector, boulevard or arterial classification which convey significant and regular patterns of traffic require specific consideration relative to restrictions posed by construction activity and related traffic control.

ANALYSIS:

On October 19, 2022, the City Council introduced a proposed ordinance that amends subsections 96.20 to 96.39 of the SPMC including definitions, permitting, plan and traffic control requirements, and required securities. At the meeting, Council directed staff to revise the definition of "Permittee" to include "permittee's agents" when returned for the second reading.

The attached revised proposed ordinance (Exhibit A) revises the definition of "Permittee" as follows (underlined text is new):

PERMITTEE means the person to whom the encroachment permit is issued. The term "permittee" includes the permittee's authorized agents, including, without limitation, permittee's independent contractors of any level.

Other technical edits were made to conform to the revised definition of "Permittee."

Like the proposed ordinance introduced at the October 19th meeting, this revised draft of the ordinance ("Ordinance") includes references to established traffic control standards published by the State of California, as well as provisions for the Public Works Director to recognize alternative standards that meet the same intent as the established State standards. Provisions in the Ordinance will require the Public Works Director to issue traffic management and control specifications based on roadway classification, function, use, and adjacency to sensitive or essential facilities, specifically delineating the requirements for site-specific traffic control plans for identified portions of City right of way.

A redline of the existing provisions showing proposed amendments is attached as Exhibit B.

STRATEGIC PLAN:

The approval of this agenda item does not directly address the strategic goals within the City's adopted Strategic Plan.

FISCAL IMPACTS:

There are no fiscal impacts associated with the proposed ordinance.

OPTIONS:

As an alternative to staff's recommendation, Council may take the following action:

1. Decline to adopt the Ordinance and direct staff to return for a third reading with further edits to the proposed Ordinance.

ATTACHMENTS:

Exhibit A - Proposed Ordinance No. 1322

Exhibit B - Proposed Amendments

ORDINANCE NO. 1322

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA PAULA, CALIFORNIA AMENDING SUBSECTIONS 96.20 ET. SEQ. OF THE SANTA PAULA MUNICIPAL CODE REGARDING ENCROACHMENT PERMITS

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

SECTION 1. The City Council finds as follows:

A. Santa Paula Municipal Code (SPMC) provisions governing encroachment permit requirements were first adopted in 1981 and last amended in 2003.

B. Subsections 96.20 through 96.39 of the SPMC ("Encroachment Permit Ordinance") requires a permit before any person may encroach, or make or cause an encroachment upon, over, under or within a public right-of-way.

C. The City now desires to amend the Encroachment Permit Ordinance to update terms and clarify the procedures and requirements for obtaining an encroachment permit.

SECTION 2. Subsections 96.20 through 96.39 of the Santa Paula Municipal Code, entitled "Encroachments Upon Public Streets," is hereby amended to read in full as follows:

"§ 96.20 DEFINITIONS.

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

DEPARTMENT means the Public Works Department.

DIRECTOR means the Public Works Director or his or her duly authorized representative.

ENCROACHMENT means any pole, conduit, cable, pipeline, fence, sign, building, or any temporary or permanent structure or object of any kind or character which is placed in, under or over any portion of a right-of-way; the taking, placing, moving, or using on a right-of-way, any vehicle or combination of vehicles or other objects of a dimension, weight, or other characteristic prohibited by the California Vehicle Code; or the excavation of a right-of-way.

EMERGENCY WORK means any unscheduled maintenance or repairs that are necessary for the immediate protection of life or property, or that are necessary for the restoration of an existing utility service for reliability. "Emergency work" may involve fully repairing or temporarily repairing a structure to remove the immediate risk to life or property, or to service reliability.

EXCAVATION means removal of any concrete, asphalt, road, earth, or other, similar surface materials covering a right-of-way.

PERMIT means an encroachment permit issued pursuant to this subchapter.

PERMITTEE means the person to whom the encroachment permit is issued. The term "permittee" includes the permittee's authorized agents, including, without limitation, permittee's independent contractors of any level.

PERSON means and includes any natural person, corporation, firm, agency, copartnership or association, and any public utility, public entity or governmental agency, including the state and the United States.

PROTECTIVE MEASURES means any barricades, traffic control devices, trench plates or similar such devices intended to give warning and protect the public from injury or loss resulting from the placement of an encroachment within a right-of-way.

RIGHT-OF-WAY means any city street, sidewalk, pedestrian path, bike path or any other "public way," as defined in the California Streets and Highways Code, as may be amended, whether or not such place is actually improved and used for street purposes. This definition includes any public alley, public sidewalk, public driveway, curb, pavement, gutter, parkway, easement, or public place in the city either owned by the city or dedicated to the city for public use.

STREET means any way or place of whatever nature publicly maintained and open to the use of the public for purposes of vehicular travel.

§ 96.21 PERMITS.

(A) Except for the city or its contractors, it is unlawful for any person to encroach, or to make or cause to be made any encroachment, upon, over, under or within a right-of-way within the city without first obtaining a permit from the director.

(B) If the director finds that the excavation is for a purpose required or permitted by law and can be performed without undue hazard or inconvenience to the public and that the permit applicant is qualified and financially able to fulfill the applicant's obligations and liabilities under this subchapter, the department shall thereupon issue a permit. The permit shall specify the nature, extent and location of the work permitted and shall impose such reasonable time limits and other conditions as the department may prescribe, including protective measures and such other conditions as may promote public convenience and safety.

(C) As a further condition on the issuance of a permit pursuant to the provisions of this subchapter, the permittee shall undertake and carry out the encroachment or excavation authorized by such permit in accordance with the provisions of the California Manual on Uniform Traffic Control Devices (CA MUTCD) as published by the California Department of Transportation and/or any additions or modifications thereto now or hereafter adopted by the city.

(D) Traffic control plans, in a format and number prescribed by the director, shall be submitted with the permit application. Where required by the director, traffic control plans shall be site-specific, addressing details of street geometry, traffic lanes, driveways, limits of proposed encroachment permit work and any related excavations, and other safety features in accordance with the CA MUTCD, and to the satisfaction of the director. City streets requiring traffic control plans, and their minimum level of detail, shall be set forth in regulations issued by the director. City streets identified in the regulations may be amended from time to time if necessary due to changed circumstances. "Changed circumstances" include without limitation new traffic patterns, population increases or decreases, new development, or other changes that impact public safety on city streets.

(E) The director shall prescribe and provide a regular form of application for a permit as required by this subchapter. The permit application shall contain such information as is deemed necessary by the director. The application form shall be completed and filed with the director, together with all fees, cash deposits, bonds, construction plans, traffic control plans, and other documents which are required by this subchapter and by the director. Notwithstanding the foregoing, the director may, in consultation with the Finance Department and for good cause shown, establish an alternative process to accept payment of fees and deposits from a permittee.

(F) Blanket permits, renewable annually, may be issued by the director after receipt of a permit application therefor. The director may revoke any such blanket permit if the permittee fails to comply with any provisions of this subchapter. Blanket permits shall be limited to excavations 16 feet in length or a maximum of 32 square feet in area.

(G) Before issuing a permit for the movement of a vehicle or object with a rolling height of over 16 feet, the director shall require evidence of approval of height clearance from the public utility companies having overhead lines crossing the proposed route.

§ 96.22 BONDS.

(A) Unless exempt from this requirement by law or by the director, each applicant shall, before a permit is issued, deposit with the city a cash deposit, surety bond or file a certificate of deposit or savings and loan share assignment in an amount, fixed by the director, sufficient to restore the right-of-way to its original condition.

(B) A surety bond or other security shall not be required where a permit is issued authorizing construction or excavation work within a right of-way that is performed by a public utility or cable television company pursuant to a state or city franchise.

(C) No bond or any part thereof shall be released or exonerated until the department has notified the finance director that the work has been performed to the satisfaction of the department and that all costs and liabilities incurred by the city have been paid or fully secured.

§ 96.23 FEES.

The schedule of fees and charges shall be those adopted by the resolution of the City Council from time to time.

§ 96.24 REVOCATION OF PERMIT.

(A) If any of the provisions of the permit or this subchapter are violated by a permittee, the director shall serve written notice upon the permittee giving the permittee 12 hours in which to correct the violation.

(B) If the violation results in a danger to life or property, the notice shall state that all encroachment work must stop until the violation is corrected.

(C) If after 12 hours from the issuance of the notice the violation is not corrected, or there is no evidence that diligence is being used to correct the violation, the director may revoke the encroachment permit.

§ 96.25 NOTICE OF COMMENCEMENT OF ENCROACHMENT WORK.

At least 24 hours before commencing any encroachment work authorized by any permit, the permittee shall notify the director of the time of commencing work and provide the name, address, telephone number and license number of the contractor, if any, who will perform the work.

§ 96.26 PROTECTION AND REPAIR OF FACILITIES.

(A) The permittee shall support and protect all wires, cables, pipes, conduits, poles, and other apparatus both aerial and underground.

(B) This expense of repairs to any damaged facilities shall be borne by the permittee.

§ 96.27 RESTORATION OF RIGHT-OF-WAY.

(A) Upon completion of the encroachment work authorized by a permit, the permittee shall restore the right-of-way by replacing, repairing, or rebuilding it to its original condition before the encroachment work was commenced. The permittee shall remove all obstructions, materials, and debris upon the right-of-way and shall do any other work necessary to restore the right-of-way to a safe and usable condition, as directed by the director. Where excavation occurs within areas already paved, the director may require temporary paving to be installed within 24 hours after the excavated area is backfilled.

(B) In the event that the permittee fails to act promptly to restore the right-of-way as provided in this subchapter, or should the nature of any damage to the right-of-way require restoration before the permittee can be notified or can respond to notification, the director may, at his option, make the necessary restoration. The permittee shall reimburse the city in accordance with the schedule of charges as adopted by the City Council.

§ 96.28 UNCOVERED EXCAVATION DEEMED NUISANCE; ABATEMENT.

Every person who excavates in any street without a permit or who fails to fill and cover an excavation within the time permitted by the department shall be guilty of committing a public nuisance and the department may summarily abate such nuisance and the cost of such abatement shall be the personal obligation of every person creating, causing, committing or maintaining such nuisance.

§ 96.29 CONDITIONS BY WHICH DEPARTMENT TO DO WORK; COST RECOVERY.

(A) When the department finds that all or part of any work of backfilling or surfacing should be done by the department or under its supervision by reason of the location of the work or of unusual hazard, undue delay, failure to conform to its specifications or for other good cause, the department may itself perform the work or may employ a contractor to perform it and may thereupon proceed to collect the cost thereof from the person primarily obligated to perform the work, from the person for whose benefit the work was done or the owner of the land benefited by the work, or from all of them; and the department shall take such action to collect such cost and to impose and enforce liens, including mechanics' liens, as may be authorized or permitted by law.

(B) (1) Where the permittee is the owner of property identified in a permit, the cost of abating nuisances, filling and covering excavations and backfilling, done by the city or the performance by the city of any other work which any contractor or other person may have failed to perform shall be a lien on the property and shall be a personal obligation of the permittee.

(2) The cost of such work or abatement shall be submitted to the City Council for confirmation and notice of the time and place fixed for the City Council to consider the cost shall be made by mail to the person liable for payment thereof at least five days prior to the time of consideration by the Council of such cost.

(3) After confirmation of the cost, the cost shall become a lien on the property of the person chargeable with such cost and may be added to the next regular tax bill levied against that person's property for municipal purposes.

(4) A certified copy of the action of the City Council confirming the cost shall be filed with the County Auditor on or before August 10.

(5) The County Auditor shall enter the cost of abatement or of the work performed on the county tax roll for whatever land is owned by the person chargeable with such cost.

(6) The amount of the cost shall be collected at the time and in the manner ordinary municipal taxes are collected.

(7) If delinquent, the amount is subject to the same penalties and procedures for foreclosure and sale provided for ordinary municipal taxes.

§ 96.30 DELAY OF ENCROACHMENT WORK.

(A) If the encroachment work is not completed within the time specified in the permit or if at any time the director finds that delay in commencing or prosecuting the encroachment work is caused by lack of diligence on the part of the permittee, the director may cancel the permit and restore the right-of-way to its original condition before the encroachment is commenced.

(B) The director may, at the request of the permittee, renew or extend the time limit specified in the permit.

(C) The permittee shall reimburse the city in accordance with the schedule of charges as adopted by the City Council.

§ 96.31 EMERGENCY WORK.

(A) This subchapter shall not prevent any person from performing emergency work on any encroachment lawfully on or under any right-of-way.

(B) If emergency work necessitates the closing of right-of-way or portion thereof, then the Police Department and Fire Department shall be notified. The person performing emergency work shall apply for a written permit therefor on the first working day thereafter.

§ 96.32 CONSTRUCTION STANDARDS.

All encroachment work shall conform to standards established by the director.

§ 96.33 OPEN TRENCH WORK.

(A) In any trenching operation, the open trench shall not be in excess of one day's work ahead of the trench work proper, unless specifically authorized by the director.

(B) Backfilling shall commence immediately after work in a trench is completed and any portion of the work which is under the jurisdiction of the city is inspected and approved by the director.

§ 96.34 CLEANUP.

(A) Except for materials properly stored, the permittee shall at all times keep the right-of-way clear of all materials, earth and debris. Immediately after completion of the work, the permittee shall clean up and remove all materials, earth and debris of any kind.

(B) If the permittee fails within 24 hours after having been notified by the director to remove or clean up unpermitted materials, earth or debris from the right-of-way, such cleanup work may be done by the city and the permittee charged for all expenses incurred.

§ 96.35 TRAFFIC CONTROL, TRAFFIC CONTROL DEVICES AND RELATED PROTECTIVE MEASURES.

(A) In the conduct of the encroachment work, the permittee shall provide and maintain traffic control devices and related protective measures as required by the approved traffic control plan, including but not limited to lights, barricades, signs, and watchmen as are necessary to protect the public. Any omission on the part of the director to specify in the permit what safety devices shall be provided by the permittee shall not excuse the permittee from complying with all laws, regulations, and ordinances relating to the protection of persons under the circumstances. If the director finds that suitable safeguards are not being provided, he may provide, maintain and relocate such safety devices as are deemed necessary, or he may cancel the permit and restore the right-of-way in accordance with existing standards, charging the permittee the entire cost of the work.

(B) A permittee making any excavation or leaving any obstruction which could be a hazard to persons using a right-of-way shall provide and maintain warning lights far enough away from the excavation or obstruction to give adequate warning to such persons from one-half hour before sunset of each day to one-half hour after sunrise the next day, until the work is completed and the right-of-way made safe for use.

§ 96.36 ASSUMPTION OF LIABILITY.

(A) Every permittee must comply with the provisions of this subchapter and assumes and agrees to pay all costs, obligations, and liabilities arising out of the performance of the work of excavation, removal, backfilling and surfacing authorized by the applicable permit, whether such work is performed by the permittee or by the city.

(B) However, no provision of this subchapter shall be construed to impose upon the permittee a greater or different duty of care to third persons than would otherwise be imposed by law in the absence of such provisions.

§ 96.37 PERSONS PERFORMING WORK NOT TO BE RELIEVED FROM LIABILITY.

Nothing in this subchapter shall be deemed to relieve a permittee from liability for any damages caused by the permittee in performing any work under this subchapter, or to impose such liability upon the city; nor shall any permittee by reason of compliance with the minimum requirements of the director be relieved of liability to the city and others for damage resulting from the subsidence of any street surface following work performed under this subchapter; and all permittees performing work under this subchapter or for whom work is performed under this subchapter, shall compensate the city for the cost of such subsidence, and shall save the city harmless from all costs and liabilities sustained by the city on account of such work.

§ 96.38 APPEAL.

(A) If any person or party is dissatisfied with any act or decision of the director under

this subchapter, then that party may appeal to the City Council by filing a written notice of appeal with the City Clerk.

(B) Upon receiving the notice of appeal, the City Clerk shall have the matter set for hearing before the City Council.

(C) The hearing may be continued from time to time at the discretion of the Mayor.

(D) The decision of the City Council to approve, modify or disapprove the decision or act of the director shall be final.

§ 96.39 EXCAVATION IN RECENTLY RESURFACED CITY STREETS.

(A) Except as otherwise allowed by this chapter, city streets that were resurfaced with an emulsified asphalt "slurry" or asphalt "cape seal" within the previous two years, or improved with asphalt/concrete within the previous five years, of the proposed excavation may not be excavated for utilities or for other reasons.

(B) A permit may be issued to allow a permittee to encroach within a right-of-way to install utility facilities, or for other purposes, if such work can be accomplished by boring under the public street section or by other trenchless technologies. Alternative methods for such work including, without limitation, relocating utility facilities to areas other than the public street (for example, under public sidewalks and/or parkways) will be considered and determined not to be feasible before a permit may be issued pursuant to this chapter. Any additional costs for, without limitation, relocating utility facilities outside of the public street or boring under the public street must be borne by the permittee.

(C) Excavation of a city street will be allowed by permit under only the most unusual circumstances if the director determines that relocation or boring is not feasible. Under such circumstances, the director will require a permittee to meet the city's construction standards for excavating in recently resurfaced streets, pay all costs associated with such excavation, and provide such additional security to ensure the integrity of the recently resurfaced public street as may be reasonably required by the director."

SECTION 3. *Effective Date.* This Ordinance shall take effect thirty (30) days after its adoption.

SECTION 4. *California Environmental Quality Act.* The City Council finds that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15061(c)(3) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment), 15060(c)(3) and 15378 (the activity is not a project under CEQA) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

SECTION 5. *Severability.* If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the

remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

SECTION 6. *Certification and Publication.* The City Clerk of the City of Santa Paula shall certify to the adoption of this Ordinance and cause publication to occur in a newspaper of general circulation and published and circulated in the City in a manner permitted under California Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Santa Paula, California on the 2nd day of November, 2022.

Jenny Crosswhite, Mayor

ATTEST:

Julie Latshaw, City Clerk

APPROVED AS TO FORM:

Monica Castillo, Interim City Attorney

State of California)
County of Ventura) s.s.
City of Santa Paula)

I, Julie Latshaw, City Clerk, hereby certify that the foregoing is a true copy of Ordinance No. 1322, introduced at a regular meeting held on the 19th day of October 2022, and duly adopted by the City Council of the City of Santa Paula, California at a regular meeting thereof held the _____ day of _____, 2022.

AYES:

NOES:

ABSTAIN:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City this _____ day of _____, 2022.

JULIE LATSHAW, CITY CLERK

ENCROACHMENTS UPON PUBLIC STREETS

§ 96.20 DEFINITIONS.

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

DEPARTMENT means the Public Works Department.

DIRECTOR means the Public Works Director or his or her duly authorized representative.

ENCROACHMENT means any pole, conduit, cable, pipeline, fence, sign, building, or any temporary or permanent structure or object of any kind or character which is placed in, under or over any portion of a right-of-way; the taking, placing, moving, or using on a right-of-way, any vehicle or combination of vehicles or other objects of a dimension, weight, or other characteristic prohibited by the California Vehicle Code; or the excavation of a right-of-way.

EMERGENCY WORK means any unscheduled maintenance or repairs that are necessary for the immediate protection of life or property, or that are necessary for the restoration of an existing utility service for reliability. "Emergency work" may involve fully repairing or temporarily repairing a structure to remove the immediate risk to life or property, or to service reliability.

EXCAVATION means removal of any concrete, asphalt, road, earth, or other, similar surface materials covering a right-of-way.

PERMIT means an encroachment permit issued pursuant to this subchapter.

PERMITTEE means the person to whom the encroachment permit is issued. The term "permittee" includes the permittee's authorized agents, including, without limitation, permittee's independent contractors of any level.

PERSON means and includes any natural person, corporation, firm, agency, copartnership or association, and any public utility, public entity or governmental agency, including the state and the United States.

PROTECTIVE MEASURES means any barricades, traffic control devices, trench plates or similar such devices intended to give warning and protect the public from injury or loss resulting from the placement of an encroachment within a right-of-way.

RIGHT-OF-WAY means any city street, sidewalk, pedestrian path, bike path or any other "public way," as defined in the California Streets and Highways Code, as may be amended, whether or not such place is actually improved and used for street purposes. This definition includes any public alley, public sidewalk, public driveway, curb, pavement, gutter, parkway, easement, or public place in the city either owned by the city or dedicated to the city for public use.

STREET means any way or place of whatever nature publicly maintained and open to the use of the public for purposes of vehicular travel.

(‘81 Code, § 12.08.010) (Am. Ord. 1063, passed 10-6-03)

Statutory reference:

Obstructions and encroachments on public ways, see Cal. Gov’t Code § 38775

§ 96.21 PERMITS.

(A) Except for the city or its contractors, it is unlawful for any person to encroach, or to make or cause to be made any encroachment, upon, over, under or within a right-of-way within the city without first obtaining a permit from the director.

