



CITY OF SOLANA BEACH
SOLANA BEACH CITY COUNCIL
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY, PUBLIC FINANCING
AUTHORITY, HOUSING AUTHORITY

AGENDA

Joint REGULAR Meeting

Wednesday, June 24, 2020 *4:00 p.m.

Teleconference Location Only-City Hall/Council Chambers, 635 S. Highway 101, Solana Beach, California

This meeting will be conducted in accordance with Governor Newsom's Executive Order N-29-20 related to the COVID-19 virus.

PUBLIC MEETING VIEWING

❖ **Live Broadcast on Local Government Channel, Live web-streaming, and Archived videos online.**

The Regular Meetings of the City Council are scheduled for the 2nd and 4th Wednesdays and are broadcast live on Cox Communications-Channel 19, Spectrum(Time Warner)-Channel 24, and AT&T U-verse Channel 99. The video taping of meetings are maintained as a permanent record and contain a detailed account of the proceedings. Council meeting tapings are archived and available for viewing on the City's [Public Meetings](#) webpage.

❖ **Zoom Virtual Webinar (registration required).** Register early and Join the meeting at least 15 minutes prior to the start time. To register to view/listen to the meeting, go to this public participant link https://us02web.zoom.us/webinar/register/WN_kuwBnE_nSjy7YE23TLrPyQ for this meeting, follow the prompts to enter your name and email address. * To receive a confirmation email allowing you to enter the meeting and the link to join, you will need to enter a valid email address. Choose Gallery View to see the presentations, when applicable.

MEETING LOCATION WILL NOT BE OPEN TO THE PUBLIC.

Due to the Executive Order to stay home, in person participation at City Council meetings will not be allowed at this time. In accordance with the Executive Order to stay home, there will be no members of the public in attendance at Council Meetings. Alternatives to in-person attendance for viewing and participating in City Council meetings are being provided under Public Participation.

AGENDA MATERIALS

A full City Council agenda packet including relative supporting documentation is posted online

www.cityofsolanabeach.org Closed Session Agendas are posted at least 72 hours prior to regular meetings and at least 24 hours prior to special meetings.

PUBLIC PARTICIPATION

❖ Written correspondence regarding an agenda item at an open session meeting should be submitted to the City Clerk's Office at EMAILGRP-CityClerksOfc@cosb.org with the Subject line including the meeting date June 10, 2020. Please include the Agenda Item# and topic in your email. * Correspondence received after the official posting of the agenda, but before 12:00 p.m. on meeting day, will be distributed to Council and made available to the public online along with the agenda posting. Written submittals will be added to the record and not read out loud. * All submittals received before the start of the meeting will be made part of the record. The designated location for viewing public documents is the City's website www.cityofsolanabeach.org

❖ **Zoom Webinar Public Comment Participation:**

If you wish to provide a live verbal comment during the meeting, register for the Zoom Virtual (City Council Meeting) Webinar (registration required), register for the Zoom webinar as noted at the top, under Public Meeting/Zoom Webinar, and join the meeting using the "Join Webinar" link provided in your confirmation email.

1) EMAIL a Speaker Request by 12:00 p.m. (noon) on meeting day to EMAILGRP-CityClerksOfc@cosb.org

- Subject line should include Request to Speak
- Content should include the Item/Topic you would like to speak on.

AND

2) REGISTER as a speaker on meeting day by 12:00 p.m. (noon) by going to:

https://us02web.zoom.us/webinar/register/WN_kuwBnE_nSjy7YE23TLrPyQ

and follow the required prompts to receive a confirmation email with your log in link.

- Join the meeting 30 minutes before the meeting begins by clicking on the link provided in your confirmation email.
- Speaking participants may use the computer's microphone and speakers to listen and communicate or they may also call into the meeting by dialing into the meeting with a telephone (this information will be provided in your email confirmation). If you call in as well for better audio, mute your computer's speakers to eliminate feedback.

- Participants will be called upon from those who have submitted the Speaker Request, registered, and logged on as described above. You will be called on by name and unmuted by the meeting organizer and may provide comments for the allotted time. Allotted speaker times are listed under each [Agenda](#) section.
- Participants can use a computer microphone and speakers to listen and communicate or dial into the meeting with a telephone (if you log in and call in, mute one of the devices to eliminate feedback).
- Do not self-mute since you will muted when you enter the meeting and organizers will unmute you to provide comments. All oral comments received prior to the close of the meeting will be made part of the meeting record.

SPECIAL ASSISTANCE NEEDED - AMERICAN DISABILITIES ACT TITLE 2

In compliance with the Americans with Disabilities Act of 1990, persons with a disability may request an agenda in appropriate alternative formats as required by Section 202. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk's office (858) 720-2400 EMAILGRP-CityClerksOfc@cosb.org at least 72 hours prior to the meeting.

As a courtesy to all meeting attendees, please set cellular phones and pagers to silent mode and engage in conversations offline/muted.

CITY COUNCILMEMBERS	
Jewel Edson, Mayor	
Judy Hegenauer, Deputy Mayor	Kristi Becker, Councilmember
Kelly Harless, Councilmember	David A. Zito, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

SPEAKERS:

See Public Participation on the first page of the Agenda for publication participation options.

READING OF ORDINANCES AND RESOLUTIONS:

Pursuant to [Solana Beach Municipal Code](#) Section 2.04.460, at the time of introduction or adoption of an ordinance or adoption of a resolution, the same shall not be read in full unless after the reading of the title, further reading is requested by a member of the Council. If any Councilmember so requests, the ordinance or resolution shall be read in full. In the absence of such a request, this section shall constitute a waiver by the council of such reading.

CALL TO ORDER AND ROLL CALL:

CLOSED SESSION REPORT:

FLAG SALUTE:

APPROVAL OF AGENDA:

PRESENTATIONS:

- 2020 Graduation Recognition

ORAL COMMUNICATIONS:

Note to Public: Refer to [Public Participation](#) for information on how to submit public comment.

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by having submitted written comments for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda.

Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

A. CONSENT CALENDAR: (Action Items) (A.1. - A.11.)

Note to Public: Refer to [Public Participation](#) for information on how to submit public comment.

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion.

Any member of the public may address the City Council on an item of concern by submitting written correspondence for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

A.1. Ratifying Engagement Letter with Pillsbury Winthrop Shaw Pittman LLP and Approving a Professional Services Agreement with Kane Ballmer & Berkman. (File 0400-05)

Recommendation: That the City Council

1. Adopt **Resolution 2020-102** Ratifying Approval of the Engagement Letter with Pillsbury Winthrop Shaw Pittman LLP.
2. Adopt **Resolution 2020-103** Approving a Professional Services Agreement with Kane Ballmer & Berkman.

[Item A.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.2. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for May 23, 2020 – June 5, 2020.

[Item A.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.3. General Fund Adopted Budget for Fiscal Year 2019-2020 Changes. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2019-2020 General Fund Adopted Budget.

[Item A.3. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.4. Annual Investment Policy. (File 0350-30)

Recommendation: That the City Council

1. Adopt **Resolution 2020-071** approving the City's Investment Policy for 2020/21.

[Item A.4. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.5. Quarterly Investment Report. (File 0350-44)

Recommendation: That the City Council

1. Accepts and files the attached Cash and Investment Report for the quarter ended March 31, 2020.

[Item A.5. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.6. Appropriations Limit for Fiscal Year 2020/21. (File 0330-60)

Recommendation: That the City Council

1. Adopt **Resolution 2020-073** establishing the FY 2020/21 Appropriations Limit in accordance with Article XIIB of the California Constitution and Government Code Section 7910 and choosing the County of San Diego's change in population growth to calculate the Appropriations Limit.

[Item A.6. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.7. San Elijo JPA (SEJPA) Recycled Water Pipeline Transfer and Cost Reimbursement. (File 1040-44)

Recommendation: That the City Council

1. Adopt **Resolution 2020-044:**
 - a. Authorizing the City Manager to execute the Pipeline Transfer and Cost Reimbursement Agreement by and between the San Elijo Joint Powers Authority and the City of Solana Beach for the recycled water pipeline along Via de la Valle that was constructed by the City of Del Mar on behalf of the City of Solana Beach.

[Item A.7. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.8. Sewer and Storm Drain Rehabilitation Project Award (File 0850-00)

Recommendation: That the City Council

1. Awarding the construction contract to Southwest Pipeline & Trenchless Corporation, in the amount of \$788,136, for the Sewer & Storm Drain Rehabilitation Project, Bid 2020-01.
2. Approving an amount of \$79,000 for construction contingency.
3. Authorizing the City Manager to execute the construction contract on behalf of the City.
4. Authorizing the City Manager to approve cumulative change orders up to the construction contingency amount.

[Item A.8. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.9. Calling the General Municipal Election for November 3, 2020 for Elected Mayor, District 1 Councilmember, District 3 Councilmember and a Qualified Ballot Measure. (File 0430-20)

Recommendation: That the City Council

1. Adopt **Resolution 2020-090** Calling and Giving Notice of the Holding of a General Municipal Election to be held on Tuesday, November 3, 2020, for the Election of Certain Officers as required by the Provision of the Laws of the State of California Relating to General Law Cities and determining tie vote provisions.
2. Adopt **Resolution 2020-091** requesting the Board of Supervisors of the County of San Diego to Consolidate a General Municipal Election to be held on Tuesday, November 3, 2020, with the Statewide General Election to be held on that date.
3. Adopt **Resolution 2020-092** adopting regulations for Candidates for Elective Office pertaining to Candidate's Statements.
4. Adopt **Resolution 2020-093** authorizing ballot measure Written Arguments and direct the City Attorney to prepare an Impartial Analysis.
5. Adopt **Resolution 2020-094** authorizing filing of ballot measure Rebuttal Arguments.

[Item A.9. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.10. As-Needed Traffic Engineering Services and a Traffic Signal Condition Assessment. (File 0860-05)

Recommendation: That the City Council

1. Adopt **Resolution 2020-086**:

- a. Authorizing the City Manager to approve a Professional Service Agreement with STC Traffic, Inc. for As-Needed Traffic Engineering Services for Fiscal Year 2020/21, in the amount of \$10,000, and for a Traffic Signal Condition Assessment Report, in the amount of \$50,000, for a not-to-exceed total amount of \$60,000.
- b. Authorizing the City Manager to approve a Professional Service Agreement with Chen Ryan Associates for As-Needed Traffic Engineering Services for Fiscal Year 2020/21 for a not-to-exceed amount of \$10,000.
- a. Authorizing the City Manager, at their discretion, to extend the Professional Service Agreement with either or both STC Traffic, Inc. and Chen Ryan Associates for As-Needed Traffic Engineering Services for up to four additional years, at the City's option, at an amount not-to-exceed \$10,000 per year per consultant based on satisfactory past performance.

[Item A.10. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.11. DRO Management Consultants Contract. (File 00600-05)

Recommendation: That the City Council

1. Adopt **Resolution 2020-104**:

- a. Approving the PSA with DRO Management Consultants.
- b. Approving a one-year extension at the City Manager's discretion.

[Item A.11. Report \(click here\)](#)

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B. PUBLIC HEARINGS: (B.1. – B.5.)

Note to Public: Refer to [Public Participation](#) for information on how to submit public comment.

This portion of the agenda provides citizens an opportunity to express their views on a specific issue, as required by law after proper noticing, by submitting written comments for the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda.

After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record.

An applicant or designee(s) for a private development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each.

B.1. Public Hearing: Solana Beach Coastal Rail Trail (CRT) Maintenance District Annual Assessments. (File 0495-20)

The Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony, Close the public hearing.
2. Adopt **Resolution 2020-082**, approving the Engineer's Report regarding the Coastal Rail Trail Maintenance District; and
3. Adopt **Resolution 2020-083** ordering the levy and collection of the annual assessments regarding the Coastal Rail Trail Maintenance District for Fiscal Year 2020/21.

[Item B.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

B.2. Public Hearing: Solana Beach Lighting District Annual Assessments.(File 0495-20)

Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony, Close the public hearing.
2. Adopt **Resolution 2020-084** confirming the diagram and assessment and approving the City of Solana Beach Lighting Maintenance District Engineer's Report; and
3. Adopt **Resolution 2020-085** ordering the levy and collection of annual assessments for FY 2020/21 and ordering the transmission of charges to the County Auditor for collection.

[Item B.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

B.3. Public Hearing: 521 S. Rios Ave, Applicant: Margulis, Case 17-17-40. (File 0600-40)

The proposed project meets the minimum objective requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and administratively issue an SDP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2020-081** conditionally approving a DRP and an SDP for a new multilevel single-family residence with detached garage with an ADU above the garage and to perform associated site improvements at 521 S. Rios Avenue, Solana Beach.

[Item B.3. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

B.4. Public Hearing: 0 Ford Ave., Applicant: Landholdings, LLC, Case DRP19-008, SDP19-008. (File 0600-40)

The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and VAR. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2020-080** conditionally approving a DRP and an SDP for a new single-family residence including a partially subterranean lower level and an attached garage and perform associated site improvements at 0 Ford Avenue, Solana Beach.

[Item B.4. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

B.5. Public Hearing: Amending the Solana Energy Alliance (SEA) Rate Schedule. (File 1010-45)

Recommendation: That the City Council

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Adopt **Resolution 2020-099** amending the rate schedule for Solana Energy Alliance.

[Item B.5. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C. STAFF REPORTS: (C.1.)

Note to Public: Refer to [Public Participation](#) for information on how to submit public comment.

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C.1. Budget Adjustments for Fiscal Year 2020/21 (File 0330-30)

Recommendation: That the City Council

1. Review the proposed amendments to the FY 2020/21 Adopted General Fund Budget and provide Staff with direction to amend the budget for adoption on July 8, 2020.

Item C.1. Report

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

WORK PLAN COMMENTS:

Adopted June 12, 2019

COMPENSATION & REIMBURSEMENT DISCLOSURE:

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency "City" at the next regular meeting of the legislative body.

COUNCIL COMMITTEE REPORTS: [Council Committees](#)

REGIONAL COMMITTEES: (outside agencies, appointed by this Council)

- a. City Selection Committee (meets twice a year) Primary-Edson, Alternate-Zito
- b. County Service Area 17: Primary- Harless, Alternate-Edson
- c. Escondido Creek Watershed Authority: Becker /Staff (no alternate).
- d. League of Ca. Cities' San Diego County Executive Committee: Primary-Becker, Alternate-Harless and any subcommittees.
- e. League of Ca. Cities' Local Legislative Committee: Primary-Harless, Alternate-Becker
- f. League of Ca. Cities' Coastal Cities Issues Group (CCIG): Primary-Becker, Alternate-Harless
- g. North County Dispatch JPA: Primary-Harless, Alternate-Becker
- h. North County Transit District: Primary-Edson, Alternate-Becker
- i. Regional Solid Waste Association (RSWA): Primary-Hegenauer, Alternate-Becker
- j. SANDAG: Primary-Zito, 1st Alternate-Edson, 2nd Alternate-Becker, and any subcommittees.
- k. SANDAG Shoreline Preservation Committee: Primary-Hegenauer, Alternate-Zito
- l. San Dieguito River Valley JPA: Primary-Hegenauer, Alternate-Zito
- m. San Elijo JPA: Primary-Zito, Primary-Becker, Alternate-City Manager
- n. 22nd Agricultural District Association Community Relations Committee: Primary-Edson, Primary-Harless

STANDING COMMITTEES: (All Primary Members) (Permanent Committees)

- a. Business Liaison Committee – Zito, Edson.
- b. Fire Dept. Management Governance & Organizational Evaluation – Harless, Hegenauer
- c. Highway 101 / Cedros Ave. Development Committee – Edson, Becker
- d. Parks and Recreation Committee – Zito, Harless
- e. Public Arts Committee – Edson, Hegenauer
- f. School Relations Committee – Hegenauer, Harless
- g. Solana Beach-Del Mar Relations Committee – Zito, Edson

ADJOURN:

Next Regularly Scheduled Meeting is July 8, 2020

Always refer the City's website Event Calendar for Special Meetings or an updated schedule.

Or Contact City Hall 858-720-2400

www.cityofsolanabeach.org

AFFIDAVIT OF POSTING

STATE OF CALIFORNIA }
COUNTY OF SAN DIEGO } §
CITY OF SOLANA BEACH }

I, Angela Ivey, City Clerk of the City of Solana Beach, do hereby certify that this Agenda for the June 24, 2020 Council Meeting was called by City Council, Successor Agency to the Redevelopment Agency, Public Financing Authority, and the Housing Authority of the City of Solana Beach, California, was provided and posted on June 17, 2020 at 7:30 p.m. on the City Bulletin Board at the entrance to the City Council Chambers. Said meeting is held at 4:00 p.m., June 24, 2020, in the Council Chambers, at City Hall, 635 S. Highway 101, Solana Beach, California.

Angela Ivey, City Clerk * City of Solana Beach, CA

CITIZEN CITY COMMISSION AND COMMITTEE MEETINGS:

Regularly Scheduled, or Special Meetings that have been announced, are posted on each Citizen Commission’s Agenda webpage. See the [Citizen Commission’s Agenda webpages](#) or the City’s Events [Calendar](#) for updates.

- **Budget & Finance Commission**
- **Climate Action Commission**
- **Parks & Recreation Commission**
- **Public Arts Commission**
- **View Assessment Commission**



STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: City Attorney's Office
SUBJECT: **Consider Adoption of Resolution 2020-102 Ratifying Engagement Letter with Pillsbury Winthrop Shaw Pittman LLP and Resolution 2020-103 Approving a Professional Services Agreement with Kane Ballmer & Berkman**

BACKGROUND:

The City of Solana Beach (City) requires special legal counsel in the areas of tax and employee-benefit matters and real property negotiations and Pillsbury Winthrop Shaw Pittman LLP and Kane, Ballmer & Berkman, respectively, have the qualifications and expertise to advise and assist the City with these areas of law.

This item is before the City Council to consider adoption of Resolution 2020-102 ratifying the Engagement Letter between the City and Pillsbury Winthrop Shaw Pittman LLP and Resolution 2020-103 approving a professional services agreement with Kane, Ballmer & Berkman.

DISCUSSION:

Pillsbury Winthrop Shaw Pittman LLP has the qualifications and expertise to advise and assist the City with tax and employee-benefit matters. The continued representation will exceed the City Manager's purchasing authority and City Council action is required. Staff recommends for the City Council to ratify and approve the engagement letter with Pillsbury Winthrop Shaw Pittman LLP.

Kane Ballmer & Berkman has the qualifications and expertise to advise and assist the City with real property negotiations. Staff recommends for the City Council approve a professional services agreement with Kane Ballmer & Berkman.

COUNCIL ACTION:

AGENDA ITEM A.1.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

It is anticipated that there are sufficient funds in the legal budget to cover the costs.

WORK PLAN:

Fiscal Sustainability A. Economic Development

OPTIONS:

- Approve Staff recommendation.
- Approve Staff recommendation with alternative amendments / modifications.
- Deny Staff recommendation.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council

1. Adopt Resolution 2020-102 Ratifying Approval of the Engagement Letter with Pillsbury Winthrop Shaw Pittman LLP.
2. Adopt Resolution 2020-103 Approving a Professional Services Agreement with Kane Ballmer & Berkman.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-102
2. Resolution 2020-103
3. Engagement Letter with Pillsbury Winthrop Shaw Pittman LLP
4. PSA with Kane Ballmer & Berkman

RESOLUTION 2020-102

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, RATIFYING AND APPROVING THE ENGAGEMENT LETTER BETWEEN THE CITY OF SOLANA BEACH AND PILLSBURY WINTHROP SHAW PITTMAN LLP FOR SPECIAL LEGAL SERVICES

WHEREAS, the City requires special counsel to assist and advise on tax and employee-benefits matters; and

WHEREAS, Pillsbury Winthrop Shaw Pittman LLP has the expertise and qualifications to assist the City; and

WHEREAS, the City Manager executed an engagement letter with Pillsbury Winthrop Shaw Pittman LLP; and

WHEREAS, the continued representation requires City Council approval.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the engagement letter with Pillsbury Winthrop Shaw Pittman LLP is extended, approved & ratified.

PASSED AND ADOPTED this 24th day of June, 2020, at a regular meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

ATTACHMENT 1

RESOLUTION 2020-103

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, RATIFYING AND APPROVING THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF SOLANA BEACH AND KANE BALLMER & BERKMAN FOR SPECIAL LEGAL SERVICES

WHEREAS, the City requires special counsel to assist and advise on real property negotiations; and

WHEREAS, Kane Ballmer & Berkman has the expertise and qualifications to assist the City; and

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council approves the Professional Services Agreement and authorizes the City Manager to execute the agreement between the City of Solana Beach and Kane Ballmer & Berkman for special legal services.

PASSED AND ADOPTED this 24th day of June, 2020 at a regular meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

ATTACHMENT 2



Pillsbury Winthrop Shaw Pittman LLP
12255 El Camino Real, Suite 300 | San Diego, CA 92130-4088 | tel 619.234.5000 | fax 858.509.4010

Marcus Wu
tel 858.509.4030
marcus.wu@pillsburylaw.com

VIA E-MAIL

October 23, 2017 ✓

Greg Wade
City of Solana Beach
635 S. Hwy 101
Solana Beach, CA 92075

Re: Engagement Letter

Dear Mr. Wade:

This letter confirms that the City of Solana Beach (“you”) has engaged Pillsbury Winthrop Shaw Pittman LLP to advise and represent you in the matter described below and provides the terms and conditions of our engagement.

1. Scope of Engagement and Fees. You have asked us to represent you in connection with advice regarding tax and employee-benefits matters. Our billing policies and procedures, rates, charges for disbursements, and other standard terms of engagement are provided in the Addendum to this letter.
2. Identity of the Client. Unless agreed otherwise in writing, the City of Solana Beach will be our sole client in this engagement. You understand that we will not be representing any of your affiliated or constituent individuals or entities, such as any parent or subsidiary companies, directors, officers, founders, managers, general or limited partners, employees, members, or shareholders.
3. Pillsbury Marketing. You agree that we may list you as a client in our marketing materials and note the general nature of the matters where we have represented you. We will of course preserve any confidential information obtained during the course of our engagement.
4. Advance Conflicts Waiver. Pillsbury is an international law firm that represents many different clients with diverse interests. Many of our clients conduct business or



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compete with one another. Our website, www.pillsburylaw.com, describes the types of clients we represent, the locations where we practice, and the matters we typically handle.

In the future, we may be asked to represent a party in a transaction or a dispute that is adverse or potentially adverse to you, where that transaction or dispute is unrelated to the matter involved in this engagement. Under the rules of professional conduct for lawyers in many of the jurisdictions where we practice, we may be precluded from representing a current or new client in a matter adverse or potentially adverse to you, even though that matter is unrelated to this engagement for you, unless we have specific agreement from you in advance that we may do so.

Your signature of this letter confirms that you understand and agree that we may take on such unrelated matters and that you waive any conflicts that such a future representation might present to the extent such consent and waiver may be required under applicable laws. We will preserve at all times your confidences under applicable rules of professional conduct and this advance waiver does not affect that obligation.

You also acknowledge, by signing this letter, that you have had the opportunity to consult with other counsel about the consequences of granting this advance waiver and that we recommended that you do so.

5. Termination or Withdrawal. Unless otherwise agreed in writing, this engagement will terminate if no services are provided by us for a six-month period, except where we are awaiting an action or decision by a court, tribunal or agency, or specific actions are necessary to complete the engagement that extend beyond the 6-month period.

You may terminate this representation at any time, with or without cause, by providing written notice to us. In the event of such termination, you agree to pay for our time and expenses incurred in your behalf in copying and transferring files to other legal counsel.

We have the right to withdraw from representation of you subject to applicable rules of professional conduct. Before withdrawing we will discuss with you any steps necessary to protect your interests in any ongoing matter including transfer to other legal counsel.

The termination or withdrawal of this engagement will not affect your responsibility to pay for services rendered and charges incurred on your behalf.



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6. Arbitration of Disputes. If you disagree with the amount of our fees or other charges, or if you have any concerns about our work for you, please bring that to our attention as soon as possible. In the event any dispute between us arising from or relating to our work cannot be resolved informally, we both agree to forego the right to trial by jury and to resolve any disputes between us, or any disputes you have with any of our lawyers or staff, including but not limited to disputes over fees and charges, exclusively through private and confidential binding arbitration before the American Arbitration Association. The arbitration will be governed by the rules for complex commercial disputes, conducted before one neutral arbitrator for any dispute where the claim is less than \$300,000 or before three neutral arbitrators for any larger dispute, and the arbitrator or arbitrators will be authorized to award any damages or relief that a court of law having jurisdiction over the dispute could award. You acknowledge by signing this letter that you have had the opportunity to consult with other counsel about the consequences of agreeing to binding arbitration and that we recommended that you do so.

7. Internal Communications. There may be instances where our lawyers and staff find it useful to communicate about their professional obligations with inside or outside counsel for our firm. For example, we may need to determine if a new representation of another client would present a conflict of interest because of our work for you, and if so, the form of waiver required. Another example is where a dispute occurs between you and our firm. You agree that if our lawyers or staff have communications with our inside or outside legal counsel about our work for you, we have your consent to do so, and such communications will be deemed confidential and protected by our firm's attorney-client privilege. Our representation of you shall not waive such privilege and you agree that we will not be obligated to disclose such privileged communications.

8. Additional Engagements. If you request and we agree that our firm undertake additional engagements for you, or represent any of your affiliates, we will do so on the terms and conditions set forth in this letter unless otherwise mutually agreed in writing.

9. Review and execution. Please review this letter carefully and let us know if you have any questions. If these terms are acceptable, please sign and return the enclosed copy, keeping a copy for your files.

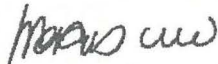
pillsbury

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We are pleased to have this opportunity to be of service and we look forward to working with you on the engagement.

Sincerely,



Marcus Wu
Pillsbury Winthrop Shaw Pittman LLP

Enclosure: ADDENDUM

Accepted and agreed to:

By 

Name:

Title:

Dated: _____

10-24-17

**ADDENDUM
BILLING AND FILES POLICIES AND PROCEDURES**

1. Our Billing Policies and Procedures. Our fees are based on the number of hours devoted to this engagement. The current rates for our attorneys and paralegals who will work on your matter are as follows:

Attorney/Paralegal Name	Rate
Marcus Wu/Partner	\$495
Duste Hutchins/Benefits Specialist	\$135

From time to time, it may become necessary or desirable to assign different or additional attorneys or paralegals to work on your matter. You agree that we may charge our hourly rates currently in effect at the time the work is performed.

Our standard hourly rates are adjusted periodically to reflect the advancing experience, capabilities and seniority of our professionals as well as general economic factors. We will provide you with notice of any adjustment in rates for professionals working on your matter.

Fees generally will be billed within 30 days of the month in which the services are rendered, and disbursements and other charges will generally be billed within 30 to 60 days after they are incurred by us. Payment is due upon your receipt of our statement.

The timely payment of our statements is important to us and a critical part of our engagement. If a bill is not paid within 35 days following the date of the statement, you agree that interest on the full amount thereof at the rate of 1% per month will also be due. Interest will commence to run on the 35th day following the date of our statement for all unpaid amounts. Payment of interest does not waive or limit our rights to withdraw from representation for failure to make timely payment of statements when due.

2. Estimates of Fees and Expenses. Any estimates of anticipated fees that we provide at your request, whether for budgeting purposes or otherwise, are only an approximation of what the actual fees will be. Unless we have otherwise agreed in writing, any such estimate is not a maximum or minimum fee quotation, and our fees will be determined based on actual hours incurred as provided above.

3. Disbursements. In the course of our engagement we will use our normal support systems. In addition to our fees for legal services, we will charge separately for certain costs, expense

disbursements and taxes, as applicable. A list of our standard charges that may be incurred during the course of the engagement is set forth below.

<u>DISBURSEMENT/EXPENSE</u>	<u>CLIENT CHARGE BASIS</u>
Postage	No Charge
Faxes	No Charge
Domestic & International Phone Calls	No Charge
<u>Computer</u>	
Computer Research (LexisNexis and Westlaw), etc.	Charged based on standard vendor rates per search less a discount of 30% on Westlaw and LexisNexis searches, plus the hourly rate of the person conducting the search.
Trademark search fees (database via CD-ROM)	\$30 per search, plus update fees and the standard hourly rate of the person conducting the research.
<u>Document Preparation</u>	
Convenience Copies, Printing, Scanning	\$.19 per page
Copy Center Reproduction & Printing (photocopies, scan, image, etc.)	\$.13 per page (for jobs under 3,500 counts) \$.08 per page (for jobs of 3,500 counts or more)
Oversized Copies	\$.75 per page
Color copies	\$.40 per page (for jobs under 3,500 counts) \$.35 per page (for jobs of 3,500 counts or more)
Document binding (e.g., for briefs, formal presentation documents, etc.)	\$1.25 per binding
CD Burn	\$5.00 per burn
DVD Burn	\$7.50 per burn
Bates Stamping / Labels	\$.03 per
Tabs	\$.20 per tab
Slip Sheets	\$.05 per page
Litigation Preparation – Copying, Scanning, etc.	\$.10 per page (light) \$.12 per page (medium) \$.16 per page (heavy) \$.20 per page (glass work)

All other expenses incurred and paid for by us on your behalf, including express courier service, court services, catering, equipment rental, third-party conference calls, etc. are charged at cost.

Any disbursements over \$2,000 from a third party incurred in this engagement, such as an expert, consultant, supplier or other service provider, will be forwarded to you for direct payment, rather than being paid by us. Alternatively, if that third party consents, we will agree to pay them for invoices over \$2,000 after we receive payment from you for such invoices.

4. Communications, Files and Subpoenas. In working on the engagement, we will preserve communications and documents in either hard-copy or electronic form, depending on the circumstances, as reasonably necessary to represent you. As described below, some of these files belong to you ("Client Files") and some belong to us. The Client Files consist of those electronic and hard-copy documents that are kept in the central file that we maintain for each client matter. That file contains what we consider to be the important records for the representation. All other documents not in the Client File will belong to us. Among other things, the Client File will not contain our administrative documents or drafts of documents or memoranda that we may prepare but do not transmit to you.

In the event we are required to respond to a subpoena or other formal request for records or other information relating to our services for you, including testimony at a deposition, we will consult you before responding to determine if you want to supply the information demanded and/or assert the attorney-client or other privilege that may apply. You agree to reimburse us for the time and expense for responding to such demands, including, without limitation, the time and expense for searching, locating, reviewing and copying responsive information, appearing at depositions or hearings, and litigating any issues raised at your request.

At the completion or termination of this engagement, you may request in writing the return or disposal of the Client Files. In order to collect and prepare the Client Files for delivery or disposal, we likely will need to spend time and incur expense. You agree to pay us at our regular rates for this time and pay any necessary disbursements. We will give you an estimate of our expected charges promptly after receipt of your written request for transfer or disposal of the files. In our discretion we may make and keep a copy of any Client Files being returned or disposed of at our expense.

If you do not request return of the Client Files, we will maintain them for a period of five (5) years, after which time you agree that we may dispose of them in a confidential manner. Prior to disposal of the Client Files, we will advise you in writing, at the last known address in our files, of our intent to do so in order to give you an opportunity to request the materials. We may dispose of our own files at any time without notice to you.

Please also note that if electronic communications are sent or received by you on a computer or other device that may be accessed by third-parties, the privilege protection that such communications with us might otherwise be afforded may be lost. We therefore strongly encourage you not to use such a device when communicating with us. Please also note that our

records may be accessed electronically by all our offices and that we may store records using “cloud computing.”

5. Non-legal Services. Because we are a law firm, we provide only legal services. In the engagement we will not provide any investment, insurance, accounting or technical advice, make business decisions, or investigate the character or credit of those with whom you may be dealing.

City of Solana Beach
PROFESSIONAL SERVICES AGREEMENT
FOR LEGAL SERVICES

THIS Professional Services Agreement (“AGREEMENT”) is made and entered into this 1st day of July, 2020 by and between the CITY OF SOLANA BEACH, a municipal corporation (“CITY”), and, KANE, BALLMER & BERKMAN, a California law corporation, (“CONSULTANT”) (collectively “PARTIES”).

WHEREAS, the CITY desires to employ a CONSULTANT to furnish legal services (“PROFESSIONAL SERVICES”) for real property negotiations within the City's jurisdiction (“PROJECT”); and

WHEREAS, the CITY has determined that CONSULTANT is qualified by experience and ability to perform the services desired by CITY, and CONSULTANT is willing to perform such services; and

WHEREAS, CONSULTANT will conduct all the work as described and detailed in this AGREEMENT to be provided to the CITY.

NOW, THEREFORE, the PARTIES hereto mutually covenant and agree with each other as follows:

1. PROFESSIONAL SERVICES.

- 1.1. Scope of Services.** The CONSULTANT shall perform the PROFESSIONAL SERVICES as set forth in the written Scope of Services, attached as Exhibit “A” Scope of Services and Fee, at the direction of the CITY. CITY shall provide CONSULTANT access to appropriate staff and resources for the coordination and completion of the projects under this AGREEMENT.
- 1.2. Project Coordinator.** The City Attorney, Johanna Canlas, is hereby designated as the Project Coordinator for CITY and will monitor the progress and execution of this AGREEMENT. CONSULTANT shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this AGREEMENT for CONSULTANT. Kendall D. Levan, Esq. is hereby designated as the Project Director for CONSULTANT.
- 1.3. City Modification of Scope of Services.** CITY may order changes to the Scope of Services within the general scope of this AGREEMENT consisting of additions, deletions, or other revisions. If such changes cause a change in the CONSULTANT's cost of, or time required for, completion of the Scope of Services, an equitable adjustment to CONSULTANT's compensation and/or contract time shall be made, subject to the CITY'S approval. All such changes shall be authorized in writing, executed by CONSULTANT and CITY.

2. DURATION OF AGREEMENT.

- 2.1. Term.** The term of this AGREEMENT shall begin as of the date of this Agreement and shall remain in full force and effect unless and until the parties hereto terminate the same. Time is of the essence in the performance of work under this AGREEMENT, unless otherwise specified.
- 2.2. City's Right to Terminate for Default.** Should CONSULTANT be in default of any covenant or condition hereof, CITY may immediately terminate this AGREEMENT for cause if CONSULTANT fails to cure the default within ten (10) calendar days of receiving written notice of the default.

2.3. City's Right to Terminate without Cause. Without limiting its rights in the event of CONSULTANT's default, CITY may terminate this AGREEMENT, without cause, by giving written notice to CONSULTANT. Such termination shall be effective upon receipt of the written notice. CONSULTANT shall be compensated for all effort and material expended on behalf of CITY under the terms of this AGREEMENT, up to the effective date of termination. All personal property remaining in CITY facilities or on CITY property thirty (30) days after the expiration or termination of this AGREEMENT shall be, at CITY's election, considered the property of CITY.

3. COMPENSATION.

3.1. Total Amount. All fees for services rendered and costs billed to the City shall be in accordance with any terms negotiated and incorporated herein as part of Exhibit "A" Scope of Services and Fee. CONSULTANT shall bill the CITY for work provided and shall present a written request for such payment monthly.

3.2. Additional Services. CITY may, as the need arises or in the event of an emergency, request additional services of CONSULTANT. Should such additional services be required, CITY and CONSULTANT shall agree to the cost prior to commencement of these services.

4. INDEPENDENT CONTRACTOR.

4.1. CONSULTANT is, for all purposes arising out of this AGREEMENT, an independent contractor. The CONSULTANT has and shall retain the right to exercise full control and supervision of all persons assisting the CONSULTANT in the performance of said services hereunder, the CITY only being concerned with the finished results of the work being performed. Neither CONSULTANT nor CONSULTANT's employees shall in any event be entitled to any benefits to which CITY employees are entitled, including, but not limited to, overtime, retirement benefits, workers' compensation benefits, injury leave or other leave benefits. CONSULTANT is solely responsible for all such matters, as well as compliance with social security and income tax withholding and all other regulations and laws governing such matters.

5. STANDARD OF PERFORMANCE.

While performing the PROFESSIONAL SERVICES, CONSULTANT shall exercise the reasonable professional care and skill customarily exercised by reputable members of CONSULTANT's profession practicing in the metropolitan Southern California Area, and will use reasonable diligence and best judgment while exercising its professional skill and expertise.

6. WARRANTY OF CONSULTANT'S LICENSE.

CONSULTANT warrants that CONSULTANT is properly licensed with the applicable government agency(ies) for any PROFESSIONAL SERVICES that require a license. If the CONSULTANT lacks such license, this AGREEMENT is void and of no effect.

7. AUDIT OF RECORDS.

7.1. At any time during normal business hours and as often as may be deemed necessary the CONSULTANT shall make available to a representative of CITY for examination all of its records with respect to all matters covered by this AGREEMENT and shall permit CITY to audit, examine and/or reproduce such records. CONSULTANT shall retain such financial and program service records for at least four (4) years after termination or final payment under this AGREEMENT.

- 7.2. The CONSULTANT shall include the CITY's right under this section in any and all of their subcontracts, and shall ensure that these sections are binding upon all subcontractors.

8. CONFIDENTIALITY.

All professional services performed by CONSULTANT, including but not limited to all drafts, data, correspondence, proposals, reports, research and estimates compiled or composed by CONSULTANT, pursuant to this AGREEMENT, are for the sole use of the CITY, its agents and employees. Neither the documents nor their contents shall be released to any third party without the prior written consent of the CITY. This provision does not apply to information that (a) was publicly known, or otherwise known to CONSULTANT, at the time that it was disclosed to CONSULTANT by the CITY, (b) subsequently becomes publicly known through no act or omission of CONSULTANT or (c) otherwise becomes known to CONSULTANT other than through disclosure by the CITY. Except for any subcontractors that may be allowed upon prior agreement, neither the documents nor their contents shall be released to any third party without the prior written consent of the CITY. The sole purpose of this section is to prevent disclosure of CITY's confidential and proprietary information by CONSULTANT or subcontractors.

9. CONFLICTS OF INTEREST.

- 9.1. CONSULTANT shall at all times comply with all federal, state and local conflict of interest laws, regulations, and policies applicable to public contracts and procurement practices, including but not limited to California Government Code Section 81000 *et seq.* (Political Reform Act) and Section 1090 *et seq.* CONSULTANT shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONSULTANT has a financial interest as defined in Government Code Section 87103. CONSULTANT represents that it has no knowledge of any financial interests which would require it to disqualify itself from any matter on which it might perform services for the CITY.
- 9.2. If, in performing the PROFESSIONAL SERVICES set forth in this AGREEMENT, the CONSULTANT makes, or participates in, a "governmental decision" as described in Title 2, Section 18700.3(a) of the California Code of Regulations, or performs the same or substantially all the same duties for the CITY that would otherwise be performed by a CITY employee holding a position specified in the department's conflict of interest code, the CONSULTANT shall be subject to a conflict of interest code requiring the completion of one or more statements of economic interests disclosing the CONSULTANT's relevant financial interests.
- 9.3. If checked, the CONSULTANT shall comply with all of the reporting requirements of the Political Reform Act. Specifically, the CONSULTANT shall file a Fair Political Practices Commission Form 700 (Assuming Office Statement) within thirty (30) calendar days of the CITY's determination that the CONSULTANT is subject to a conflict of interest code. The CONSULTANT shall also file a Form 700 (Annual Statement) on or before April 1 of each year of the AGREEMENT, disclosing any financial interests held during the previous calendar year for which the CONSULTANT was subject to a conflict of interest code.
- 9.4. CITY represents that pursuant to California Government Code Section 1090 *et seq.*, none of its elected officials, officers, or employees has an interest in this AGREEMENT.

10. DISPOSITION AND OWNERSHIP OF DOCUMENTS.

- 10.1. All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONSULTANT under this AGREEMENT, whether paper or electronic, shall become the property of CITY for use with respect to this PROJECT, and shall be turned over to the CITY upon completion of the PROJECT or any phase thereof, as contemplated by this AGREEMENT.
- 10.2. Contemporaneously with the transfer of documents, the CONSULTANT hereby assigns to the CITY and CONSULTANT thereby expressly waives and disclaims, any copyright in, and the right to reproduce, all written material, drawings, plans, specifications or other work prepared under this AGREEMENT, except upon the CITY's prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONSULTANT shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

11. INSURANCE

- 11.1. CONSULTANT shall procure and maintain for the duration of the AGREEMENT insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONSULTANT, their agents, representatives, employees or subcontractors. Insurance shall be placed with insurers with a current A.M. Best's rating of no less than "A" and "VII" unless otherwise approved in writing by the CITY's Risk Manager.
- 11.2. CONSULTANT's liabilities, including but not limited to CONSULTANT's indemnity obligations, under this AGREEMENT, shall not be deemed limited in any way to the insurance coverage required herein. All policies of insurance required hereunder must provide that the CITY is entitled to thirty (30) days prior written notice of cancellation or non-renewal of the policy or policies, or ten (10) days prior written notice for cancellation due to non-payment of premium. Maintenance of specified insurance coverage is a material element of this AGREEMENT.
- 11.3. **Types and Amounts Required.** CONSULTANT shall maintain, at minimum, the following insurance coverage for the duration of this AGREEMENT:
 - 11.3.1. **Commercial General Liability (CGL).** If checked the CONSULTANT shall maintain CGL Insurance written on an ISO Occurrence form or equivalent providing coverage at least as broad which shall cover liability arising from any and all personal injury or property damage in the amount of \$2,000,000.00 per occurrence and subject to an annual aggregate of \$4,000,000.00. There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.
 - 11.3.2. **Commercial Automobile Liability.** If checked the CONSULTANT shall maintain Commercial Automobile Liability Insurance for all of the CONSULTANT's automobiles including owned, hired and non-owned automobiles, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit of \$1,000,000.00 per occurrence. Insurance certificate shall reflect coverage for any automobile (any auto).

- 11.3.3.** **Workers' Compensation.** If checked the CONSULTANT shall maintain Worker's Compensation insurance for all of the CONSULTANT's employees who are subject to this AGREEMENT and to the extent required by applicable state or federal law, a Workers' Compensation policy providing at minimum \$1,000,000.00 employers' liability coverage. The CONSULTANT shall provide an endorsement that the insurer waives the right of subrogation against the CITY and its respective elected officials, officers, employees, agents and representatives.
- 11.3.4.** **Professional Liability.** If checked the CONSULTANT shall also maintain Professional Liability (errors and omissions) coverage with a limit of \$1,000,000 per claim and \$2,000,000 annual aggregate. The CONSULTANT shall ensure both that (1) the policy retroactive date is on or before the date of commencement of the Scope of Services; and (2) the policy will be maintained in force for a period of three years after substantial completion of the Scope of Services or termination of this AGREEMENT whichever occurs last. The CONSULTANT agrees that for the time period defined above, there will be no changes or endorsements to the policy that increase the CITY's exposure to loss. All defense costs shall be outside the limits of the policy.
- 11.4. Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions are the responsibility of the CONSULTANT and must be declared to and approved by the CITY. At the option of the CITY, either (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the CITY, its officers, officials, employees and volunteers, or (2) the CONSULTANT shall provide a financial guarantee satisfactory to the CITY guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- 11.5. Additional Required Provisions.** The commercial general liability and automobile liability policies shall contain, or be endorsed to contain, the following provisions:
- 11.5.1.** The CITY, its officers, officials, employees, and representatives shall be named as additional insureds. The CITY's additional insured status must be reflected on additional insured endorsement form (20 10 1185 or 20 10 1001 and 20 37 1001) which shall be submitted to the CITY.
- 11.5.2.** The policies are primary and non-contributory to any insurance that may be carried by the CITY, as reflected in an endorsement which shall be submitted to the CITY.
- 11.6. Verification of Coverage.** CONSULTANT shall furnish the CITY with original certificates and amendatory endorsements effecting coverage required by this Section 11. The endorsement should be on forms provided by the CITY or on other than the CITY's forms provided those endorsements conform to CITY requirements. All certificates and endorsements are to be received and approved by the CITY before work commences. The CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

12. INDEMNIFICATION.

CONSULTANT agrees to indemnify, defend, and hold harmless the CITY, and its officers, officials, agents and employees from any and all claims, demands, costs or liabilities that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT, its employees, agents, and subcontractors in the performance of services under this AGREEMENT. CONSULTANT's duty to indemnify under this section shall not include liability for damages for death or bodily injury to persons, injury to

property, or other loss, damage or expense arising from the sole negligence or willful misconduct by the CITY or its elected officials, officers, agents, and employees. CONSULTANT's indemnification obligations shall not be limited by the insurance provisions of this AGREEMENT. The PARTIES expressly agree that any payment, attorney's fees, costs or expense CITY incurs or makes to or on behalf of an injured employee under the CITY's self-administered workers' compensation is included as a loss, expense, or cost for the purposes of this section, and that this section will survive the expiration or early termination of this AGREEMENT.

13. SUBCONTRACTORS.

- 13.1.** The CONSULTANT's hiring or retaining of third parties (i.e. subcontractors) to perform services related to the PROJECT is subject to prior approval by the CITY.
- 13.2.** All contracts entered into between the CONSULTANT and its subcontractor shall also provide that each subcontractor shall obtain insurance policies which shall be kept in full force and effect during any and all work on this PROJECT and for the duration of this AGREEMENT. The CONSULTANT shall require the subcontractor to obtain, all policies described in Section 11 in the amounts required by the CITY, which shall not be greater than the amounts required of the CONSULTANT.
- 13.3.** In any dispute between the CONSULTANT and its subcontractor, the CITY shall not be made a party to any judicial or administrative proceeding to resolve the dispute. The CONSULTANT agrees to defend and indemnify the CITY as described in Section 12 of this AGREEMENT should the CITY be made a party to any judicial or administrative proceeding to resolve any such dispute.

14. NON-DISCRIMINATION.

CONSULTANT shall not discriminate against any employee or applicant for employment because of sex, race, color, age, religion, ancestry, national origin, military or veteran status, disability, medical condition, genetic information, gender expression, marital status, or sexual orientation. CONSULTANT shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their sex, race, color, age, religion, ancestry, national origin, military or veteran status, disability, medical condition, genetic information, gender expression, marital status, or sexual orientation and shall make reasonable accommodation to qualified individuals with disabilities or medical conditions. Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by CITY setting forth the provisions of this non-discrimination clause.

15. NOTICES.

All communications to either party by the other party shall be delivered to the persons listed below. Any such written communications by mail shall be conclusively deemed to have been received by the addressee five (5) calendar days after the deposit thereof in the United States mail, postage prepaid and properly addressed as noted below.

Gregory Wade, City Manager
City of Solana Beach
635 S. Highway 101

Kendall D. Levan, Esq.
Kane, Ballmer & Berkman
515 S. Figueroa Street; Ste 780

16. ASSIGNABILITY.

This AGREEMENT and any portion thereof shall not be assigned or transferred, nor shall any of the CONSULTANT's duties be delegated or sub-contracted, without the express written consent of the CITY.

17. RESPONSIBILITY FOR EQUIPMENT.

CITY shall not be responsible nor held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by CONSULTANT or any of CONSULTANT's employees or subcontractors, even if such equipment has been furnished, rented, or loaned to CONSULTANT by CITY. The acceptance or use of any such equipment by CONSULTANT, CONSULTANT's employees, or subcontractors shall be construed to mean that CONSULTANT accepts full responsibility for and agrees to exonerate, indemnify and hold harmless CITY from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment.

18. CALIFORNIA LAW; VENUE.

This AGREEMENT shall be construed and interpreted according to the laws of the State of California. Any action brought to enforce or interpret any portion of this AGREEMENT shall be brought in the county of San Diego, California. CONSULTANT hereby waives any and all rights it might have pursuant to California Code of Civil Procedure Section 394.

19. COMPLIANCE WITH LAWS.

The Consultant shall comply with all laws, ordinances, regulations, and policies of the federal, state, and local governments applicable to this AGREEMENT whether now in force or subsequently enacted. This includes maintaining a City of Solana Beach Business Certificate.

20. ENTIRE AGREEMENT.

This AGREEMENT sets forth the entire understanding of the PARTIES with respect to the subject matters herein. There are no other understandings, terms or other agreements expressed or implied, oral or written, except as set forth herein. No change, alteration, or modification of the terms or conditions of this AGREEMENT, and no verbal understanding of the PARTIES, their officers, agents, or employees shall be valid unless agreed to in writing by both PARTIES.

21. NO WAIVER.

No failure of either the City or the Consultant to insist upon the strict performance by the other of any covenant, term or condition of this AGREEMENT, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this AGREEMENT shall constitute a waiver of any such breach of such covenant, term or condition.

22. SEVERABILITY.

The unenforceability, invalidity, or illegality of any provision of this AGREEMENT shall not render any other provision unenforceable, invalid, or illegal.

23. DRAFTING AMBIGUITIES.

The PARTIES agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this AGREEMENT, and the decision of whether or not to seek advice of counsel with respect to this AGREEMENT is a decision which is the sole responsibility of each Party. This AGREEMENT shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of the AGREEMENT.

24. CONFLICTS BETWEEN TERMS.

If an apparent conflict or inconsistency exists between the main body of this AGREEMENT and the Exhibits, the main body of this AGREEMENT shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this AGREEMENT, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this AGREEMENT, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this AGREEMENT.

25. EXHIBITS INCORPORATED.

All Exhibits referenced in this AGREEMENT are incorporated into the AGREEMENT by this reference.

26. SIGNING AUTHORITY.

- 26.1. The representative for each Party signing on behalf of a corporation, partnership, joint venture, association, or governmental entity hereby declares that authority has been obtained to sign on behalf of the corporation, partnership, joint venture, association, or entity and agrees to hold the other Party or PARTIES hereto harmless if it is later determined that such authority does not exist.
- 26.2. If checked, a proper notary acknowledgement of execution by CONSULTANT must be attached.

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT the day and year first hereinabove written.

CITY OF SOLANA BEACH, a municipal corporation

CONSULTANT, a California law corporation

By:

By:

City Manager, Gregory Wade

Signature

Kendall D. Levan, Principal Attorney

ATTEST:

City Clerk. Angela Ivey

APPROVED AS TO CONTENT:

Gregory Wade, City Manager

APPROVED AS TO FORM:

City Attorney, Johanna N. Canlas

EXHIBIT "A"

SCOPE OF SERVICES AND FEE

Kane, Ballmer & Berkman, a California law corporation ("Consultant") will provide the City of Solana Beach ("City") with legal services related to the real property negotiations within the City's jurisdiction on an as needed.

All legal services will be provided primarily by Kendall D. Levan, Esq. with the assistance of other attorneys in our office as needed. Such services will be billed on an as needed basis and may include legal advice and preparation of appropriate documentation. The costs of all services will be based on the hourly fee rates listed in the fee schedule below.

PUBLIC RATE SUMMARY

Senior Principal	\$300/hour
Of Counsel	\$300/hour
Principal	\$300/hour
Senior Counsel	\$250/hour
Senior Associate	\$225/hour
Associate	\$210/hour
Paralegal	\$125/hour
Case Clerk	\$100/hour

CLASSIFICATION OF ATTORNEYS

<u>Name</u>	<u>Status</u>	<u>Billable Rate</u>
Royce K. Jones	Senior Principal	\$300/hour
Susan Y. Apy	Principal	\$300/hour
Kendall D. Levan	Principal	\$300/hour
Murray O. Kane	Of Counsel	\$300/hour
Glenn F. Wasserman	Of Counsel	\$300/hour
Bruce Gridley	Senior Counsel	\$250/hour
Deborah L. Rhoads	Senior Counsel	\$250/hour
Todd C. Mooney	Senior Counsel	\$250/hour
Edward Kang	Senior Associate	\$225/hour
James Hanger	Associate	\$210/hour

NOTE: The same hourly rate is applicable to Court appearances.

NOTE: The firm may modify the name and status of attorneys listed above.

Travel, subsistence, and other out-of-pocket expenses authorized in connection with the performance of duties under the Agreement would include, along with any other authorized expenses:

- a. The amount of the actual cost of coach class transportation by common carrier or at the per mile rate established by the IRS if travel is performed by privately-owned vehicle;
- b. Reasonable subsistence expenses, supported by detailed records in the amount of actual costs;
- c. Taxi fares, long distance telephone calls, postage, online legal research and similar expenditures in the amount of the actual cost;
- d. Duplication costs for all copies at twenty-five (25) cents per page, and facsimile costs at one dollar (1.00) per page; and
- e. Fees and costs incurred by the Consultant in engaging consultants and experts approved in advance by the City.

Unless approved in writing in advance by the City, the Consultant will not charge the City for travel time or mileage for travel within the County of San Diego. Further, the Consultant shall not be reimbursed for secretarial or typist services or normal office operating expenses, with the exception of word processing fees but only if noted in the rate schedule.

The Consultant shall be reimbursed for actual litigation costs, fees and expenses, such as filing fees, expert witness fees, charges for service of process and costs of investigation.



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Finance
SUBJECT: Register of Demands

BACKGROUND:

Section 3.04.020 of the Solana Beach Municipal Code requires that the City Council ratify a register of demands which represents all financial demands made upon the City for the applicable period.

Register of Demands- 05/23/20 through 06/05/20

Check Register-Disbursement Fund (Attachment 1)		\$	528,044.15
Retirement Payroll	May 26, 2020		10,228.00
Net Payroll	May 29, 2020		166,932.40
Federal & State Taxes	May 29, 2020		45,068.35
PERS Retirement (EFT)	May 29, 2020		46,372.84

TOTAL		\$	<u>796,645.74</u>
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DISCUSSION:

Staff certifies that the register of demands has been reviewed for accuracy, that funds are available to pay the above demands, and that the demands comply with the adopted budget.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The register of demands for May 23, 2020 through June 5, 2020 reflects total expenditures of \$796,645.74 from various City funding sources.

WORK PLAN:

N/A

CITY COUNCIL ACTION: _____ _____

OPTIONS:

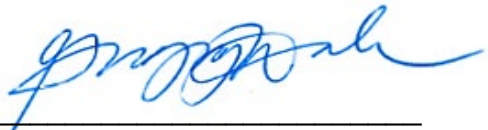
- Ratify the register of demands.
- Do not ratify and provide direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council ratify the above register of demands.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Check Register – Disbursement Fund

PENTAMATION
 DATE: 06/05/2020
 TIME: 11:57:51

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 1
 ACCTPA21

SELECTION CRITERIA: transact.gl_cash='1011' and transact.ck_date between '20200523 00:00:00.000' and '20200605 00:00:00.000'
 ACCOUNTING PERIOD: 12/20

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	97134	05/28/20	2137	AFLAC	001	MAY 20	0.00	895.40
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	550	CEA IMPLEMENTION-NOV	0.00	3,282.88
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	55000007750	CEA IMPLEMENTION-DEC	0.00	442.12
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	55000007750	CEA IMPLEMENTION-OCT	0.00	1,275.00
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	55000007750	CEA OTHER-OCT	0.00	2,546.16
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	55000007750	CEA IMPEMENTION-NOV	0.00	3,282.88
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	550	CEA IMPLEMENTION-NOV	0.00	-3,282.88
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	550	CEA OTHER-OCT	0.00	-2,546.16
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	550	CEA IMPLEMENTION-OCT	0.00	-1,275.00
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	550	CEA IMPLEMENTION-DEC	0.00	-442.12
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	550	CEA IMPLEMENTION-DEC	0.00	442.12
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	550	CEA IMPLEMENTION-OCT	0.00	1,275.00
1011	97135	05/28/20	5320	BAYSHORE CONSULTING GROU	550	CEA OTHER-OCT	0.00	2,546.16
TOTAL CHECK							0.00	7,546.16
1011	97136	05/28/20	5822	CALIFORNIA OFFICE CLEANI	00165006570	JANITORIAL SVC-MAR	0.00	350.00
1011	97136	05/28/20	5822	CALIFORNIA OFFICE CLEANI	00165006570	JNTRL SVC-APR	0.00	750.00
1011	97136	05/28/20	5822	CALIFORNIA OFFICE CLEANI	00165006570	JANITORIAL SVC-APR	0.00	3,500.00
1011	97136	05/28/20	5822	CALIFORNIA OFFICE CLEANI	00165006570	JANITORIAL SVC-MAR	0.00	5,646.00
1011	97136	05/28/20	5822	CALIFORNIA OFFICE CLEANI	00165006570	CVD-19 CLN-3/16-17,19	0.00	480.00
1011	97136	05/28/20	5822	CALIFORNIA OFFICE CLEANI	00165006570	COVID-19 CLN-APR	0.00	1,040.00
TOTAL CHECK							0.00	11,766.00
1011	97137	05/28/20	2631	CLEAN STREET	00165006550	STREET SWP-APR	0.00	3,364.00
1011	97138	05/28/20	3902	CORODATA RECORDS MANAGEM	00150005150	RECORDS STRG-APR	0.00	327.15
1011	97139	05/28/20	134	DIXIELINE LUMBER CO INC	00165006530	CAULKING	0.00	6.45
1011	97139	05/28/20	134	DIXIELINE LUMBER CO INC	00165006570	SEALANT	0.00	10.75
1011	97139	05/28/20	134	DIXIELINE LUMBER CO INC	00165006570	DOOR STOP/WASH	0.00	14.12
1011	97139	05/28/20	134	DIXIELINE LUMBER CO INC	00165006530	BOLTS/WSHRS/SCREWS	0.00	71.85
1011	97139	05/28/20	134	DIXIELINE LUMBER CO INC	00165006530	PNT RLLR/BLK TOP PTCH	0.00	73.49
1011	97139	05/28/20	134	DIXIELINE LUMBER CO INC	00165006570	HAMMER/BULBS	0.00	78.15
1011	97139	05/28/20	134	DIXIELINE LUMBER CO INC	00165006570	LUMBER	0.00	188.73
TOTAL CHECK							0.00	443.54
1011	97140	05/28/20	94	ESGIL CORPORATION	00155005560	BLDG PRMT 04/20-04/24	0.00	2,950.97
1011	97141	05/28/20	2162	FRIENDS OF SOLANA BEACH	00150005100	FY19/20 SB LIB CONTRBT	0.00	10,000.00
1011	97142	05/28/20	5262	GEORGE HILLS COMPANY, IN	12050005460	CLM.1904 PROF SCC	0.00	184.80
1011	97143	05/28/20	3299	HELIX ENVIRONMENTAL	21355005550	1719.13/514 CANYON	0.00	727.50
1011	97143	05/28/20	3299	HELIX ENVIRONMENTAL	21355005550	1719.13/514 CANYON	0.00	122.50
TOTAL CHECK							0.00	850.00
1011	97144	05/28/20	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 05/29/20	0.00	12,902.29
1011	97145	05/28/20	3859	ICMA RETIREMENT TRUST-RH	001	ICMA PD 05/29/20	0.00	2,023.34
1011	97146	05/28/20	1679	INTERNT'L INSTIT. MUNICI	00150005150	ANNUAL MBRSHP-ARMBRUS	0.00	135.00

PENTAMATION
 DATE: 06/05/2020
 TIME: 11:57:51

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 2
 ACCTPA21

SELECTION CRITERIA: transact.gl_cash='1011' and transact.ck_date between '20200523 00:00:00.000' and '20200605 00:00:00.000'
 ACCOUNTING PERIOD: 12/20

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	97146	05/28/20	1679	INTERNT'L INSTIT. MUNICI	00150005150	ANNUAL MEMBRSH-IVEY	0.00	195.00
TOTAL CHECK							0.00	330.00
1011	97147	05/28/20	2102	LEGAL SHIELD CORP	001	PPD LEGAL-MAY 20	0.00	64.75
1011	97148	05/28/20	4023	LIFE-ASSIST, INC	27060006120	CSA17.20 HRTSTRT BTTY	0.00	894.33
1011	97149	05/28/20	5219	JERUSALEM CONSTRUCTION,	240	9355.06ADA RMP RLS RT	0.00	2,605.00
1011	97150	05/28/20	113	PITNEY BOWES GLOBAL FINA	00150005150	CITY WIDE POSTAGE	0.00	2,800.00
1011	97151	05/28/20	141	SANTA FE IRRIGATION DIST	00165006560	005506015 0317-0515	0.00	117.34
1011	97151	05/28/20	141	SANTA FE IRRIGATION DIST	00165006560	005506016 0317-0515	0.00	282.31
1011	97151	05/28/20	141	SANTA FE IRRIGATION DIST	00165006560	005979003 0317-0515	0.00	217.48
1011	97151	05/28/20	141	SANTA FE IRRIGATION DIST	20375007510	005979004 0317-0515	0.00	245.65
1011	97151	05/28/20	141	SANTA FE IRRIGATION DIST	20375007510	007732000 0317-0515	0.00	135.68
TOTAL CHECK							0.00	998.46
1011	97152	05/28/20	4959	TELECOM LAW FIRM	00150005250	PROF SVC-WIA/CTIA	0.00	166.67
1011	97153	06/04/20	1135	AFFORDABLE PIPELINE SERV	00165006520	K-STORM DRAIN MAINT	0.00	1,100.00
1011	97153	06/04/20	1135	AFFORDABLE PIPELINE SERV	00165006520	H-STORM DRAIN MAINT	0.00	1,140.00
TOTAL CHECK							0.00	2,240.00
1011	97154	06/04/20	3704	ARCO GASPRO PLUS	00165006560	AUTO FUEL-05/03-06/03	0.00	63.89
1011	97154	06/04/20	3704	ARCO GASPRO PLUS	00165006570	AUTO FUEL-05/03-06/03	0.00	106.48
1011	97154	06/04/20	3704	ARCO GASPRO PLUS	00165006510	AUTO FUEL-05/03-06/03	0.00	117.13
1011	97154	06/04/20	3704	ARCO GASPRO PLUS	50900007700	AUTO FUEL-05/03-06/03	0.00	127.79
1011	97154	06/04/20	3704	ARCO GASPRO PLUS	00160006140	AUTO FUEL-05/03-06/03	0.00	239.07
1011	97154	06/04/20	3704	ARCO GASPRO PLUS	00160006120	AUTO FUEL-05/03-06/03	0.00	248.44
1011	97154	06/04/20	3704	ARCO GASPRO PLUS	00165006530	AUTO FUEL-05/03-06/03	0.00	308.82
1011	97154	06/04/20	3704	ARCO GASPRO PLUS	00165006520	AUTO FUEL-05/03-06/03	0.00	340.75
1011	97154	06/04/20	3704	ARCO GASPRO PLUS	00160006170	AUTO FUEL-05/03-06/03	0.00	736.94
TOTAL CHECK							0.00	2,289.31
1011	97155	06/04/20	4832	AT&T CALNET 3	50900007700	9391012277 4/24-5/23	0.00	13.50
1011	97155	06/04/20	4832	AT&T CALNET 3	00165006540	9391012279 4/24-5/23	0.00	43.80
1011	97155	06/04/20	4832	AT&T CALNET 3	00160006120	9391059865 3/01-3/31	0.00	389.80
1011	97155	06/04/20	4832	AT&T CALNET 3	00160006120	9391012280 3/24-4/23	0.00	505.47
TOTAL CHECK							0.00	952.57
1011	97158	06/04/20	1914	US BANK	001	CNTRL SQ-WONG-03/17	0.00	276.80
1011	97158	06/04/20	1914	US BANK	00150005150	FILE CABINET	0.00	283.91
1011	97158	06/04/20	1914	US BANK	00160006170	SCUBA REG MAINT	0.00	356.47
1011	97158	06/04/20	1914	US BANK	00150005300	GFOA CAFR AWARD-FY19	0.00	460.00
1011	97158	06/04/20	1914	US BANK	00150005450	MONITOR-AS	0.00	651.49
1011	97158	06/04/20	1914	US BANK	001	CALBO CONF-LIM-7/13	0.00	830.00
1011	97158	06/04/20	1914	US BANK	13550005450	ZOOM FOR EES	0.00	2,149.13
1011	97158	06/04/20	1914	US BANK	00150005400	LCW WEB COVID-POUNEH	0.00	75.00
1011	97158	06/04/20	1914	US BANK	00150005400	CORONAVS WEBNR-POUNEH	0.00	145.00
1011	97158	06/04/20	1914	US BANK	001	SANDAG-EDSON	0.00	-542.76
1011	97158	06/04/20	1914	US BANK	001	CNTRL SQ-BENSON-03/17	0.00	-225.63

PENTAMATION
 DATE: 06/05/2020
 TIME: 11:57:51

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 3
 ACCTPA21

SELECTION CRITERIA: transact.gl_cash='1011' and transact.ck_date between '20200523 00:00:00.000' and '20200605 00:00:00.000'
 ACCOUNTING PERIOD: 12/20

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	97158	06/04/20	1914	US BANK	001	CNTRL SQ-TWADE-03/17	0.00	-225.63
1011	97158	06/04/20	1914	US BANK	001	CNTRL SQ-WONG-03/17	0.00	-225.63
1011	97158	06/04/20	1914	US BANK	001	OSHA-KOSZEWNK-3/25-26	0.00	-40.00
1011	97158	06/04/20	1914	US BANK	00150005150	MONITOR STAND	0.00	-35.09
1011	97158	06/04/20	1914	US BANK	00160006140	RECORD DOCUMENT FEE	0.00	4.50
1011	97158	06/04/20	1914	US BANK	00150005150	HAND SANITIZER	0.00	5.92
1011	97158	06/04/20	1914	US BANK	00165006530	PWI WATER	0.00	8.38
1011	97158	06/04/20	1914	US BANK	00150005150	MINUTE TRANSCRIPTION	0.00	9.40
1011	97158	06/04/20	1914	US BANK	00150005450	HOSTING DOMAINS-FEB	0.00	9.95
1011	97158	06/04/20	1914	US BANK	00150005200	CLOSED SESSION-03/10	0.00	11.00
1011	97158	06/04/20	1914	US BANK	00150005250	CLOSED SESSION-03/10	0.00	12.00
1011	97158	06/04/20	1914	US BANK	00150005200	PARKING-RSWA COM MTG	0.00	12.00
1011	97158	06/04/20	1914	US BANK	00150005450	PRIME MEMBERSHIP	0.00	14.00
1011	97158	06/04/20	1914	US BANK	00150005200	CLOSED SESSION-02/26	0.00	16.49
1011	97158	06/04/20	1914	US BANK	00150005250	CLOSED SESSION-02/26	0.00	16.49
1011	97158	06/04/20	1914	US BANK	00150005100	SCHL RLTN MTG COFFEE	0.00	17.95
1011	97158	06/04/20	1914	US BANK	55000007750	CCA SITE SCANNER	0.00	19.80
1011	97158	06/04/20	1914	US BANK	00160006170	SQUEEGEE AND BLADE	0.00	20.44
1011	97158	06/04/20	1914	US BANK	00150005150	MINUTE TRANSCRIPTION	0.00	22.40
1011	97158	06/04/20	1914	US BANK	00150005450	CABLES	0.00	26.15
1011	97158	06/04/20	1914	US BANK	00150005450	IPAD CASE	0.00	28.00
1011	97158	06/04/20	1914	US BANK	00165006540	COVID SIGN LAMINATION	0.00	31.24
1011	97158	06/04/20	1914	US BANK	00150005450	BATTERIES	0.00	38.76
1011	97158	06/04/20	1914	US BANK	00165006570	TOOL HOLDER	0.00	42.54
1011	97158	06/04/20	1914	US BANK	00150005150	PARCEL REPORTS	0.00	42.85
1011	97158	06/04/20	1914	US BANK	001	INSTRCTR-PENNELL-4/10	0.00	44.00
1011	97158	06/04/20	1914	US BANK	00150005150	FILE ORGANIZER	0.00	52.79
1011	97158	06/04/20	1914	US BANK	00150005150	FILE ORGANIZER	0.00	52.79
1011	97158	06/04/20	1914	US BANK	00150005150	PAPER/PENS	0.00	62.45
1011	97158	06/04/20	1914	US BANK	00150005450	COUNCIL MTG MIC	0.00	63.65
1011	97158	06/04/20	1914	US BANK	00150005450	MEMORY	0.00	71.12
1011	97158	06/04/20	1914	US BANK	00160006170	EMT REFRESH-PENNELL	0.00	72.10
1011	97158	06/04/20	1914	US BANK	00150005100	CLOSED SESSION-03/10	0.00	73.08
1011	97158	06/04/20	1914	US BANK	00150005450	CONSTANT CONTACT-MAR	0.00	75.00
1011	97158	06/04/20	1914	US BANK	00150005200	SYMPATHY FLOWERS	0.00	80.82
1011	97158	06/04/20	1914	US BANK	00165006530	SAFETY MTG OUTLINES	0.00	100.00
1011	97158	06/04/20	1914	US BANK	50900007700	SAFETY MTG OUTLINES	0.00	100.00
1011	97158	06/04/20	1914	US BANK	13560006170	4 MS IPAD CASE	0.00	112.00
1011	97158	06/04/20	1914	US BANK	00150005150	BINDER/DIVIDERS/CLOCK	0.00	116.54
1011	97158	06/04/20	1914	US BANK	00150005100	CLOSED SESSION-02/26	0.00	127.25
1011	97158	06/04/20	1914	US BANK	00150005350	HAND SANITIZER	0.00	130.27
1011	97158	06/04/20	1914	US BANK	00150005300	INVTRY-CAMERA/MEMORY	0.00	133.28
1011	97158	06/04/20	1914	US BANK	00150005150	PENS/TWLS/LMNTN/PAPER	0.00	136.30
1011	97158	06/04/20	1914	US BANK	00150005150	ENGRAVED GAVEL	0.00	162.50
1011	97158	06/04/20	1914	US BANK	00150005300	ACA CY19 E-FILING	0.00	181.70
1011	97158	06/04/20	1914	US BANK	00150005450	FINANCE PRINTER	0.00	267.73
TOTAL CHECK							0.00	6,558.69
1011	97159	06/04/20	5822	CALIFORNIA OFFICE CLEANI	00165006570	JNTRL SVC-05/15	0.00	450.00
1011	97160	06/04/20	1964	CSAC EXCESS INSURANCE AU	12550005465	FY19 EWC PREM ADJ	0.00	4,783.00

PENTAMATION
 DATE: 06/05/2020
 TIME: 11:57:51

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 4
 ACCTPA21

SELECTION CRITERIA: transact.gl_cash='1011' and transact.ck_date between '20200523 00:00:00.000' and '20200605 00:00:00.000'
 ACCOUNTING PERIOD: 12/20

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT	
1011	97161	06/04/20	218	DATATICKET INC.	00160006140	PRKNG TCKT ADMIN-APR	0.00	158.66	
1011	97162	06/04/20	94	ESGIL CORPORATION	00155005560	BLDG PRMT 03/16-03/20	0.00	141.00	
1011	97162	06/04/20	94	ESGIL CORPORATION	00155005560	BLDG PRMT 04/13-04/17	0.00	5,984.13	
TOTAL CHECK								0.00	6,125.13
1011	97163	06/04/20	692	MCCAIN TRAFFIC SUPPLY IN	12050005460	CR20.917SNGL BAS RPLC	0.00	1,802.66	
1011	97164	06/04/20	5861	MICHAEL STEIN	00160006120	COVID19-THEMRMTRS	0.00	120.00	
1011	97165	06/04/20	2106	MIKHAIL OGAWA ENGINEERIN	00165006520	JURMP-APR	0.00	5,720.05	
1011	97166	06/04/20	111	MISSION LINEN & UNIFORM	00165006570	MASKS	0.00	75.43	
1011	97167	06/04/20	66	NORTH COUNTY DISPATCH (J	00160006120	FY20 DISPATCH SVC Q3	0.00	21,987.39	
1011	97168	06/04/20	3754	PAL GENERAL ENGINEERING	20293626510	9362PAV RPR CNT-04/22	0.00	17,649.52	
1011	97168	06/04/20	3754	PAL GENERAL ENGINEERING	24793626510	9362PAV CTN RTN-04/22	0.00	718.65	
1011	97168	06/04/20	3754	PAL GENERAL ENGINEERING	247	9362PAV CTN RTN-04/22	0.00	-718.65	
TOTAL CHECK								0.00	17,649.52
1011	97169	06/04/20	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-FC	0.00	32.00	
1011	97169	06/04/20	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-LC	0.00	32.00	
1011	97169	06/04/20	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-PW	0.00	32.00	
1011	97169	06/04/20	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-MS	0.00	32.00	
1011	97169	06/04/20	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-FS	0.00	37.00	
1011	97169	06/04/20	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-CH	0.00	49.50	
1011	97169	06/04/20	5361	HABITAT PROTECTION, INC	00165006570	AS ND PST CNTL-MAY-MS	0.00	27.00	
TOTAL CHECK								0.00	241.50
1011	97170	06/04/20	1008	PSC, LLC	00165006520	HHW-APR	0.00	398.40	
1011	97171	06/04/20	1112	RANCHO SANTA FE SECURITY	00165006560	RESTRM LCK/UNLOCK-MAY	0.00	555.79	
1011	97171	06/04/20	1112	RANCHO SANTA FE SECURITY	00165006560	ALARM MONITORING-MAY	0.00	240.00	
TOTAL CHECK								0.00	795.79
1011	97172	06/04/20	257	SAN DIEGO COUNTY SHERIFF	001	CR TOW FEE-MAR	0.00	-218.84	
1011	97172	06/04/20	257	SAN DIEGO COUNTY SHERIFF	21960006110	LAW ENFORCEMENT-MAR	0.00	8,333.34	
1011	97172	06/04/20	257	SAN DIEGO COUNTY SHERIFF	00160006110	LAW ENFORCEMENT-MAR	0.00	359,062.73	
TOTAL CHECK								0.00	367,177.23
1011	97173	06/04/20	141	SANTA FE IRRIGATION DIST	00160006120	005512000 0303-0501	0.00	456.17	
1011	97174	06/04/20	169	SDG&E CO INC	00165006530	UTILITIES -4/06-5/06	0.00	406.22	
1011	97174	06/04/20	169	SDG&E CO INC	00165006540	UTILITIES -4/06-5/06	0.00	422.17	
1011	97174	06/04/20	169	SDG&E CO INC	00165006530	UTILITIES-4/05-5/05	0.00	704.01	
1011	97174	06/04/20	169	SDG&E CO INC	00165006540	UTILITIES-4/05-5/05	0.00	894.71	
1011	97174	06/04/20	169	SDG&E CO INC	00165006570	UTILITIES -4/06-5/06	0.00	1,608.36	
1011	97174	06/04/20	169	SDG&E CO INC	20375007510	UTILITIES-4/05-5/05	0.00	2,217.21	
1011	97174	06/04/20	169	SDG&E CO INC	00165006570	UTILITIES-4/05-5/05	0.00	3,960.57	
1011	97174	06/04/20	169	SDG&E CO INC	21100007600	UTILITIES -4/06-5/06	0.00	6,674.25	
TOTAL CHECK								0.00	16,887.50

PENTAMATION
 DATE: 06/05/2020
 TIME: 11:57:51

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 5
 ACCTPA21

SELECTION CRITERIA: transact.gl_cash='1011' and transact.ck_date between '20200523 00:00:00.000' and '20200605 00:00:00.000'
 ACCOUNTING PERIOD: 12/20

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005350	STPLS/HGH LTRS/FLDRS	0.00	44.38
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005300	PPR HLDR/FILE FLDRS	0.00	60.51
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005150	MOUSE	0.00	64.64
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005350	PAPER	0.00	94.81
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005300	TONER/FILE FLDRS	0.00	288.19
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005350	PAPER	0.00	391.74
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005350	STAPLES	0.00	6.46
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00155005550	RUBBER BANDS	0.00	10.28
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005150	PENS	0.00	17.23
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005300	PLANNER	0.00	22.94
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005150	CLIPBOARD	0.00	24.56
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005350	BATTERIES/VELCRO	0.00	26.86
1011	97175	06/04/20	1231	STAPLES CONTRACT & COMME	00150005150	CLIPBRD/CLNNG SLTN	0.00	27.30
TOTAL CHECK							0.00	1,079.90
1011	97176	06/04/20	5594	WEX BANK	00160006120	CR EXEMPT TAX-APR	0.00	-60.40
1011	97176	06/04/20	5594	WEX BANK	00160006120	CR EXEMPT TAX-MAR	0.00	-56.75
1011	97176	06/04/20	5594	WEX BANK	00160006120	AUTO FUEL-APR	0.00	834.84
1011	97176	06/04/20	5594	WEX BANK	00160006120	AUTO FUEL-MAR	0.00	839.82
TOTAL CHECK							0.00	1,557.51
1011	97177	06/04/20	37	XEROX CORPORATION	00150005350	EXCESS BLK-2/21-3/01	0.00	38.55
1011	97177	06/04/20	37	XEROX CORPORATION	00150005350	EXCESS CLR-2/21-3/01	0.00	256.59
TOTAL CHECK							0.00	295.14
1011	V9000119	06/04/20	5834	KIMLEY-HORN AND ASSOCIAT	45999055550	9905.03 PROF SVC-APR	0.00	5,711.00
1011	V9000120	06/04/20	2097	UT SAN DIEGO - NRTH COUN	00155005550	PUB HRG-HSNG ELMT APR	0.00	260.39
1011	V9000120	06/04/20	2097	UT SAN DIEGO - NRTH COUN	00155005550	PB HRG-19-001/006/007	0.00	310.85
1011	V9000120	06/04/20	2097	UT SAN DIEGO - NRTH COUN	00155005550	PUB HRG-1717.40 DRP	0.00	350.26
1011	V9000120	06/04/20	2097	UT SAN DIEGO - NRTH COUN	20293626510	9362.21 BID 2020-03	0.00	436.66
1011	V9000120	06/04/20	2097	UT SAN DIEGO - NRTH COUN	00150005150	ORD 513-ADOPT	0.00	60.58
TOTAL CHECK							0.00	1,418.74
TOTAL CASH ACCOUNT							0.00	528,044.15
TOTAL FUND							0.00	528,044.15
TOTAL REPORT							0.00	528,044.15



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Finance
SUBJECT: **Report on Changes Made to the General Fund Adopted Budget for Fiscal Year 2019/20**

BACKGROUND:

Staff provides a report at each Council meeting that lists changes made to the current Fiscal Year (FY) General Fund Adopted Budget.

The information provided in this Staff Report lists the changes made through June 10, 2020.

DISCUSSION:

The following table reports the revenue, expenditures, and transfers for 1) the Adopted General Fund Budget approved by Council on June 12, 2019 (Resolution 2019-085) and 2) any resolutions passed by Council that amended the Adopted General Fund Budget.

GENERAL FUND - ADOPTED BUDGET PLUS CHANGES						
As of June 10, 2020						
Action	Description	Revenues	Expenditures	Transfers from GF		Net Surplus
Reso 2019-085	Adopted Budget	19,357,000	(19,141,500)	(151,100)	(1)	\$ 64,400
Reso 2020-026	FY2019/20	656,100	(502,700)	-		217,800
Reso 2020-063	Tyler Munis	199,250	-	(199,250)	(2)	217,800
Reso 2020-076	COVID-19 Budget Impact	(1,047,900)	467,400	-		(362,700)
	(1) Transfers to:					
	Debt Service for Public Facilities		151,100			
				151,100		
	(2) Transfer to:					
	Asset Replacement		199,250			
				199,250		

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA

COUNCIL ACTION:

FISCAL IMPACT:

N/A

WORK PLAN:

N/A

OPTIONS:

- Receive the report.
- Do not accept the report

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council receive the report listing changes made to the FY 2019-2020 General Fund Adopted Budget.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Finance
SUBJECT: **Council Consideration of Resolution 2020-071 Adopting the Fiscal Year 2020/21 City Investment Policy**

BACKGROUND:

Pursuant to its own terms, the City's Investment Policy (Policy) must be reviewed and adopted annually by a resolution of the City Council. The terms of the Policy must be in compliance with the California Government Code (Code) Section 53601.

This item is before the City Council to consider Resolution 2020-071 (Attachment 1) adopting the City's Investment Policy for Fiscal Year (FY) 2020/21.

DISCUSSION:

The proposed Policy (Attachment 2) is not intended to be comprehensive for all situations, but instead serves as a guideline for the City Treasurer, under the direction of the City Manager, to assist in the adequate safeguarding of the City's financial assets. The attached Policy conforms to Code Section 53601. The City's Policy is more restrictive in terms of allowable investments than what is recommended by the Code.

Included in the Policy are updates to reflect clarifications made to the Code and Chandler Asset Management's suggested best practices. Chandler Asset Management currently manages the largest portion of the City's investment portfolio.

The following is a summary of the changes to the Policy:

- IX. Authorized Investments; Subsection 4. Federal Agencies – Chandler recommends limiting exposure to callable agencies to 20% of the portfolio to limit call risk. This avoids restricting corporate bonds that have call dates just prior to maturity and therefore do not have a high degree of optionality. (Page 7)
- XVI. Risk Management and Diversification; Mitigating Credit Risk in the Portfolio – Chandler recommends updating language to clarify that downgrades are required to be reported if a security is downgraded to a level required by the City's investment policy. (Page 15)

CITY COUNCIL ACTION:

- XVI. Risk Management and Diversification; Mitigating Market Risk in the Portfolio – Chandler recommends removing the 20% restriction on callable securities as many corporate bonds and bank notes now have call dates 1-3 months prior to the final maturity date. (Page 15)
- Glossary of Investment Terms; Negotiable CDs – Chandler recommends correcting the definition of Negotiable CDs as they are traded on a secondary market but are not usually payable upon order to the bearer. (Page 23)

Staff believes that the investments allowed under the attached Policy are conservative and appropriate for a small city without the resources to actively manage the investment portfolio. The Policy is included within the City's budget document and, therefore, is subject to public scrutiny.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

N/A

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation adopting the City's Investment Policy for FY 2020/21
- Approve Staff recommendation with alternative amendments/modifications to the City's Investment Policy

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2020-071 (Attachment 1) approving the City's Investment Policy for FY 2020/21.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-071
2. City of Solana Beach Investment Policy FY 2020/21
3. City of Solana Beach Investment Policy FY 2020/21 Redlined

RESOLUTION 2020-071

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE CITY OF SOLANA BEACH'S INVESTMENT POLICY FOR FISCAL YEAR 2020/21

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code Sections 53600.6 and 53630.1); and

WHEREAS, the City Council may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Section 53600 *et seq.* and this policy; and

WHEREAS, the City Treasurer of the City of Solana Beach may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Section 53600 *et seq.* and this policy; and

WHEREAS, the City Treasurer of the City of Solana Beach, under the direction of the City Manager, has prepared and submitted a statement of investment policy and such policy, and any changes thereto, have been considered by the City Council at a public meeting.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolves as follows:

1. That the above recitations are true.
2. That the City Council approves the updated Investment Policy for Fiscal Year 2020/21.

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ATTACHMENT 1

PASSED AND ADOPTED this 24th day of June 2020, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

- AYES: Councilmembers –
- NOES: Councilmembers –
- ABSENT: Councilmembers –
- ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

CITY OF SOLANA BEACH

INVESTMENT POLICY

FISCAL YEAR 2020/21

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I. INTRODUCTION

The purpose of this document is to outline the City's policy for the investment of public funds.

It is the policy of the City of Solana Beach, the Solana Beach Public Financing Authority and the Solana Beach Public Facilities Corporation (hereafter referred collectively as the "City") to predicate their investment policies, procedures and practices upon the limitations placed upon them by the governing legislative bodies. These policies shall have four primary goals:

- To assure compliance with federal, state, and local laws governing the investment of public monies under the control of the City Treasurer.
- To provide sufficient liquidity to meet normal operating and unexpected expenditures.
- To protect the principal monies entrusted to the City.
- To generate the maximum amount of investment income within the parameters of prudent risk management as defined in this Investment Policy.

This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).

This investment policy was endorsed and adopted by the City of Solana Beach City Council and is effective as of the _____ day of _____, 20XX, and replaces any previous versions.

II. SCOPE

This policy covers all funds and investment activities under the direct authority of the City, as set forth in the State Government Code, Sections 53600 *et seq.*, with the following exceptions:

- Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
- Any other funds specifically exempted by the City Council.

Funds not included in the policy include the City's deferred compensation plans (Plans). These Plans will be excluded from the policy under the following circumstances:

- i. A third party administrator administers the plan
- ii. Individual plan participants have control over the selection of investments
- iii. The City has no fiduciary responsibility to act as a "trustee" for the Plan.

POOLING OF FUNDS

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. PRUDENCE

Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

"...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The Treasurer and other authorized persons responsible for managing City funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided that the Treasurer or other authorized persons acted in good faith. Deviations from

expectations of a security's credit or market risk should be reported to the City Council in a timely fashion and appropriate action should be taken to control adverse developments.

IV. OBJECTIVES

The City's overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.

- **SAFETY.** Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.
- **LIQUIDITY.** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- **RETURN ON INVESTMENTS.** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

V. DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from California Government Code, Sections 41006 and 53600 *et seq.*

The City Council is responsible for the management of the City's funds, including the administration of this investment policy. Management responsibility for the cash management of the City's funds is hereby delegated to the Treasurer.

The Treasurer will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate officials and employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer.

The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be granted discretion to

purchase and sell investment securities in accordance with this investment policy.

If the City Treasurer is unavailable, then the Finance Manager, Deputy City Manager, or the City Manager shall authorize the investment transactions, in writing, prior to execution.

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the City.

VI. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to the City Manager any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

VII. INTERNAL CONTROLS

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically, as deemed appropriate by the City and/or the City Council, an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

VIII. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

To the extent practicable, the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. The City's Treasurer will determine which financial institutions are authorized to provide investment services to the City. It shall be the City's policy to purchase securities only from authorized institutions and firms.

The Treasurer shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the City. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the City are reputable and trustworthy, knowledgeable and experienced in Public City investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Section 53601.5, institutions eligible to transact investment business with the City include:

- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
- Nationally or state-chartered banks.
- The Federal Reserve Bank.
- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Treasurer with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the City's investment policy. The Treasurer will conduct an annual review of the financial condition and registrations of such qualified bidders.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

IX. AUTHORIZED INVESTMENTS

The City's investments are governed by California Government Code, Sections 53600 *et seq.* Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and credit quality minimums listed in this section apply at the time the security is purchased.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

1. MUNICIPAL SECURITIES include obligations of the City, the State of California, and any local agency within the State of California, provided that:

- The securities are rated in a rating category of "A" or its equivalent or higher by at least one nationally recognized statistical rating organization ("NRSRO").
- No more than 5% of the portfolio may be invested in any single issuer.
- No more than 30% of the portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

2. MUNICIPAL SECURITIES (REGISTERED TREASURY NOTES OR BONDS) of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

- The securities are rated in a rating category of “A” or its equivalent or higher by at least one nationally recognized statistical rating organization (“NRSRO”).
 - No more than 5% of the portfolio may be invested in any single issuer.
 - No more than 30% of the portfolio may be in Municipal Securities.
 - The maximum maturity does not exceed five (5) years.
- 3. U.S. TREASURIES** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in U.S. Treasuries, provided that:
- The maximum maturity is five (5) years.
- 4. FEDERAL AGENCIES** or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in Federal City or Government-Sponsored Enterprises (GSEs), provided that:
- No more than 25% of the portfolio may be invested in any single City/GSE issuer.
 - The maximum maturity does not exceed five (5) years.
 - The maximum percentage of callable agencies in the portfolio is 20%.
- 5. BANKER’S ACCEPTANCES**, provided that:
- They are issued by institutions which have short-term debt obligations rated “A-1” or the equivalent or higher by at least one NRSRO; or long-term debt obligations which are rated in the “A” category or the equivalent or higher by at least one NRSRO.
 - No more than 40% of the portfolio may be invested in Banker’s Acceptances.
 - No more than 5% of the portfolio may be invested in any single issuer.
 - The maximum maturity does not exceed 180 days.
- 6. COMMERCIAL PAPER**, provided that:
- The issuer is a corporation organized and operating in the United States with assets in excess of \$500 million.

- The securities are rated “A-1” or the equivalent or higher by at least one NRSRO.
- They are issued by corporations which have long-term obligations rated in the “A” category or the equivalent or higher by at least one NRSRO.
- City may purchase no more than 10% of the outstanding commercial paper of any single issuer.
- No more than 25% of the portfolio may be invested in Commercial Paper.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed 270 days.

7. NEGOTIABLE CERTIFICATES OF DEPOSIT (NCDs), issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:

- The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
- Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated “A-1” or the equivalent or higher by at least one NRSRO; or long-term obligations rated in the “A” category or the equivalent or higher by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in NCDs (combined with CDARS).
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

8. FEDERALLY INSURED TIME DEPOSITS (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:

- The amount per institution is limited to the maximum covered under federal insurance.
- No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.

- The maximum maturity does not exceed five (5) years.
- 9. COLLATERALIZED TIME DEPOSITS** (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:
- No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.
 - The maximum maturity does not exceed five (5) years.
- 10. CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)**, provided that:
- No more than 30% of the total portfolio may be invested in a combination of Certificates of Deposit, including CDARS.
 - The maximum maturity does not exceed five (5) years.
- 11. COLLATERALIZED BANK DEPOSITS.** City's deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651.
- 12. REPURCHASE AGREEMENTS** collateralized with securities authorized under California Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:
- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third party custodian.
 - Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA).
 - The maximum maturity does not exceed one (1) year.
- 13. STATE OF CALIFORNIA LOCAL CITY INVESTMENT FUND (LAIF)**, provided that:
- The City may invest up to the maximum amount permitted by LAIF.
 - LAIF's investments in instruments prohibited by or not specified in the City's policy do not exclude the investment in LAIF itself from the City's list of allowable investments, provided LAIF's reports allow the Treasurer to adequately judge the risk inherent in LAIF's portfolio.

14. INVESTMENT TRUST OF CALIFORNIA (CALTRUST), which is a joint powers authority (JPA), organized and managed by the Investment Trust of California JPA for the benefit of local agencies, pursuant to California Government Code Section 6509.7

15. CORPORATE MEDIUM TERM NOTES (MTNs), provided that:

- The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- The securities are rated in the “A” category or the equivalent or higher by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in MTNs.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

16. ASSET-BACKED, MORTGAGE-BACKED, MORTGAGE PASS-THROUGH SECURITIES, AND COLLATERALIZED MORTGAGE OBLIGATIONS from issuers not defined in sections 3 and 4 of the Authorized investments section of this policy, provided that:

- The securities are rated in the “AA” category or the equivalent or higher by a NRSRO.
- No more than 20% of the total portfolio may be invested in these securities.
- No more than 5% of the portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer. There is no issuer limitation on any Mortgage security where the issuer is the US Treasury or a Federal City/GSE.
- The maximum legal final maturity does not exceed five (5) years.

17. MUTUAL FUNDS AND MONEY MARKET MUTUAL FUNDS that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

- a. **MUTUAL FUNDS** that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:

1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.
 3. No more than 10% of the total portfolio may be invested in shares of any one mutual fund.
- b. **MONEY MARKET MUTUAL FUNDS** registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:
1. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
 3. No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.
- c. No more than 20% of the total portfolio may be invested in these securities.

18. SUPRANATIONALS, provided that:

- Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- The securities are rated in the "AA" category or the equivalent or higher by a NRSRO.
- No more than 30% of the total portfolio may be invested in these securities.
- No more than 10% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

X. PROHIBITED INVESTMENT VEHICLES AND PRACTICES

- State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.

- In accordance with Government Code, Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- Investment in any security that could result in a zero interest accrual if held to maturity is prohibited.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- Purchasing or selling securities on margin is prohibited.
- The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
- The purchase of foreign currency denominated securities is prohibited.

XI. Fossil Fuels Restriction

- The purchase of securities issued by fossil fuel companies that directly source the majority (more than 50%) of their revenue from oil, gas and/or coal production is prohibited.

XII. INVESTMENT POOLS/MUTUAL FUNDS

The City shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. The Treasurer shall develop a questionnaire which will answer the following general questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?

7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

XIII. COLLATERALIZATION

CERTIFICATES OF DEPOSIT (CDs). The City shall require any commercial bank or savings and loan association to deposit eligible securities with an City of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

COLLATERALIZATION OF BANK DEPOSITS. This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

REPURCHASE AGREEMENTS. The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The City shall receive monthly statements of collateral.

XIV. DELIVERY, SAFEKEEPING AND CUSTODY

DELIVERY-VERSUS-PAYMENT (DVP). All investment transactions shall be conducted on a delivery-versus-payment basis.

SAFEKEEPING AND CUSTODY. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third party custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the City from the custodian listing all securities held in safekeeping with current market data and other information.

The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money mutual funds, since the purchased securities are not deliverable.

XV. MAXIMUM MATURITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.

The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment.

XVI. RISK MANAGEMENT AND DIVERSIFICATION

MITIGATING CREDIT RISK IN THE PORTFOLIO

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in the "Authorized Investments" section of this policy are designed to mitigate credit risk in the portfolio.
- No more than 5% of the total portfolio may be invested in securities of any single issuer, except where the issuer is the US Government, its Agencies and GSEs, an authorized Supranational issuer or where the security is a Money Market Mutual Fund, Local City Investment Fund (LAIF) or other Local Government Investment Pool, or where otherwise specified in this investment policy.
- The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity or yield of the portfolio in response to market conditions or City's risk preferences.

- If securities owned by the City are downgraded to a level below the quality required by this investment policy, it will be the City's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
- If a security is downgraded below the level required by this investment policy, the Treasurer will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
- If a decision is made to retain the downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

MITIGATING MARKET RISK IN THE PORTFOLIO

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements.
- The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.
- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances.

XVII. REVIEW OF INVESTMENT PORTFOLIO

The Treasurer shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to the City Council.

XVIII. PERFORMANCE EVALUATION

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

The Treasurer shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Treasurer's quarterly report. The Treasurer shall select an appropriate, readily available index to use as a market benchmark.

XIX. REPORTING

MONTHLY REPORTS

Monthly transaction reports will be submitted by the Treasurer to the City Council within 30 days of the end of the reporting period in accordance with California Government Code Section 53607.

QUARTERLY REPORTS

The Treasurer will submit a quarterly investment report to the City Council which provides full disclosure of the City's investment activities within 30 days after the end of the quarter. These reports will disclose, at a minimum, the following information about the City's portfolio:

1. An asset listing showing par value, cost and independent third-party fair market value of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date, interest rate and interest rate.
2. Transactions for the period.
3. A description of the funds, investments and programs (including lending programs) managed by contracted parties (i.e. LAIF; investment pools, outside money managers and securities lending agents)
4. A one-page summary report that shows:
 - a. Average maturity of the portfolio and modified duration of the portfolio;
 - b. Maturity distribution of the portfolio;
 - c. Percentage of the portfolio represented by each investment category;
 - d. Average portfolio credit quality; and,

- e. Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to the City's market benchmark returns for the same periods;
- 5. A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution.
- 6. A statement that the City has adequate funds to meet its cash flow requirements for the next six months.