(B) If the director finds that the excavation is for a purpose required or permitted by law and can be performed without undue hazard or inconvenience to the public and that the permit applicant is qualified and financially able to fulfill the applicant’s obligations and liabilities under this subchapter, the department shall thereupon issue a permit. The permit shall specify the nature, extent and location of the work permitted and shall impose such reasonable time limits and other conditions as the department may prescribe, including protective measures and such other conditions as may promote public convenience and safety.

(C) As a further condition on the issuance of a permit pursuant to the provisions of this subchapter, the permittee shall undertake and carry out the encroachment or excavation authorized by such permit in accordance with the provisions of the California Manual on Uniform Traffic Control Devices (CA MUTCD) as published by the California Department of Transportation and/or any additions or modifications thereto now or hereafter adopted by the city.

(D) Traffic control plans, in a format and number prescribed by the director, shall be submitted with the permit application. Where required by the director, traffic control plans shall be site-specific, addressing details of street geometry, traffic lanes, driveways, limits of proposed encroachment permit work and any related excavations, and other safety features in accordance with the CA MUTCD, and to the satisfaction of the director. City streets requiring traffic control plans, and their minimum level of detail, shall be set forth in regulations issued by the director. City streets identified in the regulations may be amended from time to time if necessary due to changed circumstances. “Changed circumstances” include without limitation new traffic patterns, population increases or decreases, new development, or other changes that impact public safety on city streets.

(E) The director shall prescribe and provide a regular form of application for a permit as required by this subchapter. The permit application shall contain such information as is deemed necessary by the director. The application form shall be completed and filed with the director, together with all fees, cash deposits, bonds, construction plans, traffic control plans, and other documents which are required by this subchapter and by the

director. Notwithstanding the foregoing, the director may, in consultation with the Finance Department and for good cause shown, establish an alternative process to accept payment of fees and deposits from a permittee.

(F) Blanket permits, renewable annually, may be issued by the director after receipt of a permit application therefor. The director may revoke any such blanket permit if the permittee fails to comply with any provisions of this subchapter. Blanket permits shall be limited to excavations 16 feet in length or a maximum of 32 square feet in area.

(G) Before issuing a permit for the movement of a vehicle or object with a rolling height of over 16 feet, the director shall require evidence of approval of height clearance from the public utility companies having overhead lines crossing the proposed route.

('81 Code, § 12.08.020) Penalty, see Ch. 13

§ 96.22 BONDS.

(A) Unless exempt from this requirement by law or by the director, each applicant shall, before a permit is issued, deposit with the city a cash deposit, surety bond or file a certificate of deposit or savings and loan share assignment in an amount, fixed by the director, sufficient to restore the right-of-way to its original condition.

(B) A surety bond or other security shall not be required where a permit is issued authorizing construction or excavation work within a right of-way that is performed by a public utility or cable television company pursuant to a state or city franchise.

(C) No bond or any part thereof shall be released or exonerated until the department has notified the finance director that the work has been performed to the satisfaction of the department and that all costs and liabilities incurred by the city have been paid or fully secured.

('81 Code, § 12.08.030)

§ 96.23 FEES.

The schedule of fees and charges shall be those adopted by the resolution of the City Council from time to time.

('81 Code, § 12.08.040)

§ 96.24 REVOCATION OF PERMIT.

(A) If any of the provisions of the permit or this subchapter are violated by a permittee, the director shall serve written notice upon the permittee giving the permittee 12 hours in which to correct the violation.

(B) If the violation results in a danger to life or property, the notice shall state that all encroachment work must stop until the violation is corrected.

(C) If after 12 hours from the issuance of the notice the violation is not corrected, or there is no evidence that diligence is being used to correct the violation, the director may revoke the encroachment permit.

('81 Code, § 12.08.050)

§ 96.25 NOTICE OF COMMENCEMENT OF ENCROACHMENT WORK.

At least 24 hours before commencing any encroachment work authorized by any permit, the permittee shall notify the director of the time of commencing work and provide the name, address, telephone number and license number of the contractor, if any, who will perform the work.

('81 Code, § 12.08.060) Penalty, see Ch. 13

§ 96.26 PROTECTION AND REPAIR OF FACILITIES.

(A) The permittee shall support and protect all wires, cables, pipes, conduits, poles, and other apparatus both aerial and underground.

(B) This expense of repairs to any damaged facilities shall be borne by the permittee.

('81 Code, § 12.08.070) Penalty, see Ch. 13

§ 96.27 RESTORATION OF RIGHT-OF-WAY.

(A) Upon completion of the encroachment work authorized by a permit, the permittee shall restore the right-of-way by replacing, repairing, or rebuilding it to its original condition before the encroachment work was commenced. The permittee shall remove all obstructions, materials, and debris upon the right-of-way and shall do any other work necessary to restore the right-of-way to a safe and usable condition, as directed by the director. Where excavation occurs within areas already paved, the director may require temporary paving to be installed within 24 hours after the excavated area is backfilled.

(B) In the event that the permittee fails to act promptly to restore the right-of-way as provided in this subchapter, or should the nature of any damage to the right-of-way require restoration before the permittee can be notified or can respond to notification, the director may, at his option, make the necessary restoration. The permittee shall

reimburse the city in accordance with the schedule of charges as adopted by the City Council.

('81 Code, § 12.08.080) Penalty, see Ch. 13

§ 96.28 UNCOVERED EXCAVATION DEEMED NUISANCE; ABATEMENT.

Every person who excavates in any street without a permit or who fails to fill and cover an excavation within the time permitted by the department shall be guilty of committing a public nuisance and the department may summarily abate such nuisance and the cost of such abatement shall be the personal obligation of every person creating, causing, committing or maintaining such nuisance.

('81 Code, § 12.08.090)

§ 96.29 CONDITIONS BY WHICH DEPARTMENT TO DO WORK; COST RECOVERY.

(A) When the department finds that all or part of any work of backfilling or surfacing should be done by the department or under its supervision by reason of the location of the work or of unusual hazard, undue delay, failure to conform to its specifications or for other good cause, the department may itself perform the work or may employ a contractor to perform it and may thereupon proceed to collect the cost thereof from the person primarily obligated to perform the work, from the person for whose benefit the work was done or the owner of the land benefited by the work, or from all of them; and the department shall take such action to collect such cost and to impose and enforce liens, including mechanics' liens, as may be authorized or permitted by law.

(B) (1) Where the permittee is the owner of property identified in a permit, the cost of abating nuisances, filling and covering excavations and backfilling, done by the city or the performance by the city of any other work which any contractor or other person may have failed to perform shall be a lien on the property and shall be a personal obligation of the permittee.

(2) The cost of such work or abatement shall be submitted to the City Council for confirmation and notice of the time and place fixed for the City Council to consider the cost shall be made by mail to the person liable for payment thereof at least five days prior to the time of consideration by the Council of such cost.

(3) After confirmation of the cost, the cost shall become a lien on the property of the person chargeable with such cost and may be added to the next regular tax bill levied against that person's property for municipal purposes.

(4) A certified copy of the action of the City Council confirming the cost shall be filed with the County Auditor on or before August 10.

(5) The County Auditor shall enter the cost of abatement or of the work performed on the county tax roll for whatever land is owned by the person charge able with such cost.

(6) The amount of the cost shall be collected at the time and in the manner ordinary municipal taxes are collected.

(7) If delinquent, the amount is subject to the same penalties and procedures for foreclosure and sale provided for ordinary municipal taxes.

('81 Code, § 12.08.100)

§ 96.30 DELAY OF ENCROACHMENT WORK.

(A) If the encroachment work is not completed within the time specified in the permit or if at any time the director finds that delay in commencing or prosecuting the encroachment work is caused by lack of diligence on the part of the permittee, the director may cancel the permit and restore the right-of-way to its original condition before the encroachment is commenced.

(B) The director may, at the request of the permittee, renew or extend the time limit specified in the permit.

(C) The permittee shall reimburse the city in accordance with the schedule of charges as adopted by the City Council.

('81 Code, § 12.08.110)

§ 96.31 EMERGENCY WORK.

(A) This subchapter shall not prevent any person from performing emergency work on any encroachment lawfully on or under any right-of-way,

(B) If emergency work necessitates the closing of right-of-way or portion thereof, then the Police Department and Fire Department shall be notified. The person performing emergency work shall apply for a written permit therefor on the first working day thereafter.

('81 Code, § 12.08.120)

§ 96.32 CONSTRUCTION STANDARDS.

All encroachment work shall conform to standards established by the director.

('81 Code, § 12.08.130) Penalty, see Ch. 13

§ 96.33 OPEN TRENCH WORK.

(A) In any trenching operation, the open trench shall not be in excess of one day's work ahead of the trench work proper, unless specifically authorized by the director.

(B) Backfilling shall commence immediately after work in a trench is completed and any portion of the work which is under the jurisdiction of the city is inspected and approved by the director.

('81 Code, § 12.08.140) Penalty, see Ch. 13

§ 96.34 CLEANUP.

(A) Except for materials properly stored, the permittee shall at all times keep the right-of-way clear of all materials, earth and debris. Immediately after completion of the work, the permittee shall clean up and remove all materials, earth and debris of any kind.

(B) If the permittee fails within 24 hours after having been notified by the director to remove or clean up unpermitted materials, earth or debris from the right-of-way, such work may be done by the city and the permittee charged for all expenses incurred.

('81 Code, § 12.08.150) Penalty, see Ch. 13

§ 96.35 TRAFFIC CONTROL, TRAFFIC CONTROL DEVICES AND RELATED PROTECTIVE MEASURES

(A) In the conduct of the encroachment work, the permittee shall provide and maintain traffic control devices and related protective measures as required by the approved traffic control plan, including but not limited to lights, barricades, signs, and watchmen as are necessary to protect the public. Any omission on the part of the director to specify in the permit what safety devices shall be provided by the permittee shall not excuse the permittee from complying with all laws, regulations, and ordinances relating to the protection of persons under the circumstances. If the director finds that suitable safeguards are not being provided, he may provide, maintain and relocate such safety devices as are deemed necessary, or he may cancel the permit and restore the right-of-way in accordance with existing standards, charging the permittee the entire cost of the work.

(B) A permittee making any excavation or leaving any obstruction which could be a hazard to persons using a right-of-way shall provide and maintain warning lights far enough away from the excavation or obstruction to give adequate warning to such persons from one-half hour before sunset of each day to one-half hour after sunrise the next day, until the work is completed and the right-of-way made safe for use.

('81 Code, § 12.08.160) Penalty, see Ch. 13

§ 96.36 ASSUMPTION OF LIABILITY.

(A) Every permittee must comply with the provisions of this subchapter and assumes and agrees to pay all costs, obligations, and liabilities arising out of the performance of the work of excavation, removal, backfilling and surfacing authorized by the applicable permit, whether such work is performed by the permittee or by the city.

(B) However, no provision of this subchapter shall be construed to impose upon the permittee a greater or different duty of care to third persons than would otherwise be imposed by law in the absence of such provisions.

('81 Code, § 12.08.170)

§ 96.37 PERSONS PERFORMING WORK NOT TO BE RELIEVED FROM LIABILITY.

Nothing in this subchapter shall be deemed to relieve any permittee from liability for any damages caused by the permittee in performing any work under this subchapter, or to impose such liability upon the city; nor shall any permittee by reason of compliance with the minimum requirements of the director be relieved of liability to the city and others for damage resulting from the subsidence of any street surface following work performed under this subchapter; and all permittees performing work under this subchapter or for whom work is performed under this subchapter, shall compensate the city for the cost of such subsidence, and shall save the city harmless from all costs and liabilities sustained by the city on account of such work.

('81 Code, § 12.08.180)

§ 96.38 APPEAL.

(A) If any person or party is dissatisfied with any act or decision of the director under this subchapter, then that party may appeal to the City Council by filing a written notice of appeal with the City Clerk.

(B) Upon receiving the notice of appeal, the City Clerk shall have the matter set for hearing before the City Council.

(C) The hearing may be continued from time to time at the discretion of the Mayor.

(D) The decision of the City Council to approve, modify or disapprove the decision or act of the director shall be final.

('81 Code, § 12.08.190)

§ 96.39 EXCAVATION IN RECENTLY RESURFACED CITY STREETS.

(A) Except as otherwise allowed by this chapter, city streets that were resurfaced with an emulsified asphalt "slurry" or asphalt "cape seal" within the previous two years, or improved with asphalt/concrete within the previous five years, of the proposed excavation may not be excavated for utilities or for other reasons.

(B) A permit may be issued to allow a permittee to encroach a city street to install utility facilities, or for other purposes, if such work can be accomplished by boring under the public street section or by other trenchless technologies. Alternative methods for such work including, without limitation, relocating utility facilities to areas other than the public street (for example, under public sidewalks and/or parkways) will be considered and determined not to be feasible before a permit may be issued pursuant to this chapter. Any additional costs for, without limitation, relocating utility facilities outside of the public street or boring under the public street must be borne by the permittee.

(C) Excavation of a city street will be allowed by permit under only the most unusual circumstances if the director determines that relocation or boring is not feasible. Under such circumstances, the director will require a permittee to meet the city's construction standards for excavating in recently resurfaced streets, pay all costs associated with such excavation, and provide such additional security to ensure the integrity of the recently resurfaced public street as may be reasonably required by the director.

(Ord. 1063, passed 10-6-03)

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Christy Ramirez, Finance Director

Subject: RESOLUTION OF CONSIDERATION OF CHANGE - HARVEST CFD NO. 1

Date: November 2, 2022

Agenda Item: 10.A

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt Resolution No. 7424 stating its consideration to amend the special tax formula and bond authorization for Improvement Area B and Improvement Area C of Harvest Community Facilities District No. 1

BACKGROUND:

On November 21, 2016 the City Council adopted Resolution No. 7013 forming the Harvest Community Facilities District (CFD) No. 1 and three Improvement Areas designated "A," "B," and "C" (corresponding to anticipated phases of development) to finance public infrastructure needs for The Harvest at Limoneira project and certain City services costs. Bonds, payable only from CFD No. 1 taxes and not from the general fund, to finance public infrastructure were issued in 2020 and 2022 and are contemplated to be issued again in 2022 and 2023.

The developer had originally expected to fund as much of the public infrastructure costs as possible through either bonds issued for the CFD, initially authorized in amounts not to exceed \$33 million for Improvement Area A, \$31 million for Improvement Area B, and \$24 million for Improvement Area C, and/or directly on a pay as you go basis from special taxes levied on homeowners in the CFD.

At its meeting on December 10, 2018, the Council, at the request of the developer, expressed its consideration to amend the special tax rate for the CFD. With an increased tax rate, the CFD would be able to issue a greater amount of bonds, so at its meeting on January 16, 2019, the Council, also at the request of the developer, expressed its consideration of increasing the bond authorizations to the following amounts: \$40,000,000 for Improvement Area A, \$41,000,000 for Improvement Area B, and \$32,000,000 for Improvement Area C. These changes were finalized in February 2019.

ANALYSIS:

The Harvest at Limoneira project is approved for up to 1,500 residential dwelling units and

17.22 acres of commercial use to be constructed on 494.91 acres in the eastern part of the incorporated boundaries of the City. Approximately 632 residential units will be constructed in the first phase, with the remaining 868 residential units to be constructed in a second and third phase. The developer, Limoneira Lewis Community Builders, LLC has construction underway.

The City in 2016 formed Harvest Community Facilities District No. 1 to finance public infrastructure and certain City services costs. Bonds, payable only from CFD No. 1 taxes and not from the general fund, to finance public infrastructure for Improvement Area A were issued in 2020 and 2022 and are contemplated to be issued again soon as a final series for Improvement Area A. The developer would like to fund as much of the public infrastructure costs as possible through either bonds issued for the CFD, or directly by special taxes levied on homeowners within the CFD. Issuances of bonds for Improvement Area B and C are planned for the future as development of the project progresses.

The existing rate, method of apportionment, and manner of collection of the authorized special tax (the "Rate and Method of Apportionment of Special Tax") for each Improvement Area was approved at the time of formation and is set forth in a Notice of Special Tax Lien recorded in the office of the County Recorder of the County of Ventura as follows: for Improvement Area A: on December 20, 2016 as Document No. 20161220-00188685-0; for Improvement Area B: on December 20, 2016 as Document No. 20161220-00188686-0 for Improvement Area C: on December 20, 2016 as Document No. 20161220-00188687-0.

In February 2019, the Council approved amending the Rate and Method of Apportionment of Special Tax and the corresponding bonded indebtedness limit for each Improvement Area, resetting the bonded indebtedness limit for Improvement Area A at \$40,000,000, for Improvement Area B at \$41,000,000 and for Improvement Area C at \$32,000,000.

Subsequently in June 2020, a first series of bonds were issued for Improvement Area A, and in March 2022 the City issued a second series, leaving approximately \$5.6 million of bonds for Improvement Area A authorized but not yet issued.

Similar to the developer's 2019 request to amend tax rates and bond authorizations, City staff has received a request from the developer to amend the Rate and Method of Apportionment of Special Tax for Improvement Area B and Improvement Area C, primarily to increase the allowable special tax rate in contemplation of future bonds for those Improvement Areas.

The proposed resolution ("Resolution") is a first step required by law, to express the consideration and intent of the City to make the requested changes. The changes to each Rate and Method of Apportionment of Special Tax are set forth in the proposed amendment to rate and method of apportionment of the Special Tax set forth in Exhibits A, B and C to the Resolution. Additional Council actions (planned for December) are required to implement the change.

If the tax rate is amended as described in the preceding paragraph, the increased tax rate would support the issuance of a greater amount of bonds. The existing not-to-exceed amounts which are authorized for each of the three Improvement Areas in the CFD are: \$40 million for Improvement Area A, \$41 million for Improvement Area B, and \$32 million for Improvement Area C. If approved, the Resolution would increase those amounts to \$70,000,000 for Improvement Area B, and \$ 55,000,000 for Improvement Area C.

Legal Documents:

1) Rate and Method of Apportionment of Special Tax for Improvement Areas B & C. These specify the actual tax structure to be used to calculate the tax each year.

Next Steps in CFD Change Process:

Should the City Council adopt the proposed Resolution, a final resolution (the "Resolution of Changes") will need to be adopted in November authorizing the changes following a public hearing and landowner vote on the changes. Since Limoneira Lewis Community Builders, LLC is the sole landowner within Improvement Areas B & C, that entity will be the single voter. After the landowner vote, the authorization of the levy of the Special Taxes for Improvement Areas B & C at the new rate and increases in the maximum amount of bonds that can be issued for Improvement Areas B & C become effective and the change process is complete. Both landowner vote and adoption of the Resolution of Changes are being planned for the regularly scheduled Council meeting of December 21, 2022.

STRATEGIC PLAN:

FISCAL IMPACTS:

The proposal increases the special tax authorized for the CFD. The obligation to pay special taxes in each Improvement Area of the CFD is solely an obligation of the parcels within the Improvement Area. Neither the parcel owner as an individual nor the City is directly obligated to pay the taxes. The taxes are secured solely by a lien on the taxable parcels. When bonds are issued, debt service will be secured solely by a pledge of the special taxes on parcels within the respective Improvement Area. There is no obligation from the City to pay debt service on the bonds.

OPTIONS:

ATTACHMENTS:

[Reso_Consid_2022_Harvest_CFD_Changes-40735244-v2-c1.docx](#)

[Harvest_IA_B_Amended_and_Restated_RMA 3.docx](#)

[Harvest_IA_C_Amended_and_Restated_RMA 3.docx](#)

CITY COUNCIL OF THE CITY OF SANTA PAULA

RESOLUTION NO. 7424

**RESOLUTION OF CONSIDERATION TO AMEND THE SPECIAL TAX FORMULA AND
BOND AUTHORIZATION FOR IMPROVEMENT AREA B AND IMPROVEMENT AREA C OF
HARVEST COMMUNITY FACILITIES DISTRICT NO. 1**

WHEREAS, this Council has conducted proceedings to establish Harvest Community Facilities District No. 1 (Public Facilities) (the "CFD") and Improvement Areas A, B, and C therein pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code; and

WHEREAS, the owner of all the land in Improvement Area B and Improvement Area C of the CFD ("Improvement Areas B & C") has requested (i) an amendment to the rate and method of apportionment of special taxes for Improvement Areas B & C, and (ii) an amendment to the maximum indebtedness limitation for Improvement Areas B & C; and

WHEREAS, under the Act, this Council, as the legislative body for the CFD, is empowered with the authority to amend the rate and method of apportionment of special taxes and amend the bond authorization amount for Improvement Areas B & C and now desires to undertake proceedings in accordance with the Act to so provide the amendments.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA PAULA RESOLVES AS FOLLOWS:

1. The boundaries of the CFD and Improvement Areas are as set forth in the map of the CFD heretofore recorded in the Ventura County Recorder's Office on November 4, 2016, at Book 20 of Maps of Assessment and Community Facilities Districts at Page 16, as Document No. 201611104-00163334-0 of Maps of Assessment and Community Facilities Districts, which boundaries have been approved and are the boundaries of the CFD.

2. A special tax has been authorized to be levied within Improvement Areas B & C of the CFD, which have been officially formed by the City of Santa Paula. A lien of the special tax which is a continuing lien secures each annual levy of the special tax and which shall continue in force and effect until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with section 53330.5 of the Government Code.

3. The existing bonded indebtedness limitation was established at the request of the owner of all the land within Improvement Areas B & C as follows: \$41,000,000 for Improvement Area B and \$32,000,000 for Improvement Area C.

4. The existing rate, method of apportionment, and manner of collection of the authorized special tax (the "Rate and Method of Apportionment of Special Tax") for Improvement Areas B & C was approved at the time of formation as set forth as Exhibit B to each Notice of Special Tax Lien recorded in the office of the County Recorder of the County of Ventura as follows: for Improvement Area B: on December 20, 2016 as Document No. 20161220-00188686-0, and for Improvement Area C: on December 20, 2016 as Document No. 20161220-00188687-0; with

such notice for both Improvement Areas amended pursuant to an Amended Notice of Special Tax Lien recorded in the office of the County Recorder of the County of Ventura on April 1, 2019 as Document No. 2019-0401-00034399-0.

5. The owner of all the land in Improvement Areas B & C has requested a change in the special tax rates and bonded indebtedness limitation applicable to land in Improvement Areas B & C and this Council hereby finds and determines that public convenience and necessity require that it consider that the Rate and Method of Apportionment of Special Tax for each Improvement Area be changed and the bonded indebtedness limitation be increased, as requested by such owner, to facilitate development of certain property within Improvement Areas B & C.

6. This Council is considering that the changes to the Rate and Method of Apportionment of Special Tax for Improvement Areas B & C as set forth in the proposed amendment to rate and method of apportionment of the Special Tax set forth in Exhibits A and B attached hereto and hereby incorporated herein.

7. This Council is considering that the changes to maximum bonded indebtedness limitation for each Improvement Area to the following revised maximum amounts requested by the owner: \$70 million for Improvement Area B, and \$55 million for Improvement Area C.

8. The Council hereby sets Wednesday, December 21, 2022, at 6:30 p.m. (which date is at least 30 days and not more than 60 days after the date of this Resolution) or as soon thereafter as possible in the City Council Chambers located at 970 Ventura Street, Santa Paula, California, be, and the same are hereby appointed and fixed as the time and place when and where this Council, as legislative body for the CFD, will conduct a public hearing on the changes to the special tax and bonded indebtedness limit of Improvement Areas B & C and consider and finally determine whether the public interest, convenience and necessity require said changes to the special tax of Improvement Areas B & C and the levy of said special tax as changed on the property affected thereby, and the bonded indebtedness limit of Improvement Areas B & C.

9. The City Clerk is hereby directed to cause notice of said public hearing substantially in the form attached hereto as Exhibit C to be given by publication one time in a newspaper of general circulation in the area of the CFD affected by the changes to the special tax. The publication of said notice shall be completed at least seven days before the date herein set for said hearing. Said notice shall be substantially in the form specified in Section 53335 of the Act.

10. This Resolution shall take effect upon its adoption.

I hereby certify that the foregoing resolution was duly and regularly adopted by the City Council of the City of Santa Paula, California, at a regularly scheduled meeting thereof, held on the 2nd day of November, 2022 by the following vote of the City Council:

AYES:	COUNCILMEMBERS
NOES:	COUNCILMEMBERS
ABSENT:	COUNCILMEMBERS
ABSTAIN:	COUNCILMEMBERS

Jenny Crosswhite, Mayor

ATTEST:

Julie Latshaw, City Clerk

APPROVED AS TO FORM:

Monica Castillo, Interim City Attorney

APPROVED AS TO CONTENT:

Daniel Singer, City Manager

EXHIBIT A

**RATE AND METHOD OF
APPORTIONMENT
(Improvement Area B)**

EXHIBIT A

**RATE AND METHOD OF
APPORTIONMENT
(Improvement Area C)**

EXHIBIT C

NOTICE OF PUBLIC HEARING

**Relating to
Resolution of Consideration
To Amend the Rate and Method of Apportionment of Special Tax and Bonded Indebtedness Limit

City of Santa Paula
Harvest Community Facilities District No. 1
Improvement Areas B & C**

On November 2, 2022, the City Council (the "Council") of the City of Santa Paula (the "City") adopted a "Resolution of Consideration to Amend Special Tax Formula and Bond Authorization for Improvement Area B and C of Harvest Community Facilities District No. 1" (the "Resolution of Consideration") with respect to Improvement Area B and C of the City of Santa Paula Harvest Community Facilities District No. 1 (the "CFD"), under the Mello-Roos Community Facilities Act of 1982 (the "Act"). Under the Act and the Resolution of Consideration, the Council gives notice as follows:

The text of the Resolution of Consideration, with exhibits thereto being a proposed amended Rate and Method of Apportionment of Special Tax for each respective Improvement Area, as adopted by the Council, is on file with the City Clerk and reference is made thereto for the particular provisions thereof. The text of the Resolution of Consideration is summarized as follows: under the Act, the Council is proposing to amend the Rate and Method of Apportionment of Special Tax (the "Rate and Method") and to increase the bonded indebtedness limit for Improvement Areas B & C; and as set forth below, the Council will hold a public hearing on the proposals described in the Resolution of Consideration.

The public hearing on the proposals described in the Resolution of Consideration will be held on Wednesday, December 21, 2022, at 6:30 p.m. or as soon thereafter as possible in the City Council Chambers located at 970 Ventura Street, Santa Paula, California.

At the hearing, protests against the proposals described in the Resolution of Consideration may be made orally, or in writing by any interested persons. Any protests pertaining to the regularity or sufficiency of the proceedings must be in writing, and must be filed with the City Clerk on or before the time fixed for the hearing. If 50% or more of the registered voters, or 6 registered voters (if any), whichever is more, residing within the CFD, or the owners of 50% or more of the area of the land in the CFD and not exempt from the special tax, file written protests against the proposed amendment of the Rate and Method or bonded indebtedness limit, those changes will not be considered any further by the Council and the changes will not be included in a resolution of consideration for a period of 1 year from the date of the decision of the City Council on the hearing.

If there is no majority protest, the Council may submit the proposed amendment of the Rate and Methods and bonded indebtedness limit to the owners of land in the CFD for voter approval at a special election. The Act requires the approval of two-thirds of the votes cast at a special election by the qualified electors in the CFD, being the property owners, with each owner having one vote for each acre or portion thereof such owner owns in the CFD.

Dated as of _____, 2022

City Clerk, City of Santa Paula

AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

CITY OF SANTA PAULA HARVEST COMMUNITY FACILITIES DISTRICT NO. 1 IMPROVEMENT AREA B

A Special Tax shall be levied on all Taxable Property within the boundaries of Improvement Area B of Harvest Community Facilities District No. 1 of the City of Santa Paula (“CFD No. 1 IA-B”) and collected each Fiscal Year commencing in Fiscal Year 2023-24, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 1 IA-B, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Acre” or “Acreage” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map. An Acre means 43,560 square feet of land. If the preceding maps for a land area are not available, the Acreage of such land area shall be determined by the City Engineer.

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“Administrative Expense Requirement” means an annual amount equal to \$35,000, or such lesser amount as may be designated by written instruction from an authorized representative of the City to the Fiscal Agent, to be allocated as the first priority of Special Taxes received each Fiscal Year for the payment of Administrative Expenses.

“Administrative Expenses” means the following actual or reasonably estimated costs related to the administration of CFD No. 1 IA-B including, but not limited to: the costs of preparing and computing the Annual Special Tax (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City, the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 1 IA-B, or any designee thereof complying with arbitrage rebate requirements, including without limitation rebate liability costs and periodic rebate calculations; the costs to the City, CFD No. 1 IA-B, or any designee thereof complying with disclosure or reporting requirements of the City or CFD No. 1 IA-B, associated with applicable federal and State laws; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 1 IA-B, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third party expenses.

Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 1 IA-B for any other administrative purposes of CFD No. 1 IA-B, including attorney's fees and other costs related to commencing and pursuing any foreclosure of delinquent Special Taxes.

"Annual Escalation Factor" means for Special Tax B, the greater of (i) two percent (2%), or (ii) the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

"Annual Special Tax" means the Special Tax actually levied in any Fiscal Year on any Assessor's Parcel.

"Assessor" means the Assessor of the County of Ventura.

"Assessor's Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means the number assigned to an Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax A" means the Special Tax of that name described in Section 3.A below.

"Assigned Special Tax B" means the Special Tax of that name described in Section 3.A below.

"Backup Special Tax A" means the Special Tax of that name described in Section 3.B below.

"Bonds" means any bonds or other debt of CFD No. 1 IA-B, whether in one or more series, secured by the levy of Special Taxes.

"Building Permit" means a building permit for construction of a Residential Unit or non-residential structure within CFD No. 1 IA-B issued by the City.

"Building Square Footage" means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, or similar area. The determination of Building Square Footage shall be made by the CFD Administrator by reference to the Building Permit(s) issued for such Assessor's Parcel and/or by reference to appropriate records kept by the City. Building Square Footage for a Residential Unit will be based on the Building Permit(s) issued for such Residential Unit prior to it being classified as Occupied Residential Property and shall not change as a result of additions or modifications made to such Residential Unit after such classification as Occupied Residential Property.

"Calendar Year" means the period commencing January 1 of any year and ending the following December 31.

“CFD Administrator” means an authorized representative of the City, or designee thereof, responsible for determining the Special Tax Requirement, for preparing the Annual Special Tax roll and/or calculating the Backup Special Tax.

“CFD No. 1 IA-B” means the Harvest Community Facilities District No. 1 Improvement Area B of the City of Santa Paula.

“City” means the City of Santa Paula, California.

“City Council” means the City Council of the City acting as the legislative body of CFD No. 1 IA-B under the Act.

“Condominium” means a Residential Unit, whether attached or detached, meeting the statutory definition of a condominium contained in the California Civil Code Section 4285.

“Consumer Price Index” means the index published by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Los Angeles-Long Beach-Anaheim area.

“County” means the County of Ventura, California.

“Debt Service” means for each Fiscal Year, the total amount of principal and interest payable on any Outstanding Bonds during the Calendar Year commencing on January 1 of such Fiscal Year.

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Provisional Property, for which a Building Permit was issued prior to March 1 of the previous Fiscal Year. An Assessor’s Parcel classified as Developed Property but for which the Building Permit that caused such Assessor’s Parcel to be classified as Developed Property has been cancelled and/or voided prior to the Fiscal Year for which Special Taxes are being levied shall be reclassified as Undeveloped Property, provided that the levy of the Annual Special Tax after such reclassification shall not be less than 1.1 times the annual Debt Service less Administrative Expenses on all Outstanding Bonds. If Bonds have not been issued, an Assessor’s Parcel classified as Developed Property for which such a Building Permit has been cancelled and/or voided shall be reclassified as Undeveloped Property.

“Exempt Property” means for each Fiscal Year, all Assessor’s Parcels designated as being exempt from Special Taxes pursuant to Section 5 below.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 4285 that creates individual lots for which Building Permits may be issued without further subdivision.

“Fiscal Year” means the period starting on July 1 and ending the following June 30.

“Indenture” means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Class” means any of the classes listed in Table 1 under Section 3A below.

“Lot(s)” means an individual legal lot created by a Final Map for which a building permit for residential construction has been or could be issued. Notwithstanding the foregoing, in the case of an individual legal lot created by such a Final Map upon which Condominiums are entitled to be developed but for which a Condominium plan has not been recorded, the number of Lots allocable to such legal lot for purposes of calculating the Backup Special Tax applicable to such Final Map shall equal the number of Condominiums which are permitted to be constructed on such legal lot as shown on such Final Map.

“Maximum Special Tax A” means for each Assessor’s Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor’s Parcel of Taxable Property.

“Maximum Special Tax B” means for each Assessor’s Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor’s Parcel of Taxable Property.

“Minimum Acreage” means the minimum taxable acreage for CFD No. 1 IA-B shall not be less than 24.10 Acres in Zone 1, 15.51 Acres in Zone 2, and 8.28 Acres in Zone 3.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for the purpose of constructing one or more non-residential units or structures, assisted living or congregate care facilities.

“Occupied Residential Property” means all Assessors’ Parcels of Residential Property for which title is held by an end user (homeowner).

“Outstanding Bonds” means all Bonds, which are deemed to be outstanding under the Indenture.

“Partial Prepayment Amount” means the amount required to prepay a portion of the Special Tax A obligation for an Assessor’s Parcel, as described in Section 8.B.

“Prepayment Amount” means the amount required to prepay the Special Tax A Obligation in full for an Assessor’s Parcel as described in Section 8.A below.

“Property Owner Association Property” means any Assessor’s Parcel within the boundaries of CFD No. 1 IA-B owned in fee by a property owner association, including any master or sub-association.

“Proportionately” or “Proportionate” means for Developed Property, that the ratio of the actual Special Tax levy to the applicable Assigned Special Tax or Backup Special Tax is equal for all Assessor’s Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal for all Assessor's Parcels of Undeveloped Property. **“Proportionately”** may similarly be applied to other categories of Taxable Property as listed in Section 3 below.

“Provisional Property” means all Assessor’s Parcels of Public Property, Property Owner Association Property or property, except as limited by the Act with respect to Public Property, that would otherwise be classified as Exempt Property pursuant to the provisions of Section 5, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required Minimum Acreage as set forth in Section 5.

“Public Property” means any property within the boundaries of CFD No. 1 IA-B, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use, provided further that, after the issuance of Bonds, if Taxable Property is acquired by such governmental entity through a negotiated transaction or by gift or devise it shall not be exempt from Special Tax A unless such tax attributable to such Taxable Property can be assigned to another Taxable Property.

“Public Services” means the services permitted under the Act including, without limitation, landscape maintenance, tree maintenance, street lights, and catch basins within the boundaries of CFD No. 1 IA-B, including water and electric utility costs.

“Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for the purpose of constructing one or more Residential Units, including Condominium Property but excluding Apartment Property.

“Residential Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance, separate from adjacent residential dwelling units.

“Special Tax” means any Special Tax A and Special Tax B authorized to be levied within CFD No. 1 IA-B pursuant to the Act and this Rate and Method of Apportionment of Special Taxes.

“Special Tax A” means any special tax levied within CFD No. 1 IA-B pursuant to the Act and this Rate and Method of Apportionment of Special Taxes to fund Special Tax Requirement for Facilities.

“Special Tax B” means any special tax levied within CFD No. 1 IA-B pursuant to the Act and this Rate and Method of Apportionment of Special Taxes to fund Special Tax Requirement for Services.

“Special Tax Requirement” means in any Fiscal Year the sum of the Special Tax Requirement for Facilities and the Special Tax Requirement for Services.

“Special Tax Requirement for Facilities” means that amount required in any Fiscal Year for CFD No. 1 IA-B to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Expenses associated with Special Tax A; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not cause an increase in the Special Tax A to be levied on Undeveloped Property; and (vi) pay for reasonably anticipated delinquent Special Tax A amounts as determined by the CFD Administrator ; less (vii) a credit for funds available to reduce the Annual Special Tax A levy, as determined by the CFD Administrator pursuant to the Indenture.

“Special Tax Requirement for Services” means the amount determined in any Fiscal Year for CFD No. 1 IA-B equal to (i) the budgeted costs of the Public Services during the current Fiscal Year, (ii) Administrative Expenses associated with Special Tax B as determined by the CFD Administrator, and (iii) pay for reasonably anticipated delinquent Special Tax B amounts; less (vii) a credit for funds available to reduce the Annual Special Tax B levy, as determined by the CFD Administrator, pursuant to the Indenture.

“State” means the State of California.

“Taxable Property” means all of the Assessor's Parcels within the boundaries of CFD No. 1 IA-B, which are not exempt from the levy of the Special Tax pursuant to law or Section 5 below.

“Trustee” means the trustee, fiscal agent, or paying agent under the Indenture.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Provisional Property.

“Zone(s)” means Zone 1, Zone 2, or Zone 3, as depicted in Exhibit B hereto.

“Zone 1” means the area within CFD No. 1 IA-B depicted as such in Exhibit B hereto.

“Zone 2” means the area within CFD No. 1 IA-B depicted as such in Exhibit B hereto.

“Zone 3” means the area within CFD No. 1 IA-B depicted as such in Exhibit B hereto.

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2023-24, each Assessor’s Parcel within CFD No. 1 IA-B shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall be classified as Developed Property, Undeveloped Property or Provisional Property and assigned to a Zone based on its geographical location, and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with this Rate and Method of

Apportionment of Special Taxes determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor's Parcel of Developed Property shall be classified as Residential Property or Non-Residential Property. Residential Property shall be classified according to its applicable Land Use Class based on its Building Square Footage.

3. SPECIAL TAX RATES

A. Assigned Special Taxes

1. Developed Property

Each Fiscal Year, each Assessor's Parcel of Developed Property within CFD No. 1 shall be subject to an Assigned Special Tax A and an Assigned Special Tax B. The Assigned Special Taxes applicable to each Land Use Type of Developed Property for Fiscal Year 2022-2023 for each Zone are set forth in Tables 1, 2 and 3 below.

Table 1

Assigned Special Tax Rates for Zone 1 Fiscal Year 2022-2023

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax A		Assigned Special Tax B	
1	Residential Property	≤ 1,300	\$3,099	per Residential Unit	\$104.08	per Residential Unit
2	Residential Property	1,301 - 1,450	\$3,439	per Residential Unit	\$104.08	per Residential Unit
3	Residential Property	1,451 - 1,600	\$3,720	per Residential Unit	\$104.08	per Residential Unit
4	Residential Property	1,601 - 1,750	\$3,918	per Residential Unit	\$104.08	per Residential Unit
5	Residential Property	1,751 - 2,000	\$4,051	per Residential Unit	\$104.08	per Residential Unit
6	Residential Property	2,001 - 2,300	\$4,203	per Residential Unit	\$104.08	per Residential Unit
7	Residential Property	2,301 – 2,500	\$4,437	per Residential Unit	\$104.08	per Residential Unit
8	Residential Property	2,501 – 2,700	\$4,993	per Residential Unit	\$104.08	per Residential Unit
9	Residential Property	2,701 – 2,900	\$5,772	per Residential Unit	\$104.08	per Residential Unit
10	Residential Property	2,901 – 3,100	\$6,081	per Residential Unit	\$104.08	per Residential Unit
11	Residential Property	> 3,100	\$6,173	per Residential Unit	\$104.08	per Residential Unit
12	Non-Residential Property	NA	\$58,715	per Acre	\$694.99	per Acre

Table 2
Assigned Special Tax Rates for Zone 2
Fiscal Year 2022-2023

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax A	Assigned Special Tax B
1	Residential Property	≤ 2,300	\$5,317 per Residential Unit	\$104.08 per Residential Unit
2	Residential Property	2,301 – 2,450	\$5,450 per Residential Unit	\$104.08 per Residential Unit
3	Residential Property	2,451 – 2,600	\$5,813 per Residential Unit	\$104.08 per Residential Unit
4	Residential Property	2,601 – 2,750	\$5,894 per Residential Unit	\$104.08 per Residential Unit
5	Residential Property	2,751 – 2,900	\$5,945 per Residential Unit	\$104.08 per Residential Unit
6	Residential Property	2,901 – 3,050	\$6,209 per Residential Unit	\$104.08 per Residential Unit
7	Residential Property	3,051 – 3,200	\$6,209 per Residential Unit	\$104.08 per Residential Unit
8	Residential Property	3,201 – 3,350	\$6,560 per Residential Unit	\$104.08 per Residential Unit
9	Residential Property	3,351 – 3,500	\$6,587 per Residential Unit	\$104.08 per Residential Unit
10	Residential Property	> 3,500	\$6,725 per Residential Unit	\$104.08 per Residential Unit
11	Non-Residential Property	NA	\$53,927 per Acre	\$694.99 per Acre

Table 3
Assigned Special Tax Rates for Zone 3
Fiscal Year 2022-2023

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax A	Assigned Special Tax B
1	Residential Property	≤ 2,200	\$4,827 per Residential Unit	\$104.08 per Residential Unit
2	Residential Property	2,201 – 2,350	\$5,120 per Residential Unit	\$104.08 per Residential Unit
3	Residential Property	2,351 – 2,500	\$5,356 per Residential Unit	\$104.08 per Residential Unit
4	Residential Property	2,501 – 2,650	\$5,449 per Residential Unit	\$104.08 per Residential Unit
5	Residential Property	2,651 – 2,800	\$5,489 per Residential Unit	\$104.08 per Residential Unit
6	Residential Property	2,801 – 2,950	\$5,634 per Residential Unit	\$104.08 per Residential Unit
7	Residential Property	2,951 – 3,100	\$5,753 per Residential Unit	\$104.08 per Residential Unit
8	Residential Property	> 3,100	\$5,938 per Residential Unit	\$104.08 per Residential Unit
9	Non-Residential Property	NA	\$54,816 per Acre	\$694.99 per Acre

On each July 1, commencing July 1, 2023, the Assigned Special Tax A for each Assessor's Parcel classified as Developed Property shall be increased by two percent (2%) of the Assigned Special Tax A amount calculated in the prior Fiscal Year.