ANNUAL REPORTS

A comprehensive annual report will be presented to the City Council. This report will include comparisons of the City's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

XX. REVIEW OF INVESTMENT POLICY

The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends. Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

Prepared by:

 Marie Marron Berkuti
 Finance Director/City Treasurer

Approved as to legal form:

 Johanna Canlas
 City Attorney

Approved:

 Jewel Edson, Mayor
 City Council

Date: _____

Glossary of Investment Terms

AGENCIES. Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “Freddie Mac” issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and Freddie Mac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “Fannie Mae,” issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as “Ginnie Mae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASKED. The price at which a seller offers to sell a security.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

BANKER’S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BID. The price at which a buyer offers to buy a security.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COST YIELD. The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

CURRENT YIELD. The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

DEBENTURE. A bond secured only by the general credit of the issuer.

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DERIVATIVE. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

FEDERAL FUNDS RATE. The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

FEDERAL OPEN MARKET COMMITTEE. A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MARKING TO MARKET. The process of posting current market values for securities in a portfolio.

MATURITY. The final date upon which the principal of a security becomes due and payable.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NEGOTIABLE CD. A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market.

PREMIUM. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PREPAYMENT SPEED. A measure of how quickly principal is repaid to investors in mortgage securities.

PREPAYMENT WINDOW. The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT PERSON (PRUDENT INVESTOR) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REALIZED YIELD. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

REGIONAL DEALER. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

CITY OF SOLANA BEACH

INVESTMENT POLICY

FISCAL YEAR 20~~2019~~/2~~10~~

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ATTACHMENT 3

I. INTRODUCTION

The purpose of this document is to outline the City's policy for the investment of public funds.

It is the policy of the City of Solana Beach, the Solana Beach Public Financing Authority and the Solana Beach Public Facilities Corporation (hereafter referred collectively as the "City") to predicate their investment policies, procedures and practices upon the limitations placed upon them by the governing legislative bodies. These policies shall have four primary goals:

- To assure compliance with federal, state, and local laws governing the investment of public monies under the control of the City Treasurer.
- To provide sufficient liquidity to meet normal operating and unexpected expenditures.
- To protect the principal monies entrusted to the City.
- To generate the maximum amount of investment income within the parameters of prudent risk management as defined in this Investment Policy.

This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).

This investment policy was endorsed and adopted by the City of Solana Beach City Council and is effective as of the _____ day of _____, 20XX, and replaces any previous versions.

II. SCOPE

This policy covers all funds and investment activities under the direct authority of the City, as set forth in the State Government Code, Sections 53600 *et seq.*, with the following exceptions:

- Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
- Any other funds specifically exempted by the City Council.

Funds not included in the policy include the City's deferred compensation plans (Plans). These Plans will be excluded from the policy under the following circumstances:

- i. A third party administrator administers the plan
- ii. Individual plan participants have control over the selection of investments
- iii. The City has no fiduciary responsibility to act as a "trustee" for the Plan.

POOLING OF FUNDS

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. PRUDENCE

Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

"...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The Treasurer and other authorized persons responsible for managing City funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided that the Treasurer or other authorized persons acted in good faith. Deviations from

expectations of a security's credit or market risk should be reported to the City Council in a timely fashion and appropriate action should be taken to control adverse developments.

IV. OBJECTIVES

The City's overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.

- **SAFETY.** Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.
- **LIQUIDITY.** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- **RETURN ON INVESTMENTS.** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

V. DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from California Government Code, Sections 41006 and 53600 *et seq.*

The City Council is responsible for the management of the City's funds, including the administration of this investment policy. Management responsibility for the cash management of the City's funds is hereby delegated to the Treasurer.

The Treasurer will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate officials and employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer.

The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be granted discretion to

purchase and sell investment securities in accordance with this investment policy.

If the City Treasurer is unavailable, then the Finance Manager, Deputy City Manager, or the City Manager shall authorize the investment transactions, in writing, prior to execution.

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the City.

VI. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to the City Manager any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

VII. INTERNAL CONTROLS

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically, as deemed appropriate by the City and/or the City Council, an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

VIII. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

To the extent practicable, the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. The City's Treasurer will determine which financial institutions are authorized to provide investment services to the City. It shall be the City's policy to purchase securities only from authorized institutions and firms.

The Treasurer shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the City. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the City are reputable and trustworthy, knowledgeable and experienced in Public City investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Section 53601.5, institutions eligible to transact investment business with the City include:

- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
- Nationally or state-chartered banks.
- The Federal Reserve Bank.
- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Treasurer with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the City's investment policy. The Treasurer will conduct an annual review of the financial condition and registrations of such qualified bidders.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

IX. AUTHORIZED INVESTMENTS

The City's investments are governed by California Government Code, Sections 53600 *et seq.* Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and credit quality minimums listed in this section apply at the time the security is purchased.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

1. MUNICIPAL SECURITIES include obligations of the City, the State of California, and any local agency within the State of California, provided that:

- The securities are rated in a rating category of "A" or its equivalent or higher by at least one nationally recognized statistical rating organization ("NRSRO").
- No more than 5% of the portfolio may be invested in any single issuer.
- No more than 30% of the portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

2. MUNICIPAL SECURITIES (REGISTERED TREASURY NOTES OR BONDS) of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

- The securities are rated in a rating category of “A” or its equivalent or higher by at least one nationally recognized statistical rating organization (“NRSRO”).
 - No more than 5% of the portfolio may be invested in any single issuer.
 - No more than 30% of the portfolio may be in Municipal Securities.
 - The maximum maturity does not exceed five (5) years.
- 3. U.S. TREASURIES** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in U.S. Treasuries, provided that:
- The maximum maturity is five (5) years.
- 4. FEDERAL AGENCIES** or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in Federal City or Government-Sponsored Enterprises (GSEs), provided that:
- No more than 25% of the portfolio may be invested in any single City/GSE issuer.
 - The maximum maturity does not exceed five (5) years.
 - The maximum percentage of callable agencies in the portfolio is 20%.
- 5. BANKER’S ACCEPTANCES**, provided that:
- They are issued by institutions which have short-term debt obligations rated “A-1” or the equivalent or higher by at least one NRSRO; or long-term debt obligations which are rated in the “A” category or the equivalent or higher by at least one NRSRO.
 - No more than 40% of the portfolio may be invested in Banker’s Acceptances.
 - No more than 5% of the portfolio may be invested in any single issuer.
 - The maximum maturity does not exceed 180 days.
- 6. COMMERCIAL PAPER**, provided that:
- The issuer is a corporation organized and operating in the United States with assets in excess of \$500 million.

- The securities are rated “A-1” or the equivalent or higher by at least one NRSRO.
- They are issued by corporations which have long-term obligations rated in the “A” category or the equivalent or higher by at least one NRSRO.
- City may purchase no more than 10% of the outstanding commercial paper of any single issuer.
- No more than 25% of the portfolio may be invested in Commercial Paper.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed 270 days.

7. NEGOTIABLE CERTIFICATES OF DEPOSIT (NCDs), issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:

- The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
- Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated “A-1” or the equivalent or higher by at least one NRSRO; or long-term obligations rated in the “A” category or the equivalent or higher by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in NCDs (combined with CDARS).
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

8. FEDERALLY INSURED TIME DEPOSITS (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:

- The amount per institution is limited to the maximum covered under federal insurance.
- No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.

- The maximum maturity does not exceed five (5) years.
- 9. COLLATERALIZED TIME DEPOSITS** (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:
- No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.
 - The maximum maturity does not exceed five (5) years.
- 10. CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)**, provided that:
- No more than 30% of the total portfolio may be invested in a combination of Certificates of Deposit, including CDARS.
 - The maximum maturity does not exceed five (5) years.
- 11. COLLATERALIZED BANK DEPOSITS.** City's deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651.
- 12. REPURCHASE AGREEMENTS** collateralized with securities authorized under California Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:
- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third party custodian.
 - Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA).
 - The maximum maturity does not exceed one (1) year.
- 13. STATE OF CALIFORNIA LOCAL CITY INVESTMENT FUND (LAIF)**, provided that:
- The City may invest up to the maximum amount permitted by LAIF.
 - LAIF's investments in instruments prohibited by or not specified in the City's policy do not exclude the investment in LAIF itself from the City's list of allowable investments, provided LAIF's reports allow the Treasurer to adequately judge the risk inherent in LAIF's portfolio.

14. INVESTMENT TRUST OF CALIFORNIA (CALTRUST), which is a joint powers authority (JPA), organized and managed by the Investment Trust of California JPA for the benefit of local agencies, pursuant to California Government Code Section 6509.7

15. CORPORATE MEDIUM TERM NOTES (MTNs), provided that:

- The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- The securities are rated in the “A” category or the equivalent or higher by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in MTNs.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

16. ASSET-BACKED, MORTGAGE-BACKED, MORTGAGE PASS-THROUGH SECURITIES, AND COLLATERALIZED MORTGAGE OBLIGATIONS from issuers not defined in sections 3 and 4 of the Authorized investments section of this policy, provided that:

- The securities are rated in the “AA” category or the equivalent or higher by a NRSRO.
- No more than 20% of the total portfolio may be invested in these securities.
- No more than 5% of the portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer. There is no issuer limitation on any Mortgage security where the issuer is the US Treasury or a Federal City/GSE.
- The maximum legal final maturity does not exceed five (5) years.

17. MUTUAL FUNDS AND MONEY MARKET MUTUAL FUNDS that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

- a. **MUTUAL FUNDS** that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:

1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.
 3. No more than 10% of the total portfolio may be invested in shares of any one mutual fund.
- b. **MONEY MARKET MUTUAL FUNDS** registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:
1. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
 3. No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.
- c. No more than 20% of the total portfolio may be invested in these securities.

18. SUPRANATIONALS, provided that:

- Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- The securities are rated in the "AA" category or the equivalent or higher by a NRSRO.
- No more than 30% of the total portfolio may be invested in these securities.
- No more than 10% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

X. PROHIBITED INVESTMENT VEHICLES AND PRACTICES

- State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.

- In accordance with Government Code, Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- Investment in any security that could result in a zero interest accrual if held to maturity is prohibited.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- Purchasing or selling securities on margin is prohibited.
- The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
- The purchase of foreign currency denominated securities is prohibited.

XI. Fossil Fuels Restriction

- The purchase of securities issued by fossil fuel companies that directly source the majority (more than 50%) of their revenue from oil, gas and/or coal production is prohibited.

XII. INVESTMENT POOLS/MUTUAL FUNDS

The City shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. The Treasurer shall develop a questionnaire which will answer the following general questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?

7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

XIII. COLLATERALIZATION

CERTIFICATES OF DEPOSIT (CDs). The City shall require any commercial bank or savings and loan association to deposit eligible securities with an City of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

COLLATERALIZATION OF BANK DEPOSITS. This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

REPURCHASE AGREEMENTS. The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The City shall receive monthly statements of collateral.

XIV. DELIVERY, SAFEKEEPING AND CUSTODY

DELIVERY-VERSUS-PAYMENT (DVP). All investment transactions shall be conducted on a delivery-versus-payment basis.

SAFEKEEPING AND CUSTODY. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third party custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the City from the custodian listing all securities held in safekeeping with current market data and other information.

The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money mutual funds, since the purchased securities are not deliverable.

XV. MAXIMUM MATURITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.

The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment.

XVI. RISK MANAGEMENT AND DIVERSIFICATION

MITIGATING CREDIT RISK IN THE PORTFOLIO

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in the "Authorized Investments" section of this policy are designed to mitigate credit risk in the portfolio.
- No more than 5% of the total portfolio may be invested in securities of any single issuer, except where the issuer is the US Government, its Agencies and GSEs, an authorized Supranational issuer or where the security is a Money Market Mutual Fund, Local City Investment Fund (LAIF) or other Local Government Investment Pool, or where otherwise specified in this investment policy.
- The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity or yield of the portfolio in response to market conditions or City's risk preferences.

- If securities owned by the City are downgraded ~~by an NRSRO~~ to a level below the quality required by this investment policy, it will be the City's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
- If a security is downgraded below the level required by this investment policy, the Treasurer will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
- If a decision is made to retain thea downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

MITIGATING MARKET RISK IN THE PORTFOLIO

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements.
- ~~The maximum percent of callable securities (does not include "make whole call" securities as defined in the Glossary) in the portfolio will be 20%.~~
- The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.
- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances.

XVII. REVIEW OF INVESTMENT PORTFOLIO

The Treasurer shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to the City Council.

XVIII. PERFORMANCE EVALUATION

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

The Treasurer shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Treasurer's quarterly report. The Treasurer shall select an appropriate, readily available index to use as a market benchmark.

XIX. REPORTING

MONTHLY REPORTS

Monthly transaction reports will be submitted by the Treasurer to the City Council within 30 days of the end of the reporting period in accordance with California Government Code Section 53607.

QUARTERLY REPORTS

The Treasurer will submit a quarterly investment report to the City Council which provides full disclosure of the City's investment activities within 30 days after the end of the quarter. These reports will disclose, at a minimum, the following information about the City's portfolio:

1. An asset listing showing par value, cost and independent third-party fair market value of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date, interest rate and interest rate.
2. Transactions for the period.
3. A description of the funds, investments and programs (including lending programs) managed by contracted parties (i.e. LAIF; investment pools, outside money managers and securities lending agents)
4. A one-page summary report that shows:
 - a. Average maturity of the portfolio and modified duration of the portfolio;
 - b. Maturity distribution of the portfolio;

- c. Percentage of the portfolio represented by each investment category;
 - d. Average portfolio credit quality; and,
 - e. Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to the City's market benchmark returns for the same periods;
5. A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution.
 6. A statement that the City has adequate funds to meet its cash flow requirements for the next six months.

ANNUAL REPORTS

A comprehensive annual report will be presented to the City Council. This report will include comparisons of the City's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

XX. REVIEW OF INVESTMENT POLICY

The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends. Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

Prepared by:

 Marie Marron Berkuti
 Finance Director/City Treasurer

Approved as to legal form:

 Johanna Canlas
 City Attorney

Approved:

Jewel Edson ~~David A. Zito~~, Mayor

City Council

Date:

Glossary of Investment Terms

AGENCIES. Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “Freddie Mac” issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and Freddie Mac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “Fannie Mae,” issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as “Ginnie Mae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASKED. The price at which a seller offers to sell a security.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

BANKER’S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BID. The price at which a buyer offers to buy a security.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COST YIELD. The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

CURRENT YIELD. The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

DEBENTURE. A bond secured only by the general credit of the issuer.

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DERIVATIVE. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

FEDERAL FUNDS RATE. The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

FEDERAL OPEN MARKET COMMITTEE. A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MARKING TO MARKET. The process of posting current market values for securities in a portfolio.

MATURITY. The final date upon which the principal of a security becomes due and payable.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NEGOTIABLE CD. A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market ~~and are payable upon order to the bearer or initial depositor (investor).~~

PREMIUM. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PREPAYMENT SPEED. A measure of how quickly principal is repaid to investors in mortgage securities.

PREPAYMENT WINDOW. The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT PERSON (PRUDENT INVESTOR) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REALIZED YIELD. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

REGIONAL DEALER. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Finance
SUBJECT: **Quarterly Investment Report**

BACKGROUND:

California Government Code Section 53600 requires timely reporting of local agency investment transactions and portfolio to the agency's legislative body.

This item is before Council to receive a presentation and to accept and file the Cash and Investment Report for the quarter ended March 31, 2020.

DISCUSSION:

The investment objectives for the City of Solana Beach are 1) to provide safety to ensure the preservation of capital in the overall portfolio, 2) to provide sufficient liquidity for cash needs and 3) to generate a market rate of return consistent with the Investment Policy. The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark yield. In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the Investment Policy and all applicable regulations governing the funds.

The attached Quarterly Cash and Investment Report ensures that the City complies with Section 53600. The City's investment portfolio complies with the City's Investment Policy that is approved annually by the City Council. The majority of City funds are invested in Chandler Asset Management (Chandler), Public Agency Retirement Services (PARS), and Local Agency Investment Fund (LAIF).

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA

CITY COUNCIL ACTION:

FISCAL IMPACT:

None

WORK PLAN:

N/A

OPTIONS:

- Receive reports
- Provide direction

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council accepts and files the attached Cash and Investment Report for the quarter ended March 31, 2020.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Cash and Investment Report – March 31, 2020
2. Chandler Asset Quarterly Investment Report- March 31, 2020

**City of Solana Beach
Cash and Investment Report
March 31, 2020**

Type of Investment	Custodian	Maturity	Current Stated Yield	Percent of Portfolio	Cost Value (Rounded)	Market Value (Rounded)	Current Quarter Yield	Quarter Interest Earned (Rounded)	Fiscal Year to Date Interest Earned (Rounded)
General Checking Account	Union Bank of California	On Demand ⁽¹⁾	N/A	5.31%	\$ 2,024,873	\$ 2,024,873	N/A	N/A	N/A
Payroll Account	Union Bank of California	On Demand ⁽¹⁾	N/A	0.66%	249,885	249,885	N/A	N/A	N/A
Worker's Comp - Checking	Union Bank of California	On Demand ⁽¹⁾	N/A	0.03%	9,957	9,957	N/A	N/A	N/A
Successor Agency - Checking	Union Bank of California	On Demand ⁽¹⁾	N/A	0.26%	100,899	100,899	N/A	N/A	N/A
SEA Lockbox	River City Bank	On Demand ⁽¹⁾	N/A	0.22%	85,309	85,309	N/A	N/A	N/A
SEA Reserve	River City Bank	On Demand ⁽¹⁾	N/A	0.66%	253,273	253,273	1.57%	1,273	5,006
Local Agency Investment Fund	State of CA	On Demand ⁽¹⁾	N/A	9.25%	3,526,803	3,526,803 ⁽²⁾	2.03%	18,528	54,309
Chandler Asset Management (CMA) Investment Portfolio	US Bank	1 to 3 years	N/A	75.21%	28,674,237	29,496,122 ⁽⁵⁾	0.82%	135,364 ⁽⁶⁾⁽⁷⁾	460,946 ⁽⁶⁾⁽⁷⁾
Public Agency Retirement Services (PARS)	US Bank	Varied	N/A	8.40%	3,201,315	2,904,014 ⁽³⁾	-12.41%	12,099 ⁽⁷⁾	105,023 ⁽⁷⁾
Blackrock Institutional Funds 2011 SEJPA Revenue Bonds	Union Bank of California (Cash with Fiscal Agent)	Varied	N/A	0.00%	44	44 ⁽⁴⁾	0.21%	44	45
Blackrock Institutional Funds 2017 Waste Water Revenue Bonds	Union Bank of California (Cash with Fiscal Agent)	Varied	N/A	0.00%	133	133 ⁽⁴⁾	0.20%	133	212
Wells Fargo Advantage Money Market RDA Refunding Bond Series 2017	Wells Fargo Bank (Cash with Fiscal Agent)	Varied	N/A	0.00%	49	49 ⁽⁴⁾	N/A	3	46
Total Cash and Investments					<u>100.00%</u>	<u>\$ 38,126,777</u>	<u>\$ 38,651,361</u>	<u>\$ 167,444</u>	<u>\$ 625,587</u>

⁽¹⁾ Funds may be withdrawn with 24 hours notice

⁽²⁾ Source: Monthly Pooled Money Investment Account Market Valuation as reported by LAIF (if available)

⁽³⁾ Source: US Bank Asset Summary

⁽⁴⁾ Source: fiscal agent month-end statements.

⁽⁵⁾ Source: CMA US Bank statements


⁽⁶⁾ Includes accrued interest

⁽⁷⁾ Includes realized investment gains/losses of current quarter

I certify that this report accurately reflects all pooled investments and is in compliance with Government Code Section 53640-53646 as amended January 1, 1996, as well as the investment policy of the City of Solana Beach as approved annually by the City Council.

Furthermore, I certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months.

Date 06/09/20


Approved by:
Marie Marron Berkuti
Finance Director/Treasurer

Catherine Wong
Prepared by:
Catherine Wong
Senior Accountant

City of Solana Beach

Period Ending March 31, 2020

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com

ATTACHMENT 2

SECTION 1	Economic Update
SECTION 2	Account Profile
SECTION 3	Portfolio Holdings
SECTION 4	Transactions

Section 1 | Economic Update

Economic Update

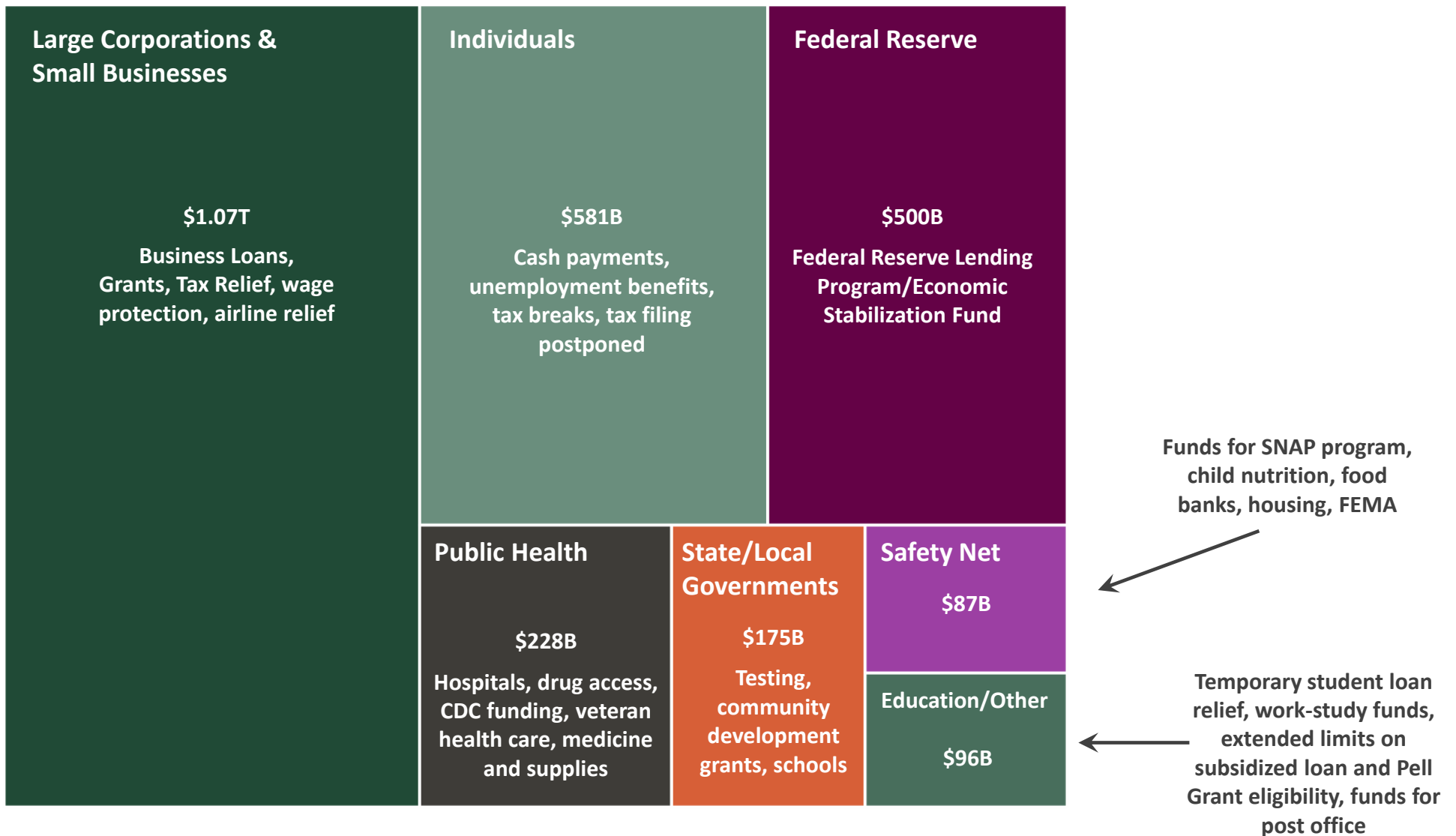
- Economic data remains weak but is showing early signs of improvement. We believe financial market participants are looking through the data and expect conditions to recover further in the second half of the year. First quarter GDP declined 5.0% and the decline in second quarter GDP is expected to be more severe. More than 42.6 million people have filed for unemployment since mid-March, though many of those jobs are expected to return as the economy reopens, and we saw some evidence of this in the May employment report. Financial market turbulence has eased, which we believe is a result of the massive fiscal and monetary relief programs that were announced in late March and early April to support the economy and overall market liquidity. We believe additional fiscal stimulus, beyond the \$2.7 trillion that has already been announced, may be necessary to foster a strong recovery. At the end of May, the S&P 500 index was up roughly 36% from the March 23rd low, and down just 5.8% on a year-to-date basis. Meanwhile, ongoing global demand for high quality assets continues to keep downward pressure on Treasury rates.
- The Federal Open Market Committee (FOMC) kept monetary policy on hold at its April 28-29 meeting, as expected, with the fed funds target rate in the range of 0%-0.25%. The FOMC expects to keep that range unchanged until they are confident the economy has weathered the pandemic and is back on track to achieving their dual mandate of maximum employment and price stability. The FOMC pledged to use “its full range of tools to support the U.S. economy in this challenging time.” The Fed continues to purchase Treasury and agency mortgage-backed securities as needed to support smooth market functioning. They have also announced a range of lending programs in the last few months to help build confidence in the financial markets and support the flow of credit to households, businesses, and municipalities. The Fed indicated the pandemic will weigh heavily on the economy in the near-term and poses considerable risks to the outlook over the next year or so.
- Treasury yields were little changed in May. The yield on 2-year Treasuries declined four basis points to 0.16% and the yield on 10-year Treasuries increased about one basis point to 0.65%. Global economic weakness continues to put downward pressure on inflation expectations. An ongoing global demand for safe-haven assets has also kept a lid on Treasury rates.

Unprecedented Fed Intervention

Fed Action	Details
Rate Cuts	<ul style="list-style-type: none"> • Cut fed funds target rate by 1.50% to 0.00-0.25% • Discount window rate lowered to 0.25% • Fractional reserve requirement 0% • Interest on Excess Reserves cut to 0.10%
TSY/Agency MBS Purchases	<ul style="list-style-type: none"> • \$500 billion+ TSY and \$200 billion+ AGY MBS
Repo Operations	<ul style="list-style-type: none"> • \$1.5 trillion+ short-term repo facilities to provide liquidity
Commercial Paper Funding Facility (CPFF)	<ul style="list-style-type: none"> • Purchases of Tier 1 CP*
Primary Dealer Credit Facility (PDCF)	<ul style="list-style-type: none"> • Loans to Primary Dealers up to 3 months
Money Market Mutual Fund Liquidity Facility (MMLF)	<ul style="list-style-type: none"> • Liquidity to MMFs in form of loans to banks to purchase assets from MMFs
FX Swap Lines	<ul style="list-style-type: none"> • Temporary lending to boost circulation of dollars worldwide
Primary Market Corporate Credit Facility (PMCCF)	<ul style="list-style-type: none"> • Purchases of investment grade corporate debt directly from issuers**
Secondary Market Corporate Credit Facility (SMCCF)	<ul style="list-style-type: none"> • Purchases of investment grade debt and ETFs (IG and HY) in the secondary market
Term ABS Loan Facility (TALF)	<ul style="list-style-type: none"> • Loans to investors to buy highest-rated ABS, CMBS and CLOs to support consumer and business credit
Municipal Liquidity Facility	<ul style="list-style-type: none"> • Up to \$500 billion in lending to states and municipalities via debt security purchases from states, large counties, and cities
Main Street Lending Program	<ul style="list-style-type: none"> • Up to \$600 billion in loan purchases from small- and mid-sized businesses
Paycheck Protection Program Liquidity Facility (PPP)	<ul style="list-style-type: none"> • Liquidity to participating financial institutions through term financing backed by PPP loans to small businesses

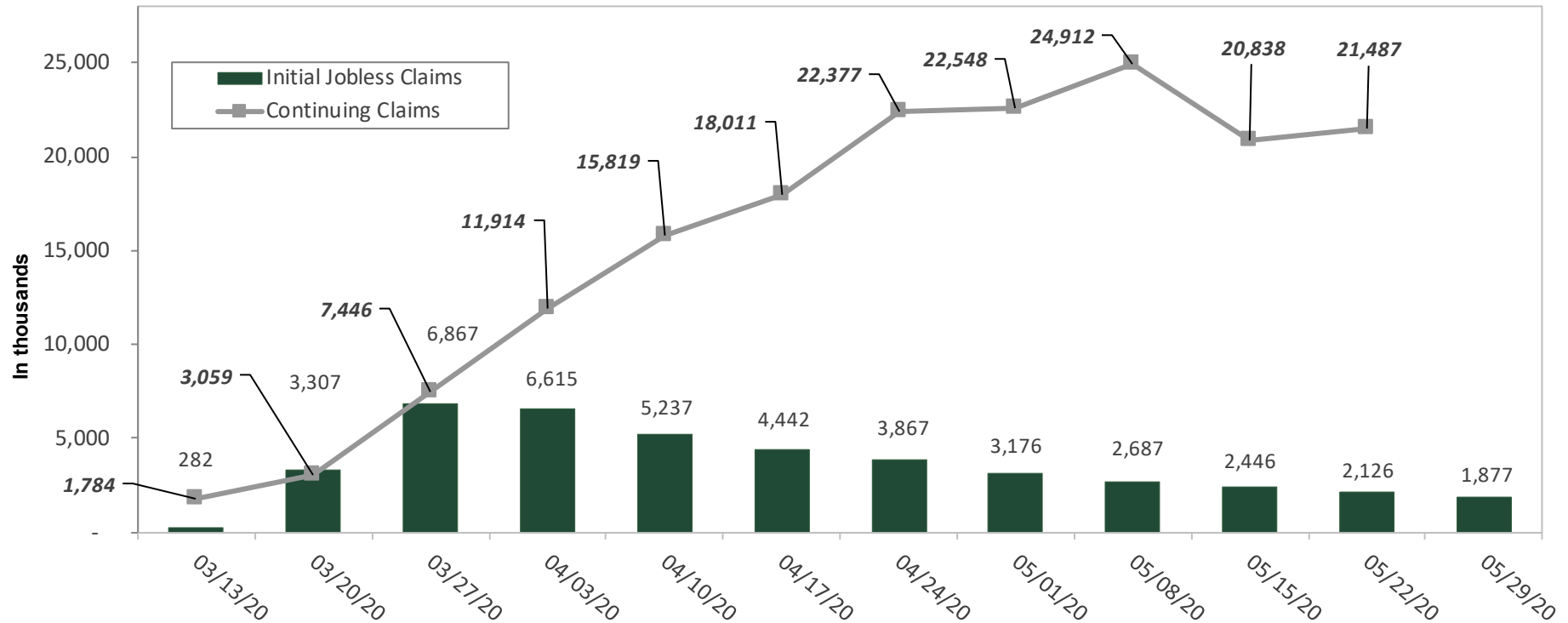
*CP issuers that were Tier 1 as of March 17, 2020 and were subsequently downgraded to no lower than Tier 2 may be eligible on a one-time basis. **Issuers that were rated at least Baa3/BBB- as of March 22, 2020 and were subsequently downgraded to no lower than Ba3/BB- may be eligible.

CARES Act and Other Fiscal Stimulus: \$2.7 Trillion and Counting



Initial Claims for Unemployment

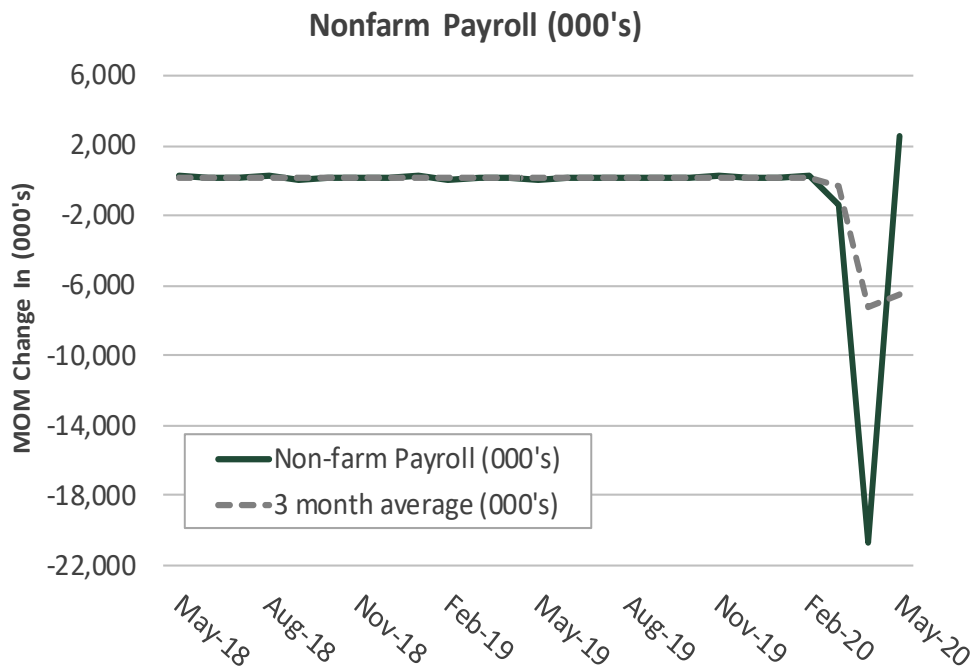
Initial Claims For Unemployment March 13, 2020 - May 29, 2020



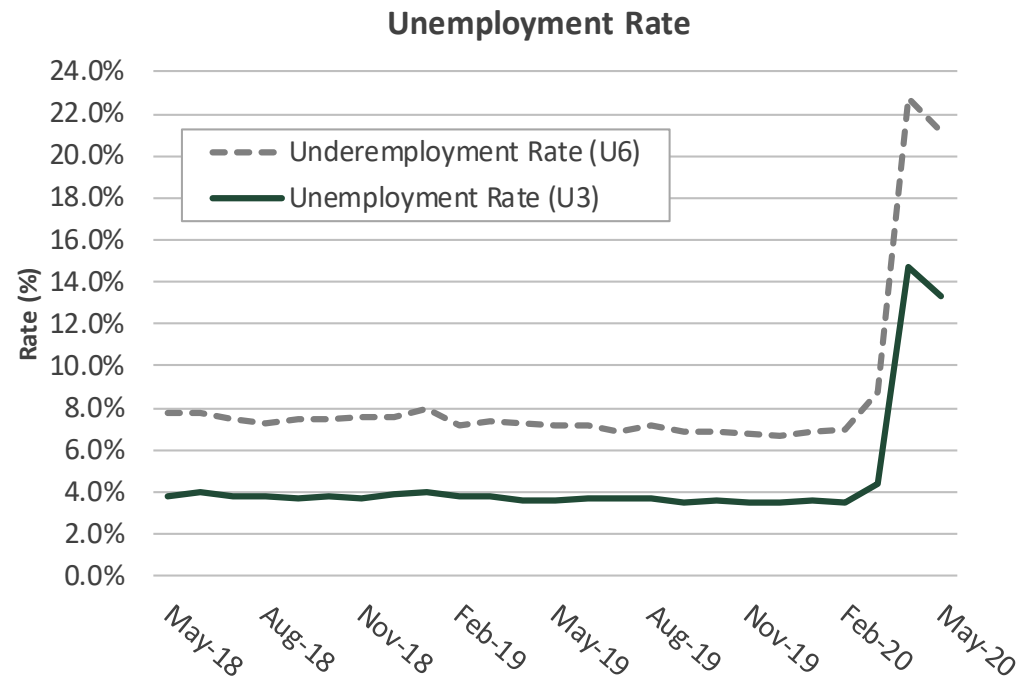
Source: US Department of Labor

Another 1.877 million people filed an initial claim for unemployment in the week of May 30th, bringing the total number of initial jobless claims since mid-March to over 42.6 million. The level of continuing unemployment claims (where the data is lagged by one week) remained very high in the week of May 23rd, at nearly 21.5 million.

Employment



Source: US Department of Labor

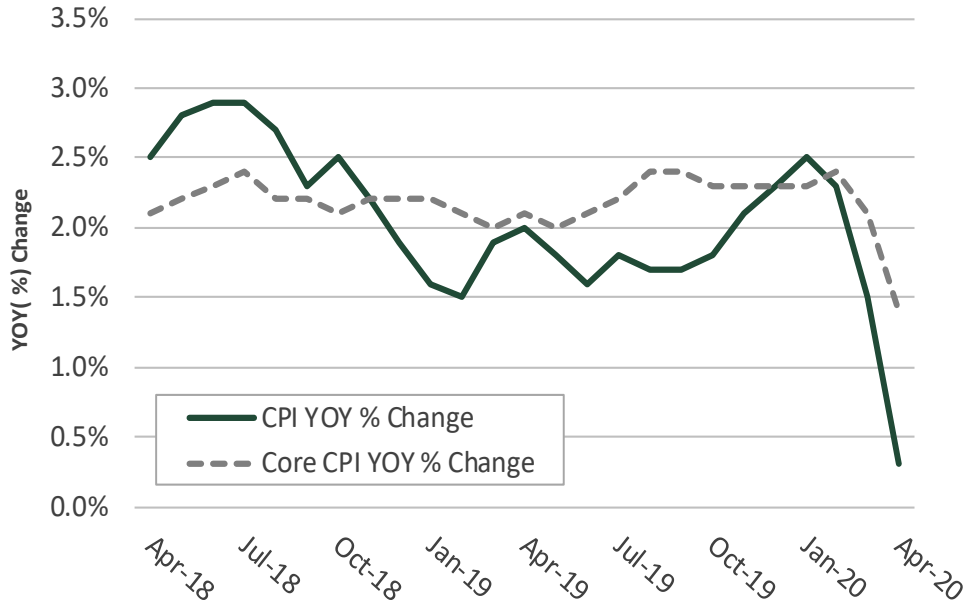


Source: US Department of Labor

U.S. nonfarm payrolls were much better than expected in May increasing by 2,509,000 versus expectations for a 7,500,000 decline. The unemployment rate declined to 13.3% in May (versus expectations of 19.0%) from 14.7% in April, and the labor participation rate increased to 60.8% from 60.2%. Notably, about 4.7 million people classified themselves as employed but absent from work in the May survey, which understated the unemployment rate by about 3.0%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, eased to 21.2% in May from 22.8% in April. Although the employment report was better than expected, unemployment remains very high on a historical basis. Job destruction resulting from the pandemic has been unprecedented, but the data indicate that some of those jobs are already coming back.

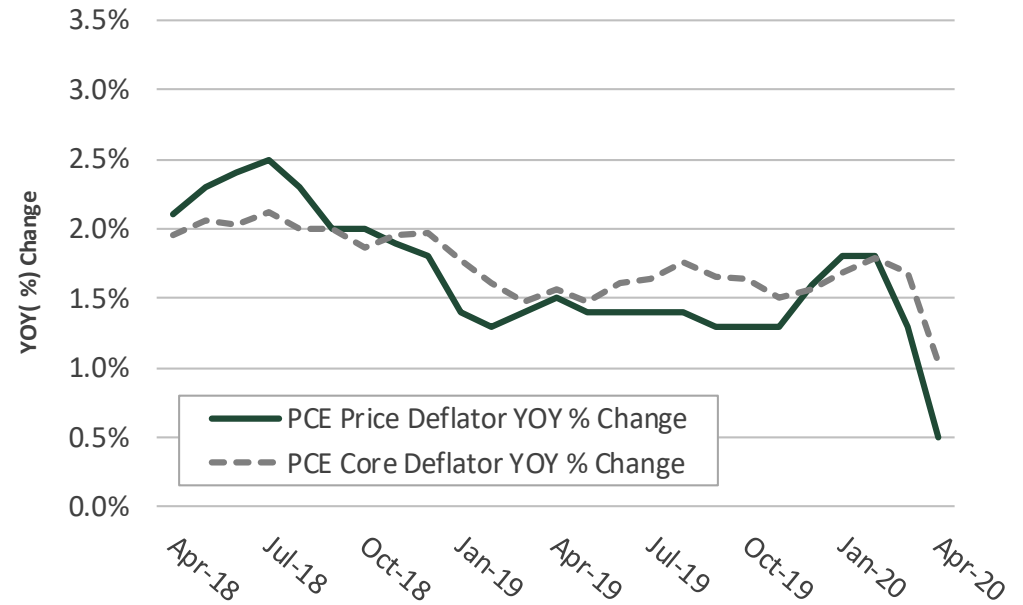
Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

Personal Consumption Expenditures (PCE)

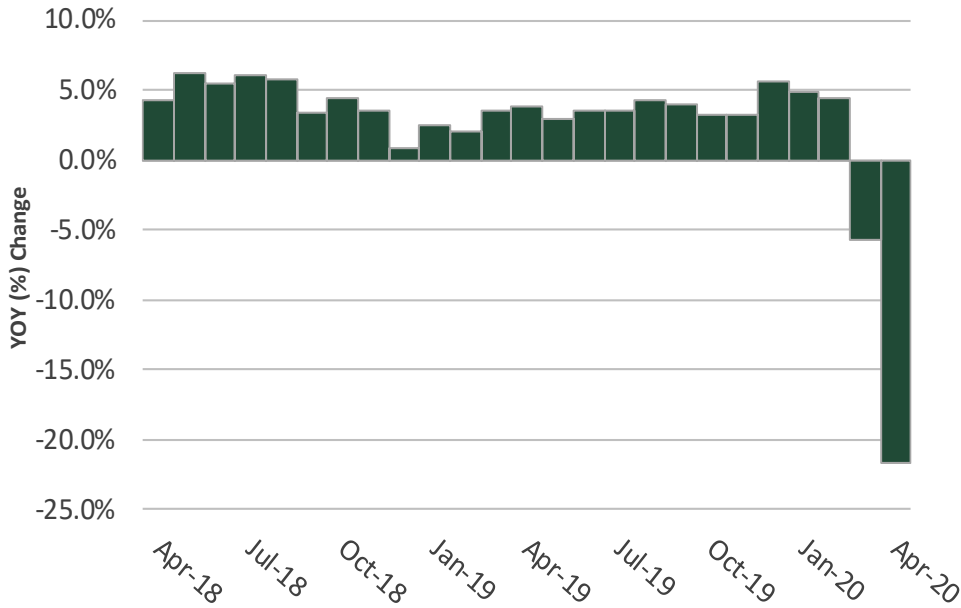


Source: US Department of Commerce

The Consumer Price Index (CPI) was up 0.3% year-over-year in April, down significantly from 1.5% in March. Core CPI (CPI less food and energy) was up just 1.4% year-over-year in April, down from 2.1% in March. The Personal Consumption Expenditures (PCE) index was up just 0.5% year-over-year in April, down from 1.3% year-over-year in March and 1.8% in February. Core PCE, which is the Fed's primary inflation gauge, was up 1.0% year-over-year in April versus 1.7% year-over-year in March and 1.8% in February. Consumer pricing data indicate that the initial effect of the pandemic has been deflationary.

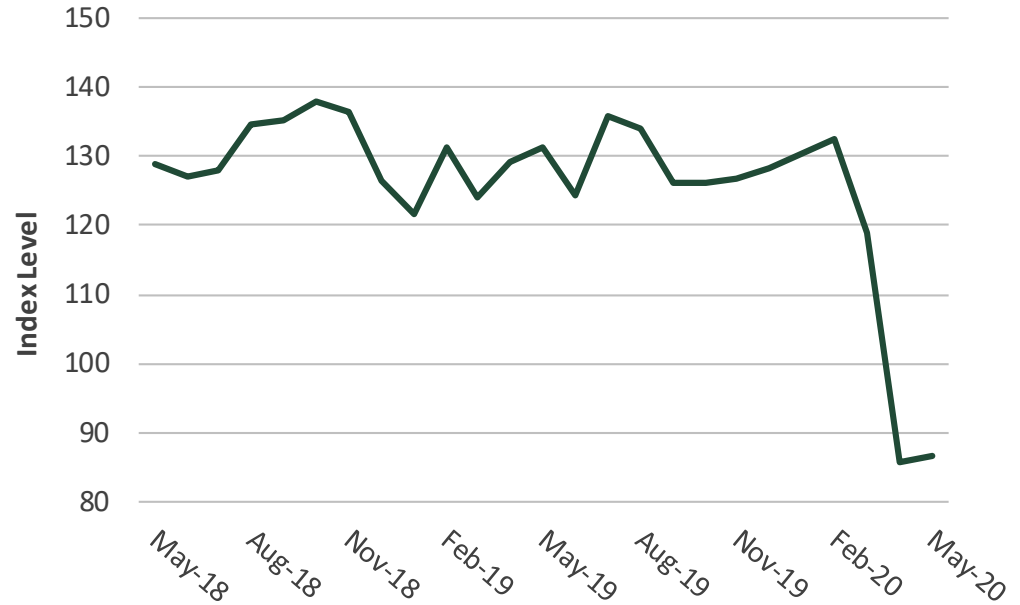
Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

Consumer Confidence

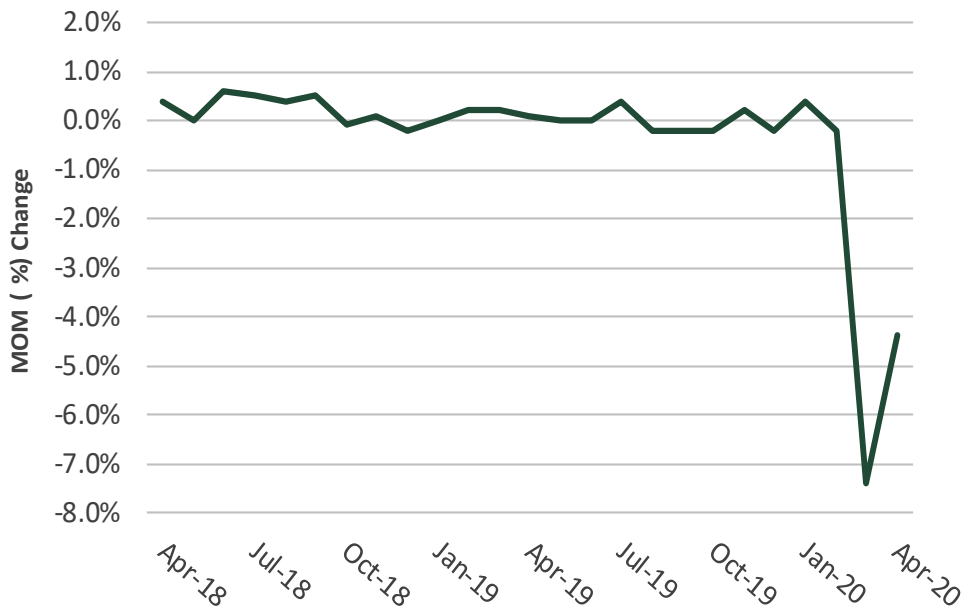


Source: The Conference Board

On a year-over-year basis, retail sales fell 21.6% in April versus decline of 5.7% in March. On a month-over-month basis, retail sales fell 16.4% in April (a steeper decline than the -12.0% consensus estimate), following an 8.3% decline in March. Sales of apparel, electronics, furniture, and general merchandise were particularly weak in April. Restaurant and food & beverage store sales were also down significantly, as anticipated. Meanwhile, e-commerce sales were up 8.4% in the month. Consumer confidence improved slightly in May after falling sharply in April. The Consumer Confidence index improved to 86.6 in May from 85.7 in April. The Present Situation index declined but the Expectations index improved.

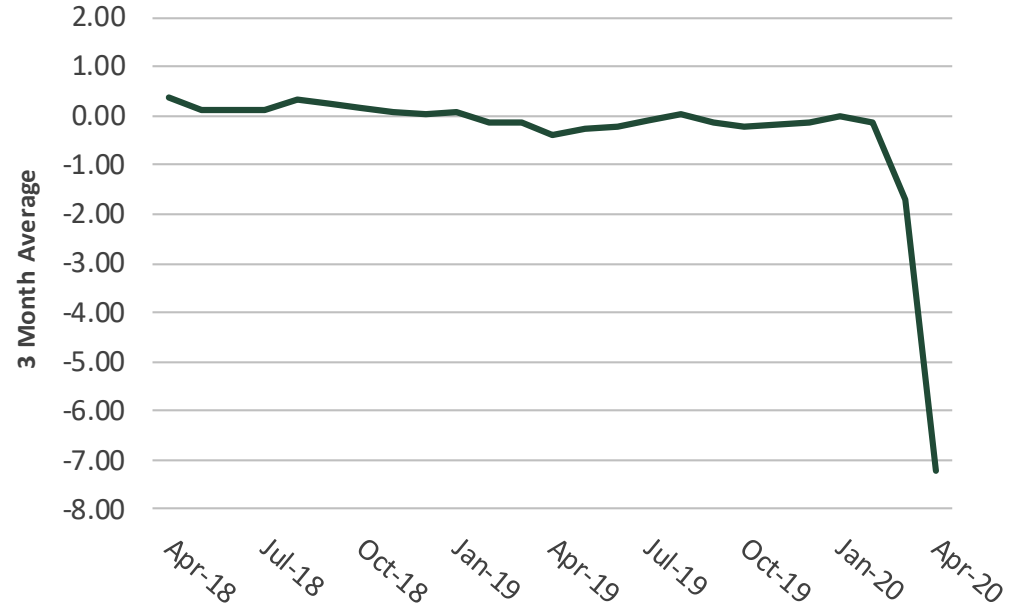
Economic Activity

Leading Economic Indicators (LEI)



Source: The Conference Board

Chicago Fed National Activity Index (CFNAI)

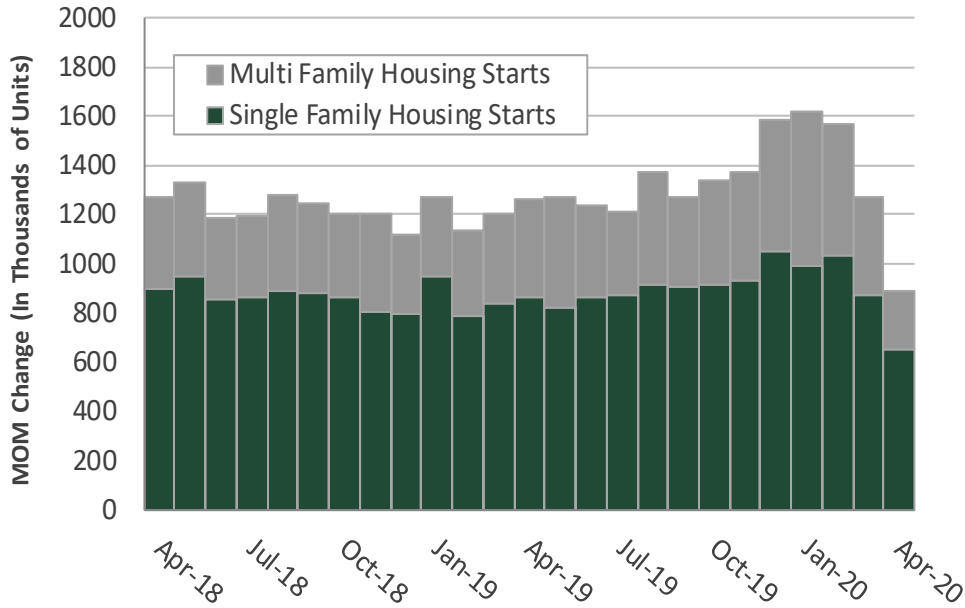


Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) fell 4.4% in April, following a 7.4% drop in March. On a year-over-year basis, the LEI was down 11.5% in April reflecting broad-based deterioration. The LEI suggests that the US economy is facing a very deep contraction. According to the Conference Board, although business conditions may recover in some sectors as the economy reopens, the depth of the decline in the LEI does not imply a quick rebound for the economy at large. The Chicago Fed National Activity Index (CFNAI) declined to -16.74 in April from -4.97 in March. On a 3-month moving average basis, the CFNAI declined to -7.22 in April from -1.69 in March, which is deeply below the -0.7 recessionary level.

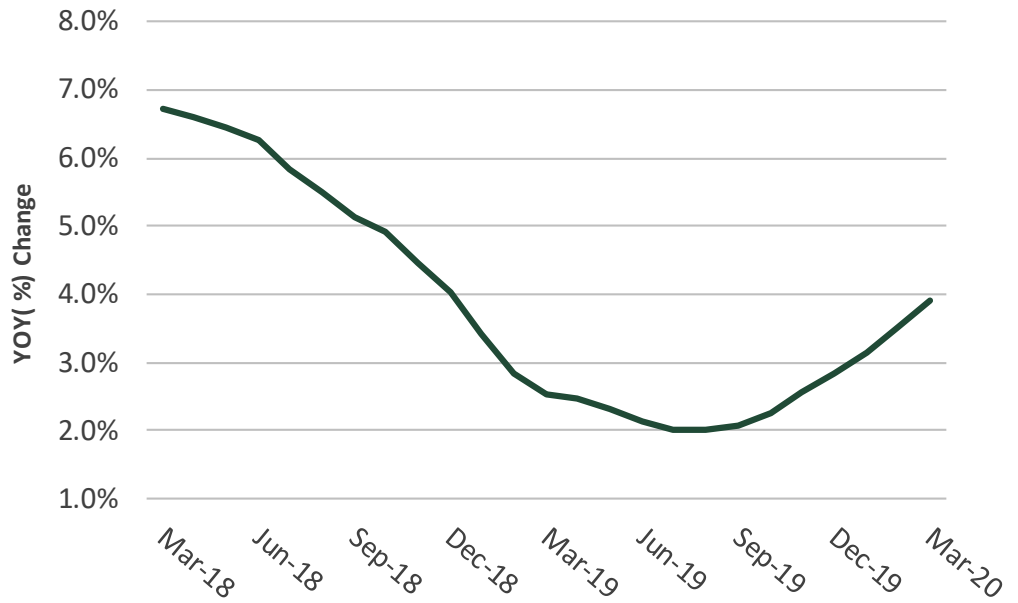
Housing

Housing Starts



Source: US Department of Commerce

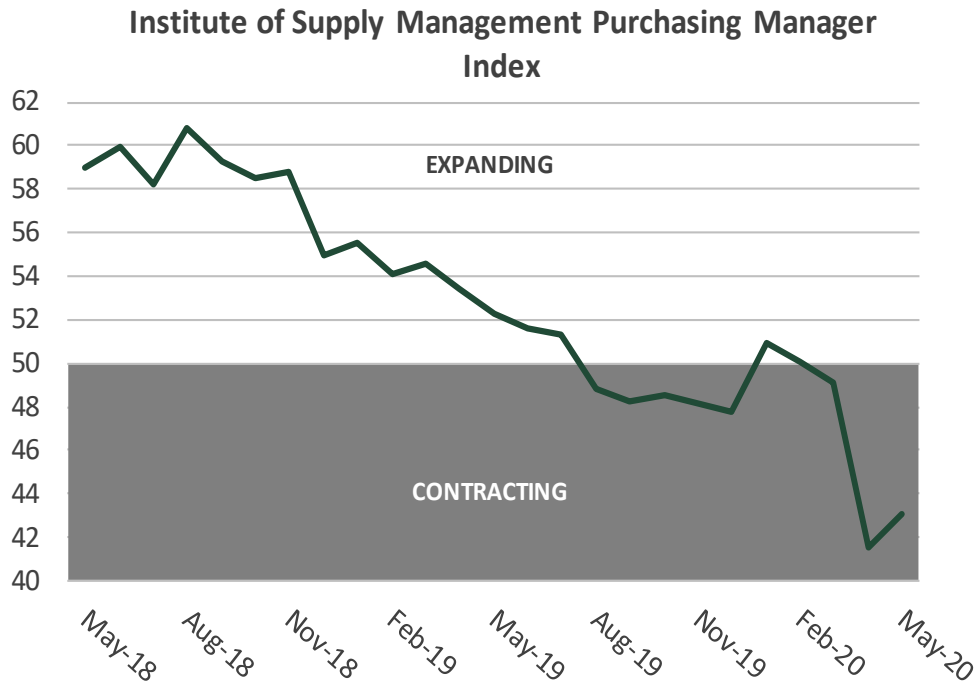
S&P/Case-Shiller 20 City Composite Home Price Index



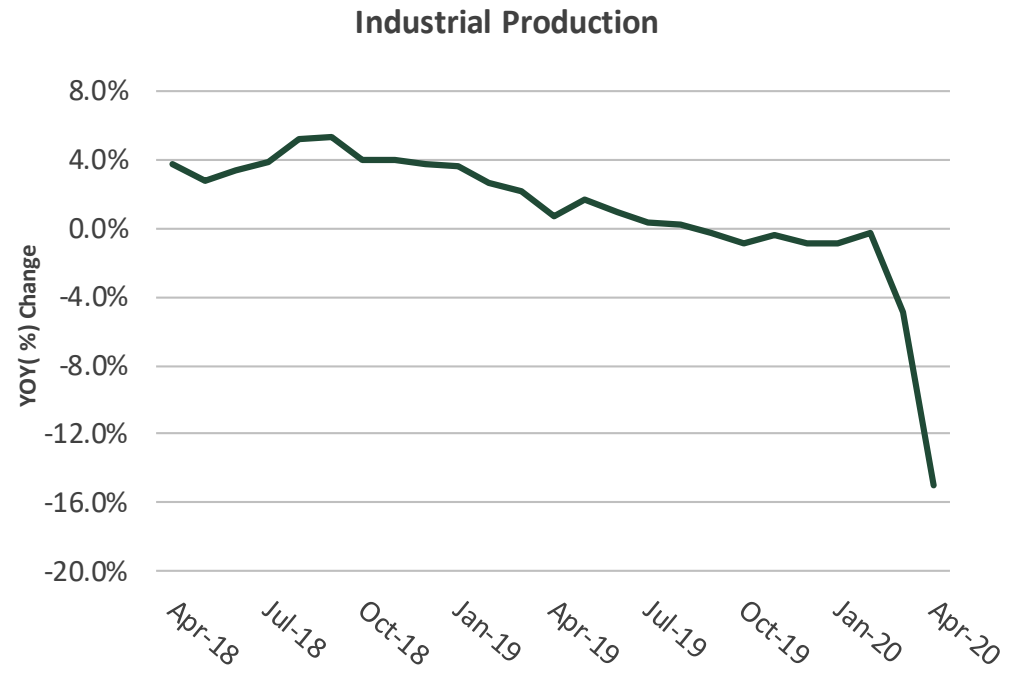
Source: S&P

Housing starts declined 30.2% in April to an annual pace of 891,000. Single family starts fell 25.4% to an annualized rate of 650,000, while multi-family starts declined 40.5% to an annualized rate of 241,000. Permits fell 20.8% in April to an annualized rate of 1,074,000. According to the Case-Shiller 20-City home price index, home prices were up 3.9% year-over-year in March versus up 3.5% year-over-year in February. We believe low inventory is supporting prices.

Manufacturing



Source: Institute for Supply Management



Source: Federal Reserve

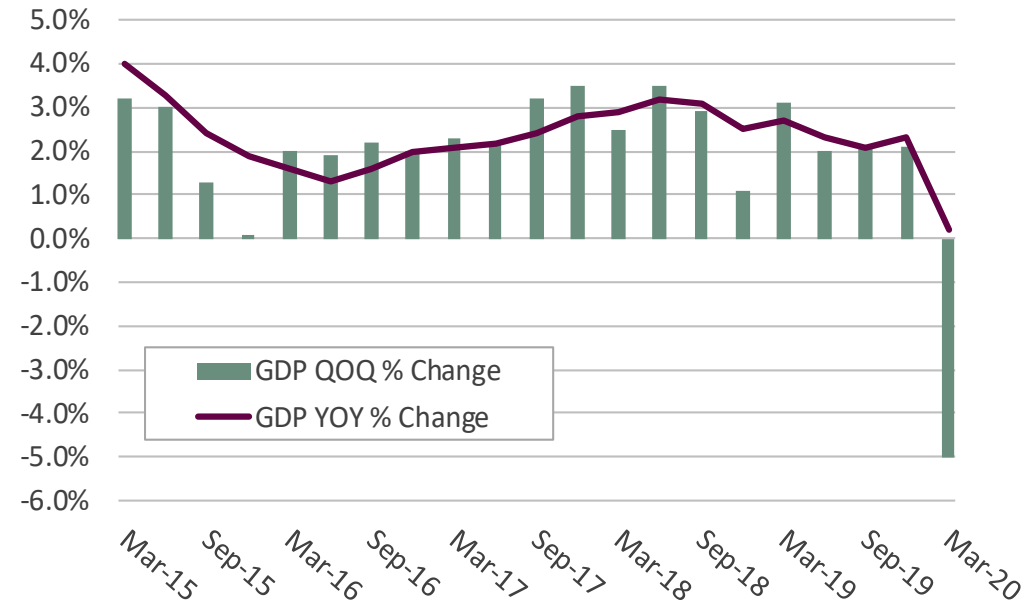
The Institute for Supply Management (ISM) manufacturing index improved slightly to 43.1 in May from 41.5 in April. The sub-50.0 reading suggests that the manufacturing sector remains deeply in contraction. The Industrial Production index was down 15.0% year-over-year in April, versus down 4.9% in March. On a month-over-month basis, the Industrial Production index fell 11.2% in April (the worst monthly decline on record), following a 5.4% decrease in March. Capacity Utilization dropped to 64.9% in April from 72.7% in March, well below the long-run average of 79.8%.

Gross Domestic Product (GDP)

Components of GDP	6/19	9/19	12/19	3/20
Personal Consumption Expenditures	3.0%	2.1%	1.2%	-4.7%
Gross Private Domestic Investment	-1.2%	-0.2%	-1.1%	-1.8%
Net Exports and Imports	-0.7%	-0.1%	1.5%	1.3%
Federal Government Expenditures	0.5%	0.2%	0.2%	0.1%
State and Local (Consumption and Gross Investment)	0.3%	0.1%	0.2%	0.0%
Total	2.0%	2.1%	2.1%	-5.0%

Source: US Department of Commerce

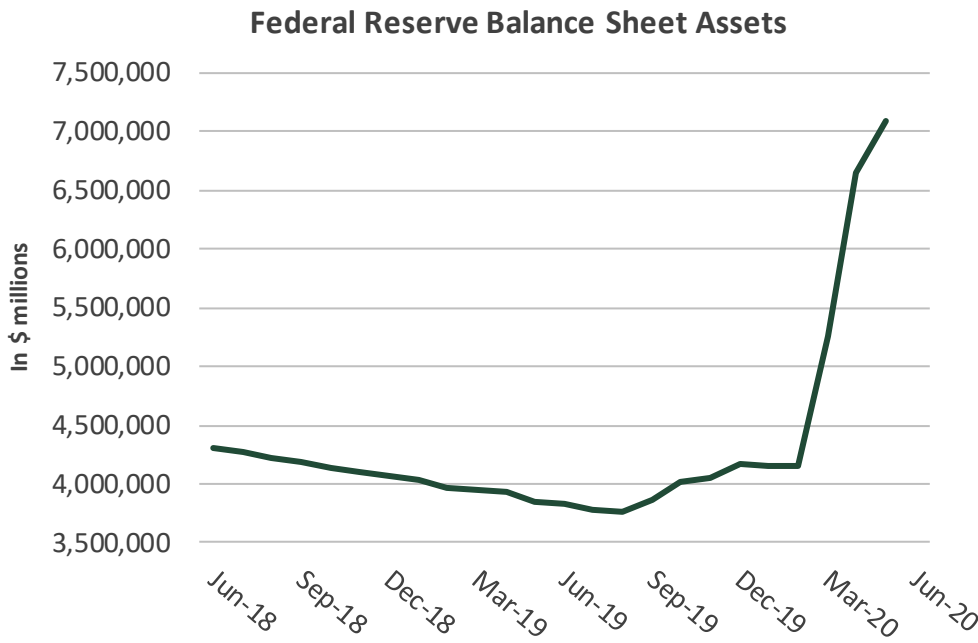
Gross Domestic Product (GDP)



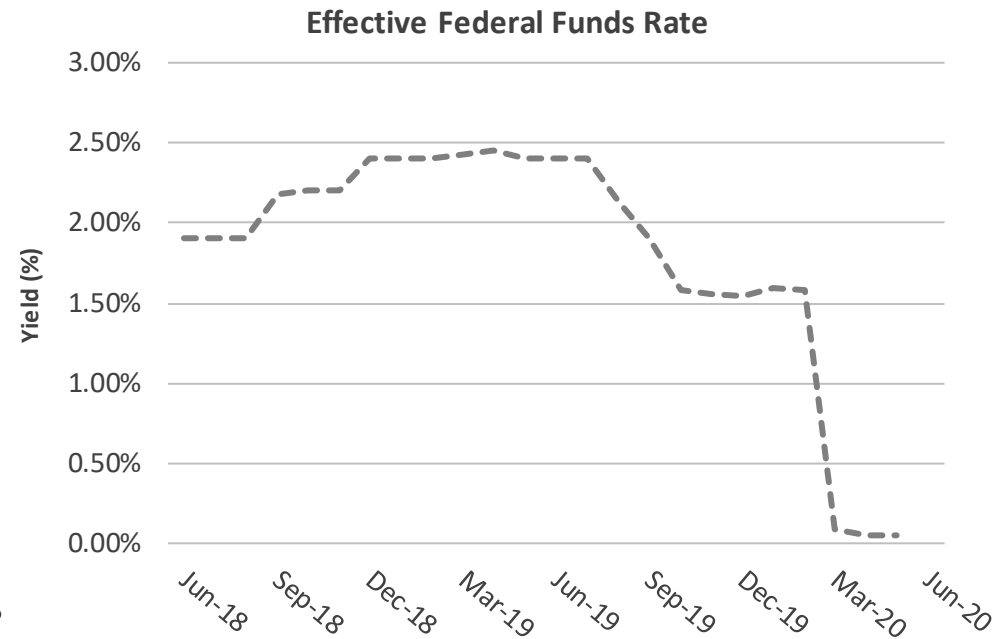
Source: US Department of Commerce

First quarter US gross domestic product (GDP) declined 5.0%, slightly lower than the initial estimate of -4.8%. Consumer spending declined 6.8% in the quarter. Notably, the decline in second quarter 2020 GDP is expected to be much more severe. The Bloomberg median estimate for second quarter GDP is -34.2%, and consumer spending is expected to decline 37.0%. We believe the US economy was expanding at a moderate pace at the beginning of this year but entered a recession in March.

Federal Reserve



Source: Federal Reserve

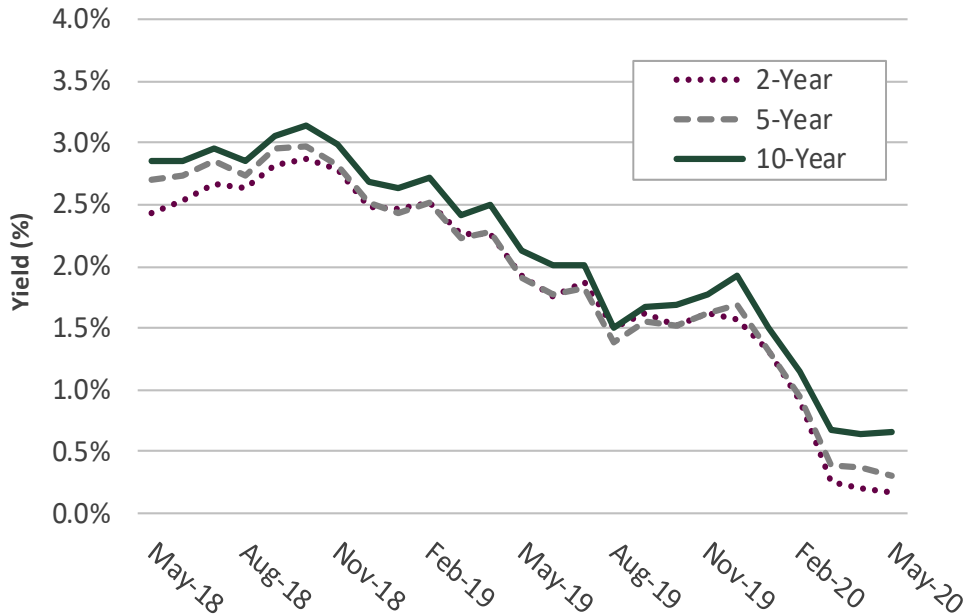


Source: Bloomberg

The Fed has taken a wide range of aggressive actions to help stabilize and provide liquidity to the financial markets. The Fed has lowered the fed funds target rate to a range of 0.0%-0.25% and said it will purchase Treasury and agency mortgage-backed securities in any amount needed to support smooth market functioning. Policymakers reinstated the Commercial Paper Funding Facility and Money Market Mutual Fund Liquidity Facility in order to provide liquidity to the commercial paper, money markets, and the municipal bond markets. The Fed has established the Primary Market Corporate Credit Facility and Secondary Market Corporate Credit Facility to support the corporate bond market. The Term Asset-Backed Securities Loan Facility has been established to enable the issuance of asset-backed securities backed by student loans, auto loans, credit card loans, and loans guaranteed by the Small Business Administration. The Fed has established the Paycheck Protection Program Liquidity Facility and Fed's Main Street Lending Facility which will support the flow of credit to businesses. The Fed established the Municipal Liquidity Facility to purchase short-term debt directly from US states, counties, and cities. The Fed has also provided short-term funding through large-scale repo operations and lowered the reserve requirement for depository institutions.

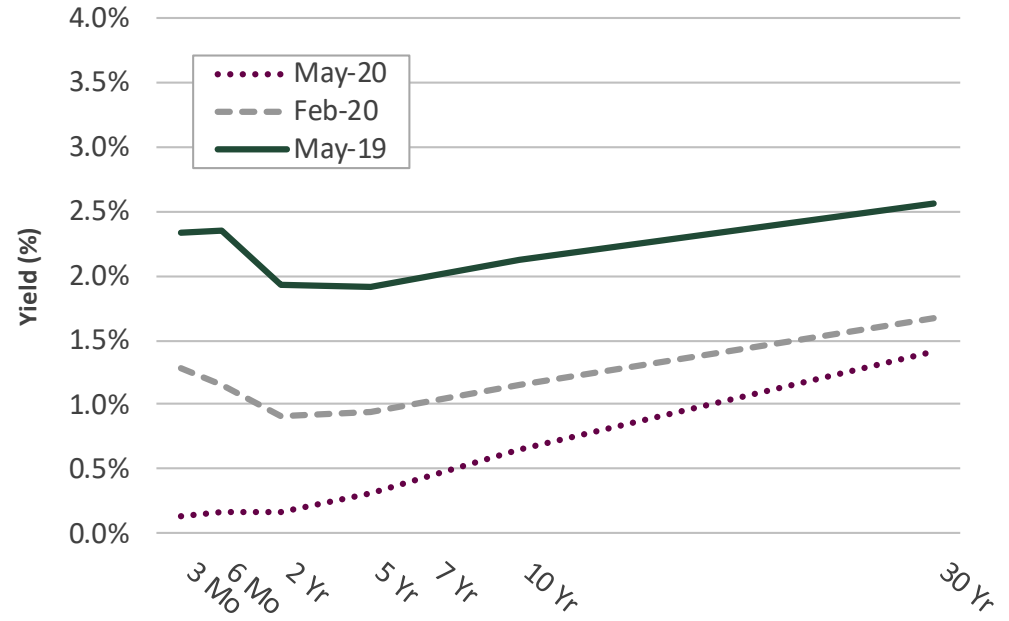
Bond Yields

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At May month-end, Treasury yields were much lower on a year-over-year basis. The 3-month T-bill yield was down 222 basis points, the 2-year Treasury yield was down 176 basis points, and the 10-Year Treasury yield was down 147 basis points, year-over-year. Much of the spread movement was in the month of March 2020, with the Fed cutting rates by a total of 150 basis points and concerns about a global recession and a flight to safe-haven assets driving down yields across the curve.

Periodic Table of Asset Class Returns

As of May 31, 2020

Annual Returns for Key Indices Ranked in Order of Performance										
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD 2020
US Real Estate 28.5%	US Real Estate 8.7%	International Real Estate 38.0%	US Small Cap Stocks 39.1%	US Real Estate 30.4%	US Real Estate 2.5%	US Small Cap Stocks 20.4%	Emerging Market Stocks 37.3%	International Bonds 3.2%	US Large Corp Stocks 31.5%	US Core Bonds 5.6%
US Small Cap Stocks 26.1%	US Core Bonds 7.9%	Emerging Market Stocks 18.2%	US Mid Cap Stocks 36.3%	US Large Cap Stocks 13.7%	US Large Cap Stocks 1.4%	US High Yield Bonds 17.5%	International Stocks 25.0%	US Core Bonds 0.0%	US Mid Cap Stocks 30.6%	International Bonds 1.9%
US Mid Cap Stocks 25.8%	US High Yield Bonds 4.4%	US Small Cap Stocks 18.2%	US Large Cap Stocks 32.4%	US Mid Cap Stocks 13.4%	International Bonds 1.3%	US Mid Cap Stocks 12.6%	US Large Cap Stocks 21.8%	US High Yield Bonds -2.3%	US Small Cap Stocks 25.9%	US Large Cap Stocks -5.0%
Emerging Market Stocks 18.9%	US Large Cap Stocks 2.1%	US Real Estate 17.8%	International Stocks 22.8%	International Bonds 9.1%	US Core Bonds 0.6%	US Large Cap Stocks 12.0%	US Mid Cap Stocks 20.3%	US Large Cap Stocks -4.4%	US Real Estate 25.8%	US High Yield Bonds -5.7%
International Real Estate 15.6%	International Bonds -0.1%	International Stocks 17.3%	US High Yield Bonds 7.4%	US Core Bonds 6.4%	US Mid Cap Stocks -0.6%	Diversified Commodities 11.4%	International Real Estate 20.0%	US Real Estate -4.6%	International Stocks 22.0%	US Mid Cap Stocks -9.7%
US High Yield Bonds 15.2%	Diversified Commodities -1.2%	US Mid Cap Stocks 16.0%	International Real Estate 5.8%	US Small Cap Stocks 6.1%	International Stocks -0.8%	Emerging Market Stocks 11.2%	US Small Cap Stocks 15.2%	International Real Estate -6.4%	International Real Estate 21.0%	International Stocks -14.3%
US Large Cap Stocks 15.1%	US Mid Cap Stocks -1.9%	US Large Cap Stocks 16.0%	US Real Estate 2.5%	International Real Estate 2.8%	International Real Estate -3.8%	US Real Estate 8.6%	US High Yield Bonds 7.5%	US Mid Cap Stocks -8.1%	Emerging Market Stocks 18.4%	US Small Cap Stocks -15.7%
Diversified Commodities 9.0%	US Small Cap Stocks -2.8%	US High Yield Bonds 15.6%	International Bonds 1.8%	US High Yield Bonds 2.5%	US Small Cap Stocks -4.1%	International Bonds 4.9%	Diversified Commodities 5.8%	US Small Cap Stocks -11.0%	Diversified Commodities 17.6%	Emerging Market Stocks -16.0%
International Stocks 7.8%	International Stocks -12.1%	International Bonds 8.0%	Diversified Commodities -1.2%	Emerging Market Stocks -2.2%	US High Yield Bonds -4.6%	US Core Bonds 2.6%	US Real Estate 5.1%	International Stocks -13.8%	US High Yield Bonds 14.4%	US Real Estate -20.8%
US Core Bonds 6.4%	International Real Estate -15.6%	US Core Bonds 4.4%	US Core Bonds -2.3%	International Stocks -4.9%	Emerging Market Stocks -14.9%	International Real Estate 1.3%	US Core Bonds 3.6%	Diversified Commodities -13.8%	US Core Bonds 9.0%	International Real Estate -23.0%
International Bonds 1.9%	Emerging Market Stocks -18.4%	Diversified Commodities 0.1%	Emerging Market Stocks -2.6%	Diversified Commodities -33.1%	Diversified Commodities -32.9%	International Stocks 1.0%	International Bonds 2.6%	Emerging Market Stocks -14.6%	International Bonds 8.1%	Diversified Commodities -39.4%

Source: Data YTD as of 5/31/2020. Past performance is not indicative of future results. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. It is not possible to invest directly in an index. This information is not intended to constitute an offer, solicitation, recommendation, or advice regarding securities or investment strategy. Please see attached Asset Class Disclosure.



Section 2 | Account Profile

Investment Objectives

The investment objectives for the City of Solana Beach, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs, and a market rate of return consistent with the investment program.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

City of Solana Beach

Assets managed by Chandler Asset Management are in full compliance with state law and the City's investment policy.

Category	Standard	Comment
Treasury Issues	No limitations	Complies
Federal Agencies	25% per agency issuer	Complies
Municipal Securities	"A" or higher by a NRSRO; 30% maximum; 5% max per issuer	Complies
Supranationals	"AA" rated or higher by a NRSRO; 30% max; 10% max per issuer; U.S. dollar denominated; Issued by: IBRD, IFC, IADB	Complies
Corporate Medium Term Notes	"A" or higher by a NRSRO; 30% maximum; 5% max per issuer; Issuer is a corporation organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies
FDIC insured Time Deposits/ Certificates of Deposit	Amount per institution limited to the max covered under FDIC; 20% maximum (combination of FDIC insured and collateralized TDs/ CDs); 5% max per issuer	Complies
Collateralized Time Deposits/ Certificates of Deposit	20% maximum (combination of FDIC insured and collateralized TDs/ CDs); 5% max per issuer	Complies
Negotiable Certificates of Deposit	No rating required if amount of the NCD is covered by FDIC insured limit; If above FDIC insured limit, requires "A-1" rated or higher by a NRSRO or "A" rated long term issuer by a NRSRO; 30% maximum (inclusive of CDARS); 5% max per issuer	Complies
Banker's Acceptances	"A-1" or higher short-term rating by a NRSRO; or "A" or higher long-term by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" or higher short term rating by a NRSRO; "A" rated long term issuer by a NRSRO; 25% maximum; 5% max per issuer; 270 days max maturity; Issuer is a corporation organized and operating in U.S. with assets in excess of \$500 million; 10% max of the issuer's outstanding commercial paper	Complies
Asset-Backed Securities/ Mortgage-Backed Securities	"AA" or higher by a NRSRO; "A" rated issuer rating or higher by a NRSRO; 20% maximum; 5% max per Asset-backed or Commercial Mortgage security issuer; There is no issuer limitation on any Mortgage security where the issuer is the U.S. Treasury or a Federal City/GSE.	Complies
Mutual Funds and Money Market Mutual Funds	Highest rating or "AAA" rated by two NRSROs; or SEC registered adviser with AUM >\$500 million and experience greater than 5 years; 20% maximum combined in Money Market Mutual Funds and Mutual Funds; 10% max per Mutual Fund; 20% max per Money Market Mutual Fund	Complies
Prohibited Securities	Futures and Options; Inverse floaters; Ranges notes, Interest-only strips from mortgaged backed securities; Zero interest accrual securities; Margin; Reverse Repurchase Agreements; Securities lending; Foreign currency denominated; Purchases of securities issued by fossil fuel companies that directly source the majority of their revenue from oil, gas, and or coal production.	Complies
Repurchase Agreements	1 year max maturity; collateralized 102% of market value; Not used by investment adviser	Complies
Local Agency Investment Fund (LAIF)	Maximum amount permitted by LAIF; Not used by investment adviser	Complies
Investment Trust of California (CALTRUST)	Pursuant to CGC; Not used by investment adviser	Complies
Callable Securities	20% maximum (does not include "make whole call" securities)	Complies
Max per Issuer	No more than 5% in any single issuer, except US Gov, Agencies, Supranationals, Money Market Mutual Funds, LAIF, LGIP, or where otherwise specified in the investment policy	Complies
Maximum Maturity	5 years	Complies

Portfolio Characteristics

As of March 31, 2020

City of Solana Beach

	3/31/2020		12/31/2019
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	1.84	1.84	1.98
Average Modified Duration	1.80	1.71	1.84
Average Purchase Yield	n/a	2.09%	2.19%
Average Market Yield	0.21%	0.82%	1.70%
Average Quality**	AAA	AA+/Aa1	AA+/Aa1
Total Market Value		29,618,450	29,026,994

*ICE BAML 1-3 Yr US Treasury/Agency Index

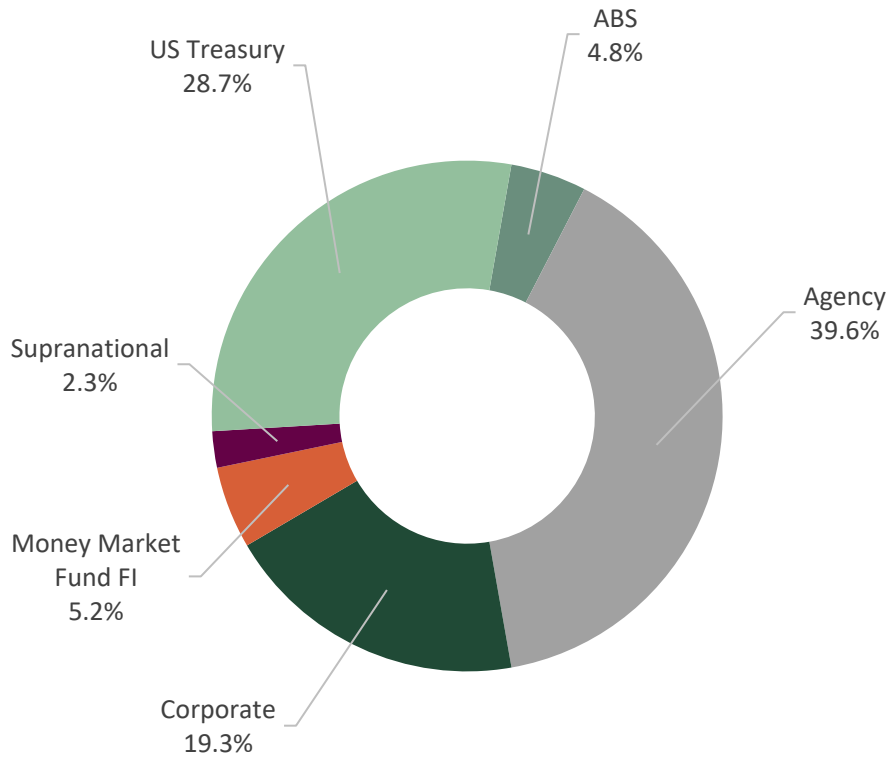
**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

Sector Distribution

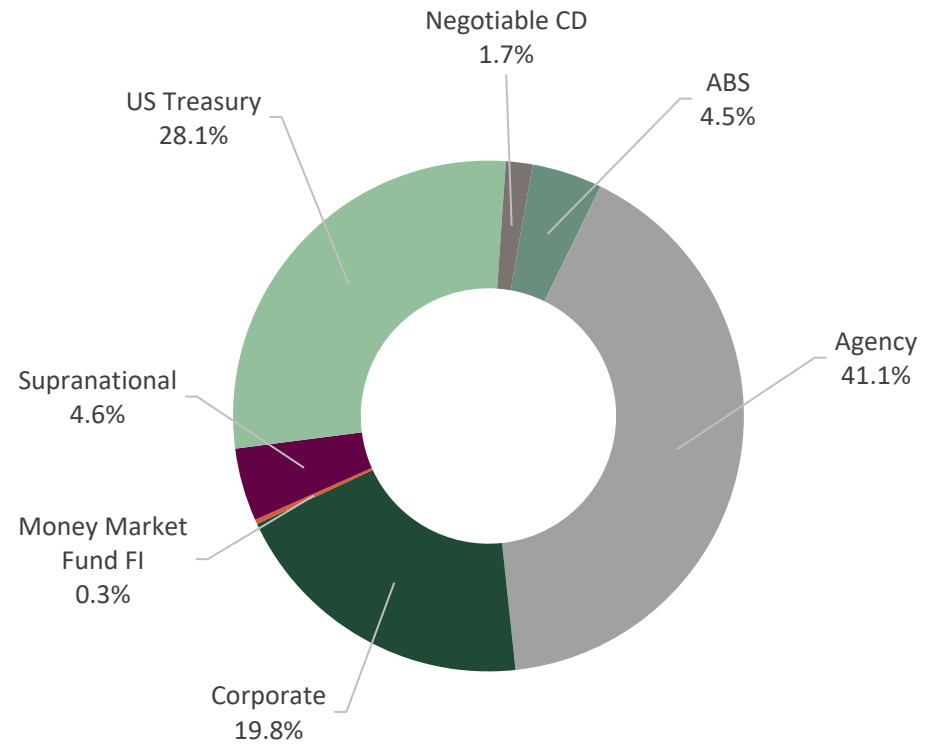
As of March 31, 2020

City of Solana Beach

March 31, 2020



December 31, 2019



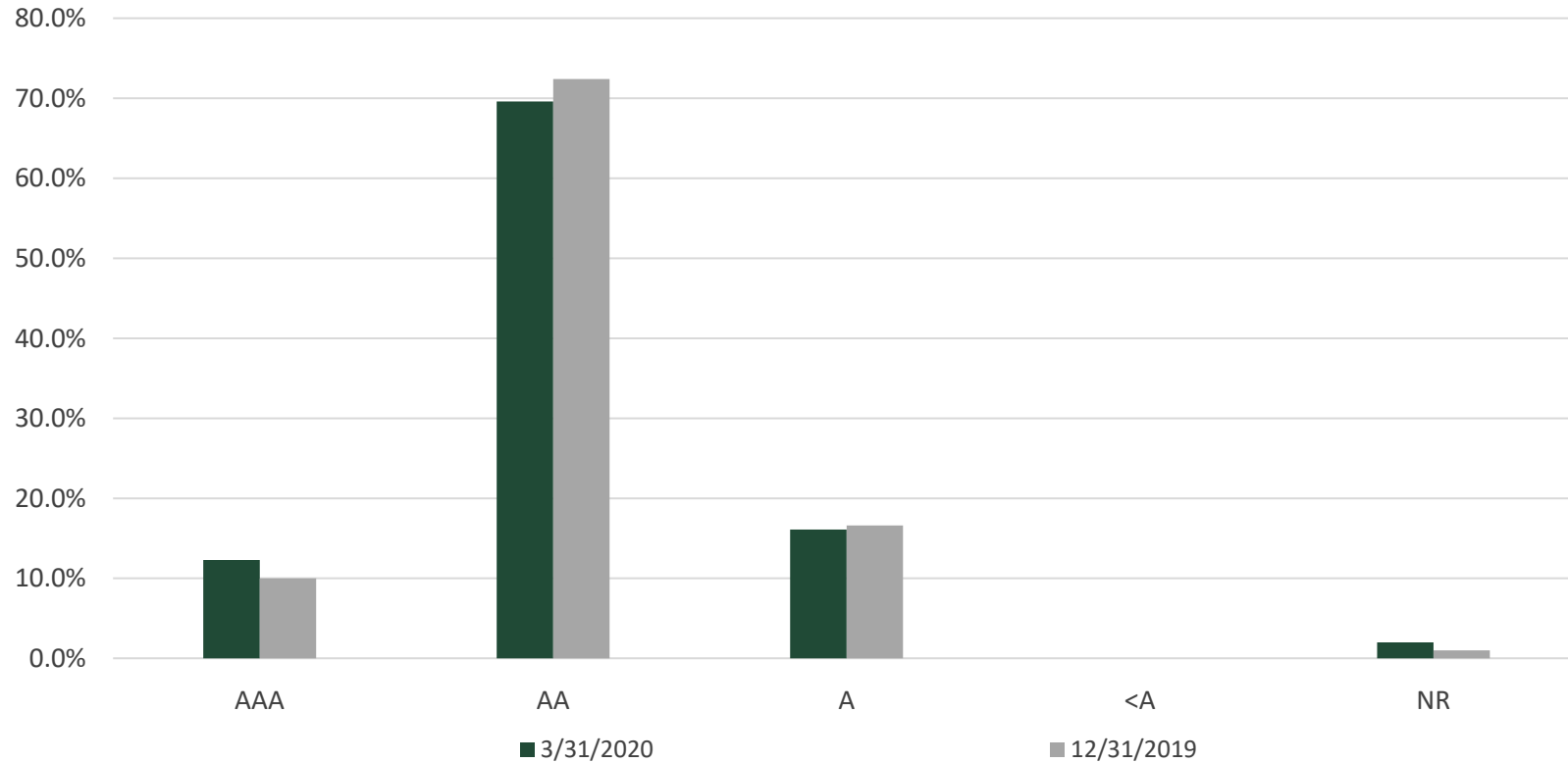
City of Solana Beach – Account #10471

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	28.74%
Federal Farm Credit Bank	Agency	14.10%
Federal Home Loan Bank	Agency	13.53%
Federal National Mortgage Association	Agency	9.78%
First American Govt Oblig Fund	Money Market Fund FI	5.21%
Federal Home Loan Mortgage Corp	Agency	2.21%
Honda ABS	ABS	1.73%
Costco Wholesale Corporation	Corporate	1.72%
Paccar Financial	Corporate	1.68%
Inter-American Dev Bank	Supranational	1.63%
PNC Financial Services Group	Corporate	1.53%
Home Depot	Corporate	1.44%
United Parcel Service	Corporate	1.38%
Oracle Corp	Corporate	1.37%
State Street Bank	Corporate	1.36%
Praxair	Corporate	1.35%
John Deere ABS	ABS	1.31%
Berkshire Hathaway	Corporate	1.24%
Deere & Company	Corporate	1.20%
Bank of New York	Corporate	1.19%
Toyota Motor Corp	Corporate	1.02%
Toyota ABS	ABS	1.02%
Apple Inc	Corporate	0.91%
Nissan ABS	ABS	0.75%
International Finance Corp	Supranational	0.70%
HSBC Holdings PLC	Corporate	0.67%
Honda Motor Corporation	Corporate	0.67%
Charles Schwab Corp/The	Corporate	0.55%
TOTAL		100.00%

Quality Distribution

As of March 31, 2020

City of Solana Beach
March 31, 2020 vs. December 31, 2019



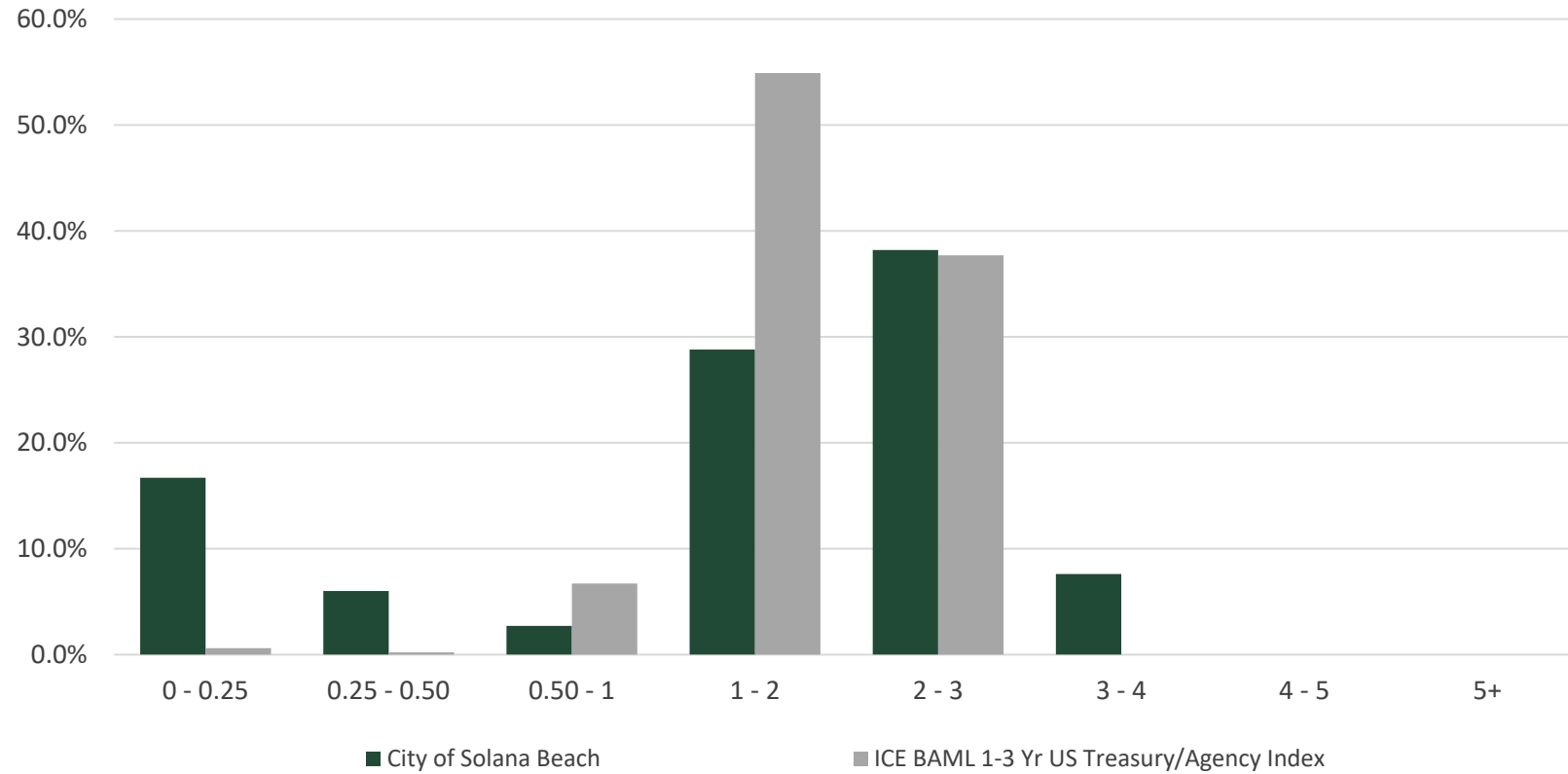
	AAA	AA	A	<A	NR
03/31/20	12.3%	69.6%	16.1%	0.0%	2.0%
12/31/19	10.0%	72.4%	16.6%	0.0%	1.0%