For each subsequent Fiscal Year following the July 1, 2023, the Assigned Special Tax B for each Assessor's Parcel classified as Developed Property, shall be adjusted by the Annual Escalation Factor.

B. Backup Special Tax A for Developed Property

When a Final Map or a condominium plan is recorded the Backup Special Tax A for Assessor's Parcels of Developed Property classified as Residential Property shall be determined as follows:

For each Assessor's Parcel of Residential Property or for each Assessor's Parcel of Undeveloped Property to be classified as Residential Property upon its development within the Final Map area, the Backup Special Tax A for Fiscal Year 2022-2023 shall be the rate per Lot calculated according to the following formula:

$$B = \frac{R \times A}{L}$$

The terms have the following meanings:

B = Backup Special Tax A per Lot

R = Backup Special Tax A rate per Acre: \$58,715 for Zone 1, \$53,927 for Zone 2, and \$54,816 for Zone 3.

A = Acreage classified or to be classified as Residential Property in such Final Map. The land area applicable to a Condominium shall be computed from the Acreage of the Lot on which the Condominium is located, with the Acreage for such Lot allocated equally among all of the Condominiums located or to be located on such Lot.

L = For a Final Map, the number of Lots which are classified or to be classified as Residential Property.

Notwithstanding the foregoing, if Assessor's Parcels of Residential Property, Non-Residential Property or Undeveloped Property for which the Backup Special Tax A has been determined are subsequently changed or modified by recordation of a new or amended Final Map, then Backup Special Tax A applicable to such Assessor's Parcels shall be recalculated to equal the total amount of Backup Special Tax A that would have been generated if such change did not take place.

On each July 1, commencing July 1, 2023, Backup Special Tax A rate applicable to each Assessor's Parcel of Taxable Property for each Zone shall be increased by two percent (2%) of the amount in effect in the prior Fiscal Year.

C. Maximum Special Tax for Developed Property

- a. The Maximum Special Tax A for each Assessor's Parcel classified as Developed Property in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Special Tax A set forth in Section A or (ii) the application of the Backup Special Tax A set forth in Section B.
- b. The Maximum Special Tax B for each Assessor's Parcel classified as Developed Property in Fiscal Year 2022-23 shall be equal to the Assigned Special Tax B set forth in Section 3.A.1. above.

D. Maximum Special Tax for Provisional Property and Undeveloped Property

The Maximum Special Tax A for Provisional Property and Undeveloped Property commencing in Fiscal Year 2022-23 shall be \$58,715 per Acre for Assessor's Parcels within Zone 1, \$53,927 per Acre for Assessor's Parcels within Zone 2, and \$54,816 per Acre for Assessor's Parcels within Zone 3.

On each July 1, commencing July 1, 2023, the Maximum Special Tax A for Provisional Property and Undeveloped Property in each Zone shall be increased by two percent (2%) of the amount in effect in the prior Fiscal Year.

Assessors' Parcels that are classified as Undeveloped Property, Taxable Public Property, or Provisional Property shall not be subject to Special Tax B.

E. Multiple Land Use Classes

In some instances, an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that may be levied on an Assessor's Parcel shall only be levied on the Residential Property Land Use Class located on that Assessor's Parcel.

F. Administrative Special Tax Reduction and Effective Tax Rate to Pay Bonds

Prior to the issuance of Bonds, the Assigned Special Tax A, Backup Special Tax A, and Maximum Special Tax A (collectively the "Special Tax Rates") on Taxable Property may be reduced in accordance with, and subject to the conditions set forth in this paragraph. Upon the City's receipt of a written request including written consent of 100% of the owners of Taxable Property within CFD No. 1 IA-B and the CFD Administrator, the Special Tax Rates on Taxable Property may be reduced to a level which will provide not less than the sum of estimated Administrative Expense Requirement and one hundred ten percent (110%) of the estimated debt service with respect to the amount of Bonds requested to be issued in such written request. If it is reasonably determined by the CFD Administrator that the total effective tax rate based on the average actual or projected sales price per Residential Unit exceeds 1.9%, the Special Tax Rates may be reduced to

achieve a total tax rate on Residential Property of 1.9% with the written consent of 100% of the owners of Taxable Property within CFD No. 1 IA-B, which consent shall not be unreasonably withheld, and the CFD Administrator. It shall not be required that reductions among each "Building Square Footage" range of Residential Property be proportional. Additionally, the "CFD Public Facilities Costs" amount in Section 8 shall be reduced commensurate with any reductions to the Special Tax Rates pursuant to this paragraph, as reasonably determined by the CFD Administrator. A certificate in substantially the form attached hereto as Exhibit "A" shall be used for purposes of evidencing the required written consent and effectuating the reduction to the Special Tax Rates. The reductions permitted pursuant to this paragraph shall be reflected in an amended Notice of Special Tax Lien which the City shall cause to be recorded.

Notwithstanding the authorized amount of Special Tax Rates on Taxable Property set forth herein and/or limited pursuant to the preceding paragraph, prior to each issuance of a series of Bonds, the City shall cause the special tax consultant to the City or the underwriter for the Bonds to determine the amount of annual Special Tax A on Residential Property needed to provide 110% coverage of debt service on the Bonds to be issued and Outstanding Bonds, if any, due in the first full Bond Year (as defined in Fiscal Agent Agreement or Indenture for the Bonds) of the Bonds to be issued that begins in the corresponding Fiscal Year (the "Coverage Ratio"). For each issuance of Bonds, the par amount shall be limited to an amount that would result in the annual Special Tax levy during such year of calculation, to (i) meet or exceed the Coverage Ratio, and (ii) not exceed a total effective tax rate of 1.9% on Residential Property not previously subject to a Special Tax levy, based on the average actual or projected sales price per Residential Unit at the time of Bond issuance.

4. METHOD OF APPORTIONMENT

- A. For each Fiscal Year, commencing Fiscal Year 2023-24, the CFD Administrator shall levy the Special Tax A on all Taxable Property in accordance with the following steps:

Step 1: The Special Tax A shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax A to satisfy the Special Tax Requirement for Facilities;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after Step 1 has been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax A for Undeveloped Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first two steps have been completed, then the Special Tax A amount determined in Step 1 shall be increased Proportionately on each Assessor's Parcel of Developed Property up to 100% of the Maximum Special Tax A for Developed Property.

Step 4: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the Maximum Special A Tax for Provisional Property;

Notwithstanding the above, under no circumstances will the Special Tax A levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of a delinquency or default in the payment of the Special Tax applicable to any other Assessor's Parcel within CFD No. 1 IA-B by more than ten percent (10%) above what would have been levied in the absence of such delinquencies or defaults.

- B. Commencing Fiscal Year 2023-2024 and for each subsequent Fiscal Year, the CFD Administration shall levy a Special Tax B to finance Public Services Proportionately on all Developed Property within CFD No. 1 IA-B up to 100% of the applicable Assigned Special Tax B for such Fiscal Year to satisfy the Special Tax Requirement for Services.

5. EXEMPTIONS

The City shall classify as Exempt Property (i) Public Property, subject to exceptions in the definitions, (ii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iii) Except for application of Step 4 of Section 4, Assessor's Parcels used exclusively as Property Owner Association Property, or (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, provided that no such classification would reduce the sum of all Taxable Property to less than the Minimum Acreage. Notwithstanding the above, the City Council shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than the Minimum Acreage. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Minimum Acreage will continue to be classified as Undeveloped Property and will continue to be subject to Special Taxes accordingly.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in the first paragraph of Section 5 above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

6. APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than thirty-six (36) months after first having paid the first installment of the

Special Tax that is disputed. If following such consultation, the CFD Administrator determines that an error has occurred, then the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

- (i) Amend the Special Tax levy on the landowner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date,
- (ii) Require the CFD to reimburse the landowner for the amount of the overpayment to the extent of available CFD funds, or
- (iii) Grant a credit against, eliminate or reduce the future Special Taxes on the landowner's Assessor's Parcel(s) in the amount of the overpayment.

If following such consultation and action by the CFD Administrator the landowner believes such error still exists, such person may file a written notice of appeal with the City Council. Upon the receipt of such notice, the City Council or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. If the City Council or designee determines an error still exists, the CFD Administrator shall take any of the actions described as (i), (ii) and (iii) above, in order of priority, in order to correct the error.

The City Council or designee thereof shall interpret this Rate and Method of Apportionment of Special Taxes for purposes of clarifying any ambiguities and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Council or designee shall be final and binding as to all persons.

7. COLLECTION OF SPECIAL TAXES

Collection of the Annual Special Tax shall be made by the County in the same manner as ordinary ad valorem property taxes are collected and the Annual Special Tax shall be subject to the same penalties and the same lien priority in the case of delinquency as ad valorem taxes; provided, however, that the City Council may provide for (i) other means of collecting the Special Tax, including direct billings thereof to the property owners; and (ii) judicial foreclosure of delinquent Annual Special Taxes.

8. PREPAYMENT OF SPECIAL TAX A

A. Prepayment in Full

Property owners may prepay and permanently satisfy Special Tax A by a cash settlement with the City as permitted under Government Code Section 53344. The following definitions apply to this Section 8:

"CFD Public Facilities Costs" means \$46,000,000, which shall increase by the Annual Escalation Factor on January 1, 2024 and on each January 1 thereafter, or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing

program for CFD No. 1 IA-B, or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

“Construction Fund” means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees authorized to be funded by CFD No. 1 IA-B.

“Future Facilities Costs” means the CFD Public Facilities Costs minus (i) costs previously paid from the Construction Fund to acquire or construct the facilities, (ii) monies currently on deposit in the Construction Fund, and (iii) monies currently on deposit in an escrow or other designated fund that are expected to be available to finance CFD Public Facilities Costs.

“Outstanding Bonds” means all Previously Issued Bonds, which remain outstanding as of the first interest and/or principal payment date following the current Fiscal Year excluding Bonds to be redeemed at a later date with proceeds of prior Special Tax prepayments.

“Previously Issued Bonds” means all Bonds that have been issued prior to the date of prepayment.

The Special Tax A applicable to an Assessor’s Parcel of Developed Property, or Undeveloped Property for which a Building Permit has been issued may be prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor’s Parcel only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel eligible to prepay Special Tax A shall provide the CFD Administrator with written notice of intent to prepay and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the Prepayment Amount for such Assessor’s Parcel within thirty (30) days of the request and may charge a reasonable fee for providing this service. Prepayment must be made at least 60 days prior to any redemption date for the CFD No. 1 IA-B Bonds to be redeemed with the proceeds of such prepaid Special Tax A, unless a shorter period is acceptable to the Trustee and the City.

The Prepayment Amount (defined below) shall be calculated for each applicable Assessor’s Parcel or group of Assessor’s Parcels as summarized below (capitalized terms as defined below):

Bond Redemption Amount
plus Redemption Premium
plus Future Facilities Prepayment Amount

plus Defeasance Amount
plus Prepayment Administrative Fees and Expenses
less Reserve Fund Credit
less Capitalized Interest Credit
Total: equals Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount (defined in Step 14 below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For Assessor's Parcels of Developed Property, determine the Maximum Special Tax A. For Assessor's Parcels of Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax A for that Assessor's Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for that Assessor's Parcel.
3. Divide the Maximum Special Tax A computed pursuant to paragraph 2 by the total expected Maximum Special Tax A revenue for CFD No. 1 IA-B assuming all Building Permits have been issued (build-out) within CFD No. 1 IA-B, excluding any Assessor's Parcels for which Special Tax A has been previously prepaid.
4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the "Redemption Premium").
6. Compute the Future Facilities Costs.
7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Prepayment Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date.

9. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
10. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the “Defeasance Amount”).
11. Calculate the administrative fees and expenses of CFD No. 1 IA-B, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 1 IA-B, and the costs of recording any notices to evidence the prepayment and the redemption (the “Prepayment Administrative Fees”).
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the “Reserve Fund Credit”). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement after taking into account such prepayment.
13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to paragraph 3 by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the “Capitalized Interest Credit”).
14. The amount to prepay Special Tax A is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 10, and 11, less the amounts computed pursuant to paragraphs 12 and 13 (the “Prepayment Amount”).
15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 10, less the amounts computed pursuant to paragraphs 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 1 IA-B.

The Prepayment Amount may be sufficient to redeem an amount other than a \$5,000 increment of CFD No. 1 IA-B Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the

Indenture to redeem CFD No. 1 IA-B Bonds to be used with the next prepayment of CFD No. 1 IA-B Bonds.

The CFD Administrator will confirm that all previously levied Special Taxes have been paid in full. With respect to any Assessor's Parcel for which Special Tax A is prepaid in full, once the CFD Administrator has confirmed that all previously levied Special Taxes have been paid, the City Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Special Tax A and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of the owner of such Assessor's Parcel to pay the Special Tax A shall cease.

Notwithstanding the foregoing, no Special Tax A prepayment shall be allowed unless the aggregate amount of Maximum Special Tax A less the Administrative Expense Requirement that may be levied on Taxable Property, respectively, after the proposed prepayment is at least 1.1 times the Debt Service on all Outstanding Bonds in each Fiscal Year.

B. Partial Prepayment of Special Tax A

The Special Tax A on an Assessor's Parcel of Developed Property or Undeveloped Property for which a Building Permit has been issued may be partially prepaid. The amount of the prepayment shall be calculated as in Section 8.A.; except that a partial prepayment shall be calculated according to the following formula:

$$PP = (PE - A) \times F + A$$

These terms have the following meaning:

PP = the partial prepayment

PE = the Prepayment Amount calculated according to Section 8.A

F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying Special Tax A

A = the Prepayment Administrative Fees and Expenses from Section 8.A

The owner of any Assessor's Parcel who desires such partial prepayment shall notify the CFD Administrator of (i) such owner's intent to partially prepay Special Tax A, (ii) the percentage by which Special Tax A shall be prepaid, and (iii) the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of Special Tax A for an Assessor's Parcel within sixty (60) days of the request and may charge a reasonable fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 8.A., and (ii) indicate in the records of CFD No. 1 IA-B that there has been a partial prepayment of Special Tax A and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding

percentage (1.00 - F) of the Maximum Special Tax A, shall continue to be levied on such Assessor's Parcel.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the aggregate amount of Maximum Special Tax A less the Administrative Expense Requirement that may be levied on Taxable Property, respectively, after the proposed partial prepayment is at least 1.1 times the Debt Service on all Outstanding Bonds in each Fiscal Year.

9. TERM OF SPECIAL TAX

Special Tax A shall be levied as long as necessary to meet the Special Tax Requirement for Facilities for a period not to exceed forty-five (45) Fiscal Years commencing with Fiscal Year 2023-24. The Special Tax B shall be levied in perpetuity.

10. INTERPRETATIONS AND ADJUSTMENTS

Interpretations may be made by the City, without Resolution or Ordinance of the City Council, for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties, or any definition applicable to CFD No. 1 IA-B.

Without City Council approval, the Administrator may make minor, non-substantive administrative and technical changes to the provisions of this document that do not materially affect the rate, method of apportionment, and manner of collection of the Special Tax for purposes of administrative efficiency or convenience or to comply with new applicable federal, state, or local law.

The City, upon request of an owner of land within CFD No. 1 IA-B which is not Developed Property, may also amend this RMA to reallocate the Special Tax applicable to such owner's land in a manner acceptable to the City, without Resolution or Ordinance of the Council, upon the affirmative vote of such owner and without the vote of owners of any other land within the CFD, provided such amendment (i) only affects the such owner's land, (ii) does not reduce the total annual Maximum Special Tax A revenue for CFD No. 1 IA-B, and (iii) provides for a Special Tax distribution upon development of such land which is reasonably proportional and consistent with Special Tax rates provided for in Section 3 (including escalations thereto) for similar land uses and is compliant with the tax assessment loan exception contained in U.S. Treasury Regulation Section 1.141-5(d).

EXHIBIT A

CITY OF SANTA PAULA AND CFD NO. 1 IA-B CERTIFICATE

1. Pursuant to Section 3F of the Amended and Restated Rate and Method of Apportionment of Special Taxes (the “RMA”), the City of Santa Paula (the “City”) and Improvement Area B of Community Facilities District No. 1 of the City of Santa Paula (“CFD No. 1 IA-B”) hereby agree to a reduction in the Special Tax A for Developed Property, Undeveloped Property, and/or Provisional Property:

- (a) The information in the RMA relating to the Special Tax A for Developed Property, Undeveloped Property, and Provisional Property shall be modified as follows:

[insert Tables 1 through 3 showing revised Assigned Special Tax A rates for Developed Property, insert revised Backup Special Tax A rates for Developed Property in each Zone, and insert change to Maximum Special Tax A rates for Undeveloped Property and Provisional Property in each Zone]

- (b) The CFD Public Facilities amount in Section 8 shall be changed to \$_____.

2. Special Tax A rates for Taxable Property may only be modified prior to the issuance of Bonds.
3. Upon execution of the Certificate by the City and CFD No. 1 IA-B the City shall cause an amended Notice of Special Tax Lien to be recorded reflecting the modifications set forth herein.

By execution hereof, the undersigned acknowledges, on behalf of the City of Santa Paula and CFD No. 1 IA-B, receipt of this Certificate and modification of the RMA as set forth in this Certificate.

CITY OF SANTA PAULA

By: _____ Date: _____

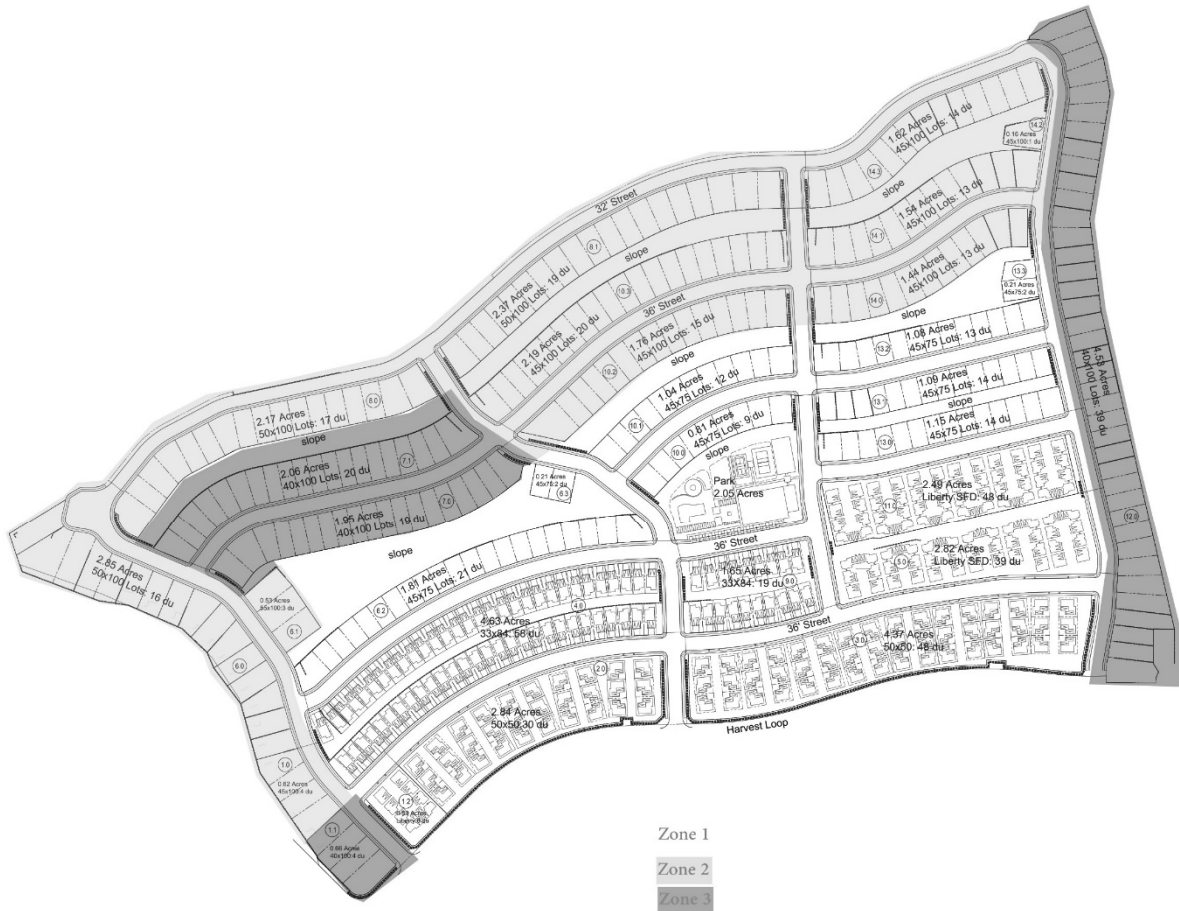
CFD Administrator

COMMUNITY FACILITIES DISTRICT NO. 1, IMPROVEMENT AREA B,
OF THE CITY OF SANTA PAULA

By: _____ Date: _____

EXHIBIT B

ZONE DESCRIPTIONS



AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

CITY OF SANTA PAULA HARVEST COMMUNITY FACILITIES DISTRICT NO. 1 IMPROVEMENT AREA C

A Special Tax shall be levied on all Taxable Property within the boundaries of Improvement Area C of Harvest Community Facilities District No. 1 of the City of Santa Paula (“CFD No. 1 IA-C”) and collected each Fiscal Year commencing in Fiscal Year 2023-24, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 1 IA-C, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Acre” or “Acreage” means the land area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map. An Acre means 43,560 square feet of land. If the preceding maps for a land area are not available, the Acreage of such land area shall be determined by the City Engineer.