Source: S&P Ratings

Duration Distribution

As of March 31, 2020

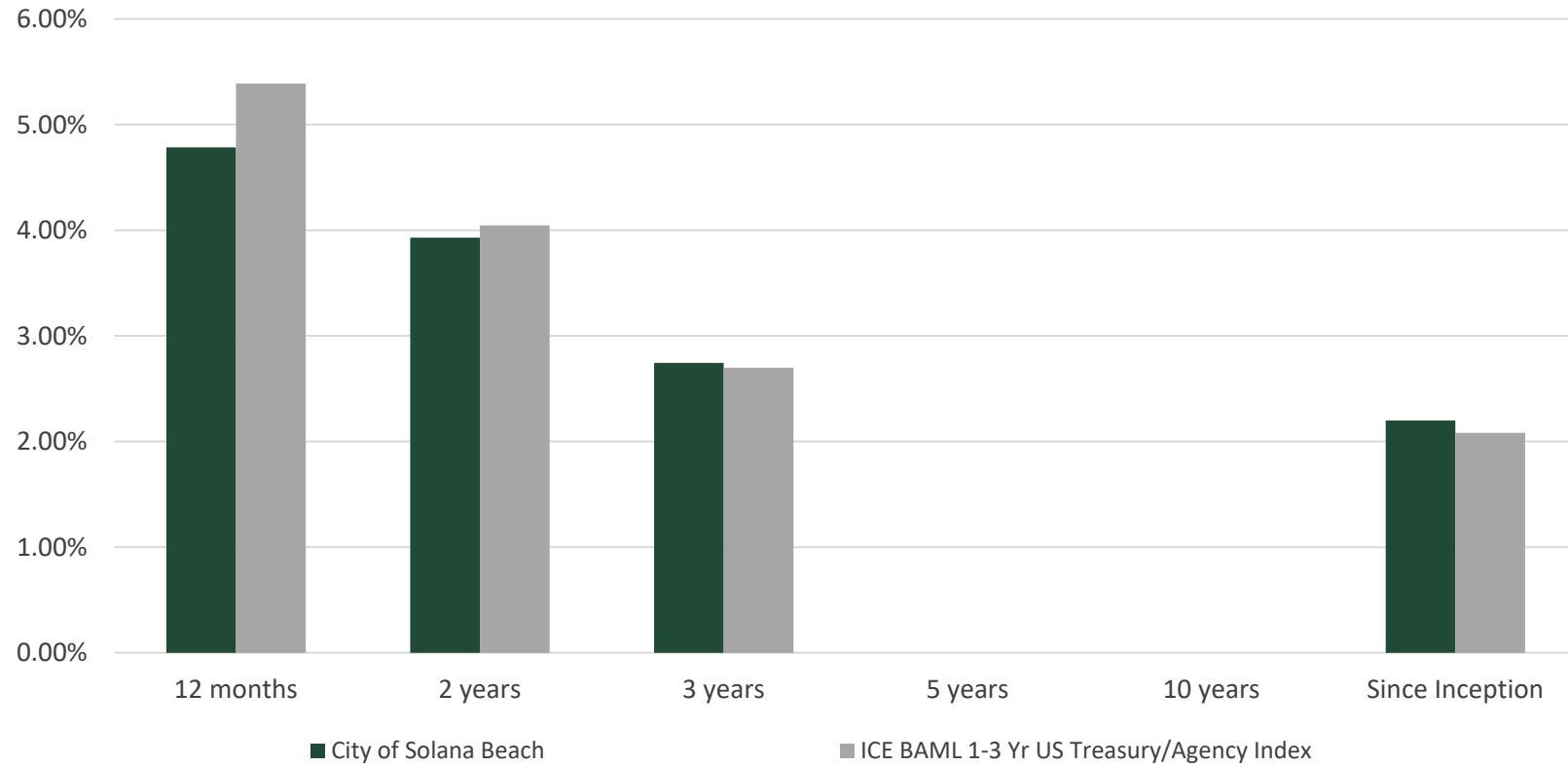
City of Solana Beach
Portfolio Compared to the Benchmark as of March 31, 2020



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	16.7%	6.0%	2.7%	28.8%	38.2%	7.6%	0.0%	0.0%
Benchmark*	0.6%	0.2%	6.7%	54.9%	37.7%	0.0%	0.0%	0.0%

*ICE BAML 1-3 Yr US Treasury/Agency Index

City of Solana Beach Total Rate of Return Annualized Since Inception 03/31/2016



TOTAL RATE OF RETURN	Annualized						
	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
City of Solana Beach	2.06%	4.78%	3.93%	2.74%	N/A	N/A	2.20%
ICE BAML 1-3 Yr US Treasury/Agency Index	2.78%	5.39%	4.05%	2.70%	N/A	N/A	2.08%

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Investment Comparison

As of March 31, 2020

City of Solana Beach

	LAIF EARNINGS ESTIMATE*	GROSS INCOME EARNED CHANDLER-MANAGED PORTFOLIO	INCOME EARNED CHANDLER-MANAGED PORTFOLIO**
Apr 2016 - Dec 2016	\$113,770	\$185,849	\$169,455
2017	\$327,563	\$439,162	\$410,891
2018	\$628,152	\$553,633	\$524,542
2019	\$716,012	\$600,606	\$573,809
Jan 2020	\$49,264	\$47,393	\$48,299
Feb 2020	\$44,979	\$50,006	\$46,067
Mar 2020	\$45,516	\$50,432	\$47,939
Total:	\$1,925,256	\$1,927,081	\$1,821,002

*LAIF earnings estimate calculated using daily yield

**Income earned net of Chandler fees



Section 3 | Portfolio Holdings

Holdings Report

As of March 31, 2020

City of Solana Beach - Account #10471

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
43814WAB1	Honda Auto Receivables Trust 2019-1 A2 2.750% Due 09/20/2021	167,871.85	02/19/2019 2.77%	167,861.03 167,861.03	99.76 3.47%	167,467.21 166.71	0.57% (393.82)	NR / AAA AAA	1.47 0.34
89239AAB9	Toyota Auto Receivables Trust 2019-A A2A 2.830% Due 10/15/2021	120,663.20	02/05/2019 2.85%	120,652.24 120,652.24	100.13 2.41%	120,815.59 151.77	0.41% 163.35	Aaa / AAA NR	1.54 0.29
47789JAB2	John Deere Owner Trust 2019-A A2 2.850% Due 12/15/2021	115,152.21	03/05/2019 2.87%	115,146.96 115,146.96	100.26 1.93%	115,457.34 145.86	0.39% 310.38	Aaa / NR AAA	1.71 0.28
89238KAD4	Toyota Auto Receivables Trust 2017-D A3 1.930% Due 01/18/2022	180,289.79	10/17/2019 1.97%	180,247.54 180,247.54	99.96 2.03%	180,225.95 125.65	0.61% (21.59)	Aaa / AAA NR	1.80 0.43
43814UAG4	Honda Auto Receivables Trust 2018-2 A3 3.010% Due 05/18/2022	127,970.56	05/22/2018 3.03%	127,967.77 127,967.77	100.59 2.11%	128,719.95 139.10	0.44% 752.18	NR / AAA AAA	2.13 0.64
477870AC3	John Deere Owner Trust 2019-B A3 2.210% Due 12/15/2023	120,000.00	07/16/2019 2.23%	119,974.52 119,974.52	100.82 1.74%	120,980.64 117.87	0.41% 1,006.12	Aaa / NR AAA	3.71 1.69
43813RAC1	Honda Auto Receivables 2020-1 A3 1.610% Due 04/22/2024	215,000.00	02/19/2020 1.62%	214,957.86 214,957.86	100.14 1.56%	215,291.76 96.15	0.73% 333.90	Aaa / NR AAA	4.06 2.41
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.930% Due 07/15/2024	220,000.00	10/16/2019 1.94%	219,988.38 219,988.38	100.99 1.49%	222,169.20 188.71	0.75% 2,180.82	Aaa / AAA NR	4.29 2.18
47789KAC7	John Deere Owner Trust 2020-A A3 1.100% Due 08/15/2024	155,000.00	03/04/2020 1.11%	154,990.53 154,990.53	98.17 1.87%	152,160.40 94.72	0.51% (2,830.13)	Aaa / NR AAA	4.38 2.39
TOTAL ABS		1,421,947.61	2.18%	1,421,786.83	2.03%	1,423,288.04 1,226.54	4.81% 1,501.21	Aaa / AAA Aaa	2.93 1.30
Agency									
3133EHFL2	FFCB Note 1.550% Due 04/13/2020	650,000.00	04/13/2017 1.51%	650,708.50 650,708.50	100.04 0.28%	650,274.30 4,701.67	2.21% (434.20)	Aaa / AA+ AAA	0.04 0.03
3137EAEF2	FHLMC Note 1.375% Due 04/20/2020	650,000.00	04/19/2017 1.48%	647,926.50 647,926.50	100.05 0.47%	650,309.40 3,997.05	2.21% 2,382.90	Aaa / AA+ AAA	0.05 0.05
3135G0U35	FNMA Note 2.750% Due 06/22/2021	700,000.00	06/28/2018 2.68%	701,295.00 701,295.00	102.88 0.39%	720,141.80 5,293.75	2.45% 18,846.80	Aaa / AA+ AAA	1.23 1.20
313383ZU8	FHLB Note 3.000% Due 09/10/2021	600,000.00	11/28/2018 2.95%	600,750.00 600,750.00	103.79 0.36%	622,764.60 1,050.00	2.11% 22,014.60	Aaa / AA+ NR	1.45 1.42
3133EJT74	FFCB Note 3.050% Due 11/15/2021	600,000.00	12/11/2018 2.87%	602,994.00 602,994.00	104.20 0.45%	625,178.40 6,913.33	2.13% 22,184.40	Aaa / AA+ AAA	1.63 1.58
3135G0S38	FNMA Note 2.000% Due 01/05/2022	650,000.00	Various 2.04%	649,156.00 649,156.00	102.87 0.37%	668,624.45 3,105.55	2.27% 19,468.45	Aaa / AA+ AAA	1.77 1.73

Holdings Report

As of March 31, 2020

City of Solana Beach - Account #10471

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3133EKBV7	FFCB Note 2.550% Due 03/01/2022	600,000.00	02/28/2019 2.57%	599,718.00 599,718.00	104.00 0.45%	623,982.60 1,275.00	2.11% 24,264.60	Aaa / AA+ AAA	1.92 1.88
3135G0V59	FNMA Note 2.250% Due 04/12/2022	360,000.00	04/11/2019 2.36%	358,819.20 358,819.20	103.68 0.43%	373,239.72 3,802.50	1.27% 14,420.52	Aaa / AA+ AAA	2.03 1.97
313379Q69	FHLB Note 2.125% Due 06/10/2022	700,000.00	06/06/2018 2.81%	681,828.70 681,828.70	103.84 0.36%	726,903.80 4,586.46	2.47% 45,075.10	Aaa / AA+ AAA	2.19 2.14
3135G0W33	FNMA Note 1.375% Due 09/06/2022	580,000.00	09/05/2019 1.49%	577,981.60 577,981.60	102.41 0.38%	593,978.58 553.82	2.01% 15,996.98	Aaa / AA+ AAA	2.44 2.39
313380GJ0	FHLB Note 2.000% Due 09/09/2022	600,000.00	11/28/2018 3.02%	578,358.00 578,358.00	103.58 0.52%	621,484.80 733.33	2.10% 43,126.80	Aaa / AA+ NR	2.44 2.38
3133EKY91	FFCB Note 1.375% Due 10/11/2022	500,000.00	10/08/2019 1.46%	498,715.00 498,715.00	101.18 0.90%	505,916.00 3,246.53	1.72% 7,201.00	Aaa / AA+ AAA	2.53 2.47
3130AFE78	FHLB Note 3.000% Due 12/09/2022	600,000.00	12/20/2018 2.77%	605,208.00 605,208.00	106.63 0.51%	639,771.00 5,600.00	2.18% 34,563.00	Aaa / AA+ AAA	2.69 2.58
3135G0T94	FNMA Note 2.375% Due 01/19/2023	500,000.00	10/04/2018 3.10%	485,610.00 485,610.00	105.39 0.44%	526,949.00 2,375.00	1.79% 41,339.00	Aaa / AA+ AAA	2.81 2.71
3133EKUA2	FFCB Note 1.850% Due 02/01/2023	600,000.00	07/23/2019 1.86%	599,850.00 599,850.00	102.98 0.78%	617,905.20 1,850.00	2.09% 18,055.20	Aaa / AA+ AAA	2.84 2.76
3133ELNW0	FFCB Note 1.450% Due 02/21/2023	600,000.00	02/14/2020 1.45%	599,988.00 599,988.00	101.96 0.76%	611,784.60 966.67	2.07% 11,796.60	Aaa / AA+ AAA	2.90 2.83
3130ADRG9	FHLB Note 2.750% Due 03/10/2023	600,000.00	01/18/2019 2.75%	600,072.00 600,072.00	106.67 0.47%	639,993.60 962.50	2.16% 39,921.60	Aaa / AA+ NR	2.94 2.84
3133834G3	FHLB Note 2.125% Due 06/09/2023	700,000.00	06/10/2019 2.00%	703,318.00 703,318.00	105.54 0.38%	738,772.30 4,627.78	2.51% 35,454.30	Aaa / AA+ NR	3.19 3.08
3133EKS7	FFCB Note 1.770% Due 06/26/2023	500,000.00	06/21/2019 1.89%	497,675.00 497,675.00	103.81 0.58%	519,030.50 2,335.42	1.76% 21,355.50	Aaa / AA+ AAA	3.24 3.14
TOTAL Agency		11,290,000.00	2.27%	11,239,971.50	0.48%	11,677,004.65	39.62%	Aaa / AA+	2.10
						57,976.36	437,033.15	Aaa	2.04
Corporate									
89236TDU6	Toyota Motor Credit Corp Note 1.950% Due 04/17/2020	150,000.00	04/24/2017 1.91%	150,154.50 150,154.50	99.98 2.42%	149,967.15 1,332.50	0.51% (187.35)	A1 / AA- A+	0.05 0.04
69353REP9	PNC Bank Callable Note Cont 5/2/2020 2.300% Due 06/01/2020	450,000.00	06/07/2017 2.03%	453,442.50 453,442.50	100.01 2.16%	450,022.50 3,450.00	1.53% (3,420.00)	A2 / A A+	0.17 0.09
437076BQ4	Home Depot Note 1.800% Due 06/05/2020	425,000.00	05/24/2017 1.82%	424,753.50 424,753.50	99.94 2.14%	424,736.50 2,465.00	1.44% (17.00)	A2 / A A	0.18 0.18

Holdings Report

As of March 31, 2020

City of Solana Beach - Account #10471

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
40428HPV8	HSBC USA Inc Note 2.750% Due 08/07/2020	200,000.00	05/18/2017 2.16%	203,620.00 203,620.00	99.53 4.10%	199,054.80 825.00	0.67% (4,565.20)	A2 / A A+	0.35 0.35
857477AS2	State Street Bank Note 2.550% Due 08/18/2020	400,000.00	Various 2.52%	401,010.00 401,010.00	100.16 2.11%	400,648.00 1,218.34	1.36% (362.00)	A1 / A AA-	0.38 0.38
02665WAZ4	American Honda Finance Note 2.450% Due 09/24/2020	200,000.00	02/07/2017 2.16%	201,980.00 201,980.00	99.30 3.92%	198,609.40 95.28	0.67% (3,370.60)	A3 / A NR	0.48 0.47
74005PBP8	Praxair Note 2.250% Due 09/24/2020	400,000.00	04/25/2017 1.98%	403,524.00 403,524.00	99.94 2.39%	399,740.00 175.00	1.35% (3,784.00)	A2 / A NR	0.48 0.48
22160KAJ4	Costco Wholesale Corp Callable Note Cont 4/18/2021 2.150% Due 05/18/2021	500,000.00	Various 2.05%	501,777.00 501,777.00	100.84 1.33%	504,208.00 3,971.53	1.72% 2,431.00	Aa3 / A+ NR	1.13 1.03
808513AW5	Charles Schwab Corp Callable Note Cont 4/21/2021 3.250% Due 05/21/2021	160,000.00	05/17/2018 3.25%	159,995.20 159,995.20	100.75 2.52%	161,198.56 1,877.78	0.55% 1,203.36	A2 / A A	1.14 1.02
69371RP42	Paccar Financial Corp Note 3.150% Due 08/09/2021	500,000.00	08/06/2018 3.16%	499,845.00 499,845.00	98.86 4.02%	494,284.50 2,275.00	1.68% (5,560.50)	A1 / A+ NR	1.36 1.31
68389XBK0	Oracle Corp Callable Note Cont 8/15/2021 1.900% Due 09/15/2021	250,000.00	10/12/2017 2.11%	248,072.50 248,072.50	100.29 1.68%	250,736.75 211.11	0.85% 2,664.25	A3 / A+ A-	1.46 1.35
89236TDP7	Toyota Motor Credit Corp Note 2.600% Due 01/11/2022	150,000.00	04/18/2018 3.10%	147,382.50 147,382.50	100.52 2.30%	150,772.80 866.67	0.51% 3,390.30	A1 / AA- A+	1.78 1.72
68389XBB0	Oracle Corp Callable Note Cont 3/15/2022 2.500% Due 05/15/2022	150,000.00	06/13/2018 3.21%	146,086.50 146,086.50	101.71 1.60%	152,568.60 1,416.67	0.52% 6,482.10	A3 / A+ A-	2.12 1.89
084664BT7	Berkshire Hathaway Note 3.000% Due 05/15/2022	350,000.00	12/11/2018 3.31%	346,510.50 346,510.50	103.87 1.15%	363,554.45 3,966.67	1.24% 17,043.95	Aa2 / AA A+	2.12 2.04
911312BC9	UPS Callable Note Cont 4/16/2022 2.350% Due 05/16/2022	400,000.00	04/10/2018 2.99%	390,204.00 390,204.00	101.24 1.73%	404,940.00 3,525.00	1.38% 14,736.00	A2 / A NR	2.13 1.97
24422EUA5	John Deere Capital Corp Note 2.700% Due 01/06/2023	350,000.00	10/29/2019 1.96%	357,889.00 357,889.00	101.11 2.28%	353,870.65 2,231.25	1.20% (4,018.35)	A2 / A A	2.77 2.64
037833AK6	Apple Inc Note 2.400% Due 05/03/2023	256,000.00	05/02/2019 2.75%	252,605.44 252,605.44	104.26 1.00%	266,892.80 2,525.87	0.91% 14,287.36	Aa1 / AA+ NR	3.09 2.96
06406FAD5	Bank of NY Mellon Corp Callable Note Cont 6/16/2023 2.200% Due 08/16/2023	350,000.00	09/12/2019 2.15%	350,616.00 350,616.00	100.45 2.05%	351,558.20 962.50	1.19% 942.20	A1 / A AA-	3.38 3.08
TOTAL Corporate		5,641,000.00	2.44%	5,639,468.14	2.22%	5,677,363.66	19.28%	A1 / A+	1.35
				5,639,468.14	2.22%	33,391.17	37,895.52	A+	1.27

Holdings Report

As of March 31, 2020

City of Solana Beach - Account #10471

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Money Market Fund FI									
31846V203	First American Govt Obligation Fund Class Y	1,543,006.95	Various 0.12%	1,543,006.95 1,543,006.95	1.00 0.12%	1,543,006.95 0.00	5.21% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund FI		1,543,006.95	0.12%	1,543,006.95	0.12%	1,543,006.95 0.00	5.21% 0.00	Aaa / AAA Aaa	0.00 0.00
Supranational									
4581X0CX4	Inter-American Dev Bank Note 1.625% Due 05/12/2020	480,000.00	04/05/2017 1.70%	478,862.40 478,862.40	100.16 0.26%	480,747.84 3,011.67	1.63% 1,885.44	Aaa / AAA AAA	0.12 0.11
45950KCM0	International Finance Corp Note 2.250% Due 01/25/2021	205,000.00	01/18/2018 2.35%	204,397.30 204,397.30	101.40 0.53%	207,872.05 845.63	0.70% 3,474.75	Aaa / AAA NR	0.82 0.81
TOTAL Supranational		685,000.00	1.90%	683,259.70	0.34%	688,619.89 3,857.30	2.34% 5,360.19	Aaa / AAA Aaa	0.33 0.32
US Treasury									
912796TQ2	US Treasury Bill 1.492% Due 04/09/2020	575,000.00	02/27/2020 1.52%	574,022.82 574,809.33	99.97 1.52%	574,809.33 0.00	1.94% 0.00	P-1 / A-1+ F-1+	0.02 0.02
912828M98	US Treasury Note 1.625% Due 11/30/2020	450,000.00	03/08/2017 1.90%	445,606.98 445,606.98	101.03 0.08%	454,640.40 2,457.48	1.54% 9,033.42	Aaa / AA+ AAA	0.67 0.66
912828T34	US Treasury Note 1.125% Due 09/30/2021	600,000.00	08/14/2017 1.67%	586,923.89 586,923.89	101.38 0.21%	608,250.00 18.44	2.05% 21,326.11	Aaa / AA+ AAA	1.50 1.49
912828U81	US Treasury Note 2.000% Due 12/31/2021	700,000.00	01/30/2018 2.41%	689,226.56 689,226.56	103.11 0.22%	721,765.80 3,538.46	2.45% 32,539.24	Aaa / AA+ AAA	1.75 1.72
912828H86	US Treasury Note 1.500% Due 01/31/2022	550,000.00	08/15/2017 1.77%	543,578.01 543,578.01	102.32 0.23%	562,761.65 1,382.55	1.90% 19,183.64	Aaa / AA+ AAA	1.84 1.81
912828W55	US Treasury Note 1.875% Due 02/28/2022	700,000.00	Various 2.03%	695,585.94 695,585.94	103.17 0.21%	722,203.30 1,141.30	2.44% 26,617.36	Aaa / AA+ AAA	1.92 1.89
912828XW5	US Treasury Note 1.750% Due 06/30/2022	700,000.00	Various 2.56%	677,368.48 677,368.48	103.44 0.22%	724,062.50 3,096.15	2.46% 46,694.02	Aaa / AA+ AAA	2.25 2.21
912828P4	US Treasury Note 1.875% Due 07/31/2022	600,000.00	12/16/2019 1.67%	603,187.50 603,187.50	103.82 0.23%	622,945.20 1,885.30	2.11% 19,757.70	Aaa / AA+ AAA	2.33 2.29
912828YA2	US Treasury Note 1.500% Due 08/15/2022	600,000.00	12/31/2019 1.59%	598,593.75 598,593.75	103.00 0.23%	617,976.60 1,137.36	2.09% 19,382.85	Aaa / AA+ AAA	2.38 2.34
912828L24	US Treasury Note 1.875% Due 08/31/2022	600,000.00	04/08/2019 2.30%	591,632.81 591,632.81	103.92 0.25%	623,508.00 978.26	2.11% 31,875.19	Aaa / AA+ AAA	2.42 2.37

Holdings Report

As of March 31, 2020

City of Solana Beach - Account #10471

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912828M80	US Treasury Note 2.000% Due 11/30/2022	600,000.00	11/27/2019 1.61%	606,843.75 606,843.75	104.57 0.28%	627,398.40 4,032.79	2.13% 20,554.65	Aaa / AA+ AAA	2.67 2.59
9128284D9	US Treasury Note 2.500% Due 03/31/2023	500,000.00	02/21/2019 2.51%	499,707.03 499,707.03	106.60 0.29%	532,988.50 34.15	1.80% 33,281.47	Aaa / AA+ AAA	3.00 2.91
912828R28	US Treasury Note 1.625% Due 04/30/2023	450,000.00	12/04/2019 1.60%	450,404.30 450,404.30	104.08 0.29%	468,369.00 3,073.66	1.59% 17,964.70	Aaa / AA+ AAA	3.08 3.00
912828R69	US Treasury Note 1.625% Due 05/31/2023	600,000.00	04/11/2019 2.30%	584,062.50 584,062.50	104.16 0.30%	624,984.60 3,276.64	2.12% 40,922.10	Aaa / AA+ AAA	3.17 3.08
TOTAL US Treasury		8,225,000.00	1.98%	8,146,744.32 8,147,530.83	0.32%	8,486,663.28 26,052.54	28.74% 339,132.45	Aaa / AA+ Aaa	2.08 2.04
TOTAL PORTFOLIO		28,805,954.56	2.10%	28,674,237.44 28,675,023.95	0.82%	29,495,946.47 122,503.91	100.00% 820,922.52	Aa1 / AA+ Aaa	1.84 1.71
TOTAL MARKET VALUE PLUS ACCRUALS						29,618,450.38			



Section 4 | Transactions

Transaction Ledger

As of March 31, 2020

City of Solana Beach - Account #10471

December 31, 2019 through March 31, 2020

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	02/21/2020	3133ELNW0	600,000.00	FFCB Note 1.45% Due: 02/21/2023	99.998	1.45%	599,988.00	0.00	599,988.00	0.00
Purchase	02/26/2020	43813RAC1	215,000.00	Honda Auto Receivables 2020-1 A3 1.61% Due: 04/22/2024	99.980	1.62%	214,957.86	0.00	214,957.86	0.00
Purchase	02/28/2020	912796TQ2	575,000.00	US Treasury Bill 1.492% Due: 04/09/2020	99.830	1.52%	574,022.82	0.00	574,022.82	0.00
Purchase	03/11/2020	47789KAC7	155,000.00	John Deere Owner Trust 2020-A A3 1.1% Due: 08/15/2024	99.994	1.11%	154,990.53	0.00	154,990.53	0.00
Subtotal			1,545,000.00				1,543,959.21	0.00	1,543,959.21	0.00
TOTAL ACQUISITIONS			1,545,000.00				1,543,959.21	0.00	1,543,959.21	0.00
DISPOSITIONS										
Maturity	01/31/2020	912828H52	450,000.00	US Treasury Note 1.25% Due: 01/31/2020	100.000		450,000.00	0.00	450,000.00	-581.58
Maturity	02/07/2020	3136FTB73	650,000.00	FNMA Callable Note 1X 2/7/2014 2% Due: 02/07/2020	100.000		650,000.00	0.00	650,000.00	-8,365.50
Maturity	03/06/2020	3135G0UU5	280,000.00	FNMA Callable Note 1X 3/6/2014 1.75% Due: 03/06/2020	100.000		280,000.00	0.00	280,000.00	-4,376.40
Maturity	03/18/2020	3133714H6	100,000.00	FHLB Note 3% Due: 03/18/2020	100.000		100,000.00	0.00	100,000.00	-6,253.00
Maturity	03/23/2020	65558TFW0	480,000.00	Nordea Bank ABP New York Yankee CD 2.64% Due: 03/23/2020	100.000		480,000.00	12,953.60	492,953.60	0.00
Maturity	03/30/2020	459058FA6	650,000.00	Intl. Bank Recon & Development Note 1.375% Due: 03/30/2020	100.000		650,000.00	0.00	650,000.00	4,940.00
Subtotal			2,610,000.00				2,610,000.00	12,953.60	2,622,953.60	-14,636.48
TOTAL DISPOSITIONS			2,610,000.00				2,610,000.00	12,953.60	2,622,953.60	-14,636.48

Important Disclosures

As of March 31, 2020

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Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

ICE BAML 1-3 Yr US Treasury/Agency Index

The ICE BAML 1-3 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: G1A0. Please visit www.mlindex.ml.com for more information)

Asset Class 10-Year Snapshot Disclosure

As of May 31, 2020

- **US Small Cap Stocks** – Morgan Stanley Capital International (MSCI) Small Cap 1750 – The MSCI Small Cap 1750 is a market capitalization weighted index that measures the performance of small capitalization U.S. stocks.
- **US Mid Cap Stocks** – Morgan Stanley Capital International (MSCI) Mid Cap 450 – The MSCI Mid Cap 450 is a market capitalization weighted index that measures the performance of mid-capitalization U.S. stocks.
- **US Large Cap Stocks** – Standard & Poor's 500 – The S&P 500 is a market value weighted index of 500 large capitalization stocks. The 500 companies included in the index capture approximately 80% of available U.S. market capitalization.
- **International Stocks** – Morgan Stanley Capital International (MSCI) EAFE – The MSCI EAFE International Equity Index is a market capitalization weighted index that captures international equity performance of large and mid-cap stocks in the developed stock markets of Europe, Australasia, and the Far East.
- **Emerging Market Stocks** – Morgan Stanley Capital International (MSCI) Emerging Markets – The MSCI Emerging Markets Index is a market capitalization weighted index that captures equity performance of large and mid-cap stocks across emerging market countries.
- **U.S. Real Estate** – Morgan Stanley Capital International (MSCI) REIT – The MSCI US REIT Index is a free float-adjusted market capitalization index that is comprised of equity REITs. It represents about 99% of the US REIT universe and securities are classified in the REIT sector according to the Global Industry Classification Standard (GICS®). It excludes Mortgage REITs and selected Specialized REITs.
- **International Real Estate** – S&P Developed Ex-US Property – The S&P Developed Ex-US Property Index is a market capitalization weighted index that captures the performance of a universe of publicly traded property companies based in developing countries outside of the US. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **US Core Bonds** – ICE BAML US Corporate, Government, Mortgage – The ICE BAML US Corporate, Government, Mortgage index is a broad measure of US investment grade bond performance, including US Treasuries, agencies, investment-grade corporates and mortgage securities.
- **US High Yield Bonds** – ICE BAML US High Yield – The ICE BAML High Yield Bond Index measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds.
- **International Bonds** – Bloomberg Barclays Global Aggregate ex-USD Total Return Index Value Unhedged USD – Index from 2/1/2013 – current. This index measures the performance of global investment grade debt from 24 local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers. S&P Citigroup International Govt Bond – Index from 1/1/2009 – 1/31/2013. This index measures the performance of sovereign bonds of non-U.S. developed countries.
- **Diversified Commodities** – S&P GSCI Commodity Index – The S&P GSCI Commodity Index is a world production-weighted measure of general commodity price movements and inflation in the world economy. It consists of a basket of physical commodity futures contracts.

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STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Finance
SUBJECT: **Council Consideration of Resolution 2020-073 Approving the Fiscal Year 2020/21 Appropriations Limit**

BACKGROUND:

The Gann Initiative (Proposition 4) was passed in November 1979 by the voters of California, becoming a constitutional amendment. This amendment limited the annual growth of state and local government budgets. The amendment establishes FY 1978/79 as the base year, and allows the base to increase in future years by the percentage of growth in population and by the increase in the Consumer Price Index or California Per Capita Personal Income (whichever is lower).

Proposition 4 does not limit all appropriations, but does limit appropriations financed from "Proceeds of Taxes." "Proceeds of Taxes" include such revenues as property taxes, sales and use taxes, transient occupancy taxes, and most state subventions. Revenues from other sources such as fees, charges for services and federal grants are considered "Non-Proceeds of Taxes" and are not subject to the Appropriations Limit.

In order to deal with an increasing number of complaints about the restrictions of Proposition 4, and to increase the accountability of local government in adopting their limits, voters approved Proposition 111 in June 1990. Proposition 111 provided new adjustment formulas, which make the Appropriations Limit more responsive to local growth issues. Proposition 111 also requires an annual review of Appropriations Limit calculations.

The statutes regarding the adoption of the Appropriations Limit are contained in California Government Code Section 7910. The law calls for the adoption of the Appropriations Limit by resolution prior to the fiscal year (FY) in question. Following the passage of Proposition 111, the requirements for adopting the Appropriations Limit were changed requiring a recorded vote of the City Council as to which of the annual adjustment factors had been selected for the ensuing year.

CITY COUNCIL ACTION: _____

The adoption of the Appropriations Limit is done at a regular meeting or a noticed special meeting. There is no required public hearing or special public notice. Once the Appropriations Limit is adopted, the public has forty-five (45) days from the effective date of the resolution to initiate judicial action regarding the Appropriations Limit. The adoption of the Appropriations Limit, and any adjustments to it, are deemed to be legislative acts. This is an important point in that the courts have determined that a future Legislature/Council may modify the acts of a prior legislative decision without violating Article XIII B.

This item is before the City Council to consider Resolution 2020-073 (Attachment 1) approving the FY 2020/21 Appropriations Limit.

DISCUSSION:

The FY 2020/21 Appropriations Limit is established by adjusting the current Appropriations Limit for growth in changes in California's per capita income and population for the City. Section 7901(b) of the Government Code allows a city to choose between the change in population of the City and the change in population of the County in adjusting the previous year's Appropriations Limit. These figures are provided by the State Department of Finance. Staff historically has used the change in the County of San Diego's population, increased by 0.27%, rather than the change in the City's population, increased by 0.38%.

Section 7901(b) also dictates that the City must select its change in population pursuant to this section annually by a recorded vote of the governing body. Approval of Resolution 2020-073 by the City Council establishes that the City Council chooses to use the County of San Diego's change in population for the calculation of the Appropriations Limit.

Staff has calculated the City's Appropriations Limit for FY 2020/21 to be \$40,290,903 (Attachment 2). Staff has included the following detail involved in calculating the Appropriations Limit: Estimated Revenue and Resource Schedule (Attachment 3), the detail to this schedule (Attachment 4), and the Schedule of Appropriations subject to the Appropriations Limit (Attachment 5).

Staff has also included the Annual Adjustment Factors for FY 2020/21 (Attachment 6). This schedule lists the California change in per capita personal income, and the changes in both the City's and County of San Diego's population that were selected in calculating the Appropriations Limit.

The FY 2020/21 Appropriations Limit may be recalculated in the future because of increases in the non-residential assessed valuation for new construction that exceeds the changes in California per capita personal income growth.

The non-residential assessed valuation amounts are not yet available from the County Assessor and, as stated previously in this report, the courts have determined that a future Legislature/Council may modify the acts of a prior legislative decision without violating Article XIII B.

CEQA COMPLIANCE STATEMENT:

Not a project under CEQA.

FISCAL IMPACT:

The FY 2020/21 Appropriations Limit is calculated to be \$40,290,903. The amount of the appropriations (proceeds of taxes) that are subject to the limit is \$16,931,656. This amount is \$23,359,247 under the Appropriations Limit. If the actual receipts of the proceeds of taxes received in FY 2020/21 exceed the Appropriation Limits, then the excess receipts would have to be refunded within the next two fiscal years, absent a voter approval to increase the limit.

WORK PLAN:

N/A

OPTIONS:


- Approve Staff recommendation increasing the City's Appropriations Limit for FY 2020/21.
- Do not approve an increase to the City's Appropriations Limit for FY 2020/21 and provide direction to Staff.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council adopt Resolution 2020-073 establishing the FY 2020/21 Appropriations Limit in accordance with Article XIII B of the California Constitution and Government Code Section 7910 and choosing the County of San Diego's change in population growth to calculate the Appropriations Limit.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution No 2020-073
2. Schedule A – Gann Limit Calculation
3. Schedule B – Estimated Revenue and Resources Schedule
4. Detail to Schedule B
5. Schedule C - Schedule of Appropriations Subject to Limit
6. Annual Adjustment Factors FY 2020/21

RESOLUTION NO. 2020-073

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, ESTABLISHING THE FY 2020/21 APPROPRIATIONS LIMIT IN ACCORDANCE WITH ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION AND GOVERNMENT CODE SECTION 7910 AND CHOOSING THE COUNTY OF SAN DIEGO'S CHANGE IN POPULATION GROWTH TO CALCULATE THE APPROPRIATIONS LIMIT

WHEREAS, Article XIII B of the California Constitution was amended June 5, 1990, by Proposition 111 to change the price and population factors that may be used by local jurisdictions in setting their appropriations limit; and

WHEREAS, the appropriations limit may increase annually by a factor comprised of the change in population within the local jurisdiction or within the county in which it is located, combined with either the change in California Per Capita Personal Income or the change in the local assessment roll due to local non-residential construction; and

WHEREAS, the FY 2020/21 Appropriations Limit for the City of Solana Beach shall be the FY 1987/88 Appropriations Limit adjusted from that year forward by the new growth factors stated in Proposition 111; and

WHEREAS, the City has been provided price and population data from the State Department of Finance; and

WHEREAS, the price factor changes resulting from the change in California Per Capita Income and the increase in County population growth are the factors used for the City of Solana Beach in adjusting its Appropriations Limit; and

WHEREAS, the final figures were not available from the County Assessor for non-residential assessed valuation due to new construction, the City reserves the right to recalculate the Appropriations Limit when they are available if it is in the City's best interest to do so.

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NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Solana Beach, California, does hereby resolve as follows:

1. That the foregoing recitations are true and correct.
2. That pursuant to the Government Code Section 7901(b), the City Council chooses to use the County of San Diego's change in population, as provided by the Department of Finance of the State of California, in calculating the Appropriations Limit for the City of Solana Beach.
3. The Appropriations Limit for the City of Solana Beach for Fiscal Year 2020/21 shall be \$40,290,903.

PASSED AND ADOPTED this 24th day of June 2020, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

Schedule A
Gann Limit Calculation
Fiscal Year 2020/21

Appropriations Limit 2019/20		\$ 38,737,502
Increase due to California Per Capita Income	3.73%	<u>1,444,909</u>
Subtotal		40,182,411
Increase due to County population growth	0.27%	<u>108,493</u>
Appropriations Limit 2020/21		<u><u>\$ 40,290,903</u></u>

Note: The source of the California per capita income, as well as the change in population, is the State of California Department of Finance's "Price and Population Information" letter dated May 2020

Schedule B
Estimated Revenue and Resources
Fiscal Year 2020/21

<u>Revenue/Resource</u>		<u>Tax Proceeds</u>	<u>Non-Tax Proceeds</u>	<u>Total</u>
Property Taxes	(1)	\$ 8,586,500	\$ 956,000	\$ 9,542,500
Sales Tax		3,308,700	0	3,308,700
Other Taxes/Franchise Fees	(2)	3,188,200	744,900	3,933,100
Licenses & Permits		0	427,800	427,800
Fines		0	468,000	468,000
Use of Money/Property-Interest	(3)	64,156	262,444	326,600
Use of Money/Property-Rental		0	90,000	90,000
Intergovernmental	(4)	1,784,100	1,473,900	3,258,000
Service Charges		0	6,456,900	6,456,900
Other Revenue		0	6,253,400	6,253,400
Proceeds from Long Term Debt		0	0	0
Departmental Charges		0	2,182,800	2,182,800
Transfers In		0	423,500	423,500
Estimated Fund Balance at 07/01/20		<u>0</u>	<u>49,523,239</u>	<u>49,523,239</u>
		<u>\$ 16,931,656</u>	<u>\$ 69,262,883</u>	<u>\$ 86,194,539</u>

*See Attachment 4-Detail to Sch B for (1-4)

**Detail - Schedule B
Tax/Non-Tax Proceeds**

(1) **Property Taxes**

Tax Proceeds:		
General Fund Property Taxes		\$ 8,586,500
Non-Tax Proceeds:		
Street Lighting District	\$ 521,100	
RDA Low/Moderate Housing	-	
RDA Debt Service (Net of L/M)	-	
Prop 42	-	
Improvement Districts	434,900	<u>956,000</u>
Total		<u><u>\$ 9,542,500</u></u>

(2) **Other Taxes/Franchise Fees**

Tax Proceeds:		
Property Transfer Taxes	\$ 180,000	
Transient Occupancy Taxes (001,250,450)	1,846,000	
Franchise Fees	818,800	
Solid Waste TIP Fees	0	
Street Sweeping	51,100	
Solid Waste NPDES	262,000	
Hazardous Household Waste	<u>30,300</u>	3,188,200
Non-Tax Proceeds:		
Fire Benefit Fees	440,000	
Local Coastal Plan	0	
Street Lighting District	77,000	
Improvement Districts	227,900	<u>744,900</u>
Total		<u><u>\$ 3,933,100</u></u>

(3) **Calculation of interest based on ratio of tax versus non-tax proceeds:**

Total Interest = \$108,700

	<u>Tax %:</u>	<u>Non-Tax %:</u>
Proceeds Less Interest	16,931,656	69,262,883
/ Total Resources Less Interest	<u>86,194,539</u>	<u>86,194,539</u>
= Percentage of Interest	<u>19.643537%</u>	<u>80.356463%</u>
Total Interest Revenue	326,600	326,600
X Percentage of Interest	<u>19.643537%</u>	<u>80.356463%</u>
= Allocation to Proceeds	<u>64,155.79</u>	<u>262,444.21</u>

(4) **Intergovernmental**

Tax Proceeds:		
Motor Vehicle Fees	\$ 1,784,100	
Off-Highway License Fees	<u>0</u>	1,784,100
Non-Tax Proceeds:		
State HOE		
GF	51,000	
Improvement Districts	2,500	
St Lighting	3,200	<u>56,700</u>
Off-Track Betting	25,000	
Highway Users' Tax (Gas Tax)	391,500	
Miscellaneous Grants	0	
Public Safety Special Rev Fund	49,500	
COPS	100,000	
TDA	0	
CDBG	0	
SB1 Streets and Roads	240,500	
TransNet Extension	400,000	
Dept of Boating/Waterways	0	
Fire Revenue (GF)	189,700	
Miscellaneous (GF)	21,000	
		<u>1,473,900</u>
Total		<u><u>\$ 3,258,000</u></u>

Schedule C
Schedule of Appropriations Subject to Limit
Fiscal Year 2020/21

Total Appropriations per Final Budget	\$ 86,194,539	Sch B
Less: Non-Tax Proceeds	<u>(69,262,883)</u>	Sch B
Affected Appropriations Fiscal Year 2020/21	16,931,656	
Appropriations Limit Fiscal Year 2020/21	<u>40,290,903</u>	Sch A
Amount Beneath Proposition 4 Limit	<u><u>\$ 23,359,247</u></u>	

Annual Adjustment Factors
Fiscal Year 2020/21

Annual Adjustment Factors:

City options:

A.	Increase in California per capita income	3.73%
	AND	
B.	City population growth	0.38%
	OR	
	County population growth	0.27%



STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Engineering Department
SUBJECT: **Council Consideration of Resolution No. 2020-044 Recycled Water Pipeline Transfer and Cost Reimbursement Agreement between the San Elijo Joint Powers Authority and the City of Solana Beach**

BACKGROUND:

At the September 23, 2015 City Council meeting, the City Council authorized the City Manager to execute a reimbursement agreement with the City of Del Mar for construction of the westerly extension of the City's main recycled waterline system within Via de la Valle. Because this project is located entirely in the City of Del Mar, the project was incorporated into two other projects located in, and funded by, the City of Del Mar. The recycled waterline project also included northerly lateral extensions at South Cedros Avenue, Solana Circle Drive and Del Mar Downs. Construction of the recycled waterline extension began in March 2016 and was completed in July 2017.

This item is before the City Council for the consideration of Resolution No. 2020-044 (Attachment 1) that would execute the "Pipeline Transfer and Cost Reimbursement Agreement by and between the San Elijo Joint Powers Authority and the City of Solana Beach" (Agreement). The Agreement (Attachment 2) would reimburse the City for design and construction of the recycled waterline extension along Via de la Valle and transfer the ownership of the recycled waterline from the City to the San Elijo Joint Powers Authority (SEJPA).

DISCUSSION:

There are two components of the Agreement. One component is the transfer of the completed recycled water pipeline from the City of Solana Beach to the SEJPA. The other component of the Agreement is the reimbursement of costs incurred by the City for design and construction of the recycled water pipeline.

COUNCIL ACTION:

Transfer of Recycled Water Pipeline

The distribution of recycled water throughout the City is a partnership between the City, the SEJPA and the Santa Fe Irrigation District (SFID). The SEJPA owns and operates recycled water facilities capable of delivering recycled water to a variety of sites throughout Solana Beach within the SFID service area. SFID and SEJPA have been partners for several years in the North San Diego Water Reuse Coalition, a partnership of ten water, wastewater, and recycled water agencies and cities that are focused on the cooperative advancement of water reuse in North San Diego County. The regionalism of the recycled water system is a focus of this coalition and has led to the integration of recycled water systems across North San Diego County. Several areas in the City are currently supplied with recycled water by SEJPA, representing the growth of the recycled water system across north coastal San Diego County.

As part of the project constructed by a public contract administered by the City of Del Mar on behalf of the City of Solana Beach, the 8-inch recycled water distribution pipeline that runs within the Stevens/Valley Avenue corridor was extended down Via de la Valle to the intersection with Highway 101. This allowed the Coastal Rail Trail, several condominium complexes in Solana Beach on the north side to Via de la Valle, and medians on Camino Del Mar north of the San Dieguito River to connect their irrigation systems to the new recycled water distribution pipeline.

This Agreement will transfer the ownership of the recycled water pipeline from the City to the SEJPA. The SEJPA will assume responsibility for all operation and maintenance of the extension of the recycled water pipeline.

Reimbursement of Capital Costs

In 2015, the SEJPA, the City of Solana Beach, and the City of Del Mar teamed to extend SEJPA's existing recycled water distribution system to enable SEJPA/SFID to serve new recycled water customers within both cities and specifically to serve the Solana Beach Coastal Rail Trail (CRT). Solana Beach was interested in expanding the use of recycled water to reduce potable water use, specifically by targeting commercial and multi-family landscape irrigation water use and irrigation on the CRT in accordance with the City's Climate Action Plan. SEJPA and the City of Solana Beach entered into a grant agreement for the Integrated Regional Water Management (IRWM) Program related to 2015 Proposition 84 IRWM Implementation Grant to help fund the design and construction. The project was successful in obtaining grant funding that will result in approximately \$600,000 being received back to the City's Sanitation Fund.

The Agreement includes the following key terms and conditions:

- Total cost (design, construction, and project management) to be reimbursed of \$1,191,652;
- A portion of the reimbursement (approximately \$600,000) will be paid by an IRWM grant received by the SEJPA and then paid by SEJPA to the City's Sanitation Fund. This estimated \$600,000 will be received once a performance measure included in the grant based on sales of recycled water through the new line is met;
- The SEJPA will be paying a grant administration fee of \$33,333 on the City's behalf.
- The SEJPA will provide \$80,000 on behalf of the City to assist the City's multifamily residential communities in covering the capital cost associated with conversion of the potable irrigation system to the recycled water irrigation system. Under this long term and revenue neutral program, the multifamily residential communities can enter into an agreement with the SEJPA and the City to pay back the capital cost through savings associated with the lower recycled water rates.
- The above mentioned two costs will reduce the total amount of reimbursement by \$113,333.
- The remaining amount of the total cost (estimated to be \$478,319 as shown in Table 1) will be reimbursed at the rate of \$450 per acre-foot (AF) of recycled water delivered through pipeline and paid on an annual basis;
- The reimbursement rate of \$450 per AF applies to all recycled water delivered through the pipeline, including deliveries to other purveyors such as the City of Del Mar;
- No interest would be accrued on the outstanding reimbursement amount while it is being repaid;
- SEJPA is also allowed to make additional payments at any time;
- SEJPA shall make payment for water delivered through the pipeline to date which was estimated at \$20,933 for FY 2018/19; and
- In accordance with the Agreement, transfer of ownership of the pipeline would occur shortly after execution of the Agreement by both agencies.

CEQA COMPLIANCE STATEMENT:

Construction of the recycled water line was exempt pursuant to Section 15301(b) of the State CEQA Guidelines.

FISCAL IMPACT:

Per the terms of the Agreement, the SEJPA will pay Solana Beach \$450 per AF for new water sales through the pipeline until the outstanding debt is retired. The payment costs from SEJPA (\$450 per AF) will be generated from the new recycled water sales, for which the current wholesale price is \$1,580 per AF. The total reimbursement amount due to the City from SEJPA is \$1,191,652. Full details of the reimbursement are detailed below in Table 1.

Project grant funding of approximately \$600,000 from the California Department of Water Resources (Proposition 84 IRWM grant program) is expected to be received in FY 2021-22 by the SEJPA, and the SEJPA will then provide these funds to the City, reducing the overall cost due to the City from the SEJPA. The agreement allows the SEJPA to pay grant administration costs on the City’s behalf of up to \$33,333 and the cost associated with the multifamily residential community recycled water connection incentive program of \$80,000. These two cost items will be used to reduce the total amount to be reimbursed by an estimated amount of \$113,333.

Table 1 – Estimated Project Reimbursement

Item	Reimbursing Agency	Amount
Total Reimbursement Amount due to City	SEJPA	\$1,191,652
Estimated grants	IRWM Prop 84	(600,000)
Estimated Customer Connections	SEJPA	(80,000)
Estimated Contribution Grant Admin	SEJPA	(33,333)
Estimated Final Reimbursement Amount		\$ 478,319

WORK PLAN:

This project is consistent with the Environmental Sustainability/Policy Development section, Item 3 of the Fiscal Year 2019/20 Work Plan.

OPTIONS:

- Approve Staff recommendation.
- Provide alternate direction.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 2020-044 authorizing the City Manager to execute the Pipeline Transfer and Cost Reimbursement Agreement by and between the San Elijo Joint Powers Authority and the City of Solana Beach for the recycled water pipeline along Via de la Valle that was constructed by the City of Del Mar on behalf of the City of Solana Beach.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-044
2. Pipeline Transfer and Cost Reimbursement Agreement with SEJPA

RESOLUTION 2020-044

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING A RECYCLED WATER PIPELINE TRANSFER AND COST REIMBURSEMENT AGREEMENT BETWEEN THE SAN ELIJO JOINT POWERS AUTHORITY AND THE CITY OF SOLANA BEACH

WHEREAS, at the September 23, 2015 City Council meeting, the City Council authorized the City Manager to execute a reimbursement agreement with the City of Del Mar for construction of the westerly extension of the City's main recycled waterline system along Via de la Valle. This project was incorporated into two other projects located in, and funded by, the City of Del Mar; and

WHEREAS, the "Pipeline Transfer and Cost Reimbursement Agreement by and between the San Elijo Joint Powers Authority and the City of Solana Beach" (Agreement). The Agreement would reimburse the City for design and construction of the recycled waterline extension along Via de la Valle and transfer the ownership of the recycled waterline from the City to the San Elijo Joint Powers Authority (SEJPA); and

WHEREAS, the recycled waterline project also included northerly lateral extensions at South Cedros Avenue, Solana Circle Drive and Del Mar Downs. Construction of the recycled waterline extension began in March 2016 and was completed in July 2017; and

WHEREAS, the Agreement will transfer the ownership of the recycled water pipeline from the City to the SEJPA. The SEJPA will assume responsibility for all operation and maintenance for the extension of the recycled water pipeline; and

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.

ATTACHMENT 1

2. That the City Council adopt Resolution 2020-044 authorizing the City Manager to execute the Pipeline Transfer and Cost Reimbursement Agreement by and between the San Elijo Joint Powers Authority and the City of Solana Beach for the recycled water pipeline along Via de la Valle that was constructed by the City of Del Mar on behalf of the City of Solana Beach.

PASSED AND ADOPTED this 24th day of June, 2020 at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

**PIPELINE TRANSFER AND COST REIMBURSEMENT AGREEMENT
BY AND BETWEEN SAN ELIJO JOINT POWERS AUTHORITY AND THE CITY OF
SOLANA BEACH**

This Pipeline Transfer and Cost Reimbursement Agreement (“Agreement”) is entered into by and between the City of Solana Beach, a municipal corporation organized and operating under the general laws of the State of California (hereinafter “COSB”) and San Elijo Joint Powers Authority, a joint powers authority organized and operating pursuant to Government Code Sections 6500 et seq., (hereinafter “SEJPA”), (collectively “the Parties”), effective as of the date of execution below.

RECITALS

WHEREAS, SEJPA owns and operates the San Elijo Water Reclamation Facility (“SEWRF”), which has the capacity to produce approximately 3 million gallons per day (“MGD”) of tertiary treated recycled water from collected and treated wastewater. SEJPA is empowered to exercise powers common to county sanitation districts organized under Health & Safety Code section 4700, et. seq., which includes the power to “sell, or otherwise dispose of, any water, sewage effluent, fertilizer, or other by-product resulting from the operation of a sewerage system, sewage disposal plant, refuse disposal plant, or treatment plant, and construct, maintain, and operate such pipe lines and other works as may be necessary for that purpose” (Health & Safety Code § 4744); and

WHEREAS, SEJPA owns and operates recycled water facilities capable of delivering recycled water to a variety of projects including the COSB within the Santa Fe Irrigation District (“SFID”) service area and the City of Del Mar (“CODM”); and

WHEREAS, SFID, and SEJPA have been partners for several years in the North San Diego Water Reuse Coalition, a partnership of nine water, wastewater, and recycled water agencies and cities that are focused on the cooperative advancement of water reuse in North San Diego County. The regionalism of the recycled water system is a focus of this coalition and has led to the integration of recycled water systems across North San Diego County. The COSB Southwest Quadrant and the CODM are currently supplied with recycled water by SEJPA, representing the growth of the recycled water system in North San Diego County; and

WHEREAS, the provision of recycled water in the COSB and CODM areas will convert common areas, greenbelts and maintained landscape to fiscally and environmentally sustainable recycled water, as well as provide for the conversion of 38 acre-foot per year of potable water as part of the 2015 Integrated Regional Water Management (“IRWM”) Implementation Grant Proposal attached to this Agreement as Exhibit “D” and incorporated herein by this reference; and

WHEREAS, the SEJPA, COSB and CODM desire to extend SEJPA’s existing recycled water distribution system to enable SEJPA to serve new reclaimed water

customers within the cities and expand the allowable project yield as set forth in the IRWM Implementation Grant Proposal (Exhibit D); and

WHEREAS, Component 4 of the larger project for integrated water resource solutions for the Carlsbad Watershed as set forth in the IRWM Implementation Grant Proposal (Exhibit D) was the extension of Pipeline No. 2 west along Via de la Valle;

WHEREAS, effective March 8, 2018, the SEJPA and the COSB entered into that certain Grant Agreement for the Integrated Regional Water Management Program Related to 2015 Proposition 84 Integrated Regional Water Management (IRWM) Implementation Grant, Project No. 6-80044, Agreement No. 84-4-6-80044, a true and correct copy of which is attached to this Agreement as Exhibit "E" and is incorporated herein by this reference ("LPP Agreement");

WHEREAS, pursuant to LPP, the COSB constructed an extension of 7,920 linear feet of 6-inch lateral and 8-inch main reclaimed water distribution pipeline (the "Extension") connected to the SEJPA's reclaimed water distribution system (specifically SEJPA Pipeline No. 2), the location and nature of which is more fully described on Exhibit "A," attached hereto and incorporated herein; and

WHEREAS, the SEJPA is willing to purchase the Extension from the COSB at an agreed upon price fair and reasonable to both Parties and assume all continuing obligations and responsibilities for the same; and

WHEREAS, the Parties intend that this Agreement replaces the LPP Agreement; and

WHEREAS, the SEJPA and the COSB will amend this Agreement based on the cost of the customer connections to the Extension, the cost of obtaining grants, and actual IRWM grants received to determine the final reimbursement amount as set forth in this Agreement; and

WHEREAS, pursuant to this Agreement, the Parties desire and intend to convey ownership of the Extension, through the attached Bill of Sale, together with all ongoing operation and maintenance responsibilities from the COSB to the SEJPA and provide for reimbursement from the SEJPA to COSB for the costs incurred to design and construct the Extension; and

WHEREAS, the SEJPA shall own and be responsible for the operation and maintenance of its reclaimed water treatment and distribution system up to the point of delivery designated as the customer meter; and

WHEREAS, the Extension of the reclaimed water distribution system and the associated increased reclaimed water use is mutually beneficial to the SEJPA, COSB, SFID, CODM and, in general, to the San Diego County region.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants contained herein, the receipt and sufficiency of which is hereby acknowledged, the SEJPA and COSB agree as follows:

1. Transfer of Ownership. As of 11:59 pm on date of execution of this Agreement, COSB relinquishes all rights and responsibilities of ownership, including all operation and maintenance responsibilities, for the Extension and SEJPA hereby accepts ownership, including all rights and responsibilities, for the Extension. From that time forward, the SEJPA shall own the Extension and be responsible for all operations and maintenance of the Extension as part of its reclaimed water distribution system. As of 11:59 pm on date of execution of this Agreement, this Agreement shall replace the LPP Agreement, which shall be of no force and effect as between SEJPA and COSB. To the extent that there remain any legal duties, obligations or responsibilities to third parties under the LPP Agreement, SEJPA hereby expressly assumes them and agrees to perform them.
 - a. COSB represents, covenants and warrants to SEJPA that:
 - i. COSB has good and merchantable title to the Extension and has authority to enter into and perform its obligations under this Agreement;
 - ii. There are no liens or other encumbrances on the Extension;
 - iii. All taxes, assessments or impositions of any kind with respect to the Extension, if applicable, have been paid in full;
 - iv. There is no litigation of any kind currently pending or threatened regarding the Extension or COSB's use of the Extension;
 - v. No violation of any state or federal law governing dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances (herein collectively called "Environmental Regulations") now exists relating to the Extension, no notice of any such violation or any alleged violation thereof has been issued or given by any governmental entity or agency, and there is not now any investigation or report involving the Extension by any governmental entity or agency which in any way related to dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances, as defined in or governed by the provisions of any Environmental Regulations related thereto (hereinafter collectively called "Hazardous Substances");

- vi. No person, party or private or governmental agency or entity has given any notice or asserted any claim, cause of action, penalty, cost or demand for payment or compensation, whether or not involving any injury or threatened injury to human health, the environment or natural resources, resulting or allegedly resulting from any activity or event described in subsection 1.a.v. above;
 - vii. There are not now any actions, suits, proceedings or damage settlements relating in any way to Hazardous Substances in, upon, under or over the Extension;
 - viii. The Extension is not subject to any lien or claim for lien or threat of lien in favor of any governmental entity or agency as a result of any release or threatened release of any Hazardous Substance;
 - ix. The Extension is not subject to any conditions imposed during the environmental review or permitting process; and
 - x. The Extension lies completely within the public right-of-way from Valley Ave. to Highway 101 on Via de la Valle.
- b. For purposes of Section 1.a the representations, covenants and warranties made herein are limited to the best of the COSB's knowledge, which shall mean only the actual knowledge of Mohammad Sammak, Director of Engineering and Public Works of the COSB and not any implied, imputed or constructive knowledge, without any requirement of independent investigation having been made or any duty to investigate.
 - c. SEJPA shall access the Extension based on its rights to construct, operate and maintain certain infrastructure across, along, in under over or upon any road, street, alley, avenue or highway within any city as provided under applicable law, including but not limited to California Health and Safety Code section 4759.1.
 - d. Together with the transfer of the Extension, COSB shall provide to SEJPA all pertinent records, maps, and drawings, including, but not limited to, as-built drawings, repair records, maintenance logs, service leak and repair history, pipeline leak records, and other such supporting documentation.
 - e. The Parties shall execute a Bill of Sale for the transfer of the Extension from the COSB to the SEJPA in a form identical or substantially similar to that set forth as Exhibit "B," attached hereto and incorporated herein.

- f. COSB shall execute the Quit Claim Deed and SEJPA shall execute a Certificate of Acceptance of the Extension from the COSB in the forms identical or substantially similar to those set forth as Exhibit "C," which shall be recorded with the San Diego County Recorder.
- g. The entire agreement between the COSB and SEJPA with respect to the transfer of the Extension is expressly set forth herein. The Parties are not bound by any agreements, understandings, representations or warranties (whether written or oral) other than as are expressly set forth and stipulated in this Agreement. SEJPA acknowledges that the Extension is being conveyed in an "AS IS" and "WHERE IS" condition and with all existing defects (patent and latent), provided that this Section shall not release or waive any rights of SEJPA against the COSB in the event the COSB breaches any of the warranties and representations that are expressly set forth and stipulated in this Agreement. SEJPA HEREBY EXPRESSLY WAIVES ANY AND ALL IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO QUALITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL WARRANTIES EXCEPT THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT. This Section shall survive the delivery of the Bill of Sale and the termination or expiration of this Agreement.
2. Reimbursement of Capital Costs. SEJPA shall reimburse the COSB \$1,191,652 for fair and reasonable costs incurred in the design and construction of the Extension. The total cost for the Extension and the reimbursement amount is as follows:

Item	Agency	Amount
Design Costs	COSB	\$ 315,000
Construction Costs	COSB	950,429
Construction Management	SEJPA	92,560
Total Costs		1,357,989
Cash Contribution Paid	SFID	-50,000
Cash Cost Share Paid	SEJPA	-116,337
Total Reimbursement Amount		<u>\$ 1,191,652</u>

3. The source of funds for payment of the Reimbursement Amount will be a combination of the actual cash value of services to be provided by SEJPA in the future, actual grants received, and water sales, which the Parties currently estimate as follows:

Item	Agency	Amount
Total Reimbursement Amount		\$ 1,191,652
Estimated grants	IRWM Prop 84	-600,000
Est. Cash Customer Connections	SEJPA	-80,000

Est. Cash Contribution Grant Admin	SEJPA	-33,333
Total Water Sales Reimbursement Amount		<u>\$ 478,319</u>

- a. SEJPA shall keep adequate records and provide annual financial reporting to the COSB.
- b. This is a zero interest transaction and there shall be no interest calculated on any unpaid balance of the principal Reimbursement Amount nor any other cash contribution to this project. All payments shall be applied to principal.
- c. Reimbursement payments shall be made until the total capital cost of the Extension has been fully reimbursed.
- d. SEJPA shall reimburse the COSB based on water sales annually at a rate of \$450 per acre foot for each acre foot of recycled water delivered to any customers through the Extension. This includes all SFID, CODM and non-SFID/CODM customers that utilize the Extension for service. Therefore, if customers from another water purveyor are served by the Extension, the COSB shall receive payment by the SEJPA at a rate of \$450 per acre foot for this service. The volume of recycled water served through the Extension shall be calculated using customer meter records as provided by SFID, CODM and other water purveyors.
- e. For clarification only, assuming all the customers connected to the pipeline use a combined total of 38 acre feet per year (AFY) in the first year. The payment due would be \$450 x 38 AFY (\$17,100) in that year. Increases in recycled water demand served through the Extension would increase the annual payment amount and reduce the reimbursement period. See Exhibit D for a map of planned customer connections.
- f. The SEJPA has the right to make additional principal payments at any time during the Agreement. This Agreement has no prepayment penalties and all additional principal payments received prior to July 1, shall be credited to the year in which the payment was made.
- g. In addition to reimbursement payments from recycled water sales, the SEJPA shall provide cash contributions by providing grant administration services and connecting customers to the Extension. Planned customer connections are reflected on Exhibit D. The Parties acknowledge that the value of these SEJPA services as indicated above is currently an estimate and that the Parties intend that the final total Water Sales Reimbursement Amount shall be based on the actual value of such services provided.

4. Grants and Other Financial Incentives. The Parties acknowledge that there may be additional financial incentives or grants available from San Diego County Water Authority (“CWA”) or Metropolitan Water District (“MWD”) to offset the design and construction costs of the Extension. The Parties acknowledge that amount of these grants as indicated above is currently an estimate and that the Parties intend that the final total Water Sales Reimbursement Amount shall be based on the actual value of the grants or financial incentives received on account of the Extension. SEJPA shall make payments to COSB in the amount of grant funding or other financial incentives received by SEJPA related to the Extension within thirty (30) days of receipt of such funds by SEJPA.
 - a. COSB agrees that by entering into this Agreement with the SEJPA, COSB shall be ineligible to apply for financial incentives from either the CWA or MWD related to the Local Water Supply Development Program, the Local Resources Program (LRP) Conversion, or other similar programs, for the Extension.
 - b. This Agreement does not prevent the COSB from pursuing incentives, rebates, or grants for other water reclamation projects, nor does it prevent the COSB from pursuing incentives, rebates, or grants for customer retrofit costs that are served by the Extension.

5. General Provisions.
 - a. Amendment. Because the amount of the grants or financial incentives and the value of the customer connections and grant administration services to be provided by SEJPA in the future are currently estimates, the Parties agree that five (5) years after the execution of this Agreement, the Parties shall meet and confer in good faith and execute an amendment to section 3 of this Agreement to reflect the actual amount of grants and financial incentives received related to the Extension and actual cash contributions provided by SEJPA to arrive at the final total Water Sales Reimbursement Amount. Such amendment and any other amendments to this Agreement shall be in writing and executed by both Parties.
 - b. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original but all of which shall constitute one agreement.
 - c. Severability. Should any portion, word, clause, phrase, sentence or paragraph of this Agreement be declared void or unenforceable, such portion shall be considered independent and severable from the remainder, the validity of which shall remain unaffected.

- d. Ambiguity. The Parties acknowledge that this Agreement was jointly prepared by them, by and through their respective legal counsel, and any uncertainty or ambiguity existing herein shall not be interpreted against any of the Parties, but otherwise shall be interpreted according to the application of the rules on interpretation of contracts.
- e. Waiver. Failure to insist on compliance with any term, covenant or condition contained in this Agreement shall not be deemed a waiver of that term, covenant or condition, nor shall any waiver or relinquishment of any right or power contained in this Agreement at any one time or more times be deemed a waiver or relinquishment of any right or power at any other time or times.
- f. Governing Law. This Agreement is made and entered into in the State of California, and shall in all respects be interpreted, enforced and governed under the laws of said State without giving effect to conflicts of laws principles.
- g. Entire Agreement. This Agreement, including all referenced attachments and exhibits, constitutes the entire agreement between the Parties who have executed it and supersedes any and all other agreements, understandings, negotiations, or discussions, either oral or in writing, express or implied, on the subject matter of this Agreement between the Parties to this Agreement.
- h. Notices. All communications, notices, and demands of any kind which either party hereto may be required or may desire to give to or serve upon the other party or any office hereof or by enclosing it in a sealed envelope and depositing it in the United States mail, postage prepaid, certified return-receipt, and addressed to the respective parties as follows:

SEJPA:

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff by the Sea, CA 92007-7077
Attn: General Manager

COSB:

City of Solana Beach
635 South Highway 101
Solana Beach, CA 92075
Attn: City Manager

- i. Attorneys' Fees. In the event an action is filed by either party to enforce any rights or obligations under this Agreement, including an action for declaratory relief, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs, in addition to any other relief granted by the Court.

IN WITNESS WHEREOF, the Parties hereto have caused this Pipeline Transfer and Cost Reimbursement Agreement to be executed and be effective immediately upon execution by both Parties.

SAN ELIJO JOINT POWERS AUTHORITY

Michael Thornton
General Manager

Date Signed: _____

APPROVED AS TO FORM:

[Name]
General Counsel

CITY OF SOLANA BEACH

By _____
Gregory Wade
City Manager

Date Signed: _____

APPROVED AS TO FORM:

ATTEST:

Johanna N. Canlas
City Attorney

Angela Ivey
City Clerk

[ATTACH NOTARY ACKNOWLEDGMENT]

Exhibit A

Legal Description of the Extension

Four 6-inch diameter lateral recycled water pipelines and an 8-inch diameter main recycled water pipeline in the County of San Diego, State of California located in the public right-of-way extending a total of approximately 7,920 feet and commencing at the intersections of Valley Avenue and Via de la Valle West, extending along Via de la Valle with the laterals branching northward and concluding past the intersection of Highway 101 and Via de la Valle (the "Extension"). Below is a map depicting the location of the Extension:

Location of the Extension

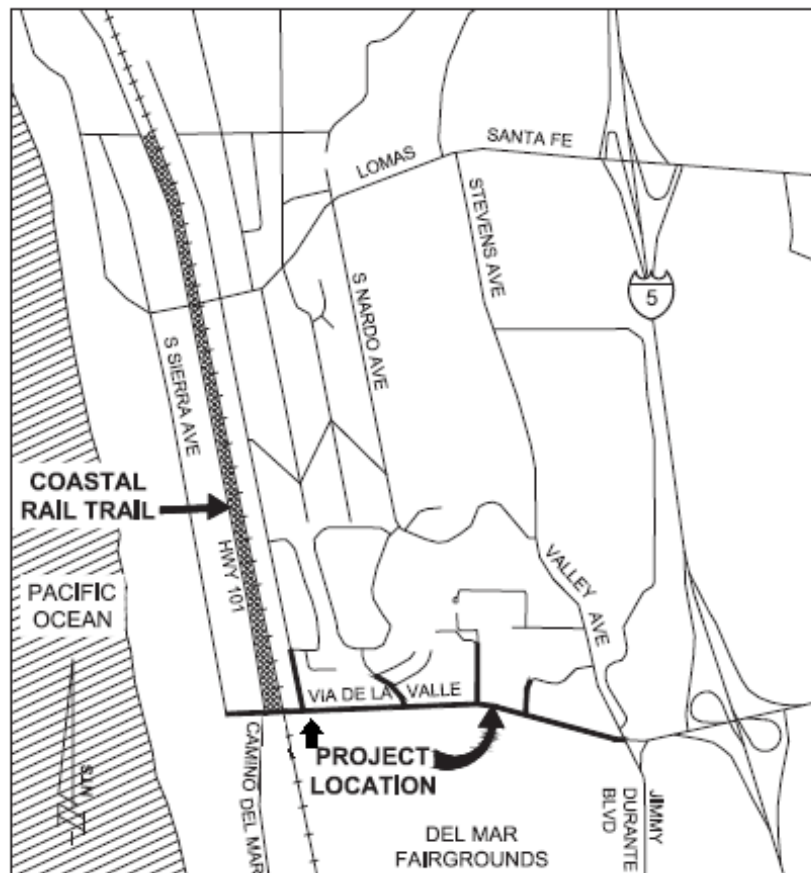


Exhibit B
Bill of Sale
(Attached)

BILL OF SALE

CITY OF SOLANA BEACH (Seller), hereby conveys, and grants unto SAN ELIJO JOINT POWERS AUTHORITY (Buyer), the following described assets, under such terms as are more specifically defined under that certain Pipeline Transfer and Cost Reimbursement Agreement between Buyer and Seller dated _____, 2020 in consideration for the promises and covenants contained in said Agreement:

Four 6-inch diameter lateral recycled water pipelines and a 8-inch diameter recycled water pipeline in the County of San Diego, State of California located in the public right-of-way extending a total of approximately 7,920 feet and commencing at the intersections of Valley Avenue and Via de la Valle West, extending west along Via de la Valle with the laterals branching northward and concluding past the intersection of Highway 101 and Via de la Valle as further depicted on the map attached hereto as Exhibit A and incorporated herein by this reference.

Seller hereby warrants that the above-described facilities are free and clear of any and all encumbrances. In this regard Seller hereby agrees to protect and defend Buyer's right to own all the facilities hereby transferred to Buyer wherein the defense of the Buyer's right to own results from any person or entity's alleged rights to any of the facilities described hereinabove. Buyer hereby unconditionally accepts the above-described facilities in their "as is" condition.

CITY OF SOLANA BEACH

SAN ELIJO JOINT POWERS
AUTHORITY

By: _____
Gregory Wade
City Manager

By: _____
Michael T. Thornton, P.E.
General Manager

Exhibit C

Quit Claim Deed and Certificate of Acceptance

(attached)

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL THIS AGREEMENT TO:

San Elijo Joint Powers Authority
2695 Manchester Ave.
PO Box 1077
Cardiff by the Sea, CA 92007-7077

NO FEE REQUIRED PER GOVERNMENT
CODE SECTION 6103

DOCUMENTARY TRANSFER TAX: \$0
EXEMPT PER REVENUE & TAXATION
CODE SECTION 11922.

Space Above for Recorder's Use

QUIT CLAIM DEED

The CITY OF SOLANA BEACH (Grantor), for a valuable consideration, hereby REMISES, RELEASES AND QUIT CLAIMS to SAN ELIJO JOINT POWERS AUTHORITY (Grantee), all that real property (Property) described as follows:

Four 6-inch diameter lateral recycled water pipeline and a 8-inch diameter recycled water pipeline in the County of San Diego, State of California located in the public right-of-way extending a total of approximately 7,920 feet and commencing at the intersections of Valley Avenue and Via de la Valle West, extending west along Via de la Valle with the laterals branching northward and concluding past the intersection of Highway 101 and Via de la Valle as further depicted on the map attached hereto as Exhibit A and incorporated herein by this reference.

IN WITNESS WHEREOF, the CITY OF SOLANA BEACH has caused this quit claim to be executed by its _____ (designee), pursuant to _____ [authority to convey] on this _____ day of _____, 2018.

CITY OF SOLANA BEACH

ATTACHMENT 2

By: _____

Gregory Wade, City Manager

CERTIFICATE OF ACCEPTANCE

[Gov. Code § 27281]

This is to certify that the interest in real property, conveyed by the PIPELINE TRANSFER AND COST REIMBURSEMENT AGREEMENT, dated _____, attached hereto and incorporated by reference, from the City of Solana Beach, a government agency, to the San Elijo Joint Powers Authority (“Authority”), a joint powers authority, is hereby accepted by the undersigned officer of the Authority pursuant to authority conferred by resolution of the Authority’s Board adopted on _____, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____

SAN ELIJO JOINT POWERS AUTHORITY

By _____

Michael T. Thornton, P.E.
Board Secretary and General Manager

Exhibit D

2015 IRWM Implementation Grant Proposal, Including Map of Planned RW Customer Connections

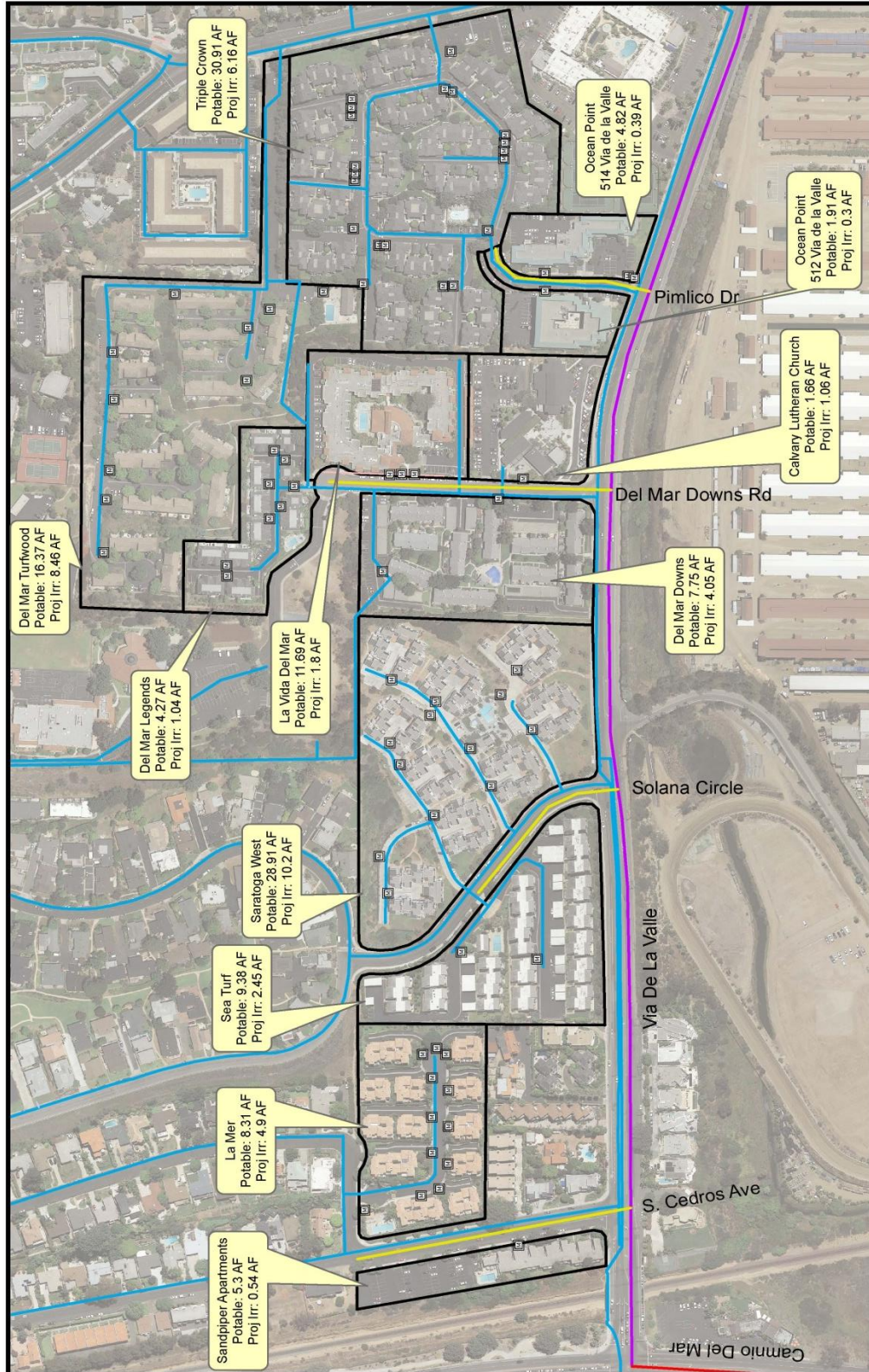


Exhibit E

LPP Agreement



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Engineering Department
SUBJECT: **Council Consideration of Resolution No. 2020-088
Awarding Sewer & Storm Drain Rehabilitation Project**

BACKGROUND:

The Capital Improvement Program (CIP) budget makes annual appropriations to maintain, repair and replace sewer and storm drain facilities as needed throughout the City. The Engineering and Public Works Staff have been performing regular condition assessments of the sewer system by visual inspection with closed circuit televising (CCTV). Under the direction of the City Manager, Staff recently performed a similar CCTV evaluation of the City's corrugated metal storm drains. These assessments were prioritized for rehabilitation by the in-situ lining process.

Staff prepared plans, specifications and an estimate for rehabilitation and reconstruction of several sewer and storm drain pipes throughout the City and advertised the project through the competitive bidding process. The City received four construction bids for the Sewer & Storm Drain Rehabilitation Project, Bid 2020-01. Due to the COVID-19 pandemic, the City modified the bid process to allow electronic submission of bids. The four bids were opened by the City Clerk on June 2, 2020 and posted on eBidboard.com, a publicly accessible website linked from the City's website. The bid results are summarized in Table 1 on the next page.

This item is before the City Council to consider adoption of Resolution 2020-088 (Attachment 1) that would award a construction contract to Southwest Pipeline & Trenchless Corporation, the lowest responsive and responsible bidder, to rehabilitate a number of sewer and storm drain facilities.

CITY COUNCIL ACTION:

DISCUSSION:

Every year, the City Council allocates funds into the City’s CIP for sewer and storm drain repairs and replacements. Usually, Staff designs separate projects for repairs to the sewer and storm drain pipes. This year, due to similarity of methods and means by which the pipelines will be rehabilitated, Staff combined the two projects to take advantage of economies of scale and other savings such as mobilization and contract processing. The project proposes to line 17 sewer pipes and 11 storm drain pipes. In addition to lining, open trench construction is included to improve some of the existing facilities. A summary of the project is listed below:

Sewer Rehabilitation and Construction (Attachment 2 map)

- Rehabilitate approximately 208 lineal feet of 6” sewer pipe throughout the City.
- Rehabilitate approximately 3,536 lineal feet of 8” sewer pipe throughout the City, including 90 sewer lateral connections.
- Rehabilitate approximately 1,957 lineal feet of 21” trunk sewer pipe in Cedros Avenue.
- Rehabilitate one sewer manhole in Cedros Avenue.
- Construct two sewer manholes, located on Rawl Place and Santa Florencia, at inaccessible damaged dead ends.
- Construct one sewer clean-out at 612 Nardito Lane, at an inaccessible damaged dead end.
- Construct 78 lineal feet of 8” sewer main on Santa Rufina to eliminate two inaccessible damaged dead ends.

Storm Drain Rehabilitation and Construction (Attachment 3 map)

- Rehabilitate approximately 1,502 lineal feet of circular and elliptical Corrugated Metal Pipes (CMP) throughout the City, including removal and replacement of a deteriorated catch basin with a curb inlet.

This Project was advertised for construction bids on April 30, 2020. The City received four bid proposals for the Project, Bid 2020-01. On June 2, 2020 at 2:30 p.m., the City Clerk opened the bids. The bids are summarized below in Table 1:

Table 1: Bid Results

Contractors	Base Bid
Southwest Pipeline & Trenchless Corporation	\$ 788,136
Sancon Technologies, Inc.	\$ 894,525
NuLine Technologies, LLC	\$ 951,414
Insituform Technologies, LLC	\$ 1,060,198

The lowest bid submitted by Southwest Pipeline was found to be complete and responsive to the bid specifications. Southwest Pipe has successfully completed a pipeline rehabilitation project for the City as a subcontractor to Piperin Corp. For this project, Piperin is the subcontractor performing the open trench construction. Staff is recommending that Southwest Pipeline & Trenchless Corporation be awarded the construction contract. The estimated contract duration is 60 working days (12 weeks) and it is anticipated that the Project will begin in August and be completed in October 2020.

CEQA COMPLIANCE STATEMENT:

The Project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(b) of the State CEQA Guidelines.

FISCAL IMPACT:

In addition to the \$788,136 construction contract, Staff is recommending a contingency of \$79,000 (which is approximately 10% of the construction contract amount) for unanticipated extra work, for a total construction budget of \$868,136. The cost is divided as follows:

Table 2: Project Costs

	Sewer	Storm Drain	Total
Base Bid	\$517,367	\$270,769	\$788,136
Contingency	\$52,000	\$27,000	\$79,000
Construction Budget	\$569,367	\$297,769	\$867,136

The project will be funded with the Fiscal Year (FY) 2020/21 Capital Improvement Program budget, which includes \$570,000 for Sanitary Sewer Pipeline Replacements (CIP-14) and \$300,000 for Storm Drain Improvements (CIP-15).

WORK PLAN:

Major Storm Drain Improvement Projects are included in Capital Projects under Environmental Sustainability. Sewer system maintenance is not mentioned in the FY 2019/20 Work Plan; however, it is consistent with the Environmental Sustainability section of the Work Plan.

OPTIONS:

- Adopt Staff recommendations and award construction contract.
- Postpone contract award and provide direction to Staff.
- Reject construction bids and provide alternative direction to Staff.


DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2020-088:

1. Awarding the construction contract to Southwest Pipeline & Trenchless Corporation, in the amount of \$788,136, for the Sewer & Storm Drain Rehabilitation Project, Bid 2020-01.
2. Approving an amount of \$79,000 for construction contingency.
3. Authorizing the City Manager to execute the construction contract on behalf of the City.
4. Authorizing the City Manager to approve cumulative change orders up to the construction contingency amount.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution No. 2020-088
2. Sewer Rehabilitation Map
3. Storm Drain Rehabilitation Map

RESOLUTION 2020-088

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, AWARDING A CONSTRUCTION CONTRACT TO SOUTHWEST PIPELINE & TRENCHLESS CORPORATION FOR THE SEWER & STORM DRAIN REHABILITATION PROJECT

WHEREAS, the current Fiscal Year (FY) 2019/20 Capital Improvement Program (CIP) budget includes funding for sanitary sewer and storm drain facilities repairs, rehabilitation and replacements; and

WHEREAS, the City has performed sewer and storm drain pipeline condition assessments and determined pipelines to be rehabilitated or replaced to improve system reliability; and

WHEREAS, on June 2, 2020, four bids for the Sewer & Storm Drain Rehabilitation Project, Bid 2020-01, were received and publicly opened by the City Clerk. At that time, it was determined that Southwest Pipeline & Trenchless Corporation was the apparent low bidder with a construction estimate of \$788,136; and

WHEREAS, Staff recommends a construction contingency of \$79,000 for unanticipated extra work.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council awards the construction contract to Southwest Pipeline & Trenchless Corporation, in the amount of \$788,136, for the 2020 Sewer Pipeline Replacements, Bid 2020-01.
3. That the City Council approves an amount of \$79,000 for construction contingency.
4. That the City Council authorizes the City Manager to execute the construction contract on behalf of the City.

5. That the City Council authorizes the City Manager to approve cumulative change orders up to the construction contingency amount.

PASSED AND ADOPTED this 24th day of June 2020, at a meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

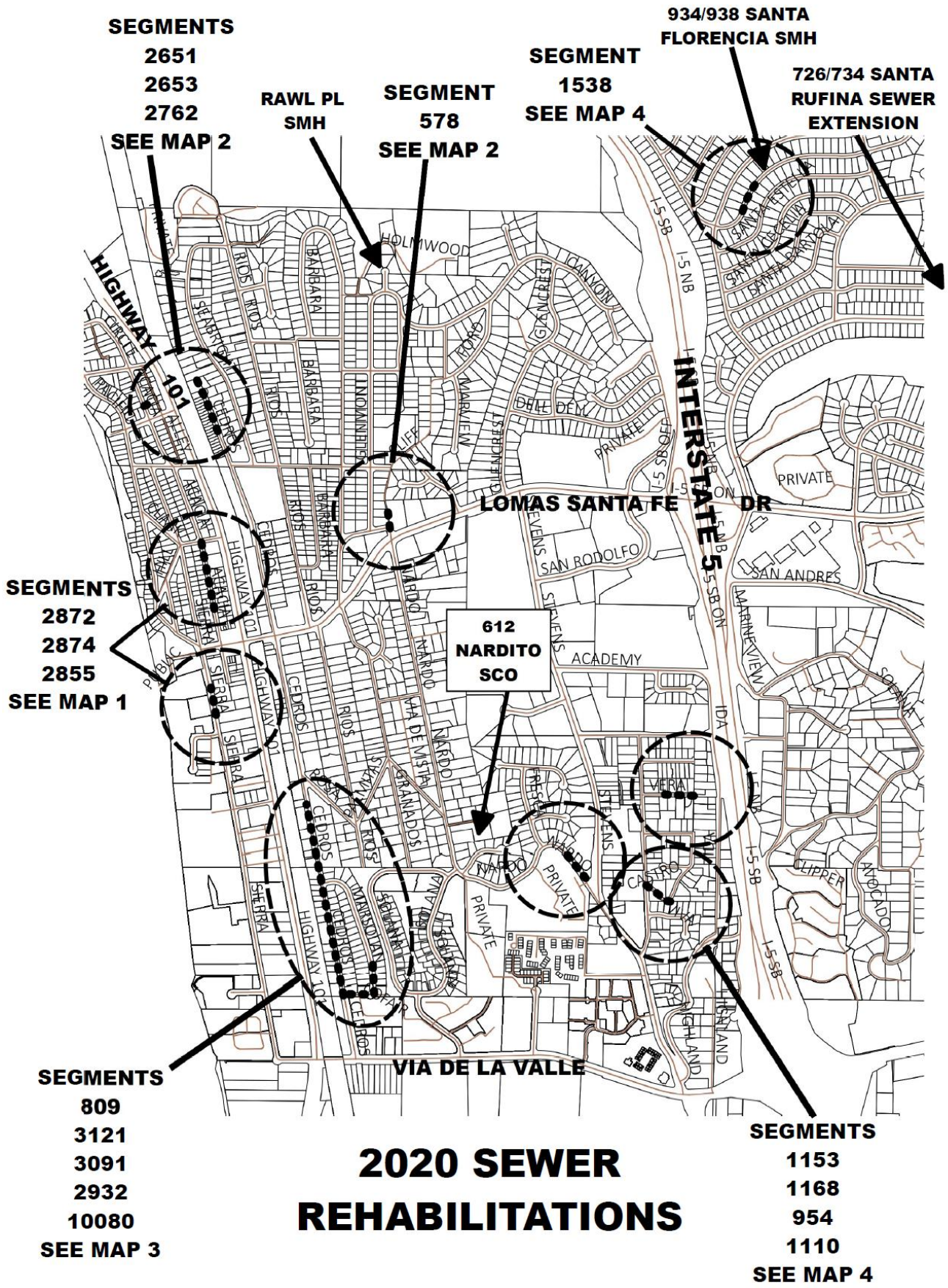
JEWEL EDSON, Mayor

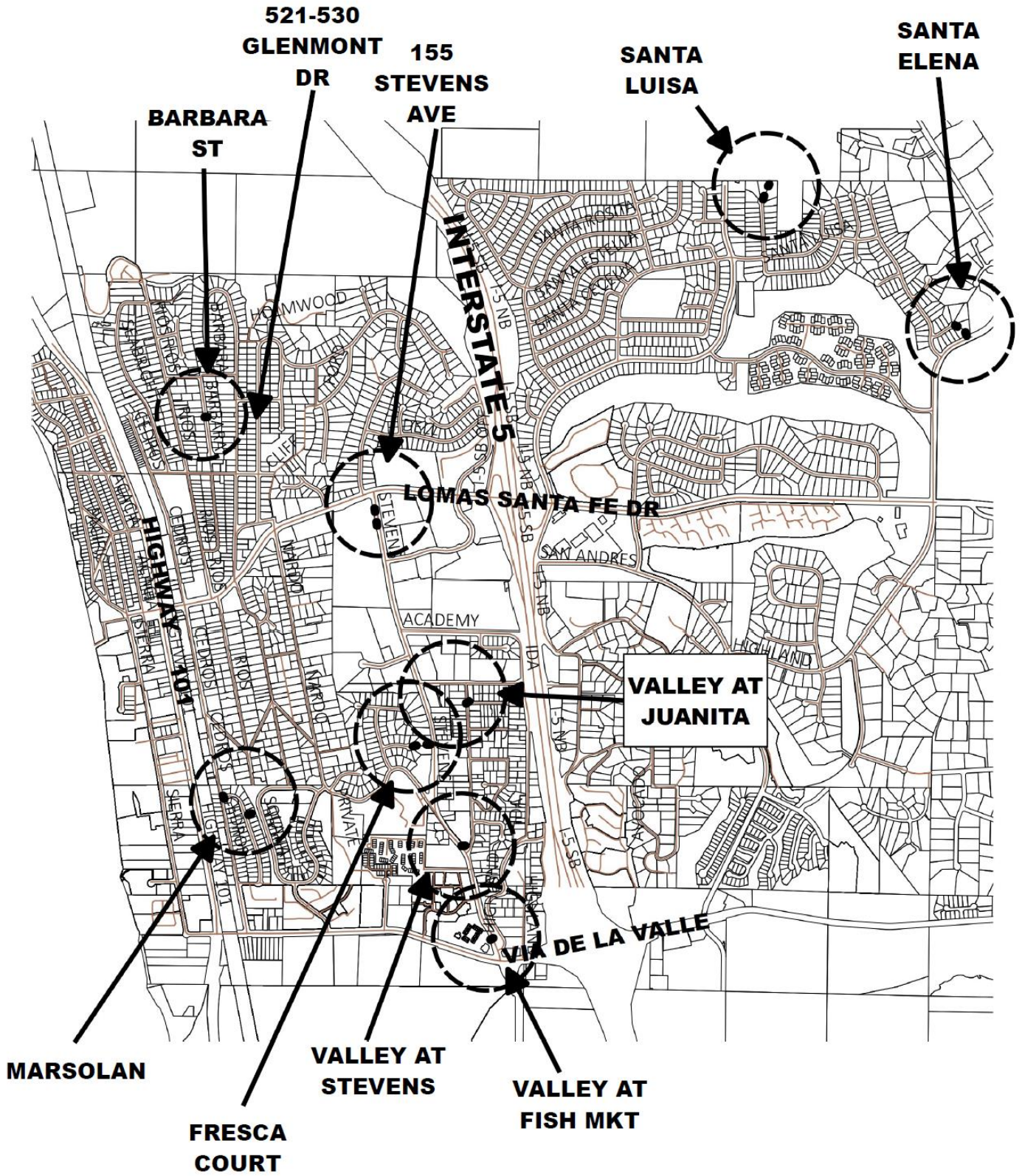
APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk





2020 STORM DRAIN REHABILITATIONS



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: City Clerk’s Office / City Elections Official
SUBJECT: **Calling the General Municipal Election for November 3, 2020 for Elected Mayor, District 1 Councilmember, District 3 Councilmember, and a Qualified Ballot Measure**

BACKGROUND:

Pursuant to the California Elections Code (EC) Section 1301 and Solana Beach Municipal Code (SBMC) Section 2.24.010, the City of Solana Beach conducts its General Municipal Election on the same day as the Statewide General Election. The purpose of the City’s General Election is to vote on elected positions of the legislative body and any ballot measures qualified for the ballot. The next General Election will be held November 3, 2020.

District Elections of the Legislative Body

On July 10, 2018, the City Council adopted Ordinance 488 establishing a By-District Election Process in Four Council Districts and an Elective Office of Mayor. The four districts were determined from public meeting input as well as the guidance of a demographer to ensure the required district election criteria was met, after which the Council adopted the final district map (Attachment 1). Pursuant to California Elections Code section 10010 and California Government Code sections 34871(C) & 34886, the adopted map and sequence of elections was incorporated. The November 3, 2020 General Election will be the first election transitioning to district elections for a separately elected Mayor, District 1 Councilmember, and District 3 Councilmember.

Citizen Initiative – Ballot Measure

Following circulation of a citizen initiative petition and certificate of sufficiency on October 23, 2018, the City Council voted on November 28, 2018 to submit the citizen initiative to the voters at the November 3, 2020 General Municipal Election. The ballot measure is regarding Commercial Cannabis Retailers in Non-Residential Zones and Deliveries/Cultivations in All Zones.

This agenda item is before Council to officially call the November 3, 2020 General Municipal Election by adoption of resolutions to this effect and other related election matters. The local ballot would contain the following items:

- Elected Mayor

CITY COUNCIL ACTION: _____

- Elected Councilmembers for Districts 1 and 3
- Ballot Measure – Commercial Cannabis (Marijuana) Retailers in Non-Residential Zones and Deliveries/Cultivation in All Zones

DISCUSSION:

Each General Municipal Election requires the passing of Resolutions in order to:

- Call and Give Notice of the Election listing the elected seats and qualified measures and Determine Tie Vote Provisions (Attachment 2)
- Define the regulations for Candidate Statements (Attachment 3)
- Consolidate the General Municipal Election with the Statewide General Election, whenever possible, and utilize the professional services of the County Registrar of Voters for a number of election duties and tasks, by submitting a formal request to the San Diego County Board of Supervisors (Attachment 4)
- Authorize Written Arguments and an Impartial Analysis (Attachment 5)
- Authorize Rebuttal Arguments (Attachment 6)

Consolidation with Statewide Election and San Diego County Registrar of Voters

Pursuant to California Elections Code 10403, the City must submit a formal request to the San Diego County Board of Supervisors, via resolution, to consolidate the City's election with the statewide election. Consolidation provides the most cost effective and accurate method of election processes to utilize the proficiency of the San Diego County Registrar of Voters (ROV). When consolidated, the City contracts the services of the ROV to handle multiple requirements for procuring polling places, precinct workers, required postings, printing and mailing of the sample ballot and mail ballots, and canvassing the returns of the election. All other preliminary functions of the election are conducted by the City Clerk, as the local Elections Official.