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“Administrative Expense Requirement” means an annual amount equal to \$35,000, or such lesser amount as may be designated by written instruction from an authorized representative of the City to the Fiscal Agent, to be allocated as the first priority of Special Taxes received each Fiscal Year for the payment of Administrative Expenses.

“Administrative Expenses” means the following actual or reasonably estimated costs related to the administration of CFD No. 1 IA-C including, but not limited to: the costs of preparing and computing the Annual Special Tax (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City, the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 1 IA-C, or any designee thereof complying with arbitrage rebate requirements, including without limitation rebate liability costs and periodic rebate calculations; the costs to the City, CFD No. 1 IA-C, or any designee thereof complying with disclosure or reporting requirements of the City or CFD No. 1 IA-C, associated with applicable federal and State laws; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 1 IA-C, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third party expenses.

Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 1 IA-C for any other administrative purposes of CFD No. 1 IA-C, including attorney's fees and other costs related to commencing and pursuing any foreclosure of delinquent Special Taxes.

“Annual Escalation Factor” means for Special Tax B, the greater of (i) two percent (2%), or (ii) the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

“Annual Special Tax” means the Special Tax actually levied in any Fiscal Year on any Assessor's Parcel.

“Assessor” means the Assessor of the County of Ventura.

“Assessor's Parcel” means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

“Assessor's Parcel Map” means an official map of the Assessor designating parcels by Assessor's Parcel Number.

“Assessor's Parcel Number” means the number assigned to an Assessor's Parcel by the County for purposes of identification.

“Assigned Special Tax A” means the Special Tax of that name described in Section 3.A below.

“Assigned Special Tax B” means the Special Tax of that name described in Section 3.A below.

“Attached Condominium” means a Residential Unit that shares one or more walls with adjacent Residential Units, meeting the statutory definition of a condominium contained in the California Civil Code Section 4285.

“Backup Special Tax A” means the Special Tax of that name described in Section 3.B below.

“Bonds” means any bonds or other debt of CFD No. 1 IA-C, whether in one or more series, secured by the levy of Special Taxes.

“Building Permit” means a building permit for construction of a Residential Unit or non-residential structure within CFD No. 1 IA-C issued by the City.

“Building Square Footage” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, or similar area. The determination of Building Square Footage shall be made by the CFD Administrator by reference to the Building Permit(s) issued for such Assessor's Parcel and/or by reference to appropriate records kept by the City. Building Square Footage for a Residential Unit will be based on the Building Permit(s) issued for such Residential Unit prior to it being classified as Occupied Residential Property, and shall not change as a result of additions or modifications made to such Residential Unit after such classification as Occupied Residential Property.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD Administrator” means an authorized representative of the City, or designee thereof, responsible for determining the Special Tax Requirement, for preparing the Annual Special Tax roll and/or calculating the Backup Special Tax.

“CFD No. 1 IA-C” means the Harvest Community Facilities District No. 1 Improvement Area C of the City of Santa Paula.

“City” means the City of Santa Paula, California.

“City Council” means the City Council of the City acting as the legislative body of CFD No. 1 IA-C under the Act.

“Condominium” means a Residential Unit, whether attached or detached, meeting the statutory definition of a condominium contained in the California Civil Code Section 4285.

“Consumer Price Index” means the index published by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Los Angeles-Long Beach-Anaheim area.

“County” means the County of Ventura, California.

“Debt Service” means for each Fiscal Year, the total amount of principal and interest payable on any Outstanding Bonds during the Calendar Year commencing on January 1 of such Fiscal Year.

“Detached Condominium” means a Residential Unit that does not share walls with adjacent Residential Units, meeting the statutory definition of a condominium contained in the California Civil Code Section 4285.

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Provisional Property, for which a Building Permit was issued prior to March 1 of the previous Fiscal Year. An Assessor’s Parcel classified as Developed Property but for which the Building Permit that caused such Assessor’s Parcel to be classified as Developed Property has been cancelled and/or voided prior to the Fiscal Year for which Special Taxes are being levied shall be reclassified as Undeveloped Property, provided that the levy of the Annual Special Tax after such reclassification shall not be less than 1.1 times the annual Debt Service less Administrative Expenses on all Outstanding Bonds. If Bonds have not been issued, an Assessor’s Parcel classified as Developed Property for which such a Building Permit has been cancelled and/or voided shall be reclassified as Undeveloped Property.

“Exempt Property” means for each Fiscal Year, all Assessor’s Parcels designated as being exempt from Special Taxes pursuant to Section 5 below.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 4285 that creates individual lots for which Building Permits may be issued without further subdivision.

“Fiscal Year” means the period starting on July 1 and ending the following June 30.

“Indenture” means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Class” means any of the classes listed in Table 1 under Section 3A below.

“Lot(s)” means an individual legal lot created by a Final Map for which a building permit for residential construction has been or could be issued. Notwithstanding the foregoing, in the case of an individual legal lot created by such a Final Map upon which Condominiums are entitled to be developed but for which a Condominium plan has not been recorded, the number of Lots allocable to such legal lot for purposes of calculating the Backup Special Tax applicable to such Final Map shall equal the number of Condominiums which are permitted to be constructed on such legal lot as shown on such Final Map.

“Maximum Special Tax A” means for each Assessor’s Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor’s Parcel of Taxable Property.

“Maximum Special Tax B” means for each Assessor’s Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor’s Parcel of Taxable Property.

“Minimum Acreage” means the minimum taxable acreage for CFD No. 1 IA-C shall not be less than 31.98 acres.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for the purpose of constructing one or more non-residential units or structures, assisted living or congregate care facilities.

“Occupied Residential Property” means all Assessors’ Parcels of Residential Property for which title is held by an end user (homeowner).

“Outstanding Bonds” means all Bonds, which are deemed to be outstanding under the Indenture.

“Partial Prepayment Amount” means the amount required to prepay a portion of the Special Tax A obligation for an Assessor’s Parcel, as described in Section 8.B.

“Prepayment Amount” means the amount required to prepay the Special Tax Obligation in full for an Assessor’s Parcel as described in Section 8.A below.

“Property Owner Association Property” means any Assessor’s Parcel within the boundaries of CFD No. 1 IA-C owned in fee by a property owner association, including any master or sub-association.

“Proportionately” or “Proportionate” means for Developed Property, that the ratio of the actual Special Tax levy to the applicable Assigned Special Tax or Backup Special Tax is equal for all Assessor’s Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal for all Assessor's Parcels of Undeveloped Property. **“Proportionately”** may similarly be applied to other categories of Taxable Property as listed in Section 3 below.

“Provisional Property” means all Assessor’s Parcels of Public Property, Property Owner Association Property or property, except as limited by the Act with respect to Public Property, that would otherwise be classified as Exempt Property pursuant to the provisions of Section 5, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required Minimum Acreage as set forth in Section 5.

“Public Property” means any property within the boundaries of CFD No. 1 IA-C, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use, provided further that, after the issuance of Bonds, if Taxable Property is acquired by such governmental entity through a negotiated transaction or by gift or devise it shall not be exempt from Special Tax A unless such tax attributable to such Taxable Property can be assigned to another Taxable Property.

“Public Services” means the services permitted under the Act including, without limitation, landscape maintenance, tree maintenance, street lights, and catch basins within the boundaries of CFD No. 1 IA-C, including water and electric utility costs.

“Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for the purpose of constructing one or more Residential Units, including Condominium Property.

“Residential Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance, separate from adjacent residential dwelling units.

“Single Family Detached Property” means all Assessor’s Parcels of Residential Property, excluding Condominium Property.

“Special Tax” means any Special Tax A and Special Tax B authorized to be levied within CFD No. 1 IA-C pursuant to the Act and this Rate and Method of Apportionment of Special Taxes.

“Special Tax A” means any special tax levied within CFD No. 1 IA-C pursuant to the Act and this Rate and Method of Apportionment of Special Taxes to fund Special Tax Requirement for Facilities.

“Special Tax B” means any special tax levied within CFD No. 1 IA-C pursuant to the Act and this Rate and Method of Apportionment of Special Taxes to fund Special Tax Requirement for Services.

“Special Tax Requirement” means in any Fiscal Year the sum of the Special Tax Requirement for Facilities and the Special Tax Requirement for Services.

“Special Tax Requirement for Facilities” means that amount required in any Fiscal Year for CFD No. 1 IA-C to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Expenses associated with Special Tax A; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not cause an increase in the Special Tax A to be levied on Undeveloped Property; and (vi) pay for reasonably anticipated delinquent Special Tax A amounts as determined by the CFD Administrator ; less (vii) a credit for funds available to reduce the Annual Special Tax A levy, as determined by the CFD Administrator pursuant to the Indenture.

“Special Tax Requirement for Services” means the amount determined in any Fiscal Year for CFD No. 1 IA-C equal to (i) the budgeted costs of the Public Services during the current Fiscal Year, (ii) Administrative Expenses associated with Special Tax B as determined by the CFD Administrator, and (iii) pay for reasonably anticipated delinquent Special Tax B amounts; less (vii) a credit for funds available to reduce the Annual Special Tax B levy, as determined by the CFD Administrator, pursuant to the Indenture.

“State” means the State of California.

“Taxable Property” means all of the Assessor's Parcels within the boundaries of CFD No. 1 IA-C, which are not exempt from the levy of the Special Tax pursuant to law or Section 5 below.

“Trustee” means the trustee, fiscal agent, or paying agent under the Indenture.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Provisional Property.

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2023-24, each Assessor's Parcel within CFD No. 1 IA-C shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall be classified as Developed Property, Undeveloped Property or Provisional Property, and all such Taxable Property shall be subject to the levy of Special Taxes in

accordance with this Rate and Method of Apportionment of Special Taxes determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor's Parcel of Developed Property shall be classified as or Non-Residential Property. Residential Property shall be further classified as Single Family Detached Property, Detached Condominiums or Attached Condominiums and assigned to its applicable Land Use Class based on its Building Square Footage.

3. SPECIAL TAX RATES

A. Assigned Special Taxes

1. Developed Property

Each Fiscal Year, each Assessor's Parcel of Developed Property within CFD No. 1 shall be subject to an Assigned Special Tax A and an Assigned Special Tax B. The Assigned Special Taxes applicable to each Land Use Type of Developed Property for Fiscal Year 2022-2023 are set forth in Table 1 below.

**Table 1
Assigned Special Tax Rates
Fiscal Year 2022-2023**

Land Use Class	Land Use Type	Building Square Footage	Assigned Special Tax A		Assigned Special Tax B	
1	Single Family Detached Property	≤ 2,200	\$4,821	per Residential Unit	\$93	per Residential Unit
2	Single Family Detached Property	2,201 – 2,300	\$4,993	per Residential Unit	\$93	per Residential Unit
3	Single Family Detached Property	2,301 - 2,400	\$5,158	per Residential Unit	\$93	per Residential Unit
4	Single Family Detached Property	2,401 – 2,500	\$5,317	per Residential Unit	\$93	per Residential Unit
5	Single Family Detached Property	2,501 - 2,600	\$5,462	per Residential Unit	\$93	per Residential Unit
6	Single Family Detached Property	2,601 - 2,700	\$5,482	per Residential Unit	\$93	per Residential Unit
7	Single Family Detached Property	2,701 – 2,800	\$5,614	per Residential Unit	\$93	per Residential Unit
8	Single Family Detached Property	2,801 – 2,900	\$5,733	per Residential Unit	\$93	per Residential Unit
9	Single Family Detached Property	2,901 – 3,000	\$5,852	per Residential Unit	\$93	per Residential Unit
10	Single Family Detached Property	3,001 – 3,100	\$5,866	per Residential Unit	\$93	per Residential Unit
11	Single Family Detached Property	3,101 – 3,200	\$5,925	per Residential Unit	\$93	per Residential Unit
12	Single Family Detached Property	3,201 – 3,300	\$5,958	per Residential Unit	\$93	per Residential Unit
13	Single Family Detached Property	3,301 – 3,400	\$5,998	per Residential Unit	\$93	per Residential Unit

14	Single Family Detached Property	> 3,400	\$6,070	per Residential Unit	\$93	per Residential Unit
15	Detached Condominiums	≤ 1,300	\$2,791	per Residential Unit	\$93	per Residential Unit
16	Detached Condominiums	1,301 - 1,400	\$3,022	per Residential Unit	\$93	per Residential Unit
17	Detached Condominiums	1,401 – 1,500	\$3,201	per Residential Unit	\$93	per Residential Unit
18	Detached Condominiums	1,501 - 1,600	\$3,353	per Residential Unit	\$93	per Residential Unit
19	Detached Condominiums	1,601 - 1,700	\$3,512	per Residential Unit	\$93	per Residential Unit
20	Detached Condominiums	1,701 – 1,800	\$3,664	per Residential Unit	\$93	per Residential Unit
21	Detached Condominiums	1,801 – 1,900	\$3,743	per Residential Unit	\$93	per Residential Unit
22	Detached Condominiums	1,901 – 2,000	\$3,869	per Residential Unit	\$93	per Residential Unit
23	Detached Condominiums	2,001 – 2,100	\$3,928	per Residential Unit	\$93	per Residential Unit
24	Detached Condominiums	2,101 – 2,200	\$3,968	per Residential Unit	\$93	per Residential Unit
25	Detached Condominiums	2,201 – 2,300	\$4,008	per Residential Unit	\$93	per Residential Unit
26	Detached Condominiums	> 2,300	\$4,146	per Residential Unit	\$93	per Residential Unit
27	Attached Condominiums	≤ 1,300	\$2,558	per Residential Unit	\$93	per Residential Unit
28	Attached Condominiums	1,301 - 1,400	\$2,772	per Residential Unit	\$93	per Residential Unit
29	Attached Condominiums	1,401 – 1,500	\$2,938	per Residential Unit	\$93	per Residential Unit
30	Attached Condominiums	1,501 - 1,600	\$3,078	per Residential Unit	\$93	per Residential Unit
31	Attached Condominiums	1,601 - 1,700	\$3,225	per Residential Unit	\$93	per Residential Unit
32	Attached Condominiums	1,701 – 1,800	\$3,366	per Residential Unit	\$93	per Residential Unit
33	Attached Condominiums	1,801 – 1,900	\$3,439	per Residential Unit	\$93	per Residential Unit
34	Attached Condominiums	1,901 – 2,000	\$3,555	per Residential Unit	\$93	per Residential Unit
35	Attached Condominiums	2,001 – 2,100	\$3,610	per Residential Unit	\$93	per Residential Unit
36	Attached Condominiums	2,101 – 2,200	\$3,647	per Residential Unit	\$93	per Residential Unit
37	Attached Condominiums	2,201 – 2,300	\$3,684	per Residential Unit	\$93	per Residential Unit
38	Attached Condominiums	> 2,300	\$3,812	per Residential Unit	\$93	per Residential Unit
39	Non-Residential Property	NA	\$61,069	per Acre	\$621	per Acre

On each July 1, commencing July 1, 2023, the Assigned Special Tax A for each Assessor's Parcel classified as Developed Property shall be increased by two percent (2%) of the Assigned Special Tax A amount calculated in the prior Fiscal Year.

For each subsequent Fiscal Year following the July 1, 2023, the Assigned Special Tax B for each Assessor's Parcel classified as Developed Property, shall be adjusted by the Annual Escalation Factor.

B. Backup Special Tax A for Developed Property

When a Final Map or a condominium plan is recorded the Backup Special Tax A for Assessor's Parcels of Developed Property classified as Residential Property shall be determined as follows:

For each Assessor's Parcel of Residential Property or for each Assessor's Parcel of Undeveloped Property to be classified as Residential Property upon its development within the Final Map area, the Backup Special Tax A for Fiscal Year 2018-19 shall be the rate per Lot calculated according to the following formula:

$$B = \frac{\$61,069 \times A}{L}$$

The terms have the following meanings:

B = Backup Special Tax per Lot

A = Acreage classified or to be classified as Residential Property in such Final Map. The land area applicable to a Condominium shall be computed from the Acreage of the Lot on which the Condominium is located, with the Acreage for such Lot allocated equally among all of the Condominiums located or to be located on such Lot.

L = For a Final Map, the number of Lots which are classified or to be classified as Residential Property.

For each Assessor's Parcel of Developed Property classified as Non-Residential Property or for each Assessor's Parcel of Undeveloped Property to be classified as Non-Residential Property within the Final Map area, Backup Special Tax A for Fiscal Year 2022-23 shall be determined by multiplying \$61,069 by the total Acreage of any such Assessor's Parcel.

Notwithstanding the foregoing, if Assessor's Parcels of Residential Property, Non-Residential Property or Undeveloped Property for which the Backup Special Tax A has been determined are subsequently changed or modified by recordation of a new or amended Final Map, then Backup Special Tax A applicable to such Assessor's Parcels shall be recalculated to equal the total amount of Backup Special Tax A that would have been generated if such change did not take place.

On each July 1, commencing July 1, 2023, Backup Special Tax A applicable to each Assessor's Parcel of Taxable Property shall be increased by two percent (2%) of the amount in effect in the prior Fiscal Year.

C. Maximum Special Tax for Developed Property

- a. The Maximum Special Tax A for each Assessor's Parcel classified as Developed Property in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Special Tax A set forth in Section A or (ii) the application of the Backup Special Tax A set forth in Section B.
- b. The Maximum Special Tax B for each Assessor's Parcel classified as Developed Property in Fiscal Year 2022-23 shall be equal to the Assigned Special Tax B set forth in Section 3.A.1. above.

D. Maximum Special Tax for Provisional Property and Undeveloped Property

The Maximum Special Tax A for Provisional Property and Undeveloped Property commencing in Fiscal Year 2022-23 shall be \$61,069 per Acre set forth in Section 3.A.1. above.

On each July 1, commencing July 1, 2023, the Maximum Special Tax A for Provisional Property and Undeveloped Property shall be increased by two percent (2%) of the amount in effect in the prior Fiscal Year.

Assessors' Parcels that are classified as Undeveloped Property, Taxable Public Property, or Provisional Property shall not be subject to Special Tax B.

E. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that may be levied on an Assessor's Parcel shall only be levied on the Residential Property Land Use Class located on that Assessor's Parcel.

F. Administrative Special Tax Reduction and Effective Tax Rate to Pay Bonds

Prior to the issuance of Bonds, the Assigned Special Tax A, Backup Special Tax A, and Maximum Special Tax A (collectively the "Special Tax Rates") on Taxable Property may be reduced in accordance with, and subject to the conditions set forth in this paragraph. Upon the City's receipt of a written request including written consent of 100% of the owners of Taxable Property within CFD No. 1 IA-C and the CFD Administrator, the Special Tax Rates on Taxable Property may be reduced to a level which will provide not less than the sum of estimated Administrative Expense Requirement and one hundred ten percent (110%) of the estimated debt service with respect to the amount of Bonds

requested to be issued in such written request. If it is reasonably determined by the CFD Administrator that the total effective tax rate based on the average actual or projected sales price per Residential Unit exceeds 1.9%, the Special Tax Rates may be reduced to achieve a total tax rate on Residential Property of 1.9% with the written consent of 100% of the owners of Taxable Property within CFD No. 1 IA-C, which consent shall not be unreasonably withheld, and the CFD Administrator. It shall not be required that reductions among each "Building Square Footage" range of Residential Property be proportional. Additionally, the "CFD Public Facilities Costs" amount in Section 8 shall be reduced commensurate with any reductions to the Special Tax Rates pursuant to this paragraph, as reasonably determined by the CFD Administrator. A certificate in substantially the form attached hereto as Exhibit "A" shall be used for purposes of evidencing the required written consent and effectuating the reduction to the Special Tax Rates. The reductions permitted pursuant to this paragraph shall be reflected in an amended Notice of Special Tax Lien which the City shall cause to be recorded.

Notwithstanding the authorized amount of Special Tax Rates on Taxable Property set forth herein and/or limited pursuant to the preceding paragraph, prior to each issuance of a series of Bonds, the City shall cause the special tax consultant to the City or the underwriter for the Bonds to determine the amount of annual Special Tax A on Residential Property needed to provide 110% coverage of debt service on the Bonds to be issued and Outstanding Bonds, if any, due in the first full Bond Year (as defined in Fiscal Agent Agreement or Indenture for the Bonds) of the Bonds to be issued that begins in the corresponding Fiscal Year (the "Coverage Ratio"). For each issuance of Bonds, the par amount shall be limited to an amount that would result in the annual Special Tax levy during such year of calculation, to (i) meet or exceed the Coverage Ratio, and (ii) not exceed a total effective tax rate of 1.9% on Residential Property not previously subject to a Special Tax levy, based on the average actual or projected sales price per Residential Unit at the time of Bond issuance.

4. METHOD OF APPORTIONMENT

1. For each Fiscal Year, commencing Fiscal Year 2023-24, the CFD Administrator shall levy the Special Tax A on all Taxable Property in accordance with the following steps:

Step 1: The Special Tax A shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax A to satisfy the Special Tax Requirement for Facilities;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after Step 1 has been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax A for Undeveloped Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first two steps have been completed, then the Special Tax A amount

determined in Step 1 shall be increased Proportionately on each Assessor's Parcel of Developed Property up to 100% of the Maximum Special Tax A for Developed Property.

Step 4: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the Maximum Special A Tax for Provisional Property;

Notwithstanding the above, under no circumstances will the Special Tax A levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of a delinquency or default in the payment of the Special Tax applicable to any other Assessor's Parcel within CFD No. 1 IA-C by more than ten percent (10%) above what would have been levied in the absence of such delinquencies or defaults.

2. Commencing Fiscal Year 2023-2024 and for each subsequent Fiscal Year, the CFD Administration shall levy a Special Tax B to finance Public Services Proportionately on all Developed Property within CFD No. 1 IA-C up to 100% of the applicable Assigned Special Tax B for such Fiscal Year to satisfy the Special Tax Requirement for Services.

5. EXEMPTIONS

The City shall classify as Exempt Property (i) Public Property, subject to exceptions in the definitions, (ii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iii) Except for application of Step 4 of Section 4, Assessor's Parcels used exclusively as Property Owner Association Property, or (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, provided that no such classification would reduce the sum of all Taxable Property to less than the Minimum Acreage. Notwithstanding the above, the City Council shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than the Minimum Acreage. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Minimum Acreage will continue to be classified as Undeveloped Property, and will continue to be subject to Special Taxes accordingly.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in the first paragraph of Section 5 above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

6. APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than thirty-six (36) months after first having paid the first installment of the Special Tax that is disputed. If following such consultation the CFD Administrator determines that an error has occurred, then the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

- (i) Amend the Special Tax levy on the landowner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date,
- (ii) Require the CFD to reimburse the landowner for the amount of the overpayment to the extent of available CFD funds, or
- (iii) Grant a credit against, eliminate or reduce the future Special Taxes on the landowner's Assessor's Parcel(s) in the amount of the overpayment.

If following such consultation and action by the CFD Administrator the landowner believes such error still exists, such person may file a written notice of appeal with the City Council. Upon the receipt of such notice, the City Council or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. If the City Council or designee determines an error still exists, the CFD Administrator shall take any of the actions described as (i), (ii) and (iii) above, in order of priority, in order to correct the error.

The City Council or designee thereof shall interpret this Rate and Method of Apportionment of Special Taxes for purposes of clarifying any ambiguities and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Council or designee shall be final and binding as to all persons.

7. COLLECTION OF SPECIAL TAXES

Collection of the Annual Special Tax shall be made by the County in the same manner as ordinary ad valorem property taxes are collected and the Annual Special Tax shall be subject to the same penalties and the same lien priority in the case of delinquency as ad valorem taxes; provided, however, that the City Council may provide for (i) other means of collecting the Special Tax, including direct billings thereof to the property owners; and (ii) judicial foreclosure of delinquent Annual Special Taxes.

8. PREPAYMENT OF SPECIAL TAX A

A. Prepayment in Full

Property owners may prepay and permanently satisfy Special Tax A by a cash settlement with the City as permitted under Government Code Section 53344. The following definitions apply to this Section 8:

“CFD Public Facilities Costs” means \$33,000,000, which shall increase by the Annual Escalation Factor on January 1, 2024, and on each January 1 thereafter, or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing program for CFD No. 1 IA-C, or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

“Construction Fund” means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees authorized to be funded by CFD No. 1 IA-C.

“Future Facilities Costs” means the CFD Public Facilities Costs minus (i) costs previously paid from the Construction Fund to acquire or construct the facilities, (ii) monies currently on deposit in the Construction Fund, and (iii) monies currently on deposit in an escrow or other designated fund that are expected to be available to finance CFD Public Facilities Costs.

“Outstanding Bonds” means all Previously Issued Bonds, which remain outstanding as of the first interest and/or principal payment date following the current Fiscal Year excluding Bonds to be redeemed at a later date with proceeds of prior Special Tax prepayments.

“Previously Issued Bonds” means all Bonds that have been issued prior to the date of prepayment.

The Special Tax A applicable to an Assessor’s Parcel of Developed Property, or Undeveloped Property for which a Building Permit has been issued may be prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor’s Parcel only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel eligible to prepay Special Tax A shall provide the CFD Administrator with written notice of intent to prepay, and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the Prepayment Amount for such Assessor’s Parcel within thirty (30) days of the request, and may charge a reasonable fee for providing this service. Prepayment must be made at least 60 days prior to any redemption date for the CFD No. 1 IA-C Bonds to be redeemed with the proceeds of such prepaid Special Tax A, unless a shorter period is acceptable to the Trustee and the City.

The Prepayment Amount (defined below) shall be calculated for each applicable Assessor's Parcel or group of Assessor's Parcels as summarized below (capitalized terms as defined below):

Bond Redemption Amount
plus Redemption Premium
plus Future Facilities Prepayment Amount
plus Defeasance Amount
plus Prepayment Administrative Fees and Expenses
less Reserve Fund Credit
less Capitalized Interest Credit
Total: equals Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount (defined in Step 14 below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For Assessor's Parcels of Developed Property, determine the Maximum Special Tax A. For Assessor's Parcels of Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax A for that Assessor's Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for that Assessor's Parcel.
3. Divide the Maximum Special Tax A computed pursuant to paragraph 2 by the total expected Maximum Special Tax A revenue for CFD No. 1 IA-C assuming all Building Permits have been issued (build-out) within CFD No. 1 IA-C, excluding any Assessor's Parcels for which Special Tax A has been previously prepaid.
4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the "Redemption Premium").
6. Compute the Future Facilities Costs.

7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the “Future Facilities Prepayment Amount”).
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date.
9. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
10. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the “Defeasance Amount”).
11. Calculate the administrative fees and expenses of CFD No. 1 IA-C, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 1 IA-C, and the costs of recording any notices to evidence the prepayment and the redemption (the “Prepayment Administrative Fees”).
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the “Reserve Fund Credit”). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement after taking into account such prepayment.
13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to paragraph 3 by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the “Capitalized Interest Credit”).
14. The amount to prepay Special Tax A is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 10, and 11, less the amounts computed pursuant to paragraphs 12 and 13 (the “Prepayment Amount”).
15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 10, less the amounts computed pursuant to paragraphs 12

and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 1 IA-C.

The Prepayment Amount may be sufficient to redeem an amount other than a \$5,000 increment of CFD No. 1 IA-C Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to redeem CFD No. 1 IA-C Bonds to be used with the next prepayment of CFD No. 1 IA-C Bonds.

The CFD Administrator will confirm that all previously levied Special Taxes have been paid in full. With respect to any Assessor's Parcel for which Special Tax A is prepaid in full, once the CFD Administrator has confirmed that all previously levied Special Taxes have been paid, the City Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Special Tax A and the release of the Special Tax A lien on such Assessor's Parcel, and the obligation of the owner of such Assessor's Parcel to pay the Special Tax A shall cease.

Notwithstanding the foregoing, no Special Tax A prepayment shall be allowed unless the aggregate amount of Maximum Special Tax A less the Administrative Expense Requirement that may be levied on Taxable Property, respectively, after the proposed prepayment is at least 1.1 times the Debt Service on all Outstanding Bonds in each Fiscal Year.

B. Partial Prepayment of Special Tax A

The Special Tax A on an Assessor's Parcel of Developed Property or Undeveloped Property for which a Building Permit has been issued may be partially prepaid. The amount of the prepayment shall be calculated as in Section 8.A.; except that a partial prepayment shall be calculated according to the following formula:

$$PP = (PE - A) \times F + A$$

These terms have the following meaning:

PP = the partial prepayment

PE = the Prepayment Amount calculated according to Section 8.A

F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying Special Tax A

A = the Prepayment Administrative Fees and Expenses from Section 8.A

The owner of any Assessor's Parcel who desires such partial prepayment shall notify the CFD Administrator of (i) such owner's intent to partially prepay Special Tax A, (ii) the percentage by which Special Tax A shall be prepaid, and (iii) the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of Special Tax A for an Assessor's Parcel within sixty (60) days of the request and may charge a reasonable fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 8.A., and (ii) indicate in the records of CFD No. 1 IA-C that there has been a partial prepayment of Special Tax A and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the Maximum Special Tax A, shall continue to be levied on such Assessor's Parcel.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the aggregate amount of Maximum Special Tax A less the Administrative Expense Requirement that may be levied on Taxable Property, respectively, after the proposed partial prepayment is at least 1.1 times the Debt Service on all Outstanding Bonds in each Fiscal Year.

9. TERM OF SPECIAL TAX

Special Tax A shall be levied as long as necessary to meet the Special Tax Requirement for Facilities for a period not to exceed fifty (50) Fiscal Years commencing with Fiscal Year 2023-24. The Special Tax B shall be levied in perpetuity.

10. INTERPRETATIONS AND ADJUSTMENTS

Interpretations may be made by the City, without Resolution or Ordinance of the City Council, for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties, or any definition applicable to CFD No. 1 IA-C.

Without City Council approval, the Administrator may make minor, non-substantive administrative and technical changes to the provisions of this document that do not materially affect the rate, method of apportionment, and manner of collection of the Special Tax for purposes of administrative efficiency or convenience or to comply with new applicable federal, state, or local law.

The City, upon request of an owner of land within CFD No. 1 IA-C which is not Developed Property, may also amend this RMA to reallocate the Special Tax applicable to such owner's land in a manner acceptable to the City, without Resolution or Ordinance of the Council, upon the affirmative vote of such owner and without the vote of owners of any other land within the

CFD, provided such amendment (i) only affects the such owner's land, (ii) does not reduce the total annual Maximum Special Tax A revenue for CFD No. 1 IA-C, and (iii) provides for a Special Tax distribution upon development of such land which is reasonably proportional and consistent with Special Tax rates provided for in Section 3 (including escalations thereto) for similar land uses and is compliant with the tax assessment loan exception contained in U.S. Treasury Regulation Section 1.141-5(d).

EXHIBIT A

CITY OF SANTA PAULA AND CFD NO. 1 IA-C CERTIFICATE

1. Pursuant to Section 3F of the Amended and Restated Rate and Method of Apportionment of Special Taxes (the "RMA"), the City of Santa Paula (the "City") and Improvement Area C of Community Facilities District No. 1 of the City of Santa Paula ("CFD No. 1 IA-C") hereby agree to a reduction in the Special Tax A for Developed Property, Undeveloped Property, and/or Provisional Property:

- (a) The information in the RMA relating to the Special Tax A for Developed Property, Undeveloped Property, and Provisional Property shall be modified as follows:

[insert Table 1 showing revised Assigned Special Tax A rates for Developed Property, insert revised Backup Special Tax A rates for Developed Property, and insert change to Maximum Special Tax A rates for Undeveloped Property and Provisional Property]

- (b) The CFD Public Facilities amount in Section 8 shall be changed to \$_____.

2. Special Tax A rates for Taxable Property may only be modified prior to the issuance of Bonds.
3. Upon execution of the Certificate by the City and CFD No. 1 IA-C the City shall cause an amended Notice of Special Tax Lien to be recorded reflecting the modifications set forth herein.

By execution hereof, the undersigned acknowledges, on behalf of the City of Santa Paula and CFD No. 1 IA-C, receipt of this Certificate and modification of the RMA as set forth in this Certificate.

CITY OF SANTA PAULA

By: _____ Date: _____

CFD Administrator

COMMUNITY FACILITIES DISTRICT NO. 1, IMPROVEMENT AREA C,
OF THE CITY OF SANTA PAULA

By: _____ Date: _____

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Christy Ramirez, Finance Director

Subject: END TO SUSPENSION OF WATER SERVICE SHUTOFF FOR
NONPAYMENT

Date: November 2, 2022

Agenda Item: 10.B

RECOMMENDATION:

Staff recommends the City Council:

1. Adopt Resolution 7430 terminating the temporary suspension of the Santa Paula Municipal Code Sections 55.07 and 55.14 relating to late fees associated with utility bills and discontinuation of utility service and adopting an updated residential Water Service Discontinuation Policy.

BACKGROUND:

On September 28, 2018, Governor Brown signed SB 998, the Water Shutoff Protection Act (the “Act” or “SB 998”), effective February 1, 2020. The purpose of the Act is to provide additional procedural protections to residential water customers before the discontinuation of water service. The Act is codified at Health & Safety Code § 116900, et seq. and expands on existing procedural safeguards contained in the Public Utilities Code and Government Code relating to utility service disconnections.

In February 2020, Council adopted Resolution 7243 approving a written policy on discontinuation of water and adopted Ordinance 1290 amending Chapter 55 of the Santa Paula Municipal Code relating to the discontinuation of water service in March 2, 2020.

Due to the COVID pandemic, the Council adopted Resolution 7260 proclaiming a local emergency on March 18, 2020 and subsequently adopted Resolution 7263 on April 15, 2020 temporarily suspending late fees and the discontinuation of utility services associated with utility bills, in order to address the financial impacts of the virus and business closures as it related to resident's ability to pay their utility bills. That temporary suspension has continued to exist.

ANALYSIS:

Due to the timing of SB 998 and COVID pandemic, the City has now suspended water shutoffs for close to three years. This has caused a significant increase in the amount of delinquent accounts that would have otherwise been subject to shutoffs.

The City's Utility Billing report of outstanding balances includes nearly \$1.7 million in uncollected funds. Of that amount approximately \$440,000 belonging to inactive accounts is being routed to a collections agency, per Council's prior direction. The remaining \$1.3 million is split fairly equally between accounts that are less than 40 days past due and accounts over 60 days past due. The latter group, consisting of about 500 accounts would typically be subject to shutoffs.

The City applied for funding from the State Water Resources Control Board "California Water and Wastewater Arrearage Payment Program" and received over \$700,000 to directly assist residential and commercial customers who incurred water utility debt as a result of the COVID-19 Pandemic. The City has also made customers with past due amounts aware of the Low Income Household Water Assistance Program (LIHWAP) which provides up to \$2,000 in assistance for past due utility bills, with over \$25,000 having been provided to date.

Penalties and water service shutoffs will start in January 2023 to allow enough time for public outreach. As we proceed to return to the normal billing and collection procedures, including the imposing of penalties and shutoffs, staff will work with the City Manager's office and public relations consultants to communicate to the public of the impending change, along with pursuing traditional outreach efforts as outlined by the Discontinuation of Service Policy.

STRATEGIC PLAN:

FISCAL IMPACTS:

As noted above, the return to normal billing and collection procedures is expected to significantly address the outstanding receivable amount of \$1.7 Million due to the return of collection activity, penalties, and water shutoffs.

OPTIONS:

1. Reject staff's recommendation leaving in place the extended freeze on shutoffs. Doing so could further complicate the City's collection efforts and remove an important tool to incentivize delinquent account holders to resolve outstanding balances.

ATTACHMENTS:

[Reso 7430 Terminating Suspension of SPMC 55.07 and 55.14 \(Water Shutoff\)-c1.docx](#)
[SP Residential Water Service Discontinuation for Nonpayment Policy-c1.docx](#)

RESOLUTION NO. 7430

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA PAULA (1) TERMINATING THE TEMPORARY SUSPENSION OF SANTA PAULA MUNICIPAL CODE SECTIONS 55.07 AND 55.14 RELATING TO LATE FEES ASSOCIATED WITH UTILITY BILLS AND DISCONTINUATION OF UTILITY SERVICE AND (2) ADOPTING AN UPDATED RESIDENTIAL WATER SERVICE DISCONTINUATION POLICY

The City Council of the City of Santa Paula does resolve as follows:

SECTION 1: This Resolution is made with reference to the following facts:

- A. On March 18, 2020, the City of Santa Paula declared a local emergency due to COVID-19, a contagious respiratory virus that became a global pandemic.
- B. On April 15, 2020, to provide financial relief to residents and businesses during the local emergency, City Council adopted Resolution No. 7263 to temporarily suspend Santa Paula Municipal Code (SPMC) sections 55.07 and 55.14, with the effect of waiving penalties for delinquent water service charges and postponing the discontinuation of water service due to nonpayment.
- C. Unlike at the start of the local emergency, government orders to stay at home and mandating business closures are no longer in effect. Moreover, there are now effective vaccines to significantly lower the risk of death from COVID-19 and the rates of death and hospitalizations have substantially decreased in the region.
- D. Having provided residents and businesses relief from late payment penalties and discontinuation of water service for over two years, City Council finds it is appropriate to reinstate the City's enforcement remedies for delinquent accounts.
- E. Terminating the suspension of SPMC section 55.14 will reinstate the enforcement remedies and procedures in the City's "Residential Water Service Discontinuation for Non-Payment Policy" (the "Policy").
- F. The City adopted its current Policy by Resolution No. 7243 on February 4, 2020 to comply with Senate Bill ("SB") 998 and subsequently adopted Ordinance No. 1290 to update SPMC Chapter 55 for consistency with SB 998.
- G. SPMC section 55.14(D) authorizes the City Council to adopt, by resolution, a policy for discontinuance of residential water service for nonpayment. It also provides that in the event of conflicts between Chapter 55 and the policy, the policy controls.
- H. In light of improved local conditions relative to the height of the pandemic, the City Council finds it is in the City's best interest to terminate the suspension of penalties for delinquent water service charges and thereafter adopt the Policy, as amended, attached to this Resolution.

SECTION 2: *Reinstatement of Santa Paula Municipal Code section 55.07 relating to Late Payment.* The temporary suspension of Section 55.07 of the Santa Paula Municipal Code concerning penalties levied for failure to timely pay utility charges when due is hereby terminated.

SECTION 3: *Reinstatement of Santa Paula Municipal Code section 55.14 relating to Discontinuance of Service.* The temporary suspension of Section 55.14 concerning discontinuation of service for failure to pay utility water service charges when due is hereby terminated.

SECTION 4: *Adoption of Updated Policy.* Based upon the reinstatement of SPMC Section 55.14, the City Council hereby adopts the updated “Residential Water Service Discontinuance for Non-Payment Policy” attached as Exhibit A to this Resolution.

SECTION 5: *Effective Date.* This Resolution will become effective in the month of January of 2023 and will remain effective thereafter unless repealed or superseded.

PASSED AND ADOPTED this 2nd day of November 2022.

Jenny Crosswhite, Mayor

ATTEST:

Julie Latshaw, City Clerk

APPROVED AS TO FORM:

Monica Castillo, Interim City Attorney

APPROVED AS TO CONTENT:

Dan Singer, City Manager

Exhibit A to Resolution

Residential Water Service Discontinuation for Non-Payment Policy

Residential Water Service Discontinuation for Non-Payment Policy

Purpose

The City of Santa Paula (the “City”) recognizes all Californians have the right to safe, accessible, and affordable water as declared by Section 106.3 of the State Water Code. In the event that a water bill becomes delinquent, the City will apply the following Discontinuation for Non-Payment Policy (“Policy”). This Policy includes a plan for deferred or reduced payments, alternative payment schedules, a formal mechanism for a customer to contest or appeal a bill; and a telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

Scope

This Policy applies to all residential water service users. To the extent this Policy conflicts with any other rules, regulations, or policies of the City, this Policy will control.

Policy

The City shall notify residential customers of an impending discontinuation of residential water service due to nonpayment of water charges as set forth in this Policy. Residential water service shall not be discontinued for nonpayment until the following three conditions are met:

- 1) Water charges are delinquent for 60 days or more;
- 2) The account holder and/or occupants have been notified in writing no less than seven (7) days before discontinuation of service; and
- 3) The account holder has:
 - (a) failed to obtain or maintain a payment arrangement or alternative payment schedule with the Utility Billing Division for 60 days or more; or
 - (b) not timely contested or appealed the water charges to the Utility Billing Division and not paid water charges for 60 days or more.