November Alternative Conduct of Election Procedures

As of June 3, 2020, California Governor Newsom's latest Executive Order N-67-20 relating to the conduct of the November election provides for a ballot to be mailed to all registered voters, vote-by-mail drop-off locations, and polling places to vote in-person. Therefore, the revised Order changed from an all-mail-ballot to a vote-by-mail ballot option for all registered voters with required polling locations and mail-ballot drop-off locations available beginning in October.

District Elections of the Legislative Body

The four-year terms of Councilmembers Jewel Edson, Judy Hegenauer, and David Zito expire December 2020, at the Council meeting that will certify the November 2020 election. This election begins the transition to district-based City Council elections with the election of a city-wide Mayor and Councilmembers for Districts 1 and 3. In November of 2022, the transition to district-based City Council elections will be completed with election of Councilmembers for the two remaining Districts, 2 and 4.

Candidates for District 1 and 3 and relative voters can verify their District by checking their voter registration on the San Diego Registrar of Voters website www.sdvote.com. Voters

living in Districts 1 and 3 will receive a ballot to vote for Council for their designated District. All local ballots will contain the option to vote for an elected Mayor.

Candidate Nomination Period and Deadline

The candidate nomination filing period will begin Monday, July 13, 2020 and end on Friday, August 7, 2020 at 5:00 p.m. City Hall is closed alternate Fridays, and August 7th falls on a closed Friday however, the City Clerk will make accommodations by appointment in advance, as necessary. Candidates should file well before the deadline to allow time to verify signatures and obtain additional signatures if necessary.

In light of COVID-19 and the stay at home order issued by the Governor, some alternative procedures will be offered for the candidate filing process. These options will follow the Secretary of State's memorandum issued to all Elections Officials providing guidance and alternative options for the candidate filing process. Therefore, some alternative options to meet via an online meeting, instead of in-person, to receive candidate information and documents via mail or email will be outlined on the City's website and by the City Clerk/Elections Official. All original signature documents will still be required to be issued and received in original hard copy by the deadline. These details will be provided on the City's website and by the City Clerk to each candidate.

Filers are asked to reserve appointments with the City Clerk at the beginning of the candidate filing period, beginning Monday, July 13, 2020. At the appointment, the candidate will pull the required nomination document and other required paperwork and be briefed on various additional requirements to qualify as a candidate for the ballot, including local campaign regulations, etc. Once candidates complete the necessary paperwork, they are asked to make appointments to officially file all required paperwork before the deadline. If certain paperwork is not complete or filed, it may be grounds for insufficiency. Therefore, the earlier the filing takes place, time will allow for the nomination paper's required signatures to be verified and, if needed, a Supplemental Nomination Paper to be issued, which all must be filed by the deadline of August 7, 2020. The City of Solana Beach has a \$25.00 candidate filing fee due at the time of filing.

Potential Filing Extension Date

If any incumbent for Councilmember does not file by the filing deadline on August 7th, the filing period will be extended to Wednesday, August 12, 2020 at 5:30 p.m. for Councilmember candidates other than incumbents. The elected Mayor is an elected position that does not exist at this time, therefore, there is no incumbent consideration and the extension would not be triggered for this elected position.

Candidate Statements

As specified in EC 13307, Candidate Statements, which are optional for each candidate, are a brief description of the candidate's education and qualifications expressed by the candidate. Candidate Statements are prepared on a specified form issued by the Elections Official, printed in the Sample Ballot, and mailed to all registered voters. These optional statements are paid for by the candidate. The estimated charge for the Candidate Statement covers the cost of printing, handling, translating, and inclusion in the Sample Ballot. The estimates are based on varying factors including the number of candidates running, how

many other elections take place within the consolidated election, and the number of words allowed in the Candidate Statement, 200 or 400 words.

Historically, the City of Solana Beach has chosen 200 words for the Candidate Statement. However, the City Council may choose to allow 400 words. Whichever word count is authorized by Council will be the required word count for all Candidate Statements. Candidates are required to prepay the established estimated cost when they file the Candidate Statement with all official election papers for candidate qualification and sign an understanding that the charge is an estimate and not the final cost. The estimated pro rata share for candidate statements is as follows:

- Mayoral Candidate - 200 words included in the voter pamphlet to be \$1,350 or 400 words to be \$1,600;
- District Councilmember Candidate – 200 words included in the voter pamphlet to be \$1,300 or 400 words to be \$1,500.

This estimate is provided by the San Diego County Registrar of Voters, with whom the City contracts to provide certain election services. Candidates will be responsible for any additional cost or will receive a refund, whichever applies after the accounting of the election is finalized. Resolution 2020-091, as drafted, contemplates a 200-word limit. Should the Council decide to increase the Candidate Statement to 400 words, the resolution will be revised accordingly.

Resolving a Tie Vote

If the election results in a tie vote, there are two options for reconciling the tie. A tie vote may be decided by lot (e.g. tossing a coin, etc.) or by conducting a special runoff election involving those candidates who receive an equal number of votes. The City Council must decide, prior to the election, how to determine the tie vote. Determining the winner of a tie vote using the “by lot” method results in minimal cost to the City.

If the election results in a tie vote and Council elects to opt for a runoff, then an appropriate resolution would be brought back at a later date to call a Special Runoff Election. A Special Runoff Election, held by itself (without consolidation with another statewide election), and contracting these services from the San Diego County Registrar of Voters could cost in excess of \$200,000, based on the last estimate provided to the City for a Special Election.

Staff recommends Council determine the resolution of a tie vote using the “by lot” method. However, if Council determines a Special Runoff Election is the appropriate method, then a resolution would need to be brought back, prior to the election, for adoption.

Cancellation of Candidate Election

In the event that an equal number of qualified candidates do not exceed the number of Council positions to be filled, Elections Code Section 10229 allows Council to make a determination of whether to appoint the candidates in lieu of holding the scheduled election. Following the nomination period, if the City Clerk discovers that the above circumstance applies, a certificate of facts would be presented to Council at a Council meeting for the determination on whether to appoint the candidates in lieu of placing them on the ballot.

However, even if the candidate election for either Mayor or one of the Districts is cancelled, the ballot measure will be on the general election.

Citizen Initiative –Ballot Measure

The citizen initiative, qualified as a ballot measure, to consider Ordinance 494, relating to Commercial Cannabis (Marijuana) Retailers in Non-Residential Zones and Deliveries/Cultivations in All Zones (Attachment 7), will be placed on the ballot with the calling of the election and trigger the related filings of an impartial analysis, written direct arguments, and rebuttal arguments to be included in the sample ballot mailing.

Impartial Analysis

When a city measure qualifies for the ballot, the governing body may direct the elections official to transmit a copy of the measure to the City Attorney, who shall prepare an impartial analysis, pursuant to EC 9280. The impartial analysis of the measure shall show the effect of the measure on the existing law and the operation of the measure. The impartial analysis shall not exceed 500 words in length and shall be printed preceding the arguments *for* and *against* the measure.

Ballot Measure Arguments

Pursuant to EC 9282(a), for ballot measures qualified by a petition, the persons filing the petition may file a written argument in favor of the ordinance, and the legislative body may submit an argument against the ordinance. Arguments shall not exceed 300 words.

In the event that the proponents or the City Council choose not to submit an argument, and/or multiple arguments are submitted within the time prescribed, arguments will be accepted in the following priority order, as defined by EC Section 9287:

- First Priority: Arguments by the legislative body or authorized members of the legislative body.
- Second Priority: An individual, or bona fide association of citizens, or combination of voters and associations, who are the bona fide sponsors of proponents of the measure.
- Third Priority: Bona fide associations of citizens.
- Fourth Priority: Individual voters who are eligible to vote on the measure.

Rebuttal Arguments

Pursuant to EC 9285, following the deadline for direct written arguments, the elections official will send a copy of the final selected Argument For and Against to the authors of each Argument, who may submit a rebuttal argument not to exceed 250 words.

CEQA COMPLIANCE STATEMENT: Not a project as defined by CEQA.

FISCAL IMPACT:

Biennial general municipal election costs are determined by the number of registered voters, the Registrar of Voter's costs for services, and the City's costs for its required publication

notices, translations, etc. The San Diego County Registrar of Voters provided some preliminary estimates for the election based on three candidates running for each of the three offices and the ballot measure totaling approximately \$115,000.

Due to the pandemic, the Governor has issued two Executive Orders regarding the conduct of the November 3, 2020 Presidential General Election. Additionally, the Legislature has two active bill proposals (i.e. Senate Bill 423 and Assembly Bill 860) that are being considered which will correlate with the Governor's Executive Orders. It is anticipated that these actions will have a direct and additional impact on the initial cost projections the San Diego Registrar of Voters has provided.

Currently, the Fiscal Year 2020-21 Budget allocates \$25,000 towards the General Election.

WORK PLAN: N/A

OPTIONS:

- Approve Staff recommendation to call the General Election, consolidate with the County, choose a 200-word or 400-word candidate statement, opt for a tie vote decided by lot, impartial analysis, and direct and rebuttal arguments.
- Do not approve the calling of the General Election and return to call a Special Election to comply with the Solana Beach Municipal Code and State of California Codes.

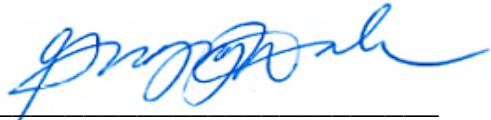
DEPARTMENT RECOMMENDATION:

Staff recommends that City Council:

1. Adopt Resolution 2020-090 Calling and Giving Notice of the Holding of a General Municipal Election to be held on Tuesday, November 3, 2020, for the Election of Certain Officers as required by the Provision of the Laws of the State of California Relating to General Law Cities and determining tie vote provisions.
2. Adopt Resolution 2020-091 requesting the Board of Supervisors of the County of San Diego to Consolidate a General Municipal Election to be held on Tuesday, November 3, 2020, with the Statewide General Election to be held on that date.
3. Adopt Resolution 2020-092 adopting regulations for Candidates for Elective Office pertaining to Candidate's Statements.
4. Adopt Resolution 2020-093 authorizing ballot measure Written Arguments and direct the City Attorney to prepare an Impartial Analysis.
5. Adopt Resolution 2020-094 authorizing filing of ballot measure Rebuttal Arguments.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation

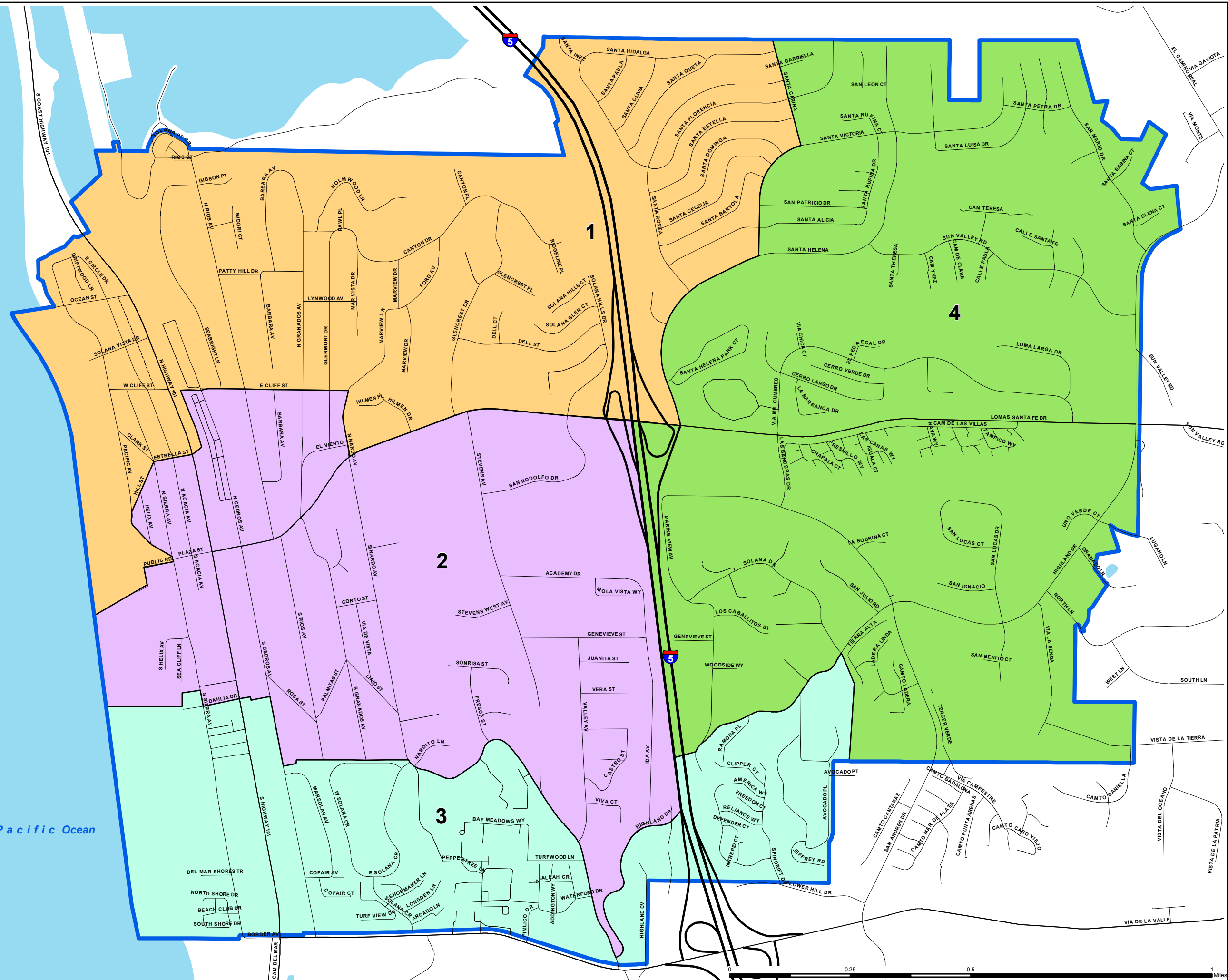


Gregory Wade, City Manager

Attachments:

1. Adopted District Map for District Elections Boundaries
2. Resolution 2020-090 – Call Election, Reconcile Tie Vote
3. Resolution 2020-091 – Election Consolidation Request
4. Resolution 2020-092 – Candidate Statements
5. Resolution 2020-093 – Written Arguments. Impartial Analysis
6. Resolution 2020-094 – Rebuttal Arguments
7. Proposed Ordinance 494 for Citizen's Initiative Ballot Measure

Solana Beach City Council Districts



- Legend**
- Freeways
 - Major Roads
 - Roads
 - Alleys
 - Solana Beach City Council District 1
 - Solana Beach City Council District 2
 - Solana Beach City Council District 3
 - Solana Beach City Council District 4



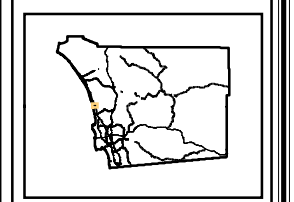
Registrar of Voters
PRECINCTS & POLLS
PRECINCT SERVICES
 Map Created: July 26, 2019
 For more information about this map contact
 County of San Diego, Registrar of Voters at
 (619) 505-7389

Every Reasonable effort has been made to assure the accuracy of this map. However, neither the SanGIS participants nor the Registrar of Voters Office assumes any liability arising from its use.

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This Agreement shall be construed in accordance with the laws of the United States and the State of California. In any litigation brought to enforce or interpret this Agreement, venue shall rest solely in the County of San Diego, State of California.



RESOLUTION 2020-090

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES AND FOR THE SUBMISSION TO THE VOTERS A BALLOT MEASURE FOR A PROPOSED ORDINANCE

WHEREAS, under the provisions of the laws relating to General Law cities in the State of California, a General Municipal Election shall be held on November 3, 2020, for the election of municipal officers; and

WHEREAS, pursuant to authority provided by the California Elections Code, a petition has been filed with the legislative body of the City of Solana Beach, California, signed by not less than ten percent (10%) of the number of registered voters of the City, to submit a proposed ordinance relating to Commercial Cannabis (Marijuana) Retailers in Non-Residential Zones and Deliveries/Cultivation in All Zones; and

WHEREAS, the City Clerk, Elections Official, ascertained that the petition contained the requisite number of signatures and retained the San Diego County Registrar of Voters to perform the examination of the records of registration to verify registered voter signatures; and

WHEREAS, the City Clerk, certified the petition as sufficient on October 23, 2018 and presented the results thereof to the City Council on November 28, 2018 at a Regular Council Meeting, in accordance with the California Elections Code sections 9211 and 9215; and

WHEREAS, the City Council has elected to submit the ballot measure, referencing the proposed ordinance, without alteration, to the voters at the General Municipal Election on Tuesday, November 3, 2020; and

WHEREAS, it is most beneficial to contract the services of the County of San Diego Registrar of Voters to conduct certain election operations and canvass the returns of said General Municipal Election, and that the City Clerk carry out all other necessary procedures for such election.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve, declare, determine and order as follows:

SECTION 1. All of the foregoing recitals are true and correct.

ATTACHMENT 2

SECTION 2. That pursuant to the requirement of the laws of the State of California relating to General Law cities, there is called and ordered to be held in the City of Solana Beach, California, on Tuesday, November 3, 2020, a General Municipal Election for the following purposes:

- Electing a city-wide Mayor for the full term of four years; and
- Electing a Councilmember from District 1 for a full term of four years; and
- Electing a Councilmember from District 3 for a full term of four years.

SECTION 3. That the City Council pursuant to Section 9215(b) of the California Elections Code does order submitted to the voters at the General Municipal Election the following question:

Shall a proposed ordinance amending Solana Beach Municipal Code to Repeal Current Prohibitions Entirely and Allow Commercial Cannabis (Marijuana) Retailers in Non-Residential Zones and Marijuana Deliveries and Certain Cultivation in all Zones in the City of Solana Beach be adopted?	YES
	NO

SECTION 4. That the ballot measure submitted to the voters for approval shall be by a majority vote.

SECTION 5. That if the ballot measure's ordinance, Exhibit A, is approved by the voters, this Ordinance shall be effective ten (10) days after the certified vote results are declared by the City Council pursuant to California Elections Code Section 9217.

SECTION 6. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 7. That pursuant to Resolution 2020-092, the election department of the County of San Diego is authorized, instructed and directed to procure and furnish any and all official ballots, notices, printer matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 8. That the City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

SECTION 8. That the polls for the election shall be open at 7:00 a.m. on the day of the election and shall remain open continuously from that time until 8:00 p.m. of the

same day when the polls shall be closed, except as provided in Section 14401 of the Elections Code of the State of California.

SECTION 9. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 10. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 11. That in the event of a tie vote (if any two or more persons receive an equal and the highest number of votes for an office) as certified by the San Diego County Registrar of Voters (ROV), the City Council, in accordance with Election Code Section 15651(b), shall set a date, time, and place and summon the candidates who have received the tie votes to appear and will determine the tie by lot.

SECTION 12. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED at a Regular meeting of the Solana Beach City Council held on the 24th day of June, 2020, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION 2020-091

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATE'S STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020.

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidates statement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. GENERAL PROVISIONS. That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an Election to be held in the City of Solana Beach on November 3, 2020 may prepare a candidate's statement on an appropriate form provided by the City Clerk. The statement may include the name, age and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself/herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement is to be filed (in typewritten form) in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 2. FOREIGN LANGUAGE POLICY

- A. Pursuant to the Federal Voting Rights Act, the candidate's statements are required to be translated in all languages as required. The County is required to translate candidate's statements into the following languages: Spanish, Tagalog/Filipino, Vietnamese, and Chinese.
- B. The County will mail sample ballots and candidates statements in Spanish, Tagalog/Filipino, Vietnamese, and Chinese to only those voters who are on the county voter file as having requested a sample ballot in a particular language. The County will make the sample ballots and candidates statements in the required languages available at all polling places, on the County's website, and in the Election Official's office.

SECTION 3. PAYMENT

A. Translations:

1. The candidate shall be required to pay for the cost of translating the candidate's statement into any required foreign language as specified in (A) pursuant to the Federal and/or State law.

B. Printing

1. The candidate shall be required to pay for the cost of printing the candidate's statement in English in the voter's pamphlet.
2. The candidate shall be required to pay for the cost of printing the candidate's statement in a foreign language in the voter's pamphlet.

The City Clerk shall estimate the total cost of printing, handling, translating and mailing the candidate's statements filed pursuant to this section, including costs incurred as a result of complying with the Voting Rights Act of 1965 (as amended), and require each candidate filing a statement to pay in advance to the City of Solana Beach his or her estimated pro rata share as a condition of having his or her statement included in the voter's pamphlet. In the event the estimated payment is required, the estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the City Clerk is not bound by the estimate and may on a pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the City Clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the City Clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election or as soon as the final amount is known from the Registrar of Voters.

The City Clerk estimates the pro rata share to candidates for a candidate statement as follows:

- Mayor - 200 words included in the voter pamphlet to be \$1,350.
- District Councilmember – 200 words included in the voter pamphlet to be \$1,300.

SECTION 4. MISCELLANEOUS

- A) All translations shall be provided by professionally-certified translators.
- B) The City Clerk shall comply with all recommendations and standards set forth by the California Secretary of State, the San Diego County Registrar Voters, and local municipal codes and regulations, in other matters relating to elections.

SECTION 5. ADDITIONAL MATERIALS. No candidate will be permitted to include additional materials in the sample ballot package.

SECTION 6. That the City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time nominating petitions are issued.

SECTION 7. That all previous resolutions establishing council policy on payment for candidate's statements are repealed.

SECTION 8. That this resolution shall apply at the next ensuing municipal election, November 3, 2020, and at each municipal election after that time.

SECTION 9. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, held on the 24th day of June, 2020, by the following vote.

- AYES: Councilmembers –
- NOES: Councilmembers –
- ABSENT: Councilmembers –
- ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION 2020-092

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 3, 2020, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THAT DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE

WHEREAS, the City Council of the City of Solana Beach called a General Municipal Election to be held on November 3, 2020, for election of municipal officers, Mayor and Councilmembers Districts 1 and 3, and submitting a citizens initiative (ordinance) to the voters; and

WHEREAS, in the course of conduct of the election it is necessary for the City to request services of the County; and

WHEREAS, all necessary expenses in performing these services shall be paid by the City of Solana Beach; and

WHEREAS, it is desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and that within the City the precincts, polling places and election officers of the two elections be the same, and that the county election department of the County of San Diego canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to the provisions of Section 10403 of the Elections Code, the Board of Supervisors of the County of San Diego is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election held Tuesday, November 3, 2020, for the purpose of electing municipal officers, Mayor and Councilmembers Districts 1 and 3, and submitting a citizens initiative (ordinance) to the voters; and

SECTION 2. That the County of San Diego San Diego County Registrar of Voters be authorized to render election services and proceedings including procuring and furnishing any and all official ballots, notices, printed matter and all supplies and equipment and paraphernalia incidental to and connected with the conduct of the subject election as well as canvassing the returns of the General Municipal Election in order to properly and lawfully conduct such election. The election will be held and conducted in accordance with the provisions of law regulating the statewide election.

SECTION 3. That the Board of Supervisors is requested to issue instructions to the county election department to take any and all steps necessary for the holding of the consolidated election.

SECTION 4. That the County of San Diego shall be reimbursed in full for the services performed by the San Diego County Registrar of Voters for the City of Solana Beach upon presentation of a proper invoice, and the City agrees to indemnify and save free and harmless the County, its officers, agents and employees from expense or liability, including reasonable attorneys' fees, as a result of any election contest arising after conduct of this election.

SECTION 5. That the City Clerk is hereby directed to file a certified copy of this Resolution with the Board of Supervisors and the county election department of the County of San Diego.

SECTION 6. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, held on the 24th day of June, 2020, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION 2020-093

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, AUTHORIZING WRITTEN ARGUMENT(S), SETTING PRIORITIES FOR FILING (A) WRITTEN ARGUMENT(S), AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS REGARDING A QUALIFIED BALLOT MEASURE, PROPOSED ORDINANCE 494.

WHEREAS, on November 28, 2018, the City Council unanimously authorized submitting the citizen initiative’s ballot measure for a proposed, to the voters regarding commercial cannabis (marijuana) retailers in non-residential zones and deliveries/cultivation in all zones at the November 3, 2020 General Municipal Election to be held in the City of Solana Beach, California.

WHEREAS, the following question will be submitted to the voters at the election:

Shall a proposed ordinance amending Solana Beach Municipal Code to Repeal Current Prohibitions Entirely and Allow Commercial Cannabis (Marijuana) Retailers in Non-Residential Zones and Marijuana Deliveries and Certain Cultivation in all Zones in the City of Solana Beach be adopted?	YES
	NO

WHEREAS, for measures placed on the ballot by petition, California Elections Code Section 9282(a) authorizes the persons filing the petition to submit an argument in favor of the ordinance and the legislative body to submit an argument against the ordinance; and

WHEREAS, California Elections Code Section 9287 provides guidance to the elections official regarding the selection of arguments when more than one argument *for* or more than one argument *against* is submitted within the time prescribed, with priority given to 1) the legislative body or members authorized by that body, 2) Bona fide sponsors or proponents of the measure, whether individual voters or groups 3) Bona fide associations of citizens, and 4) Individual voters who are eligible to vote on the measure; and

WHEREAS, California Elections Code Section 9280 authorizes the City Council to direct the City Attorney to prepare an impartial analysis of the measure, showing the effect of the measure on the existing law and the operation of the measure, qualifying for a placement on the ballot.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve, declare, determine and order as follows:

SECTION 1. That the foregoing recitations are true and correct.

ATTACHMENT 5

SECTION 2. That Ballot arguments shall be accepted for and against this measure in the manner required by law. The City Council authorizes any and all members of the City Council to file a written argument against the measure, authorizes the proponents to file an argument in favor of the measure, and hereby acknowledges its authority, and the authority of any individual voter who is eligible to vote on the measure, or bona fide association of citizens, or any combination of voters and associations, to submit a written argument, not exceeding 300 words, accompanied by the printed name(s) and signature(s) of the authors submitting it, in accordance with Article 4, Chapter 3, Division 9 of the California Elections Code.

The arguments shall be filed with the City Clerk, and shall include original signatures, the printed name(s) and signature(s) of the authors submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument. The argument shall be accompanied by the Form of Statement to Be Filed by Author(s) of Argument as supplied by the City Clerk.

The arguments may be changed or withdrawn until and including the deadline date fixed by the City Clerk, in accordance with California Elections Code section 9286(b), after which no arguments for or against the measure may be submitted to the City Clerk.

SECTION 3. That the City Clerk is directed to transmit a copy of the proposed ordinance to the City Attorney. The City Attorney is directed to prepare an impartial analysis of the proposed ordinance, not exceeding 500 words, showing the effect of the measure on the existing law and the operation of the measure, pursuant to California Elections Code Section 9280. If the measure affects the organization or the salaries of the office of the City Attorney, then the City Clerk shall prepare the impartial analysis. The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

SECTION 4. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED, this 24th day of June, 2020, at a regular meeting of the City Council of the city of Solana Beach, California by the following vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:
ABSTAIN: Councilmembers:

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N.CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION 2020-094

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR A CITIZEN INITIATIVE, PROPOSED ORDINANCE 494.

WHEREAS, Section 9286 of the California Elections Code authorizes the City Council, by majority vote, to adopt provisions to provide for the filing of Rebuttal Arguments for city measures submitted at Municipal Elections.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolve, declare, determine and order as follows:

SECTION 1. That the above recitations are true and correct.

SECTION 2. That pursuant to Section 9285 of the California Elections Code, when the City Clerk has selected the arguments for and against the measure, which will be printed and distributed to the voters, the City Clerk shall send copies of the argument in favor of the measure to the authors of any argument against, and copies of the argument against to the authors of any argument in favor. The author or a majority of the authors of an argument may prepare and submit rebuttal arguments not exceeding 250 words or may authorize, in writing, any other person or persons to prepare, submit, or sign the rebuttal argument. A rebuttal argument may not be signed by more than five individuals.

SECTION 3. The rebuttal arguments shall be filed with the City Clerk, signed, with the printed name(s) and signatures(s) of the author(s) submitting it, or, if submitted on behalf of an organization, the name of the organization and the printed name and signature of at least one of its principal officers, not more than 10 days after the final date for filing direct arguments. The rebuttal arguments shall be accompanied by the Form of Statement to Be Filed by Author(s) of Argument as supplied by the City Clerk.

SECTION 4. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

SECTION 5. That all previous resolutions providing for the filing of rebuttal arguments for city measures are repealed.

SECTION 6. That the provisions mentioned above shall apply only to the election to be held on Tuesday, November 3, 2020, and shall then be repealed.

PASSED AND ADOPTED this 24th day of June, 2020, at a regular meeting of the of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:
ABSTAIN: Councilmembers:

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

PROPOSED ORDINANCE 494

AN ORDINANCE OF THE CITY OF SOLANA BEACH, CALIFORNIA, AMENDING TITLE 17, CHAPTER 17.60 OF THE SOLANA BEACH MUNICIPAL CODE RELATED TO COMMERCIAL CANNABIS (MARIJUANA) RETAILERS IN NON-RESIDENTIAL ZONES AND DELIVERIES/CULTIVATION IN ALL ZONES

WHEREAS, on March 12, 2018 a notice of intent was filed with the City Clerk; and

WHEREAS, on a Ballot Title and Summary was prepared by the City Attorney and submitted to the proponent on March 26, 2018; and

WHEREAS, that the Ballot Title and Summary was published and an affidavit of publication was presented to the City Clerk on March 29, 2018; and

WHEREAS, a petition was filed with the City Clerk (Elections Official) on September 25, 2018; and

WHEREAS, the initiative petition was certified sufficient by the City Clerk on October 23, 2018; and

WHEREAS, this ordinance would be adopted as filed by the proponents, without alterations.

NOW THEREFORE, the people of the City of Solana Beach do ordain as follows:

Section 1. Amendment to the Solana Beach Municipal Code

The section 17.60.190 of the Solana Beach Municipal Code shall be, and is hereby repealed in its entirety and shall be, and is hereby, replaced with the following:

17.60.190 CANNABIS BUSINESSES

~~17.60.190.~~

A. Purpose and Intent

It is the Purpose and Intent of the people of the City of Solana Beach to:

- Allow duly licensed Cannabis Businesses to operate in the City of Solana Beach in compliance with the laws of the State of California;
- To implement a strong and effective regulatory and enforcement system to protect the health, safety, and welfare of the residents of the City of Solana Beach;
- To generate tax revenue from Cannabis Businesses and to allocate the tax revenue generated from such businesses to the public safety needs of the City

of Solana Beach including, but not limited to, allocations to law enforcement, fire departments, and other public safety services provided by the City.

~~17.60.1902.~~

B. Authority; Interpretation; and Applicability

- Authority. This chapter is adopted pursuant to the authority granted by Article XI, § 7 of the California Constitution, Health and Safety Code § 11362.83, Government Code Sections 25845 and 53069.4, the Medical Cannabis Regulation and Safety Act, the Control, Regulate and Tax Adult Use of Marijuana Act, and California Elections Code §§ 9201, et seq. which mandates the power to change the law in general law cities through the initiative and referendum process.
- Interpretation. No part of this ordinance shall be deemed to conflict with federal law as contained in the Controlled Substances Act, 21 U.S.C. section 800 et seq., nor to otherwise permit any activity that is prohibited under that Act or any other local, state or federal law, statute, rule or regulation. Nothing in this ordinance is intended, nor shall it be construed, to burden any defense to criminal prosecution otherwise afforded by California law. Nothing in this ordinance is intended, nor shall it be construed, to preclude a landlord from limiting or prohibiting cannabis cultivation, smoking or other related activities by tenants. Nothing in this ordinance is intended, nor shall it be construed, to exempt any cannabis related activity from any and all applicable local and state construction, electrical, plumbing, land use, or any other building or land use standards or permitting requirements. Nothing in this ordinance is intended, nor shall it be construed, to make legal any cultivation, transportation, sale, or other use of cannabis that is otherwise prohibited under California law.
- Applicability. All cultivation, processing and distribution of medical cannabis within the City of Solana Beach shall be subject to the provisions of this chapter, regardless if the cultivation, processing or distribution existed or occurred prior to adoption of this chapter.

~~17.60.1903~~

C. Definitions

As used in this chapter:

- “Adult Use” shall mean recreational cannabis use by adults 21 years of age and over without a physician’s recommendation.
- “Cannabis” shall mean all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks,

oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this division, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.

- "Cannabis Business(es)" shall mean any business engaged in the cultivation, manufacturing, testing, sale, distribution, or transportation of Cannabis.
- "Cannabis Business entity" A cannabis based business, with a valid seller permit from the California state board of equalization, and a valid IRS issued EIN. Registered with the Secretary of State of California.
- "Cannabis Business Permit" shall mean the permit issued to any Cannabis Business pursuant to the provisions of this Chapter.
- "Cannabis Cultivation" shall mean the cultivation of Cannabis, including, but not limited to a nursery which produces clones, immature plants, seeds, or other agricultural products for the planting, propagation, and cultivation of Cannabis for commercial purposes
- "Cannabis Delivery" shall mean the delivery of Cannabis and Cannabis products.
- "Cannabis Dispensary(ies)" shall mean a Cannabis Business engaged in the sale, trade, provision of, and/or distribution of Cannabis to retail customers and/or medical Cannabis users.
- "Cannabis Distribution" shall mean the non-retail procurement, sale, and transportation of Cannabis and Cannabis Products between Cannabis Businesses.
- "Cannabis Distribution Business(es)" shall mean a business involved in Cannabis Distribution.
- "Cannabis Distribution Facility(ies)" shall mean the location where any Cannabis Distribution Business is operated.
- "Cannabis Extraction Business(es)" shall mean any Cannabis Business engaged in extracting any component of the Cannabis plant by either volatile or non-volatile extraction methods.
- "Cannabis Manufacturing Business(es)" shall mean any business engaged in the production, preparation, propagation, or compounding of Cannabis and Cannabis Products. Cannabis Manufacturing Business includes any businesses engaged in the extraction of any component from a Cannabis plant, the infusion or mixture of Cannabis into another substance, the preparation of an edible item that contains Cannabis, and the packaging and labeling of Cannabis or Cannabis Products. Cannabis Manufacturing Business does not include a Cannabis Cultivation Business.
- "Cannabis Manufacturing Facility(ies)" shall mean the location where any Cannabis Manufacturing Business is located.
- "Cannabis Product(s)" shall mean any item containing Cannabis. Cannabis Product includes concentrates, extractions, edibles, and topicals. Cannabis Product does not include accessories or paraphernalia that may be used in

- connection with Cannabis but which do not actually contain any Cannabis.
- “Cannabis Retail Area” shall mean the area where Cannabis is sold to the general public inside a Cannabis Dispensary.
 - “City Manager” shall mean the duly appointed manager of the City of Solana Beach, or their duly appointed designee.
 - “Cannabis Clone” shall mean an immature female Cannabis plant.
 - “Complete Cannabis Application” shall mean a completed application for licensing and/or permitting from the City of Solana Beach for which all necessary application documentation have been provided, and for which all necessary fees have been paid.
 - “Compliant Cannabis Business” shall mean a Cannabis Business which is operated in compliance with this Chapter and the laws of the State of California.
 - “Cultivate” and “Cultivation” shall mean to plant, grow, harvest, dry, cure, grade, and/or trim cannabis.
 - “Dispensary Building” shall mean the portion of any building within which a Cannabis Dispensary is operated.
 - “Dispensary Permit” shall mean a Cannabis Dispensary permit issued pursuant to this Chapter.
 - “Identification Card” shall mean a document issued by the State Department of Public Health that identifies a person authorized to engage in the medical use of Cannabis and the person’s designated primary caregiver, if any.
 - “Juvenile” shall mean any natural person who is under the age of 21 years.
 - “Manager” shall mean a person with responsibility for the establishment, registration, supervision, or oversight of the operation of a Cannabis Business, including but not limited to, a person who performs the functions of a board member, director, officer, owner, operating officer, or manager of the Cannabis Business.
 - “Medical Cannabis” means Cannabis used for medical purposes in accordance with the Compassionate Use Act (California Health and Safety Code section 11362.5) and the Medical Marijuana Program Act (California Health and Safety Code sections 11362.7 et seq.).
 - “Medical Cannabis Dispensary(ies)” shall mean a Cannabis Business involving the sale, distribution and/or provision of Cannabis and Cannabis products to qualified patients, primary caregivers, or persons with valid Identification Cards for medical purposes, consistent with the Compassionate Use Act (California Health and Safety Code § 11362.5); the Medical Marijuana Program Act (California Health and Safety Code §§ 11362.7 et seq.); the Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use issued by the California Attorney General in August 2008; and this chapter. Medical Cannabis Dispensary does not include the following: (i) a clinic licensed pursuant to Chapter 1 of Division 2 of the California Health and Safety Code; (ii) a health care facility licensed pursuant to Chapter 2 of Division 2 of the California Health and Safety Code; (iii) a residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the California Health and Safety Code; (iv) a residential care facility for the elderly

licensed pursuant to Chapter 3.2 of Division 2 of the California Health and Safety Code; (v) or a residential hospice or a home health agency licensed pursuant to Chapter 8 of Division 2 of the California Health and Safety Code, as long as any such use complies with applicable laws including, but not limited to, the Compassionate Use Act (California Health and Safety Code section 11362.5), the Medical Marijuana Program Act (California Health and Safety Code section 11362.7 et seq.), and the Solana Beach Municipal Code.

- “Member” shall mean any qualified patient, primary caregiver, or person with an Identification Card who is registered with a Cannabis Business.
- “Person with an Identification Card” shall mean an individual who is a qualified patient who has applied for and received a valid identification card pursuant to Article 2.4, of Chapter 6 of Division 10 of the California Health and Safety Code.
- “Physician” shall have the same meaning as set forth in California Business and Professions Code § 4039.
- “Primary caregiver” shall have the same meaning as set forth in California Health and Safety Code §§ 11362.7(d)(1)-(3).
- “Private medical records” means records related to the medical history of a qualified patient, but does not include the recommendation of a physician for the medical use of medical Cannabis, the designation of a Primary Caregiver by a Qualified Patient, or an Identification Card.
- “Qualified Patient” shall mean a person who is entitled to the protections of § 11362.5 of the California Health and Safety Code, but who does not have an Identification Card.
- “Staff” shall mean a person, other than a manager, who works or provides services at the site of a Cannabis Business, whether as an employee, independent contractor, or volunteer.
- “Volatile Solvent” shall mean a solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures.

~~17.60.1904~~

D. General Provisions Regarding Permitted and Prohibited Commercial Cannabis Activities

- Subject to the provisions of this Chapter, the following commercial Cannabis activities are authorized within the City of Solana Beach. Said activities shall only be conducted by a Cannabis Business with a valid, current Cannabis Business Permit issued by the City of Solana Beach.
 - Cannabis Dispensary(ies) and Medical Cannabis Dispensary(ies) – A total of up to two (2) dispensary(ies) are allowed. Adult Use Cannabis Dispensaries and Medical Cannabis Dispensaries shall be permitted within the City of Solana Beach. A single location may be both an Adult Use Cannabis Dispensary and Medical Cannabis Dispensary, in which event that location shall only count as a single dispensary.
- No person shall establish, operate, maintain, conduct or participate in an Cannabis Business for any purpose within the City of Solana Beach that is not

in compliance with this Chapter of the Solana Beach Municipal Code.

- No Cannabis Business shall operate within the City of Solana Beach unless it possesses all applicable State and local licenses and permits necessary prior to the commencement of operations. This provision shall not be interpreted to preclude any Cannabis Business applying for, and obtaining, local permits that are necessary prior to obtaining any state issued permits; however, no actual Cannabis Business may be conducted until such a time as all permits have been issued.
- Prior to the commencement of operations, each Cannabis Business shall provide to the City Manager a copy of all state and local licenses and permits required for its operation.
- No Cannabis Business shall transfer Cannabis or Cannabis Product(s) to or from another Cannabis Business, unless both businesses are duly licensed and permitted as required by State and local law.
- Cannabis Business Permit(s) issued pursuant to this chapter may only be sold or transferred in connection with the sale or transfer of an existing Cannabis Business. Any and all transferees of a Cannabis Business must adhere to all State and local laws relating to Cannabis Businesses. A transfer application fee of \$5,000.00 will be assessed in connection with any application to transfer a Cannabis Business Permit, which fee shall be provided to the City of Solana Beach in connection with any application to transfer ownership of a Cannabis Business Permit.
- No person shall give, sell, distribute, or otherwise transfer any Cannabis or Cannabis Product(s) from a permitted Cannabis Business to any person in any manner that violates State or local law.
- Within 30 days of commencing, any Cannabis Business within the City of Solana Beach shall provide to the City Manager the names, addresses, and phone numbers of all of the following interested parties:
 - Officers, directors, and any shareholders owning more than 25% of the stock in any corporation operating a Cannabis Business.
 - All general or limited partners in any partnership operating a Cannabis Business.
 - All managers, officers, directors, and members owning more than 25% of the membership interests in any limited liability company operating a Cannabis Business.
 - All sole proprietors operating any Cannabis Business using a fictitious name.
 - The managers of the Cannabis Business.
 - The permittee shall notify the city of any change in the information above within 30 days of the change.
- Cannabis Businesses within the City of Solana Beach shall provide the City Manager with the name and primary and secondary telephone numbers of at least one on-call manager to respond to licensing, permitting, code enforcement, and other inquiries of the City.
- Cannabis Businesses within the City of Solana Beach shall provide the City

Manager with the name and primary and secondary telephone numbers of at least one on-call manager to respond to communications from neighboring businesses, residents, and landowners. Cannabis Businesses shall make reasonable efforts, in good faith, to resolve complaints from neighboring businesses, residents, and landowners.

- Cannabis Businesses within the City of Solana Beach shall maintain security on-site in accordance with the approved security plan submitted in connection with their application for a Cannabis Business Permit. Cannabis Businesses shall not modify their on-site security plan without the written approval of the City Manager.
- Cannabis Businesses within the City of Solana Beach shall, at all times, use and maintain security cameras. Such security cameras must, at a minimum, monitor all entries and exits as well as all areas where Cannabis Product(s) are being stored or sold. Cannabis Businesses must store security video footage for a period of at least 30 days.
- All Cannabis Businesses within the City of Solana beach shall, at all times, have a professional alarm system with off-site monitoring by licensed security company. Alarm sensors must be placed on all entryways, exits, and windows. Cannabis Business security systems must have motion sensors covering all locations where Cannabis and Cannabis Products are stored during non-operational hours and must have battery backup systems in place at all times.
- All Cannabis Businesses within the City of Solana Beach shall take all reasonably necessary precautions to ensure that odors generated from the manufacture, processing, and storage of Cannabis and Cannabis Products are not so strong as to be offensive to a reasonable person of normal sensitivity outside the buildings where the Cannabis Business is located.
- All Cannabis Businesses within the City of Solana Beach shall promptly report any criminal activity occurring at the Cannabis Business cite to law enforcement.
- In addition to any fees established and imposed pursuant to this chapter, all Cannabis Businesses within the City of Solana Beach shall pay all applicable state and local taxes.
- All Cannabis Businesses within the City of Solana Beach shall maintain the following business records in printed format for at least two years on the site and shall provide copies thereof to the City Manager within two business days after receipt of a written request therefore:
 - The name, address, and telephone number of the owner of the property where the Cannabis Business is conducted.
 - The name, address, telephone number and date of hire of each manager and staff member of the cannabis business.
 - A copy of the Cannabis Business's commercial general liability insurance policy or bond, and all other insurance policies related to the operation of the business.
 - A Cannabis Business shall report any loss, damage, or destruction of

these records to the City Manager, in writing, within two business days of the loss, damage, or destruction.

- A real property owner shall not rent, lease or otherwise permit any Cannabis Business upon their property that is not operating in compliance with this Chapter and all applicable State laws and regulations.
- No Cannabis Business may be permitted within 600 feet of any public school.
- The City of Solana Beach shall issue Cannabis Business Permits to applicants in accordance with this Chapter.
- Cannabis Businesses will be issued Cannabis Business Permits in lieu of regular business licenses.
- Any Cannabis Business operating in violation of this Chapter shall be subject to penalties set forth in Solana Beach Municipal Code.
- Violations of this Chapter may be enforced pursuant to each and every enforcement provision set forth in the Solana Beach Municipal Code.

~~17.60.1905~~

E. Cannabis Dispensaries and Medical Cannabis Dispensaries

- Cannabis Dispensaries and Medical Cannabis Dispensaries shall be allowed in the City of Solana Beach. Said Dispensaries may sell Cannabis and Cannabis Products for Adult Use to persons over 21 years of age, or may operate as a Medical Cannabis Dispensary, or both. No more than two (2) total dispensaries may be permitted in the City of Solana Beach at any one time.
- No person or entity shall operate a Cannabis Dispensary or Medical Cannabis Dispensary without a valid Cannabis Business Permit issued pursuant to this Chapter.
- No Cannabis Dispensary or Medical Cannabis Dispensary shall be located within 600 foot from another Cannabis Dispensary or Medical Cannabis Dispensary.
- Dispensaries will be permitted to operate in the following zoning areas:
 - Special Commercial (SC);
 - Light Commercial (LC);
 - General Commercial (GC);
 - Light Industrial (LI);
 - Office Professional (OP);
- Dispensaries that will sell Cannabis Clone(s) shall have a nursery designation on their cannabis business license.
- No Cannabis Dispensary or Medical Cannabis Dispensary shall have a physician site to evaluate patients or provide a recommendation for medical cannabis.
- Cannabis Business Permits issued to Cannabis Dispensaries and Medical Cannabis Dispensaries shall be classified as follows:

- Type M Classification. A business with a valid Cannabis Business Permit with a Type M classification issued pursuant to this Chapter, is authorized to purchase Cannabis and Cannabis Products from Cannabis Distribution Business(es). Said businesses are also authorized also sell, transfer, and distribute Medical Cannabis, and Cannabis Products to:
 - Qualified Patient(s) with a currently valid physician's recommendation in compliance with the Compassionate Use Act of 1996 (California Health and Safety Code section 11362.5), the Medical Marijuana Program Act (California Health and Safety Code section 11362.7 et seq.), and valid government-issued identification such as a Department of Motor Vehicles driver's license or State Identification Card.
 - Primary Caregiver(s) with a verified Primary Caregiver designation by their Qualified Patient(s), a copy of their Qualified Patient's valid physician's recommendation in compliance with the Compassionate Use Act of 1996 (California Health and Safety Code section 11362.5), the Medical Marijuana Program Act (California Health and Safety Code section 11362.7 et seq.), and valid official identification such as a Department of Motor Vehicles driver's license or State Identification Card.
- Type R Classification. A business with a valid Cannabis Business Permit with a Type R classification issued pursuant to this Chapter, is authorized to purchase Cannabis and Cannabis Products from Cannabis Distribution Business(es). Said businesses are also authorized also sell, transfer, and distribute Adult Use Cannabis and Cannabis Products to retail customers who are 21 years of age or older that are in possession of a valid government-issued identification card.
- Type M/R classification. A business with a valid Cannabis Business Permit with a type R/M classification issued pursuant to this chapter, is authorized to purchase Cannabis and Cannabis Products from Cannabis Distribution Business(es).

Said businesses are also authorized to sell, transfer, and distribute Medical Cannabis, and Cannabis Products to:

- Qualified Patient(s) with a currently valid physician's recommendation in compliance with the Compassionate Use Act of 1996 (California Health and Safety Code section 11362.5), the Medical Marijuana Program Act (California Health and Safety Code section 11362.7 et seq.), and valid government-issued identification such as a Department of Motor Vehicles driver's license or State Identification Card.
- Primary Caregiver(s) with a verified Primary Caregiver designation by their Qualified Patient(s), a copy of their Qualified Patient's valid physician's recommendation in compliance with

the Compassionate Use Act of 1996 (California Health and Safety Code section 11362.5), the Medical Marijuana Program Act (California Health and Safety Code section 11362.7 et seq.), and valid official identification such as a Department of Motor Vehicles driver's license or State Identification Card.

Said businesses are also authorized to sell, transfer, and distribute Adult Use Cannabis and Cannabis Products to retail customers who are 21 years of age or older that are in possession of a valid government-issued identification card.

Dispensaries with an M/R classification must conduct all sales of Medical Cannabis and Cannabis Products at a separate counter from sales of Adult Use Cannabis and Cannabis Products.

- Cannabis Dispensaries and Medical Cannabis Dispensaries with valid Cannabis Business Permits may make deliveries, subject to the following conditions:
 - Deliveries must be made to home and business locations only. No deliveries may be made to public locations or parking lots.
 - Each delivery must be actively tracked by GPS and the Cannabis Dispensary shall keep a record of all GPS tracking for deliveries for at least 30 days.
 - No delivery person may carry more than five (5) orders per trip.
 - Each delivery must be either:
 - Within the City limits of the City of Solana Beach; or,
 - In full compliance with the laws and permitting requirements of the jurisdiction in which the delivery is made.
 - All Cannabis and Cannabis Products being delivered shall be obtained from directly from the location of the Cannabis Business that is authorized to deliver Cannabis. No Cannabis or Cannabis Products may be delivered from any offsite storage facility or manufacturing facility.
 - No person shall deliver Cannabis or Cannabis Products in any vehicle that has markings identifying it as a vehicle in which Cannabis may be contained.
 - Any person delivering Cannabis or Cannabis Products on behalf of a dispensary shall carry a copy of the dispensary's current permit.
 - No person or company shall deliver Cannabis or Cannabis Products to anyone except the person who ordered the delivery. The person delivering the cannabis shall confirm that the recipient of the delivery person is lawfully allowed to purchase Cannabis by inspecting the relevant identification documents and, as applicable, Identification Card or physician's recommendation, before delivering the Cannabis or Cannabis Product to the customer.
- A Cannabis Business shall not allow cannabis or cannabis products on the dispensary site to be visible from any public right-of-way, any unsecured areas

surrounding the buildings on the site, or the site's main entrance.

- No person under 21 years of age shall own or operate a storefront Cannabis Dispensary or Medical Cannabis Dispensary in any capacity, including but not limited to, as a manager, staff person, employee, contractor, or volunteer.
- No person under 21 years of age shall be inside a Cannabis Dispensary or Medical Cannabis Dispensary building, or unit within a building, unless they are a Qualified Patient or a Primary Caregiver and the dispensary has a Type M or Type M/R Cannabis Business Permit.
- No person under 18 years of age shall be inside a Cannabis Dispensary or Medical Cannabis Dispensary building, or unit within a building, unless they are a Qualified Patient or a Primary Caregiver, and they are accompanied by their adult parent or legal guardian.
- No Cannabis Dispensary or Medical Cannabis Dispensary shall be open to the public between the hours of 10:00 p.m. and 7:00 a.m.
- Every Cannabis Dispensary and Medical Cannabis Dispensary must have a lobby, foyer, or waiting area immediately adjacent to the entrance to receive persons and verify that they are allowed into the dispensary. Every Cannabis Dispensary and Medical Cannabis Dispensary must also have a separate and secure area designated for selling Adult Use Cannabis, Medical Cannabis, Cannabis Products, and cannabis accessories.
- No dispensary shall allow any person to smoke, ingest, or otherwise consume Adult Use Cannabis, Medical Cannabis, or Cannabis Products within the dispensary building or unit within a building.
- No dispensary shall Cultivate Cannabis or have on site any live Cannabis plants except for Cannabis Clone(s). Cannabis Clones shall not be propagated at a dispensary site, but may be kept alive with artificial lighting on site for sale. No more than 6 clones shall be sold to a single person in a single transaction.
- A Cannabis Dispensary or Medical Cannabis Dispensary must have, at all times, secure storage on site for the after-hours storage of Cannabis and Cannabis Products as set forth in the dispensary's approved security plan. Secure storage shall consist of either a completely enclosed room, with a security door approved by the City Manager and no windows, or a locked safe bolted to the floor.
- All signage for Cannabis Dispensaries and Medical Cannabis Dispensaries must conform to city of Solana Beach signage standards. No sign for any Cannabis Dispensary or Medical Cannabis Dispensary may include the words: Cannabis, Marijuana, Weed, Pot, Reefer, High, or Ganja.
- Each Cannabis Dispensary or Medical Cannabis Dispensary shall have a sign conspicuously placed at the entrance stating, "Smoking, ingesting, or consuming cannabis or cannabis products on this site or in any public place is prohibited."
- A dispensary that is only authorized to sell Medical Cannabis must have conspicuously placed signed at the entrance stating, "Medical cannabis sales only. Only qualified patients and primary caregivers may enter. Any qualified

- patient or primary caregiver under 18 years of age must be accompanied by their parent or legal guardian.”
- A dispensary that is only authorized to sell Adult Use Cannabis shall have a sign conspicuously placed at the entrance stating, “Adult use cannabis sales only. Persons under 21 years of age are strictly prohibited from entering. Valid, government issued identification must be presented for entry.”
 - A dispensary that is authorized to sell both Medical Cannabis and Adult Use Cannabis shall have a sign conspicuously placed at the entrance stating, “Medical cannabis and adult use cannabis for sale. Persons under 21 years of age are prohibited from entering this property unless they are a qualified patient or a primary caregiver. Any qualified patient or primary caregiver under 18 years of age must be in the presence of their parent or legal guardian. Valid, government issued identification must be presented for entry.”
 - A Cannabis Business operating a Cannabis Dispensary or Medical Cannabis Dispensary must, during all open hours, display its current valid Cannabis Business Permit issued pursuant to this Chapter. Said Cannabis Business Permit shall be displayed in a conspicuous place so that it may be readily seen by all persons entering the dispensary.
 - No person shall operate a Cannabis Dispensary or Medical Cannabis Dispensary at any place other than the specific location for which the applicable Cannabis Business Permit is granted. A Cannabis Dispensary or Medical Cannabis Dispensary may only change locations by filing a relocation application with the City of Solana Beach and complying with all conditions of this Chapter at the new site.
 - The fee for a Cannabis Dispensary or Medical Cannabis Dispensary application shall be \$2,500.00 payable to the City of Solana Beach.
 - The fee for an application to relocate a Cannabis Dispensary or Medical Cannabis Dispensary shall be \$2,500.00 payable to the City of Solana Beach.
 - In addition to any excise taxes or sales tax. Cannabis Dispensaries shall be required to pay an additional 1.25% sales tax, computed upon gross sales price, to the City of Solana Beach for all non-Medical Cannabis and non-Medical Cannabis Product sales. Cannabis Dispensaries keep adequate records of sale and permit the inspection thereof by the City Manager. This increased sales tax due to the City of Solana Beach shall paid in accordance with the Cannabis Business’s normal reporting and payment schedule determined by the California Department of Tax and Fee Administration and/or California State Board of Equalization.

~~17.60.1906~~

F. Cannabis Cultivation—Nuisance declared.

- Cannabis cultivation, outdoors, for medical, non-medical or other purposes, is prohibited everywhere in the city including all zoning districts, specific plan

areas, overlay zones and planned development zones and is hereby declared to be unlawful and a public nuisance, except as otherwise provided herein. No person owning, renting, leasing, occupying or having charge or possession of any parcel shall cause or allow such parcel to be used for cultivating marijuana outdoors. The foregoing prohibition shall be imposed regardless of the number of qualified patients or primary caregivers residing at the premises or participating directly or indirectly in the cultivation. Further, this prohibition shall be imposed notwithstanding any assertion that the person or persons cultivating marijuana are the primary caregiver or caregivers for qualified patients or that such person or persons are collectively or cooperatively cultivating marijuana. There is a limited exemption from enforcement of this subsection as set forth in Section 17.60.1907.

- Marijuana cultivation, indoors, for medical purposes is prohibited. There is a limited exemption from enforcement of this subsection as set forth in Section 17.60.1907.
- Marijuana cultivation, indoors, for non-medical purposes will be allowed consistent with state law. As required by state law, no more than six live marijuana plants may be planted, cultivated, harvested, dried, or processed within a single private residence or inside an accessory structure located upon the grounds of a private residence that is fully enclosed and secured. Any marijuana cultivation for non-medical marijuana purposes that exceeds the limits set forth in this subsection is hereby declared to be unlawful and a public nuisance.

~~17.60.1907~~

G. Limited Exemption From Enforcement For Medical Marijuana.

- The city is committed to making efficient and rational use of its limited investigative and prosecutorial resources. Any illegal cannabis businesses will not be tolerated and will become a priority of Solana Beach's prosecutorial resources. There shall be a limited exemption from enforcement for violations of this chapter by primary caregivers and qualified patients for small amounts of marijuana cultivation for their own medical use in on which a single-family detached dwelling exists when all of the following conditions and standards are complied with:
 - The premises shall contain a legally permitted single-family detached dwelling.
 - Cultivation of no more than twelve marijuana plants per qualified patient. In the event a qualified patient has a primary caregiver cultivating marijuana plants for the qualified patient, only one primary caregiver may cultivate no more than twelve marijuana plants for that qualified patient at any one time. In no circumstances shall a qualified patient have multiple primary caregivers cultivating marijuana plants for the qualified patient at the same time in the city.
 - Two qualified patient limit to aggregate marijuana plant count for a maximum total of twenty-four marijuana plants per premises.

- At least one qualified patient or one primary caregiver, acting on behalf of the qualified patient must live on the premises.
- All marijuana plants must be reasonably secured to prevent theft and access to the plants by persons under the age of twenty-one, to a standard satisfactory to the enforcement official.
- All marijuana cultivation outside of any building must be fully enclosed by an opaque fence at least six feet in height. The fence must be adequately secured to prevent unauthorized entry. Bushes, hedgerows, plastic sheeting, tarps, or cloth material shall not constitute an adequate fence under this subsection. Premises larger than five acres are exempt from this fencing provision so long as all other standards and conditions of subsection A of this section are complied with and any barriers used are otherwise consistent with this code.
- Each building or outdoor area in which the marijuana plants are cultivated shall be set back at least ten feet from all boundaries of the premises. Such setback distance shall be measured in a straight line from the building in which the marijuana plants are cultivated, or, if the marijuana plants are cultivated in an outdoor area, from the fence to the boundary line of the premises.
- The designated marijuana cultivation area must not be visible from any public right-of-way.
- If the person cultivating marijuana plants on any premises is not the owner of the premises, such person shall submit a letter from the owner(s) consenting to the marijuana cultivation on the parcel. An original of this letter shall be submitted to and retained by the community development department. The city shall prescribe forms for such letters.
- Parolees or probationers shall not live on the premises unless the parolees or probationers have received written confirmation from the court that he or she is allowed to use medical marijuana while on parole or probation pursuant to Health and Safety Code § 11362.795 which shall be subject to verification by the enforcement official.
- Qualified patients for whom the marijuana plants are being cultivated shall have valid medical marijuana identification cards issued by the San Diego County or State department of public health. Any primary caregiver cultivating marijuana plants for a qualified patient shall have a copy of the qualified patient's valid medical marijuana identification card issued by the State of California or San Diego County department of public health which shall be kept on the premises.
- The address for the premises must be posted and plainly visible from the public right-of-way.
- The marijuana cultivation shall not be within a building containing two or more dwelling units.
- The marijuana cultivation shall not be upon any premises located within one thousand feet of any school, community center, or park.
- The marijuana cultivation shall not be upon any premises containing a

child care center, church (religious facility), or youth-oriented facility.

- Any marijuana cultivation for medical purposes that does not comply with all of the standards and conditions of this section is a public nuisance and shall be subject to penalties and abatement as provided in Title 1 and Chapter 17.60.190 of the Solana Beach city code.

~~17.60.1908~~

H. Abatement of other nuisances.

Nothing in this chapter shall be construed as a limitation on the City's authority to abate any nuisance which may otherwise exist from the planting, growing, harvesting, drying, processing or storage of marijuana plants or any part thereof from any location, indoor or outdoor, including from within a fully enclosed and secure building, as long as such abatement is consistent with State law. However, the City shall not take any abatement action against a Compliant Cannabis Business so long as that business is in full compliance with this Chapter and State law.

~~17.60.1909~~

I. Violations and penalties.

- Violation of any provision of this Chapter is a misdemeanor and subject to enforcement pursuant to the provisions of Title 1 of this code. The provisions of this Chapter may be enforced by any law enforcement officer with jurisdiction; persons employed by the city to enforce the provisions of this code, including, but not limited to, code enforcement officers, and such other enforcement officials. No provision of Title 1 or this chapter shall authorize a criminal prosecution or arrest that is otherwise prohibited by Health and Safety Code §§ 11362.71 or 11362.1 et seq., as the same may be amended from time to time. In the event of any conflict between the penalties enumerated under Title 1 of the Solana Beach Municipal Code, this Chapter, and any penalties set forth in State law, the maximum penalties available under state law shall govern.
- Any violation of this Chapter shall be, and the same is declared to be, unlawful and a public nuisance, and the City may, in addition to or in lieu of prosecuting a criminal or administrative action hereunder, commence an action or actions, proceeding or proceedings for the abatement, removal and enjoinder thereof, in the manner provided by law, and may take such other steps and shall apply to such Court or courts as may have jurisdiction to grant such relief as will abate or remove the Cannabis Cultivation, Dispensary, Distribution, or Manufacturing site and restrain and enjoin any person from operating a Cannabis Cultivation, Dispensary, Distribution, or Manufacturing site in a manner contrary to the provisions of this Chapter.

~~17.60.1910~~

J. Application method

- Any person seeking to obtain a Cannabis Business Permit must submit an application to the City of Solana Beach, Community Development Department.
- The City of Solana Beach shall accept Cannabis Business Permit applications during the first two (2) weeks of every month and shall process and score applications during the last two (2) weeks of the month during which the applications were submitted. The City shall issue, or deny, Cannabis Business Permit applications within 30 days of receipt thereof. This process shall continue until all available Cannabis Business Permits are granted. The same process shall apply in the event that any additional Cannabis Business Permits become available, or in the event of the termination of a Cannabis Business Permit.
- All Complete Cannabis Applications shall be reviewed and evaluated by the City of Solana Beach in order to determine which Applicant(s) best meet the requirements for the limited number of permits available. This determined shall be made transparently by the City based upon a point-based system. The more points the applicant has, the higher priority they have for the issuance of a Cannabis Business Permit.
- The City will issue Cannabis Business Permits only for applicants who submit a complete application and whose score exceed's any other applicant's points that applied during the application period of that month. If there are more applicants than the number of available permits during the application process, the Cannabis Business Permits shall be awarded to the highest scoring applicants.
- In the event that more than one applicant is competing for the same Cannabis Business Permit who score the same during the application process, the applicant who submitted their application first shall be awarded the Cannabis Business Permit. All applications received by the City of Solana Beach shall be time-stamped upon receipt of the application.
- Cannabis business applications shall be accepted by the city of Solana Beach the day this ordinance shall take effect and become law.
- The City of Solana Beach shall not responsible for any costs incurred in connection with the preparation of applications, which costs shall be born solely by the applicants.

~~17.60.1911~~

K. REQUIRED CONTENTS OF APPLICATION

- Applications shall include the following information presented in a clear and concise format. Applicants must create an application outline **identical** to the outline provided below and must answer the questions presented in the **exact order** shown below. Applications outline's must be concise and focus solely on the information requested. A complete application outline is required with a application.
1. Points will be awarded to each section of the application. As long as the applicant addresses the requested information in each section, the maximum points allowed per

section will be applied. Applications with the highest points will be issued any available cannabis permits.

B. Application outline:

1: Cover Letter (5.5 points): A cover letter (2 pages maximum) summarizing Respondent’s understanding of what it takes to operate a cannabis retail facility in Solana Beach and the Respondent’s interest in establishing a cannabis retail facility in Solana Beach. Identify the name of the applicant, the name of the business, and contact information (including phone and email).

2: Physical Description and Layout (24.5 points):

1. EXTERIOR – Describe in detail how you envision the exterior of your facility. **(3.5 points)**

2. INTERIOR – Describe in detail how you envision the interior of your facility. **(3.5 points)**

3. EXPERIENCE OF CUSTOMERS – Describe in detail the experience you envision that your customers will have as they pass through the physical space of your facility. Describe a step-by-step narrative of what your customers will experience from the beginning of their interaction with your facility through the end of their interaction with your facility. If there are multiple types of interactions, then describe each type of interaction. **(3.5 points)**

4. SIZE OF FACILITY BY ROOM – How many square feet will your facility be. Also, indicate how the facility will be internally divided. What proportion of the interior space will be dedicated to the various components of the facility? In addition to a description, the City recommends creating a table similar to this: **(3.5 points)**

FACILITY COMPONENT	LOW ESTIMATE OF SQUARE FEET	HIGH ESTIMATE OF SQUARE FEET
Bathroom	50sf	150sf
Storage area	100sf	300sf
Staff office	120sf	250sf
Retail area #1	500sf	2,000sf
Etc.		
Etc.		
Etc.		
Etc.		
TOTAL SQUARE FEET	_____ sf	_____ sf

5. INVESTMENTS/IMPROVEMENTS – Describe the interior and exterior investments/improvements that you plan to make to the premises in which you plan to locate your facility. Describe the interior and exterior investments/improvements that you plan to make to that specific location. **(3.5 points)**

6. DELIVERIES – Will your facility include deliveries? If so, describe in detail how deliveries will work. Provide detail on the logistics of delivering cannabis to customers. **(3.5 points)**

7. AVERAGE NUMBER OF CUSTOMERS – Identify the average number of customers you expect to enter your facility in the first year and the average number of customers

you expect to enter your facility in the third year. **(3.5 points)**

D. SECTION 3: Mission and Identity (25 points):

1. **MISSION STATEMENT** – Outline the “Mission Statement” of your business. **(2.5 points)**
2. **IDENTITY** – Describe the “identity” of your business. What will the business be like in a broad esoteric sense? How will this business be perceived by your customers? How will this business be perceived by the community? **(2.5 points)**
3. **WHY Solana Beach?** – Describe in detail why you want to locate your business in Solana Beach. Why are you choosing Solana Beach over other places? **(5 points)**
4. **REPRESENTATION OF Solana Beach** – How will you represent Solana Beach and San Diego County when describing your business? **(2.5 points)**
5. **WHY CHOOSE YOU?** – Describe what makes your business special. **(2.5 points)**
6. **IDEAL STAFF** – Describe the ideal type of people you want to work in your facility. What are you going to look for in your staff? **(2.5 points)**
7. **IDEAL CUSTOMERS** – Describe the ideal type of people you want to shop in your facility. What are you going to look for in your customers? **(2.5 points)**
8. **RELATIONSHIP TO TOURISM** – Describe your relationship with tourism in Solana Beach. How will you cater to visitors to our area? Being tourism-centric is neither good nor bad; we simply want to understand your envisioned business model. **(2.5 points)**
9. **COMMUNITY PARTICIPATION** – Describe how you will participate in our community by volunteering or donating to local causes. How will your business benefit Solana Beach? **(2.5 points)**
10. **MIX OF PRODUCTS** – Describe the mix of the products you will carry. Create a copy of the table below showing the ratio of the different products. **(2.5 points)**

CATEGORY	% OF TOTAL SALES (LOW ESTIMATE)	% OF TOTAL SALES (HIGH ESTIMATE)
Whole flower		
Vape pens and other loaded vaporizers		
Tinctures and other edibles		
Cannabis-infused lotions, creams, perfumes, and other non-edible cannabis-infused products		
Paraphernalia (pipes, hookahs, lighters, unloaded vaporizers, rolling papers, empty jars, etc.)		
Clothes, hats, jewelry, posters, stickers, and other merchandise		
Non-cannabis food		
Other (describe below)		

3: Business Operations (20 points):

- A. Name of Business. (2 points)
- B. **OWNERSHIP STRUCTURE** – Describe in detail the ownership structure of

your business. Will the business be incorporated? Will the business be a sole-proprietorship? Etc. (2 points)

C. **MARKETING STRATEGY** – Outline in detail your proposed marketing strategy, including: (2 points)

1. The mechanisms through which you will advertise.
2. The style through which you will present your business to the world.
3. Describe your target audience(s) that you will have in mind when creating and distributing your marketing materials.
4. Describe two to five hypothetical customers that you envision as your target audience(s). Are they young, elderly, locals, tourists, veterans, frequent customers, one-time customers, healthy, sick, etc. Describe them in detail.

D. **OPERATING HOURS** – Identify the hours and days of the week the retail facility will be open. (2 points)

E. **POSITIONS AND SALARY RANGES** – Outline the types of positions that your business will include. Identify the range of salary that each individual will earn. (2 points)

F. **NUMBER OF EMPLOYEES BY TYPE** – Identify the maximum and minimum number of employees (by type) that you envision employing. (2 points)

G. **STAFF RECRUITMENT** – Describe your staff recruitment and screening processes. (2 points)

H. **FINANCIAL ACCOUNTING** – Describe in detail how you plan to conduct day-to-day accounting and how you will manage tax collections and payments. (2 points)

I. **INVENTORY CONTROL** – Describe how you will conduct inventory control. (2 points)

J. **LEGAL COMPLIANCE** – Outline how you plan to comply with local and State regulations. (2 points)

4: Qualifications and Experience (20 points):

A. **BUSINESS TRAINING AND EDUCATION** – Outline all relevant business-related training and/or education completed by the owners and/or management team of the proposed business. (5 points)

B. **GENERAL BUSINESS EXPERIENCE** – Describe all relevant business-related experience possessed by the owners and/or management team of the proposed business. (5 points)

C. **CANNABIS RELATED EXPERIENCE** - Describe all relevant experience in the cannabis industry. (5 points)

D. **CONFLICTS OF INTEREST** – statement which discloses any past, ongoing, or potential conflicts of interest which the Respondent may have as a result of performing the work in this application. (5 points)

5: Summary Page (5 points):

A. **SUMMARY PAGE** – As the final, full-page of the proposal, create a succinct summary overview of the proposed business and facility. Structure this page as an easy quick-reference guide that the review panel can use to understand your application “at-a-glance”. Make it concise and well-organized and do not exceed one page. Make it the very last page of the application outline.

B. **SIGNATURE** – The bottom of the summary page must be wet-signed by an

authorized representative of the Respondent.

6: Extra points (40 points) The city of Solana Beach acknowledges that applicants that perform above the minimum requirements of this application shall receive extra points to be applied to their application rating. Items 1-3 will become conditions of your cannabis business license for the first year of operation. Items 4-8 must be accompanied by documented evidence of meeting these requirements.

1. State Licensed Security Officer on-site during operational hours.
(shows commitment to public safety) = (5 points)
2. Off-Site video storage of a minimum of 30 days video footage.
(shows commitment to safety and data retention) = (5 points)
3. City allowed live access to security video cameras in cannabis facility.
(shows commitment to public safety and operational transparency) = (5 points) extra
4. Applicant is a cannabis business entity in existence on or before Jan. 1, 2016 *(shows industry experience and knowledge) = (5 points)*
5. Applicant has a notarized statement from an existing licensed cannabis cultivator attesting to an ongoing business relationship.
(shows legal industry involvement and attainable legal cannabis and cannabis products by applicant) = (5 points)
6. Applicant has an existing business license with the city limits of Solana Beach.
(shows applicant already complies with the city of Solana beach's regulations)= (5 points)
7. Applicant has operated a lawful dispensary or delivery in the past or currently with a valid business license during operation. (Business license must be provided, shows industry experience and lawful compliance= (5 points))
8. Applicant is a nonprofit mutual benefit corporation.
(show that the business is for charitable purposes by like-minded citizens)= (5 points)

7: Other Requirements (0 points, but required):

A. PHYSICAL COPIES – Tw (2) bound copies and one (1) unbound copy of the application shall be submitted in a sealed envelope or box and the title of the project shall be plainly marked on the outside of the envelope or box. Applications shall be on standard 8.5" x 11" paper.

B. TIMELY SUBMITTAL – Applicants shall submit copies of their application to CITY by hand. Applications will only be accepted during the application acceptance window. *(The first 2 weeks of each month until all licenses are issued)*

~~17.60.1912~~

L. Cannabis Application Format

The city of Solana Beach shall adopt this cannabis business application:



City of Solana Beach, Planning Dept.
City Hall 635 S. HWY 101
Solana Beach, CA 92075
(858) 720-2400

Application Form
Owner/Application/Agent

Property Owner's Name:			
Mailing Address:	City:	State:	Zip:
Phone:	Email:		

Applicant's Name (if different from Owner):			
Mailing Address:	City:	State:	Zip:
Phone:	Email:		

Agent's Name (if different from Applicant):			
Mailing Address:	City:	State:	Zip:
Phone:	Email:		

Project Location

Location
APN:

Address:

Applicant's Authorization:

I hereby authorize the City of Solana Beach to process this application, and I authorize the City of Solana Beach to enter upon the property described herein as reasonably necessary to evaluate the project. I have completed, or reviewed this application, the attached forms, and know that the contents thereof are true and accurate to my own knowledge and I assume all responsibility for their accuracy. I agree to hold harmless, indemnify and defend the City, its officers, officials, employees, and volunteers from and against all claims, damages, losses, and expenses, including attorney fees, arising out of or in connection with this application. I assert that I have the authority to conduct cannabis related business at the above (listed) location.

Applicant's Signature:

Date:

Only Authorized City of Solana Beach Staff May Complete This Section:	
Received By:	
Received Date:	
Assigned Planner:	
Assigned Oversight Planner:	
Assigned Case Number:	

I am applying for, or renewing, the following Cannabis Facility License (check only one):	
Medical Dispensary	
Adult Dispensary	
Medical/Adult	

Zero Tolerance Policy Regarding Bribery and Corruption

It is the City of Solana Beach's policy to conduct all business in an honest and ethical manner. The City takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly, and with integrity in all our business dealings and relationships. By applying for a Cannabis Application, you acknowledge that you will be engaging in regular and re-occurring interactions with multiple City employees. You also acknowledge that in your communications with City employees, any suggestion or insinuation regarding gifts, favors, preferential treatment, or induced deviations from the law, policy or ordinance will be immediately reported to the Solana Beach Police Department for a complete and thorough investigation. The Solana Beach Police Department will treat such suggestions or insinuations as a serious offence. In addition, any and all applications for a Cannabis License will be immediately suspended. If any wrong doing is found, the company and individuals will be banned from future consideration and all applications will be terminated and denied. I acknowledge this statement and will comply with its requirements.

Applicant's Signature:	Date:
Applicant's Name	
Business Name	
Site Address	
Application Type	Initial Renewal
If renewal, please attach	State License; or Copy of State License Application and all related correspondence

MEDICAL CANNABIS FACILITIES		YES	NO
A	Identify the zoning district of your proposed location:		
B	Are you in an approved Zone for cannabis businesses?		

SBMC § 17.60.1905: DISPENSING FACILITIES AND DELIVERY SERVICES		YES	NO
A	Are you applying for a dispensary license? (if "no" skip to the next section)		
B	Will your dispensary have delivery services? If yes, describe the delivery services in detail in the project description report.		

SBMC § 17.60.1904: REQUIRED CONDITIONS AND FINDINGS		YES	NO
A	Do you have a valid State Medical Cannabis License? (If yes, skip next question).		
A	If no, describe the process you are pursuing to receive a State Medical Cannabis License:		

		YES	NO
B	"Each entrance to a cannabis facility shall be clearly and legibly posted with a notice indicating that persons under the age of 21 are precluded from entering the premises, except for qualified patients, unless accompanied by a parent or legal guardian." Signs may be simplified to say, "Persons under the age of 21 are precluded from entering the premises." Confirm here that you will post this information at all entrances to the site.		
C	"No permit or license to operate shall be issued for any facility that is located within a 600ft radius or distance... of an existing public K-12 school." How many feet is your facility from the nearest public school?		
D	"The operation of cannabis facilities shall not adversely affect the health or safety of the facility occupants or employees, or nearby properties through creation of mold, mildew, dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, surface runoff, or other impacts, or be hazardous because of the use or storage of materials, processes, products or wastes." Confirm that your facility will comply with these requirements.		
E	A cannabis business operator shall prevent all odors generated from the manufacturing of cannabis products and the storage of cannabis from escaping the buildings on the site, such that the odor cannot be detected by a reasonable person of normal sensitivity outside the buildings. Confirm that your business will comply		
F	"Cannabis facility operators shall refrain from the improper storage or use of any fuels, solvents or any other hazardous substance. Confirm that you will comply with this requirement and that all such materials are disclosed in your floor plan		
G	"Operators of cannabis facilities"		

	shall maintain active enrollment and participate in a track and trace program as approved by the state." Confirm that you will comply with this requirement.		
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SBMC § 17.60.1904: PERMITS AND LICENSING		YES	NO
A	All Cannabis Businesses in Solana Beach must comply with State law regarding medical cannabis. Are you aware of the applicable state laws and do you intend to comply with these laws?		
B	All Cannabis business licenses must be renewed annually. Acknowledge here that you understand that your license must be renewed within one year of issuance and must be re-renewed each year thereafter.		
C	I authorize the City, its agents, and employees, to seek verification of the information contained within this application, including site visits and reference checks.		
D	<u>ATTACHMENT B: AREA PLAN:</u> Confirm submittal, including all required information.		
E	<u>ATTACHMENT C: SITE PLAN:</u> Confirm submittal, including all required information.		
F	<u>ATTACHMENT D: FLOOR PLAN:</u> Confirm submittal, including all required information.		
G	What hours and days of the week the medical cannabis facility will be open?		

		YES	NO
H	<u>ATTACHMENT E: ODOR CONTROL MEASURES:</u> Confirm submittal of Odor Control Measures Floor Plan including all required information.		
I	Provide a written description of all Odor Control Measures equipment and systems: <ul style="list-style-type: none"> • Describe below the specifications and functions of all equipment in detail • Cross referenced with the Odor Control Measures Floor Plan. 		

J	How will you document the name, location and operator of the cannabis facility(s)? supplying the cannabis to the facility?
K	Describe your staff screening process including appropriate background checks:

L	Describe the screening, registration and validation process for qualified patients (dispensary only):
M	Describe the qualified patient records acquisition and retention procedures (medical dispensary only, type M):

N	<u>ATTACHMENT F: SAFETY AND SECURITY PLAN:</u> Confirm submittal, including all required sub-sections.		
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INSPECTION AND MONITORING		YES	NO
A	Inspectors with the City of Solana Beach shall be granted unrestricted access to all parts of the facility to ensure compliance with the terms of the cannabis license at any time during normal operating hours as specified in the license application. 24hr notice must be given.		
B	Prior to the annual expiration and renewal of the cannabis license to assure compliance with the terms of the cannabis license. The city of Solana Beach may choose to inspect the cannabis facility. All records kept pursuant to the cannabis license shall be open for visual inspection. 24hr notice must be given. Are you willing to comply with this requirement?		
C	If the cannabis licensee refuses inspection, or if the		

	inspection finds that the facility is not operated in compliance with the approved license application, the cannabis license shall be subject to a 45-day remediation period where if the violations are not fixed than revocation of the cannabis license for the facility shall occur. Are you willing to comply with this requirement?		
D	Following inspection pursuant to (B) above, the City shall either provide a statement of non-compliance with a 45-day timeline for attaining compliance, or shall renew the cannabis license within ten business days of the inspection date. Are you willing to comply with this requirement?		
E	Within ten days after issuance of a statement of non-compliance, the determination of non-compliance may be appealed by any interested party to the city of Solana Beach city council. The appeal shall be made, in writing, on a form provided by the City. Are you willing to comply with this requirement?		

ENFORCEMENT	YES	NO
Any violation of this chapter is subject to administrative, civil, or criminal penalties, as set out in Solana Beach Municipal Code, in addition to being subject to other remedies provided by law, including but not limited to, injunctive relief, nuisance abatement action, summary abatement of immediately hazardous conditions, and all other applicable fines, penalties and remedies. Are you willing to comply with this requirement?		

I/We understand that I/We have an independent obligation to be aware of and comply with federal law. I/We understand that the federal government classifies cannabis as a Schedule I drug. I/We understand that the federal government and the City of Solana Beach may impose different requirements and restrictions upon marijuana related businesses, and that I/We am responsible for knowing about and complying with each. I/We understand that compliance with the City of Solana Beach requirements, and/or California law, does not necessarily imply compliance with federal law. Finally, I/We indemnify and hold the City of Solana Beach harmless for any damages that may result from violation of federal law, up to and including but not limited to, federal prosecution.		
I/We, as the applicant for the cannabis facility indemnify and hold harmless the City of Solana Beach and its agents, officers, elected officials, and employees for any claims, damages, or injuries brought by adjacent or nearby property owners or other third parties due to the operations at the cannabis facility, and for any claims brought by any of their clients for problems, injuries, damages, or liabilities or any kind that may arise out of the processing, manufacturing, transporting, distribution, and dispensing of medical cannabis.		

BUILDING PERMIT REQUIREMENTS	YES	NO
I acknowledge that multiple types of construction and/or modifications to the interior or exterior of my proposed project site may trigger a Building Permit. Any such proposed changes should be disclosed in the Site Plan. You must also consult with the City of Solana Beach Building Department regarding your project to determine if a building permit is required. I acknowledge this requirement.		

Attachments

All content must be submitted in this form. The application should be submitted in the following order:

1. Application Outline and Form and application fee (must be complete)
2. Attachment A: Area Plan (must include)
 - Your location in the city
 - The zoning of the proposed cannabis site.
3. Attachment B: Site Plan (must include)

Site Plan shall consist of a map or maps that show or contain all of the following:
A scale sufficient to show the proposed project site;
At least a portion of the properties directly adjacent to the proposed site;
The streets/alleys adjacent to the proposed site;
North arrow;
Property lines;
A clear indication of which structures/facilities are existing and which are proposed;
Location and use of all structures proposed to be utilized for the proposed cannabis use;
Dimensions of all existing/proposed structures;
Dimensions of all existing/proposed structures from the property lines;
Locations of existing/proposed man doors;
Existing/proposed roll-up doors;
Existing/proposed fencing/gates;
Existing/proposed square footage

4. Attachment C: Floor Plan (must include)

Floor Plan shall consist of a map or maps that show or contain all of the following:
Map at a scale sufficient to show the full interior of the facility;
North arrow;
A clear indication of which fixtures/equipment/walls are existing and which are proposed;
A clear indication of exterior walls;
Locations of all walls, major fixtures, major equipment, major electrical appurtenances, and major HVAC equipment;

Locations of existing/proposed man doors;
Locations of existing/proposed roll-up doors;
Locations of existing/proposed windows/skylights;
Interior walls; proposed use of each room;
Dimensions/areas of each room;

5. Attachment D: Odor Control Measures Floor Plan (must include)
 - **Map or diagram of facility**
 - **Same scale and style of map as utilized in Attachment D**
 - **Location of active ventilation equipment/systems;**
 - **Carbon odor filtration equipment/systems;**
 - **All other equivalent odor control equipment/systems;**
6. Attachment E: Safety and Security Plan (must include)

Safety and Security Plan shall show or contain all of the following in the following sequence:

Map(s) and/or diagram(s) of facility (Safety/ Security Site Plan Map) showing location of all required elements outlined in the pages below. Map(s) and diagram(s) shall utilize the same scale and style of maps as utilized in Attachment C and/or Attachment D.

A written description of all required elements, presented in the sequence outlined in the pages below: Describe the specifications and functions of all equipment in detail and how the equipment satisfies the requirements listed below (be sure to present the materials in the sequence outlined in the pages below).

Safety and Security Requirements

All applicants seeking licenses for cannabis facilities must submit a Safety and Security Plan to the City of Solana Beach which outlines "...the security measures that will be employed at the premises..." This section outlines Safety and Security Policy in order to clarify precisely what the City expects to see in the Safety and Security Plans. Requirements are based on industry standards.

The implementation of certain types of security measures at commercial facilities is proven to reduce specific types of crime, including vandalism, burglary, and armed robbery. It is the desire of the City of Solana Beach to ensure that facilities employ reasonable efforts to reduce crime through recognized crime prevention measures. Known as Situational Crime Prevention, there are five basic strategies: increase the effort necessary to victimize, increase the risk of apprehension, reduce the reward of crime, reduce provocation, and remove excuses. A combination of each of the strategies will help prevent or reduce crime at these risky facilities. To that end, the following regulatory standards will be required at cannabis facilities in order to prevent crime.

At Risk Facilities: A type of facility that does not have a record of attracting crime or public safety calls for service, but that manufactures or sells a type of product

and/or type of service that may attract crime. All Cannabis Businesses are deemed "At Risk". An at-Risk Facilities will be required to show the following in their Safety and Security Plans:

1. **Signage Regarding Theft Control Measures:** Clear and obvious signage regarding the theft control measures below and any other theft control measures employed on site.
2. **Video Surveillance:** High resolution video surveillance that records motion and retains digital footage internally and externally (360° of location, 720p resolution or higher). The video must be backed up to an external device at least once per week. The external device should allow for video to be uploaded to a portable device such as a thumb drive. Cloud-based storage is also recommended.
3. **Alarms:** Commercial grade security, burglar, and panic alarm systems. Install an adequate security system to prevent and detect diversion, theft, or loss of cannabis or unauthorized intrusion, utilizing commercial grade equipment, which shall at a minimum include:
 - A. A perimeter alarm on all entry points and perimeter windows.
 - B. A duress alarm, panic alarm, or holdup alarm connected to local public safety or law enforcement authorities.
 - C. Video cameras in all areas that may contain cannabis, at all points of entry and exit, and in any parking lot, which shall be appropriate for the normal lighting conditions of the area under surveillance. Infrared cameras may be used in areas of low lighting. The cameras shall be directed at all safes, vaults, sales areas, and areas where cannabis is cultivated, harvested, processed, prepared, stored, handled, or dispensed. Cameras shall be angled so as to allow for the capture of clear and certain identification of any person entering or exiting the building or area.
 - D. Twenty-four-hour recordings from all video cameras that are available for immediate viewing by the City upon request and that are retained for at least 30 calendar days. If the applicant is aware of a pending criminal, civil, or administrative investigation, or legal proceeding for which the recording may contain relevant information, recordings shall not be destroyed or altered, and shall be retained as long as necessary.
 - E. The ability to produce a clear, color, still photo (live or recorded).
 - F. A date and time stamp embedded on all recordings. The date and time shall be synchronized and set correctly and shall not significantly obscure the picture.
 - G. All security systems equipment and recordings shall be maintained in a secure location so as to prevent theft, loss, destruction, and alterations.
 - H. Access to surveillance areas shall be limited to persons that are essential to surveillance operations, law enforcement authorities acting within their lawful jurisdiction, security system service personnel, and the Department. A current list of authorized employees and service personnel that have access to the surveillance room must be available to the Department upon request. If on-site, surveillance rooms shall remain locked and shall not be used for any other function.
 - I. All security equipment shall be in good working order.
4. **General Site Control:** Implement the following general site control security

measures to deter and prevent unauthorized entrance into areas containing cannabis.

A. Prevent individuals from remaining on the premises of an Cannabis facility if they are not engaging in a specific activity.

B. Establish limited access areas accessible only to specifically authorized personnel, authorized personnel from authorized support businesses, and authorized customers. Each of these categories of authorized individuals should have limited access to only those areas that they need to access.

B1. Authorized personnel shall include only the minimum number of employees essential for efficient operation. Authorized personnel should be screened by the owners/operators of the cannabis facility.

B.2. Authorized support personnel from authorized support businesses shall include only the minimum number of employees from authorized support businesses for efficient operation. Examples include delivery services, custodial services, and other related services.

C. Store all trimmed, manufactured, or packaged cannabis in a secure, locked safe or vault and in such a manner as to prevent diversion, theft, and loss.

D. Keep all safes, vaults, and any other equipment or area used for the production, processing, or storage of cannabis and cannabis products securely locked and protected from entry, except for the actual time required to remove or replace cannabis.

E. Keep all locks and security equipment in good working order.

F. Prohibit keys, if applicable, from being left in the locks, or stored or placed in a location accessible to persons other than specifically authorized personnel.

G. Prohibit accessibility of security measures, such as combination numbers, passwords or electronic or biometric security systems, to persons other than specifically authorized personnel.

H. Ensure that the outside perimeter of the cannabis facility is sufficiently lit to facilitate surveillance.

Infrared cameras may be used in areas of low lighting.

I. Ensure that trees, bushes, and other foliage outside of the cannabis facility do not allow a person or persons to conceal themselves from sight or block camera views.

j. Develop emergency policies and procedures for securing all products following any instance of diversion, theft, or loss of cannabis, and conduct an assessment to determine whether additional safeguards are necessary.

K. Refusal to allow staff, support service staff, or customers to enter the facility with backpacks, carrying cases, or roller bags.

L. Refuse service to customers, staff, or support staff that have been previously arrested at the facility.

END OF APPLICATION

~~17.60.1913~~

M. SELECTION CRITERIA

- The City of Solana Beach is using a competitive proposal process, wherein all submitted applications will be reviewed and points will be awarded according to the following criteria being addressed:

CRITERIA AND REQUIREMENTS	POINTS
Cover letter outlining Respondent's interest/understanding regarding cannabis retail	4.5 points
Physical description and layout	24.5 points
Mission and identity	25 points
Business operations	20 points
Qualifications	20 points
Summary page	5 points
Extra Points	Variable
Maximum points possible	100 Points + extra points

- A Cannabis Review Committee (Committee) appointed by the City Manager will evaluate each application to determine if it meets the minimum requirements of Solana Beach Municipal Code 17.60.90 The Committee may meet with some or all of the Applicants and may ask some or all of the applicants to clarify, supplement or modify certain aspects of their submittal.
- The Committee will select the applicants with the highest scores to grant the Cannabis Business Licenses for the available license type.
- Applicants scores will be made available to the public upon receipt of a valid Public Records Act request.
- **Use of Cannabis Tax Revenue**

All tax revenue from Cannabis Businesses shall be applied towards protecting the health, safety and welfare of the people of the City of Solana Beach mitigate the costs to the community of the oversight of the activities authorized hereby. Priority for the use of said funds shall be given to law enforcement and fire personnel. Tax revenue from Cannabis Businesses shall also be used to prosecute and abate violations of this Chapter.

~~17.60.1914~~

N. Scope of Prohibitions; Severability.

- The prohibitions in this chapter shall not be interpreted to prohibit a person twenty-one years of age or older from: (1) possessing, processing, purchasing, transporting, obtaining or giving away to persons twenty-one

years of age or older, without compensation whatsoever, not more than twenty-eight and one-half grams of marijuana not in the form of concentrated cannabis or up to eight grams in the form of concentrated cannabis; (2) smoking or ingesting marijuana or marijuana products; (3) possessing, transporting, purchasing, obtaining, using, manufacturing, or giving away marijuana accessories to persons twenty-one years of age or older without compensation whatsoever, to the extent that such activities are authorized by Health and Safety Code § 11362.1.

- This Chapter shall not be interpreted to interfere with any person's right to obtain and use Cannabis as authorized by State law, nor does it decriminalize the possession, use or cultivation of Cannabis in violation of State law. Cannabis Businesses shall comply with all provisions of this Chapter, all applicable State laws, and all other applicable local codes and regulations.
- If any sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or otherwise invalid by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining provisions of this Ordinance. The people of Solana Beach hereby declare that they would have passed this Ordinance and each sentence, clause or phrase thereof even if one or more sentences, clauses or phrases were declared unconstitutional or otherwise invalid.

~~17.60.1915~~

Section 2: Effect Date of Ordinance

This Ordinance shall take effect and become law 30 days after its passage.



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Engineering Department
SUBJECT: **Consideration of Resolution 2020-086 to Approve Professional Services Agreements for As-Needed Traffic Engineering Services and a Traffic Signal Condition Assessment Report**

BACKGROUND:

City Staff occasionally consults with traffic engineering specialists to analyze traffic impacts for the City's Capital Improvement Program (CIP) projects, review and prepare special event traffic control plans, conduct speed surveys, make recommendations for traffic calming improvements, address questions and concerns brought to the City by citizens, and assist in other City-wide traffic related issues. For the last five years, the City has had two consultants under contract to provide as-needed traffic engineering services, each with a not-to-exceed contract amount of \$10,000 per year. The previous traffic engineering agreements expire at the end of Fiscal Year (FY) 2019/20 and cannot be extended.

This item is before the City Council for the consideration of Resolution 2020-086 (Attachment 1) authorizing the City Manager to execute a Professional Service Agreement (PSA) with STC Traffic, Inc. and with Chen Ryan Associates, beginning with FY 2020/21, and to authorize the City Manager, at his discretion, to execute subsequent extensions of the agreements for up to four additional years, in accordance with the Municipal Code.

DISCUSSION:

Staff recently issued a Request for Qualifications (RFQ) to solicit qualifications and proposals from qualified consulting firms to provide traffic engineering services on an on-call, as-needed basis. The City received seven Statements of Qualifications that were

CITY COUNCIL ACTION:

evaluated by Staff. Staff is recommending that the City enter into a PSA with each of the following firms:

- STC Traffic, Inc. of Carlsbad
- Chen Ryan Associates of San Diego

After reviewing the qualification packages submitted, Staff selected STC Traffic, Inc. and Chen Ryan Associates because their experience and expertise are well suited for the type of work associated with these contracts. Although any of the firms that submitted qualifications and proposals are qualified to perform the work associated with the proposed agreement, both of the recommended firms have provided traffic engineering services in the past for the City so they are more familiar with how the City operates and what is important to the residents of the City. STC is very familiar with the City's traffic signal systems and have assisted Staff with the City's systems software and hardware needs as well as providing assistance in adjustments to various signal timing and signal phasing to increase traffic flow efficiency. Chen Ryan has assisted the City in developing and implementing the City's Comprehensive Active Transportation Program and various other traffic calming projects. Inclusion of these consultants would enhance the City's responsiveness to the community. Additionally, the hourly rate compensation offered by the two consultants are competitive and on the lower end of the proposals received.

Staff recommends awarding each PSA for an annual not-to-exceed amount of \$10,000 for one year, with the option of extending the agreements annually for four additional years.

Staff has also been researching upgrades to the City's traffic signal inventory. In order to properly upgrade the system, a condition assessment of the existing infrastructure is required. Due to STC's familiarity with the City's traffic signal system, Staff has obtained a proposal from STC to create a Traffic Signal Condition Assessment Report that would comprehensively evaluate the condition of the City's traffic signal components. These components include conduit, pull boxes, poles, detection systems, wiring, cabinets, signal heads and other hardware and software components that make up the traffic signal system. The proposal submitted by STC is for \$50,000 and is funded by Gas Tax revenues in the FY 2020/21 Capital Improvement Project (CIP). It is anticipated that one contract will be executed for both the As-Needed Traffic Engineering Services and the Traffic Signal Condition Assessment. The Traffic Signal Condition Assessment is a one-time study that would not be extended unless additional time is needed to complete the scope of work within the allocated budget.