Delinquent Accounts

An account will become delinquent on the business day following the due date to pay the customer’s monthly water service and use charge. All bills for water service are due and payable on or before the 19th day of the month, as established by Santa Paula Municipal Code section 55.06.

The City will disconnect water service for charges that have become delinquent for at least sixty (60) days. A lock service charge will be applied to the account of any water service disconnected for nonpayment of delinquent charges. The City will leave notice of disconnection with information on how to restore water service.

The following rules apply to the collection of delinquent accounts:

1. **Balance Accounts.** Any balance on a bill of \$40.00 or less may be carried over and added to the next billing period without further collection effort.
2. **Late Fee.** Any unpaid balance that is not paid upon the delinquency date will be assessed a 10% penalty. The due date and penalty will be displayed prominently on the bill.
3. **Notice to Residential Tenants/Occupants in an Individually Metered Residence.** If a residence is served by an individually metered residential service to a single-family home, a multi-unit residence, or mobile home park, and the owner or manager is the customer of record ("customer"), the City will make a good faith attempt to inform the tenant/occupant, by means of written notice, when the water service account is delinquent and subject to disconnection at least ten (10) days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become a customer of the City without being required to pay the amount due on the delinquent account, as long as they are willing to meet the City's rules and payment obligations for subsequent water service. In order to become a customer and have the delinquent balance on the landlord/manager's account waived, the tenant/occupant must provide verification of tenancy in the form of a rental agreement, rental receipts, or another satisfactory equivalent.
4. **Notice to Tenants/Occupants in a Multi-Unit Complex Served through a Master Meter.** The City will make a good faith attempt to inform the occupants, by means of written notice when the water service account is delinquent and subject to disconnection at least 7 days before water service is shut off..

Service Discontinuation Notice

The City will make a reasonable attempt to provide written and telephonic notice to the customer and/or occupant of delinquent charges at least 7 days before discontinuation of service. If the City is unable to reach the customer or an adult living at the residence by telephone or written notice, the City shall make a "good faith effort" to visit the residence and leave notice of the imminent discontinuation for nonpayment that includes the web address where this Policy can be found. After service is shut off, the City shall provide discontinued customers with information on how to restore residential water services.

Written Notice

When notice is given in writing, notice will be mailed to the customer at the address for residential service. Notice will be sent to the customer's postal address and the service address if the two addresses are not the same. In the case of two different addresses, notice to the service address will be addressed to "Occupant."

The notice will include the following:

1. The customer's name and address;
2. The amount of the delinquency;

3. The date by which payment or a payment arrangement is due to avoid discontinuation of service;
4. A description of the procedure to petition for bill review and appeal;
5. A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent charges;
6. The procedure for the customer to obtain information on financial assistance, if applicable; and
7. The telephone number where the customer may request a payment arrangement or receive additional information from the City.

Telephonic Notice

When notice is given by telephone, the City will offer to provide a copy of this Policy and to discuss options to avert discontinuation of water service for nonpayment, including the possibility of an amortization or other alternative payment arrangement. The City will also offer to describe the process to petition for review of a bill.

Door Hanger Notice at Service Address

If the City is unable to make contact with the customer or an adult living at the service address in writing or by telephone, the City will make a good faith effort to leave a door hanger at the residence giving notice of imminent discontinuation of residential service and a copy of this Policy. A copy of the Policy is considered provided if the door hanger provides the web address where this Policy may be found. The door hanger will be left at the residence at least forty-eight (48) hours before discontinuation of service. The door hanger will contain the same information as the written notice mailed to the customer, described above.

Alternative Payment Plans

Certain delinquent customers have the right to enter into an alternative payment arrangement with the City to avoid water service shutoff. To avoid disruption of service, the request for an alternative payment arrangement must be received by the City before the date of service termination. Service will not be discontinued if the customer agrees to enter into one of the alternative payment options (amortization agreement or alternative payment schedule) and also submits the following information by the date indicated on the notice:

- a) Certification from a licensed primary care provider that discontinuation of water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is being provided;
- b) Evidence that he or she is financially unable to pay for residential service within the City's normal billing cycle. The customer is deemed financially unable to pay during the normal billing cycle if: (a) any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and

Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level; and

The above documentation may be submitted to the Finance Department, located at 970 Ventura Street, Santa Paula CA; or via email at ub@spcity.org. Upon receipt of documentation from the customer, the City will review the documentation within seven (7) business days and take one of the following actions: (1) notify the customer of the alternative payment option selected by the City and request the customer to sign the City-approved alternative payment form; (2) request additional information from the customer; or (3) notify the customer that he or she does not meet the qualifications.

Payment arrangements may not exceed complete payment of past due balance by more than 30 days from the original due date. Once signed, the alternative payment agreement may not be extended or modified.

Violations of Alternative Payment Plan

The City will shut off the water service of any customer that either fails to comply with an alternative payment agreement, or does not pay residential service charges for 60 days or more after entering the agreement. Subsequent water charges shall be ineligible for a payment arrangement or alternative payment schedule if a payment arrangement or alternative payment schedule for a previous bill is already in effect. Before shutting off service to a property subject to an alternative payment agreement, the City will post a final notice of intent to discontinue service in a conspicuous place at the residence at least five business days before disconnection.

Appeals

A customer who disagrees with a bill may file an appeal to contest charges. The appeal must be filed within five (5) business days of receipt of the disputed bill. The appeal must be in writing, legible, and submitted to the Utility Billing Accounting Technician, located at 970 Ventura Street, Santa Paula, CA. Matters such as the quality of service, rates of service, or the terms and conditions of a payment arrangement or alternative payment schedule may not be contested or appealed to Utility Billing. There will be no discontinuation of service during an appeal.

Restoration of Service

After service has been shutoff for nonpayment, Utility Billing shall provide information to the customer regarding restoration of residential water service. Restoration will be subject to payment of any past-due amounts, including delinquent charges; applicable lock and unlock service fees; and a security deposit, if required by the City.

Miscellaneous Policy Provisions

Languages. This Policy is available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten percent or more people within the system's service area.

Contact. A City representative is available to speak with account holders during regular business hours at (805)933-4211 to discuss this policy as well as options for averting discontinuation of residential service for nonpayment.

Posting of Policy. The City will post this policy on the City's website.

Annual Reporting. Utility Billing shall report the number of annual discontinuations of residential water service for inability to pay on the City's website and report to the State Water Resources Control Board.

Applicability of Policy. This policy does not apply to the termination by the City of a service connection for any other purpose. The City reserves the right to discontinue water service for any violations of City's ordinances, rules, or regulations other than nonpayment.

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: James Mason, Community & Economic Development Director

Subject: DISCUSSION OF CITY CODE SECTION RELATING TO ALCOHOL AND
BEVERAGE SALES SIGNAGE

Date: November 2, 2022

Agenda Item: 10.C

RECOMMENDATION:

Staff recommends that the City Council:

1. Receive the staff report on Municipal Code Section 16.58.010 regarding regulation of signage advertising alcoholic beverages and provide input and direction to staff on potential code amendments.

BACKGROUND:

Section 16.58.010 of the City of Santa Paula Municipal code (Alcohol and Beverage Sales: Development Standard and Use Conditions) restricts the advertising of any kind of alcoholic beverage, including beer, for any use providing alcohol beverage sales for either on-site (bars and restaurants) or off-site (markets, grocers, convenience and liquor stores) consumption. There are two specific sections in Chapter 16.58.010 that address signage at businesses offering alcohol sales.

Section (G) No signs advertising any kind of alcoholic beverage, including beer, which will be easily visible from the exterior of the business will be permitted.

Section (H) Windows must be kept free of signs and other obstructions to allow visual inspection from the outside.

These code sections prohibit the display of posters, banners or illuminated logos (neon signs) advertising alcoholic products visible from the exterior of the businesses as well as the use of references to alcohol in the business name signage.

ANALYSIS:

Throughout the city there are establishments that are permitted for alcohol sales for on-site sale or off-site consumption that have signage that is non-compliant. In past-years, the city's

Code Compliance Division has coordinated outreach to businesses violating the Alcohol and Beverage Sales: Development Standard and Use Conditions that relate to signage and advertisement of alcohol. Most establishments have clear requirements within their Alcohol Conditional Use permit with the City, while in some cases there are establishments that predate the conditional use requirements. As previously stated, the advertisement of alcoholic products visible from the exterior of a business are clear violations of the municipal code sections regulating use conditions for alcohol sales, which code sections were adopted in July 2004. In order to effectively address these issues staff will need to develop a comprehensive approach which will entail formal letters and in person outreach to businesses in violation of the code. In coming months, as staff resources improve, we will initiate outreach to bring businesses into compliance on this issue.

In reference to business name signage, within the city there are several establishments that display non-conforming signs that predate the adoption of this ordinance. As a result, they are able to maintain non-conforming signage, unless they replace or modify the signs. There have also been requests from businesses to install signage, with a business name, that includes a reference to alcohol.

Staff has not been able to identify a similar standard in any other County jurisdictions that specifically restrict the use of a sign with the business name that includes a reference to alcoholic beverages. The distinction in most codes is the reference to signs, posters and illuminated displays advertising alcoholic products in the windows and visible from the exterior of the building.

Chapter 16.58.010 of the municipal code generally restricts signs advertisement of alcohol-related products easily visible from the exterior of the business which has been enforced to restrict business signage as well. Given the inconsistencies between legal, non-conforming signs, and new business requesting signage, there is an opportunity to provide more clarity to this section of the municipal code by the Council. Since we do not have the benefit of determining the original intent of the code when it was written, current input and direction from the Council is appropriate.

The advertisement of specific "kinds of alcoholic beverages" (e.g. beer, wine, etc.) is a clear violation of the municipal code. However, the reference to a "kind" of alcohol (not specific product name) in the business name could prevent a registered business to utilize their registered name in their signage. The recent increase in development interest for restaurant and entertainment within the City will potentially result in more requests for signage with business names that may be in conflict with SPMC 16.58.010(G). It is common for establishments such as wine bars, micro-breweries, and restaurants (both local sole proprietors and larger franchises) to have references to alcohol in their registered business names. Names such as Ale House or Cider House, Brewery, Winery, Tap House and Beer-garden are familiar monikers for restaurants and bars.

At this time, staff is seeking input and direction from Council on your interest in modifying our current code, which would then go through a review by our attorney's office, the Planning Commission, and the public, before returning to the City Council for adoption.

STRATEGIC PLAN:

None

FISCAL IMPACTS:

None

OPTIONS:

As an alternative to staff's recommendation, the City Council may:

1) Maintain the existing code section and City's approach in the regulation of advertising signage for alcohol sales for on-site sale or off-site consumption. However, this may result in discouraging alcohol-selling businesses from coming to the City if they cannot reference an alcoholic beverage in their business name signage.

2) Take other action.

ATTACHMENTS:

[ATTACHMENT A - SPMC 16.58.010 Alcohol Sign Restrictions.docx](#)

[ATTACHMENT B - Signage Requirements and Ideas for Retail Licensees _ Alcoholic Beverage Control.pdf](#)

ATTACHMENT A
SANTA PAULA MUNICIPAL CODE
REFERENCES TO SIGNAGE AND ALCOHOL ADVERTISEMENT

CHAPTER 16.58: ALCOHOLIC BEVERAGE SALES

§ 16.58.010 DEVELOPMENT STANDARDS AND USE CONDITIONS.

Any use providing alcohol beverage sales for either on-site or off-site consumption is subject to the following standards and conditions on use:

(A) All new sales of alcohol, with the exception of temporary sales as specified in § 16.58.030 of this chapter, must obtain a Conditional Use Permit.

(B) A new alcohol sales use may only be established in a location such that the proposed use will not contribute to undue concentration of such uses in an area where additional such uses would be undesirable, with consideration to be given to the area's function and character, problems of crime and loitering, traffic problems and capacity.

(C) Except for temporary sales of alcohol citywide and except for alcohol sales for on-site consumption within the Central Business District, sale of alcoholic beverages within 300 feet of a public or private school is prohibited on weekdays between the hours of 7:00 a.m. and 6:00 p.m.

(D) The proposed use must not adversely affect adjacent or nearby properties.

(E) Adequate litter receptacles must be provided.

(F) Where the proposed use is near residential uses, it must be limited in hours of operation, or designed and operated, so as to avoid disruption of residents' sleep between the hours of 10:00 p.m. and 7:00 a.m.

(G) No signs advertising any kind of alcoholic beverage, including beer, which will be easily visible from the exterior of the business will be permitted.

(H) Windows must be kept free of signs and other obstructions to allow visual inspection from the outside.

(I) The property owner/operator/applicant and the city must enter into an enforcement agreement to facilitate the control of the sale of alcohol, inclusive of spirits, distilled liquor, beer and wine at this site before selling alcohol on the subject property. This agreement will be subject to review and approval of the City Council. The agreement must also obligate any heirs, assigns, and other future owners/operators of the establishment, or must be replaced by a new similar agreement.

(J) No provision in this section is intended to conflict with the authority of the State of California Bureau of Alcoholic Beverage Control (ABC) to issue alcohol sales licenses. Before commencing the proposed use, applicants seeking a Conditional Use Permit for new alcohol sales are required to obtain the appropriate license from ABC in accordance with state law.

(Ord. 1100, passed 7-6-04; Am. Ord. 1194, passed 7-7-08; Am. Ord. 1316, passed 5-18-22)

DIVISION 14: NONCONFORMING SIGNS

§ 16.48.680 ABATEMENT REQUIREMENTS.

Notwithstanding any other provisions of this chapter, all signs legally and lawfully existing before the effective date of this chapter that do not comply with its provisions are nonconforming. All nonconforming signs must be removed or modified to comply with the provisions of this chapter in accordance with the procedures established herein.

(Ord. 1122, passed 10-18-04)

§ 16.48.690 CONTINUATION AND MAINTENANCE.

(A) A nonconforming sign may only be displayed and maintained as set forth in this chapter.

(B) Nonconforming signs must be maintained and repaired as set forth in this chapter.

(Ord. 1122, passed 10-18-04)

§ 16.48.700 RESTRICTIONS ON EXISTING SIGNS.

Any nonconforming sign may be continued in operation and maintained after the effective date of this chapter. However, nonconforming signs must not be:

(A) Replaced with another nonconforming sign;

(B) Moved to another location on the property or to another property;

(C) Structurally altered as to extend the useful life of the sign;

(D) Expanded or enlarged; or

(E) Re-established after damage or destruction of more than 50% of the sign value, as determined by the Director at the time of such damage or destruction, unless required by law or unless such move, alteration, enlargement, or re-establishment will result in the elimination of the nonconformity.

(Ord. 1122, passed 10-18-04)

§ 16.48.710 ABATEMENT SCHEDULE.

All nonconforming signs must be discontinued, removed from their sites, or altered to conform to the requirements of this chapter within the time schedules specified in Table 48-7.

TABLE 48-7 Nonconforming Sign Abatement Schedule	
<i>Type of Nonconforming Sign</i>	<i>Abatement Schedule</i>
1. Animated, illuminated, or moving signs	Within 1 year of the date that the sign becomes nonconforming
2. Wall signs	Within 2 years of the date that the sign becomes nonconforming
3. All other nonconforming signs	Within 5 years of the date that the sign becomes nonconforming

(Ord. 1122, passed 10-18-04)

§ 16.48.720 NONCOMPLIANCE UNLAWFUL.

If at the expiration of the time specified for removal or modification, such removal or modification has not been completed, such sign is declared to be a public nuisance. Abatement, or other enforcement action, may proceed using the procedures set forth in this chapter.

(Ord. 1122, passed 10-18-04)

§ 16.48.730 COMPLIANCE REQUIRED FOR BUILDING PERMIT ISSUANCE.

No building permit may be issued with respect to any property for a use conforming to the provisions of this code until any nonconforming sign or any sign illegally maintained on the property is removed or modified to comply with the provisions of this chapter.

(Ord. 1122, passed 10-18-04)

§ 16.48.740 INVENTORY.

All existing illegal on-premises signs and abandoned signs must be inventoried and identified as required by Cal. Bus. & Prof. Code § 5491.1. The inventory and identification must commence within six months from the date this chapter becomes effective. Within 60 days after the six-month period, the city may commence abatement of the identified preexisting illegal and abandoned on-premises advertising displays.

(Ord. 1122, passed 10-18-04)

DIVISION 15: SIGN REMOVAL

§ 16.48.750 UNSAFE SIGNS.

Unsafe signs may be removed by the city without prior notice. Alternatively, the Director may issue a notice of violation and give the permittee, property owner or person in possession and control of the property 15 days to cure the violation. In the case of an unsafe sign removed by the city, the costs of such removal and storage are borne by the permittee, property owner, or person in possession and control of the property, as applicable, and may be collected by the city in the same manner as it collects any other debt or obligation. No unsafe sign that has been removed and stored by the city may be released until the costs of removal and storage are paid. If an unsafe sign remains unclaimed for a period of 30 days after notice of removal is sent to the

permittee, property owner, or person in possession and control of the property, it is deemed to be unclaimed personal property and disposed of in accordance with the law.

(Ord. 1122, passed 10-18-04)

§ 16.48.760 ILLEGAL SIGNS.

Any illegal sign must be removed or brought into conformity by the permittee, property owner, or person in possession and control of the property following written notice from the Director. Such notice must specify the nature of the violation, order the cessation thereof and require either the removal of the sign or performance of remedial work in the time and manner specified by the notice. The time for removal or repair may not be less than 15 days from the date of mailing the notice. The Director's order may be appealed to the Planning Commission in the manner provided by this code. Should the order be appealed to the Planning Commission, which, following a hearing, upholds the Director's order, the city need not follow the abatement procedures set forth below to abate the sign.

(Ord. 1122, passed 10-18-04)

§ 16.48.770 LEGAL NONCONFORMING SIGNS - SPECIAL CIRCUMSTANCES.

The city cannot require any legal nonconforming sign to be removed on the sole basis of its height or size if special topographic circumstances would result in a material impairment of visibility of the sign or the owner's or user's ability to adequately and effectively continue to communicate to the public through the use of the sign. The owner or user may maintain the sign at the business premises and at a location necessary for continued public visibility at the height or size at which the sign was previously erected pursuant to all applicable codes, regulations and permits. Such signs are deemed to be in conformance with this chapter.

(Ord. 1122, passed 10-18-04)

§ 16.48.780 ABATEMENT OF SIGNS.

Whenever the permittee, property owner, or person in possession or control of the property fails to comply with a director's order requiring compliance with this chapter, the city may abate any such sign in the following manner:

(A) *Declaration of nuisance.* The City Council may declare, by resolution, as public nuisances and abate all illegal signs within its jurisdiction. The resolution must describe the property upon which or in front of which the nuisance exists by stating the lot and block number according to the County Assessor's map and street address, if known. Any number of parcels of private property may be included in one resolution.

(B) *Notice of hearing.* Before the City Council adopts the resolution, the City Clerk must mail not less than ten days' written notice to all persons owning the property described in the proposed resolution as determined by the last equalized assessment roll available on the date the notice is prepared. In addition, the notice must be sent to all known persons, if any, in possession or control of such property if their names are different from those appearing on the assessment roll, and to the permittee, if any. The

notice must state the date, time and place of the hearing and generally describe the purpose of the hearing and the nature of the illegal sign.

(C) *Posting of notice.*

(1) After a resolution is adopted, the enforcement officer must cause notices to be conspicuously posted on or in front of the property on or in front of which the illegal sign exists.

(2) Notice must be substantially in the following form:

NOTICE TO REMOVE ILLEGAL SIGN

Take Notice that on the _____ day of _____, 20____, the Santa Paula City Council adopted a resolution declaring that an illegal sign is located on or in front of this property which constitutes a public nuisance. The sign must be abated by being removed. Failure to remove the sign will result in the City taking action to remove it. The cost of such removal will be assessed upon the property from or in front of which the sign is removed and will constitute a lien upon the property until paid. Refer to the resolution for further particulars. A copy of this resolution is on file in the office of the City Clerk. All property owners having any objection to the proposed removal of the sign are notified to attend a meeting of the City Council of the City of Santa Paula to be held on _____ at _____ a.m./p.m. at (____ location ____), when their objections will be heard and given due consideration.

Dated this _____ day of _____, 20____.

City Clerk

City of Santa Paula

(3) This notice must be posted at least ten days before the time for hearing objections by the City Council.

(D) *Written notice of proposed abatement.*

(1) In addition to posting notice of the resolution and notice of the meeting when objections will be heard, the City Council must direct the City Clerk to mail written notice of the proposed abatement to the all persons owning the property described in the resolution. The City Clerk must cause the written notice to be mailed to each person on whom the described property is assessed in the last equalized assessment roll available on the date the City Council adopted its resolution.

(2) The City Clerk must confirm with the County Assessor the names and addresses of all the persons owning the property described in the resolution. The address of a property owner shown on the assessment roll is conclusively deemed to be the proper address for the purpose of mailing the notice. If the County of Ventura poses any charges upon the city for the actual costs of furnishing the list, the city will reimburse the county and such costs shall be a part of the cost of abatement assessed against the property owner.

(3) The notices mailed by the City Clerk must be mailed at least ten days before the time for hearing objections by the City Council. The notices mailed by the Clerk must be substantially in the form of notice set forth above.

(E) *Hearing--Continuances--Objections--Finality of decision--Order to abate.*

(1) At the time stated in the notices, the City Council will hear and consider all objections to the proposed removal of the sign. It may continue the hearing from time to time. By motion or resolution at the conclusion of the hearing, the City Council will allow or overrule any objections. At that time, the city acquires jurisdiction to proceed and perform the work of removal.

(2) The City Council's decision is final. If objections have not been made, or after the City Council has disposed of those made, the Council will order the enforcement officer to abate the nuisance by having the sign removed. The order must be made by motion or resolution.

(F) *Entry upon private property.* The enforcement officer or city contractor may enter private property to abate the nuisance.

(G) *Removal by owner--Special assessment and lien for costs.* Before the enforcement officer takes action, the property owner or person in possession or control of the property may remove the illegal sign at the owner's own cost and expense. Notwithstanding such action, in any matter in which an order to abate was issued, the City Council may, by motion or resolution, further order that a special assessment and lien be limited to the costs incurred by the city in enforcing abatement upon the property, including investigation, boundary determination, measurement, clerical, legal and other related costs.

(H) *Cost of abatement; itemization.*

(1) The enforcement officer will keep an account of the cost of abatement of an illegal sign. Such officer must submit to the City Council, for confirmation, an itemized written report showing that cost.

(2) A copy of the report must be posted at least three days before being submitted to the City Council, on or near the City Council chambers door, with notice of the time of submission.

(3) At the time fixed for receiving and considering the report, the City Council will hear it with any objections of the property owners liable to be assessed for the abatement. The City Council may modify the report if it is deemed necessary. The City Council may then confirm the report by motion or resolution.

(I) *Abatement by contract.* The nuisance may, in the sole discretion of the City Council, be abated by performance on a contract awarded by the City Council on the basis of competitive bids let to the lowest responsible bidder. The contractor performing the contract must keep an itemized account and submit such itemized written report for each separate parcel of property required by this section.

(J) *Special assessment and lien.*

(1) The cost incurred by the city in enforcing abatement upon the parcel or parcels, including investigation, boundary determination, measurement, clerical, legal or other related costs, are a special assessment against that parcel. After the assessment is made and conformed, a lien attaches on the parcel upon recordation of the order confirming the assessment in the office of the Ventura County Recorder. In the event any real property to which a lien would attach was transferred or conveyed to a bona fide purchaser for value, or if the lien of a bona fide encumbrancer for value was created and attaches thereon, before the date on which the first installment of the assessment would become delinquent, the lien which would otherwise be imposed by this section will not attach to the real property and the costs of abatement and the costs of enforcing abatement, as confirmed, relating to the property will be transferred to the unsecured roll for collection.

(2) Upon confirmation of the report, a copy must be given to the County Assessor and Tax Collector, who will add the amount of the assessment to the next regular tax bill levied against the parcel for municipal purposes.

(3) The city must file a certified copy of the report with the County Assessor, Tax Collector and County Auditor on or before August 10th of each calendar year. The description of the parcels reported must be those used for the same parcels on the Ventura County Assessor's map books for the current year.

(4) The city may request the County Auditor to enter each assessment on the county tax roll opposite the parcel of land.

(5) The city will further request the County Auditor to collect the amount of the assessment at the time and in the manner of ordinary municipal taxes. Any delinquencies in the amount due are subject to the same penalties and procedures of foreclosure provided for ordinary municipal taxes.

(6) The city acknowledges that the County Tax Collector may collect assessments without reference to the general taxes by issuing separate bills and receipts for the assessments. It is further acknowledged that the lien of assessment has the priority of the taxes with which it is collected, and further, that all laws relating to levy, collection and enforcement of county taxes apply to these special assessments.

(K) *Issuance of receipts for abatement costs.* The enforcement officer may receive the amount due on the abatements costs and issue receipts at any time after the confirmation of the report and until ten days before a copy is given to the Assessor and Tax Collector or, where a certified copy is filed with the County Auditor, until August 1 following the confirmation of the report.

(L) *Refund of assessments.* The City Council may order a refund of all or part of an assessment pursuant to this section if it finds that all or part of the assessment was erroneously levied. An assessment, or part thereof, will not be refunded unless a claim is filed with the City Clerk on or before November 1 after the assessment has become due and payable. The claim must be verified by the person who paid the assessment or by the person's guardian, conservator, executor or administrator.

(Ord. 1122, passed 10-18-04)

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To the Licensee

Posting signs at your licensed establishment makes good business sense. Signs can:

- Make your customers and employees aware of your policies or the law;
- Prevent a surprised or angry customer;
- Support what your employees tell your customers;
- Show you are a responsible member of the community; and
- Help you comply with State and local laws.

The following sign requirements may apply to you as a retail licensee. Licensees who fail to post required signs may receive a fine, suspension, or in repeated cases, revocation of their alcoholic beverage license. The Department of Alcoholic Beverage Control (ABC) does not furnish or sell signs to licensees. Sources for signs are listed where known.

Customer Warning

Applies to:

Type 20 and 21 licensees

Sign Requirement:

You must post a sign in your store that warns customers about certain laws and penalties relating to the sale of alcoholic beverages to, or the purchase of alcoholic beverages by, any person under the age of 21 years. There is no minimum size requirement for the sign. The sign must be placed at an entrance or at a point of sale in your store, or in any other location in your store that is visible to your customers and employees (Illustration #16). (Section 25658.4 Business & Professions Code)

Source:

Make your own, have it made, or use Illustration #16 in [this PDF download](#).

Excess Signs on Windows and Doors

Applies to:

Type 20 and 21 licensees

Sign Requirement:

No more than 33% of the square footage of the windows and clear doors may have advertising or signs of any sort. Signage shall be placed so that law enforcement personnel have a clear and unobstructed view of the interior of the store from the outside. This includes areas where the cash register is located. (Section 25612.5(c)(7) Business & Professions Code)

Source:

Loitering and Open Containers

Applies to:

Type 20, 21, 40, 42, 48, and 61 licensees

Sign Requirement:

Upon written notice from ABC, you must post signs prohibiting loitering and open alcoholic beverage containers. ABC will issue the written notice when there is substantial evidence of loitering or drinking in public,, adjacent to the premises. The signs must be prominent, permanent and clearly visible. Generally, the signs should be 24" in length and 14" in width with the print of sufficient size to make them clearly readable. The placement should be reasonable based upon the physical layout of the premises (Illustrations #12 and #13)
(Section 25612.5 (c)(1)(2) Business & Professions Code)

Source: Make your own or have them made.

No Person Under 21 Allowed

Applies to: Type 42, 48 and 61 licensees

Sign Requirement:

You must maintain a sign reading, "No Person Under 21 Allowed" at or near each public entrance. The sign must be visible from the exterior. In addition, a sign of like size and content must be posted at a prominent place inside the licensed premises. These signs must be at least 7" x 11" and have lettering at least 1" in height (Illustration #14). (Rule 107, California Code of Regulations)

Source: Make your own or have them made.

Offensive Signs

Applies to: All licensees

Sign Requirement:

Signs may not be gaudy, blatant, or offensive, and must not obstruct the view of the interior of the premises from the street. (Section 25612 Business and Professions Code)

Source:

ABC License Suspension

Applies to:

Any licensee whose license has been suspended by order of the Department

Sign Requirement:

Every licensee whose license has been suspended by order of ABC must post two notices in conspicuous places, one on the exterior and one on the interior, for the duration of the suspension. The notices are 24" x 14." The licensee may not advertise or post signs to the effect that the premises have been closed or business suspended for any reason other than by order of ABC. (Rule 108, California Code of Regulations)

Source:

ABC will furnish and post these signs.

Signs Furnished by Suppliers for use by Retailers

Applies to:

All licensees

Sign Requirement:

Alcoholic beverage suppliers may give signs advertising their products to retail accounts for interior display. Signs advertising wine or distilled spirits given to on-sale premises cannot exceed 630 square inches in size.

In general, permitted interior signs may have no secondary or utilitarian value. Permitted signage may not be personalized or customized for any retail account. Suppliers may not pay money or furnish anything of value to anyone for the privilege of placing signage in a retail licensed business.

Exterior signs are not authorized and may not be furnished without charge to retail licensees. (Rule I 06, California Code of Regulations)

Source:

Cancer/Pregnancy Warning

Applies to:

All retail licensees, including special event licensees

Sign Requirement:

You must post warning signs regarding cancer risk and birth defects. The law is very specific as to sign size, font size, and placement. (Illustration #15). (Section 12601(b)(1)(D)(i) and 12601(b)(4)(E) California Code of Regulations)

Source:

Your local alcoholic beverage distributor or Sign Management Company (800) 421-3003

Tobacco

Applies to:

Any licensee who sells tobacco products

Sign Requirement:

You must (1) Keep a copy of Penal Code Section 308 conspicuously posted; and (2) Post a warning sign at each point of sale and on each vending machine, stating that selling tobacco products to minors is illegal and subject to penalties. Warning signs must include a toll-free number (1-800-5-ASK-4-ID) that customers may use to report observed tobacco sales to youth under the age of 21. (Sections 22950-22960 Business and Professions Code)

Source:

Department of Health Services, Tobacco Control Section, (910) 558-1784.

Smoking

Applies to:

All licensees

Sign Requirement:

Post clear and prominent signs, as follows:

(1) Where smoking is prohibited throughout the building or structure, a sign stating "No smoking" shall be posted at each entrance to the building or structure.

(2) Where smoking is permitted in designated areas of the building or structure, a sign stating "Smoking is prohibited except in designated areas" shall be posted at each entrance to the building or structure. (Section 6404.5, California Labor Code)

Source:

Your local Health Department.

Slavery and Human Trafficking Public Notice

Applies to:

Type 48, 67, and 80

Sign Requirement:

You must post a notice informing the public victims of human trafficking of telephone hotline numbers to seek help or report unlawful activity. Postings are required to be in both English and Spanish (Illustration #17) and possibly a third language if a business is located in a specific county in which a third language posting is required. Visit the [Attorney General of California website](#) for counties in need of a third language posting and examples of posters in these various languages below: (Civil Code 52.6)

Source:

See Illustration #17 in [this PDF download](#).

Other Requirements

The following agencies and local cities and counties may also have sign requirements.

- U.S. Equal Employment Commission, San Francisco District Office, 450 Golden Gate Ave., San Francisco, CA 94102, (800) 669-4000.
- U.S. Department of Labor, Occupational Safety and Health Administration, 90 7th Street Ste. 2650, San Francisco, CA 94103, (415) 625-2574.
- California Fair Employment and Housing Department, 2218 Klausen Dr., #100 Elk Grove, CA 95758, (916) 478-7251, or 30 Van Ness Ave., 3rd Floor, San Francisco, CA 94102, (415) 557-2005.
- Industrial Welfare Commission, Division of Labor Standards Enforcement, P.O. Box 603, San Francisco, CA 94101, (415) 703-3820.
- Department of Industrial Relations, Division of Occupational Safety and Health, 525 Golden Gate Ave., San Francisco, CA 94102, (415) 557-0300.
- Employment Development Department, 722 Capitol Mall, Sacramento, CA 95814, (866) 333-4606.
- Department of Conservation, Division of Recycling, 801 K St., 15-52, Sacramento, CA 95814, (800) 642-5669.

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Dan Singer, City Manager

Subject: PILOT PROGRAM FOR SPANISH LANGUAGE INTERPRETATION AT
PUBLIC MEETINGS

Date: November 2, 2022

Agenda Item: 10.D

RECOMMENDATION:

Staff recommends City Council:

1. Direct staff to move forward with a six-month pilot program for offering Spanish interpretation services at City Council Meetings;
2. Provide staff feedback as to the level of service and expectations related to Spanish interpretation services; and
3. Direct staff to return at the conclusion of the six months with an evaluation of the program.

Prepared by: Miguel Perez, City Management Fellow

BACKGROUND:

At the September 21, 2022 City Council meeting, Council approved the second tranche of the City's American Rescue Plan Act (ARPA) funds to support several programs and projects. One of the programs Council set funds aside for is to explore a pilot program for interpretation services at public meetings, namely City Council meetings.

The City has many mono-language Spanish speaking residents in addition to data from the 2020 Census revealing that 65% of residents in Santa Paula speak a language other than English at home, with Spanish being the most preferred. As a result, staff has made a concerted effort in recent years to provide materials in English and Spanish to reach all residents in the community through our digital and print communications.

Regarding public meetings, while the City has used interpretation services in the past, and most recently for several districting workshops in the community, the City does not regularly provide interpretation services. In addition, several nonprofits in our community regularly provide interpretation services to ensure that Spanish-speaking residents are able to participate in the decision-making processes, particularly those which directly affect Spanish-speaking residents.

ANALYSIS:

There are two critical factors to be considered when offering interpretation services: quality and consistency. Working with a professional language service provider is one way to ensure high quality and consistency of all translations. A professional language service provides experienced interpreters who have been trained in the field and are aware of cultural differences of the languages that they work with.

Most recently, the City utilized the services of Homeland Language Services (HLS) for a recent community Districting workshop held on September 14, 2022. HLS' current rate is \$110 per hour for one simultaneous interpreter for a less than 2-hour request (2-hour minimum). After the initial 2-hours, HLS would require us to have two simultaneous professional interpreters at a rate of \$95 per hour for each interpreter plus mileage. Round trip miles are billed based on the federal rate of \$0.625 per mile. Other professional language service providers were researched as well and are outlined below, however, HLS has been found to provide the best rates and service thus far.

Company	Cost (2 hours or less)	Cost 2-3 Hours	Cost 3-4 Hours	Headsets	Travel Fee	Up to 3 hours 12 meetings
Homeland Language Services	One Interpreter (2 hour min): \$110.00 per hour \$220	2 Interpreters: \$95.00 per hour * per interpreter. \$570	2 Interpreters: \$95.00 per hour * per interpreter. \$760	\$10 per unit	\$0.625 per mile	$\$95.00 \times (3\text{hours}) =$ $\$285 \times 2 \text{ interpreters} =$ $\$570 \times 12 \text{ meetings} =$ \$6,840
All languages Interpreting & Translating Inc.	\$350.00 flat rate per interpreter (up to 3 hours) \$700	2 interpreters \$350.00 each (up to 3 hours) \$700	After 3 hours (\$700 + \$95 per hour,* per interpreter) \$890	\$6 per unit	Included	$\$350.00 \times 2 =$ $\$700.00 \times 12 =$ \$8,400.00
All Languages Ltd.	\$900 Half-date rate * per interpreter \$1800	\$900. Half-date rate * per interpreter \$1800	\$900. Half-date rate (up to 4 hours) \$1800	N/A	Charge for travel	$\$900.00 \times 2 =$ $\$1,800.00 \times 12 =$ \$21,600

In addition to the per hour cost, there is also a rental cost for the audio headsets used in the translation process per resident who takes advantage of the program. The cost per headset is \$10 dollars. The number of headsets can be adjusted up or down depending on the actual need; however, at this time, staff must notify HLS prior to each meeting how many headsets to

provide at the meeting.

With the above-mentioned costs, and recent experience with HLS, staff estimates the cost for each meeting would be approximately \$282 for a public meeting with a time of 2 hours or less with 5 headsets. There are a total of twelve regular meetings over the next six months thus putting the total cost of the pilot program at \$3,384. Additionally, it should be noted that HLS does not provide any type of long-term agreement and as a result, HLS charges per appointment requested (based on availability).

A pilot program will give staff the opportunity to evaluate the needs and interests of the community and make changes that will help to streamline the services offered should Council desire to consider this as a permanent service. Staff would also be able to monitor the demand for services at each meeting and help determine whether offering the interpretation services help to increase participation and engagement at Council meetings. This will also help staff identify any challenges and provide an assessment of the structure that will be necessary should Council desire a long-term program.

Other Cities Who Provide Spanish Interpretation

To provide Council with an understanding of how other cities provide interpretation services, staff researched neighboring cities in Ventura County. The results are indicated below:

City	Services Provided
Ventura	The City has hired All Languages Interpreting & Translating Inc. (ALI&T) to provide two interpreters, who would switch off every 30 minutes, along with headsets. The total cost of the program is \$11,400 for 12 meetings.
Camarillo	Interpretation services offered for big projects that impact the whole community. Community members can request the service, but it has not been requested in several years.
Carpinteria	Maintains a contract with ALI&T for all City Council meetings, regardless of the need. The need varies based off the items being considered. The services are not utilized at all meetings.
Fillmore	By request only. Previously utilized an interpreter at every meeting but the service was not being used. Interpretation services has not been requested in the past year.
Oxnard	Maintains a contract with ALI&T for all City Council meetings, regardless of the need. The need varies based off the items being considered. The services are utilized at all meetings.
Port Hueneme	No interpretation services.
Thousand Oaks	Interpretation available upon request. 48-hours advance notice required. To date in 2022, the services have not been requested.

As is the case in other cities, it is hard to determine if interpretation services should be utilized at all Council meetings. Based on the cities above, public participation varies from meeting to meeting based upon the items being discussed. A good example of this in Santa Paula was a recently held community workshop on the Districting process, whereby staff retained HLS for services and made attendees aware of the availability of interpretation services, yet zero attendees participated.

As such, staff is requesting Council's feedback this evening as to the following questions:

1. How often, or at what public meetings, would Council desire to provide interpretation

- services (workshops, study sessions, special meetings)?; or
2. Are services only provided during meetings where high-attendance is anticipated?; or
 3. Are services provided with a 48-72 hour request in advance?; or
 4. Does the interpreter stay for the entire length of a meeting or just the first 30 minutes to determine whether interpretation services are requested or needed?; or
 5. Do we provide interpretation services only during certain portions of City Council meetings, such as consent, public hearing or action items? If so, staff will have to work with Council and the interpretation provider on logistics to make this happen during meetings.

Based on Council's feedback, staff will work with HLS who has confirmed that they could start searching for available interpreters to begin services as soon as our January 18, 2022 meeting.

Additionally, as staff looks towards updating the technology in Council Chambers, we may want to further explore streaming City Council Meetings live with Spanish interpretations on our Local Channel 10 and Granicus live stream however, those technologies still need to be researched by staff. After the conclusion of the pilot program, staff will return to Council with an evaluation and discuss next steps.

STRATEGIC PLAN:

This item is not contained in Council's 2-Year Strategic Plan.

FISCAL IMPACTS:

For the six-month pilot program, the total cost of interpretation services at all twelve meetings will be between \$3,384 - \$7,742 depending on length of public meetings and number of interpreters required per meeting. On September 21, 2022, Council amended the City's operating and CIP budget for FY 2022/23 allocating \$10,000 dollars of American Rescue Plan Act (ARPA) funds into GL 412-5-0511-209 for a Pilot Program for Interpretation Services.

OPTIONS:

The Council has the following available alternative options to staff's recommendations:

1. Council could direct staff to select or further research other interpreting service options.
2. Do not move forward with implementing a pilot program for having interpreting services at city council meetings.

ATTACHMENTS:



Santa Paula City Council Tentative Agenda Schedule

DEPARTMENT	MEETING DATE	ITEM DESCRIPTION
Finance	November 16, 2022	Measure T Annual Report
Finance		Finance Department Report
HR		Minimum Wage Increase
HR		Social Media Policy
PW		Grant Carbon Calif. Pipeline Franchise Agreement
PW		Athens Annual Recycle Recognition
CDD		MOU Farm Worker Housing Study
Admin		Contract Extension with Merchant McIntyre
PW		Traffic Roundabout to Council
Admin		Police Chief Selection Process
Admin	December 7, 2022	Proclamation – Mr. Moreno 100 Year Birthday
PR		Visitor from the North Pole
Admin		General Election Declaring Results
Admin		Seating of Elected Officials
Admin		Election of Mayor and Vice Mayor
Admin		Adoption of 2023 Council Meeting Calendar
		STUDY SESSION TOPICS
Admin		No Smoking Ordinance
Admin		Homelessness Discussion
Admin		Diversity, Equity and Inclusion Workshop
		FUTURE AGENDA ITEMS
Admin		SoCal Edison discussion on rates
CDD		Franchise esVolta – Public Hearing
CDD		Housing Element Adoption
CDD		Inclusionary Housing DIF
Admin		Election Districts Workshops
CDD		Review of Street Naming Policy
CDD		VCTC Railroad Update
CDD/Admin		Cultural Arts Update
Clerk		Council Committee Appointments