CEQA COMPLIANCE STATEMENT:

Approval of consulting services is not a project as defined by the State CEQA Guidelines pursuant to the California Environmental Quality Act.

FISCAL IMPACT:

A total of \$20,000 is budgeted for FY 2020/21 in Traffic Safety Professional Services operating budget for the As-Needed Traffic Engineering Services contracts. In addition, traffic engineering services may be charged to an active CIP or private project, as appropriate. The total aggregate compensation of each PSA shall not exceed \$10,000. The cost for these services for any future extensions, if approved by the City Manager, will be funded by the same budget units from respective fiscal years.

A total of \$50,000 is budgeted for FY 2020/21 in CIP list of projects for the Traffic Signal Condition Assessment Report. No additional funding is needed for this part of the work.

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation.
- Approve Staff recommendation with alternative amendments or modifications.
- Deny Staff recommendation and provide direction.

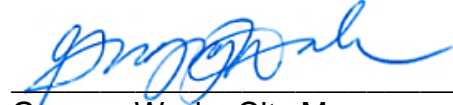
DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Adopt Resolution 2020-086:
 - a. Authorizing the City Manager to approve a Professional Service Agreement with STC Traffic, Inc. for As-Needed Traffic Engineering Services for Fiscal Year 2020/21, in the amount of \$10,000, and for a Traffic Signal Condition Assessment Report, in the amount of \$50,000, for a not-to-exceed total amount of \$60,000.
 - b. Authorizing the City Manager to approve a Professional Service Agreement with Chen Ryan Associates for As-Needed Traffic Engineering Services for Fiscal Year 2020/21 for a not-to-exceed amount of \$10,000.
 - c. Authorizing the City Manager, at their discretion, to extend the Professional Service Agreement with either or both STC Traffic, Inc. and Chen Ryan Associates for As-Needed Traffic Engineering Services for up to four additional years, at the City's option, at an amount not-to-exceed \$10,000 per year per consultant based on satisfactory past performance.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-086

RESOLUTION 2020-086

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, AUTHORIZING PROFESSIONAL SERVICE AGREEMENTS WITH CHEN RYAN ASSOCIATES FOR AS-NEEDED TRAFFIC ENGINEERING SERVICES AND STC TRAFFIC, INC. FOR AS-NEEDED TRAFFIC ENGINEERING SERVICES AND TRAFFIC SIGNAL CONDITION ASSESSMENT REPORT AND AUTHORIZING AN EXTENSION OF UP TO FOUR ADDITIONAL YEARS FOR THE AS-NEEDED TRAFFIC ENGINEERING SERVICES PORTION OF EACH AGREEMENT

WHEREAS, City Staff occasionally consults with traffic engineering specialists to review private development traffic studies and special event plans, conduct speed limit surveys, make recommendations for traffic calming improvements and other traffic related situations; and

WHEREAS, the City issued a request for Statement of Qualifications to solicit qualifications and proposals from qualified traffic engineering firms for an on-call, as-needed basis, and the City received seven proposals that were evaluated by Staff; and

WHEREAS, funding for traffic engineering services is budgeted for Fiscal Year (FY) 2020/21 in the Traffic Safety Professional Services account.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true.
2. That the City Council authorizes the City Manager to approve a Professional Service Agreement with STC Traffic, Inc. for As-Needed Traffic Engineering Services for FY 2020/21, in the amount of \$10,000, and for a Traffic Signal Condition Assessment Report, in the amount of \$50,000, for a not-to-exceed total amount of \$60,000.
3. That the City Council authorizes the City Manager to approve a professional service agreement with Chen Ryan Associates for On-Call, As-Needed Traffic Engineering Services for FY 2020/21 for a not-to-exceed amount of \$10,000.

4. That the City Council authorizes the City Manager, at his discretion, to extend the Professional Service Agreement with either or both STC Traffic, Inc. and Chen Ryan Associates for up to four additional years, at the City's option, at an amount not-to-exceed \$10,000 per year per consultant based on satisfactory past performance.

PASSED AND ADOPTED this 24th day of June 2020, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: City Manager
SUBJECT: **Council Consideration of Resolution 2020-104 Approving a Professional Services Agreement with DRO Management Consultants**

BACKGROUND:

The City of Solana Beach (City) often contracts out for specialized services with qualified consultants to assist Staff with special projects. One such consultant is the former City Manager, David Ott, who has assisted with various projects due to his familiarity and knowledge of specific long-term, complex projects that could potentially have large-scale impacts to the community. David Ott, through his company DRO Management Consultants, has assisted Staff for the past few years with total costs under the City Manager's contract authority of \$25,000. In order to continue assisting the City, a new Professional Services Agreement (PSA) is required that would push the total compensation over the City Manager's contract authority and, therefore, requires City Council approval.

This item is before the City Council to consider adoption of Resolution 2020-104 (Attachment 1) approving the PSA with DRO Management Consultants for a not to exceed amount of \$10,000 for FY 2019/20 and authorizing one additional one-year extension at the discretion of the City Manager.

DISCUSSION:

The agreement with DRO Management Consultants will allow David Ott to continue to assist Staff as-needed on special projects with which Mr. Ott has had previous experience and institutional knowledge during his previous employment with the City. The contract is for a not to exceed \$10,000 for FY 2019/20 and includes a one-year extension at the discretion of the City Manager.

CITY COUNCIL ACTION:

CEQA COMPLIANCE STATEMENT:

The Project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(b) of the State CEQA Guidelines.

FISCAL IMPACT:

The PSA is for a not to exceed amount of \$10,000 for FY 2019/20. The PSA includes a one-year extension at the City Manager's discretion which would push the PSA to a maximum of \$20,000 over a two year period.

WORK PLAN:

N/A

OPTIONS:

- Adopt Staff recommendation and approve the PSA.
- Do not approve Staff Recommendation and provide direction to Staff

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council consider adoption of Resolution 2020-104:

1. Approving the PSA with DRO Management Consultants.
2. Approving a one-year extension at the City Manager's discretion.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-104

RESOLUTION 2020 – 104

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SOLANA BEACH, CALIFORNIA,
APPROVING A PROFESSIONAL SERVICES
AGREEMENT WITH DRO MANAGEMENT
CONSULTANTS**

WHEREAS, the City of Solana Beach (City) often contracts out for specialized services with qualified consultants to assist Staff with special projects; and

WHEREAS, one such consultant is the former City Manager, David Ott, who has assisted with various projects due to his familiarity and knowledge of specific long-term, complex projects that could potentially have large-scale impacts to the community; and

WHEREAS, David Ott, through his company DRO Management Consultants, has assisted Staff for the past few years with total costs under the City Manager’s contract authority of \$25,000; and

WHEREAS, in order to continue assisting the City, a new Professional Services Agreement (PSA) is required that would push the total compensation over the City Manager’s authority and therefore requires City Council approval.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council adopts Resolution 2020-104 approving a PSA with DRO Management Consultants
3. That the City Council authorizes a one-year extension at the City Manager’s discretion.

PASSED AND ADOPTED this 24th day of June 2020, at a regular meeting of the City Council of the City of Solana Beach, California, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Engineering Department
SUBJECT: **Public Hearing: Consideration of Resolutions 2020-082 and 2020-083 Accepting the Final Engineer’s Report and Ordering the Levy and Collection of Annual Assessments for the City of Solana Beach Coastal Rail Trail Maintenance District**

BACKGROUND:

In 2006, the City Council adopted a resolution forming the City of Solana Beach Coastal Rail Trail (CRT) Maintenance District (“District”) under the provisions of the Landscape and Lighting Act of 1972, Division 15, Part 2, of the California Streets and Highways Code. The District was formed for the purpose of levying and collecting funds for the operations, maintenance, and servicing of landscaping, lighting and all appurtenant facilities related to the District.

On May 27, 2020, the City Council adopted Resolutions 2020-049, 2020-050 and 2020-051 initiating the proceedings for the annual levy of assessments for the District; approving the preliminary CRT Maintenance District Engineer’s Report (Report) for the Fiscal Year (FY) 2020/21 annual levy of assessments for the District; declaring the City’s intent to provide for the annual levy and collection of assessments for the District; and setting a time and place for the public hearing, respectively.

This item is presented to the City Council to conduct the Public Hearing and consider approving Resolution 2020-082 (Attachment 1) accepting the Final CRT Maintenance District Engineer’s Report and Resolution 2020-083 (Attachment 2) ordering the levy and collection of annual assessments for the District for FY 2020/21.

DISCUSSION:

The District’s major costs are for the maintenance and operation of the Coastal Rail Trail (CRT). The maintenance items include landscaping, irrigation and hardscape

CITY COUNCIL ACTION:

maintenance, including tree trimming and graffiti removal. The costs also include the utility charges for water.

The District budget includes funds for capital replacement costs for possible replacement of the following items: landscape, irrigation, pedestrian/bike path and hardscape items. The capital replacement costs also include an operating reserve of 10% of the direct operating and maintenance costs.

The District's assessment methodology uses an Equivalent Benefit Unit ("EBU") System. The EBU method of apportioning benefit is typically viewed as the most appropriate and equitable assessment methodology for districts formed under the 1972 Act. The EBU for the proposed District establishes the single-family detached residential unit as the basic unit, representing 1.0 EBU. The following summarizes the EBU application by land use:

<u>Land Use</u>	<u>EBU</u>
Single-Family Residential	1.0 per parcel
Residential Condominium	1.0 per dwelling unit
Multi-Family Residential	0.75 per dwelling unit
Planned Residential Development	1.0 per proposed unit
Commercial/Industrial	1.0 per parcel
Vacant Single-Family Residential	1.0 per parcel
Vacant Multi-Family Residential	0.75 per parcel
Vacant Commercial/Industrial	1.0 per parcel

The methodology also identifies parcels that are exempt from the proposed District. They may include, but are not limited to, parcels identified as public streets, roadways, dedicated public easements, open space, and rights-of-way. These properties, as well as other publicly owned properties such as schools, the fire station and community centers, are considered to receive little or no benefit from the improvements of the proposed District.

In addition to assigning each property an EBU by land type, the assessment methodology utilizes three zones based on the location of parcels in proximity to the CRT. Properties located the closest to the CRT will receive a greater special benefit than those properties that are located the farthest away from the CRT. A factor is applied to each of the zones according to their locations. The three zones are as follows:

Zone 1:

This zone includes all properties generally located within a few blocks of the CRT. The properties are located east of Acacia Avenue and Sierra Avenue and west of Rios Avenue. Parcels in this zone are assessed the EBU amounts based on land use and are then multiplied by a factor of three.

Zone 2:

This zone includes all properties that are generally located west of Acacia Avenue and those properties located east of Rios Avenue and west of Interstate 5. Parcels in this zone are assessed the EBU amounts based on land use and are then multiplied by a factor of two.

Zone 3:

This zone includes properties located east of Interstate 5. Parcels in this zone are assessed the EBU amounts based on land use and are then multiplied by a factor of 0.5.

The following shows the maximum assessment rates proposed to be levied in the FY 2020/21 by land use:

Land Use Description	Per	Base Rate Zone 1	Base Rate Zone 2	Base Rate Zone 3
Single-Family Residential	Lot or Parcel	\$23.28	\$15.52	\$3.88
Residential Condominium	Dwelling Unit	\$23.28	\$15.52	\$3.88
Multi-Family Residential	Dwelling Unit	\$17.46	\$11.64	\$2.91
Planned Residential Development	Lot or Dwelling Unit	\$23.28	\$15.52	\$3.88
Commercial/Industrial	Parcel	\$23.28	\$15.52	\$3.88
Vacant Single-Family Residential	Parcel	\$23.28	\$15.52	\$3.88
Vacant Multi-Family Residential	Parcel	\$17.46	\$11.64	\$2.91
Vacant Commercial/Industrial	Parcel	\$23.28	\$15.52	\$3.88
Timeshare Units	1 week of ownership	\$ 0.00	\$ 0.00	\$0.00
Exempt Parcels	Parcel	\$ 0.00	\$ 0.00	\$0.00
Public Owned Parcels	Parcel	\$ 0.00	\$ 0.00	\$0.00

The 1972 Act requires the City Council to adopt a resolution annually directing the preparation and filing of an Annual Report and a Resolution of Intention to renew the annual assessments for the District. The resolutions declare the City Council's intention to levy and collect assessments and set the date of the public hearing at which the assessments will be levied. The law requires the assessment information to be submitted to the County by August 10th of each year.

Fiscal Year 2020/21 Benefit Fees

Attachment 3 is the proposed Engineer's Report for FY 2020/21 (Report). The Report contains an overview of the District, a description of the services and improvements to be maintained, the proposed FY 2020/21 Budget, and the method of apportionment.

The Report identifies and allocates costs and assessments of the District based on provisions of the Landscaping and Lighting Act of 1972 (1972 Act) and the Streets and Highways Code of California. Per the 1972 Act, the Maximum Assessment may be increased using the lesser of the increase in the San Diego Consumer Price Index for All Urban Consumers (CPI-U) or the maximum of the first year levy beginning in Fiscal Year 2007/2008, known as the Assessment Range Formula (2.0%). The Maximum Assessment adjusted annually by this formula is not considered an increased assessment because it is consistent with the formula approved by the vote in January 2006.

The CPI-U for 2018 was 2.35%. Since the maximum amount the assessment is allowed to increase each year is 2.00%, the assessments for FY 2020/21 are proposed to increase by 2.00% per Table 1 of the Report. The City has notified the property owners about levying and collecting the assessment in the Coastal Rail Trail Maintenance District by publishing a notice of this public hearing in the San Diego Union-Tribune on May 30, 2020.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The District began assessing a benefit charge in FY 2006/07. The proposed annual amount of the Equivalent Benefit Unit for FY 2020/21 is \$7.76. The amount proposed for FY 2020/21 represents an annual increase of \$0.16 per EBU from last year's assessment, which is consistent with the approval of the District by the vote of the property owners in January 2006.

Based on the above methodology and included in the Engineer's Report, the CRT is expected to receive \$81,318 in benefit charge revenues. Total expenditures expected to be spent on the CRT are \$95,200. The shortfall of \$13,882, or the difference between the amount expected to be received of \$81,318 and the amount expected to be spent of \$95,200, will be covered by available projected reserves in the CRT fund of \$71,613 on July 1, 2020. The CRT fund should keep reserves equal to approximately 50% of the assessment amount and the proposed budget will reduce the CRT fund balance to approximately \$57,731 by June 30, 2021. This reserve will be over the 50% recommended maximum fund balance of \$40,659 and will be reduced in future fiscal years until it reaches the 50% recommended maximum fund balance. Once the reserve is

at the 50% recommended maximum fund balance, the additional money needed will once again be appropriated from non-CRT funds.

WORK PLAN:

Renewal of the District is consistent with the Fiscal Sustainability section of the FY 2020/21 Work Plan.

OPTIONS:

- Approve Staff recommendation.
- Do not renew the CRT Maintenance District and fund the cost for maintenance of the CRT through the General Fund.
- Provide direction.

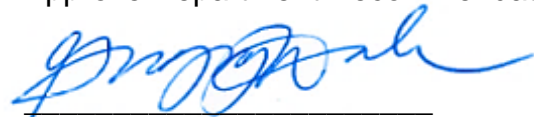
DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony, Close the public hearing.
2. Adopt Resolution 2020-082, approving the Engineer's Report regarding the Coastal Rail Trail Maintenance District.
3. Adopt Resolution 2020-083, ordering the levy and collection of the annual assessments regarding the Coastal Rail Trail Maintenance District for Fiscal Year 2020/21.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-082
2. Resolution 2020-083
3. Engineer's Report for FY 2020/21

RESOLUTION 2020-082

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE FISCAL YEAR 2020/21 ENGINEER'S REPORT REGARDING THE COASTAL RAIL TRAIL MAINTENANCE DISTRICT

WHEREAS, the City Council, pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (the "Act"), did by previous Resolution order the Assessment Engineer, Koppel & Gruber Public Finance, to prepare and file the Fiscal Year (FY) 2020/21 Engineer's Report for the City of Solana Beach Coastal Rail Trail Maintenance District (District); and

WHEREAS, the Assessment Engineer has prepared and filed with the City Clerk of the City of Solana Beach, California and the City Clerk has presented to the City Council such report entitled City of Solana Beach Coastal Rail Trail Maintenance District Engineer's Report FY 2020/21 ("Report") as required by the Act; and

WHEREAS, the City Council has carefully examined and reviewed the Report as presented, considered all oral and written comments presented with respect to the District and Report at a noticed Public Hearing and has discussed any necessary or desired modifications to the Report, and is satisfied that the levy for each parcel has been calculated in accordance with the special benefits received from the operation, maintenance and services performed, as set forth in the Report.

NOW, THEREFORE, the City Council of the City of Solana Beach, California does resolve as follows:

1. The above recitals are true and correct.
2. The Report as presented or as modified, contains the following:
 - a. Description of Improvements.
 - b. Diagram of the District.
 - c. Method of Apportionment that details the method of calculating each parcel's proportional special benefits and annual assessment.

- d. The FY 2020/21 Assessment based upon the Method of Apportionment as approved by the property owners pursuant to the provision of the California Constitution Article XIID Section 4.
 - e. An Assessment Range Formula for calculating annual inflationary adjustments to the initial "Maximum Assessment" (Adjusted Maximum Levy per benefit unit), also approved by the property owners.
 - f. The FY 2020/21 Annual Budget (Costs and Expenses) and the resulting FY 2020/21 assessment (levy per benefit unit) for the fiscal year.
 - g. The District Roll containing the levy for each Assessor's Parcel Number within the District for FY 2020/21.
3. The City Clerk is hereby directed to enter on the minutes of the City Council any and all modifications to the Report determined and approved by the City Council, and all such changes and/or modifications by reference are to be incorporated into the Report.
 4. The City Council is satisfied with the Report as presented or modified, each and all of the budget items and documents as set forth therein, and is satisfied that the FY 2020/21 annual assessments contained therein are consistent with the assessments approved by the property owners and spread in accordance with the special benefits received from the improvements pursuant to the provisions of the California Constitution Article XIID.
 5. The Report is hereby approved as submitted or modified and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

6. The City Clerk shall certify to the passage and adoption of this resolution, and the minutes of this meeting shall so reflect the presentation and approval of the Report as submitted or modified.

PASSED AND ADOPTED this 24th day of June, 2020, at a regularly scheduled meeting of the by the City council of the City of Solana Beach by the following vote:

AYES: Councilmembers -
NOES: Councilmembers -
ABSENT: Councilmembers -
ABSTAIN: Councilmembers -

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION 2020-083

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS REGARDING THE COASTAL RAIL TRAIL MAINTENANCE DISTRICT FOR FISCAL YEAR 2020/21

WHEREAS, the City Council has, by previous resolutions, initiated proceedings to form and declare its intention to levy and collect annual assessments against parcels of land within the City of Solana Beach Coastal Rail Trail Maintenance District ("District"), for the Fiscal Year (FY) commencing July 1, 2020 and ending June 30, 2021 pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (Act) to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and

WHEREAS, Koppel & Gruber Public Finance, the Assessment Engineer selected by the City Council, has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council the Engineer's Report entitled City of Solana Beach Coastal Rail Trail Maintenance District Engineer's Report FY 2020/21 ("Report") in connection with the proposed levy and collection of special benefit assessment upon eligible parcels of land within the District, and the City Council did by previous resolution approve such Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the Fiscal Year commencing July 1, 2020 and ending June 30, 2021, to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and

WHEREAS, the City Council, following notice duly given, has held a full and fair Public Hearing on June 24, 2020, regarding the levy and collection of assessments as described in the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters, pursuant to the Act and in accordance with the provisions of the California Constitution Article XIID.

NOW, THEREFORE, the City Council of the City of Solana Beach, California does resolve as follows:

1. The above recitals are true and correct.

2. Following notice duly given, the City Council has held a full and fair public hearing regarding the levy and collection of the assessments, the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters.
3. The City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2020 and ending June 30, 2021, to pay the costs and expenses of operating, maintaining and servicing the landscaping, public lighting improvements and appurtenant facilities located within public places in the District.
4. The City Council has carefully reviewed and examined the Report in connection with the District, and the levy and collection of assessments. Based upon its review of the Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, hereby finds that the City Council determines that:
 - a. The territory of land within the District will receive special benefits from the operation, maintenance and servicing of the landscaping, lighting, drainage and appurtenant facilities and improvements related thereto.
 - b. The District includes all of the lands so benefited; and
 - c. The amount to be assessed upon the lands within the District, in accordance with the proposed budget for the fiscal year commencing July 1, 2020 and ending June 30, 2021, is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the special benefits, to be received by each parcel from the improvements and services, and is satisfied that the assessments are levied, without regard to property valuation.
5. The Report and FY 2020/21 assessments, as presented to the City Council and on file in the office of the City Clerk, are hereby confirmed as filed.
6. The City Council hereby orders the proposed improvements to be made; the improvements are briefly described as the operation, administration, maintenance and servicing of all public landscaping, lighting improvements and appurtenant facilities and expenses associated with the District, and that will be maintained by the City of Solana Beach or their designee and all such maintenance, operation and servicing of the landscaping, lighting and all appurtenant facilities shall be performed pursuant to the Act. A more complete description of the improvements is detailed in the Report and by reference this document is made part of this resolution.

7. The San Diego County Auditor shall place on the County Assessment Roll, opposite each parcel of land, the amount of levy so apportioned by the method of apportionment formula, outlined in the Report and such levies shall be collected at the same time and in the same manner as County taxes are collected pursuant to Chapter 4, Article 2, Section 22646 of the Act. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the City Treasurer.
8. The City Treasurer shall deposit all money from the assessments collected by the County for the District into a fund for the Coastal Rail Trail Maintenance District, and such money shall be expended to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto described above.
9. The adoption of this resolution constitutes the authorization of the District levy for the Fiscal Year commencing July 1, 2020 and ending June 30, 2021.
10. The City Clerk or Clerk's designee is hereby authorized and directed to file the levy with the San Diego County Auditor subsequent to the adoption of this resolution.

PASSED AND ADOPTED this 24th day of June, 2020, at a regularly scheduled meeting of the by the City Council of the City of Solana Beach by the following vote:

AYES: Councilmembers -
NOES: Councilmembers -
ABSENT: Councilmembers -
ABSTAIN: Councilmembers -

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



**CITY OF SOLANA BEACH
COASTAL RAIL TRAIL MAINTENANCE DISTRICT
ENGINEER'S REPORT
FISCAL YEAR 2020/2021**

MAY 18, 2020



KOPPEL & GRUBER
PUBLIC FINANCE

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SECTION I. OVERVIEW

A. INTRODUCTION AND BACKGROUND

The Coastal Rail Trail (the “CRT”) is a project sponsored by the cities of Oceanside, Carlsbad, Encinitas, Solana Beach and San Diego for a multi-use pathway (bicycle facilities and pedestrian) that will ultimately extend from the San Luis Rey River in Oceanside to the Santa Fe Depot in San Diego. Each of the sponsoring cities has agreed to construct and maintain the portion of the trail that is located within their jurisdiction. The City of Solana Beach (the “City”) began construction on their portion of the CRT (“City CRT”) in August 2003 by obtaining outside grants and the City CRT was substantially completed in November of 2004.

The City CRT encompasses approximately 1.7 miles extending from the north boundary of the City at the San Elijo Lagoon and the City of Encinitas to the south boundary of the City at Via de la Valle. The Class I bicycle trail proceeds south through the City, crossing Lomas Santa Fe Road and continuing to Via de la Valle in the City of Del Mar.

The City of Solana Beach Coastal Rail Trail Maintenance District (“District”) was formed in January 2006 in order to provide funding for the maintenance of certain public improvements including but not limited to the operation, maintenance and servicing of landscaping and public lighting improvements along the City CRT. This report constitutes the Fiscal Year 2020/2021 Engineer’s Report for the District.

The City Council pursuant to the provisions of the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (“Act”) and in compliance with the substantive and procedural requirements of the *California State Constitution Article XIII C and XIII D* (“Proposition 218”) and the *Proposition 218 Omnibus Implementation Act (Government Code Section 53750 and following)* (the “Implementation Act”) desires to levy and collect annual assessments against lots and parcels within the District beginning in the fiscal year commencing July 1, 2020 and ending June 30, 2021 to pay for the operation, maintenance and servicing of landscaping and public lighting improvements along the City CRT. The proposed assessments are based on the City’s estimate of the costs for Fiscal Year 2020/2021 to maintain the City CRT improvements that provide a special benefit to properties assessed within the District. The assessment rates set for Fiscal Year 2020/2021 as set forth in this Engineer’s Report, do not exceed the maximum rates established at the time the District was formed, therefore, the City and the District are not required to go through a property owner ballot procedure in order to establish the 2020/2021 assessment rates.

B. CONTENTS OF ENGINEER’S REPORT

This Report describes the District boundaries and the proposed improvements to be assessed to the property owners located within the District. The Report is made up of the following sections.

SECTION I. OVERVIEW – Provides a general introduction into the Report and provides background on the District and the assessment.

SECTION II. PLANS AND SPECIFICATIONS – Contains a general description of the improvements that are maintained and serviced by the District.

SECTION III. PROPOSED FISCAL YEAR 2020/2021 BUDGET – Identifies the cost of the maintenance and services to be provided by the District including incidental costs and expenses.

SECTION IV. METHOD OF APPORTIONMENT – Describes the basis in which costs have been apportioned to lots or parcels within the District, in proportion to the special benefit received by each lot or parcel.

SECTION V. ASSESSMENT ROLL – The assessment roll identifies the maximum assessment to be levied to each lot or parcel within the District.

SECTION VI. ASSESSMENT DIAGRAM – Displays a diagram of the District showing the boundaries of the District.

For this Report, each lot or parcel to be assessed, refers to an individual property assigned its own Assessment Parcel Number (“APN”) by the San Diego County (“County”) Assessor’s Office as shown on the last equalized roll of the assessor.

Following the conclusion of the Public Hearing, the City Council will confirm the Report as submitted or amended and may order the collection of assessments for Fiscal Year 2020/2021.

SECTION II. PLANS AND SPECIFICATION

A. GENERAL DESCRIPTION OF THE DISTRICT

The boundaries of the District are defined as being contiguous with the boundaries of the City of Solana Beach. Solana Beach is located approximately thirty miles north of the City of San Diego in the north coastal area of the County. The City is bordered by the Pacific Ocean to the west, the City of Encinitas to the north, the City of Del Mar to the south and the unincorporated village of Rancho Santa Fe to the east.

The properties within the District include single-family residential, multi-family residential, timeshare, commercial, and industrial parcels. Each parcel has been categorized into three zones based upon their general proximity to the City CRT. Please refer to Section IV D of the Report for a further explanation on the zones included within the District.

B. DESCRIPTION OF SERVICES AND IMPROVEMENTS TO BE MAINTAINED

The District provides a funding mechanism for the ongoing maintenance, operation and servicing of landscaping and public lighting improvements that were installed as part of the construction of the City CRT. These improvements may include, but are not limited to, all materials, equipment, utilities, labor, and appurtenant facilities related to those improvements.

The improvements constructed as part of the project that are to be maintained and serviced by the District relate to landscaping and public lighting improvements, and are generally described as follows:

- Concrete and decomposed granite trails including landscaping, irrigation, drainage, grading, lighting, and hardscape features.
- Concrete paths, trees, plantings, lighting, irrigation, conduit, infrastructure, earthwork, trash receptacles, fencing, node structures (bus shelters, art amenities, garden nodes), drinking fountains, signage, and observation deck.
- Open space and irrigated and planted slopes located along the Trail.
- Public lighting facilities within and adjacent to the City CRT.

Maintenance services will be provided by City personnel and/or private contractors. The proposed improvements to be maintained and services are generally described as follows:

LANDSCAPING AND APPURTENANT IMPROVEMENTS

The landscaping improvements and services to be maintained by the District include but are not limited to landscaping, planting, ground cover, shrubbery, turf, trees, irrigation and drainage systems, hardscape, fixtures, sidewalks, fencing and other appurtenant items located along and adjacent to the City CRT.

PUBLIC LIGHTING AND APPURTENANT IMPROVEMENTS

The public lighting improvements to be maintained and serviced include but are not limited to the following, which provide public lighting directly or indirectly to the City CRT or to other public areas associated with or necessary for use of the trail:

- Maintenance, repair and replacement of public light poles and fixtures, including changing light bulbs, painting, photoelectric cell repair or replacement, and repairing damage caused by automobile accidents, vandalism, time, and weather.
- Electrical conduit repair and replacement due to damage by vandalism, time and weather.
- Service-call maintenance, repair and replacement including painting, replacing worn out electrical components and repairing damage due to accidents, vandalism, and weather.
- Payment of the electrical bill for the existing street lighting system.
- Responding to constituent and business inquiries and complaints regarding the public lighting.

Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of landscaping and public lighting improvements facilities and appurtenant facilities. This includes repair, removal or replacement of all or part of any of the landscaping and street lighting improvements, or appurtenant facilities; providing for the life, growth, health and beauty of landscaping improvements and for the operation of the lighting improvements.

Servicing means the furnishing of all labor, materials, equipment and utilities necessary to maintain the landscaping improvements and to maintain and operate the public lighting improvements or appurtenant facilities in order to provide adequate illumination.

SECTION III. PROPOSED FISCAL YEAR BUDGET

A. ESTIMATED FISCAL YEAR 2020/2021 BUDGET

A summary of the proposed District Fiscal Year 2020/2021 budget is summarized, by category, in Table 1 shown on the following page:

Table 1

**CITY OF SOLANA BEACH
COASTAL RAIL TRAIL MAINTENANCE DISTRICT
2020/21 BUDGET**

	TOTAL BUDGET	GENERAL BENEFIT PORTION ^{1&2}	PROPOSED FY 2020/21 ASSESSMENT
OPERATING AND MAINTENANCE COSTS			
Operating and Maintenance			
Landscape, Irrigation & Hardscape Maintenance Thru an Outside Contract (Includes Tree Trimming)	\$69,900	\$13,600	\$56,300
Utilities (Water)	\$20,600	\$0	\$20,600
Utilities (Electricity)	\$29,500	\$29,500	\$0
Trail Maintenance (DG & Concrete Paths)	\$1,400	\$0	\$1,400
Graffiti Abatement	\$200	\$0	\$200
Total Operating and Maintenance Costs	\$121,600	\$43,100	\$78,500
CAPITAL REPLACEMENT AND RESERVES			
Capital Replacement			
Landscape & Irrigation Replacement	\$3,600	\$200	\$3,400
Pedestrian/Bicycle Path Replacement	\$2,600	\$200	\$2,400
Hardscape Features Replacement (water fountain, art work, bus shelter)	\$2,600	\$200	\$2,400
Reserves			
Fiscal Year 2020/2021 Reserve Collection	\$0	\$0	\$0
Total Capital Replacement and Reserves	\$8,800	\$600	\$8,200
ADMINISTRATION COSTS			
District Administration Costs			
County SB 2557 Costs			\$300
County Electronic Data Processing Costs			\$600
City Administration/Consultant Costs			\$7,600
Total Administration Costs			\$8,500
AMOUNT TO LEVY			
TOTAL BUDGET			\$95,200
LESS OPERATING RESERVES USED IN FY²			(\$13,882)
TOTAL ASSESSMENT AMOUNT			\$81,318
Total Parcels in the District			13,102
Total Parcels Levied			5,642
Total Equivalent Benefit Units			10,479.25
Proposed Levy Per Equivalent Benefit Unit			\$7.76
Inflation Percentage Applied to Proposed Levy Per EBU			2.00%

OPERATING RESERVES	
Beginning Balance as of 7/1/20	\$71,613
FY 2020/2021 Collection	\$81,318
Expenditures	(\$95,200)
Projected Ending Balance as of 6/30/21	\$57,731
Maximum Cash Flow Reserve Amount	\$40,659

1. While the cost of the electricity is not 100% general benefit, the City is paying for the entire cost through other available funds and none of the cost is being allocated to the parcels located within the District.
2. The CRT landscaping cost is greater than the available funding from the District so other available funding is being utilized to cover the difference.

B. DESCRIPTION OF BUDGET ITEMS

The following is a brief description of the major budget categories that includes the detailed costs of maintenance and services for the District included in the table above.

OPERATING AND MAINTENANCE COSTS – This includes the costs of maintaining and servicing the landscaping and lighting improvements. This may include, but is not limited to, the costs for labor, utilities, equipment, supplies, repairs, replacements and upgrades that are required to properly maintain the items that provide a direct benefit to properties located within the District.

CAPITAL REPLACEMENT AND RESERVES – These items provide a funding source to pay for items that wear out over time, other unanticipated items not directly budgeted for and for the replacement of the landscaping, pathways and hardscape features located along and adjacent to the City CRT.

ADMINISTRATION COSTS – This includes the indirect costs not included above that are necessary to pay for administrative costs related to the District, including the levy and submittal of the assessments to the County to be placed on the Fiscal Year 2020/2021 County equalized tax roll, responding to property owner inquiries relating to the assessments and services, and any other related administrative costs.

SECTION IV. METHOD OF APPORTIONMENT

A. GENERAL

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, which include the construction, maintenance, and servicing of landscaping and public lights and appurtenant facilities.

Streets and Highways Code Section 22573 requires that maintenance assessments be levied according to benefit rather than the assessed value.

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

In addition, Article XIID and the Implementation Act require that a parcel’s assessment may not exceed the reasonable cost for the proportional special benefit conferred to that parcel. A special benefit is a particular and distinct benefit over and above general benefits conferred on property located within the assessment district. Article XIID and the Implementation Act further provides that only special benefits are assessable and the City must separate the general benefits from the special benefits. They also require that publicly owned properties which specifically benefit from the improvements be assessed.

B. GENERAL BENEFIT ANALYSIS

The improvements described in Section II B of this Report are for the special benefit, enhancement and use of properties within the District. However, the City CRT was constructed as a portion of a much larger regional trail that will extend from the City of Oceanside to the north to the City of San Diego to the south. Residents and property owners located in each of the cities along the trail will receive a special benefit from the construction and maintenance of the trail within their city. Residents from each of these cities will have an opportunity to use the entire trail upon completion including the portion in Solana Beach which creates a general benefit.

Additionally, included among the different property types in the City are timeshare units. Though individuals may purchase and “own” their timeshare unit, their ownership rights are limited and temporary (typically one week per year.) Owners of timeshare units have an opportunity to use the CRT while vacationing in the City. Due to the limited ownership time-frame of timeshare owners, their special benefit is limited and thus considered as part of the general benefit similar to the general benefit to the public at large.

The general benefit portion of the assessment has been determined by looking at each participating city’s trail length as a factor or the entire trail. The City of Solana Beach’s portion of the CRT is 1.7 miles compared to the entire proposed trail length of 44.0 miles. Comparing the length of the City CRT to the total length of the CRT results in a general

benefit of 3.86%. Engineering also determined that timeshares add an additional 2.0% general benefit impact. For rounding purposes after adding the two components (3.86% + 2.0%) the general benefit is considered to be 6.0% overall to the public at large. The budget has been allocated to parcels based on their special benefit share. In addition, the City is paying 100% of the electricity costs, totaling \$29,000, for the District through funds available from other sources resulting in over 30% of the costs paid directly by the City.

C. SPECIAL BENEFIT ANALYSIS

Each of the proposed improvements and the associated costs and assessments within the District has been reviewed, identified and allocated based on special benefit pursuant to the provisions of Article XIID, the Implementation Act, and the Streets and Highways Code Section 22573.

Proper maintenance and operation of the City CRT landscaping, hardscape, open space and public lighting provides special benefit to adjacent properties by providing community character, security, safety and vitality. Additionally, one of the purposes of the trail is to facilitate alternative transportation opportunities in order to reduce air pollution and vehicular traffic congestion which provide special benefit to the properties within the District.

TRAIL AND LANDSCAPING SPECIAL BENEFIT

Landscaping and appurtenant facilities, if well maintained, provide beautification, shade and enhancement of the desirability of the surroundings, and therefore increase property values. Specifically, they provide a sense of ownership and a common theme in the community providing aesthetic appeal, recreational and health opportunities and increased desirability of properties.

PUBLIC LIGHTING SPECIAL BENEFIT

The operation, maintenance and servicing of public lighting along and adjacent to the City CRT provide safety and security to properties along City CRT specifically as follows:

- Improved security, deterrence of crime and aid to police and fire protection.
- Reduced vandalism and damage to the improvements and property.
- Increased business activity to the coastal community during nighttime hours.

D. ASSESSMENT METHODOLOGY

To establish the special benefit to the individual lots or parcels within the District, an Equivalent Benefit Unit system based on land use is used along with a Zone Factor based on geographic proximity to the City CRT.

EQUIVALENT BENEFIT UNITS

Each parcel of land is assigned an Equivalent Benefit Unit in proportion to the estimated special benefit the parcel receives relative to other parcels within the District. The single family detached (“SFD”) residential property has been selected as the basic unit for calculating assessments; therefore, a SFD residential parcel equals one Equivalent Benefit Unit (“EBU”).

The EBU method of apportioning benefit is typically seen as the most appropriate and equitable assessment methodology for districts formed under the 1972 Act, as the benefit to each parcel from the improvements are apportioned as a function of land use type, size and development. A methodology has been developed to relate all other land uses to the SFD residential as described below.

EBU APPLICATION BY LAND USE:

SINGLE-FAMILY RESIDENTIAL — This land use is defined as a fully subdivided residential parcel in which a tract map has been approved and recorded. This land use is assessed 1.0 EBU per lot or parcel. This is the base value that all other land use types are compared and weighted against (i.e. Equivalent Benefit Unit or EBU).

RESIDENTIAL CONDOMINIUM — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property with individual unit ownership. This land use is assessed 1.0 EBU per dwelling unit.

MULTI-FAMILY RESIDENTIAL — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property not available for individual unit ownership. This land use is assessed 0.75 EBU per dwelling unit.

PLANNED-RESIDENTIAL DEVELOPMENT — This land use is defined as any property not fully subdivided with a specific number of proposed residential lots or dwelling units to be developed on the parcel. This land use type is assessed at 1.0 EBU per planned (proposed) residential lot or dwelling unit.

COMMERCIAL/INDUSTRIAL — This land use is defined as property developed for either commercial or industrial use. This land use type is assessed at 1.0 EBU per parcel.

VACANT SINGLE-FAMILY RESIDENTIAL — This land use is defined as property currently zoned for single-family detached residential development, but a tentative or final tract map has not been submitted and/or approved. This land use is assessed at 1.0 EBU per parcel.

VACANT MULTI-FAMILY RESIDENTIAL — This land use is defined as property currently zoned for multi-family residential development, but a tentative or final tract map has not been submitted and/or approved. This land use is assessed at 0.75 EBU per parcel.

VACANT COMMERCIAL/INDUSTRIAL — This land use is defined as property currently zoned for either commercial or industrial use. This land use is assessed at 1.0 EBU per parcel.

EXEMPT PARCELS — This land use identifies properties that are not assessed and are assigned 0.0 EBU. This land use classification may include, but is not limited, to lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and right-of-ways including greenbelts and parkways; utility right-of-ways; common areas, sliver parcels and bifurcated lots or any other property that can not be developed; park properties and other publicly owned properties that are part of the District improvements or that have little or no improvement value. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

PUBLIC OWNED PARCELS — This land use identifies properties that are not assessed and are assigned 0.0 EBU. This land use classification includes other typically non-assessed parcels that are not considered exempt parcels and may include, but is not limited, to lots or parcels identified as schools, government owned buildings, fire and police stations, and administration offices. These types of properties are considered to receive little special benefit from the improvements and any benefit that they may receive is considered to be part of the City's general benefit contribution to the District.

ZONE FACTOR

The District was divided into three zones based on the proximity of parcels in location to the City CRT. Properties located the closest to the trail will receive a greater special benefit as compared to those parcels the farthest away. In order to calculate this into the assessment a factor is applied to each parcel according to the following Zone location.

ZONE 1 PROPERTIES – This Zone is defined as properties located adjacent to or within a few blocks of the City CRT improvements. This includes all properties that are generally located east of Acacia and Sierra Avenue and west of Rios Avenue. Parcels located in this zone use the EBU amounts derived above based on land use and then multiplied by a proximity factor of three (3).

ZONE 2 PROPERTIES – This Zone is defined as properties located close to the improvements but not adjacent to the City CRT or properties defined as Zone 1 Properties. This includes all properties that are generally located west of Acacia Avenue and also those properties located east of Rios Avenue and west of Interstate-5. Parcels located in this zone use the EBU amounts derived above based on land use and then multiplied by a proximity factor of two (2).

ZONE 3 PROPERTIES – This Zone is defined as properties located the furthest away from the City CRT improvements. This includes all properties that are located east of Interstate-5. Parcels located in this zone use the EBU amounts derived above based on land use and then multiplied by a proximity factor of 0.5.

The following table summarizes the EBU and Zone Factors based on land use.

Table 2

**CITY OF SOLANA BEACH
COASTAL RAIL TRAIL MAINTENANCE DISTRICT
EQUIVALENT BENEFIT UNITS AND ZONE FACTOR BY LAND USE**

Land Use Description	Equivalent Benefit Units (EBUs)	Per	Zone 1 Multiplier	Zone 2 Multiplier	Zone 3 Multiplier	No. of EBUs for Property in Zone 1	No. of EBUs for Property in Zone 2	No. of EBUs for Property in Zone 3
Single Family Residential	1.00	Lot or Parcel	3.00	2.00	0.50	3.00	2.00	0.50
Residential Condominium	1.00	Dwelling Unit	3.00	2.00	0.50	3.00	2.00	0.50
Multi-Family Residential	0.75	Dwelling Unit	3.00	2.00	0.50	2.25	1.50	0.38
		Lot or Dwelling						
Planned Residential Development	1.00	Unit	3.00	2.00	0.50	3.00	2.00	0.50
Commercial/Industrial	1.00	Parcel	3.00	2.00	0.50	3.00	2.00	0.50
Vacant Single Family Residential	1.00	Parcel	3.00	2.00	0.50	3.00	2.00	0.50
Vacant Multi-Family Residential	0.75	Parcel	3.00	2.00	0.50	2.25	1.50	0.38
Vacant Commercial/Industrial	1.00	Parcel	3.00	2.00	0.50	3.00	2.00	0.50
		1 week of						
Timeshare Units	0.00	ownership	3.00	2.00	0.50	0.00	0.00	0.00
Exempt Parcels	0.00	Parcel	3.00	2.00	0.50	0.00	0.00	0.00
Public Owned Parcels	0.00	Parcel	3.00	2.00	0.50	0.00	0.00	0.00

In order to determine the maximum annual assessment rate for each type of land use described above, the following formula is applied:

Applicable EBU * Applicable Zone Factor*Maximum Assessment Rate per 1.0 EBU=Assessment Rate per Unit/Parcel.

E. RATES

Table 3 below shows the maximum assessments rates proposed to be levied in Fiscal Year 2020/2021 by land use. Because the San Diego Consumer Price Index for All Urban Consumers (“CPI-U”) was over 2.00% for 2019 (2.35%), the maximum assessments were increased by 2.00% as allowed for in the assessment range formula discussed below.

Table 3

**CITY OF SOLANA BEACH
COASTAL RAIL TRAIL MAINTENANCE DISTRICT
EQUIVELANT BENEFIT UNITS AND ZONE FACTOR BY LAND USE**

Land Use Description	Per	Base Rate for Zone 1	Base Rate for Zone 2	Base Rate for Zone 3
Single Family Residential	Lot or Parcel	\$23.28	\$15.52	\$3.88
Residential Condominium	Dwelling Unit	\$23.28	\$15.52	\$3.88
Multi-Family Residential	Dwelling Unit	\$17.46	\$11.64	\$2.91
	Lot or Dwelling			
Planned Residential Development	Unit	\$23.28	\$15.52	\$3.88
Commercial/Industrial	Parcel	\$23.28	\$15.52	\$3.88
Vacant Single Family Residential	Parcel	\$23.28	\$15.52	\$3.88
Vacant Multi-Family Residential	Parcel	\$17.46	\$11.64	\$2.91
Vacant Commercial/Industrial	Parcel	\$23.28	\$15.52	\$3.88
Timeshare Units	1 week of ownership	\$0.00	\$0.00	\$0.00
Exempt Parcels	Parcel	\$0.00	\$0.00	\$0.00
Public Owned Parcels	Parcel	\$0.00	\$0.00	\$0.00

F. ASSESSMENT RANGE FORMULA

The purpose of establishing an Assessment Range Formula is to provide for reasonable inflationary increases to the annual assessments without requiring the District to go through an expensive balloting process required by law in order to get a small increase. On July 1, 2007 and each year thereafter, the Maximum Assessment Rate shall be increased by the lesser of Local CPI-U in the San Diego County area or 2.0%. The CPI-U used shall be as determined annually by the Bureau of Labor Statistics beginning with the CPI-U rate increase for 2006.

Beginning in the Fiscal Year 2007/2008 the Maximum Assessment may be increased using the lesser of the increase in the CPI-U from first year levy (the Assessment Range Formula) or 2.0%. This Assessment Rate Formula would be applied every fiscal year thereafter and a new Maximum Assessment will be established to include the allowable increase.

The Maximum Assessment adjusted annually by this formula is not considered an increased assessment. Although the Maximum Assessment will increase each year, the actual assessment will only reflect the necessary budgeted amounts and may remain unchanged. Increases in the budget or an increase in the rate in one year from the prior year will not require a new 218 balloting unless the rate is greater than the Maximum Assessment adjusted to reflect an increase in the CPI-U.

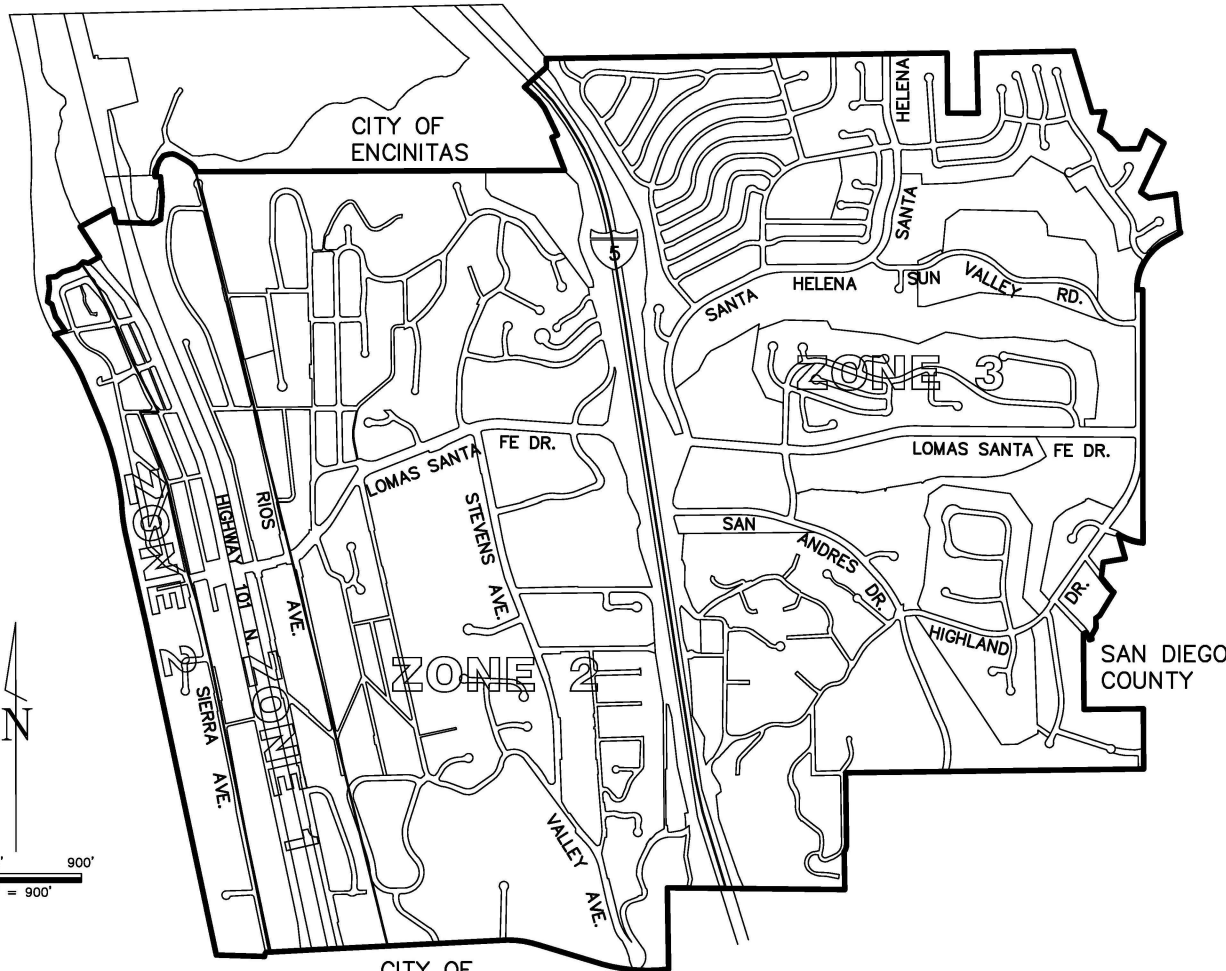
SECTION V. ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District shall be the parcel as shown on the County Assessor's map for the year in which this Report is prepared.

A listing of parcels assessed within the District, along with the proposed assessment amounts, has been submitted to the City Clerk, under a separate cover, and by reference is made part of this Report. Said listing of parcels to be assessed shall be submitted to the County Auditor/Controller and included on the property tax roll for each parcel in Fiscal Year 2020/2021. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

SECTION VI. ASSESSMENT DIAGRAM

The parcels within the District consist of all lots, parcels and subdivisions of land located in the City. A boundary map of the area is attached.



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF SOLANA BEACH THIS _____ DAY OF _____, 2005.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF THE COASTAL RAIL TRAIL MAINTENANCE DISTRICT, CITY OF SOLANA BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF SOLANA BEACH AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 2005, BY ITS RESOLUTION NO. _____

CITY CLERK
CITY OF SOLANA BEACH

FILED THIS _____ DAY OF _____, 2005, AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE(S) _____ AND AS INSTRUMENT NO. _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA.

COUNTY RECORDER
COUNTY OF SAN DIEGO
STATE OF CALIFORNIA

NOTE: FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR'S PARCELS, REFERENCE IS MADE TO THE MAPS OF THE SAN DIEGO COUNTY ASSESSOR OF SAN DIEGO COUNTY RECORDS, WHICH MAPS SHALL GOVERN FOR ALL DETAILS RELATING THERETO.



900' 450' 0' 900'
SCALE : 1" = 900'

KOPPEL & GRUBER
PUBLIC FINANCE

334 Via Vera Cruz
Suite 256
San Marcos, California 92078
Phone (760) 510-0290 Fax (760) 510-0288

PROPOSED BOUNDARY MAP OF COASTAL RAIL TRAIL MAINTENANCE DISTRICT

CITY OF SOLANA BEACH
COUNTY OF SAN DIEGO
STATE OF CALIFORNIA

CITY OF SOLANA BEACH

**CITY OF SOLANA BEACH
COASTAL RAIL TRAIL MAINTENANCE DISTRICT**

**Engineer's Report
Fiscal Year 2020/2021**

The undersigned respectfully submits the enclosed Report as directed by City Council.

Report Submitted By:



By: _____
Scott Koppel
Koppel & Gruber Public Finance

By: _____
Mohammad Sammak



STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Engineering Department
SUBJECT: **Public Hearing: Consideration of Resolutions 2020-084 and 2020-085 Accepting the Final Engineer’s Report and Ordering the Levy and Collection of Annual Assessments for the City of Solana Beach Lighting Maintenance District for Fiscal Year (FY) 2020/21**

BACKGROUND:

In 1987, the City Council approved formation of the City of Solana Beach Lighting Maintenance District (“District”) under the provisions of the Landscape and Lighting Act of 1972, Division 15, Part 2, of the California Streets and Highways Code. The District was formed for the purpose of levying and collecting funds for the installation, operation and maintenance of street lighting facilities within the City.

On May 27, 2020, Council passed Resolution 2020-052 approving the Preliminary Lighting Maintenance District Engineer’s Report (“Report”) for proceedings for the annual levy of assessments within a special lighting district and Resolution 2020-053 declaring intention to provide for an annual levy and collection of assessments, and setting June 24, 2020 as the date of the Public Hearing.

This item is presented to the City Council to conduct the Public Hearing and consider approving Resolution 2020-084 (Attachment 1) accepting the Final Lighting Maintenance District Engineer’s Report and Resolution 2020-085 (Attachment 2) ordering the levy and collection of annual assessments for the District for Fiscal Year (FY) 2020/21.

DISCUSSION:

The District is the successor agency to portions of San Diego County Lighting Maintenance District Nos. 1 and 3 (LMD1 and LMD3). Ballots issued in 1982 and 1984 to

CITY COUNCIL ACTION:

levy assessments for LMD1 and LMD3 were approved to have a maximum charge of \$25.00 per benefit unit. This maximum benefit unit charge will not apply to Zone B of the District as it was formed after Solana Beach was incorporated.

Notice of this public hearing was published in the Union-Tribune on May 30, 2020 as required by Streets and Highways Code and is the only public hearing to receive public input required by law.

The assessment information is to be submitted to the County by August 10th of each year.

The current benefit fee for Zone A is \$8.80 per single-family unit per year and \$1.62 per single-family unit per year in Zone B. Zone B consists of the portion of the City adjacent to San Elijo Lagoon and a segment of the City between San Andres Drive and I-5. This zone is the City's "dark sky" area designated in the General Plan as neighborhoods that seek to preserve their traditional semi-rural character, a major component of which is very low levels of nighttime illumination. Zone A consists of all other properties in the City except those in Zone B.

Attachment 3 is the Final Report for FY 2020/21. The basis for spreading the cost of constructing, operating, maintaining and servicing improvements to the benefiting parcels is based on vehicular trip generation rates. Vehicular trips are directly proportional to the concentration and activity associated with each parcel of land. Derivation of Street Lighting Benefit Units, as shown in the Engineer's Report, is based on the most current trip generation rates published by the San Diego Association of Governments. The improvements include those designated in the District boundaries and shown in the Street Light Master Plan.

Fiscal Year 2020/21 Benefit Fees

The total annual amount to be assessed for street lighting is \$77,025. There is no proposed increase to the annual assessment charged to each property but the total amount collected has increased slightly (a total of \$7) due to land use changes in Zone A.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The District has been financed by a benefit charge and by using the District's share of one percent ad valorem property tax revenues since FY 1989/90. The amount to be collected from the benefit assessment is proposed to be \$8.80 per benefit unit in Zone A and \$1.62 in Zone B, which is unchanged from last year.

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation.
- Do not confirm Lighting Maintenance District Engineer's Report and annual levy of assessments
- Provide direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony and Close the public hearing.
2. Adopt Resolution 2020-084 confirming the diagram and assessment and approving the City of Solana Beach Lighting Maintenance District Engineer's Report.
3. Adopt Resolution 2020-085 ordering the levy and collection of annual assessments for FY 2020/21 and ordering the transmission of charges to the County Auditor for collection.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-084
2. Resolution 2020-085
3. FY 2020/21 Lighting Maintenance District Engineer's Report

RESOLUTION 2020-084

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE FISCAL YEAR 2020/21 ENGINEER'S REPORT REGARDING THE SOLANA BEACH LIGHTING MAINTENANCE DISTRICT

WHEREAS, the City Council, pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (the "Act"), did, by previous Resolution, order the Assessment Engineer, to prepare and file the Fiscal Year (FY) 2020/21 Engineer's Report for the City of Solana Beach Lighting Maintenance District (District); and

WHEREAS, the Assessment Engineer has prepared and filed with the City Clerk of the City of Solana Beach, California, and the City Clerk has presented to the City Council such report entitled City of Solana Beach Lighting Maintenance District Engineer's Report FY 2020/21 ("Report") as required by the Act; and

WHEREAS, the City Council has carefully examined and reviewed the Report as presented, considered all oral and written comments presented with respect to the District and Report at a noticed Public Hearing and has discussed any necessary or desired modifications to the Report, and is satisfied that the levy for each parcel has been calculated in accordance with the special benefits received from the operation, maintenance and services performed, as set forth in the Report.

NOW, THEREFORE, the City Council of the City of Solana Beach, California does resolve as follows:

1. The above recitals are true and correct.
2. The Report as presented or as modified, contains the following:
 - a. Description of Improvements.
 - b. Diagram of the District.
 - c. Method of Apportionment that details the method of calculating each parcel's proportional special benefits and annual assessment.
 - d. The FY 2020/21 Assessment based upon the Method of Apportionment determined that all costs and expenses of the work and incidental expenses have been apportioned and distributed to the benefiting parcels in accordance with the special benefits received.

- e. The FY 2020/21 Annual Budget Costs and Expenses and the resulting FY 2020/21 assessment levy per benefit unit for the fiscal year.
 - f. The District Roll containing the levy for each Assessor's Parcel Number within the District for FY 2020/21.
3. The City Clerk is hereby directed to enter on the minutes of the City Council any and all modifications to the Report determined and approved by the City Council, and all such changes and/or modifications by reference are to be incorporated into the Report.
 4. The City Council is satisfied with the Report as presented or modified, each and all of the budget items and documents as set forth therein, and is satisfied that the FY 2020/21 annual assessments and spread in accordance with the special benefits received from the improvements pursuant to the provisions of the California Constitution Article XIID.
 5. The Report is hereby approved as submitted or modified and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.
 6. The City Clerk shall certify to the passage and adoption of this resolution, and the minutes of this meeting shall so reflect the presentation and approval of the Report as submitted or modified.

PASSED AND ADOPTED this 24th day of June, 2020, at a regularly scheduled meeting of the by the City council of the City of Solana Beach by the following vote:

AYES: Councilmembers -
NOES: Councilmembers -
ABSENT: Councilmembers -
ABSTAIN: Councilmembers -

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION 2020-085

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS REGARDING THE CITY OF SOLANA BEACH LIGHTING DISTRICT FOR FISCAL YEAR 2020/21

WHEREAS, the City Council has, by previous resolutions, initiated proceedings to form and declared its intention to levy and collect annual assessments against parcels of land within the City of Solana Beach Lighting Maintenance District ("District"), for the Fiscal Year commencing July 1, 2020 and ending June 30, 2021 pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (Act) to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and

WHEREAS, the Assessment Engineer has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council, the Engineer's Report entitled City of City of Solana Beach Lighting Maintenance District Engineer's Report Fiscal Year (FY) 2020/21 ("Report") in connection with the proposed levy and collection of special benefit assessment upon eligible parcels of land within the District, and the City Council did by previous resolution approve such Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the Fiscal Year commencing July 1, 2020 and ending June 30, 2021, to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and

WHEREAS, the City Council, following notice duly given, has held a full and fair Public Hearing on June 24, 2020, regarding the levy and collection of assessments as described in the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters, pursuant to the Act and in accordance with the provisions of the California Constitution Article XIID.

NOW, THEREFORE, the City Council of the City of Solana Beach, California does resolve as follows:

1. The above recitals are true and correct.
2. Following notice duly given, the City Council has held a full and fair public hearing regarding the levy and collection of the assessments, the Report prepared in connection therewith, and considered all oral and written statements,

ATTACHMENT 2

protests and communications made or filed by interested persons regarding these matters.

3. The City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2020 and ending June 30, 2021, to pay the costs and expenses of operating, maintaining and servicing the landscaping, public lighting improvements and appurtenant facilities located within public places in the District.
4. The City Council has carefully reviewed and examined the Report in connection with the District, and the levy and collection of assessments. Based upon its review the Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, hereby finds that the City Council determines that:
 - a. The territory of land within the District will receive special benefits from the operation, maintenance and servicing of the landscaping, lighting, drainage and appurtenant facilities and improvements related thereto.
 - b. The District includes all of the lands so benefited.
 - c. The amount to be assessed upon the lands within the District, in accordance with the proposed budget for the fiscal year commencing July 1, 2020 and ending June 30, 2021, is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the special benefits, to be received by each parcel from the improvements and services, and is satisfied that the assessments are levied, without regard to property valuation.
5. The Report and FY 2020/21 assessments, as presented to the City Council and on file in the office of the City Clerk, are hereby confirmed as filed.
6. The City Council hereby orders the proposed improvements to be made; the improvements are briefly described as the operation, administration, maintenance and servicing of all public landscaping, lighting improvements and appurtenant facilities and expenses associated with the District, and that will be maintained by the City of Solana Beach or their designee and all such maintenance, operation and servicing of the landscaping, lighting and all appurtenant facilities shall be performed pursuant to the Act. A more complete description of the improvements is detailed in the Report and by reference this document is made part of this resolution.
7. The San Diego County Auditor shall place on the County Assessment Roll, opposite each parcel of land, the amount of levy so apportioned by the method of apportionment formula, outlined in the Report and such levies shall be collected

at the same time and in the same manner as County taxes are collected pursuant to Chapter 4, Article 2, Section 22646 of the Act. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the City Treasurer.

8. The City Treasurer, shall deposit all money from the assessments collected by the County for the District into a fund for the Solana Beach Lighting District, and such money shall be expended to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto described above.
9. The adoption of this resolution constitutes the authorization of the District levy for the Fiscal Year commencing July 1, 2020 and ending June 30, 2021.
10. The City Clerk or Clerk's designee is hereby authorized and directed to file the levy with the San Diego County Auditor subsequent to the adoption of this resolution.

PASSED AND ADOPTED this 24th day of June, 2020, at a regularly scheduled meeting of the by the City Council of the City of Solana Beach by the following vote:

AYES: Councilmembers -
NOES: Councilmembers -
ABSENT: Councilmembers -
ABSTAIN: Councilmembers -

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

**CITY OF SOLANA BEACH
LIGHTING MAINTENANCE DISTRICT
ENGINEER'S REPORT
FISCAL YEAR 2020/2021**



**Prepared by:
Dan Goldberg
Principal Civil Engineer
R.C.E. 57292**

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Introduction

The City of Solana Beach (“City”) Lighting Maintenance District (“District”) was formed in order to provide funding for operation, maintenance and servicing of all lights within the City, owned both by City of Solana Beach and San Diego Gas and Electric as shown on the City’s Street Light Master Plan. The City Council, pursuant to the provisions of the “Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Street and Highway Code of California” (Act), desires to levy and collect annual assessment against lots and parcels within the District beginning in the fiscal year beginning July 1, 2020 and ending June 30, 2021. The collected assessments would pay for the operation, maintenance and servicing of the public lighting improvements within the City. The proposed assessments are based on the City’s estimate for the cost for fiscal year 2020/2021 to maintain the District that provides a special benefit to properties assessed within the District. The assessment rates set for Fiscal Year 2020/2021, as set forth in this Engineer’s Report (“Report”), do not exceed the maximum rates established at the time the District was formed, therefore, the City and the District are not required to go through property owner ballot procedure in order to establish the 2020/2021 assessment rates. This report describes the District boundaries and the proposed operation, maintenance and services to be assessed to the property owners located within the District. For this Report, each lot or parcel to be assessed refers to an individual property and is assigned its own Assessment Parcel Number (“APN”) by the San Diego County (“County”) Assessor’s Office as shown on the latest equalization roll of the assessor. Following the conclusion of the Public Hearing, the City Council will confirm the Report as submitted or amended and may order the collection of the assessments for Fiscal Year 2020/2021.

General Description of the District

The boundaries of the District are defined as being contiguous with the boundaries of the City of Solana Beach. The properties within the District include single-family residential, multi-family residential, timeshare, multiuse, commercial and industrial parcels.

Section 22573, Landscape and Lighting Act of 1972 (“1972 Act”), requires assessments to be levied according to benefit rather than according to assessed value. This section of the 1972 Act states:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The 1972 Act also provides for the classification of various areas within an assessment district into different zones where, *"...by reason of variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of benefit from the improvements. A zone shall consist of all territory, which will receive substantially the same degree of benefit from the improvements. An assessment district may consist of contiguous or non-contiguous areas."*

Properties owned by public agencies, such as a city, county, state, or the federal government, are not assessable without the approval of the particular agency. For this reason, they are traditionally not assessed.

Designation of Zones

The District consists of two zones in the City of Solana Beach; Zone "A" and Zone "B". Properties within Zone "A", which represent the majority of the population, are benefiting from the streetlights on six significant circulation element streets as well as streetlights on their local streets. Properties within Zone "B", also known as "Dark Sky Zone", do not have streetlights on their local streets. These properties benefit only from streetlights on circulation elements and do not benefit from streetlights on local streets. Maps showing the boundaries of the District and the zones are on file in the office of the City Engineer and are attached herein as Exhibit 1.

District Improvements

The public lighting improvements to be maintained and serviced include but are not limited to the following:

- Maintenance, repair and replacement of public light poles and fixtures, including changing light bulbs, painting, photoelectric cell repair or replacement, repairing damages caused by automobile accidents and vandalism, and repairing normal deterioration caused by time and weather.
- Electrical conduit repair and replacement due to damage by vandalism, and normal deterioration.
- Service-call maintenance repair and replacement including painting, replacing worn out electrical components and repairing damage due to accidents, vandalism, and normal deterioration.
- Payment of the electrical bill for the existing street lighting system.
- Responding to constituent and business inquiries and complaints regarding the public lighting.

Maintenance

The City provides services and furnishes materials for the ordinary and usual maintenance, operation and servicing of public lighting improvements facilities and appurtenant facilities. This includes inspecting lights during daylight as well as evening hours for condition assessment and performing repair, removal or replacement of all or part of any of the street lighting found to be inoperable in order to provide for the, health welfare and safety of the residents in the district.

Servicing

The City workforces along with assistance from private contractors provide all labor, materials, equipment and utilities necessary to maintain and operate the public lighting improvements or appurtenant facilities in order to provide adequate illumination.

City's Streetlight System

The City's streetlight system consists of streetlights which are owned by the San Diego Gas and Electric (SDG&E) and streetlights that are owned by the City of Solana Beach. A listing (printout) showing the type, size, location and ownership of the specific streetlights in the City is on file in the Office of the City Engineer. There are currently 801 streetlights in the District of which 149 are located on circulation element streets such as Highway 101, Lomas Santa Fe Drive, Via De La Valle, Cedros Avenue, San Andres Drive, Highland Avenue and Stevens Avenue. The remaining 652 streetlights are located on local streets. Approximately 274 streetlights are owned and maintained by SDG&E and the rest are owned and maintained by the City of Solana Beach. The City pays SDG&E for the use of their streetlights. For the purpose of this report, all lights have been analyzed regardless of ownership. Additionally, there are 247 bollard lights and 16 pedestrian pole lights on the Coastal Rail Trail that are included in the District.

Streetlight Retrofit

In April 2012, the City entered into a contract with Chevron Energy Solution (Chevron ES) for a series of energy efficient projects, which included retrofitting all City-owned streetlights to the latest LED technology. This project replaced the approximately two-thirds of the streetlights throughout the City that are owned and operated by the City. The remaining one-third of the streetlights were not retrofitted because they are owned and operated by SDG&E. Because of this partial ownership arrangement, a few streetlights in some neighborhoods remained unchanged.

Capital Improvement Projects

The City converted the light fixtures on Lomas Santa Fe Drive under the Interstate 5 bridge to LED fixtures. A total of 46 light fixtures were retrofitted.

Method of Apportionment

The 1972 Act require that a parcel's assessment may not exceed the reasonable cost for the proportional benefit conferred to that parcel. To establish the benefit to the individual lots or parcels within the district, an Equivalent Benefit Unit ("EBU") system based on land use is used along with special consideration based on City's "Dark Sky Zone". Each parcel of land in the District was determined by the Engineering Department to have a specific land use. Each land use type was assigned a land use factor determined by trip generation rates developed by San Diego Association of Government (SANDAG). If a land use was not included in the SANDAG's study, the Engineering Department made a determination as to its probable trip generation compared to that of a single family residential and assigned a land use factor accordingly. Single-family residential units were assigned a land use factor of 1.0 regardless of its size. The theory is that all single-family residential units, regardless of parcel size, generate approximately the same number of trips and therefore receive the same benefit from the use of streets and their appurtenances such as streetlights. Under this method, vacant lots are assigned an EBU of "0". Exhibit 2 provides the EBU determination for all land uses within the City.

District Financing

The District will be financed by assessing a benefit assessment and by using the District's share of 1.0 percent ad valorem tax revenues. The amount to be generated from the benefit assessment is \$8.80 per benefit unit in Zone "A" and \$1.62 per benefit unit in Zone "B". As mentioned above, the total amount of revenue to be generated by assessment was calculated from a methodology, which identifies two benefit zones within the District. This methodology assumes that circulation element streetlights provide City-wide benefit and therefore properties located in Zone "B", the Dark Sky Zone properties, are assessed for this portion of the District's expenses only. Properties located within Zone "A" are assessed for expenses associated with the streetlights located on the circulation element streets as well as those on local streets. Both the circulation element streetlight benefit and local streetlight benefit are allotted in proportion to the Average Daily Traffic (ADT) generated by properties within the District to establish equivalent benefit charge per property. A listing (printout) of the estimated assessment for each parcel in the District is on file in the Office of the City Engineer. These are estimates only because the County Assessor's information will not be

available until August 2020. The City does not assess governmental agencies owning properties within the District. See Exhibit 3 for the proposed District budget.

Assessment Roll

Parcel identification, for each lot or parcel within the District shall be the parcel as shown on the County Assessor’s map for the year in which this Report is prepared.

A listing of parcels assessed within the District, along with the proposed assessment amounts, has been submitted to the City Clerk, under a separate cover, and by reference is made part of this Report. Said listing of parcels to be assessed shall be submitted to the County Auditor/Controller and included on the property tax roll for each parcel in Fiscal Year 2020/2021. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

Calculation of Assessment Fees

Following is a calculation of assessment fees for the Solana Beach Lighting District. There are two zones in this lighting district; Zone “A” and Zone “B”.

Total streetlights on six circulation element streets	149
Total streetlights on local streets	652
Total Streetlights	801

Bollard lights on Coastal Rail Trail	247
Pedestrian pole lights on Coastal Rail Trail	16

Total Benefit Units in Zone “A”	8,665
Total Benefit Units in Zone “B”	477

Assessment per Benefit Unit in Zone “A”	\$8.80
Assessment per Benefit Unit in Zone “B”	\$1.62

Total Assessment for Zone “A”	\$76,252
Total Assessment for Zone “B”	\$773

Total Assessment for the District **\$77,025**

EXHIBIT 1

STREET LIGHT ZONE MAP

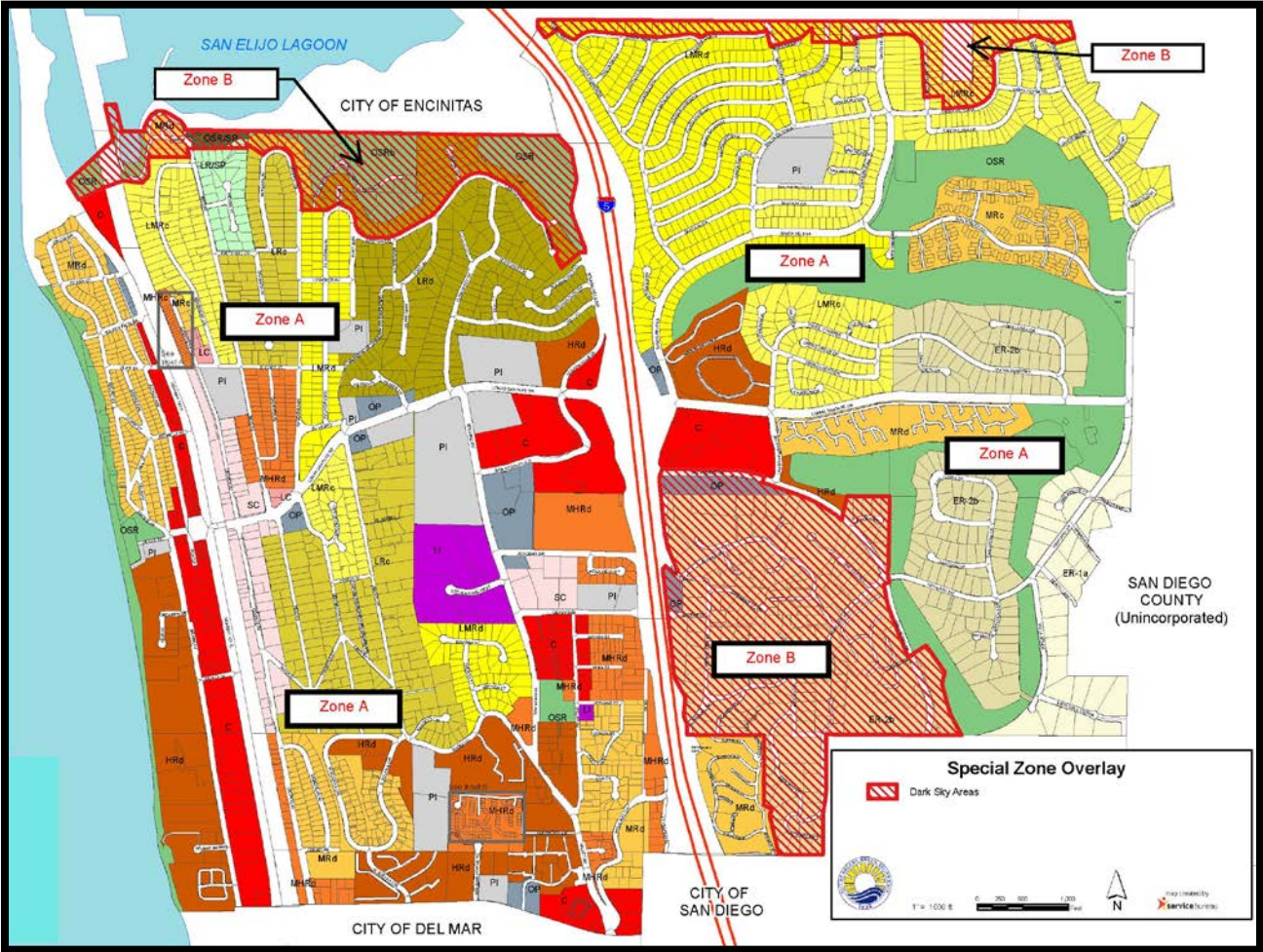


EXHIBIT 2

DERIVATION OF STREET LIGHT BENEFIT UNITS

Traffic generation rates are derived from a report issued by the San Diego Association of Governments (SANDAG) dated April 2002. The information in the report is based on the San Diego Traffic Generators manual. Land uses are defined by the County Assessor. Using traffic generated by single family dwellings as 10 per dwelling unit (d.u.) or 40 per acre, the derivation of Benefit Units from land use is as follows:

<u>LAND USE</u>	<u>BENEFIT UNITS</u>	<u>HOW DERIVED</u>
Vacant Land	0.0	Generates little or no traffic. Assigned a value of 0.0
Residential	1.0/d.u.	<u>10 trips/d.u.</u> 10 trips/d.u.
Time Shares	.02/Time Share	<u>0.2 trips/time share</u> 10 trips/d.u.
Mobilehome/Trailer Parks	0.5/Space	<u>5 trips/d.u. or space</u> 10 trips/d.u.
1-3 Story Misc. Stores	10.0/Acre	<u>400 trips/acre</u> 40 trips/acre
4+ Story Offices/Stores	15.0/Acre	<u>600 trips/acre</u> 40 trips/acre
Regional Shopping Center Medical, Dental, Animal Hospital	12.5/Acre	<u>500 trips/acre</u> 40 trips/acre
Community Shopping Center	17.5/Acre	<u>700 trips/acre</u> 40 trips/acre
Neighborhood Shopping Center	30.0/Acre	<u>1200 trips/acre</u> 40 trips/acre

Hotel, Motel	5.0/Acre	<u>200 trips/acre</u> 40 trips/acre
Convalescent Hospital, Rest Home	1.0/Acre	<u>40 trips/acre</u> 40 trips/acre
Office Condominiums	0.5/Condo	<u>20 trips/condo</u> 10 trips/d.u.
Parking lot, Garage, Used Cars, Auto Sales/Service, Service Station	7.5/Acre	<u>300 trips/acre</u> 40 trips/acre
Bowling Alley	7.5/Acre	<u>300 trips/acre</u> 40 trips/acre

EXHIBIT 3

STREET LIGHTING DISTRICT

PROPOSED BUDGET

FISCAL YEAR 2020-21

	Amended Budget 2019-20	Proposed Budget 2020-21
COSTS		
Energy	91,100	97,500
Maintenance	154,500	157,700
Administration	106,538	104,700
Capital Outlay	0	0
Debt Service	70,400	70,400
Contingency Reserve	2,662,495	2,860,295
TOTAL COSTS	3,085,033	3,290,595

FUNDING		
Property Taxes	510,900	521,100
Benefit Fees	77,000	77,000
Interest	30,000	30,000
Intergovernmental	3,200	0
Fund Balance	2,463,933	2,662,495
TOTAL RESOURCES	3,085,033	3,290,595



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Community Development Department
SUBJECT: **Public Hearing: Request for a DRP and SDP to Construct a New Multi-Level Single-family Residence with a Detached Lower Level Garage with an ADU Above and Perform Associated Site Improvements at 521 S. Rios Ave. (Case # DRP19-003 SDP19-004 Applicant: North County Coastal, LLC; APN: 298-092-14-00; Resolution 2020-081)**

BACKGROUND:

The Applicant, Kenneth Margulis of North County Coastal, LLC, is requesting City Council approval of a Development Review Permit (DRP) and Structure Development Permit (SDP) to construct a new multi-level 6,100 square foot, single-family residence with a partially subterranean lower level, a detached building with a 770 square foot garage on the first floor and a 585 square foot Accessory Dwelling Unit (ADU) on the second floor and perform associated site improvements. The 18,420 square foot lot is currently vacant and is located on the west side of S. Rios Avenue within both the Low Residential (LR) Zone and the Scaled Residential Overlay Zone (SROZ).

The Applicant is proposing grading in the amounts of 1,700 cubic yards (yd³) of cut, 600 yd³ of fill and 1,100 yd³ of export, 130 yd³ for removal and recompaction and 17 yd³ for footings. The maximum building height is proposed at 25 feet above the existing grade with the highest story pole measured to 140.0 feet above mean sea level (MSL). The project meets three thresholds for the requirement of a DRP: 1) an aggregate grading quantity in excess of 100 cubic yards; 2) construction in excess of 60 percent of the maximum allowable floor area; and 3) construction of a second story that exceeds 35% of the floor area of the first floor. The project requires a SDP because the proposed development exceeds 16 feet in height above the existing grade.

The issue before the Council is whether to approve, approve with conditions, or deny the Applicant's request as contained in Resolution 2020-080 (Attachment 1).

CITY COUNCIL ACTION:

DISCUSSION:

The subject property is located on the west side of S. Rios Avenue. The 18,420 square foot lot is a rectangular lot with approximately 90 feet of frontage on S. Rios Avenue and a depth of approximately 205 feet. The topography of the lot slopes down from Rios Avenue as you travel west toward the rear (western) property line with an approximately 27-foot grade differential.

The lot is currently vacant. The Applicant is proposing to excavate soil on the east side of the lot and fill on the west side of the lot to provide a flat building pad. Excavation will also take place in order to provide a partially subterranean basement level in the proposed residence. From S. Rios Avenue, the home appears to be two stories, the basement level would not be visible from the front or the sides. The proposed detached garage would have approximately the same finished floor level as the basement of the residence. Between the house and the detached garage, the Applicant is proposing to construct a pool, spa, planters, a covered patio for the ADU and one for the primary residence. The covered patio for the residence would also have a barbeque area. The proposed driveway would be located in the northeast corner of the lot and would run along the northern property line to the west side of the buildable area. The driveway would then turn and access the garage which would face the western property line.

A single-family residence is required to provide two off-street parking spaces pursuant to Solana Beach Municipal Code (SBMC) Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM). The proposed 770 square foot garage would allow for three conforming parking spaces. Since the parking spaces provided in the proposed garage would comply with the OSPDM, the project would qualify for a 400 square foot floor area exemption.

An ADU is proposed above the proposed detached garage. This project was submitted in August of 2019, prior to the most recent changes to the ADU regulations. Therefore, the ADU is required to be included in the calculation of floor area and is permitted to be located above a detached garage.

The proposed basement below the residence would be exposed at the entry on the southwest corner of the residence. According to the SROZ regulations, the basement is considered a "basement with exposures" and would qualify for a square footage exemption of the basement area by using the 2% formula which is discussed in more detail later in this report. The maximum proposed building height would be 25 feet above existing grade. The project would also include associated site improvements including grading, a covered patio, landscaping, pool and spa. The project plans are provided in Attachment 2.

Table 1

LOT INFORMATION			
Property Address:	521 S. Rios Ave.	Zoning Designation:	LR (3 du/ac)
Lot Size (Net):	18,420 ft ²	# of Units Allowed:	1 Dwelling and 1 ADU
Max. Allowable Floor Area:	4,917 ft ²	# of Units Requested:	1 Dwelling and 1 ADU
Proposed Floor Area:	4,914 ft ²	Setbacks:	Required Proposed
Below Max. Floor Area by:	3 ft ²	Front (E)	25 ft. 26.5 ft.
Max. Allowable Height:	25 ft.	Interior Side (N)	10 ft. 12.5 ft.
Max. Proposed Height:	25 ft.	Interior Side (S)	10 ft. 10 ft.
Highest Point/Ridge:	140.0 MSL	Rear (W)	25 ft. 54'-8 3/4"
Overlay Zone(s):	SROZ		
PROPOSED PROJECT INFORMATION			
Principal Residence:		Detached Structure:	
Subterranean Basement Area:	2,327 ft ²	Lower Level Detached Garage:	770 ft ²
Main Floor Living Area:	1,925 ft ²	Lower Level Living Area:	60 ft ²
Upper Level Living Area:	1,848 ft ²	Main Level Detached ADU:	525 ft ²
			Subtotal:
			7,455 ft ²
			Required Parking Exemption:
			- 400 ft ²
			Basement FAR Exemption:
			- 2,141 ft ²
			Total Proposed FAR:
			4,914 ft²
Proposed Grading: 230 yd ³ of cut, 930 yd ³ of fill and 700 yd ³ of import 130 yd ³ for removal and recompaction and 17yd ³ for footings			
Proposed Parking: 2-Car Attached Garage		Required Permits:	
Proposed Fences and Walls: Yes		DRP: A DRP is required for a structure that exceeds 60% of the maximum allowable floor area, a second story that exceeds 35% of the first floor, and for grading in excess of 100 cubic yards (aggregate).	
Proposed Accessory Dwelling Unit: No			
Proposed Accessory Structure: A detached shed			
Existing Development: Vacant Lot		SDP: A SDP is required for a new structure that exceeds 16 feet in height from the existing grade.	

Development Review Permit Compliance (SBMC Section 17.68.40):

A DRP is required for the following reasons: 1) the proposal includes an aggregate grading quantity that exceeds 100 cubic yards of grading; 2) for the construction of a residence in excess of 60% of the maximum allowable floor area; and 3) the construction of a second story that exceeds 35% of the first level floor area.

In addition to meeting zoning requirements, the project must also be found in compliance with development review criteria. The following is a list of the development review criteria topics:

1. Relationship with Adjacent Land Uses
2. Building and Structure Placement
3. Landscaping
4. Roads, Pedestrian Walkways, Parking, and Storage Areas
5. Grading

6. Lighting
7. Usable Open Space

The following is a discussion of the findings for a DRP as each applies to the proposed project as well as references to recommended conditions of approval contained in Resolution 2020-081. The Council may approve, or conditionally approve, a DRP only if all of the findings listed below can be made:

1. The proposed development is consistent with the general plan and all applicable requirements of the zoning ordinance including special regulations, overlay zones, and specific plans.
2. The proposed development complies with the development review criteria.
3. All required permits and approvals issued by the city, including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.
4. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicant obtaining the required permit or approval from the other agency.

If the above findings cannot be made, the Council shall deny the DRP.

In addition to meeting zoning requirements, the project must also be found in compliance with development review criteria. The following is a discussion of the applicable development review criteria as they relate to the proposed project.

Relationship with Adjacent Land Uses:

The property is located within the LR Zone. The surrounding neighborhood consists of a mix of properties that are one- and two-story single-family residences. The project site is currently vacant. The Applicant proposes to construct a multi-level, single-family residence with a detached garage with an ADU on the second level and perform associated site improvements.

As designed, the project is consistent with the permitted uses for the LR Zone as described in Solana Beach Municipal Code (SBMC) Sections 17.20.010 and 17.12.020, which permits one single-family residence. The property is designated Low Density Residential in the General Plan and intended for single-family residential development with a maximum density of three dwelling units per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan areas; however, it is located within the boundaries of the SROZ and within the Coastal Zone. The project has been evaluated, and could be found to be in conformance with, the regulations of the SROZ.

Building and Structure Placement:

The site is currently vacant. The Applicant is proposing to excavate soil on the east side of the lot and fill on the west side of the lot to provide a flat building pad. Excavation will also take place in order to provide a partially subterranean basement level in the proposed residence. From S. Rios Avenue, the home appears to be two stories as the basement level would not be visible from the front or the sides. The proposed detached garage would have approximately the same finished floor level as the basement of the residence and would daylight toward the western property lines where the garage doors would be located. Between the house and the detached garage, the Applicant is proposing to construct a pool, spa, planters, a covered patio for the ADU and a covered living area for the residence. The covered patio for the residence would also have a barbeque area. The proposed driveway would be located in the northeast corner of the lot and would run along the northern property line to the west side of the buildable area. Towards the center of the lot, a covered carport would provide access to the kitchen on the main floor. The driveway would provide access to the garage that would face the western property line.

The LR Zone requires 25-foot front and rear yard setbacks and 10-foot interior side yard setbacks. The proposed residence would be set back approximately 26.5 feet from the front property line, 12.5 feet from the north side property line, 10 feet from the south side property line, and 54 feet and 8 ¾ inches from the rear property line.

The 6,100 square-foot residence will consist of three levels. The basement would have a laundry room, mechanical room, an elevator, game room, powder room and four bedrooms with their own attached bathrooms. The main level would consist of an open concept living room, dining room and kitchen, a laundry room and two powder rooms. A covered patio area is proposed along the western elevation of the main level. The upper level would consist of the master suite and an office/gym/nursery room with an attached bathroom. A walk out deck is proposed along the entire west side of the upper level. The detached garage is proposed to have a finished floor level at approximately the same elevation as the finished floor of the basement. The garage, however, would have exposure along the western and northern elevations and would not qualify as basement. Above the garage, the Applicant is proposing an ADU that would consist of a bedroom, living room, kitchen and a bathroom. The ADU would have the same finished floor as the main level of the residence. Between the main floor of the residence and the ADU, the Applicant is proposing a patio area with a pool, spa, and planting area. The residence and the ADU would have their own covered patio areas.

In order to determine the amount of the basement area that is exempt from the calculation of floor area, the 2% formula would be used. The 2% formula is as follows:

$$\text{Total basement area} \times \text{length of exposure} \times 2\% = \text{area to be included in FAR}$$

Exposure is anywhere when the finished floor of the main level above the basement is more than three feet above the lower of the existing or proposed grade adjacent to the basement level. As designed, the only exposure on the basement level is where the Applicant is proposing an entry off of a covered walkway from the detached garage. Therefore, the 2% formula for the proposed design is as follows:

$$2,327 \text{ SF} \times 4 \text{ LF} \times 0.02 = 186 \text{ SF to be included in FAR}$$

2,141 of the basement area is exempt from the calculation of floor area.

The maximum allowable floor area for the lot is calculated as follows:

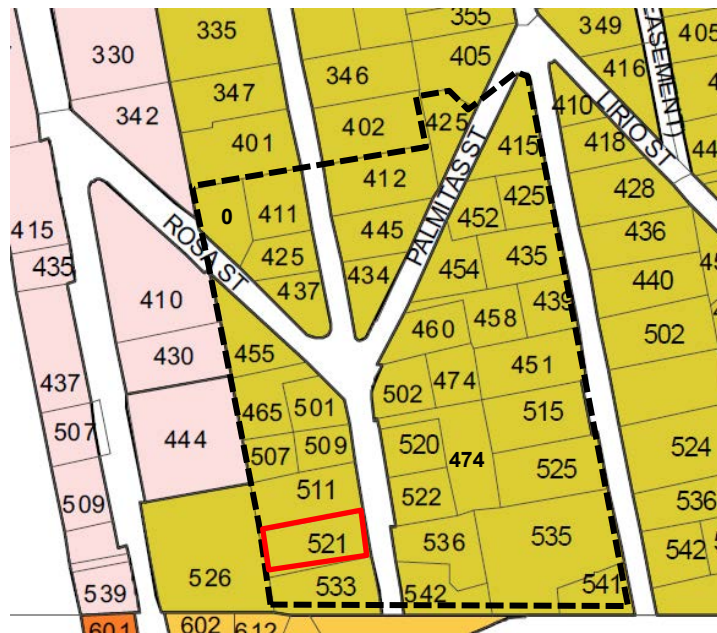
0.500 for first 6,000 ft ²	3,000 ft ²
0.175 for 6,001 – 15,000 ft	1,575 ft ²
<u>0.10 for 15,001 – 20,000 ft</u>	<u>342 ft²</u>
Total Allowable Floor Area:	4,917 ft ²

The total square footage for the proposed design is 7,455 square feet. After a 400 square foot exemption for required parking and a 2,141 square foot exemption for the proposed basement area, the total proposed floor area is 4,914 square feet.

The proposed project, as designed, meets the minimum required front-, side- and rear-yard setbacks and is at the maximum allowable floor area for the property.

Neighborhood Comparison:

Staff compared the proposed project to 28 other properties within the S. Rios, Palmitas, Rosa and Granados neighborhood as shown on the following map:



The properties evaluated in this comparison are located in the LR Zone. The existing homes range in size from 1,064 square feet to 5,559 square feet, according to the County Assessor records. It should be noted that the County Assessor does not include the garage in the total square footage. Accordingly, the building area of the proposed project has been calculated for comparison purposes by deleting the area of the existing and proposed garages as follows:

Project Gross Building Area:	7,455 ft ²
Delete Garage:	- 770 ft ²
Project Area for Comparison to Assessor's Data:	6,685 ft ²

Table 2 is based upon the County Assessor's data and SanGIS data. It contains neighboring lot sizes, the square footage of existing development and the maximum allowable square footage for potential development on each lot

Table 2						
#	Property Address	Lot Size in ft2 (GIS)	Existing ft2 Onsite (Assessor's)	Proposed / Recently Approved ft ²	Max. Allowable ft ²	Zone
1	445 Palmitas Street	14,925	5,559		3,562	LR
2	434 S. Rios Avenue	13,153	1,224		3,252	LR
3	425 Palmitas Street	10,517	3,055		3,790	LR
4	412 S. Rios Avenue	19,430	1,764		5,018	LR
5	411 S. Rios Avenue	13,108	n/a		4,244	LR
6	0 Rosa Street	12,371	n/a		4,115	LR
7	425 S. Rios Avenue	9,975	3,461		3,695	LR
8	437 S. Rios Avenue	10,127	2,992		3,722	LR
9	455 Rosa Street	14,593	1,430		4,504	LR
10	501 S. Rios Avenue	9,511	1,496		3,614	LR
11	507 S. Rios Avenue	7,169	2,408		3,205	LR
12	509 S. Rios Avenue	7,987	2,062		3,348	LR
13	465 Rosa Street	12,785	2,192		4,187	LR
14	511 S. Rios Avenue	18,403	n/a		4,915	LR
15	521 S. Rios Avenue	18,420	n/a	6,685	4,917	LR
16	533 S. Rios Avenue	17,346	4,732		4,810	LR
17	415 S. Granados Avenue	15,652	3,408		4,640	LR
18	451 S. Granados Avenue	19,914	2,794		5,066	LR
19	515 S. Granados Avenue	18,576	3,992		4,923	LR
20	525 S. Granados Avenue	20,646	795		5,107	LR
21	535 S. Granados Avenue	45,753	5,322		6,363	LR
22	541 S. Granados Avenue	9,950	2,579		3,691	LR

Table 2						
#	Property Address	Lot Size in ft2 (GIS)	Existing ft2 Onsite (Assessor's)	Proposed / Recently Approved ft ²	Max. Allowable ft ²	Zone
23	439 S. Granados Avenue	9,789	3,170		3,644	LR
24	458 Palmitas Street	12,190	3,078		4,083	LR
25	460 Palmitas Street	12,212	3,262		4,087	LR
26	435 S. Granados Avenue	15,207	3,814		4,596	LR
27	454 Palmitas Street	11,949	3,896		4,041	LR
28	502 S. Rios Avenue	10,706	3,592		3,824	LR
29	474 Palmitas Street	9,231	3,231		3,565	LR
30	474 S. Rios Avenue	19,410	n/a		5,016	LR
31	520 S. Rios Avenue	10,157	n/a		3,727	LR
32	522 S. Rios Avenue	10,253	3,119		3,744	LR
33	536 S. Rios Avenue	16,268	2,474		4,702	LR
34	542 S. Rios Avenue	12,871	3,043		4,202	LR
35	425 S. Granados Avenue	9,667	1,064		3,642	LR
36	452 Palmitas Street	8,929	2,483		3,513	LR

Fences, Walls and Retaining Walls:

Within the front yard setback area, SBMC Section 17.20.040(O) allows fences and walls, or any combination thereof, to be no higher than 42 inches in height as measured from existing grade, except for an additional two feet of fence that is at least 80% open to light. However, one walkway feature is allowed up to a maximum height of 6 feet provided 50% of this feature is open to light and air and also allows one driveway architectural feature up to a maximum height of 10 feet provided at least 50% of the area of this feature is open to light and air. Fences, walls and retaining walls located within the rear and interior side yards are allowed to be up to six feet in height with an additional 2 feet that is 50% open to light and air.

The Applicant is proposing new retaining walls on each side of the proposed residence. Within the required front yard setback, these walls would not exceed 3.5 feet as measured from the existing grade. In the rear and side yard setbacks, the proposed retaining walls would range in height from below the existing grade by approximately 1.5 feet to 4.5 feet above the existing grade. Within the buildable area on the south side of the patio area between the ADU and the residence, the Applicant is proposing a 6 foot wall for privacy. A 6 foot fence is also proposed along the northern property line for the pool enclosure. The proposed fences and walls comply with the requirements of SBMC 17.20.040(O) and 17.60.070(C).

Landscape:

The project is subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. According to SBMC Section 17.56.040, the regulations apply to modified irrigated landscape areas that exceed 500 square feet. The Applicant proposes to modify 6,965 square feet of irrigated landscape area.

The Applicant provided a conceptual landscape plan that has been reviewed by the City's third-party landscape architect, who has recommended approval. The Applicant will be required to submit detailed construction landscape drawings that will be reviewed by the City's third-party landscape architect for conformance with the conceptual plan. In addition, the City's third-party landscape architect will perform inspections during the construction phase of the project. A separate condition has been added to require that native or drought-tolerant and non-invasive plant materials and water-conserving irrigation systems are required to be incorporated into the landscaping to the extent feasible.

Parking:

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The Applicant is proposing to construct a 770 square foot attached garage which provides three compliant parking spaces that are 9 X 19 feet and clear of obstruction. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. Therefore, the garage area of 400 square feet is exempt from the project's floor area calculation.

No additional parking is required for the proposed ADU, even though an additional space is being provided, because the property is within a half mile of a public transit stop.

Grading:

The project would include grading in the amount of 1,700 yd³ of cut, 600 yd³ of fill and 1,100 yd³ of import, 130 yd³ for removal and recompaction and 17 yd³ for footings. The Applicant is proposing to excavate soil on the east side of the lot and fill on the west side of the lot in order to provide less of a change in grade as you travel west on the property. Excavation will also take place in order to provide a partially subterranean basement level below the proposed residence. From S. Rios Avenue, the home appears to be two stories, the basement level would not be visible from the front or the sides. The proposed detached garage would have the approximately the same finished floor level as the basement of the residence, however, the west side of the proposed detached garage would be exposed in order to provide vehicular access. Excavation would also take place along the northern property line to provide vehicular access from S. Rios Avenue, along the property to the garage that is proposed towards the rear yard area.

Lighting:

A condition of project approval is that all new exterior lighting fixtures comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

Usable Open Space:

The project consists of the construction of a new two-story, single-family residence with an attached garage; therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040.

Structure Development Permit Compliance:

The proposed structure exceeds 16 feet in height above the existing grade, therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicant was required to complete the SDP process. The Story Pole Height Certification was certified by a licensed land surveyor on February 24, 2020 showing a maximum building height of 25 feet above the existing grade. Notices were mailed to property owners and occupants within 300 feet of the project site establishing a deadline to file for View Assessment by April 23, 2020. No applications for View Assessment were received. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

As a condition of approval, a height certification prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 25 feet above the existing grade or 140.0 feet above MSL, which is the maximum proposed structure height reflected on the project plans.

In conclusion, the proposed project, as conditioned, could be found to be consistent with the Zoning regulations and the General Plan. Staff has prepared draft findings for approval of the project in the attached Resolution 2020-081 for Council's consideration based upon the information in this report. The applicable SBMC sections are provided in italicized text and conditions from the Community Development, Engineering, and Fire Departments are incorporated in the Resolution of Approval. Additionally, as a condition of project approval, the Applicant would be required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of a Building Permit. The Council may direct Staff to modify the Resolution to reflect the findings and conditions it deems appropriate as a result of the public hearing process. If the Council determines the project is to be denied, Staff will prepare a Resolution of Denial for adoption at a subsequent Council meeting.

Public Hearing Notice:

Notice of the City Council Public Hearing for the project was published in the Union Tribune more than 10 days prior to the public hearing. The same public notice was mailed to property owners and occupants within 300 feet of the proposed project site on June 11, 2020. As of the date of preparation of this Staff Report, Staff has not received any formal correspondence from neighbors or interested parties in support of, or in opposition to, the proposed project.

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15303 of the State CEQA Guidelines. Class 3 consists of construction and location of limited numbers of new, small facilities or structures. Examples of this exemption include one single-family residence or second dwelling unit in a residential zone. In urbanized areas, up to three-single-family residences may be constructed or converted under this exemption.

FISCAL IMPACT: N/A

WORK PLAN: N/A

OPTIONS:

- Approve Staff recommendation adopting the attached Resolution 2020-081.
- Approve Staff recommendation subject to additional specific conditions necessary for the City Council to make all required findings for the approval of a SDP and DRP.
- Deny the project if all required findings for the DRP cannot be made.

DEPARTMENT RECOMMENDATION:

The proposed project meets the minimum objective requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and administratively issue a SDP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt Resolution 2020-081 conditionally approving a DRP and an SDP for a new multi-level single-family residence with detached garage with an ADU above the garage

and to perform associated site improvements at 521 S. Rios Avenue, Solana Beach.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-081
2. Project Plans

RESOLUTION 2020-081

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING A DEVELOPMENT REVIEW PERMIT AND AN ADMINISTRATIVE STRUCTURE DEVELOPMENT PERMIT TO CONSTRUCT A NEW MULTI-LEVEL, SINGLE-FAMILY RESIDENCE WITH A PARTIALLY SUBTERRANEAN BASEMENT AND A DETACHED GARAGE WITH AN ACCESSORY DWELLING UNIT ABOVE THE GARAGE AND PERFORM ASSOCIATED SITE IMPROVEMENTS AT 521 S. RIOS AVENUE, SOLANA BEACH

APPLICANT: North County Coastal, LLC

CASE NO.: DRP19-003 SDP19-004

WHEREAS, North County Coastal, LLC (hereinafter referred to as “Applicant”), has submitted an application for a Development Review Permit (DRP) and Structure Development Permit (SDP) pursuant to Title 17 (Zoning) of the Solana Beach Municipal Code (SBMC); and

WHEREAS, the Public Hearing was conducted pursuant to the provisions of Solana Beach Municipal Code Section 17.72.030; and

WHEREAS, at the Public Hearing on June 24, 2020, the City Council received and considered evidence concerning the proposed application; and

WHEREAS, the City Council found the application request exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and

WHEREAS, this decision is based upon the evidence presented at the hearing, and any information the City Council gathered by viewing the site and the area as disclosed at the hearing.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

- I. That the foregoing recitations are true and correct.
- II. That the request for a DRP and SDP to construct a new multi-level 6,100 square foot, single-family residence with a partially subterranean lower level, a detached building with a 770 square foot garage on the first floor and a 585 square foot Accessory Dwelling Unit (ADU) on the second floor and perform associated site improvements at 521 S. Rios Avenue is conditionally approved based upon the following Findings and subject to the following Conditions:

III. FINDINGS

- A. In accordance with Section 17.68.040 (Development Review Permit) of the City of Solana Beach Municipal Code, the City Council finds the following:

- I. *The proposed project is consistent with the General Plan and all applicable requirements of SBMC Title 17 (Zoning Ordinance), including special regulations, overlay zones and specific plans.*

General Plan Consistency: The project, as conditioned, is consistent with the City's General Plan designation of Low Density Residential in the General Plan and intended for single-family residential development with a maximum density of three dwelling units per acre. The development is also consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

Zoning Ordinance Consistency: The project is consistent with all applicable requirements of the Zoning Ordinance (Title 17) (SBMC 17.20.030 and 17.48.040), which delineates maximum allowable Floor Area Ratio (FAR), Permitted Uses and Structures (SBMC Section 17.20.020) which provides for uses of the property for a single-family residence. Further, the project adheres to all property development regulations established for the Low Residential (LR) Zone and cited by SBMC Section 17.020.030.

The project is meets the minimum required front-, side- and rear-yard setbacks and is at the maximum allowable Floor Area Ratio (FAR) for the property.

- II. *The proposed development complies with the following development review criteria set forth in Solana Beach Municipal Code Section 17.68.040.F:*

- a. *Relationship with Adjacent Land Uses: The development shall be designed in a manner compatible with and complementary to existing development in the immediate vicinity of the project site and the surrounding neighborhood. The development as proposed shall also be compatible in scale, apparent bulk, and massing with such existing development in the surrounding neighborhood. Site planning on or near the perimeter of the development shall give consideration to the protection of surrounding areas from potential adverse effects.*

The subject site is located within the Low Residential (LR) Zone. The surrounding neighborhood consists of a mix of one-and two-story single-family residences. The project site is currently vacant. The Applicant proposes to construct a new multi-level single-family residence with a partially subterranean basement, a detached garage with an ADU above the garage and associated site improvements including a new driveway, pool, spa, covered patios, and a barbeque (bbq) area.

As designed, the project is consistent with the permitted uses for the LR Zone as described in Solana Beach Municipal Code (SBMC) Sections 17.20.010 and 17.12.020, which permits one single-family residence and one ADU. The property is designated Low Density Residential in the General Plan and intended for single-family residences developed at a maximum density of three dwelling units per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan areas; however, it is located within the boundaries of the SROZ and within the Coastal Zone. The project has been evaluated, and is in conformance with, the regulations of the SROZ. As a condition of project approval, the Applicant is required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of a Building Permit.

- b. Building and Structure Placement: Buildings and structures shall be sited and designed to minimize adverse impacts on the surrounding properties and designed in a manner which visually and functionally enhance their intended use and complement existing site topography. Multi-family residential buildings shall be sited to avoid crowding and to allow for a functional use of the space between buildings.*

The site is currently vacant. The Applicant is proposing to excavate soil on the east side of the lot and fill on the west side of the lot to provide a flat building pad. Excavation will also take place in order to provide a partially subterranean basement level in the proposed residence. From S. Rios Avenue, the home appears to be two stories, the basement level would not be visible from the front or the sides. The proposed detached garage would have the approximately the same finished floor level as the basement of the residence and would daylight toward the western property lines where the garage doors would be located. Between the house and the detached garage, the Applicant is proposing to construct a pool, spa, planters, a covered patio for the ADU and a covered living area for the residence. The covered patio for the residence would also have a bbq area. The proposed driveway would be located in the northeast corner of the lot and would run along the northern property line to the west side of the buildable area. Towards the

center of the lot, a covered carport would provide access to the kitchen on the main floor. The driveway would provide access to the garage that would face the western property line.

The LR Zone requires 25-foot front and rear yard setbacks, 10-foot interior side yard setbacks. The proposed residence would be set back approximately 26.5 feet from the front property line, 12.5 feet from the north side property line, 10 feet from the south side property line, and 54 feet and 8 $\frac{3}{4}$ inches from the rear property line.

The 6,100 square-foot residence will consist of three levels. The basement would have a laundry room, mechanical room, an elevator, game room, powder room and four bedrooms with their own attached bathrooms. The main level would consist of an open concept living room, dining room and kitchen, a laundry room and two powder rooms. A covered patio area is proposed along the western elevation of the main level. The upper level would consist of the master suite and an office/gym/nursery room with an attached bathroom. A walk out deck is proposed along the entire west side of the upper level. The detached garage is proposed to have a finished floor level at approximately the same elevation as the finished floor of the basement. The garage, however, would have exposure along the western and northern elevations and would not qualify as basement. Above the garage, the Applicant is proposing an ADU that would consist of a bedroom, living room kitchen and a bathroom. The ADU would have the same finished floor as the main level of the residence. Between the main floor of the residence and the ADU, the Applicant is proposing a patio area with a pool, spa, and planting area. The residence and the ADU would have their own covered patio areas.

The SBMC parking regulations require two off-street parking spaces, 9' x 19' clear, per single-family residence. The SBMC indicates that when required spaces are provided in a garage, up to 200 square feet of floor area is exempted for each required space. As designed, the proposed residence would provide three parking spaces; therefore, the project is afforded a 400 square-foot exemption.

An ADU is proposed above the proposed detached garage. This project was submitted in August of 2019, prior to the most recent changes to the ADU regulations. Therefore, the ADU is required to be included in the calculation of floor area and is permitted to be located above a detached garage.

In order to determine the amount of the basement area that is exempt from the calculation of floor area, the 2% formula would be used. The 2% formula is as follows:

Total basement area X length of exposure X 2% = area to be included in FAR

Exposure is anywhere when the finished floor of the main level above the basement is more than three feet above the lower of the existing or proposed grade adjacent to the basement level. As designed, the only exposure on the basement level is where the Applicant is proposing an entry off of a covered walkway from the detached garage. Therefore, the 2% formula for the proposed design is as follows:

$$2,327 \text{ SF} \times 4 \text{ LF} \times 0.02 = 186 \text{ SF to be included in FAR}$$

186 square feet of the basement area would be included in the calculation of floor area and 2,141 of the basement area is exempt.

The total square footage for the proposed design is 7,455 square feet. After a 400 square foot exemption for required parking and a 2,142 square foot exemption for the proposed basement area, the total proposed floor area is 4,913 square feet.

The proposed project, as designed, meets the minimum required front-, side- and rear-yard setbacks and is at the maximum allowable floor area for the property.

- c. *Landscaping: The removal of significant native vegetation shall be minimized. Replacement vegetation and landscaping shall be compatible with the vegetation of the surrounding area. To the maximum extent practicable, landscaping and plantings shall be used to screen parking areas, storage areas, access roads, and other service uses of the site. Trees and other large plantings shall not obstruct significant views when installed or at maturity. Drought tolerant plant materials and water conserving irrigation systems shall be incorporated into all landscaping plans.*

The project is subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. According to SBMC Section 17.56.040, the regulations apply to modified irrigated landscape areas that exceed 500 square feet. The Applicant proposes to modify 6,965 square feet of irrigated landscape area.

The Applicant provided a conceptual landscape plan that has been reviewed by the City's third-party landscape architect, who has recommended approval. The Applicant will be required to submit detailed construction landscape drawings that will be reviewed by the City's third-party landscape architect for conformance with the conceptual plan. In addition, the City's third-party landscape architect will perform inspections during the construction phase of the project. A separate condition has been added to require that native or drought-tolerant and non-invasive plant materials and water-conserving irrigation systems are required to be incorporated into the landscaping to the extent feasible.

- d. *Roads, Pedestrian Walkways, Parking and Storage Areas: Any development involving more than one building or structure shall provide common access roads and pedestrian walkways. Parking and outside storage areas, where permitted, shall be screened from view, to the extent feasible, by existing topography, by the placement of buildings and structures, or by landscaping and plantings.*

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The Applicant is proposing to construct a 770 square foot attached garage which provides three compliant parking spaces that are 9 X 19 feet and clear of obstruction. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. Therefore, the garage area of 400 square feet is exempt from the project's floor area calculation.

No additional parking is required for the proposed ADU, even though an additional space is being provided, because the property is within a half mile of a public transit stop.

- e. *Grading: To the extent feasible, natural topography and scenic features of the site shall be retained and incorporated into the proposed development. Any grading or earth-moving operations in connection with the proposed development shall be planned and executed so as to blend with the existing terrain both on and adjacent to the site. Existing exposed or disturbed slopes shall be landscaped with native or naturalized non-native vegetation and existing erosion problems shall be corrected.*

The project would include grading in the amount of 1,700 yd³ of cut, 600 yd³ of fill and 1,100 yd³ of import, 130 yd³ for removal

and recompaction and 17 yd³ for footings. The Applicant is proposing to excavate soil on the east side of the lot and fill on the west side of the lot in order to provide less of a change in grade as you travel west on the property. Excavation will also take place in order to provide a partially subterranean basement level below the proposed residence. From S. Rios Avenue, the home appears to be two stories, the basement level would not be visible from the front or the sides. The proposed detached garage would have the approximately the same finished floor level as the basement of the residence, however, the west side of the proposed detached garage would be exposed in order to provide vehicular access. Excavation would also take place along the northern property line to provide vehicular access from S. Rios Avenue, along the property to the garage that is proposed towards the rear yard area.

- f. *Lighting: Light fixtures for walkways, parking areas, driveways, and other facilities shall be provided in sufficient number and at proper locations to assure safe and convenient nighttime use. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding areas per SBMC 17.60.060 (Exterior Lighting Regulations).*

All new exterior lighting fixtures shall comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

- g. *Usable Open Space: Recreational facilities proposed within required usable open space shall be located and designed to maintain essential open space values.*

The project consists of the construction of an addition to an existing single-family residence, therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040. As a condition of approval, the Applicant will pay the park development fee for building on a vacant lot.

- III. *All required permits and approvals including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.*

All required permits are being processed concurrently with the Development Review Permit.

- IV. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicants obtaining the required permit or approval from the other agency.*

The Applicant shall obtain approval from the California Coastal Commission prior to issuance of Building Permits.

- B. In accordance with Section 17.63.040 (Structure Development Permit) of the Solana Beach Municipal Code, the City Council finds the following:

The proposed structure exceeds 16 feet in height above the existing grade, therefore, the project shall comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicant was required to complete the SDP process. The Story Pole Height Certification was certified by a licensed land surveyor on February 20, 2020 showing a maximum building height of 25 feet above the existing and proposed grade. Notices were mailed to property owners and occupants within 300 feet of the project site establishing a deadline to file for View Assessment by April 23, 2020. No applications for View Assessment were received. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

As a condition of approval, a height certification prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 25 feet above the proposed grade or 140.0 feet above MSL, which is the maximum proposed structure height reflected on the project plans.

IV. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicant shall provide for and adhere to the following conditions:

- A. Community Development Department Conditions:
- I. The Applicant shall pay required Fire Mitigation, Park Development and Public Use Facilities Impact Fees, as established by SBMC Chapter 15.60, Chapter 15.65, Chapter 15.66, and Resolution 2018-147.
 - II. Building Permit plans must be in substantial conformance with the architectural plans presented to the City Council on June 24, 2020, and located in the project file with a submittal date of June 11, 2020.

- III. Prior to requesting a framing inspection, the Applicant shall be required to submit a height certification, signed by a licensed land surveyor, certifying that the building envelope is in conformance with City Council approval on June 24, 2020, which shall not exceed 25 feet in height from the proposed grade or 140.0 feet above MSL.
- IV. Any proposed onsite fences, walls and retaining walls and any proposed railing located on top, or any combination thereof, shall comply with applicable regulations of SBMC Section 17.20.040 and 17.60.070 (Fences and Walls).
- V. The Applicant shall obtain required California Coastal Commission (CCC) approval of a Coastal Development Permit, Waiver or Exemption as determined necessary by the CCC, prior to the issuance of a grading or building permit.
- VI. Native or drought tolerant and non-invasive plant materials and water conserving irrigation systems shall be incorporated into any proposed landscaping and compatible with the surrounding area to the extent feasible.
- VII. Any new exterior lighting fixtures shall be in conformance with the City-Wide Lighting Regulations of SBMC 17.60.060.
- VIII. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities that render them detrimental to the surrounding area.
- IX. The Applicant shall connect to temporary electrical service as soon as feasible to the satisfaction of the City.
- X. Construction vehicles shall be parked on the subject property at all times when feasible. If construction activity prohibits parking on the subject property, the Applicants shall ensure construction vehicles are parked in such a way to allow sufficient vehicular access on the street and minimize impact to the surrounding neighbors.

B. Fire Department Conditions:

- I. **ACCESS ROAD MINIMUM DIMENSIONS:** Fire apparatus access roads shall have an unobstructed improved width of not less than 20 feet; curb line to curb line, and an unobstructed vertical clearance of not less than 13 feet 6 inches. Exception: Single-Family residential driveways; serving no more than two single-family dwellings, shall have minimum of 16 feet, curb line to curb line, of unobstructed improved width. Access roads shall be designed and maintained to support the imposed loads of not less than 75,000 pounds and shall

be provided with an approved paved surface to provide all-weather driving capabilities.

- II. **DEAD ENDS:** All dead-end fire access roads in excess of 150 feet in length shall be provided with an approved area for turning around fire apparatus. A cul-de-sac shall be provided in residential areas where the access roadway serves more than four (4) structures. The minimum unobstructed paved radius width for a cul-de-sac shall be 36 feet in residential areas with no parking.
- III. **GRADE:** The gradient for a fire apparatus access roadway shall not exceed 20.0%. Grades exceeding 15.0% (incline or decline) shall not be permitted without mitigation. Minimal mitigation shall be a surface of Portland cement concrete, with a deep broom finish perpendicular to the entire direction of travel. Additional mitigation measures may be required where deemed appropriate. The angle of departure and angle of approach of a fire access roadway shall not exceed seven degrees (12 percent).
- IV. **GATES:** All gates or other structures or devices, which could obstruct fire access roadways or otherwise hinder emergency operations, are prohibited unless they meet standards approved by the Fire Department. An approved emergency key-operated switch and/or an approved emergency traffic control-activating strobe light sensor shall be installed per Solana Beach Fire Department standards.
- V. **AUTOMATIC FIRE SPRINKLER SYSTEM-ONE AND TWO FAMILY DWELLINGS:** Structures shall be protected by an automatic fire sprinkler system designed and installed to the satisfaction of the Fire Department. Plans for the automatic fire sprinkler system shall be approved by the Fire Department prior to installation.
- VI. **Basement:**
 - a. All basements shall be designed and equipped with emergency exit systems consisting of operable windows, window wells or exit doors that lead directly outside via staircase and exit door or exit door at grade.
 - b. Window wells/Light wells that intrude into side yard or backyard setbacks of five feet or less, shall require a hinged grating covering the window well/lightwell opening. The grating shall be capable of supporting a weight of 250lb person; yet must be able to be opened by someone of minimal strength with no special knowledge, effort or use of key or tool. Any modification of previously approved plans related to this condition shall be

subject to re-submittal and review by City Staff (Fire, Building, Planning).

C. Engineering Department Conditions:

- I. The Applicant is required to obtain an Encroachment Permit in accordance with SBMC Section 11.20 prior to any work being done in the public right-of-way. These include, but are not limited to:
 - a. Construction of 9" X 9" X 12" low profile mountable concrete curb along S. Rios Avenue with transitions to the existing improvements on both sides.
 - b. Construction of a 10' wide, Stabilized, Compacted Decomposed Granite graded at 2% towards the curb.
 - c. Proposed retaining wall on the Northeast corner of the property.
 - d. Driveway approach.
- II. The Applicant shall record the Encroachment Maintenance Removal Agreement (EMRA) with the County of San Diego prior to the release of the Grading Bond and Security Deposit. The EMRA shall be recorded against this property for all improvements in the Public Right-Of-Way including, but not limited to:
 - a. Retaining wall on the Northeast corner of the property.
- III. The Applicant shall pay a TIF (Traffic Impact Fee) associated with the construction of the new single-family residence prior to Building Permit Issuance that is required. The current fee rate for a Residential-Single-Family is \$15,714 per unit.
- IV. The Applicant shall pay a Regional Transportation Congestion Program (RTCIP) Fee prior to Building Permit Issuance is required of this project. The current rate for a single-family dwelling unit is \$3,623.
- V. The Applicant shall dedicate 4' of property frontage for public right-of-way to the City of Solana Beach. The Applicant shall provide the Plat and Legal Description prepared by a Registered Civil Engineer prior to Final Inspection of the Building Permit.
- VI. All construction demolition materials shall be recycled according to the City's Construction and Demolition recycling program and an approved Waste Management Plan shall be submitted.

- VII. Construction fencing shall be located on the subject property unless the Applicant has obtained an Encroachment Permit in accordance with chapter 11.20 of the SBMC which allows otherwise.
- VIII. The Applicant shall underground all new utility services including, but not limited to, electrical and telephone.
- IX. The Applicant shall pay in full the one-time Sewer Capacity Fee of \$4500.00 per Equivalent Dwelling Unit (EDU) prior to Building Permit issuance. The EDU assignment is determined by SBMC 14.08.060. The proposed residential unit would increase the property's EDU assignment by 1.0 EDU. The cost the Applicant is responsible for is \$4,500.00 prior to Building Permit Issuance (1.0 EDU multiplied by \$4,500.00).
 - a. Pay in full the prorated portion of the current annual sewer charge for the remainder of the fiscal year.
 - b. A Sewer Permit and Encroachment Permit are required for the private sewer lateral. The Applicant shall coordinate with the Public Works inspector to allow the inspector to inspect the entire length of the private sewer lines within the public right-of-way before backfilling.
 - c. The Applicant shall record a Hold Harmless Agreement prior to Final Inspection of the Building Permit. The document will hold the City of Solana Beach harmless in case of a sanitary sewer backup due to a blockage in the public sewer main. A backflow prevention device shall be installed on private property
- X. Obtain a Grading Permit in accordance with Chapter 15.40 of the Solana Beach Municipal Code. Conditions prior to the issuance of a grading permit shall include, but not be limited to, the following:
 - a. The Applicant shall obtain a grading plan prepared by a Registered Civil Engineer and approved by the City Engineer. On-site grading design and construction shall be in accordance with Chapter 15.40 of the Solana Beach Municipal Code.
 - b. The Applicant shall obtain a Soils Report prepared by a Registered Soils Engineer and approved by the City Engineer. All necessary measures shall be taken and implemented to assure slope stability, erosion control and soil integrity. The grading plan shall incorporate all recommendations contained in the soils report.

- c. The Applicant shall provide a Drainage Report prepared by a Registered Civil Engineer. This report shall address the design for detention basin and corresponding outflow system to ensure the rate of runoff for the proposed development is at or below that of pre-existing condition. All recommendations of this report shall be incorporated into the Preliminary Grading Plan. A detention basin easement(s) shall be recorded for maintenance of the detention basins by the property owner(s) in perpetuity, prior to Final Inspection of the Building Permit.
- d. The Applicant shall show all retaining walls and drainage structures. Retaining walls shown on the grading plan shall conform to the San Diego Regional Standards or be designed by a licensed civil engineer. Engineering calculations for all designed walls with a surcharge and nonstandard walls shall be submitted at grading plan check. Retaining walls may not exceed the allowable height within the property line setback as determined by the City of Solana Beach Municipal Code. Contact the Community Development department for further information.
- e. The Applicant is responsible to protect the adjacent properties during construction. If any grading, construction activity, access or potential construction-related impacts are anticipated beyond the property lines, as determined by the City Engineer, the Applicant shall obtain a letter of permission from the adjoining property owners. All required letters of permission shall be submitted to the City Engineer prior to the issuance of the grading permit.
- f. Cut and fill slopes shall be set back from site boundaries and buildings shall be set back from cut or fill slopes in accordance with SBMC 15.40.140 and to the satisfaction of the City Engineer.
- g. The Applicant shall pay a grading plan check fee in accordance with the current Engineering Fee Schedule at initial grading plan submittal. Inspection fees shall be paid prior to issuance of the grading permit.
- h. The Applicant shall obtain and submit grading security in a form prescribed by the City Engineer.
- i. The Applicant shall obtain haul permit for import / export of soil. The Applicant shall transport all excavated material to a legal disposal site.
- j. The Applicant shall submit certification from the Engineer of Record and the Soils Engineer that all public or private drainage

facilities and finished grades are functioning and are installed in accordance with the approved plans. This shall be accomplished by the Engineer of Record incorporating as-built conditions on the Mylar grading plans and obtaining signatures of the Engineer of Record and the Soils Engineer certifying the as-built conditions.

- k. An Erosion Prevention and Sediment Control Plan shall be prepared by the Applicant. Best management practices shall be developed and implemented to manage storm water and non-storm water discharges from the site at all times during excavation and grading activities. Erosion prevention shall be emphasized as the most important measure for keeping sediment on site during excavation and grading activities. Sediment controls shall be used as a supplement to erosion prevention for keeping sediment on site.
- l. The Applicant shall show all proposed on-site private drainage facilities intended to discharge water run-off. Elements of this design shall include a hydrologic and hydraulic analysis verifying the adequacy of the facilities and identify any easements or structures required to properly convey the drainage. The construction of drainage structures shall comply with the standards set forth by the San Diego Regional Standard Drawings.
- m. Post Construction Best Management Practices meeting City and RWQCB Order No. R9-2013-001 requirements shall be implemented in the drainage design.
- n. Prior to obtaining a building permit, submit a building pad certification statement from a soils engineer and an engineer or land surveyor licensed in Land Surveying per SBMC 15.40.230E.
- o. The building permit shall be issued concurrently with the grading permit.
- p. No increased cross lot drainage shall be allowed.

V. ENFORCEMENT

Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.1.6 and 1.18 in addition to any applicable revocation proceedings.

VI. EXPIRATION

The Development Review Permit and Structure Development Permit for the project shall expire 24 months from the date of this Resolution, unless the Applicant has obtained building permits and has commenced construction prior to that date, and diligently pursued construction to completion. An extension of the application may be granted by the City Council according to SBMC 17.72.110.

VII. INDEMNIFICATION AGREEMENT

The Applicant shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicant of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicant shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicant regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicant shall not be required to pay or perform any settlement unless such settlement is approved by the Applicant.

NOTICE TO APPLICANT: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this resolution you must comply with the provisions of Government Code Section 66020. Generally the resolution is effective upon expiration of the tenth day following the date of adoption of this resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, held on the 24th day of June, 2020, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RIOS CUSTOM HOME

521 SOUTH RIOS
SOLANA BEACH, CA 92075

All work, design, and arrangements indicated on these drawings are the property of EOS Architecture, Inc. and are intended to be used only for the project and site indicated. No part of these drawings shall be used for any purpose whatsoever without the written consent of the architect. There shall be no change or alterations here, from, change of the accompanying specifications without the written consent of the architect.

RIOS CUSTOM HOME
521 SOUTH RIOS
SOLANA BEACH, CA 92075

PROJECT DIRECTORY	SHEET INDEX	PROJECT INFORMATION	NOTES	VICINITY MAP																																																																																																	
<p>OWNER NORTH COUNTY COASTAL, LLC 1106, 2ND STREET SUITE 637 ENCINITAS, CA 92024</p> <p>ARCHITECT EOS ARCHITECTURE INC. CONTACT: JENNIFER BOLYN 7542 FAY AVE. LA JOLLA, CA 92037 (858) 459-0575 PHONE</p> <p>SURVEYOR TORGERSEN SURVEYING, INC CONTACT: BLAKE E. TORGERSEN 1012 MAR VISTA DR, VISTA, CA 92081 (619) 535-8674 PHONE</p> <p>LANDSCAPE THE DESIGN BUILDING COMPANY CONTACT: ROBERT HILL ENCINITAS, CA 92023 (760) 722-9306 PHONE</p> <p>CIVIL PASCO LARET SUTER & ASSOCIATES CONTACT: BRIAN ARDOLINO 535 N HIGHWAY 101 STE A SOLANA BEACH, CA 92075</p>	<p>ARCHITECTURAL</p> <p>CS1 COVER SHEET SP1 SITE PLAN A1.0 BASEMENT FLOOR PLAN A1.1 FIRST FLOOR PLAN A1.2 SECOND FLOOR PLAN A2.0 FAR DIAGRAM A3.0 ROOF PLAN A4.0 OVERALL SIDE ELEVATION A4.1 BUILDING EXTERIOR ELEVATIONS A4.2 BUILDING EXTERIOR ELEVATIONS A4.3 BUILDING EXTERIOR ELEVATIONS A5.0 BUILDING SECTIONS A5.1 BUILDING SECTIONS A6.0 STORY POLE PLAN A6.1 STORY POLE ELEVATIONS A6.2 STORY POLE ELEVATIONS A6.3 STORY POLES - ADU ELEVATIONS</p> <p>CIVIL</p> <p>C0 TOPOGRAPHY SURVEY C1 PRELIMINARY GRADING C2 SECTIONS</p> <p>LANDSCAPE</p> <p>L-1 LANDSCAPE CONCEPT PLAN L-2 PLANTING PLAN L-3 HIDROZONE PLAN</p>	<p>SCOPE OF WORK: CONSTRUCT NEW TWO STORY SINGLE FAMILY RESIDENCE OVER A BASEMENT, WITH DETACHED ACCESSORY DWELLING UNIT OVER THREE CAR GARAGE, COVERED OUTDOOR LIVING AREA, ASSOCIATED LANDSCAPE AND HARDSCAPE AND RETAINING WALLS</p> <p>LEGAL: PARCEL 2 OF PARCEL MAP NO. 8372</p> <p>APN#: 298-092-1400</p> <p>EXISTING USE: VACANT LOT</p> <p>ZONE : LRC, SROZ</p> <p>SPRINKLERED: YES, PER CFC SECTION 903.2.1.1 AND INSTALLED PER NFPA 13D.</p> <p>PROPOSED GRADING: PER CIVIL DRAWINGS</p> <p>GROSS LOT SIZE: 18,420 SF</p> <table border="1"> <tr> <td colspan="4">FAR - ALLOWABLE:</td> </tr> <tr> <td>FIRST 6,000 SF</td> <td>0.5 X 6,000SF</td> <td>=</td> <td>3,000 SF</td> </tr> <tr> <td>6,001-15,000</td> <td>17.5 X 9,000SF</td> <td>=</td> <td>1,575 SF</td> </tr> <tr> <td>15,001-20,000</td> <td>0.10 X 3,420</td> <td>=</td> <td>342 SF</td> </tr> <tr> <td colspan="2">FAR - ALLOWABLE TOTAL:</td> <td></td> <td>4,917 SF</td> </tr> </table> <p>BASEMENT FAR EXEMPTION CALCULATION</p> <table border="1"> <tr> <td>TOTAL EXPOSURE:</td> <td>4 LF</td> </tr> <tr> <td>4 LF x 0.02 X 2,327 SF =</td> <td>186 SF ATTRIBUTABLE TO FAR</td> </tr> <tr> <td>2,141 SF EXEMPT FROM FAR</td> <td></td> </tr> </table>	FAR - ALLOWABLE:				FIRST 6,000 SF	0.5 X 6,000SF	=	3,000 SF	6,001-15,000	17.5 X 9,000SF	=	1,575 SF	15,001-20,000	0.10 X 3,420	=	342 SF	FAR - ALLOWABLE TOTAL:			4,917 SF	TOTAL EXPOSURE:	4 LF	4 LF x 0.02 X 2,327 SF =	186 SF ATTRIBUTABLE TO FAR	2,141 SF EXEMPT FROM FAR		<p>BUILDING AREA CALCULATION:</p> <table border="1"> <tr> <td colspan="2">MAIN HOUSE</td> </tr> <tr> <td>FIRST FLOOR LIVING AREA</td> <td>1,925 SF</td> </tr> <tr> <td>SECOND FLOOR LIVING AREA</td> <td>1,848 SF</td> </tr> <tr> <td>BASEMENT FLOOR LIVING AREA</td> <td>2,327 SF</td> </tr> <tr> <td>TOTAL MAIN HOUSE</td> <td>6,100 SF</td> </tr> <tr> <td colspan="2">DETACHED ADU AND GARAGE</td> </tr> <tr> <td>FIRST FLOOR LIVING AREA (BATHROOM)</td> <td>60 SF</td> </tr> <tr> <td>FIRST FLOOR GARAGE</td> <td>770 SF</td> </tr> <tr> <td>SECOND FLOOR LIVING AREA</td> <td>525 SF</td> </tr> <tr> <td>TOTAL DETACHED ADU / GARAGE</td> <td>1,355 SF</td> </tr> <tr> <td>TOTAL BUILDING AREA:</td> <td>7,455 SF</td> </tr> <tr> <td>GARAGE PARKING EXEMPTION:</td> <td>-400 SF</td> </tr> <tr> <td>BASEMENT FAR EXEMPTION (SEE CALC)</td> <td>-2,141 SF</td> </tr> <tr> <td>TOTAL BUILDING AREA INCLUDED IN FAR:</td> <td>4,914 SF</td> </tr> <tr> <td colspan="2">OUTDOOR COVERED AREA:</td> </tr> <tr> <td>BASEMENT OUTDOOR COVERED AREA:</td> <td>393 SF</td> </tr> <tr> <td>FIRST FLOOR OUTDOOR COVERED AREA:</td> <td>1,030 SF</td> </tr> <tr> <td>SECOND FLOOR OUTDOOR COVERED AREA:</td> <td>169 SF</td> </tr> <tr> <td>TOTAL COVERED AREA:</td> <td>1,592 SF</td> </tr> <tr> <td>LOT AREA</td> <td>18,420 SF</td> </tr> <tr> <td></td> <td>EXISTING</td> <td>PROPOSED</td> </tr> <tr> <td>NON-LANDSCAPED AREA</td> <td>0 SF</td> <td>9,950 SF</td> </tr> <tr> <td>NON-IRRIGATED LANDSCAPE</td> <td>18,420 SF</td> <td>0 SF</td> </tr> <tr> <td>IRRIGATED LANDSCAPE</td> <td>0 SF</td> <td>6,965 SF</td> </tr> <tr> <td>WATER FEATURES</td> <td>0 SF</td> <td>1,025 SF</td> </tr> <tr> <td>DECORATIVE HARDSCAPE</td> <td>0 SF</td> <td>487 SF</td> </tr> <tr> <td>AGREGATE LANDSCAPE AREA</td> <td>8,477 SF</td> <td></td> </tr> <tr> <td>DECORATIVE HARDSCAPE</td> <td>487 SF</td> <td></td> </tr> <tr> <td>IRRIGATED LANDSCAPE</td> <td>6,965 SF</td> <td></td> </tr> <tr> <td>WATER FEATURES</td> <td>1,025 SF</td> <td></td> </tr> </table>	MAIN HOUSE		FIRST FLOOR LIVING AREA	1,925 SF	SECOND FLOOR LIVING AREA	1,848 SF	BASEMENT FLOOR LIVING AREA	2,327 SF	TOTAL MAIN HOUSE	6,100 SF	DETACHED ADU AND GARAGE		FIRST FLOOR LIVING AREA (BATHROOM)	60 SF	FIRST FLOOR GARAGE	770 SF	SECOND FLOOR LIVING AREA	525 SF	TOTAL DETACHED ADU / GARAGE	1,355 SF	TOTAL BUILDING AREA:	7,455 SF	GARAGE PARKING EXEMPTION:	-400 SF	BASEMENT FAR EXEMPTION (SEE CALC)	-2,141 SF	TOTAL BUILDING AREA INCLUDED IN FAR:	4,914 SF	OUTDOOR COVERED AREA:		BASEMENT OUTDOOR COVERED AREA:	393 SF	FIRST FLOOR OUTDOOR COVERED AREA:	1,030 SF	SECOND FLOOR OUTDOOR COVERED AREA:	169 SF	TOTAL COVERED AREA:	1,592 SF	LOT AREA	18,420 SF		EXISTING	PROPOSED	NON-LANDSCAPED AREA	0 SF	9,950 SF	NON-IRRIGATED LANDSCAPE	18,420 SF	0 SF	IRRIGATED LANDSCAPE	0 SF	6,965 SF	WATER FEATURES	0 SF	1,025 SF	DECORATIVE HARDSCAPE	0 SF	487 SF	AGREGATE LANDSCAPE AREA	8,477 SF		DECORATIVE HARDSCAPE	487 SF		IRRIGATED LANDSCAPE	6,965 SF		WATER FEATURES	1,025 SF		<p>1. OBSTRUCTION OF ROADWAYS DURING CONSTRUCTION: ALL ROADWAYS SHALL BE A MINIMUM OF 24' IN WIDTH DURING CONSTRUCTION AND MAINTAINED FREE AND CLEAR, INCLUDING THE PARKING OF VEHICLES, IN ACCORDANCE WITH THE CALIFORNIA FIRE CODE AND THE FIRE DEPARTMENT.</p> <p>2. ADDRESS NUMBERS: STREET NUMBERS: APPROVED NUMBERS AND/ OR ADDRESSES SHALL BE PLACES ON ALL NEW AND EXISTING BUILDINGS AND AT APPROPRIATE ADDITIONAL LOCATIONS AS TO BE PLAINLY VISIBLE AND LEGIBLE FROM THE STREET OR ROADWAY FRONTING THE PROPERTY FROM EITHER DIRECTION OF APPROACH. SAID NUMBERS SHALL CONTRAST WITH THEIR BACKGROUND, AND SHALL MEET THE FOLLOWING MIN. STANDARDS AS TO SIZE: 4" HIGH WITH A 1/2" STROKE WIDTH FOR RESIDENTIAL BUILDINGS, 8" HIGH WITH A 1/2" STRIKE FOR COMMERCIAL AND MULTI-FAMILY RESIDENTIAL BUILDINGS, 12" HIGH WITH A 1" STROKE FOR INDUSTRIAL BUILDINGS. ADDITIONAL NUMBERS SHALL BE REQUIRED WHERE DEEMED NECESSARY BY FIRE MARSHAL, SUCH AS REAR ACCESS DOORS, BUILDING CORNERS AND ENTRANCES TO COMMERCIAL CENTERS.</p> <p>3. AUTOMATIC FIRE SPRINKLERS SYSTEMS: ONE AND TWO FAMILY DWELLINGS: STRUCTURES SHALL BE PROTECTED BY AN AUTOMATIC FIRE SPRINKLER SYSTEM DESIGNED AND INSTALLED TO THE SATISFACTION OF THE FIRE DEPARTMENT. PLANS FOR THE AUTOMATIC FIRE SPRINKLER SYSTEM SHALL BE APPROVED BY THE FIRE DEPARTMENT.</p> <p>4. SMOKE DETECTORS/ CARBON MONOXIDE ALARMS/ FIRE SPRINKLER SYSTEMS: SMOKE DETECTORS/ CARBON MONOXIDE ALARMS/FIRE SPRINKLERS SHALL BE INSPECTED BY THE SOLANA BEACH FIRE DEPARTMENT</p> <p>5. CLASS "A" ROOF: ALL STRUCTURES SHALL BE PROVIDED WITH A CLASS "A" ROOF COVERING TO SATISFACTION OF THE SOLANA BEACH FIRE DEPARTMENT.</p> <p>6. SOLAR PHOTOVOLTAIC INSTALLATIONS (SOLAR PANELS): SOLAR PHOTOVOLTAIC SYSTEMS SHALL BE INSTALLED PER THE CALIFORNIA FIRE CODE AND SOLANA BEACH FIRE DEPARTMENT REQUIREMENTS.</p>	
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				<p>GOVERNING CODE</p> <p>GOVERNING CODE: 2016 CA BUILDING STANDARD CODE 2016 CA RESIDENTIAL CODE 2016 CA GREEN BUILDING CODE 2016 CA ELECTRICAL CODE 2016 CA MECHANICAL CODE 2016 CA PLUMBING CODE</p>																																																																																																	

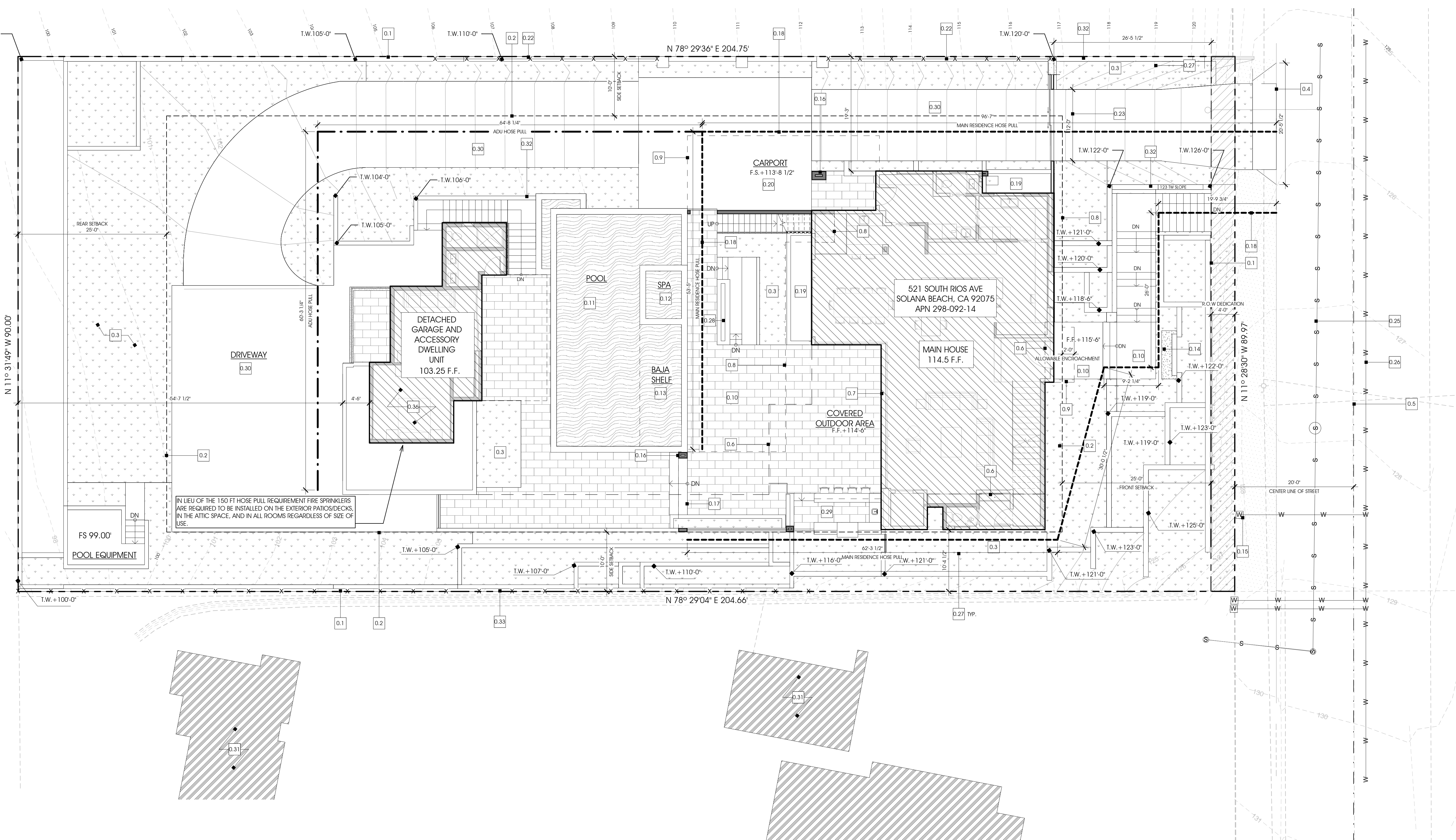
REVISIONS
2019-08-27 PLANNING SUBMITTAL
2019-12-06 2ND DRP REVIEW
2020-02-04 3RD DRP REVIEW
2020-06-10 COUNCIL MEETING

PHASE
DRP 19-003 / SDP 19-004
DATE
2019-08-19
JOB NO.
18-11

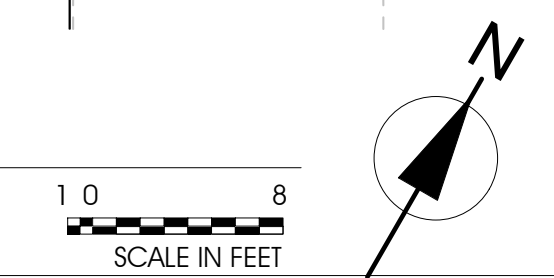
COVER SHEET
CS1

REVISIONS
2019-08-27 PLANNING SUBMITTAL
2019-12-06 2ND DRP REVIEW
2020-02-04 3RD DRP REVIEW
2020-06-10 COUNCIL MEETING

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SITE PLAN
1/8" = 1'-0"



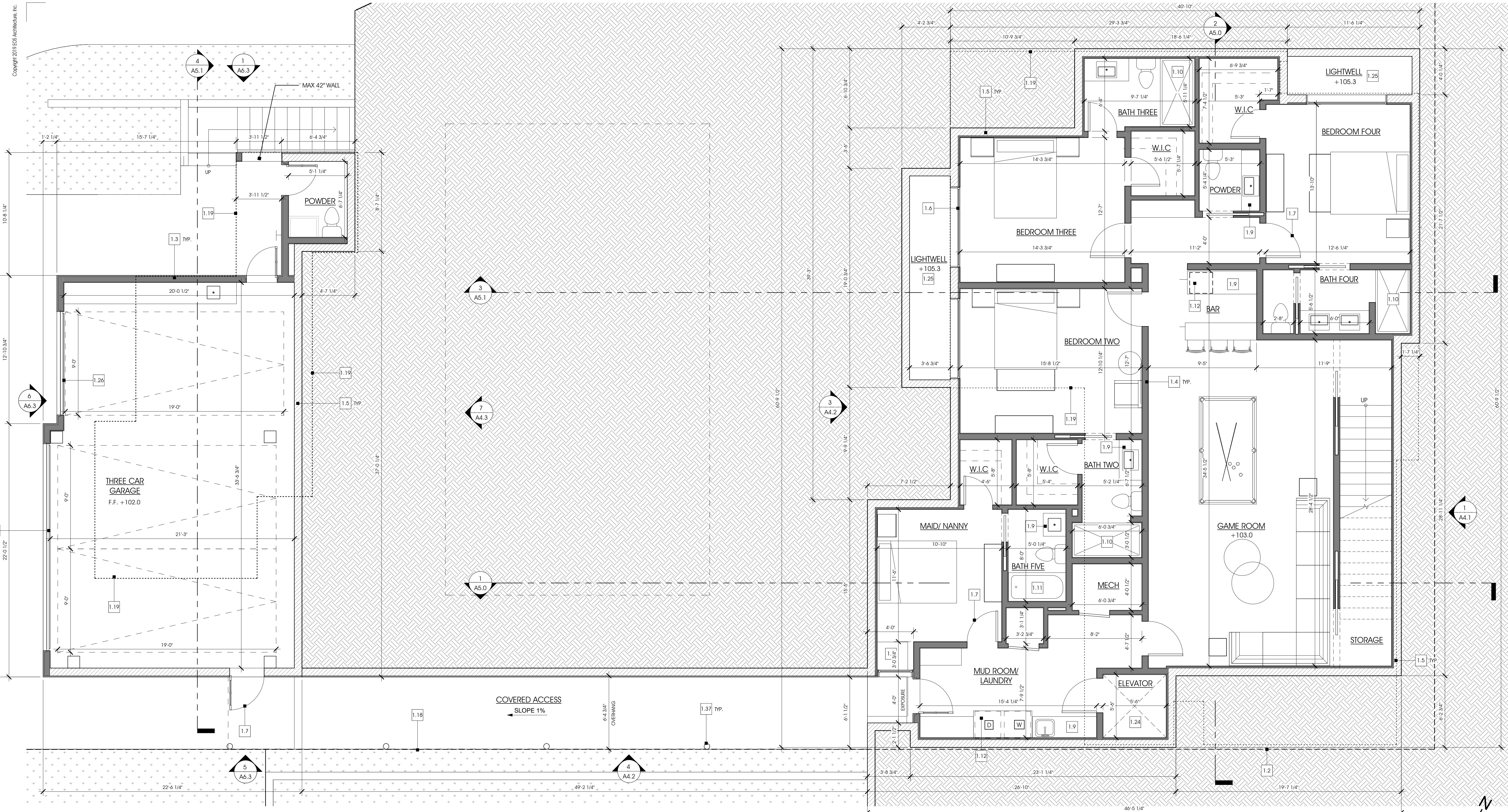
KEYNOTES			
0.1	PROPERTY LINE, TYP.	0.19	LIGHTWELL
0.2	SETBACK LINE, TYP.	0.20	CARPORT
0.3	LANDSCAPE PER LANDSCAPE PLANS	0.22	FENCE & GATE PER LANDSCAPE PLANS NOT EXCEED 6'-0" HEIGHT IN SIDE SETBACKS
0.4	DRIVEWAY CURB CUT PER CIVIL & LANDSCAPE	0.23	AUTOMATIC SLIDING GATE PER LANDSCAPE PLAN - 12'-0" WIDE
0.5	CENTER LINE OF STREET	0.25	EXISTING SEWER MAIN
0.6	LINE OF PROPOSED BASEMENT BELOW	0.26	EXISTING WATER MAIN WITH NEW CONNECTION PER CIVIL PLAN
0.7	LINE OF PROPOSED FIRST FLOOR	0.27	EXISTING TOPOGRAPHY PER CIVIL PLAN
0.8	LINE OF PROPOSED SECOND FLOOR ABOVE	0.28	FIREPIT
0.9	LINE OF ROOF/ OVERHANG	0.29	BARBECUE AREA
0.10	HARDSCAPE PER CIVIL AND LANDSCAPE PLANS		
0.11	PROPOSED SWIMMING POOL		
0.12	PROPOSED SPA		
0.13	PROPOSED BAJA SHELF		
0.14	NEW +48" HIGH WET WALL - WATER FEATURE WITH BLACK BEACH PEBBLES		
0.15	EXISTING WATER METER		
0.16	SUPPORT COLUMNS PER ELEVATION		
0.17	CONCRETE SITE STAIR - AT GRADE LEVEL PER LANDSCAPE AND CIVIL		
0.18	HEAVY DASHED LINE INDICATING 150'-0" HOSE PULL TO FURTHER STRUCTURE FROM LEVEL AREA ON DRIVEWAY		
0.30	CONCRETE DRIVEWAY, ACID ETCHED EXPOSED AGGREGATE COLORED CONCRETE		
0.31	ADJACENT PROPERTY, NAP.		
0.32	NEW RETAINING WALL PER CIVIL PLANS, WITH STUCCO FINISH WHERE EXPOSED TO VIEW		
0.33	EXISTING WOOD FENCE TO REMAIN		
0.36	IN LIEU OF THE 150FT HOSE PULL REUIEREMENT FIRE SPRINKLERS ARE REQUIRED TO BE INSTALLED ON THE EXTERIOR PATIOS/DECKS, IN THE ATTIC SPACE, AND IN ALL ROOMS REGARDLESS OF SIZE OR USE.		

REVISIONS
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BASEMENT FLOOR PLAN

A1.0

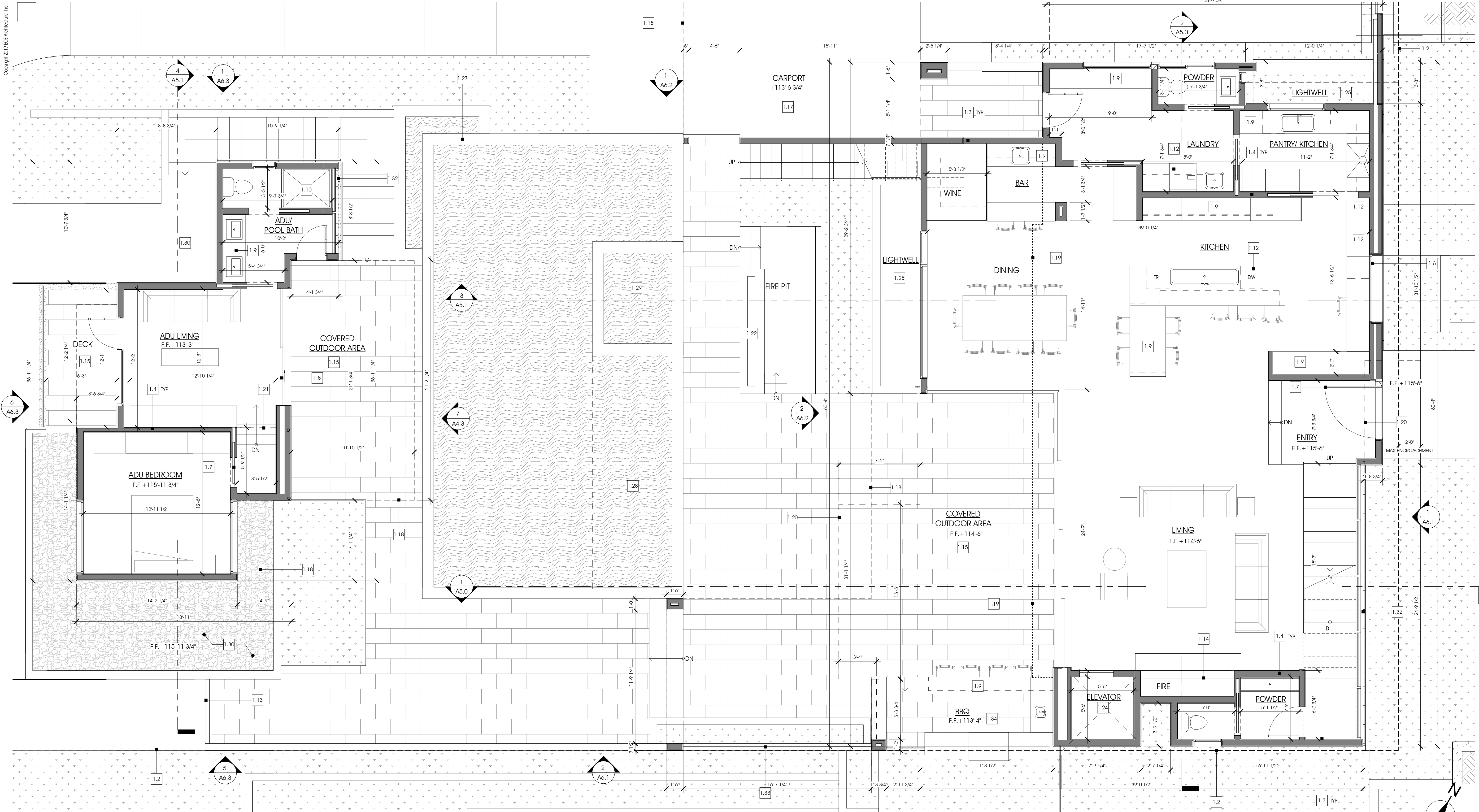


BASEMENT FLOOR PLAN

1/4" = 1'-0"

KEYNOTES

- | | |
|--|--------------------------------|
| 1.2 SETBACK LINE, TYP | 1.11 TUB |
| 1.3 EXTERIOR WALL: 2x WOOD STUD FRAMING PER STRUCTURAL W/ R-19 BATT INSULATION AT 2 X 6, R-13 BATT INSULATION AT 2 X 4 WALLS. EXTERIOR FINISH PER EXTERIOR ELEVATIONS OR 2 LAYERS MIN. GRADE 'D' BUILDING PAPER. INSIDE 5/8" GWB UCN PER INTERIOR ELEVATIONS | 1.12 APPLIANCE PER OWNER |
| 1.4 INTERIOR WALL: 2x WOOD STUD FRAMING W/ R-19 BATT INSULATION @ 2X6 & R-13 BATT INSULATION @ 2X4. 5/8" GWB THROUGHOUT | 1.18 LINE OF ROOF / DECK ABOVE |
| 1.5 RETAINING WALL | 1.19 LINE OF FLOOR ABOVE |
| 1.6 WINDOW, TYP. | 1.24 ELEVATOR |
| 1.7 DOOR, TYP. | 1.25 LIGHTWELL |
| 1.9 BUILT IN/ CABINETRY | 1.26 GARAGE DOOR |
| 1.10 WALK-IN SHOWER WITH RECESSED SLAB OR FLOOR FRAMING | 1.37 SUPPORT COLUMNS |



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FIRST FLOOR PLAN
1/4" = 1'-0"

KEYNOTES

1.2 SETBACK LINE, TYP	1.12 APPLIANCE PER OWNER	1.24 ELEVATOR
1.3 EXTERIOR WALL: 2x WOOD STUD FRAMING PER STRUCTURAL W/ R-19 BATT INSULATION AT 2 X 6, R-13 BATT INSULATION AT 2 X 4 WALLS. EXTERIOR FINISH PER EXTERIOR ELEVATIONS Q/ 2 LAYERS MIN. GRADE 'D' BUILDING PAPER. INSIDE 5/8" GWB UON PER INTERIOR ELEVATIONS	1.13 42" HIGH GUARDRAIL	1.25 LIGHTWELL
1.4 INTERIOR WALL: 2x WOOD STUD FRAMING W/ R-19 BATT INSULATION @ 2X6 & R-13 BATT INSULATION @ 2X4. 5/8" GWB THROUGHOUT	1.14 FIREPLACE	1.27 VANISHING EDGE POOL
1.6 WINDOW, TYP.	1.15 TILE DECK	1.28 BAJA SHELF
1.7 DOOR, TYP.	1.17 CARPORT	1.29 SPA
1.8 LIFT AND SLIDE DOOR	1.18 LINE OF ROOF / DECK ABOVE	1.30 ROOF PER ROOF PLAN
1.9 BUILT-IN CABINETRY	1.19 LINE OF FLOOR ABOVE	1.32 GLAZING WALL AND PERFORATED BLACK STEEL FACADE
1.10 WALK-IN SHOWER WITH RECESSED SLAB OR FLOOR FRAMING	1.20 LINE OF FLOOR BELOW	1.33 CABLE TRELLIS
	1.21 LINE OF SOFFIT/ CEILING	1.34 BBQ
	1.22 FIRE PIT	

REVISIONS

2019-08-27	PLANNING SUBMITAL
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PHASE

DRP 19-003 / SDP 19-004
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18-11

FIRST FLOOR PLAN

A1.1

RIOS CUSTOM HOME
521 SOUTH RIOS
SOLANA BEACH, CA 92075

REVISIONS

2019-08-27	PLANNING SUBMITTAL
2019-12-06	2ND DRP REVIEW
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2020-06-10	COUNCIL MEETING

PHASE

DRP 19-003 / SDP 19-004

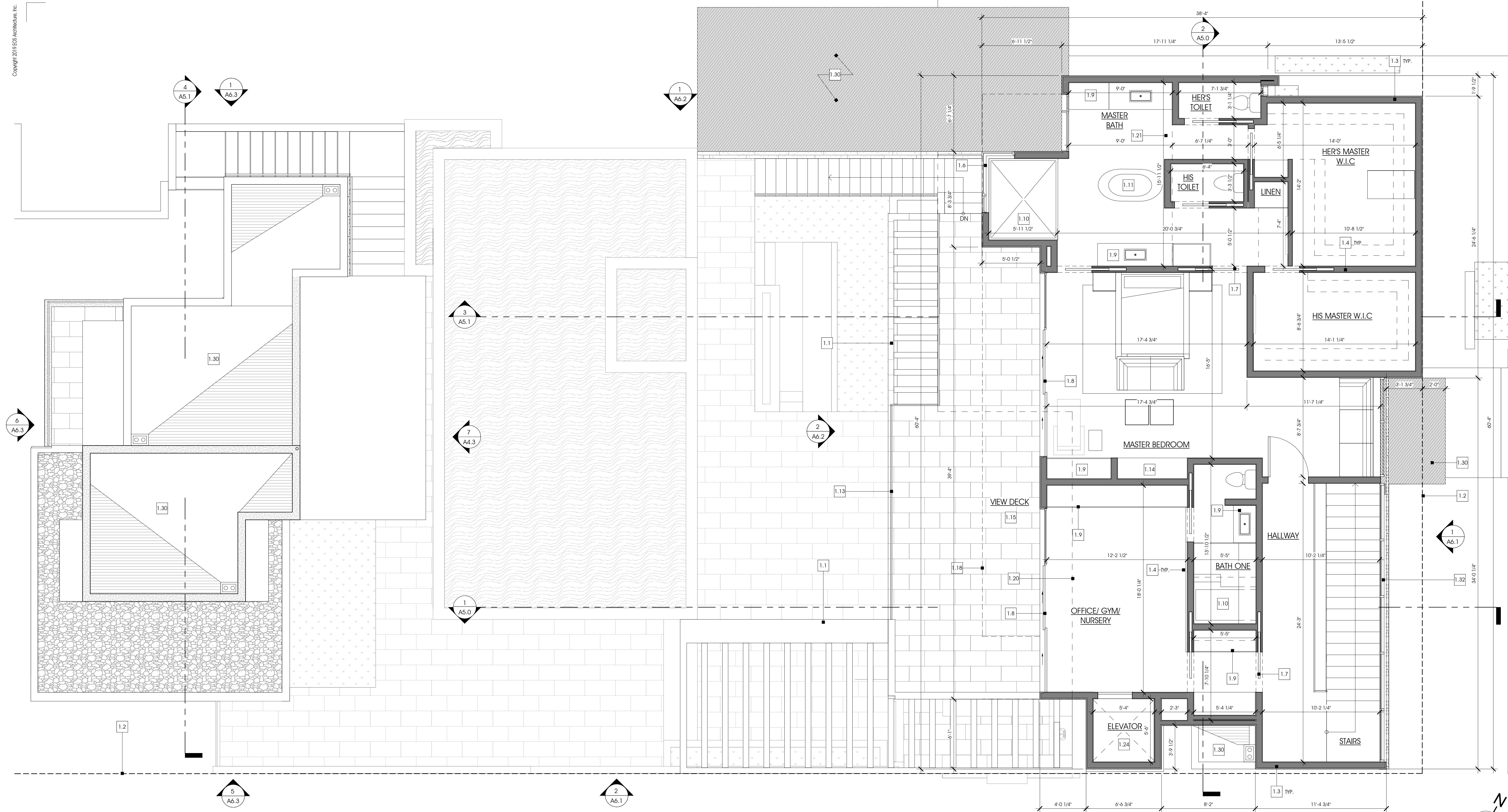
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2019-08-19

JOB NO.

18-11

SECOND FLOOR PLAN

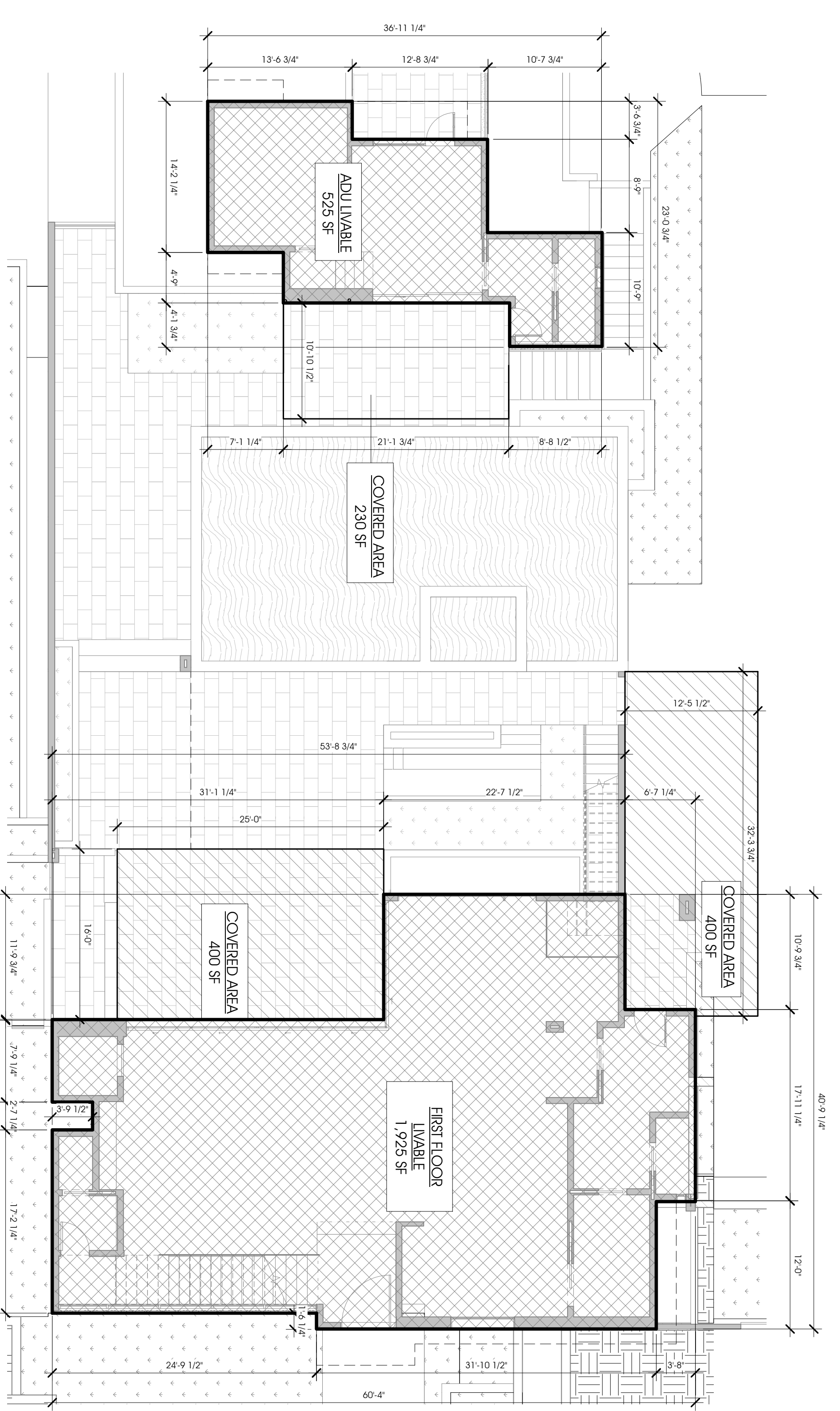
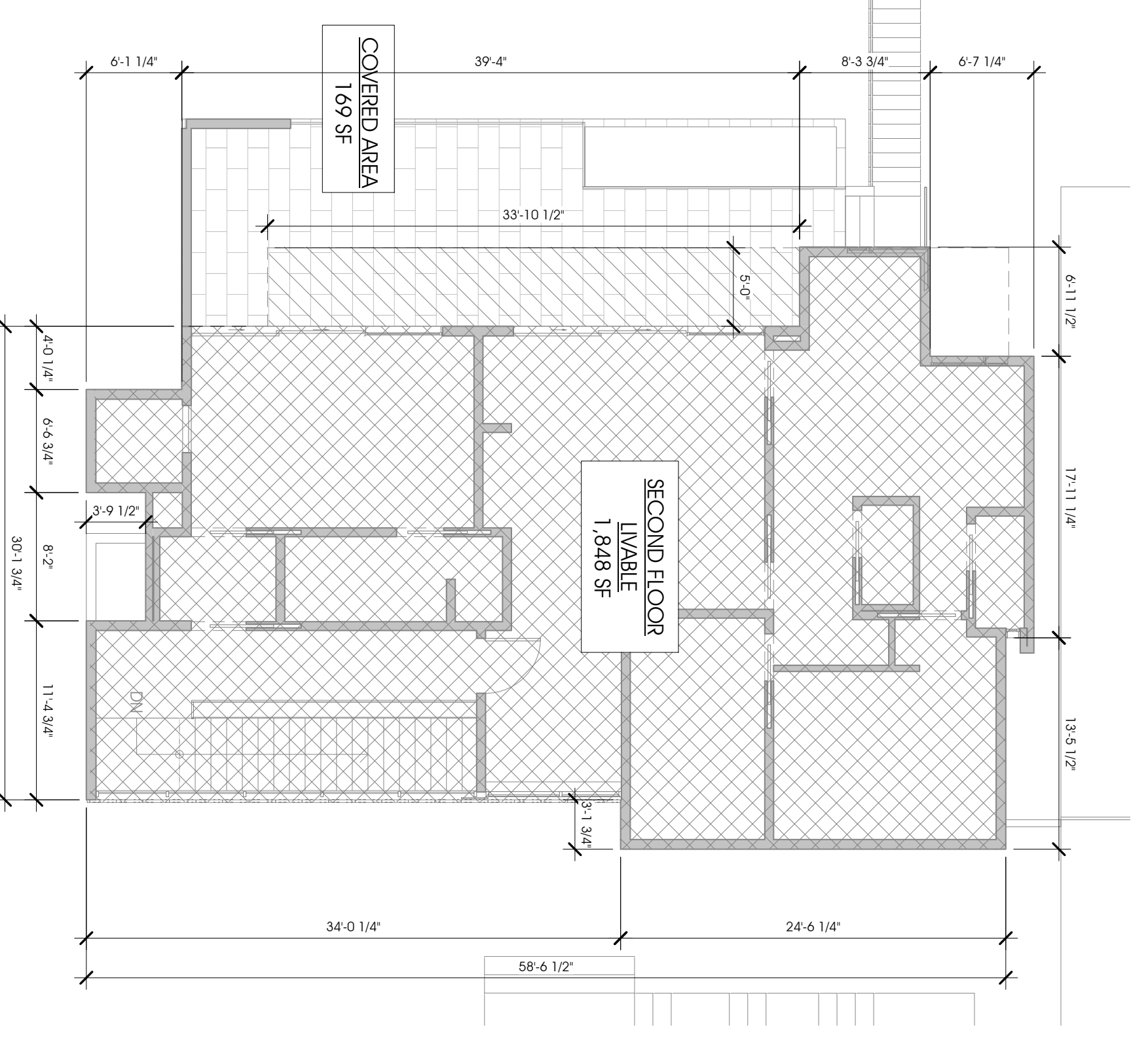
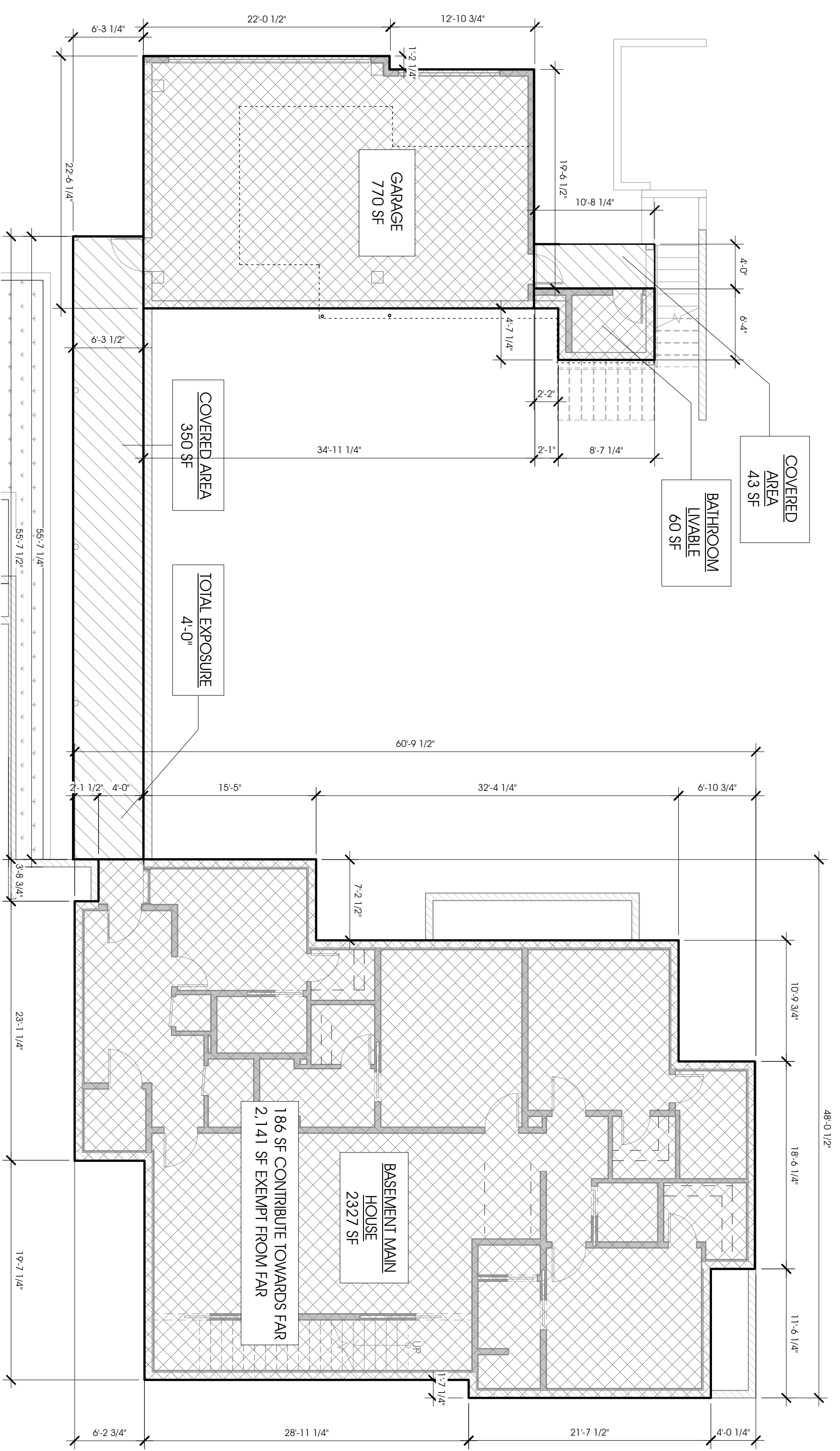


SECOND FLOOR PLAN

1/4" = 1'-0"

KEYNOTES

1.1 ROOF TRELIS	1.9 BUILT IN CABINETRY	1.24 ELEVATOR
1.2 SETBACK LINE, TYP	1.10 WALK-IN SHOWER WITH RECESSED SLAB OR FLOOR FRAMING	1.30 ROOF PER ROOF PLAN
1.3 EXTERIOR WALL: 2x WOOD STUD FRAMING PER STRUCTURAL W/ R-19 BATT INSULATION AT 2 X 6, R-13 BATT INSULATION AT 2 X 4 WALLS. EXTERIOR FINISH PER EXTERIOR ELEVATIONS O/ 2 LAYERS MIN. GRADE 'D' BUILDING PAPER. INSIDE 5/8" GWB UCN PER INTERIOR ELEVATIONS	1.11 TUB	1.32 GLAZING WALL AND PERFORATED BLACK STEEL FACADE
1.4 INTERIOR WALL: 2x WOOD STUD FRAMING W/ R-19 BATT INSULATION @ 2X6 & R-13 BATT INSULATION @ 2X4, 5/8" GWB THROUGHOUT	1.13 42" HIGH GUARDRAIL	
1.6 WINDOW, TYP.	1.14 FIREPLACE	
1.7 DOOR, TYP.	1.15 TILE DECK	
1.8 LIFT AND SLIDE DOOR	1.18 LINE OF ROOF / DECK ABOVE	
	1.20 LINE OF FLOOR BELOW	
	1.21 LINE OF SOFFIT/ CEILING	



LEGEND

- HATCH INDICATES BUILDING
- HATCH INDICATES COVERED AREA

PROJECT INFORMATION

SCOPE OF WORK: CONSTRUCT NEW TWO STORY SINGLE FAMILY RESIDENCE OVER A BASEMENT, WITH DETACHED ACCESSORY DWELLING UNIT OVER THREE CAR GARAGE, COVERED OUTDOOR LIVING AREA ASSOCIATED LANDSCAPE AND HARDSCAPE AND REMAINING WALLS

LEGAL: PARCEL 2 OF PARCEL MAP NO. 8372

APN#: 298-092-1400

EXISTING USE: VACANT LOT

ZONE: LRC, SROZ

SPRINKLERED: YES, PER CFC SECTION 903.2.1.1 AND INSTALLED PER NFPA 13D.

PROPOSED GRADING: PER CIVIL DRAWINGS

GROSS LOT SIZE: 18,420 SF

FAR - ALLOWABLE: 0.5 X 6,000SF = 3,000 SF
6,001 - 15,000 = 1,575 SF
15,001 - 20,000 = 342 SF

FAR - ALLOWABLE TOTAL: 4,917 SF

BUILDING AREA CALCULATION:

MAIN HOUSE	
FIRST FLOOR LIVING AREA	1,925 SF
SECOND FLOOR LIVING AREA	1,848 SF
BASEMENT FLOOR LIVING AREA	2,327 SF
TOTAL MAIN HOUSE	6,100 SF
DETACHED ADU AND GARAGE	
FIRST FLOOR LIVING AREA (BATHROOM)	60 SF
FIRST FLOOR GARAGE	770 SF
SECOND FLOOR LIVING AREA	525 SF
TOTAL DETACHED ADU / GARAGE	1,355 SF
TOTAL BUILDING AREA:	7,455 SF
GARAGE PARKING EXEMPTION:	-400 SF
BASEMENT FAR EXEMPTION (SEE CALC)	-2,141 SF
TOTAL BUILDING AREA INCLUDED IN FAR:	4,914 SF
OUTDOOR COVERED AREA:	
BASEMENT OUTDOOR COVERED AREA:	393 SF
FIRST FLOOR OUTDOOR COVERED AREA:	1,030 SF
SECOND FLOOR OUTDOOR COVERED AREA:	169 SF
TOTAL COVERED AREA:	1,592 SF
LOT AREA	18,420 SF

	EXISTING	PROPOSED
NON-LANDSCAPED AREA	0 SF	9,950 SF
NON-IRRIGATED LANDSCAPE	18,420 SF	0 SF
IRRIGATED LANDSCAPE	0 SF	6,965 SF
WATER FEATURES	0 SF	1,025 SF
DECORATIVE HARDSCAPE	0 SF	487 SF
AGREGATE LANDSCAPE AREA		8,477 SF
DECORATIVE HARDSCAPE		487 SF
IRRIGATED LANDSCAPE		6,965 SF
WATER FEATURES		1,025 SF

BASEMENT FAR EXEMPTION CALCULATION

TOTAL EXPOSURE: 4 LF

4 LF X 0.02 X 2,327 SF = 186 SF ATTRIBUTABLE TO FAR

2,141 SF EXEMPT FROM FAR

EOS Architecture Inc.
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JENNIFER BOLTYN ARCHITECT

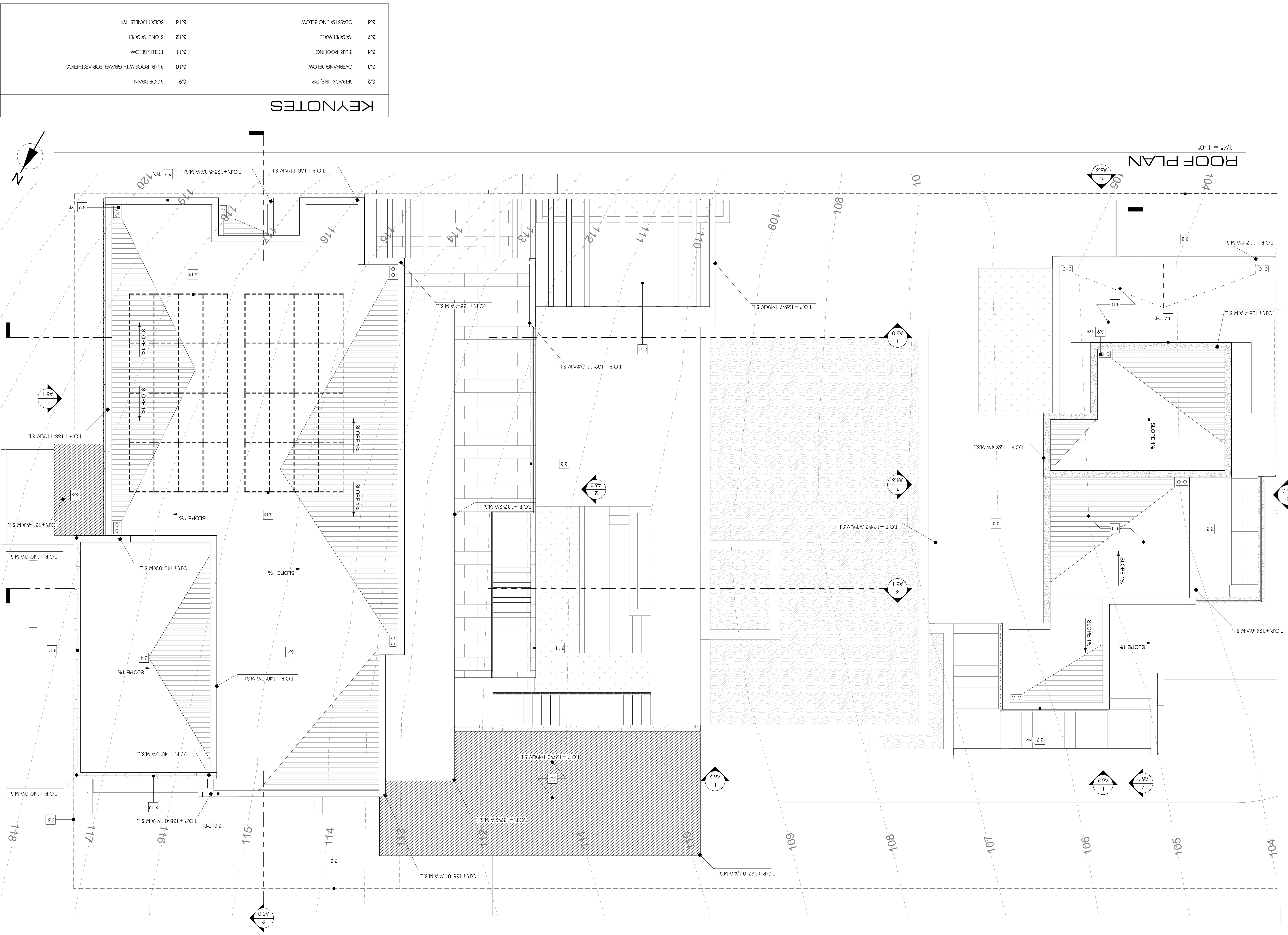
RIOS CUSTOM HOME
521 SOUTH RIOS
SOLANA BEACH, CA 92075

REVISIONS

04/30/19	PLANNING SUBMITTAL
2019-12-06	2ND DPR REVIEW
2020-02-04	3RD DPR REVIEW
2020-06-10	COUNCIL MEETING

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	JOB NO.
18-11	

FAR DIAGRAM
A2.0



ROOF PLAN
1/4" = 1'-0"

- KEYNOTES**
- 3.2 SETBACK LINE, TP.
 - 3.3 OVERHANG BELOW
 - 3.4 BUR ROOFING
 - 3.7 PARAPET WALL
 - 3.8 GLASS RAINING BELOW
 - 3.9 ROOF DRAIN
 - 3.10 BUR ROOF WITH GRAVEL FOR AESTHETICS
 - 3.11 TRELLIS BELOW
 - 3.12 STONE PARAPET
 - 3.13 SOLAR PANELS, TP.

ROOF PLAN
A3.0

PHASE
DRP 19-004 /
SDP 19-004

DATE
2019-08-19

JOB NO.
18-11

REVISIONS

NO.	DATE	DESCRIPTION
1	2019-08-27	PLANNING SUBMITTAL
2	2019-12-06	2ND DRP REVIEW
3	2020-02-04	3RD DRP REVIEW
4	2020-06-10	COUNCIL MEETING

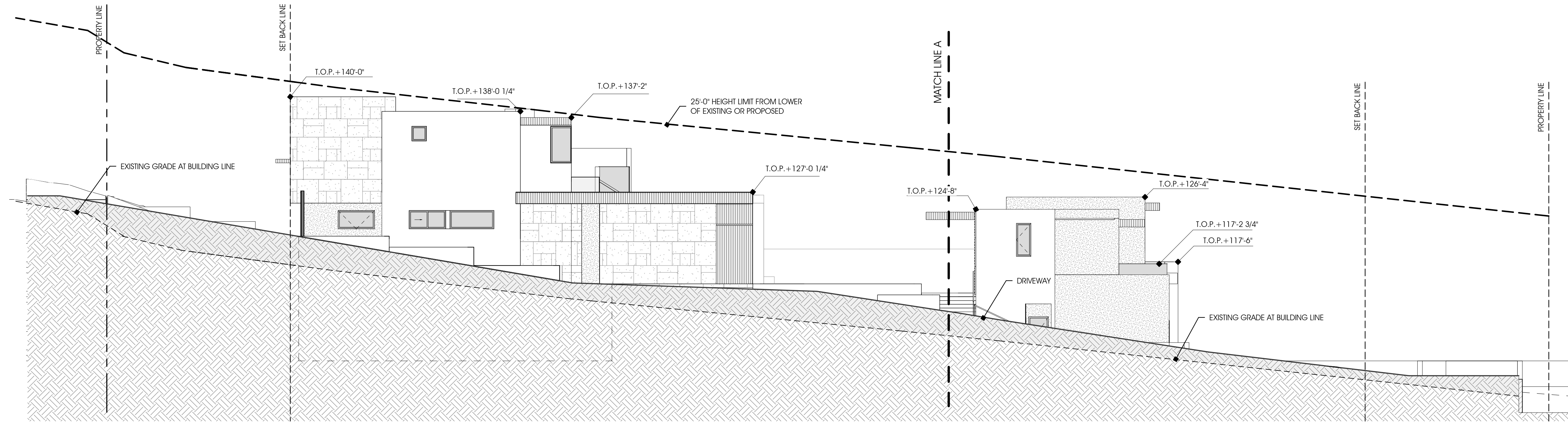
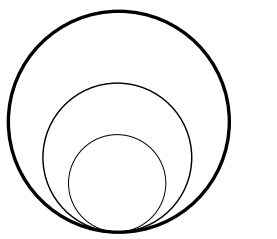
RIOS CUSTOM HOME
521 SOUTH RIOS
SOLANA BEACH, CA 92075

As shown, the construction shall be in accordance with the approved plans and specifications. The contractor shall be responsible for obtaining all necessary permits and approvals. The architect shall not be responsible for any construction details not shown on the plans.

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Architect

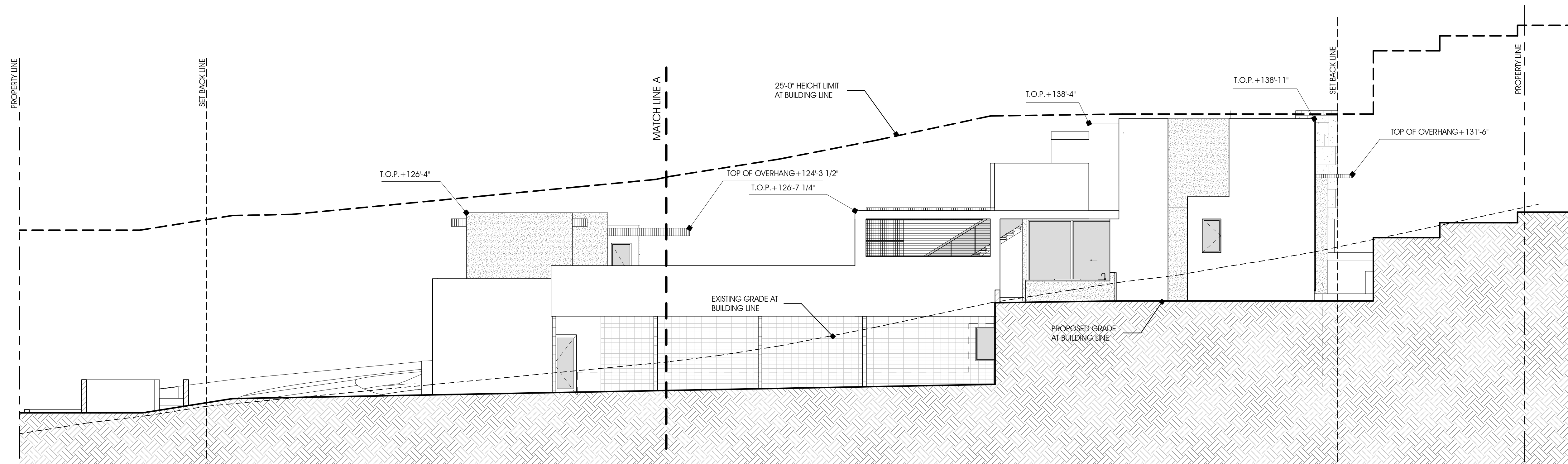
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PH: 858.459.0575
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NORTH SIDE ELEVATION

1/8" = 1'-0"



SOUTH SIDE ELEVATION

1/8" = 1'-0"

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2020-02-04	3RD DRP REVIEW
2020-06-10	COUNCIL MEETING

PHASE

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DATE

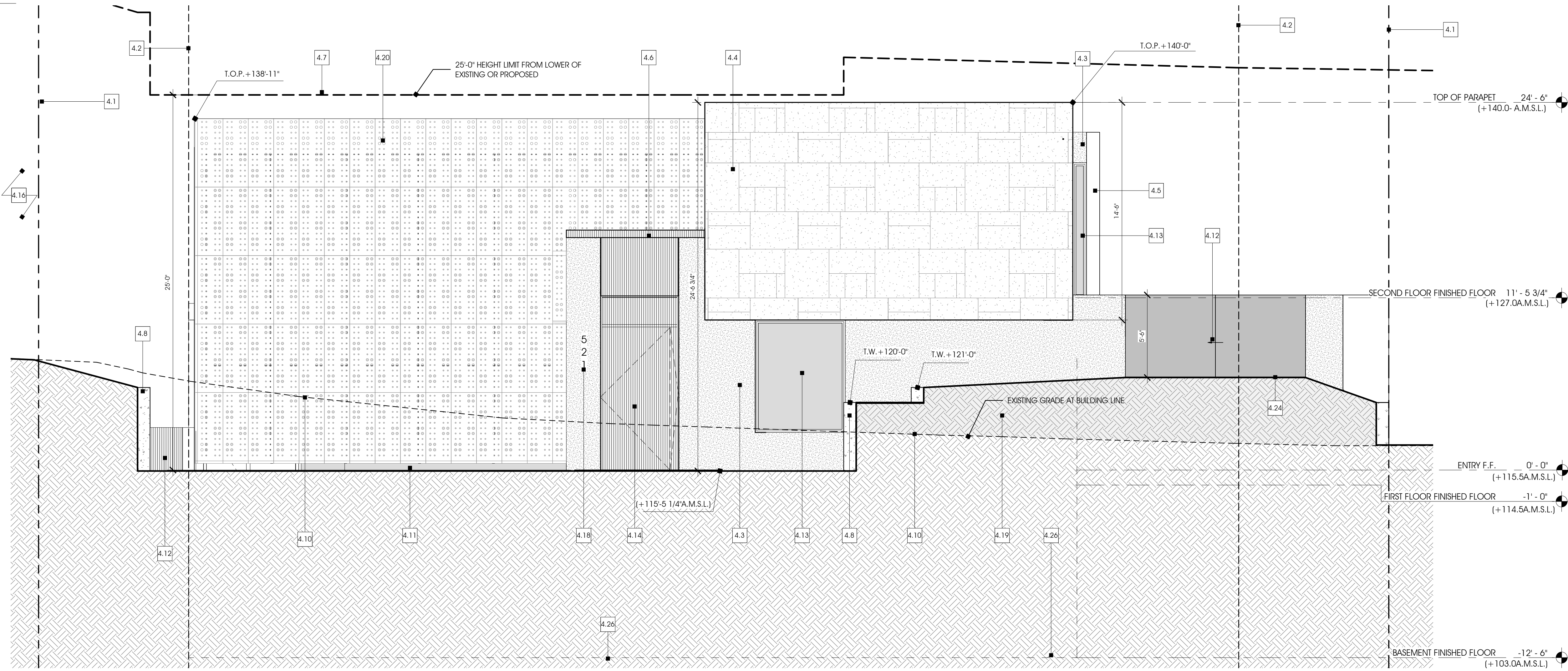
2019-08-19

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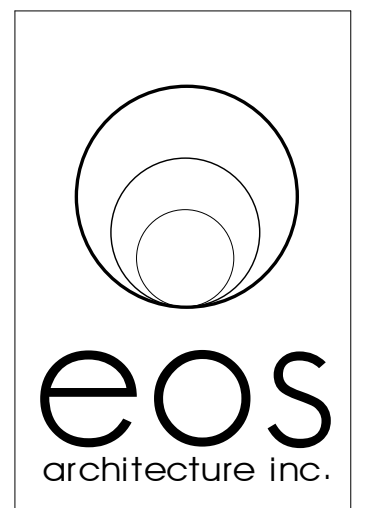
OVERALL SIDE ELEVATION

A4.0



KEYNOTES

- 4.1 PROPERTY LINE, TYP.
- 4.2 SETBACK LINE, TYP.
- 4.3 2 COAT ACRYLIC SYNERGY SMOOTH STUCCO FINISH, DARK COLOR
- 4.4 STONE VENEER
- 4.5 2 COAT ACRYLIC SYNERGY SMOOTH STUCCO FINISH, LIGHT COLOR
- 4.6 KYNAR FINISH ALUMINUM FASCIA
- 4.7 LINE OF 25'-0" HEIGHT LIMIT FROM LOWER OF EXISTING OR PROPOSED GRADE
- 4.8 RETAINING WALL PER CIVIL
- 4.10 LINE OF EXISTING GRADE AT BUILDING LINE
- 4.11 LINE OF PROPOSED GRADE AT BUILDING LINE
- 4.12 FENCE AND GATE PER PLAN AND LANDSCAPE
- 4.13 WINDOW/ DOOR TYP.
- 4.14 ENTRY DOOR
- 4.15 42" HIGH GLASS GUARDRAIL
- 4.16 ADJACENT RESIDENCE, NAP.
- 4.18 ADDRESS NUMBERS, PER CITY STANDARD
- 4.19 FILL TYP.
- 4.20 PERFORATED BLACK STEEL FACADE
- 4.23 STRUCTURAL COLUMNS
- 4.24 DRIVEWAY
- 4.26 LINE OF BASEMENT BELOW BUILDING LINE



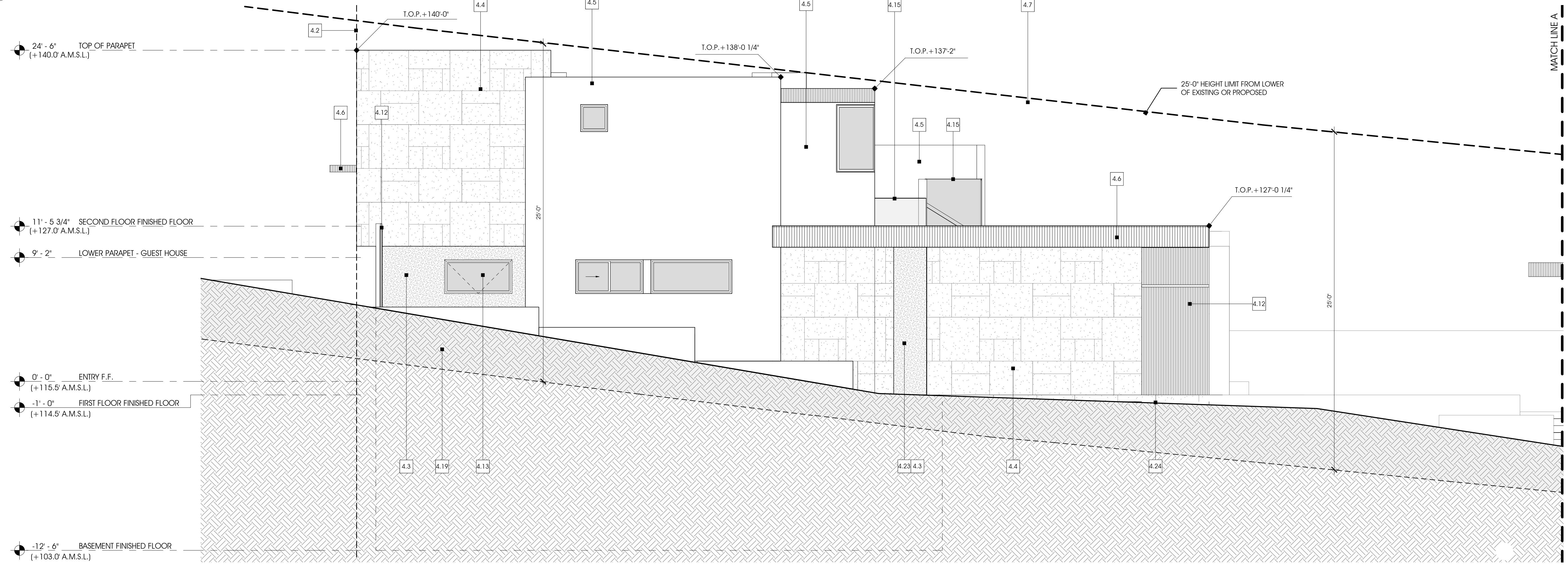
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EMAIL: eos@eosarc.com

JENNIFER BOLYN Architect

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1 EAST ELEVATION - FRONT

1/4" = 1'-0"



2 NORTH ELEVATION

1/4" = 1'-0"

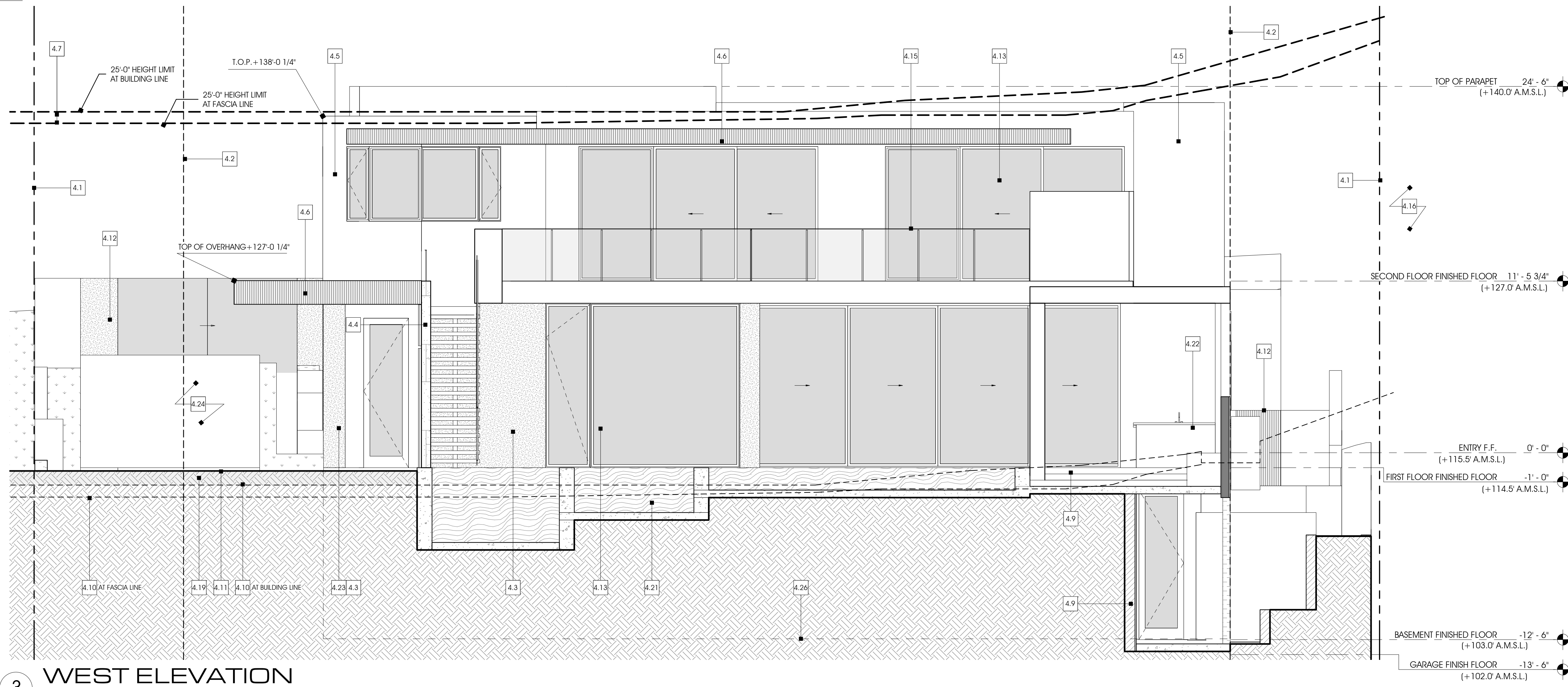
RIOS CUSTOM HOME
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SOLANA BEACH, CA 92075

REVISIONS
2019-08-27 PLANNING SUBMITTAL
2019-12-06 2ND DRP REVIEW
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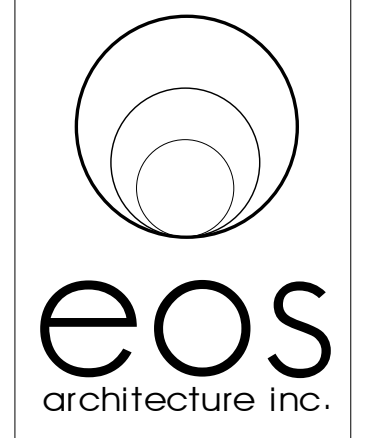
BUILDING EXTERIOR ELEVATIONS

A4.1



KEYNOTES

- 4.1 PROPERTY LINE, TYP.
- 4.2 SETBACK LINE, TYP.
- 4.3 2 COAT ACRYLIC SYNERGY SMOOTH STUCCO FINISH, DARK COLOR
- 4.4 STONE VENEER
- 4.5 2 COAT ACRYLIC SYNERGY SMOOTH STUCCO FINISH, LIGHT COLOR
- 4.6 KYNAR FINISH ALUMINUM FASCIA
- 4.7 LINE OF 25'-0" HEIGHT LIMIT FROM LOWER OF EXISTING OR PROPOSED GRADE
- 4.8 RETAINING WALL PER CIVIL
- 4.9 SITE STAIR PER CIVIL/LANDSCAPE PLANS
- 4.10 LINE OF EXISTING GRADE AT BUILDING LINE
- 4.11 LINE OF PROPOSED GRADE AT BUILDING LINE
- 4.12 FENCE AND GATE PER PLAN AND LANDSCAPE
- 4.13 WINDOW/ DOOR TYP.
- 4.15 42" HIGH GLASS GUARDRAIL
- 4.16 ADJACENT RESIDENCE, NAP.
- 4.19 FILL TYP.
- 4.20 PERFORATED BLACK STEEL FACADE
- 4.21 POOL/WATER FEATURE
- 4.22 BBQ
- 4.23 STRUCTURAL COLUMNS
- 4.24 DRIVEWAY
- 4.25 PLANTED WALL
- 4.26 LINE OF BASEMENT BELOW BUILDING LINE
- 4.27 CABLE TRELLIS

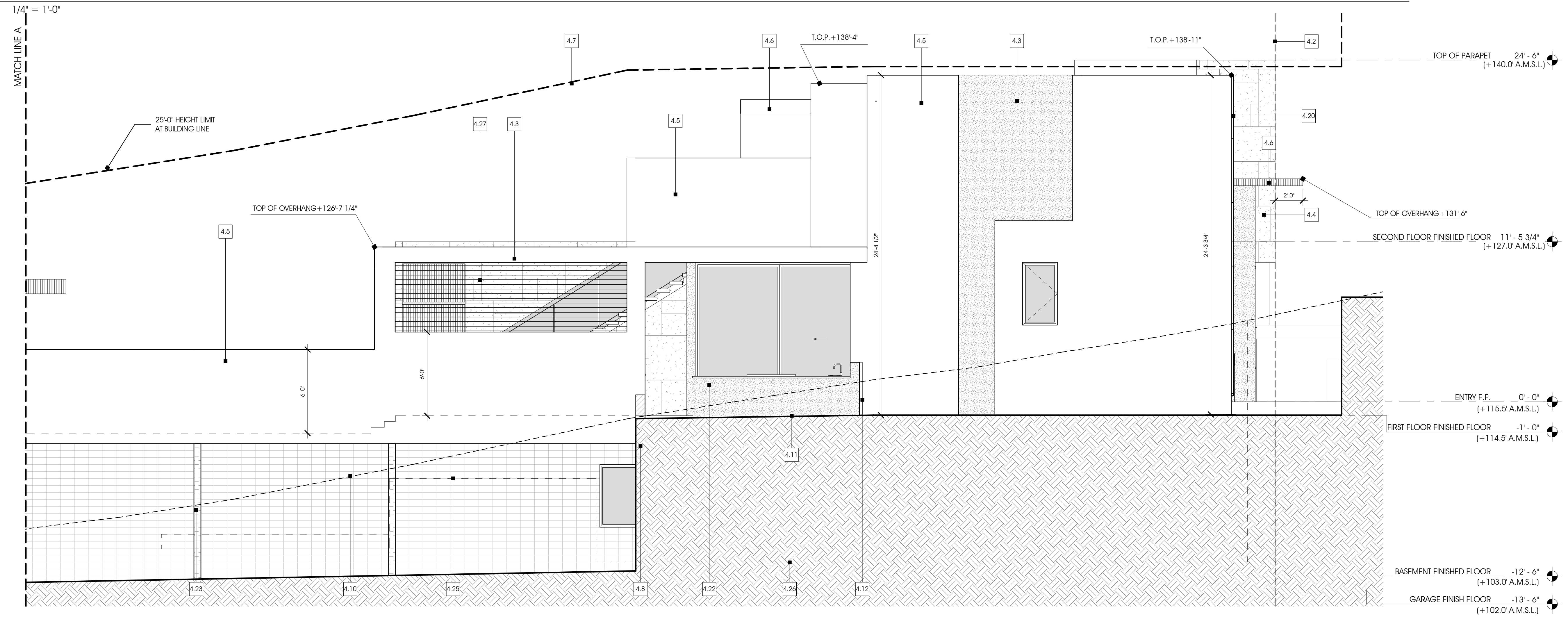


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BOLYN
Architect

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3 WEST ELEVATION



4 SOUTH ELEVATION

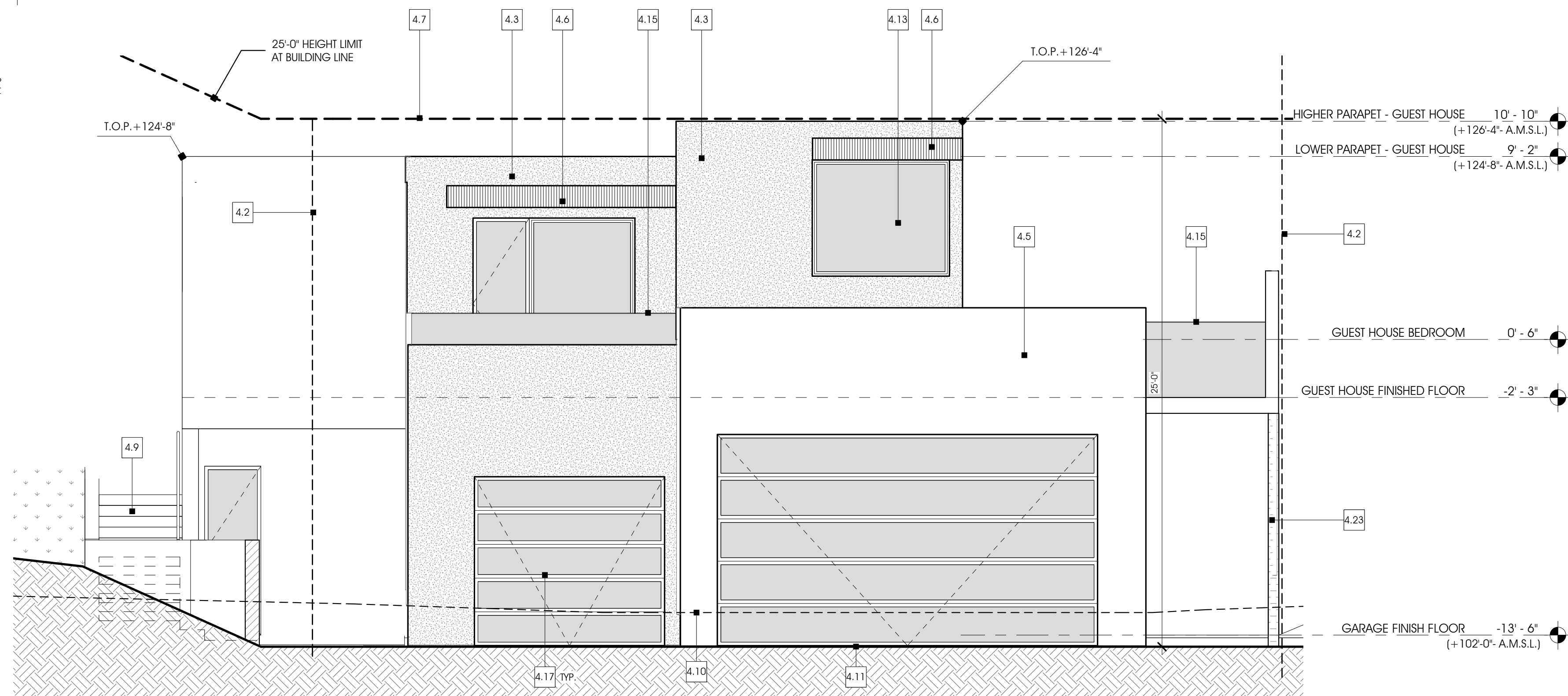
RIOS CUSTOM HOME
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 SOLANA BEACH, CA 92075

REVISIONS
2019-08-27 PLANNING SUBMITTAL
2019-12-06 2ND DRP REVIEW
2020-02-04 3RD DRP REVIEW
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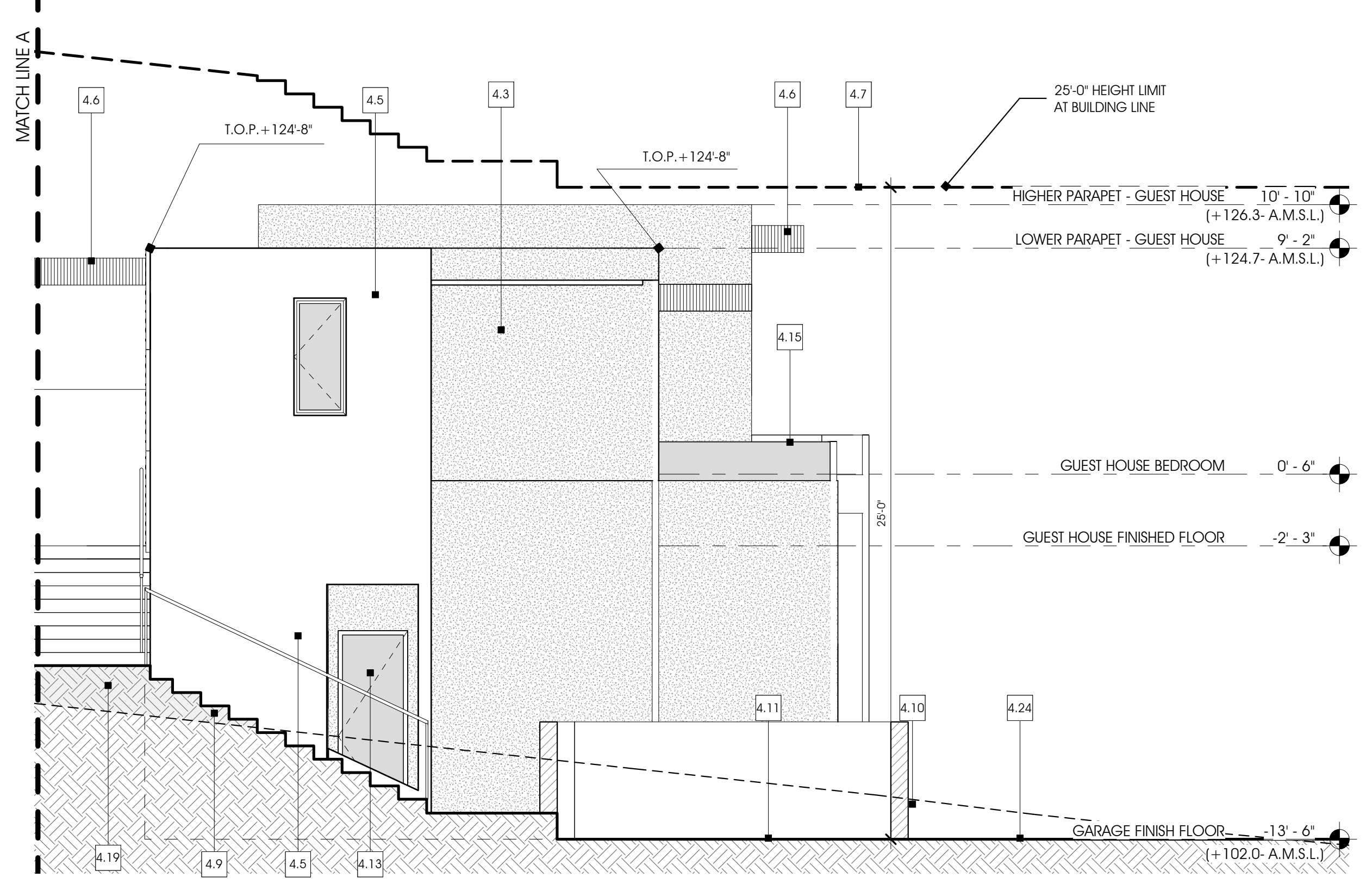
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BUILDING EXTERIOR
ELEVATIONS

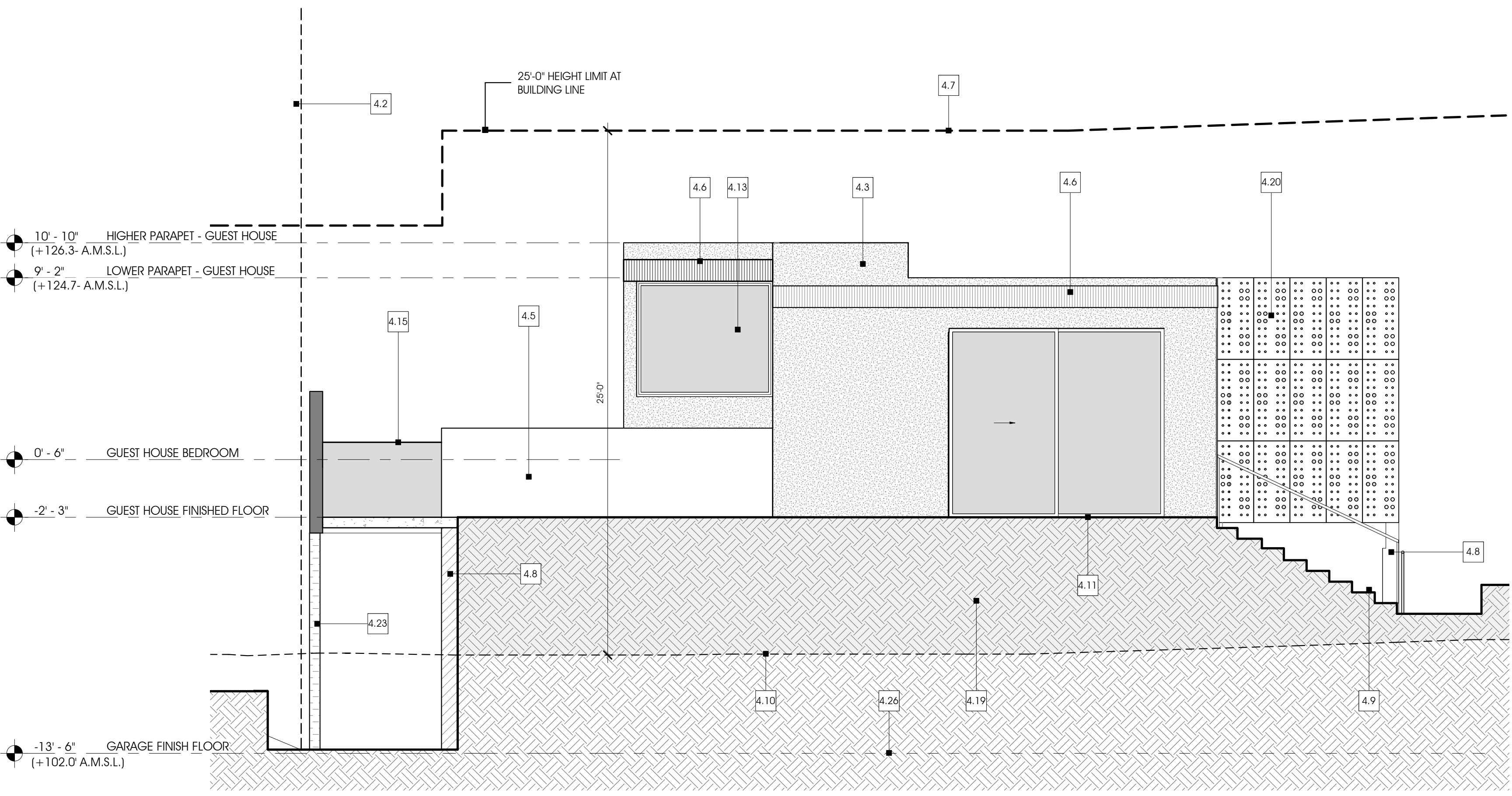
A4.2



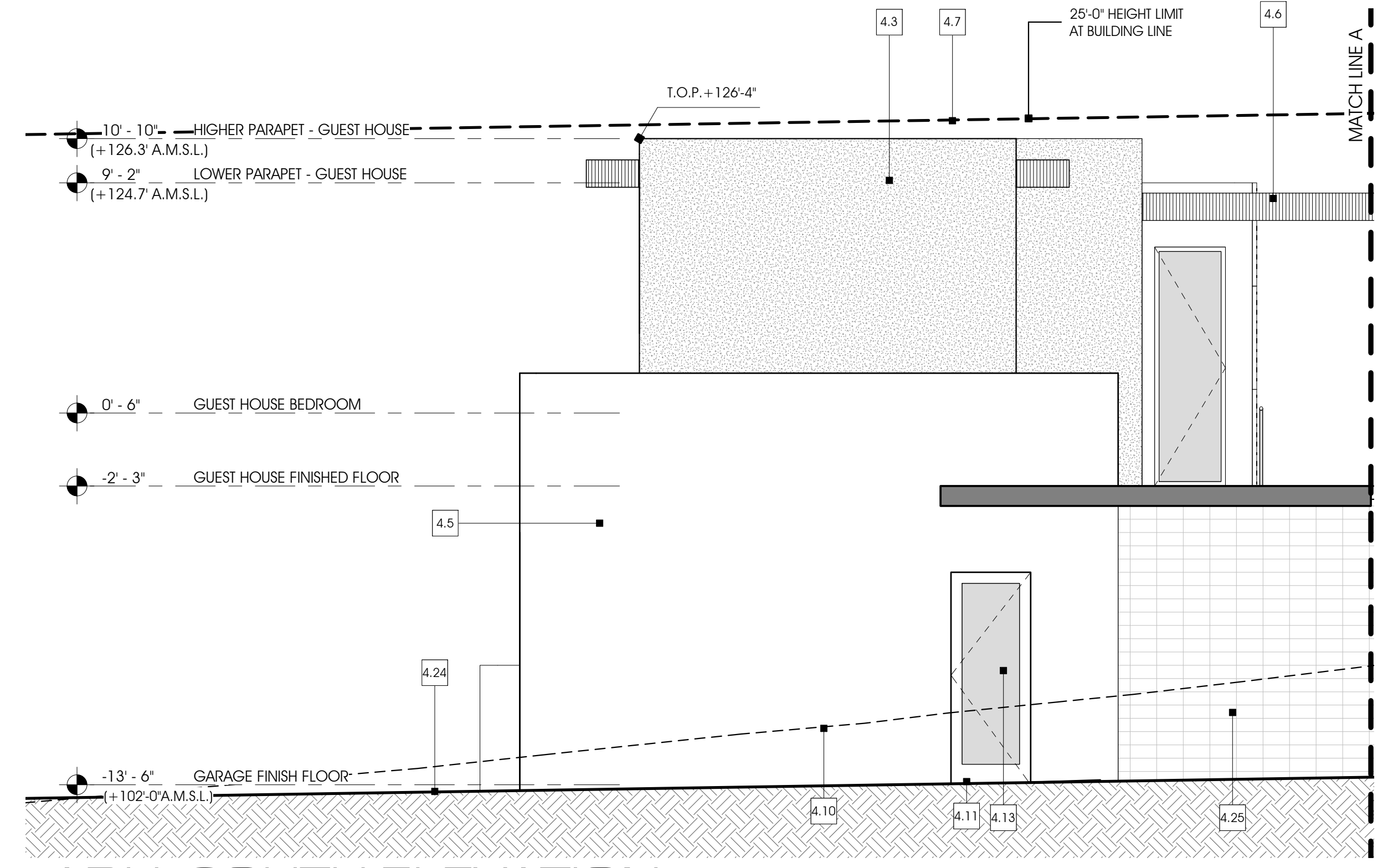
5 ADU - WEST ELEVATION
1/4" = 1'-0"



6 ADU - NORTH ELEVATION
1/4" = 1'-0"



7 ADU - EAST ELEVATION
1/4" = 1'-0"



8 ADU - SOUTH ELEVATION
1/4" = 1'-0"

KEYNOTES

4.2	SETBACK LINE, TYP.	4.11	LINE OF PROPOSED GRADE AT BUILDING LINE
4.3	2 COAT ACRYLIC SYNERGY SMOOTH STUCCO FINISH, DARK COLOR	4.13	WINDOW/ DOOR TYP.
4.5	2 COAT ACRYLIC SYNERGY SMOOTH STUCCO FINISH, LIGHT COLOR	4.15	42" HIGH GLASS GUARDRAIL
4.6	KYNAR FINISH ALUMINUM FASCIA	4.17	GARAGE DOOR
4.7	LINE OF 25'-0" HEIGHT LIMIT FROM LOWER OF EXISTING OR PROPOSED GRADE	4.19	FILL TYP.
4.8	RETAINING WALL PER CIVIL	4.20	PERFORATED BLACK STEEL FACADE
4.9	SITE STAIR PER CIVIL/LANDSCAPE PLANS	4.23	STRUCTURAL COLUMNS
4.10	LINE OF EXISTING GRADE AT BUILDING LINE	4.24	DRIVEWAY
		4.25	PLANTED WALL
		4.26	LINE OF BASEMENT BELOW BUILDING LINE

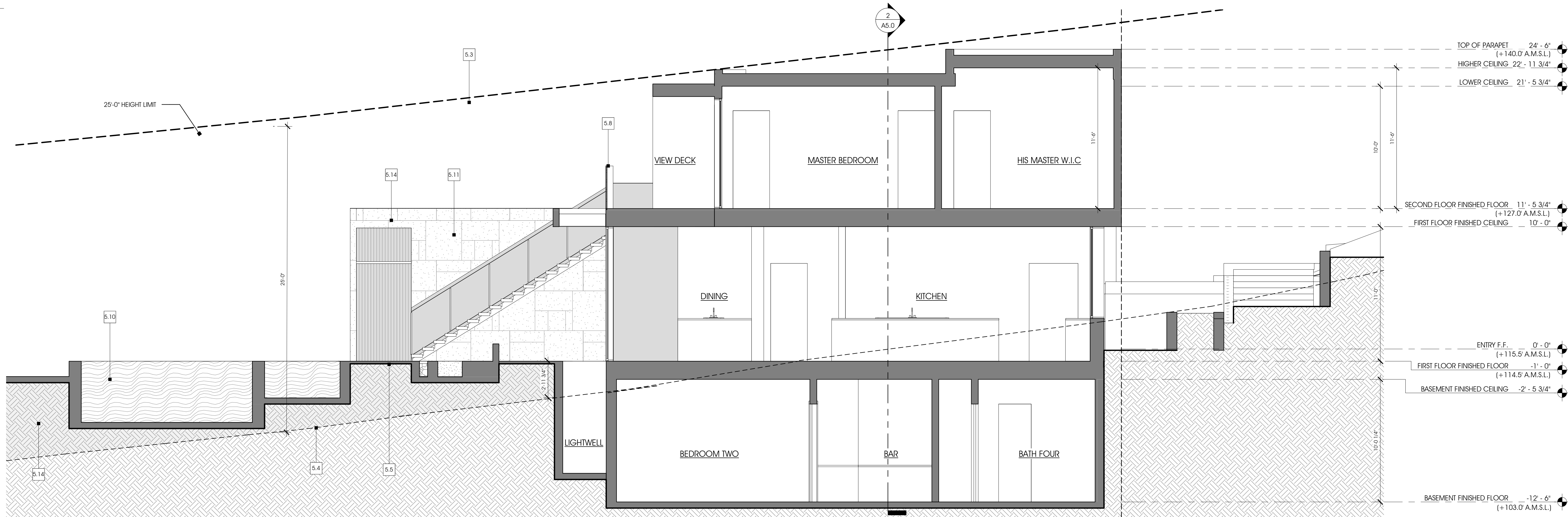
REVISIONS

2019-08-19	PLANNING SUBMITTAL
2019-12-06	2ND DRP REVIEW
2020-02-04	3RD DRP REVIEW
2020-06-10	COUNCIL MEETING

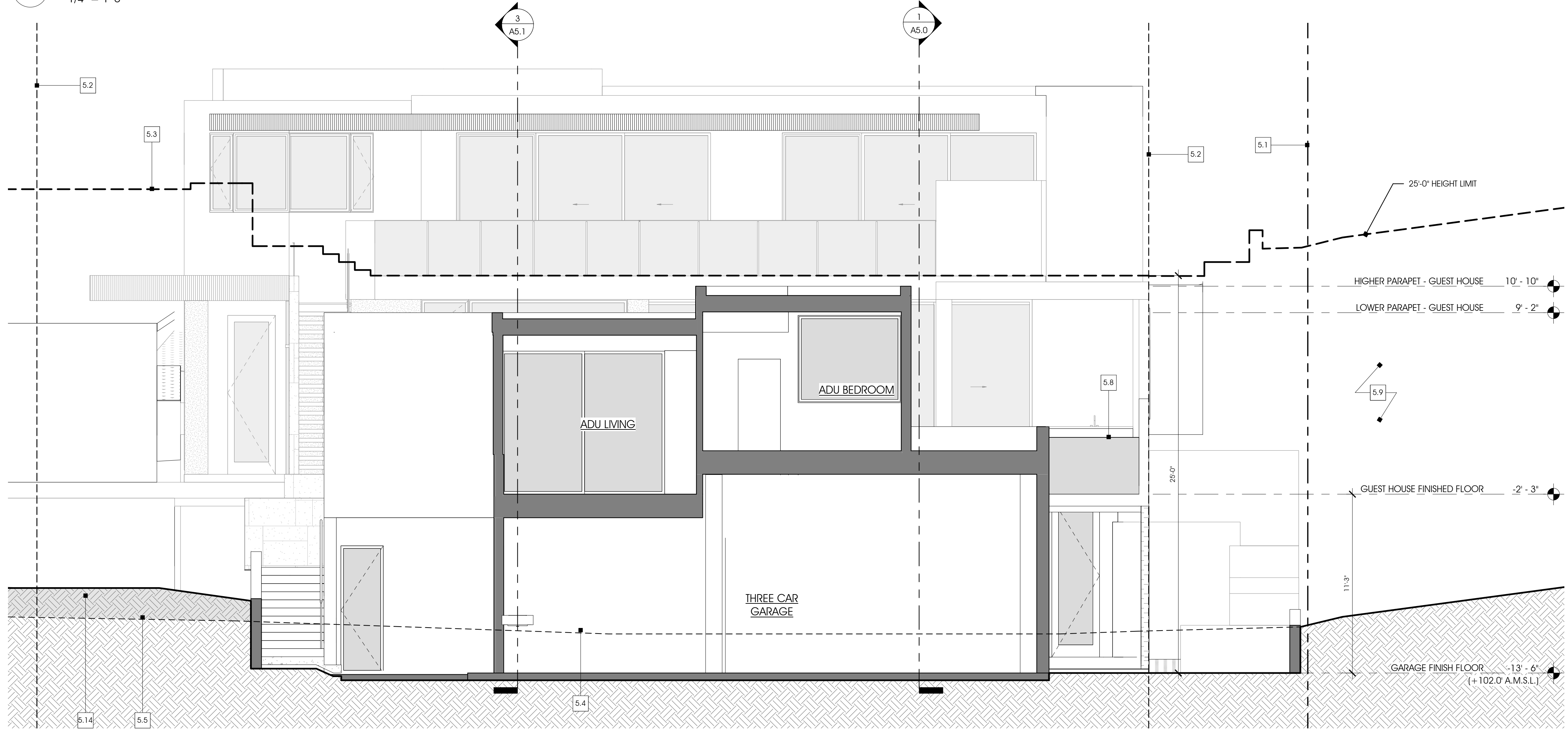
PHASE

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2019-08-19
JOB NO.
18-11

BUILDING EXTERIOR ELEVATIONS



3 BUILDING SECTION
1/4" = 1'-0"



4 BUILDING SECTION
1/4" = 1'-0"

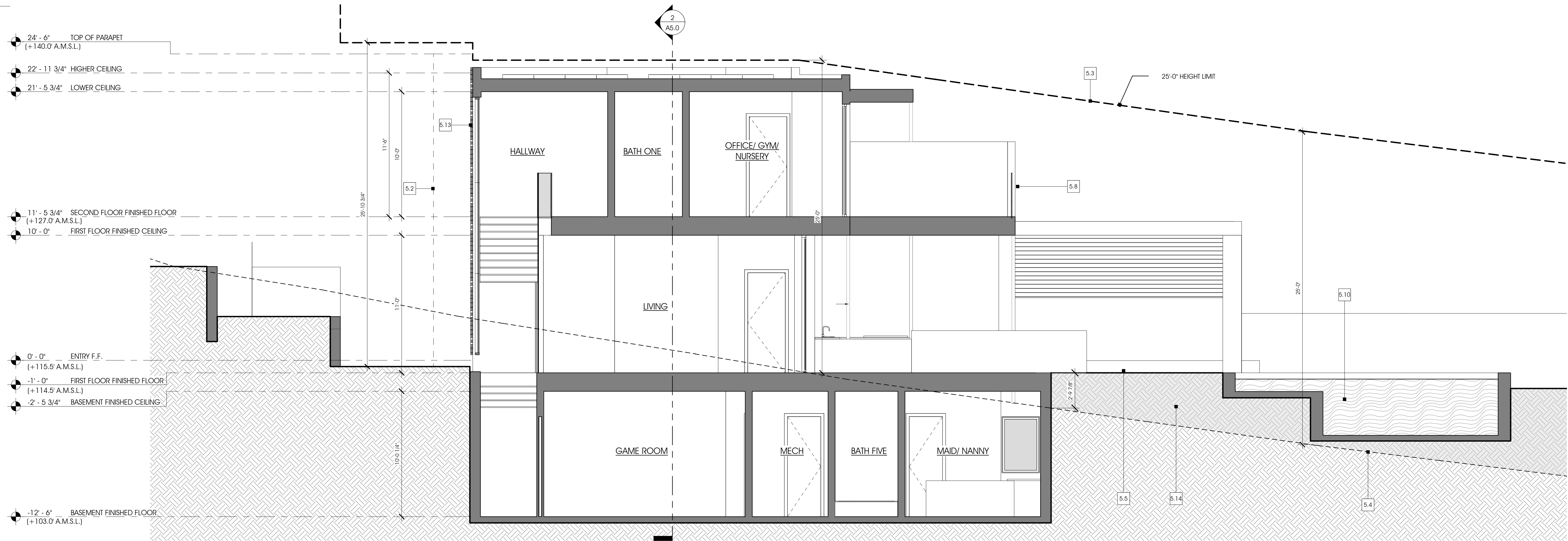
KEYNOTES

- 5.1 PROPERTY LINE, TYP.
- 5.2 SETBACK LINE, TYP.
- 5.3 LINE OF 26'-0" HEIGHT LIMIT FROM LOWER OF EXISTING OR PROPOSED GRADE
- 5.4 LINE OF EXISTING GRADE AT BUILDING LINE
- 5.5 LINE OF PROPOSED GRADE AT BUILDING LINE
- 5.8 42" HIGH GLASS GUARDRAIL
- 5.9 ADJACENT RESIDENCE, NAP.
- 5.10 POOL/REFLECTION POOL/ SPA PER PLAN
- 5.11 STONE VENEER
- 5.14 FILL TYP.

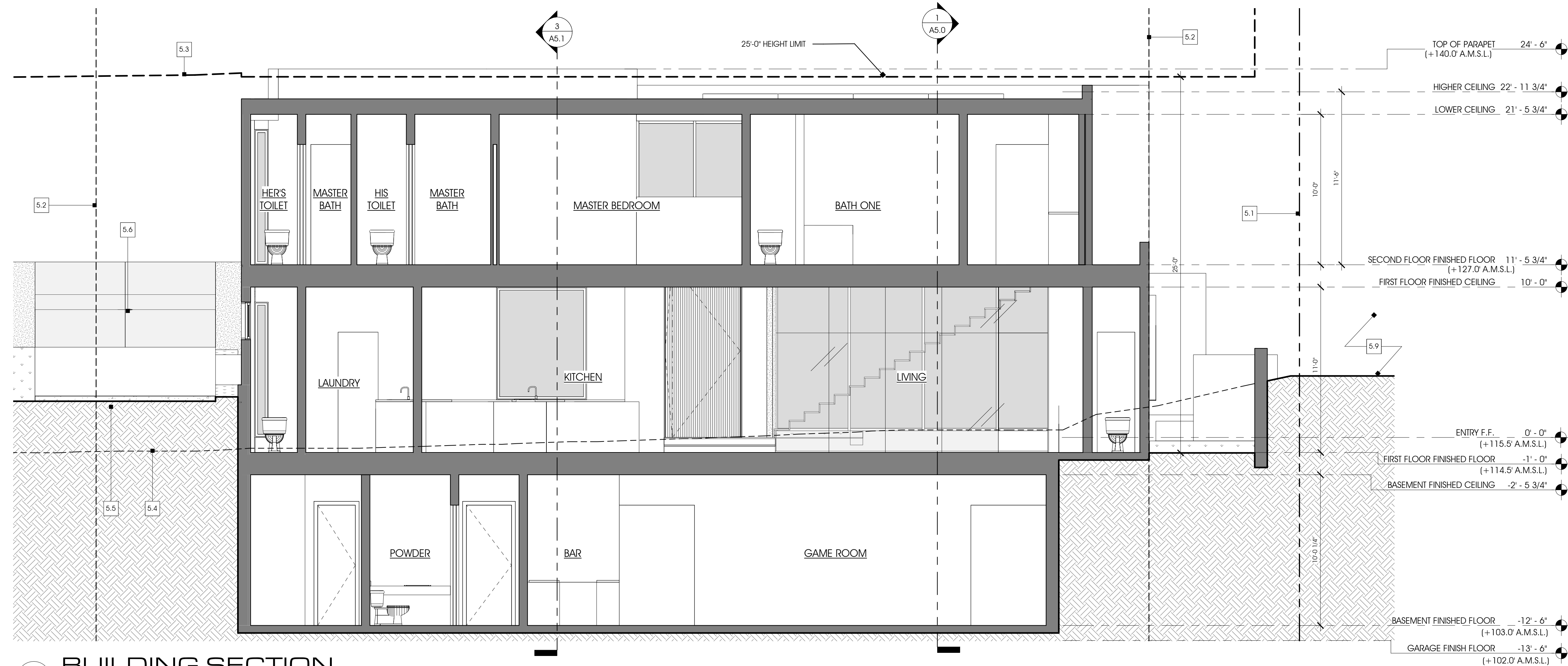
REVISIONS
2019-08-19 PLANNING SUBMITTAL
2019-12-06 2ND DRP REVIEW
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2020-06-10 COUNCIL MEETING

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18-11

BUILDING SECTIONS
A5.1



1 BUILDING SECTION
1/4" = 1'-0"



2 BUILDING SECTION
1/4" = 1'-0"

KEYNOTES	
5.1	PROPERTY LINE, TYP.
5.2	SETBACK LINE, TYP.
5.3	LINE OF 26'-0" HEIGHT LIMIT FROM LOWER OF EXISTING OR PROPOSED GRADE
5.4	LINE OF EXISTING GRADE AT BUILDING LINE
5.5	LINE OF PROPOSED GRADE AT BUILDING LINE
5.6	FENCE PER PLANS
5.8	42" HIGH GLASS GUARDRAIL
5.9	ADJACENT RESIDENCE, NAP.
5.10	POOL/REFLECTION POOL/ SPA PER PLAN
5.13	PERFORATED BLACK STEEL FACADE
5.14	FILL TYP.

REVISIONS
2019-08-19 PLANNING SUBMITTAL
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BUILDING SECTIONS

REVISIONS

2019-08-27	PLANNING SUBMITAL
2019-12-06	2ND DRP REVIEW
2020-02-04	3RD DRP REVIEW
2020-06-10	COUNCIL MEETING

PHASE

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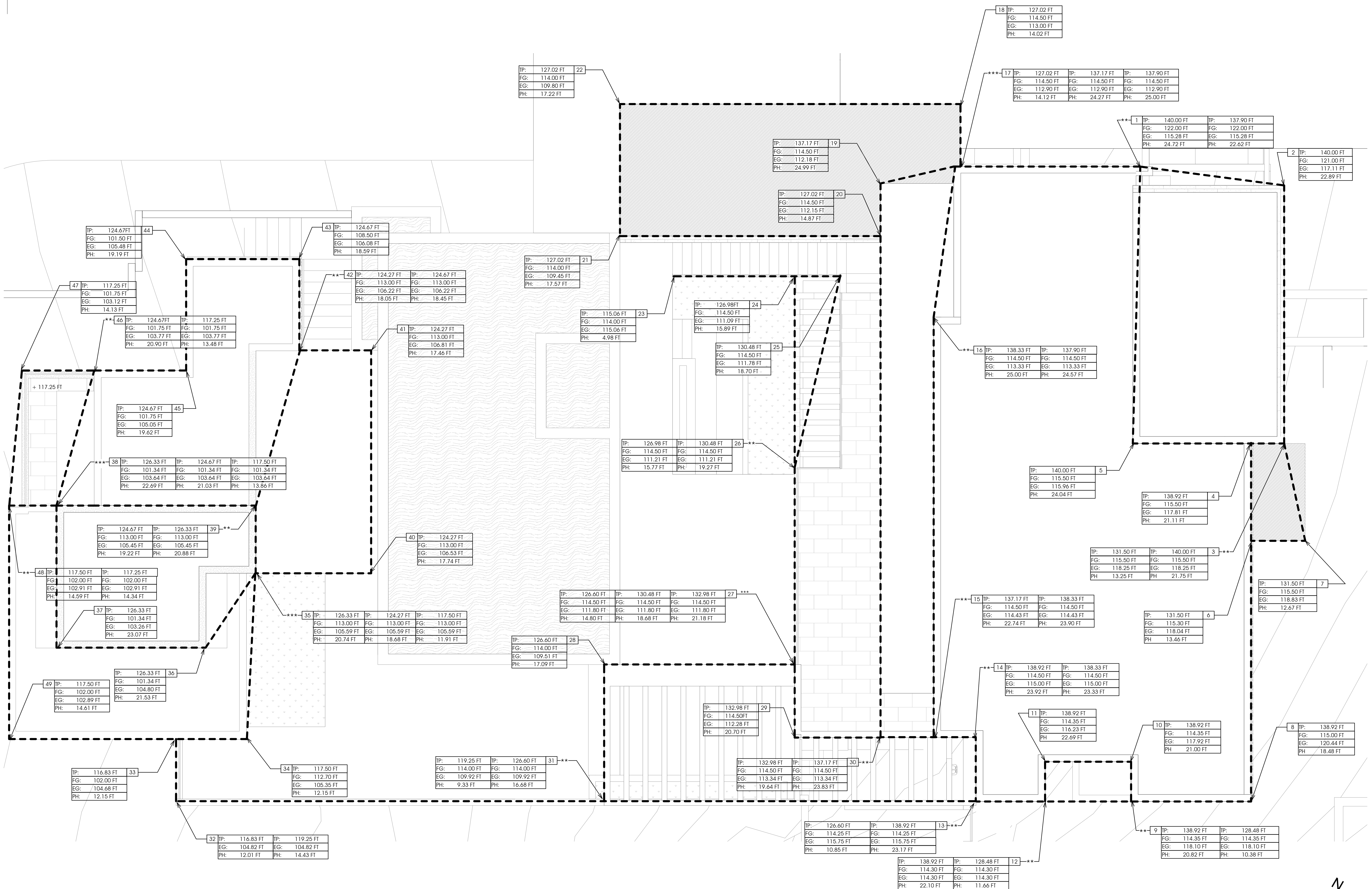
DATE

2019-08-19

JOB NO.

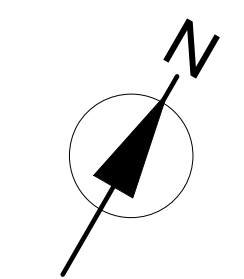
18-11

STORY POLE PLAN



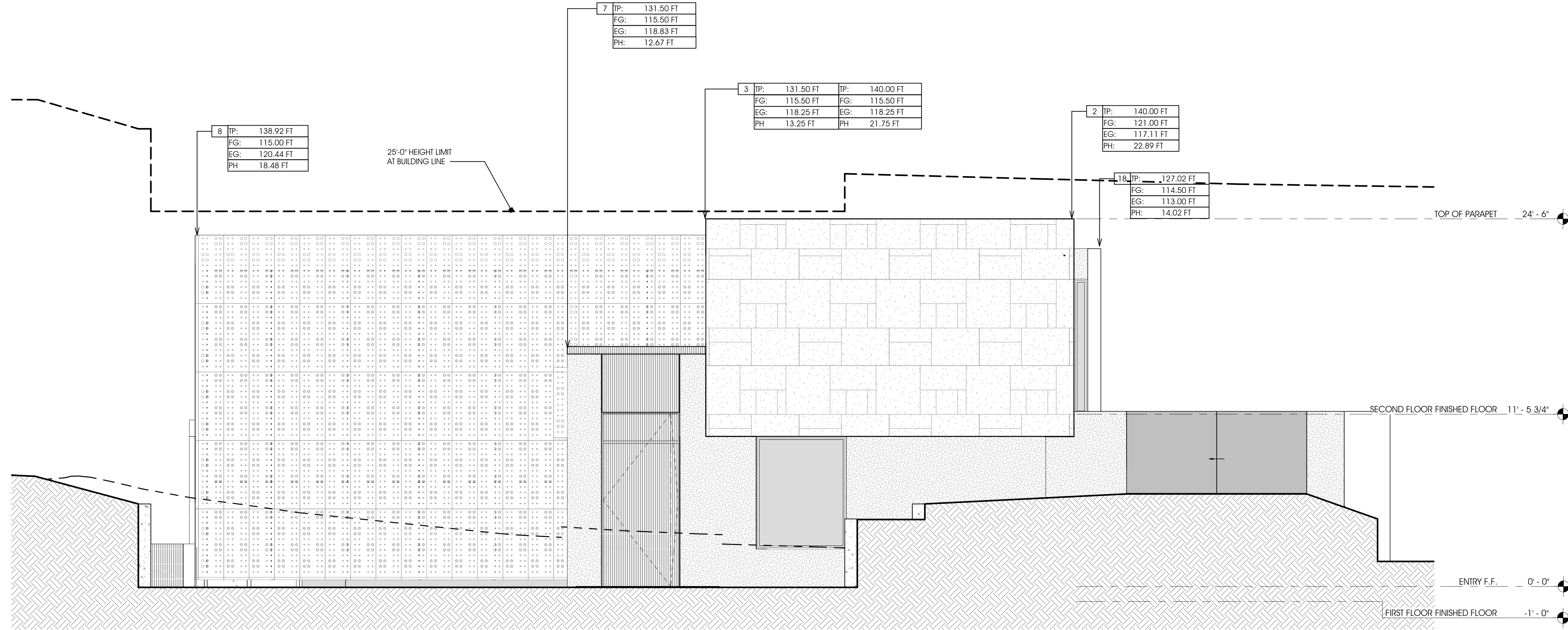
STORY POLE PLAN

1/4" = 1'-0"



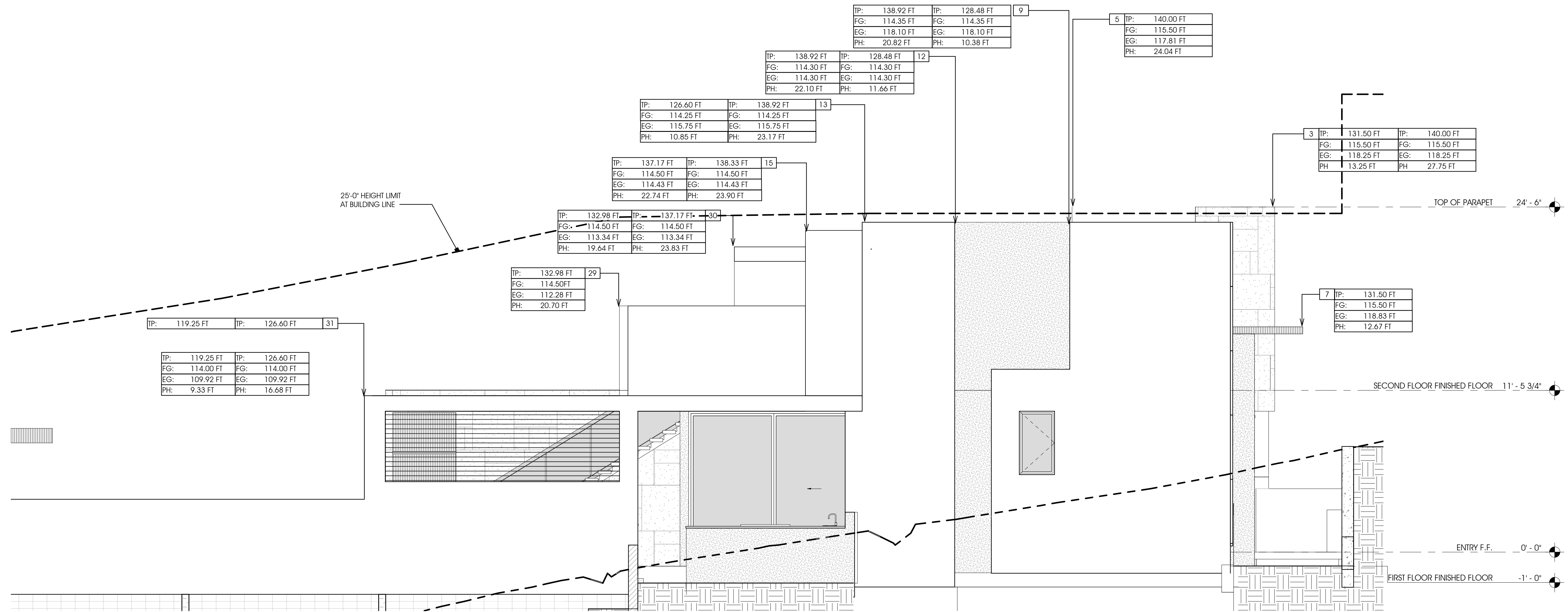
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R:\PROJECTS\2019\18-11 - Rios Custom Home\18-11 Story Pole Plan.dwg



STORY POLE - EAST ELEVATION

1/4" = 1'-0"



STORY POLE - SOUTH ELEVATION

1/4" = 1'-0"

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REVISIONS

11/21/19	PLANNING SUBMITTAL
2019-12-06	2ND DRP REVIEW
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2020-06-10	COUNCIL MEETING

PHASE

DRP 19-003 / SDP 19-004

DATE

2019-08-19

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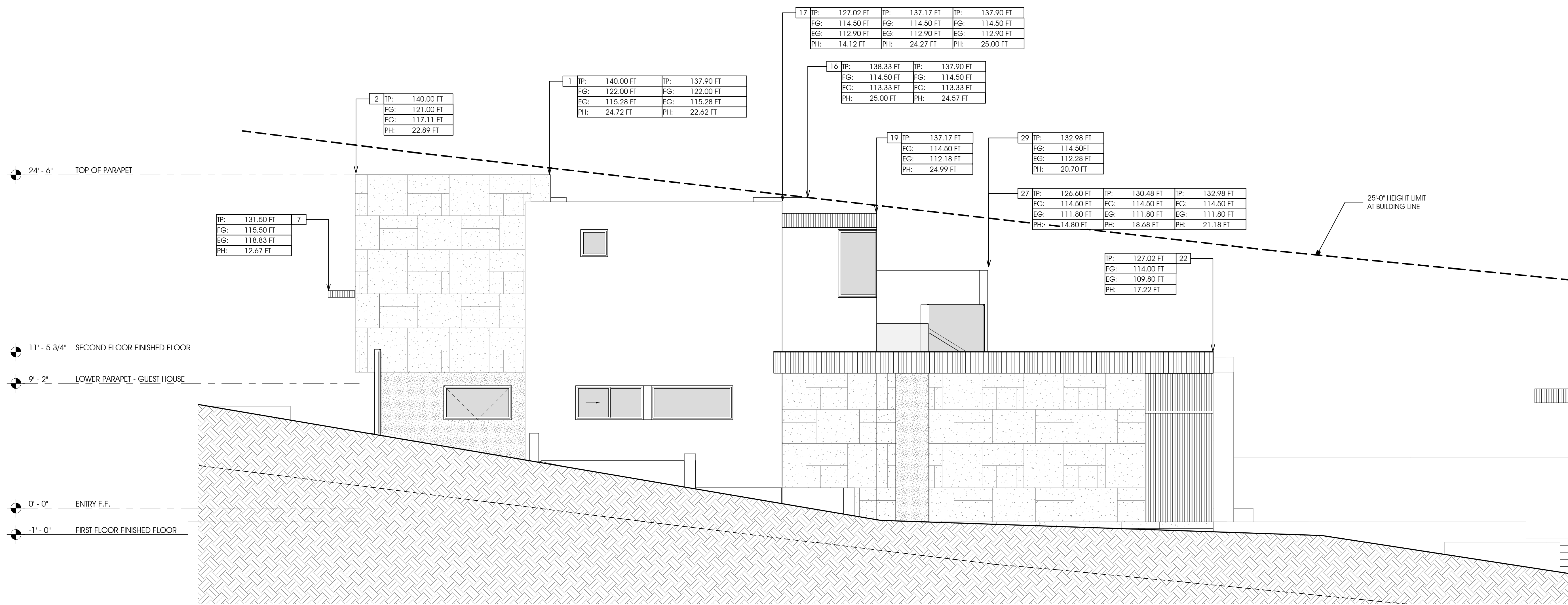
STORY POLE ELEVATIONS

REVISIONS

11/21/19	PLANNING SUBMITTAL
2019-12-06	2ND DRP REVIEW
2020-02-04	3RD DRP REVIEW
2020-06-10	COUNCIL MEETING

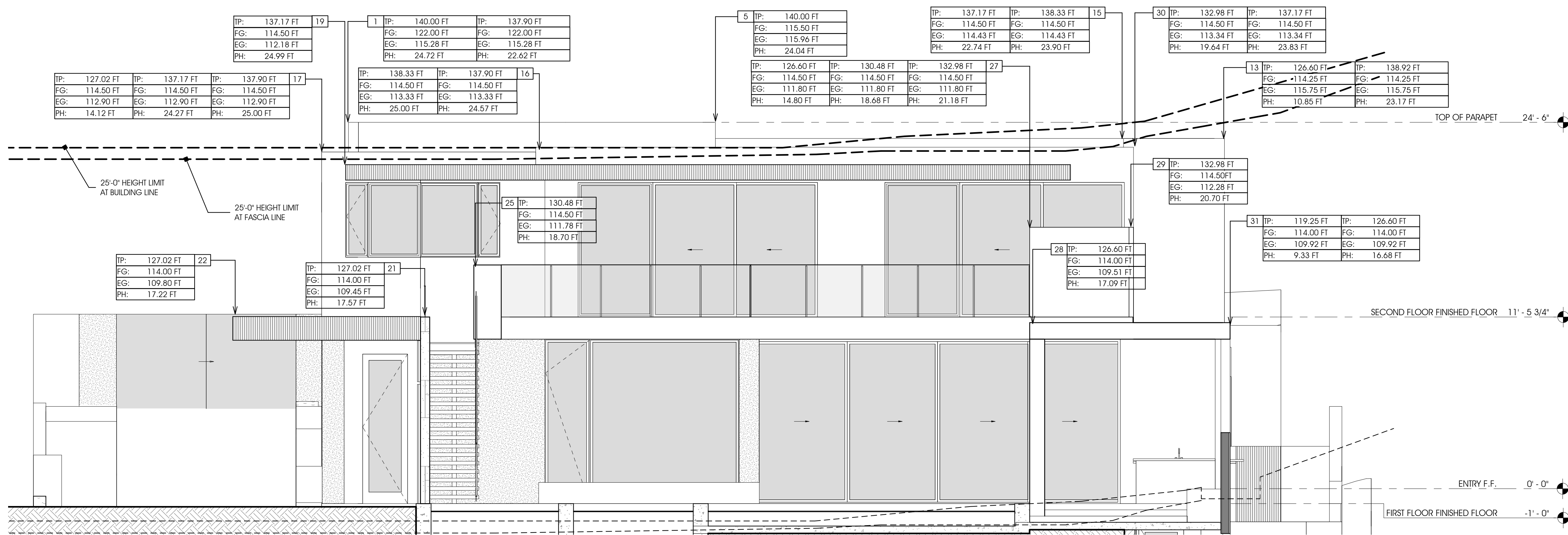
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DATE	2019-08-19
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STORY POLE ELEVATIONS



STORY POLE - NORTH ELEVATION

1/4" = 1'-0"

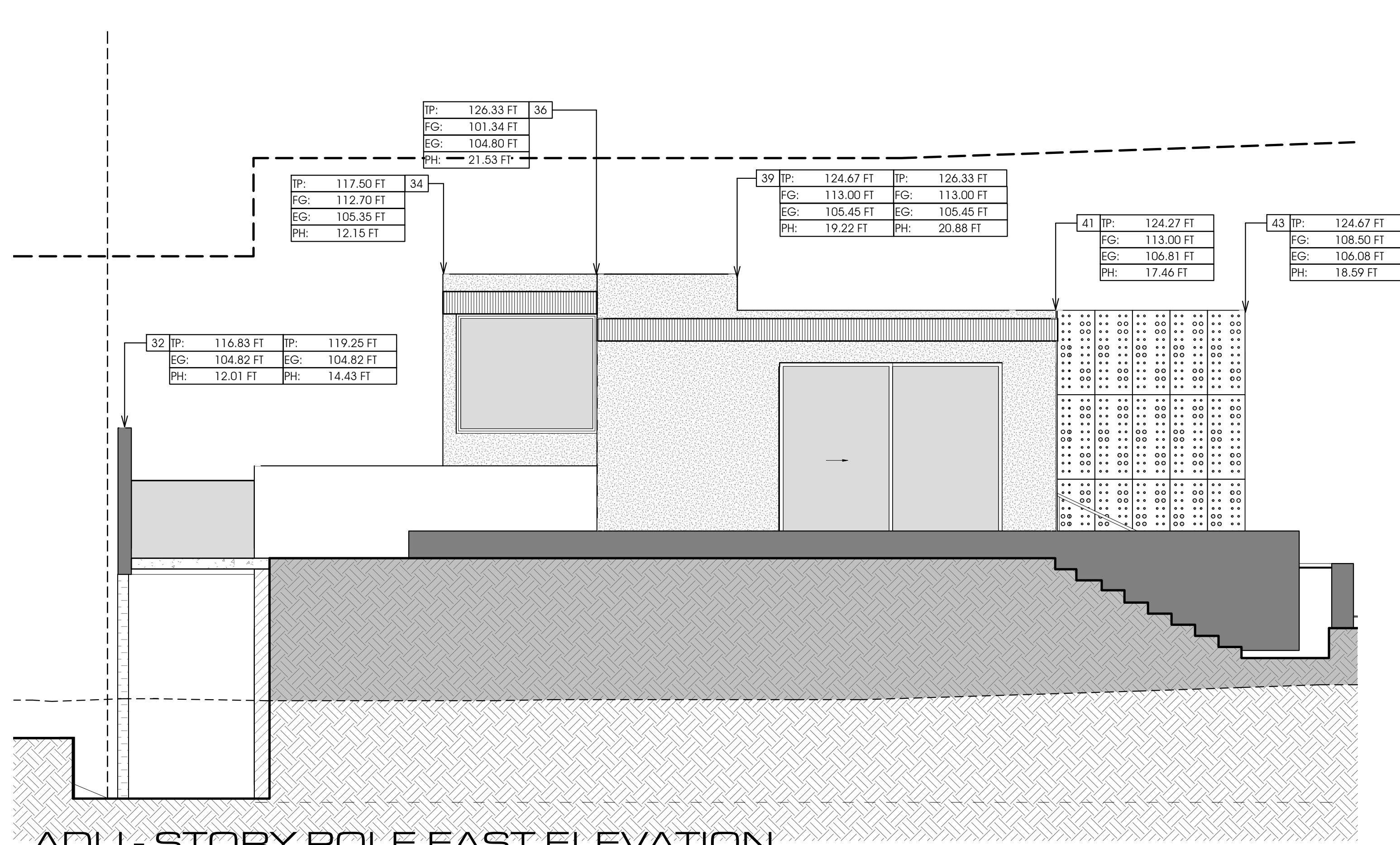


STORY POLE - WEST ELEVATION

1/4" = 1'-0"

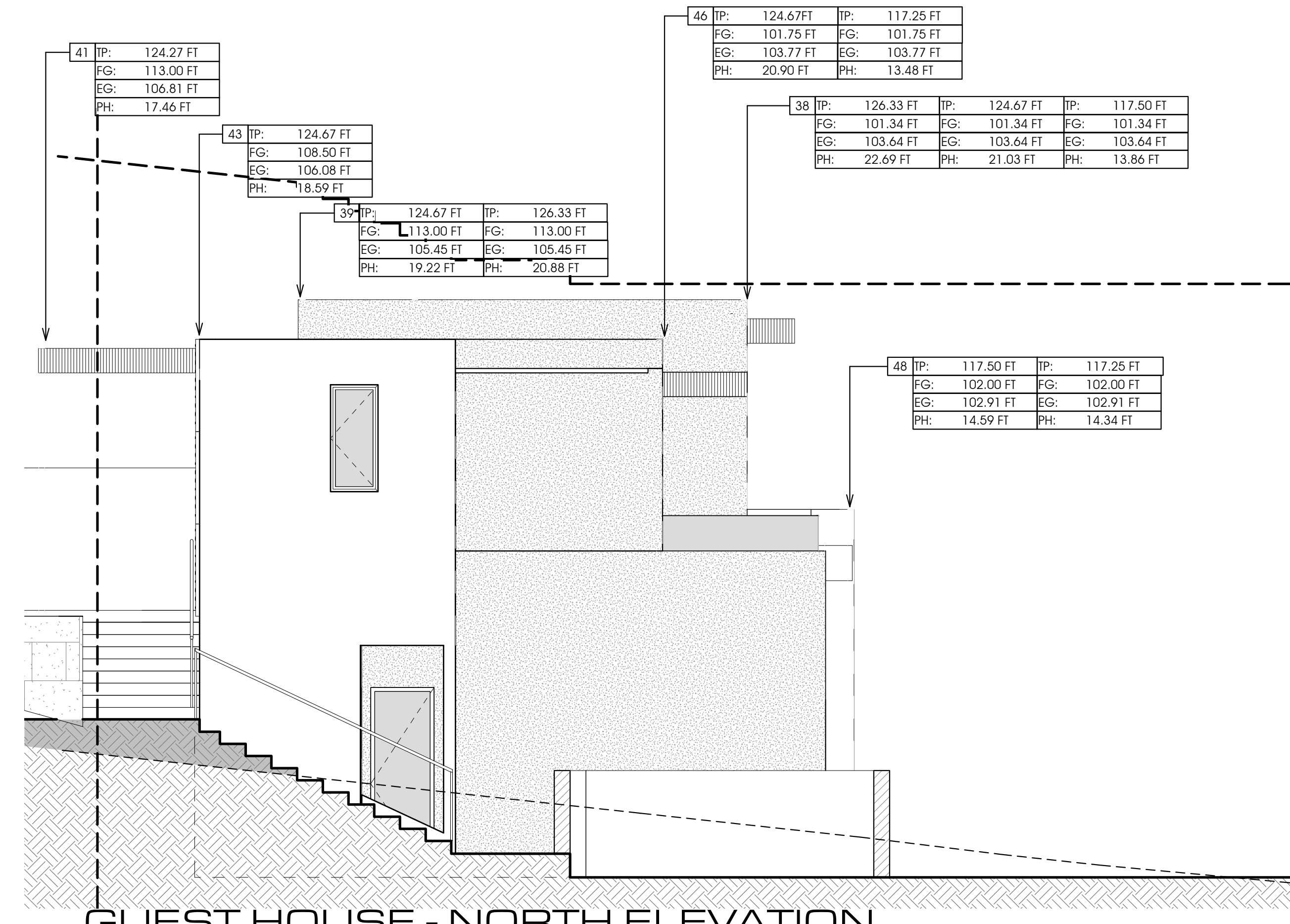
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2019-12-06
2ND DRP REVIEW
2020-02-04
3RD DRP REVIEW
2020-06-10
COUNCIL MEETING



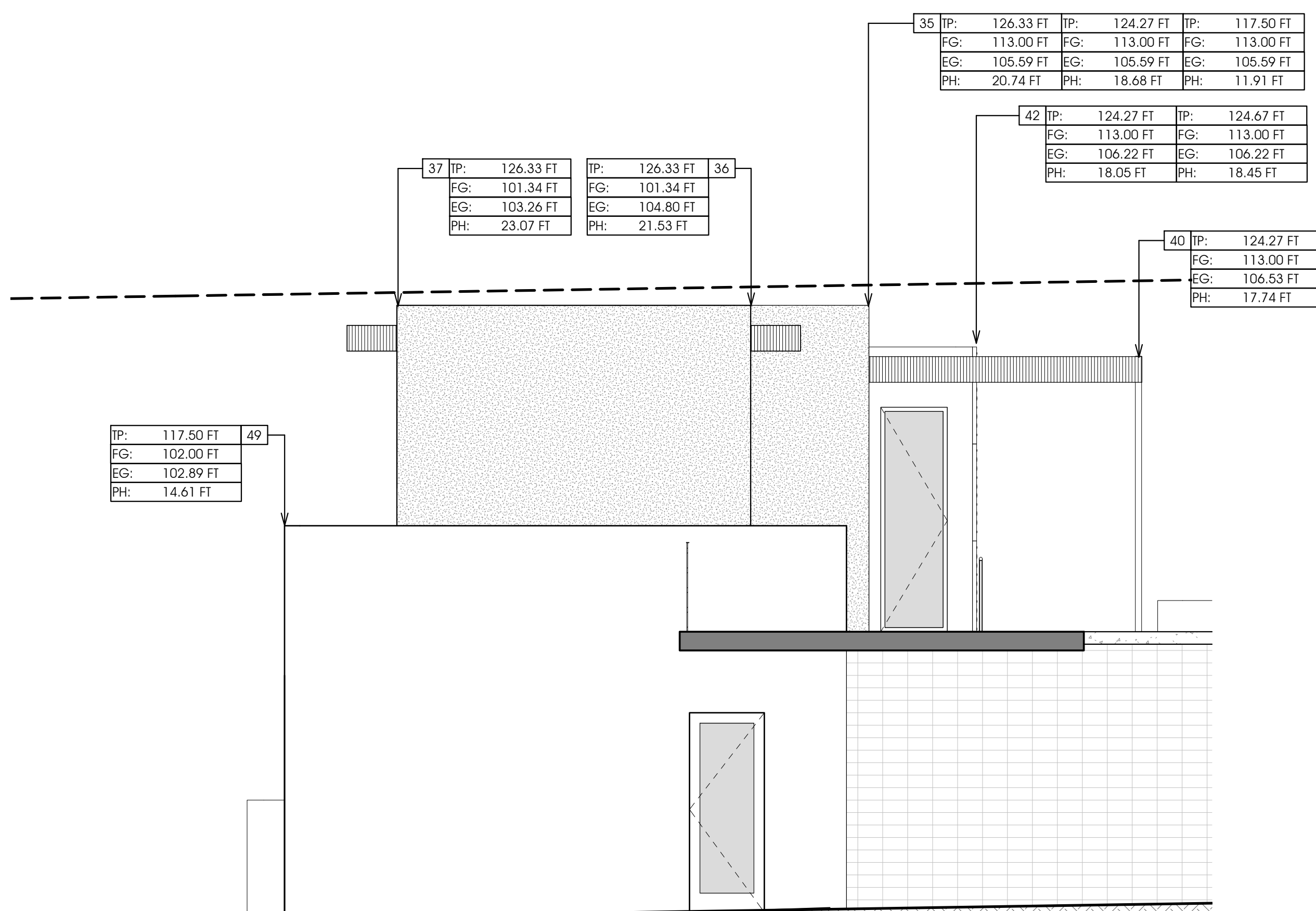
ADU - STORY POLE EAST ELEVATION

1/4" = 1'-0"



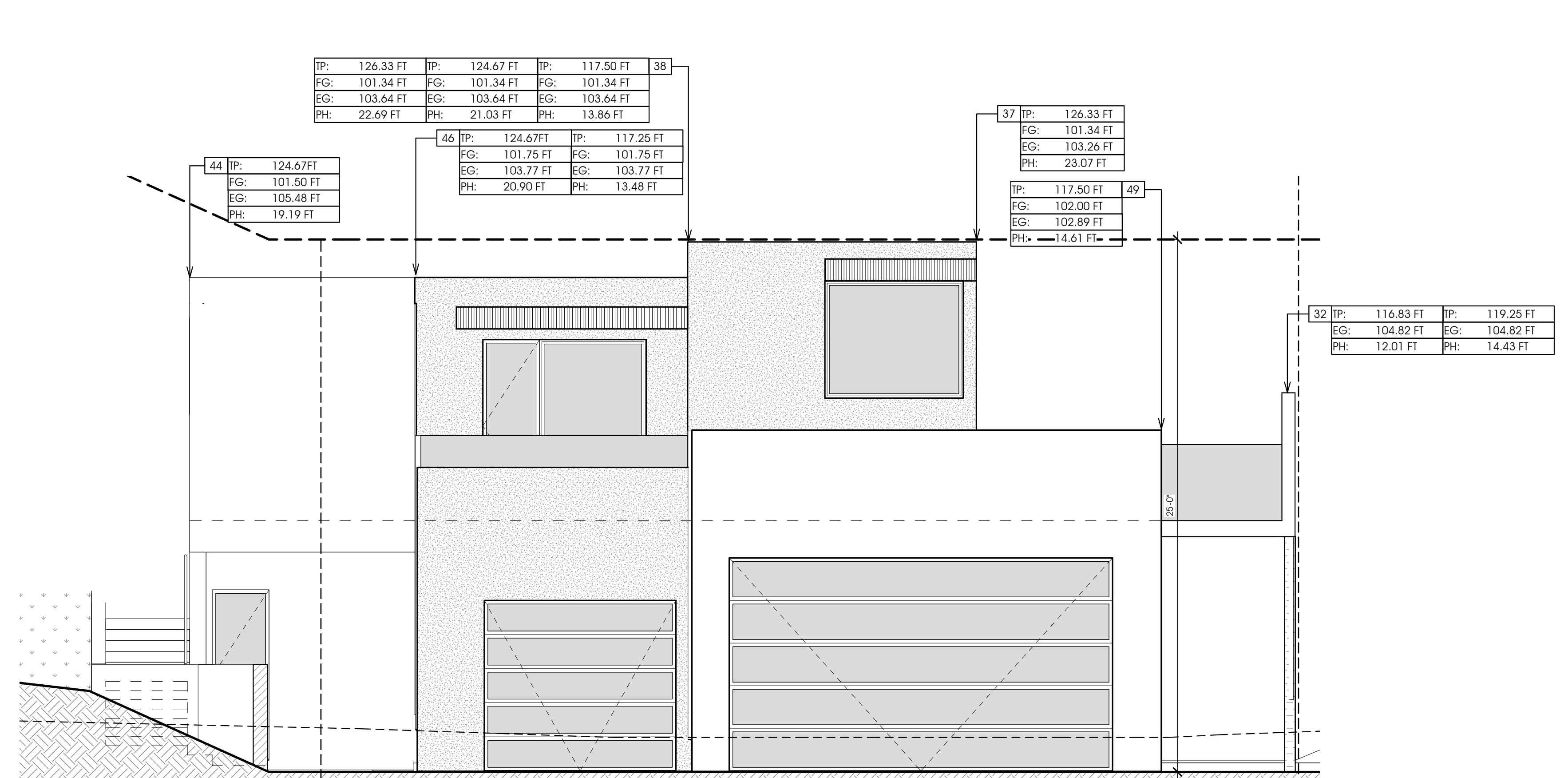
GUEST HOUSE - NORTH ELEVATION

1/4" = 1'-0"



ADU - STORY POLE SOUTH ELEVATION

1/4" = 1'-0"



ADU - STORY POLE WEST ELEVATION

1/4" = 1'-0"

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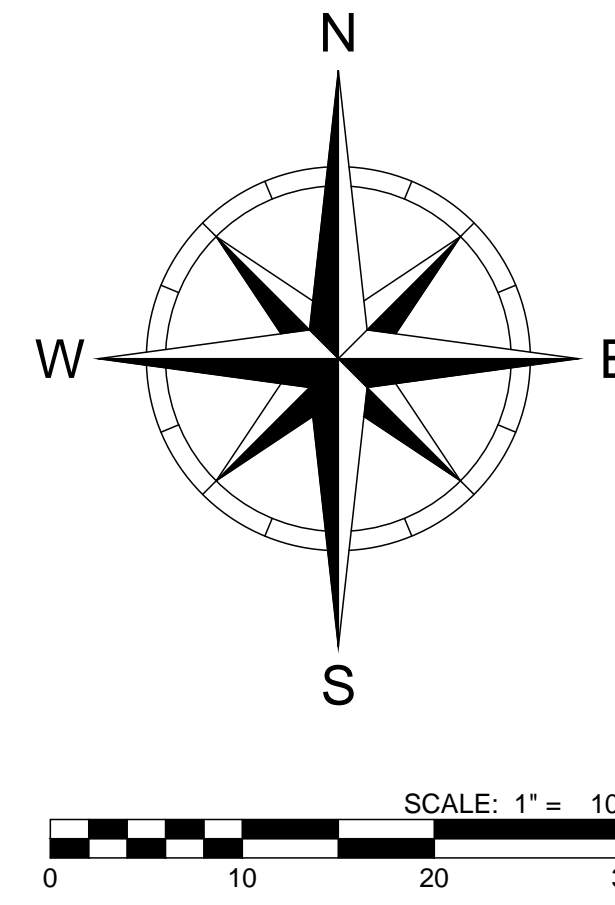
11/22/19	PLANNING SUBMITTAL
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2020-02-04	3RD DRP REVIEW
2020-06-10	COUNCIL MEETING

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STORY POLES - ADU ELEVATIONS

LEGEND

- FOUND MONUMENT AS NOTED
- SET 1"X18" IRON PIPE & DISK MARKED "PLS 8548"
- PROPERTY BOUNDARY
- RIGHT-OF-WAY LINE
- CENTERLINE
- - - ADJOINING PROPERTY LINE
- - - EASEMENT LINE
- - - OLD LOT / BLOCK LINE
- ▭ BUILDING FOOTPRINT
- - - ROOF / EAVE
- WOOD FENCE
- ▬ RETAINING WALL
- - - DITCH BANK
- - - FLOWLINE
- - - INDEX CONTOUR LINE
- - - INTERMEDIATE CONTOUR LINE
- - - POWER LINE (OVERHEAD)
- - - COMMUNICATIONS LINE (OVERHEAD)
- - - GAS LINE
- - - SEWER LINE
- - - WATER LINE
- POWER POLE
- GUY EYE
- ▭ ELECTRIC UTILITY VAULT
- GAS HANDHOLE
- SEWER MANHOLE
- SEWER CLEANOUT
- WATER VALVE
- FIRE HYDRANT
- WATER METER
- MAILBOX
- SPOT ELEVATION
- ▭ ASPHALT SURFACE
- ▭ CONCRETE SURFACE

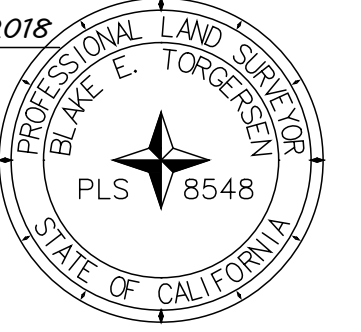


SURVEYOR'S STATEMENT

THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE REQUIREMENTS OF THE PROFESSIONAL LAND SURVEYORS' ACT.

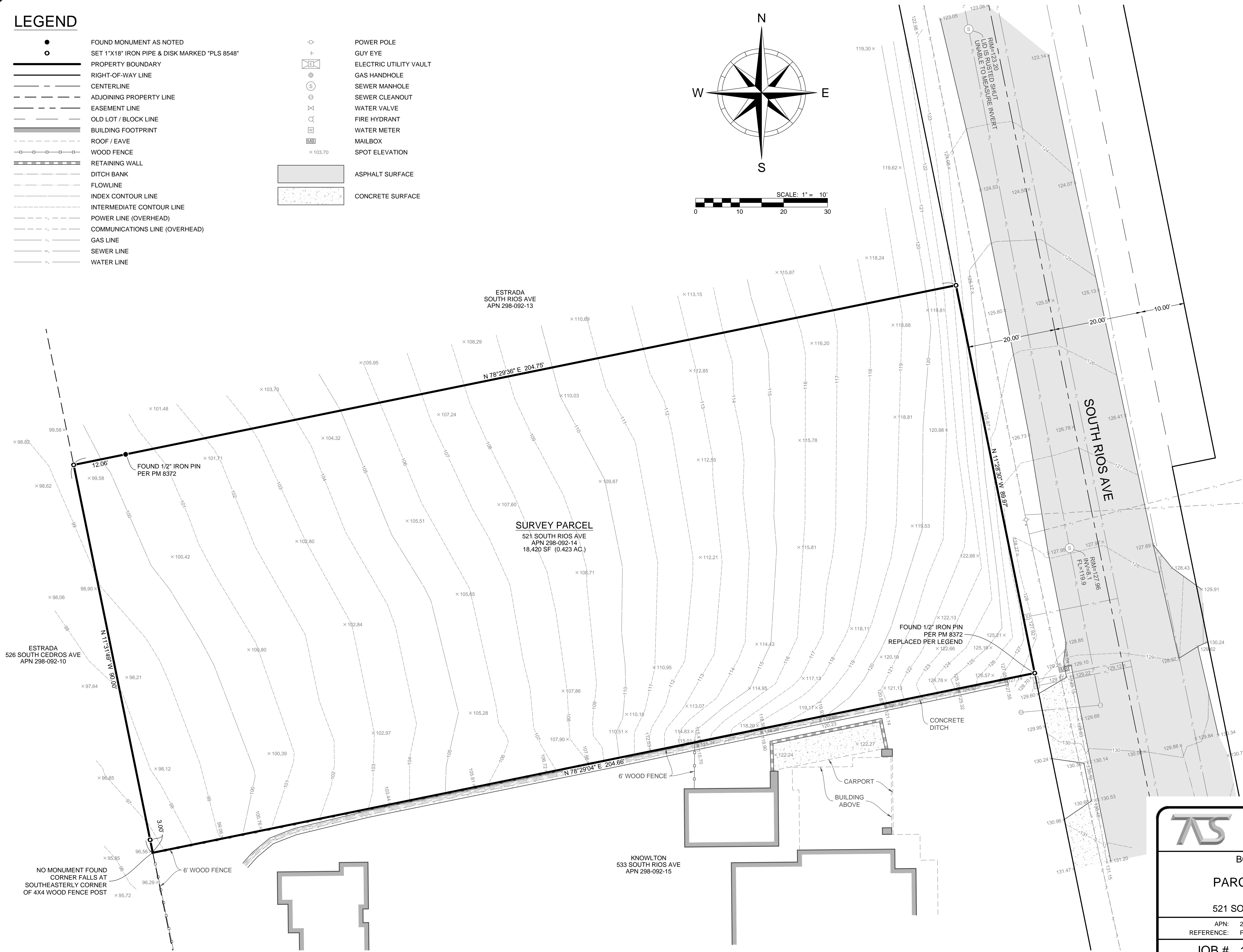
BElong
BLAKE E. TORGERSEN
PLS 8548

10-06-2018
DATE



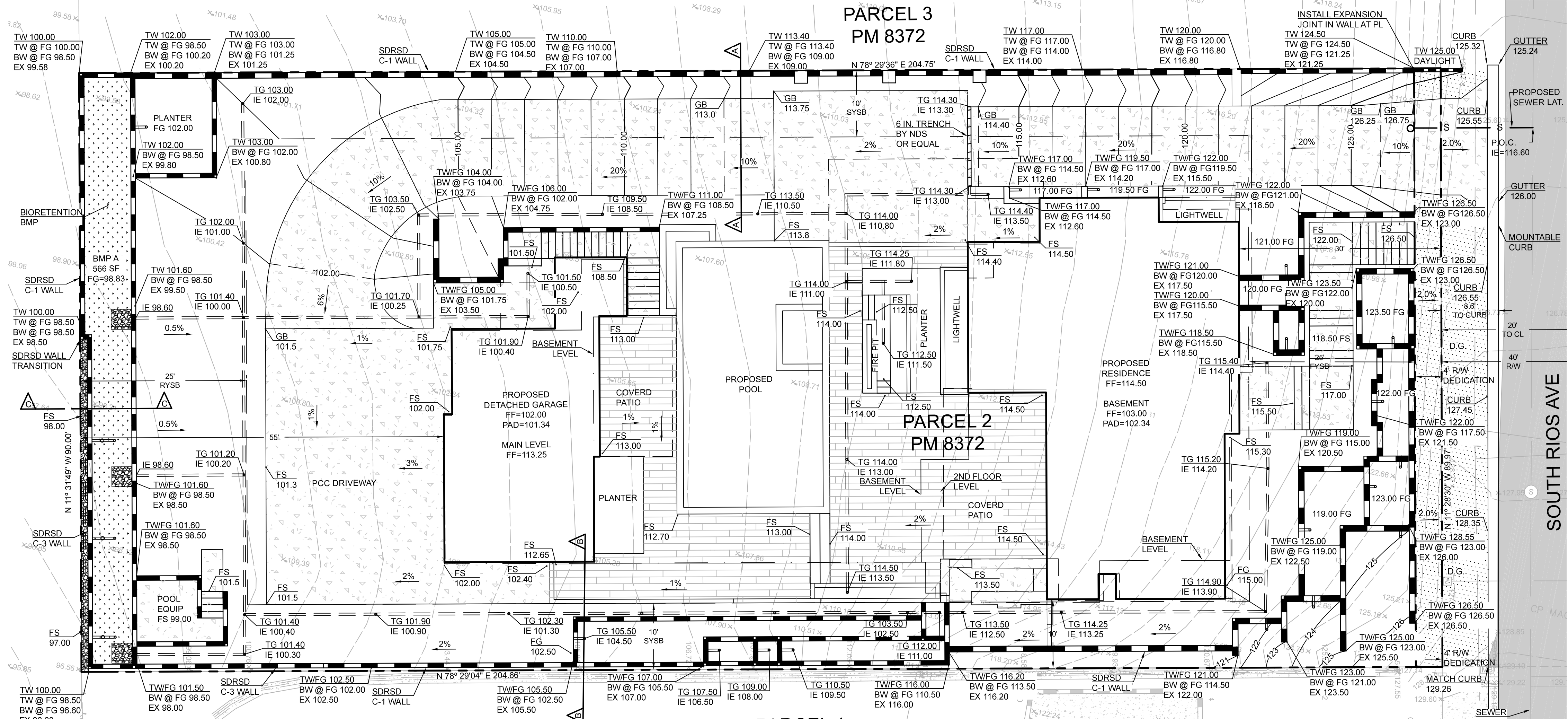
NARRATIVE

1. THE BASIS OF BEARINGS FOR THIS SURVEY IS N 11°28'30" W ALONG THE SIDELINE OF SOUTH RIOS AVEUE, AS SHOWN ON PARCEL MAP NO. 8372.
2. BEARINGS AND DISTANCES SHOWN HEREON ARE BASED ON A FIELD SURVEY. RECORD DIMENSIONS MAY VARY.
3. ELEVATIONS SHOWN HEREON ARE BASED ON CITY OF SOLANA BEACH CONTROL STATION 'SOLB-5', A 2.5" BRASS DISC ON CONCRETE DRAINAGE INLET AT THE EAST END OF FRESCA COURT. PER RECORD OF SURVEY NO. 18971. NAVD-88 ELEV = 107.122'
4. THE LOCATIONS OF UNDERGROUND UTILITY LINES AND/OR STRUCTURES AS SHOWN HEREON ARE BASED ON OBSERVED ABOVE GROUND EVIDENCE ONLY. NO RECORD UTILITY PLANS WERE PROVIDED TO OR OBTAINED BY THE SURVEYOR. NO EXCAVATIONS WERE MADE DURING THE COURSE OF THIS SURVEY TO LOCATE UNDERGROUND UTILITIES. LOCATIONS OF UNDERGROUND UTILITIES MAY VARY FROM LOCATIONS SHOWN HEREON. ADDITIONAL UNDERGROUND UTILITIES MAY EXIST.

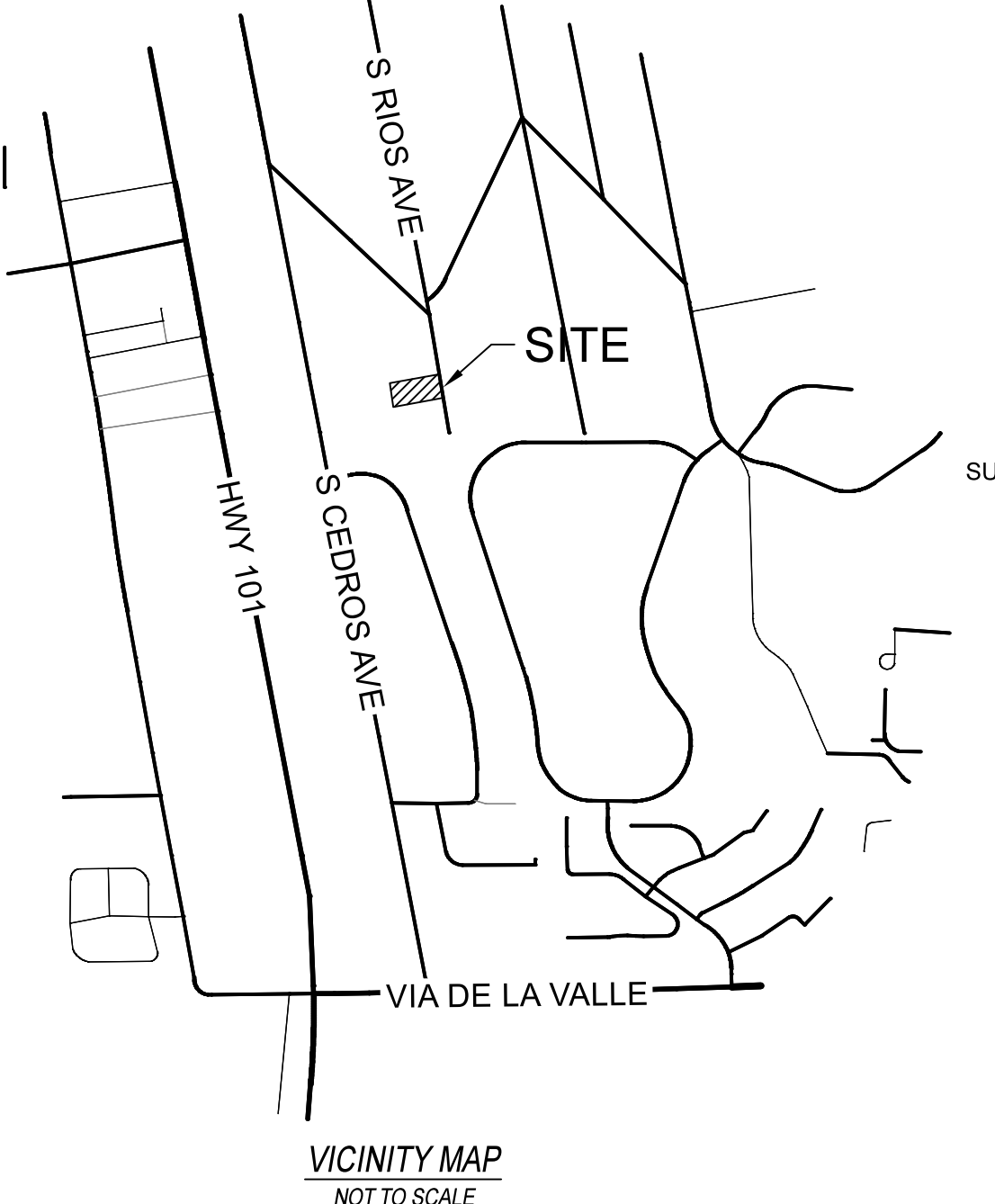


	TORGERSEN SURVEYING, INC. 1012 MAR VISTA DR, VISTA, CA 92081 619-535-8674 TORGSURV@GMAIL.COM	
	BOUNDARY & TOPOGRAPHIC SURVEY OF PARCEL 2 OF PARCEL MAP NO. 8372 LOCATED AT 521 SOUTH RIOS AVE, SOLANA BEACH, CA 92075	
APN: 298-092-14 REFERENCE: PM 8372	SURVEY DATE: 10-02-2018 DRAWING DATE: 10-06-2018	JOB # 1833
		SHEET 1 OF 1

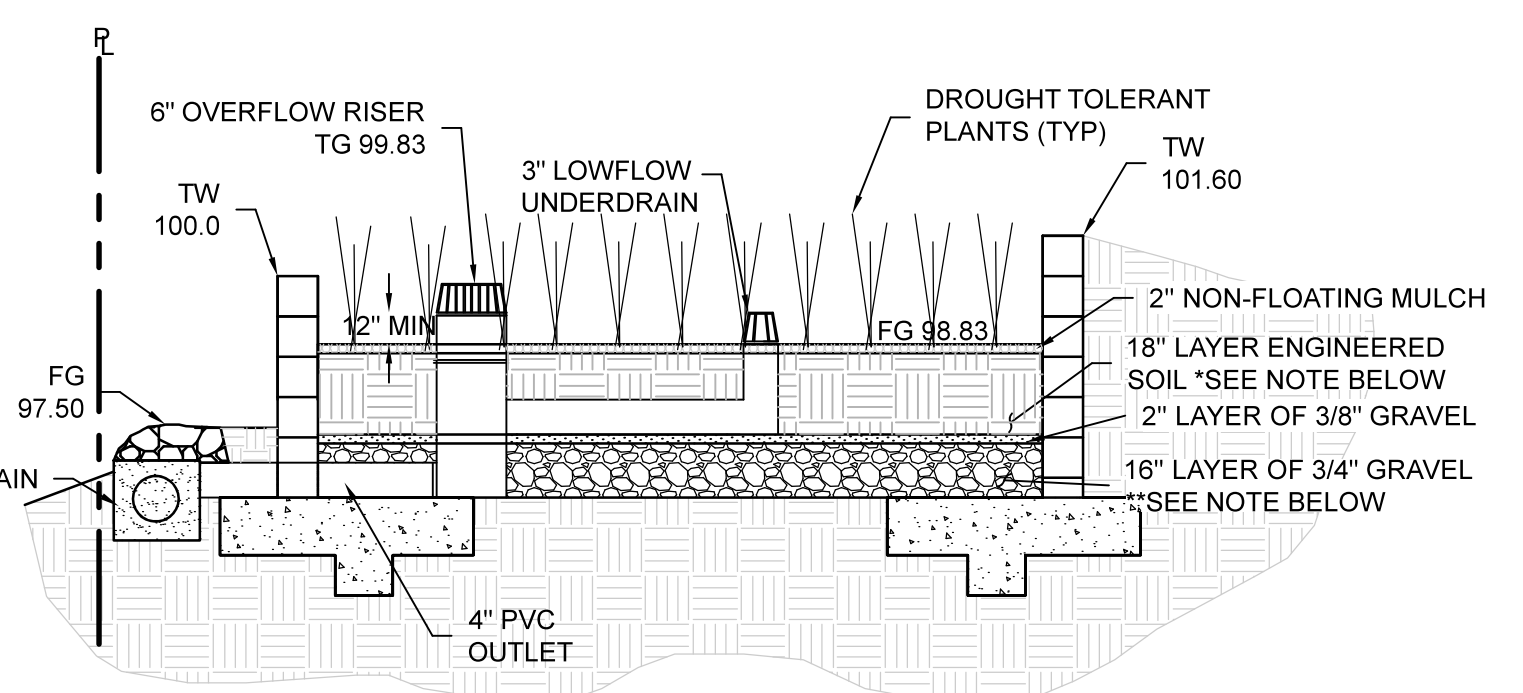
PRELIMINARY GRADING PLAN



PARCEL 1
PM 8372
PRELIMINARY GRADING PLAN
SCALE: 1" = 10'

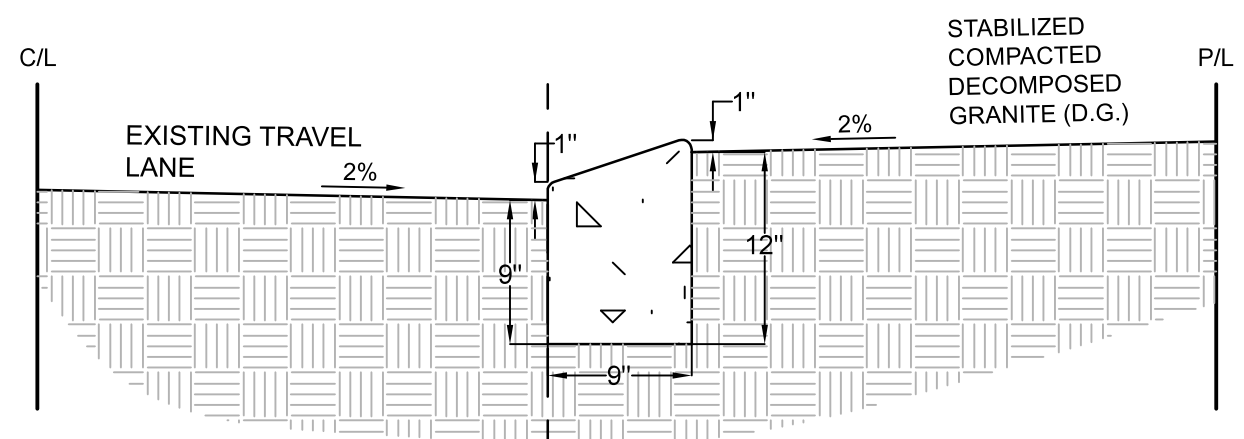


VICINITY MAP
NOT TO SCALE



BIORETENTION AREA DETAIL
NOT TO SCALE

* BIORETENTION "ENGINEERED SOIL" LAYER SHALL BE MINIMUM 24" DEEP "SANDY LOAM" SOIL MIX WITH NO MORE THAN 5% CLAY CONTENT. THE MIX SHALL CONTAIN 50-60% SAND, 20-30% COMPOST OR HARDWOOD MULCH, AND 20-30% TOPSOIL.



9'X9'X12' CONCRETE CURB
NOT TO SCALE

- GENERAL NOTES**
- APPROVAL OF THIS GRADING PLAN DOES NOT CONSTITUTE APPROVAL OF VERTICAL OR HORIZONTAL ALIGNMENT OF ANY PRIVATE ROAD SHOWN HEREIN FOR PUBLIC ROAD PURPOSES.
 - FINAL APPROVAL OF THESE GRADING PLANS IS SUBJECT TO FINAL APPROVAL OF THE ASSOCIATED IMPROVEMENT PLANS WHERE APPLICABLE. FINAL CURB GRADE ELEVATIONS MAY REQUIRE CHANGES IN THESE PLANS.
 - IMPORT MATERIALS SHALL BE LEGALLY OBTAINED. A SEPARATE PERMIT FROM THE CITY ENGINEER WILL BE REQUIRED FOR ANY WORK IN THE PUBLIC RIGHT-OF-WAY.
 - ALL SLOPES OVER THREE (3) FEET IN HEIGHT SHALL BE LANDSCAPED AND IRRIGATED.
 - THE CONTRACTOR SHALL VERIFY THE EXISTENCE AND LOCATION OF ALL UTILITIES BEFORE COMMENCING WORK. NOTICE OF PROPOSED WORK SHALL BE GIVEN TO THE FOLLOWING AGENCIES:
UNDERGROUND S.A. (800)-227-2600
 - A SOILS REPORT SHALL BE PROVIDED AS REQUIRED BY THE CITY OF SOLANA BEACH PRIOR TO ISSUANCE OF A GRADING PERMIT.
 - APPROVAL OF THESE PLANS BY THE CITY ENGINEER DOES NOT AUTHORIZE ANY WORK OR GRADING TO BE PERFORMED UNTIL THE PROPERTY OWNER'S PERMISSION HAS BEEN OBTAINED AND A VALID GRADING PERMIT HAS BEEN ISSUED.
 - THE CITY ENGINEER'S APPROVAL OF THESE PLANS DOES NOT CONSTITUTE THE BUILDING OFFICIAL'S APPROVAL OF ANY FOUNDATION FOR STRUCTURES TO BE PLACED ON THE AREA COVERED BY THESE PLANS. NO WAIVER OF THE GRADING ORDINANCE REQUIREMENTS CONCERNING MINIMUM COVER OVER EXPANSIVE SOILS IS MADE OR IMPLIED.
 - ALL OPERATIONS CONDUCTED ON THE PREMISES, INCLUDING THE WARMING UP, REPAIR, ARRIVAL, DEPARTURE OR RUNNING OF TRUCKS, EARTHMOVING EQUIPMENT, CONSTRUCTION EQUIPMENT, AND ANY OTHER ASSOCIATED GRADING EQUIPMENT SHALL BE LIMITED TO THE PERIOD BETWEEN 7:00 a.m. AND 6:00 p.m. EACH DAY, MONDAY THROUGH FRIDAY, AND NO EARTHMOVING OR GRADING OPERATIONS SHALL BE CONDUCTED ON THE PREMISES ON SATURDAYS, SUNDAYS OR HOLIDAYS WITHOUT THE WRITTEN PERMISSION OF THE CITY ENGINEER.
 - ALL MAJOR SLOPES SHALL BE ROUNDED INTO EXISTING TERRAIN TO PRODUCE A CONTIGUOUS TRANSITION FROM CUT OR FILL FACES TO NATURAL GROUND AND ADJUTING CUT OR FILL FACES.
 - NOTWITHSTANDING THE MINIMUM STANDARDS SET FORTH IN THE GRADING ORDINANCE, AND NOTWITHSTANDING THE APPROVAL OF THESE GRADING PLANS, THE PERMITTEE IS RESPONSIBLE FOR THE PREVENTION OF DAMAGE TO THE ADJACENT PROPERTY. NO PERSON SHALL EXCAVATE ON LAND SO CLOSE TO THE PROPERTY LINE AS TO ENDANGER ANY ADJOINING PUBLIC STREET, SIDEWALK, ALLEY, FUNCTION OF ANY SEWAGE DISPOSAL SYSTEM, OR ANY OTHER PUBLIC OR PRIVATE PROPERTY WITHOUT SUPPORTING AND PROTECTING SUCH PROPERTY FROM SETTLING, CRACKING, EROSION, SILTING, SCOUR OR OTHER DAMAGE WHICH MIGHT RESULT FROM THE GRADING DESCRIBED ON THIS PLAN. THE CITY WILL HOLD THE PERMITTEE RESPONSIBLE FOR CORRECTION ON NON-DEDICATED IMPROVEMENTS WHICH DAMAGE ADJACENT PROPERTY.
 - SLOPE RATIOS: CUT 1:2 FILL 1:2
CUT: 1,700 CY FILL: 600 CY EXPORT: 1,100 CY
(NOTE: A SEPARATE VALID PERMIT MUST EXIST FOR OFFSITE IMPORT OR EXPORT AREAS.)
- EROSION CONTROL NOTES**
- STORM WATER AND NON-STORM WATER DISCHARGE CONTROL: BEST MANAGEMENT PRACTICES SHALL BE DEVELOPED AND IMPLEMENTED TO MANAGE STORM WATER AND NON-STORM WATER DISCHARGES FROM THE SITE AT ALL TIMES DURING EXCAVATION AND GRADING ACTIVITIES.
 - EROSION AND SEDIMENT CONTROL: EROSION PREVENTION SHALL BE EMPHASIZED AS THE MOST IMPORTANT MEASURE FOR KEEPING SEDIMENT OFF SITE DURING EXCAVATION AND GRADING ACTIVITIES. SEDIMENT CONTROLS SHALL BE USED AS A SUPPLEMENT TO EROSION PREVENTION FOR KEEPING SEDIMENT ON SITE.
 - EROSION CONTROL ON SLOPES SHALL BE MITIGATED BY INSTALLING LANDSCAPING AS PER APPROVED LANDSCAPE PLANS AS REQUIRED BY THE DEVELOPMENT REVIEW CONDITIONS, OR BY TEMPORARY EROSION CONTROL CONFORMING TO THE FOLLOWING:
NON-IRRIGATED HYDROSEED MIX WITH A FIBER MATRIX APPLIED AT 4,000 LB/ACRE.
- | LBS/ACRE | % PURITY/ACRE | SEED SPECIES |
|----------|---------------|----------------------|
| 20 | 70% PLUS | ATRIPLEX GLAUCA |
| 50 | | PLANTAGO INSULARIS |
| 8 | | ENCELIS FARINOSA |
| 6 | SCARIFIED | LOTUS SCOPARIUS |
| 7 | 50% PLUS | EXCHSCHOLTZIA CALIF. |
| 91 | | |
- THE TOPS OF ALL SLOPES TALLER THAN 5' SHALL BE DIKED OR TRENCHED TO PREVENT WATER FLOWING OVER CRESTS OF SLOPES.
 - CATCH BASINS, DESILTING BASINS, AND STORM DRAIN SYSTEMS SHALL BE INSTALLED TO THE SATISFACTION OF THE CITY ENGINEER.
 - SAND BAG CHECK DAMS, SILT FENCES, FIBER ROLLS OR OTHER APPROVED BMP'S SHALL BE PLACED IN UNPAVED AREAS WITH GRADIENTS IN EXCESS OF 2%, AS WELL AS AT OR NEAR EVERY POINT WHERE CONCENTRATED FLOW LEAVE THE SITE.
 - SAND BAGS SHALL BE PLACED ON THE UPSTREAM SIDE OF ALL DRAINAGE INLETS TO MINIMIZE SILT BUILDUP IN THE INLETS AND PIPES.
 - THE CONTRACTOR SHALL REPAIR ANY ERODED SLOPES AS DIRECTED BY THE OFFICE OF THE CITY ENGINEER.
 - THE CONTRACTOR SHALL SWEEP ROADWAYS AND ENTRANCES TO AND FROM THE SITE ON A REGULAR BASIS TO KEEP THEM FREE OF SOIL ACCUMULATION AND AT ALL OTHER TIMES DIRECTED BY THE CITY ENGINEER.
 - THE CONTRACTOR SHALL WATER SITE ON A CONTINUOUS BASIS TO MINIMIZE AIR BORNE DUST CREATED FROM GRADING AND HAULING OPERATIONS OR EXCESSIVE WIND CONDITIONS, AND AT ALL TIMES DIRECTED BY THE CITY ENGINEER.
 - IN THE EVENT SILT DOES ENTER THE EXISTING PUBLIC STORM DRAIN SYSTEM, REMOVAL OF THE SILT FROM THE SYSTEM WILL BE DONE AT THE DEVELOPER'S EXPENSE.
- | EXISTING CONDITION | PROPOSED CONDITION |
|---------------------|---------------------|
| IMPERVIOUS: 0 SF | HARDSCAPE: 7,136 SF |
| PERVIOUS: 18,427 SF | BUILDING: 2,814 SF |
| | PERVIOUS: 8,477 SF |
| | PLANTERS: 469 SF |
| | LANDSCAPE: 6,308 SF |
| | POOL: 1,025 SF |
| | BMP: 675 SF |
- THE CONTRACTOR SHALL DESIGN, CONSTRUCT, AND MAINTAIN ALL SAFETY DEVICES INCLUDING SHORING, AND SHALL BE RESPONSIBLE FOR CONFORMING TO ALL LOCAL, STATE, AND FEDERAL SAFETY AND HEALTH STANDARDS, LAWS AND REGULATIONS.

LEGAL DESCRIPTION
PARCEL 2 OF PARCEL MAP NO. 8372, IN THE CITY OF SOLANA BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, FEBRUARY 1, 1979 AS FILE NO. 79-051499 OF OFFICIAL RECORDS.

A.P.N.: 298-092-14
SITE ADDRESS: 521 SOUTH RIOS AVE, SOLANA BEACH, CA 92075
OWNER/PERMITTEE: KENNETH MARGULIS, TRUSTEE OF THE KENNETH MARGULIS REVOCABLE TRUST
TOPOGRAPHIC SURVEY: TORGENSEN SURVEYING, INC. (619) 535-8674

WORK TO BE DONE
THE IMPROVEMENTS CONSIST OF THE FOLLOWING WORK TO BE DONE ACCORDING TO THESE PLANS AND THE LATEST EDITIONS OF:
STANDARD SPECIFICATIONS
(1) STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION INCLUDING THE REGIONAL SUPPLEMENTAL AMENDMENTS.
(2) CALIFORNIA DEPARTMENT OF TRANSPORTATION "MANUAL OF TRAFFIC CONTROLS FOR CONSTRUCTION AND MAINTENANCE WORK ZONES"
(3) STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS

STANDARD DRAWINGS
(1) SAN DIEGO REGIONAL STANDARD DRAWINGS
(2) STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION STANDARD PLANS

LEGEND

ITEM DESCRIPTION	SYMBOL
PROPERTY LINE	---
CENTERLINE OF ROAD	---
PROPOSED BMP	---
PROPOSED SETBACKS	---
PROPOSED HARDSCAPE PER LANDSCAPE ARCHITECT PLANS	---
PROPOSED CONTOUR LINE	---
EXISTING CONTOUR LINE	---
PROPOSED MASONRY RETAINING WALL PER PLAN	---
PROPOSED 4" STORMDRAIN PIPE	---

OWNER'S CERTIFICATE
I, _____ AS OWNER/DEVELOPER OF THE PROPERTY DESCRIBED HEREIN ACKNOWLEDGE THESE PLANS HAVE BEEN PREPARED AT MY DIRECTION WITH MY FULL CONSENT. I FULLY UNDERSTAND AND ACCEPT THE TERMS AND CONDITIONS CONTAINED HEREIN AND AS ATTACHED BY REFERENCE ON THIS GRADING PLAN.
IT IS AGREED THAT FIELD CONDITIONS MAY REQUIRE CHANGES TO THESE PLANS.
IT IS FURTHER AGREED THAT THE OWNER (DEVELOPER) SHALL HAVE A REGISTERED CIVIL ENGINEER MAKE SUCH CHANGES, ALTERATIONS OR ADDITIONS TO THESE PLANS WHICH THE CITY ENGINEER DETERMINES ARE NECESSARY AND DESIRABLE FOR THE PROPER COMPLETION OF THE IMPROVEMENTS.
I FURTHER AGREE TO COMMENCE WORK ON ANY IMPROVEMENTS SHOWN ON THESE PLANS WITHIN EXISTING CITY RIGHT-OF-WAY WITHIN 60 DAYS OF THE CONSTRUCTION PERMIT AND TO PURSUE SUCH WORK ACTIVELY ON EVERY NORMAL WORKING DAY UNTIL COMPLETED, IRRESPECTIVE AND INDEPENDENT OF ANY OTHER WORK ASSOCIATED WITH THIS PROJECT OR UNDER MY CONTROL.

KENNETH MARGULIS DATE
1106 2ND STREET SUITE 637
ENCINITAS, CA 92024

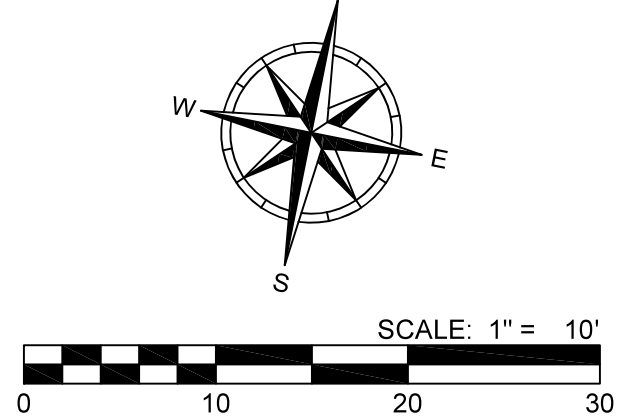
DECLARATION OF RESPONSIBLE CHARGE
I, BRIAN M. ARDOLINO, HEREBY DECLARE THAT I AM THE ENGINEER OF WORK FOR THIS PROJECT, THAT I HAVE EXERCISED RESPONSIBLE CHARGE OVER THE DESIGN OF THE PROJECT AS DEFINED IN SECTION 6703 OF THE BUSINESS AND PROFESSIONS CODE, AND THE DESIGN IS CONSISTENT WITH CURRENT STANDARDS AND THE CITY OF SOLANA BEACH RESOLUTION No. 2007-170.
I UNDERSTAND THAT THE CHECK OF PROJECT DRAWINGS AND SPECIFICATIONS BY THE CITY OF SOLANA BEACH IS CONFINED TO A REVIEW ONLY AND DOES NOT RELIEVE ME OF RESPONSIBILITIES FOR PROJECT DESIGN.

BY: BRIAN ARDOLINO
RCE No. 71651 EXP 12/31/2019
PASCO LARET SUTIER & ASSOCIATES

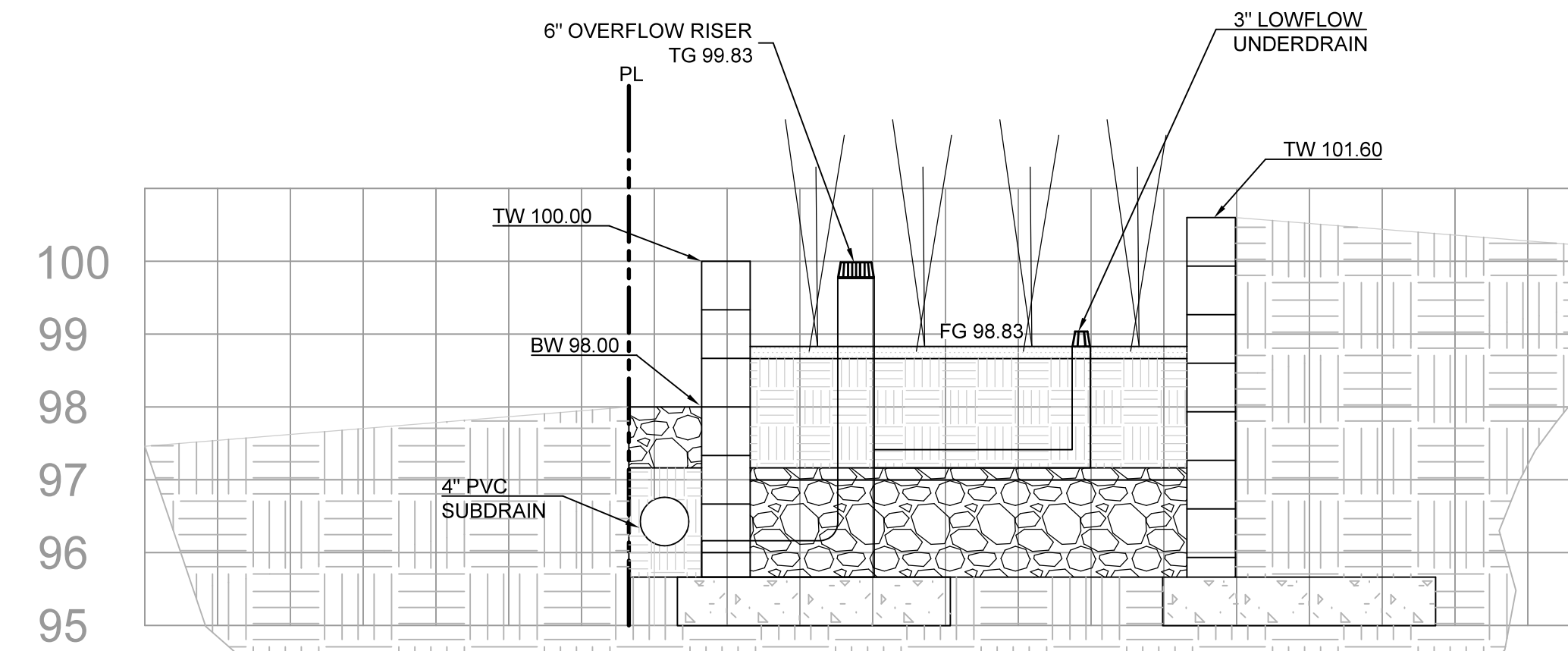
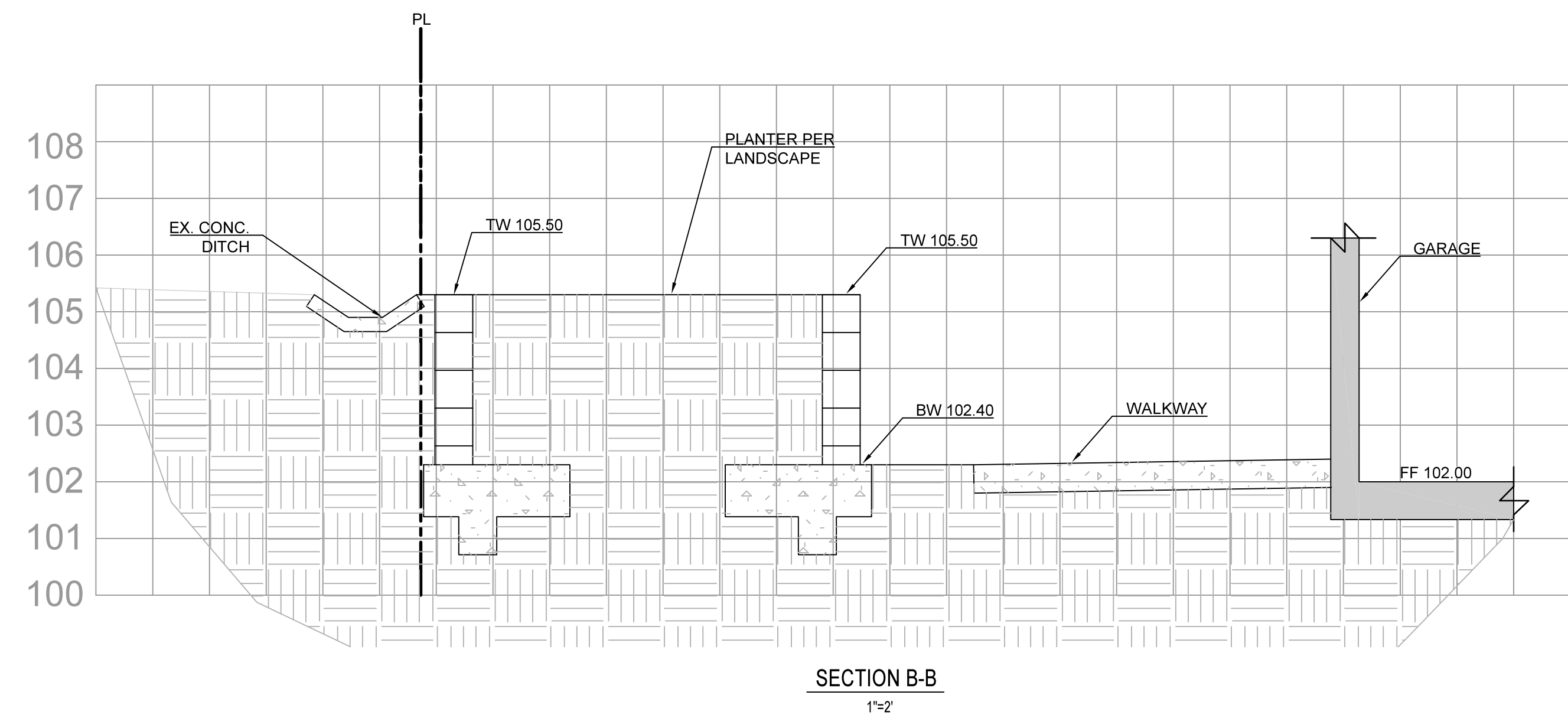
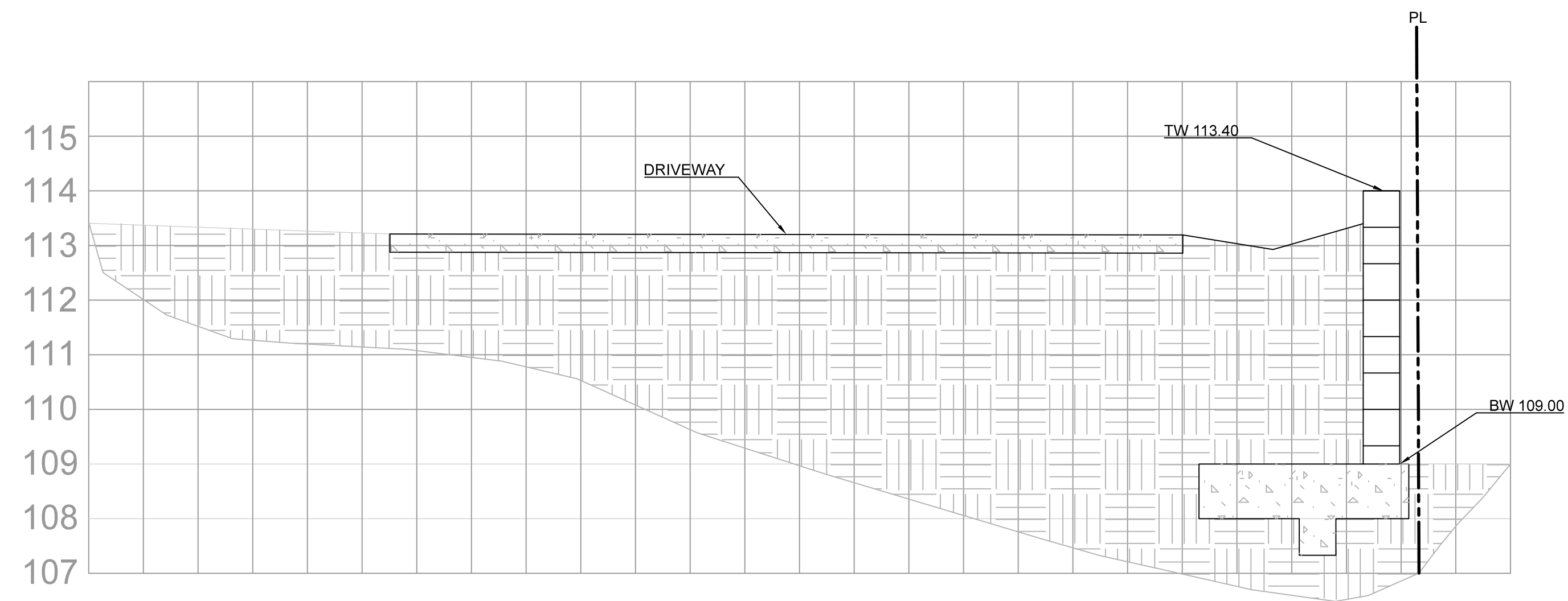
EARTHWORK QUANTITIES
SITE GRADING:
CUT: 1,700 CY
FILL: 600 CY
EXCAVATION FOR FOOTINGS: 17 CY
REMOVAL & RECOMPACTION (UNDER STRUCTURE): 130 CY
TOTAL GRADING (CUT AND FILL OUTSIDE & BELOW STRUCTURE): 2,447 CY
TOTAL EXPORT: 1,100 CY

* EARTHWORK QUANTITIES ARE ESTIMATED FOR PERMIT PURPOSES ONLY AND REPRESENT COMPACTED (IN PLACE) VOLUMES ONLY. THESE VALUES ARE CALCULATED ON A THEORETICAL BASIS. ACTUAL QUANTITIES MAY VARY DUE TO OBSERVED SHRINKAGE AND/OR SWELL FACTORS.

COASTAL COMMISSION PERMIT NO. _____



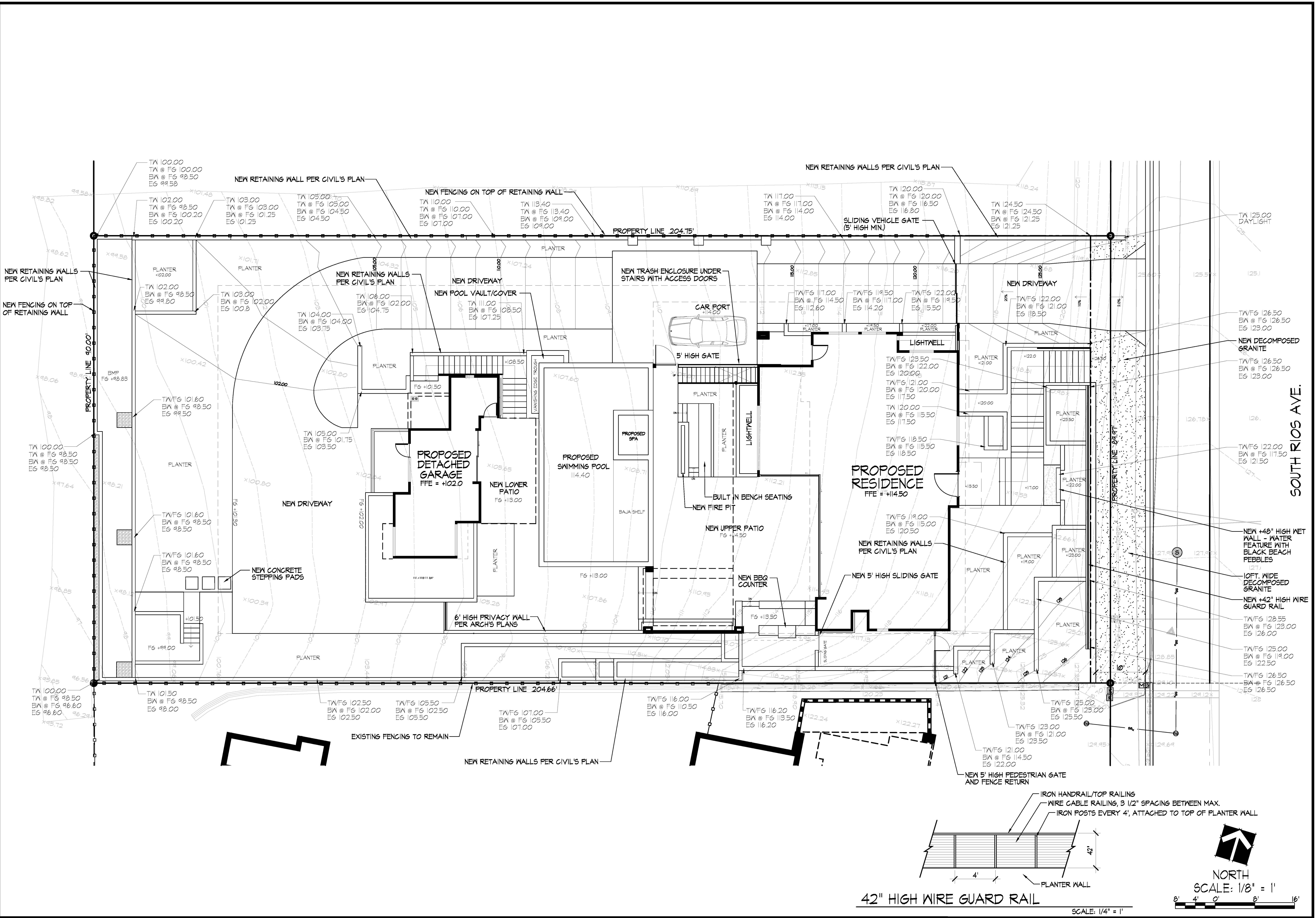
ENGINEER OF WORK	CITY APPROVED CHANGES	APPD DATE	RECOMMENDED FOR APPROVAL	APPROVED FOR CONSTRUCTION	BENCH MARK	CITY OF SOLANA BEACH	DRAWING NO.
SEL Drawn By: _____ By: <u>BRIAN ARDOLINO</u> Date: <u>12/31/21</u> Name: <u>BRIAN ARDOLINO</u> R.C.E. <u>71651</u> Exp: <u>12/31/21</u>			By: _____ Review Engineer Date: _____	By: _____ City Engineer R.C.E. Date: _____ Exp: _____	DESCRIPTION: "SOLB-5" PER SOLANA BEACH VERT. CONTROL LOCATION: ON CONCRETE DRAINAGE INLET AT THE EAST END OF FRESCA COURT RECORD FROM: ROS NO. 18971 ELEV: 117.122 DATUM: NAVD 88	PRELIMINARY GRADING PLAN FOR: 521 SOUTH RIOS AVE	SHEET 1 OF 2



* BIORETENTION "ENGINEERED SOIL" LAYER SHALL BE MINIMUM 24" DEEP "SANDY LOAM" SOIL MIX WITH NO MORE THAN 5% CLAY CONTENT. THE MIX SHALL CONTAIN 50-60% SAND, 20-30% COMPOST OR HARDWOOD MULCH, AND 20-30% TOPSOIL.

COASTAL COMMISSION PERMIT NO. _____

ENGINEER OF WORK		CITY APPROVED CHANGES		APPD	DATE	RECOMMENDED FOR APPROVAL	APPROVED FOR CONSTRUCTION	BENCH MARK	CITY OF SOLANA BEACH	DRAWING NO.
SEL	By: _____ Date: _____					By: _____	By: _____	DESCRIPTION: "SOLB-5" PER SOLANA BEACH VERT. CONTROL LOCATION: ON CONCRETE DRAINAGE INLET AT THE EAST END OF FRESCA COURT	PRELIMINARY GRADING PLAN FOR:	
Drawn By	Name: <u>BRIAN ARDOLINO</u>					Review Engineer	_____, City Engineer	RECORD FROM: ROS NO. 18971	521 SOUTH RIOS AVE	
	R.C.E. <u>71651</u> Exp: <u>12/31/21</u>					Date: _____	_____, R.C.E.	ELEV: <u>117.122</u> DATUM: <u>NAVD_88</u>		SHEET 2 OF 2



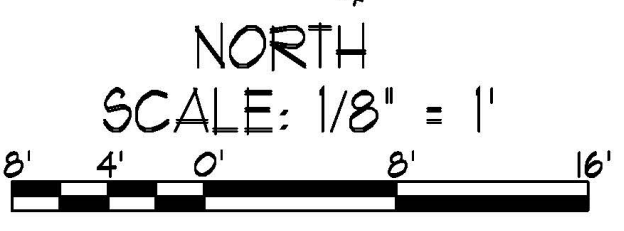
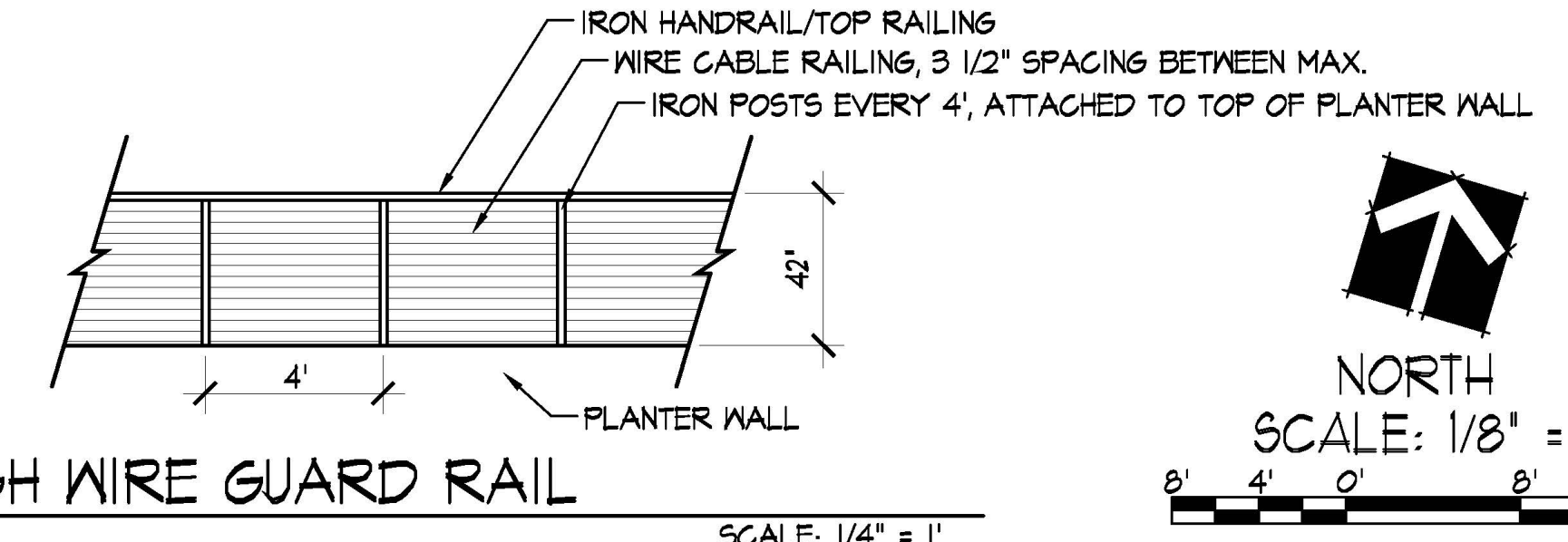
REVISIONS	BY
8/19/19	SH
10/13/19	SH
12/6/19	SH
1/31/20	SH
6/1/20	SH



NORTH COUNTY COASTAL, LLC
521 SOUTH RIOS
SOLANA BEACH, CA 92075
APN: 298-092-14

LANDSCAPE CONCEPT PLAN

Sheet Title:
Date: 7/23/19
Scale: 1/8" = 1'-0"
Drawn:
Job: NORTH COUNTY COASTAL, LLC
Sheet
Of 3 Sheets

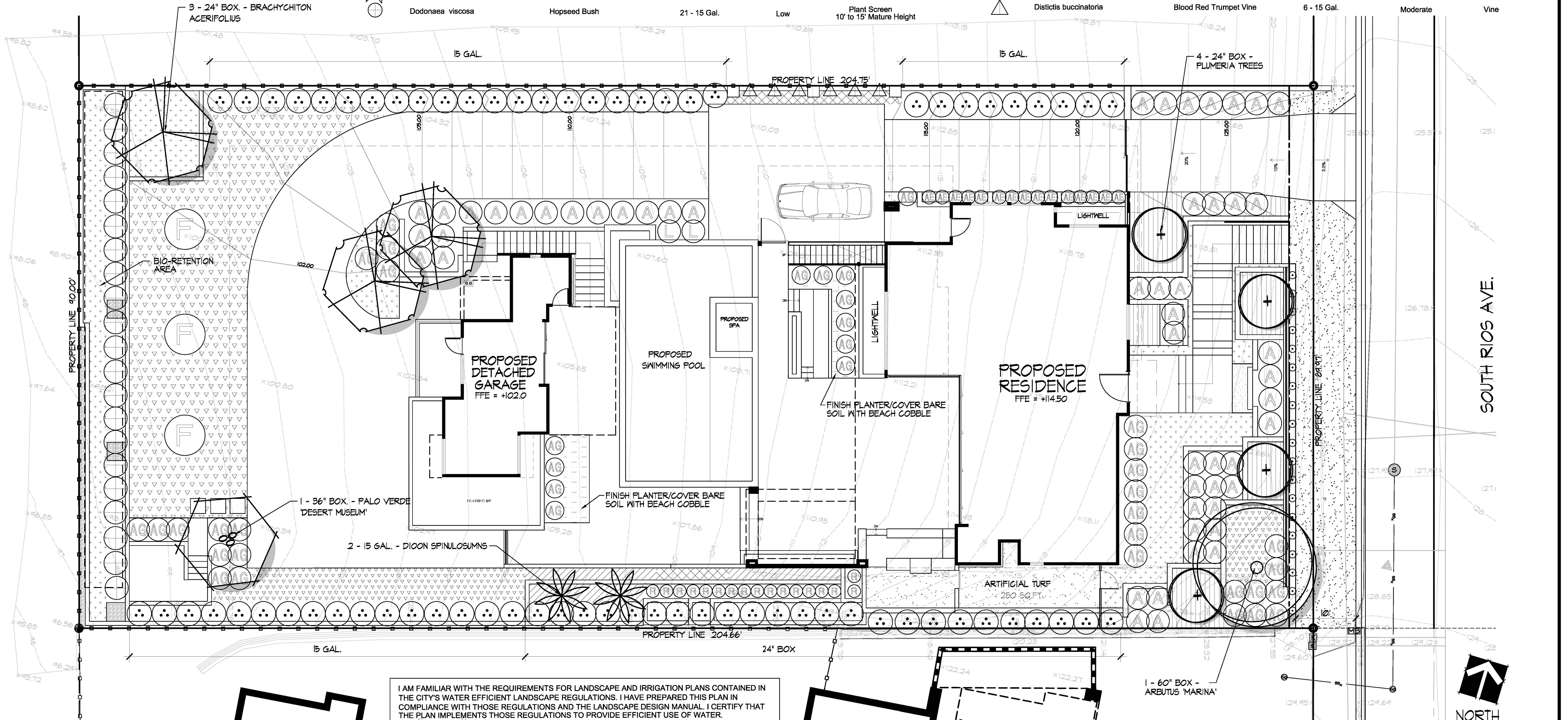


PLANTING NOTES

- ALL TREES, SHRUBS, AND GROUNDCOVER SHALL BE SHAPELY, HEALTHY, WELL ROOTED, AND FREE OF DISEASE.
- PLANTS ARE TO BE OF SIZE AND TYPE SPECIFIED ON THESE DRAWINGS. THE OWNER AND THE LANDSCAPE ARCHITECT RESERVE THE RIGHT TO REJECT ANY PLANT MATERIAL THAT DOES NOT COMPLY.
- ALL PLANTS SHALL BE CONTINUOUSLY MAINTAINED BY THE LANDSCAPE CONTRACTOR WHILE AWAITING PLANTING. ALL PLANTS SHALL BE STORED AND PROTECTED FROM DRYING AND ALL OTHER INJURY.
- EACH PLANT SHALL BE PLANTED IN THE CENTER OF THE PIT AND BACKFILLED WITH PREPARED SOIL. NO PLANTS SHALL BE PLANTED WITHOUT DRAINAGE FROM CROWN.
- PLANT PITS SHALL BE DUG WITH LEVEL BOTTOMS, TWICE THE WIDTH (2X) OF THE CONTAINER OR ROOTBALL.
- GROUNDCOVER SHALL BE AT THE SPACING INDICATED, IN A TRIANGULAR PATTERN, AND NOT BE PLANTED IN STRAIT ROWS.
- ALL PLANTING BEDS TO HAVE 2" LAYER OF AGRI SERVICE FOREST BARKMULCH UNLESS OTHERWISE NOTED.

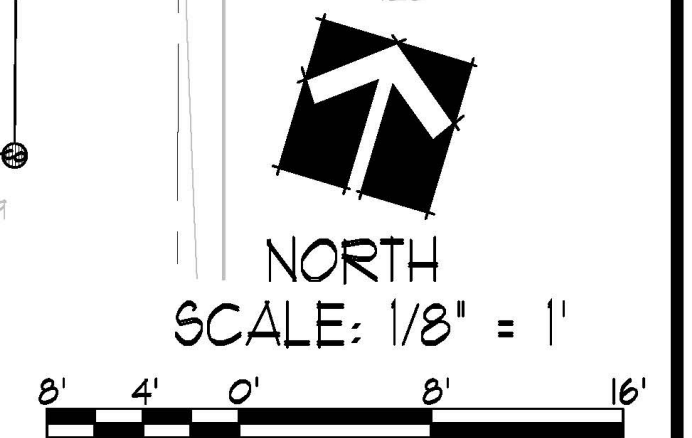
Symbol	Botanical Name	Common Name	Quantity & Size	Water use (WUCOLS)	Remarks/ Location/ Use
Trees					
	Arbutus 'Marina' (low branching form)	Strawberry Tree	1 - 60" Box	Low	25' to 50' Mature Height
	Brachycton acerifolius (upright form)	Australian Flame Tree	3 - 24" Box	Low	60' Mature Height
	Cercidium 'Desert Museum'	Desert Museum Palo Verde	1 - 36" Box	Low	20' to 25' Mature Height
	Plumeria Spp.	Plumeria Tree	4 - 24" Box (contract grown)	Low	20' Mature Height
Shrubs					
	Acacia cognata 'Cousin Itt'	Cousin Itt Acacia	52 - 15 Gal. (contract grown)	Moderate	Accent/Mass Plantings
	Aeonium spp.	Saucer Plant	15 - 5 Gal.	Low	Accent Plant
	Agave 'Boutin Blue'	Blue Fox Tail Agave	40 - 5 Gal.	Low	Accent Plant
	Casuarina glauca 'Cousin Itt'	Prostrate Swap Oak	19 - 1 Gal.	Moderate	Prostrate / Trailing Groundcover
	Dioon spinulosumms	Cycad	2 - 15 Gal.	Moderate	Architectural Accent Plant 39' Mature Height
	Dodonaea viscosa	Hopseed Bush	21 - 15 Gal.	Low	Plant Screen 10' to 15' Mature Height

Symbol	Botanical Name	Common Name	Quantity & Size	Water use (WUCOLS)	Remarks/ Location/ Use
Shrubs Cont.					
	Podocarpus gracilior 'columnar' * With 24" root barrier along parking edge	Fern Pine Column Shape	24 - 24" Box 46 - 15 Gal.	Moderate	Plant Screen 40' to 60' Mature Height
	Furcraea foetida 'Mediopicta'	Variiegated Furcraea	3 - 5 Gal.	Low	Accent Plant 4'-5' Mature Height
	Leucadendron 'Safari Sunset'	'Safari Sunset' Conebush	2 - 15 Gal.	Low	Accent Plant 8'-10' Mature Height
	Russelia equisetiformis	Coral Fountain	17 - 5 Gal.	Moderate	Accent Plant
Groundcover					
	Carex 'Evergold'	Japanese Sedge	93 SQ.FT. - 1 Gal.	Moderate	Groundcover / Mass Plantings
	Carex Tumulicola	Berkley Sedge	843 SQ.FT. - 1 Gal. @18" O.C. (If Flats/4" Pots then space @ 12" O.C.)	Low	Groundcover
	Carissa macrocarpa 'Green Carpet'	Green Carpet Natal Plum	1,765 SQ.FT. - 1 Gal.	Low	Groundcover
	Echeveria 'Afterglow'	Afterglow Echeveria	46 SQ.FT. 6" Pots @12" O.C.	Low	Groundcover / Mass Plantings
	Evolvulus 'Hawaiian Blue Eyes'	Hawaiian Blue Eyes	380 SQ.FT. - 1 Gal.	Low	Groundcover
	Ophiopogon japonicus 'nanus'	Dwarf Mondo Grass	160 SQ.FT. - Flats	Moderate	Groundcover
	Artificial Turf	-	250 SQ.FT.	-	Artificial Turf
Vines					
	Distictis buccinatoria	Blood Red Trumpet Vine	6 - 15 Gal.	Moderate	Vine



I AM FAMILIAR WITH THE REQUIREMENTS FOR LANDSCAPE AND IRRIGATION PLANS CONTAINED IN THE CITY'S WATER EFFICIENT LANDSCAPE REGULATIONS. I HAVE PREPARED THIS PLAN IN COMPLIANCE WITH THOSE REGULATIONS AND THE LANDSCAPE DESIGN MANUAL. I CERTIFY THAT THE PLAN IMPLEMENTS THOSE REGULATIONS TO PROVIDE EFFICIENT USE OF WATER.

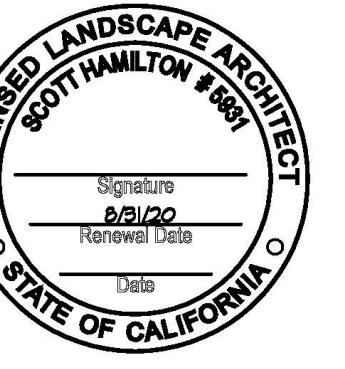
Scott Hamilton, RLA LIC. # 5931
10-13-19
DATE



THE DESIGN BUILD COMPANY
LANDSCAPE ARCHITECTURE + CONSTRUCTION

Phone 760-722-9306
Fax 760-722-9307
www.thedesignbuildcompany.com

REVISIONS	BY
8/19/19	SH
10/13/19	SH
12/6/19	SH
1/31/20	SH
6/1/20	SH



NORTH COUNTY COASTAL, LLC
521 SOUTH RIOS
SOLANA BEACH, CA 92075
APN: 298-092-14

Sheet Title:
PLANTING PLAN

Date: 7/23/19
Scale: 1/8" = 1'-0"
Drawn:
Job: NORTH COUNTY COASTAL LLC
Sheet
L-2
Of 3 Sheets

HYDROZONE LEGEND

SYMBOL	HYDROZONE	PLANT WATER USE (WUCOLS)	IRRIGATION METHOD / EFFICIENCY	AREA SF.
	HYDROZONE 1	LOW SHRUBS 0.3	DRIPLINE 18" O.C. 0.81	3825 SF
	HYDROZONE 2	MODERATE SHRUBS 0.6	DRIPLINE 18" O.C. 0.81	2113 SF
	HYDROZONE 3	LOW TREES 0.3	BUBBLER 0.75	144 SF
	HYDROZONE 4	POOL 1.0	- 1.0	797 SF
	HYDROZONE 5	ARTIFICIAL TURF 0.1	- 1.0	250 SF



ESTIMATED TOTAL WATER USE (ETWU) WORKSHEET

MARGULIS DRP# 14-003 SDP# 14-004 521 SOUTH RIOS SOLANA BEACH, CA 92075

The project's Estimated Total Water Use is calculated using the following formula: $ETWU = (ETo)(0.62) \left(\frac{PF \times HA}{IE} + SLA \right)$

- ETWU = Estimated total water use per year (gallons per year)
- ETo = Evapotranspiration rate (inches per year)
- PF = Plant Factor from WUCOLS (see Definitions)
- HA = Hydro-zone Area (square feet). Define hydro-zones by water use: very low, low, moderate and high
- SLA = Special Landscape Area (square feet): Edible plants, irrigated with recycled water, & turf used for active play
- 0.62 = Conversion Factor (to gallons per square foot)
- IE = Irrigation Efficiency

Line	Hydro-zone Number (1 - 4 Below - use as many tables as necessary to complete all hydrozones)								SLA
	1	2	3	4	5	6	7	8	
Evapotranspiration Rate (ETo) See "A" below	41								
Conversion Factor - 0.62	0.62								
(Line 1 x Line 2)	25.42								
Plant Factor (PF) See "B" below	0.3	0.6	0.3	1.0	0.1				
Hydrozone Area (HA) - in square feet	3825	2113	144	797	250				
(Line 4 x Line 5)	1147	1268	43	797	25				
Irrigation Efficiency (IE) See "C" below	0.81	0.81	0.75	1.0	1.0				
(Line 6 + Line 7)	1416	1565	57	797	25				
TOTAL of all Line 8 boxes + SLA	3860								
Line 3 x Line 9	98,121								
Estimated Total Water Use - ETWU (gallons per year)	98,121								
Total shall not exceed MAWA below									

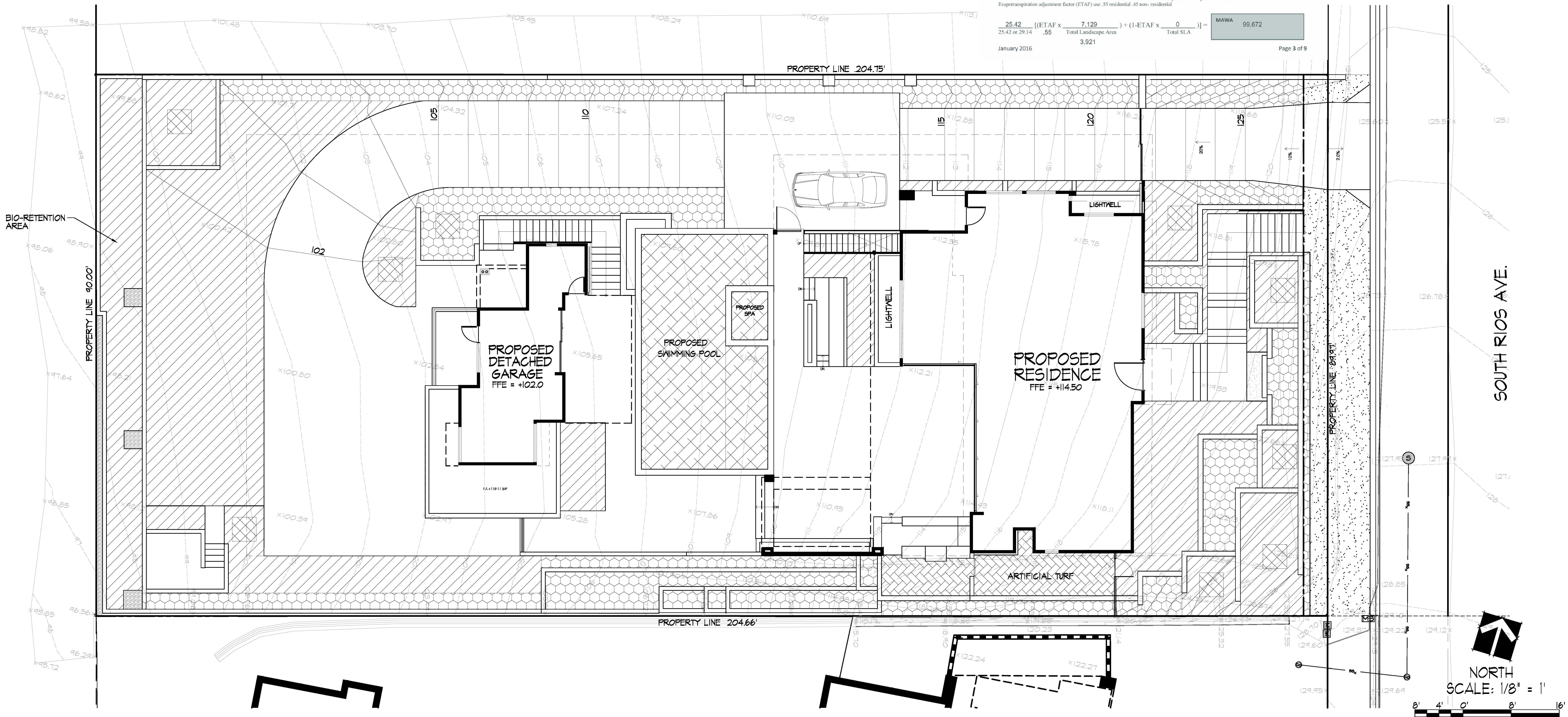
MAXIMUM APPLIED WATER APPLICATION (MAWA) calculation:

Evapotranspiration adjustment factor (ETAF) use .55 residential .45 non-residential

$$\frac{25.42}{25.42 \text{ or } 29.14} \left[(ETAF \times \frac{7,129}{3,921}) + (1 - ETAF \times \frac{0}{3,921}) \right] = \text{MAWA } 99,672$$

January 2016

Page 3 of 9



THE DESIGN BUILD COMPANY
LANDSCAPE ARCHITECTURE + CONSTRUCTION
Phone 760-722-9306
Fax 760-722-9307
www.thedesignbuildcompany.com

REVISIONS	BY
8/14/19	SH
10/13/19	SH
12/6/19	SH
1/31/20	SH
6/1/20	SH



NORTH COUNTY COASTAL, LLC
521 SOUTH RIOS
SOLANA BEACH, CA 92075
APN: 298-092-14

HYDROZONE PLAN

Sheet Title:
Date: 7/23/19
Scale: 1/8" = 1'-0"
Drawn:
Job: NORTH COUNTY COASTAL LLC
Sheet
L-3
Of 3 Sheets



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Community Development Department
SUBJECT: **Public Hearing: Request for a DRP and SDP to Construct a New Single-family Residence with an Attached Garage and Perform Associated Site Improvements at 0 Ford Ave. (Case # DRP19-008 SDP19-008 Applicant: Landholdings, LLC; APN: 263-182-02-00; Resolution 2020-080)**

BACKGROUND:

The Applicant, Land Holdings, LLC, is requesting City Council approval of a Development Review Permit (DRP) and Structure Development Permit (SDP) to construct a new 4,263 square foot, single-family residence with a partially subterranean lower level, an attached 523 square foot garage and perform associated site improvements. The 13,919 square foot lot is currently vacant and does not have an assigned address. The property is located on the south side of Ford Avenue between 476 Marview Drive and 524 Ford Avenue within the Low Residential (LR) Zone and the Scaled Residential Overlay Zone (SROZ).

The Applicant is proposing grading in the amounts of 230 cubic yards of cut, 930 cubic yards of fill and 700 cubic yards of import. The maximum building height is proposed at 24.65 feet above the existing grade with the highest story pole measured to 305.50 feet above mean sea level (MSL). The project meets three thresholds for the requirement of a DRP, including: 1) an aggregate grading quantity in excess of 100 cubic yards; 2) construction in excess of 60 percent of the maximum allowable floor area; and 3) construction of a second story that exceeds 35% of the floor area of the first floor. The project requires a SDP because the proposed development exceeds 16 feet in height above the existing grade.

The issue before the Council is whether to approve, approve with conditions, or deny the Applicant's request as contained in Resolution 2020-080 (Attachment 1).

CITY COUNCIL ACTION:

AGENDA ITEM B.4.

DISCUSSION:

The subject property is located on the south side of Ford Avenue. The 13,919 square foot lot is a roughly rectangular lot with an angled rear property line. The frontage on Ford Avenue is 79.67 feet in length, the western (side) property line is 129.29 feet in length, the eastern (side) property line is 187.79 feet in length and the southern (rear) property line is 113.77 feet in length.

The topography of the subject site slopes down from Ford Avenue. The finished surface elevation of Ford Avenue is approximately 292.1 to 293 feet above MSL along the street frontage of the lot. The lot slopes down to an elevation of 280 MSL within the first 20 feet of the lot and then gradually slopes down as you travel south to an elevation of approximately 269 MSL in the southeast corner of the lot. The Applicant is proposing to infill soil in the front yard so that the lot slopes down to 291.5 feet above MSL at the finished floor of the main level of the residence. From the street, the proposed residence would appear to be a single story. The lower level of the residence would be visible from the rear of the property. The pad of the lower level finished floor and the flat buildable area south of the residence would be at an elevation of 279.8 MSL until you reach the required rear yard setback where the lot would continue to slope downward toward the southeast corner of the lot at 270 MSL.

The lot is currently vacant with a shed on the northeast side of the lot. The Applicant is proposing to demolish the shed and construct a new 4,263 square foot residence with a partially subterranean lower level and a main floor attached garage of 523 square feet. A single-family residence is required to provide two off-street parking spaces pursuant to Solana Beach Municipal Code (SBMC) Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM). The proposed 523 square foot garage would allow for two conforming parking spaces. Since the parking spaces provided in the proposed garage would comply with the OSPDM, the project would qualify for a 400 square foot floor area exemption. Therefore, the total proposed floor area would be 4,386 square feet. The maximum allowable floor area for the property is 4,386 square feet, pursuant to the SROZ (SBMC Section 17.48.040). The maximum proposed building height would be 24.65 feet above existing grade. The project would also include associated site improvements including grading, detached storage, patio, landscaping, pool and spa. The project plans are provided in Attachment 2.

Table 1			
LOT INFORMATION			
Property Address:	0 Ford Avenue	Zoning Designation:	LR (3 du/ac)
Lot Size (Net):	13,919 ft ²	# of Units Allowed:	1 Dwelling Unit
Max. Allowable Floor Area:	4,386 ft ²	# of Units Requested:	1 Dwelling Unit
Proposed Floor Area:	4,386 ft ²		
Below Max. Floor Area by:	0 ft ²	Setbacks:	Required Proposed
Max. Allowable Height:	25 ft.	Front* (N)	20 ft. 20 ft.
Max. Proposed Height:	24.65 ft.	Interior Side(W)	5 ft. 5'-11 ¾"
Highest Point/Ridge:	305.50 MSL	Interior Side (E)	5 ft. 5 ft.
Overlay Zone(s):	SROZ	Rear (S)	25 ft. 76 ft.
PROPOSED PROJECT INFORMATION			
Floor Area Breakdown:			Required Permits:
Proposed Main Floor:	2,583 ft ²	DRP: A DRP is required for a structure that exceeds 60% of the maximum allowable floor area, a second story that exceeds 35% of the first floor, and for grading in excess of 100 cubic yards (aggregate)	
Main Level Garage:	523 ft ²		
Partially Subterranean Lower Level:	1,680 ft ²		
Subtotal:	4,786 ft ²	SDP: A SDP is required for a new structure that exceeds 16 feet in height from the existing grade.	
Off Street Parking Exemption:	- 400 ft ²		
Total Floor Area:	4,386 ft²		
Proposed Grading: 230 yd ³ of cut, 930 yd ³ of fill and 700 yd ³ of import			
Proposed Parking: 2-Car Attached Garage			Existing Development:
Proposed Fences and Walls: Yes			Vacant Lot
Proposed Accessory Dwelling Unit: No			
Proposed Accessory Structure: A detached shed			

Development Review Permit Compliance (SBMC Section 17.68.40):

A DRP is required for the following reasons: 1) the proposal includes an aggregate grading quantity that exceeds 100 cubic yards of grading; 2) for the construction of a residence in excess of 60% of the maximum allowable floor area; and 3) the construction of a second story that exceeds 35% of the first level floor area.

In addition to meeting zoning requirements, the project must also be found in compliance with development review criteria. The following is a list of the development review criteria topics:

1. Relationship with Adjacent Land Uses
2. Building and Structure Placement
3. Landscaping
4. Roads, Pedestrian Walkways, Parking, and Storage Areas
5. Grading
6. Lighting
7. Usable Open Space

The following is a discussion of the findings for a DRP as each applies to the proposed project as well as references to recommended conditions of approval contained in Resolution 2020-080. The Council may approve, or conditionally approve, a DRP only if all of the findings listed below can be made:

1. The proposed development is consistent with the general plan and all applicable requirements of the zoning ordinance including special regulations, overlay zones, and specific plans.
2. The proposed development complies with the development review criteria.
3. All required permits and approvals issued by the city, including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.
4. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicant obtaining the required permit or approval from the other agency.

If the above findings cannot be made, the Council shall deny the DRP.

In addition to meeting zoning requirements, the project must also be found in compliance with development review criteria. The following is a discussion of the applicable development review criteria as they relate to the proposed project.

Relationship with Adjacent Land Uses:

The property is located within the LR Zone. The surrounding neighborhood consists of a mix of properties that are one- and two-story single-family residences. The project site is currently vacant. The Applicant proposes to construct a new single-family residence with an attached garage.

As designed, the project is consistent with the permitted uses for the LR Zone as described in Solana Beach Municipal Code (SBMC) Sections 17.20.010 and 17.12.020, which permits one single-family residence. The property is designated Low Density Residential in the General Plan and intended for single-family residential development with a maximum density of three dwelling units per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan areas; however, it is located within the boundaries of the SROZ and within the Coastal Zone. The project has

been evaluated, and could be found to be in conformance with, the regulations of the SROZ.

Building and Structure Placement:

The site is currently vacant except for an existing shed. The Applicant proposes to demolish the shed, import soil, construct a 4,386 square foot residence with a partially subterranean lower level, construct a main level attached garage and construct associated site improvements including a driveway, patio, a swimming pool, spa and landscaping.

The LR Zone requires 25-foot front and rear yard setbacks and 5-foot interior side yard setbacks. However, when a lot abuts a right-of-way that is 55 feet or greater in width, the front yard setback shall be reduced to 20 feet. Ford Avenue is 60 feet wide. The proposed residence is proposed at the 20-foot setback line as measured from the front property line, 5'-11 3/4" from the western side property line, 5 feet from the eastern side property line and approximately 76 feet from the rear (southern) property line.

The 2,583 square-foot main level of the residence would consist of the main entry, a living room, dining room, kitchen and pantry, a powder room the master suite, laundry room, elevator and an office/bedroom with an attached bathroom. The proposed 523 square foot garage is attached to the northeast corner of the main floor and has interior access off of the dining/kitchen area. The proposed partially subterranean lower level would consist of a family room, a powder room and three bedrooms with attached bathrooms. The proposed lower level does not qualify for a basement square footage exemption according to the SROZ regulations because it daylights to the south and is considered exposed on three sides. The proposed development also includes a new patio, pool and spa, and landscaping.

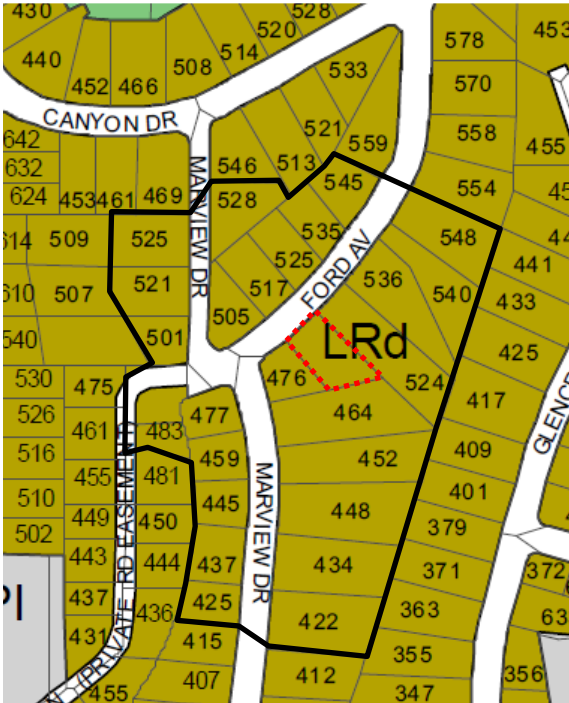
The SBMC parking regulations require two off-street parking spaces, 9' x 19' clear, per single-family residence. The SBMC indicates that when required spaces are provided in a garage, up to 200 square feet of floor area is exempted for each required space. As designed, the proposed residence would provide two parking spaces; therefore, the project is afforded a 400 square-foot exemption, and the total proposed floor area would be 4,386 square feet, which is equal to the maximum allowable floor area for the 4,386 square-foot lot pursuant to the SROZ. The maximum floor area calculation for this project is as follows:

0.500 for first 6,000 ft ²	3,000 ft ²
0.175 for 6,001 – 15,000 ft ²	1,386 ft ²
<u>Total Allowable Floor Area:</u>	<u>4,386 ft²</u>

The proposed project, as designed, meets the minimum required front-, side- and rear-yard setbacks and is at the maximum allowable floor area for the property.

Neighborhood Comparison:

Staff compared the proposed project to 28 other properties within the Marview Drive and Ford Avenue neighborhood as shown on the following map:



The properties evaluated in this comparison are located in the LR Zone. The existing homes range in size from 1,612 square feet to 4,550 square feet, according to the County Assessor records. It should be noted that the County Assessor does not include the garage in the total square footage. Accordingly, the building area of the proposed project has been calculated for comparison purposes by deleting the area of the existing and proposed garages as follows:

Project Gross Building Area:	4,386 ft ²
Delete Garage:	- 523 ft ²
<hr/>	<hr/>
Project Area for Comparison to Assessor's Data:	3,863 ft ²

Table 2 is based upon the County Assessor's data and SanGIS data. It contains neighboring lot sizes, the square footage of existing development and the maximum allowable square footage for potential development on each lot.

Table 2						
#	Property Address	Lot Size in ft2 (GIS)	Existing ft2 Onsite (Assessor's)	Proposed / Recently Approved ft ²	Max. Allowable ft ²	Zone
1	437 MARVIEW DR	14,400	2,223		4,470	LR
2	425 MARVIEW DR	10,700	2,579		3,823	LR
3	415 MARVIEW DR	11,800	2,172		4,015	LR
4	422 MARVIEW DR	26,136	3,084		5,382	LR
5	434 MARVIEW DR	31,799	2,130		5,665	LR
6	477 MARVIEW DR	12,100	3,341		4,068	LR
7	459 MARVIEW DR	10,900	4,489		3,858	LR
8	445 MARVIEW DR	11,100	3,932		3,893	LR
9	501 MARVIEW DR	10,600	3,083		3,805	LR
10	521 MARVIEW DR	14,200	5,358		4,435	LR
11	525 MARVIEW DR	15,600	2,186		4,581	LR
12	483 MARVIEW LN		VACANT			LR
13	MARVIEW LN		VACANT			LR
14	476 MARVIEW DR	9,700	2,124	3,564	3,648	LR
15	0 FORD AVE	13,919	VACANT	3,863	4,386	LR
16	524 FORD AVE	28,750	3,501		5,513	LR
17	464 MARVIEW DR	28,314	1,488		5,491	LR
18	452 MARVIEW DR	28,314	2,633		5,491	LR
19	448 MARVIEW DR	32,670	2,067		5,709	LR
20	540 FORD AVE	22,651	2,772		5,208	LR
21	536 FORD AVE	23,958	2,311		5,273	LR
22	528 MARVIEW DR	15,700	2,180		4,582	LR
23	559 FORD AVE	19,000	2,255		4,615	LR
24	545 FORD AVE	12,500	1,934		4,138	LR
25	535 FORD AVE	10,800	3,211		3,840	LR
26	525 FORD AVE	11,800	1,612		4,015	LR
27	505 FORD AVE	13,000	4,550		4,225	LR
28	554 FORD AVE	20,000	1,663		5,075	LR
29	548 FORD AVE	21,800	3,573		5,165	LR

Fences, Walls and Retaining Walls:

Within the front yard setback area, SBMC Section 17.20.040(O) allows fences and walls, or any combination thereof, to be no higher than 42 inches in height as measured from existing grade, except for an additional two feet of fence that is at least 80% open to light.

However, one walkway feature is allowed up to a maximum height of 6 feet provided 50% of this feature is open to light and air and also allows one driveway architectural feature up to a maximum height of 10 feet provided at least 50% of the area of this feature is open to light and air. Fences, walls and retaining walls located within the rear and interior side yards are allowed to be up to six feet in height with an additional 2 feet that is 50% open to light and air.

The Applicant is proposing a five foot tall fence in compliance with the building and safety code requirements for swimming pools. New retaining walls are proposed on either side of the proposed residence to support the existing soil adjacent to the exposure of the partially subterranean lower level. The proposed retaining walls range in height from 1-4.5 feet as measured from the existing grade. The proposed fences and walls comply with the requirements of SBMC 17.20.040(O) and 17.60.070(C).

Landscape:

The project is subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. According to SBMC Section 17.56.040, the regulations apply to modified irrigated landscape areas that exceed 500 square feet. The Applicant proposes to modify 8,628 square feet of irrigated landscape area.

The Applicant provided a conceptual landscape plan that has been reviewed by the City's third-party landscape architect, who has recommended approval. The Applicant will be required to submit detailed construction landscape drawings that will be reviewed by the City's third-party landscape architect for conformance with the conceptual plan. In addition, the City's third-party landscape architect will perform inspections during the construction phase of the project. A separate condition has been added to require that native or drought-tolerant and non-invasive plant materials and water-conserving irrigation systems are required to be incorporated into the landscaping to the extent feasible.

Parking:

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The Applicant is proposing to construct a 523 square foot attached garage. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. Therefore, the garage area of 400 square feet is exempt from the project's floor area calculation.

Grading:

The project proposes 230 yd³ of cut, 930 yd³ of fill and 700 yd³ of import for a total aggregate grading of 1,860 cubic yards. The grading is proposed in order to raise the grade at the northern side of the property to construct a partially subterranean lower level that is exposed toward the southern elevation.

Lighting:

A condition of project approval is that all new exterior lighting fixtures comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

Usable Open Space:

The project consists of the construction of a new two-story, single-family residence with an attached garage; therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040. The Applicant will be required to pay the Park Development Fee for development on a vacant lot.

Structure Development Permit Compliance:

The proposed structure exceeds 16 feet in height above the existing grade, therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicant was required to complete the SDP process. The Story Pole Height Certification was certified by a licensed land surveyor on January 30, 2020 showing a maximum building height of 24.65 feet above the existing grade. Notices were mailed to property owners and occupants within 300 feet of the project site establishing a deadline to file for View Assessment by April 13, 2020. No applications for View Assessment were received. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

As a condition of approval, a height certification prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 24.65 feet above the existing grade or 305.50 feet above MSL, which is the maximum proposed structure height reflected on the project plans.

In conclusion, the proposed project, as conditioned, could be found to be consistent with the Zoning regulations and the General Plan. Staff has prepared draft findings for approval of the project in the attached Resolution 2020-080 for Council's consideration based upon the information in this report. The applicable SBMC sections are provided in italicized text and conditions from the Community Development, Engineering, and Fire Departments are incorporated in the Resolution of Approval. Additionally, as a condition of project approval, the Applicant would be required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of a Building Permit. The Council may direct Staff to modify the Resolution to reflect the findings and conditions it deems appropriate as a result of the Public Hearing process. If the Council determines the project is to be denied, Staff will prepare a Resolution of Denial for adoption at a subsequent Council meeting.

Public Hearing Notice:

Notice of the City Council Public Hearing for the project was published in the Union Tribune more than 10 days prior to the Public Hearing. The same public notice was mailed to property owners and occupants within 300 feet of the proposed project site on June 11, 2020. As of the date of preparation of this Staff Report, Staff has not received any formal correspondence from neighbors or interested parties in support of, or in opposition to, the proposed project.

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15303 of the State CEQA Guidelines. Class 3 consists of construction and location of limited numbers of new, small facilities or structures. Examples of this exemption include one single-family residence or second dwelling unit in a residential zone. In urbanized areas, up to three-single-family residences may be constructed or converted under this exemption.

FISCAL IMPACT: N/A

WORK PLAN: N/A

OPTIONS:

- Approve Staff recommendation adopting the attached Resolution 2020-080.
- Approve Staff recommendation subject to additional specific conditions necessary for the City Council to make all required findings for the approval of a SDP and DRP.
- Deny the project if all required findings for the DRP cannot be made.


DEPARTMENT RECOMMENDATION:

The proposed project meets the minimum objective requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and administratively issue a SDP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt Resolution 2020-080 conditionally approving a DRP and an SDP for a new single-family residence including a partially subterranean lower level and an attached garage and perform associated site improvements at 0 Ford Avenue, Solana Beach.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-080
2. Project Plans

RESOLUTION 2020-080

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING A DEVELOPMENT REVIEW PERMIT AND AN ADMINISTRATIVE STRUCTURE DEVELOPMENT PERMIT TO CONSTRUCT A NEW SINGLE FAMILY RESIDENCE WITH AN ATTACHED MAIN FLOOR GARAGE, A PARTIALLY SUBTERRANEAN LOWER LEVEL, AND PERFORM ASSOCIATED SITE IMPROVEMENTS AT 0 FORD AVENUE, SOLANA BEACH

APPLICANT: Landholdings, LLC
CASE NO.: DRP19-008/SDP19-008

WHEREAS, Landholdings, LLC (hereinafter referred to as “Applicant”), has submitted an application for a Development Review Permit (DRP) and Structure Development Permit (SDP) pursuant to Title 17 (Zoning) of the Solana Beach Municipal Code (SBMC); and

WHEREAS, the Public Hearing was conducted pursuant to the provisions of Solana Beach Municipal Code Section 17.72.030; and

WHEREAS, at the Public Hearing on June 24, 2020, the City Council received and considered evidence concerning the proposed application; and

WHEREAS, the City Council found the application request exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and

WHEREAS, this decision is based upon the evidence presented at the hearing, and any information the City Council gathered by viewing the site and the area as disclosed at the hearing.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

- I. That the foregoing recitations are true and correct.
- II. That the request for a DRP and SDP to construct a new single-family residence with an attached main floor garage, a partially subterranean lower level and perform associated site improvements on an existing vacant lot a 0 Ford Avenue is conditionally approved based upon the following Findings and subject to the following Conditions:
- III. FINDINGS
 - A. In accordance with Section 17.68.040 (Development Review Permit) of the City of Solana Beach Municipal Code, the City Council finds the following:

- I. *The proposed project is consistent with the General Plan and all applicable requirements of SBMC Title 17 (Zoning Ordinance), including special regulations, overlay zones and specific plans.*

General Plan Consistency: The project, as conditioned, is consistent with the City's General Plan designation of Low Density Residential in the General Plan and intended for single-family residential development with a maximum density of three dwelling units per acre. The development is also consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

Zoning Ordinance Consistency: The project is consistent with all applicable requirements of the Zoning Ordinance (Title 17) (SBMC 17.20.030 and 17.48.040), which delineates maximum allowable Floor Area Ratio (FAR), Permitted Uses and Structures (SBMC Section 17.20.020) which provides for uses of the property for a single-family residence. Further, the project adheres to all property development regulations established for the Low Residential (LR) Zone and cited by SBMC Section 17.020.030.

The project is meets the minimum required front-, side- and rear-yard setbacks and is at the maximum allowable Floor Area Ratio (FAR) for the property.

- II. *The proposed development complies with the following development review criteria set forth in Solana Beach Municipal Code Section 17.68.040.F:*

- a. *Relationship with Adjacent Land Uses: The development shall be designed in a manner compatible with and complementary to existing development in the immediate vicinity of the project site and the surrounding neighborhood. The development as proposed shall also be compatible in scale, apparent bulk, and massing with such existing development in the surrounding neighborhood. Site planning on or near the perimeter of the development shall give consideration to the protection of surrounding areas from potential adverse effects.*

The subject site is located within the Low Residential (LR) Zone. The surrounding neighborhood consists of a mix of one-and two-story single-family residences. The project site is currently vacant except for a shed in the northeast corner of the buildable area. The Applicant proposes to construct a new 4,263 square foot residence with an attached main level 523 square foot garage, a partially subterranean lower level, and perform associated site improvements

As designed, the project is consistent with the permitted uses for the LR Zone as described in Solana Beach Municipal Code (SBMC) Sections 17.20.010 and 17.12.020, which permits one single-family residence. The property is designated Low Density Residential in the General Plan and intended for single-family residences developed at a maximum density of three dwelling units per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan areas; however, it is located within the boundaries of the SROZ and within the Coastal Zone. The project has been evaluated, and is in conformance with, the regulations of the SROZ. As a condition of project approval, the Applicant is required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of a Building Permit.

- b. Building and Structure Placement: Buildings and structures shall be sited and designed to minimize adverse impacts on the surrounding properties and designed in a manner which visually and functionally enhance their intended use and complement existing site topography. Multi-family residential buildings shall be sited to avoid crowding and to allow for a functional use of the space between buildings.*

The site is currently vacant except for an existing shed. The Applicant proposes to demolish the shed, import soil, construct a 4,386 square foot residence with a partially subterranean lower level that is exposed toward the rear of the property, construct a main level attached garage and construct associated site improvements including a driveway, patio, a swimming pool, spa and landscaping.

The LR Zone requires 25-foot front and rear yard setbacks and 5-foot interior side yard setbacks. However, when a lot abuts a right-of-way that is 55 feet or greater in width, the front yard setback shall be reduced to 20 feet. Ford Avenue is 60 feet wide. The proposed residence is proposed at the 20 foot setback line as measured from the front property line, 5'-11 ³/₄" from the western side property line, 5 feet from the eastern side property line and approximately 76 feet from the rear (southern) property line.

The 2,583 square-foot main level of the residence would consist of the main entry, a living room, dining room, kitchen and pantry, a powder room the master suite, laundry room, elevator and an office/bedroom with an attached bathroom. The proposed 523 square foot garage is attached to the northeast corner of the main floor and has interior access off of the dining/kitchen area. The proposed partially subterranean lower level would consist of a family room, a powder room and three bedrooms with attached bathrooms. The proposed lower level does not qualify for a basement square footage exemption according to the SROZ regulations because it daylights to the south and is considered exposed on three sides. The proposed development also includes a new patio, pool and spa, and landscaping.

The SBMC parking regulations require two off-street parking spaces, 9' x 19' clear, per single-family residence. The SBMC indicates that when required spaces are provided in a garage, up to 200 square feet of floor area is exempted for each required space. As designed, the proposed residence would provide two parking spaces; therefore, the project is afforded a 400 square-foot exemption, and the total proposed floor area would be 4,386 square feet, which is equal to the maximum allowable floor area for the 4,386 square-foot lot pursuant to the SROZ. The maximum floor area calculation for this project is as follows:

0.500 for first 6,000 ft ²	3,000 ft ²
0.175 for 6,001 – 15,000 ft ²	1,386 ft ²
Total Allowable Floor Area:	
	4,386 ft ²

The proposed project, as designed, meets the minimum required front-, side- and rear-yard setbacks and is at the maximum allowable floor area for the property.

- c. *Landscaping: The removal of significant native vegetation shall be minimized. Replacement vegetation and landscaping shall be compatible with the vegetation of the surrounding area. To the maximum extent practicable, landscaping and plantings shall be used to screen parking areas, storage areas, access roads, and other service uses of the site. Trees and other large plantings shall not obstruct significant views when installed or at maturity. Drought tolerant plant materials and water conserving irrigation systems shall be incorporated into all landscaping plans.*

The project is subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. According to SBMC Section 17.56.040, the regulations apply to modified irrigated

landscape areas that exceed 500 square feet. The Applicant proposes to modify 8,628 square feet of irrigated landscape area.

The Applicant provided a conceptual landscape plan that has been reviewed by the City's third-party landscape architect, who has recommended approval. The Applicant will be required to submit detailed construction landscape drawings that will be reviewed by the City's third-party landscape architect for conformance with the conceptual plan. In addition, the City's third-party landscape architect will perform inspections during the construction phase of the project. A separate condition has been added to require that native or drought-tolerant and non-invasive plant materials and water-conserving irrigation systems are required to be incorporated into the landscaping to the extent feasible.

- d. *Roads, Pedestrian Walkways, Parking and Storage Areas: Any development involving more than one building or structure shall provide common access roads and pedestrian walkways. Parking and outside storage areas, where permitted, shall be screened from view, to the extent feasible, by existing topography, by the placement of buildings and structures, or by landscaping and plantings.*

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The Applicant is proposing to construct a 523 square foot attached garage. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. Therefore, the garage area of 400 square feet is exempt from the project's floor area calculation.

- e. *Grading: To the extent feasible, natural topography and scenic features of the site shall be retained and incorporated into the proposed development. Any grading or earth-moving operations in connection with the proposed development shall be planned and executed so as to blend with the existing terrain both on and adjacent to the site. Existing exposed or disturbed slopes shall be landscaped with native or naturalized non-native vegetation and existing erosion problems shall be corrected.*

The project proposes 230 yd³ of cut, 930 yd³ of fill and 700 yd³ of import for a total aggregate grading of 1,860 cubic yards. The grading is proposed in order to raise the grade at the northern

side of the property in order to construct a partially subterranean lower level that is exposed toward the southern side.

- f. Lighting: Light fixtures for walkways, parking areas, driveways, and other facilities shall be provided in sufficient number and at proper locations to assure safe and convenient nighttime use. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding areas per SBMC 17.60.060 (Exterior Lighting Regulations).*

All new exterior lighting fixtures shall comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

- g. Usable Open Space: Recreational facilities proposed within required usable open space shall be located and designed to maintain essential open space values.*

The project consists of the construction of a new two-story, single-family residence with an attached garage; therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040. The Applicant will be required to pay the Park Development Fee for development on a vacant lot.

- III. All required permits and approvals including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.*

All required permits are being processed concurrently with the Development Review Permit.

- IV. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicants obtaining the required permit or approval from the other agency.*

The Applicant shall obtain approval from the California Coastal Commission prior to issuance of Building Permits.

- B. In accordance with Section 17.63.040 (Structure Development Permit) of the Solana Beach Municipal Code, the City Council finds the following:

The proposed structure exceeds 16 feet in height above the existing grade, therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicant was required to complete the SDP process. The Story Pole Height Certification was certified by a licensed land surveyor on January 30, 2020 showing a maximum building height of 24.65 feet above the existing grade. Notices were mailed to property owners and occupants within 300 feet of the project site establishing a deadline to file for View Assessment by April 13, 2020. No applications for View Assessment were received. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

As a condition of approval, a height certification prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 24.65 feet above the existing grade or 305.50 feet above MSL, which is the maximum proposed structure height reflected on the project plans.

IV. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicant shall provide for and adhere to the following conditions:

A. Community Development Department Conditions:

- I. The Applicant shall pay required Fire Mitigation, Park Development and Public Use Facilities Impact Fees, as established by SBMC Chapter 15.60, Chapter 15.65, Chapter 15.66, and Resolution 2018-147.
- II. Building Permit plans must be in substantial conformance with the architectural plans presented to the City Council on June 24, 2020, and located in the project file with a submittal date of June 11, 2020.
- III. Prior to the issuance of a building permit, the Applicant shall submit an application for a street address with the Planning Department.
- IV. Prior to requesting a framing inspection, the Applicant shall be required to submit a height certification, signed by a licensed land surveyor, certifying that the building envelope is in conformance with City Council approval on June 24, 2020. Therefore, the residence shall not exceed 24.65 feet in height from the proposed grade or 305.50 feet above MSL.
- V. Any proposed onsite fences, walls and retaining walls and any proposed railing located on top, or any combination thereof, shall comply with applicable regulations of SBMC Section 17.20.040 and

17.60.070 (Fences and Walls).

- VI. The Applicant shall obtain required California Coastal Commission (CCC) approval of a Coastal Development Permit, Waiver or Exemption as determined necessary by the CCC, prior to the issuance of a grading or building permit.
- VII. Native or drought tolerant and non-invasive plant materials and water conserving irrigation systems shall be incorporated into any proposed landscaping and compatible with the surrounding area to the extent feasible.
- VIII. Any new exterior lighting fixtures shall be in conformance with the City-Wide Lighting Regulations of SBMC 17.60.060.
- IX. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities that render them detrimental to the surrounding area.
- X. Construction vehicles shall be parked on the subject property at all times when feasible. If construction activity prohibits parking on the subject property, the Applicant shall ensure construction vehicles are parked in such a way to allow sufficient vehicular access on Marview Drive and Ford Ave and minimize impact to the surrounding neighbors.
- XI. The Applicant shall connect to temporary electrical service as soon as feasible to the satisfaction of the City.

B. Fire Department Conditions:

- I. Landscape: All plants shall comply with the County of San Diego acceptable plant list for defensible space in fire prone areas.
- II. ACCESS ROAD MINIMUM DIMENSIONS: Fire apparatus access roads shall have an unobstructed improved width of not less than 20 feet; curb line to curb line, and an unobstructed vertical clearance of not less than 13 feet 6 inches. Exception: Single-Family residential driveways; serving no more than two single-family dwellings, shall have minimum of 16 feet, curb line to curb line, of unobstructed improved width. Access roads shall be designed and maintained to support the imposed loads of not less than 75,000 pounds and shall be provided with an approved paved surface to provide all-weather driving capabilities.
- III. GATES: All gates or other structures or devices, which could obstruct fire access roadways or otherwise hinder emergency operations, are prohibited unless they meet standards approved by the Fire Department. An approved emergency key-operated switch and/or an

approved emergency traffic control-activating strobe light sensor shall be installed per Solana Beach Fire Department standards.

- IV. ADDRESS NUMBERS: STREET NUMBERS: Approved numbers and/or addresses shall be placed on all new and existing buildings and at appropriate additional locations as to be plainly visible and legible from the street or roadway fronting the property from either direction of approach. Said numbers shall contrast with their background, and shall meet the following minimum standards as to size: 4" high with a ½" inch stroke width for residential buildings, 8" high with a ½" stroke for commercial and multi-family residential buildings, 12" high with a 1" stroke for industrial buildings. Additional numbers shall be required where deemed necessary by the Fire Marshal, such as rear access doors, building corners, and entrances to commercial centers.
- V. AUTOMATIC FIRE SPRINKLER SYSTEM-ONE AND TWO FAMILY DWELLINGS: Structures shall be protected by an automatic fire sprinkler system designed and installed to the satisfaction of the Fire Department. Plans for the automatic fire sprinkler system shall be approved by the Fire Department prior to installation.
- VI. FIRE RESISTIVE CONSTRUCTION REQUIREMENTS FOR WILDLAND/URBAN INTERFACE AREAS: Structures shall meet all wildland/urban interface standards to the satisfaction of the Fire Department. Structures shall comply with current California Building Code Chapter 7A.
- VII. CLASS "A" ROOF: All structures shall be provided with a Class "A" Roof covering to the satisfaction of the Solana Beach Fire Department.
- VIII. SOLAR PHOTOVOLTAIC INSTALLATIONS (Solar Panels): Solar Photovoltaic systems shall be installed per the California Fire Code and Solana Beach Fire Department requirements.
- IX. All basements shall be designed and equipped with emergency exit systems consisting of operable windows, window wells or exit door that's leads directly outside via staircase and exit door or exit door at grade.
- X. Window wells/Light wells that intrude into side yard or backyard setbacks of five feet or less, shall require a hinged grating covering the window well/lightwell opening. The grating shall be capable of supporting a weight of 250lb person; yet must be able to be opened by someone of minimal strength with no special knowledge, effort or use of key or tool. Any modification of previously approved plans related to this condition shall be subject to re-submittal and review by City Staff (Fire, Building, Planning).

C. Engineering Department Conditions:

- I. The Applicant is required to obtain an Encroachment Permit in accordance with SBMC Section 11.20 prior to any work being done in the public right-of-way. Per SBMC Section 11.04, the Applicant is required to construct all public improvements along the street frontage to the satisfaction of the City Engineer. These include, but are not limited to:
 - a. Construction of the 9" X 9" X 12" low profile mountable concrete curb along Ford Ave with transitions to the existing improvements on both sides.
 - b. Construction of an 8' wide, stabilized, compacted Decomposed Granite graded at 2% towards the curb.
 - c. Landscaping.
 - d. Concrete steps.
 - e. Construction of SDRSD G-14 driveway.
- II. The Applicant shall record the Encroachment Maintenance Removal Agreement (EMRA) with the County of San Diego prior to the release of the Grading Bond and Security Deposit. The EMRA shall be recorded against this property for all improvements in the Public Right-Of-Way including but not limited to:
 - a. Concrete steps.
 - b. Landscaping.
 - c. Irrigation.
- III. The Applicant shall pay a TIF (Traffic Impact Fee) associated with the construction of the new single-family residence prior to Building Permit Issuance that is required. The current fee rate for a Residential-Single-Family is \$15,714 per unit.
- IV. The Applicant shall pay a Regional Transportation Congestion Program RTCIP Fee prior to Building Permit Issuance is required of this project. The current rate for a single-family dwelling unit is \$3,623.
- V. The Applicant shall underground all new utility services including, but not limited to, electrical and telephone.

- VI. All construction demolition materials shall be recycled according to the City's Construction and Demolition recycling program and an approved Waste Management Plan shall be submitted.
- VII. Construction fencing shall be located on the subject property unless the Applicant has obtained an Encroachment Permit in accordance with chapter 11.20 of the SBMC which allows otherwise.
- VIII. The Applicant shall pay in full the one-time sewer capacity/connection fees of \$4500.00 per Equivalent Dwelling Unit (EDU) prior to Building Permit issuance. The EDU assignment is determined by SBMC 14.08.060.
 - a. Pay in full the prorated portion of the current annual sewer charge for the remainder of the fiscal year.
 - b. A sewer permit and encroachment permit are required for the private sewer lateral. The Applicant shall coordinate with the Public Works inspector to allow the inspector to inspect the entire length of the private sewer lines within the public right-of-way before backfilling.
 - c. Prior to final inspection of the building permit, the Applicant shall record a City standard "Hold Harmless" document holding the City of Solana Beach harmless in case of a sanitary sewer backup due to a blockage in the public sewer main if the building pad elevation is below the upstream sewer manhole. A backflow prevention device shall be installed on private property.
- XI. Obtain a Grading Permit in accordance with Chapter 15.40 of the Solana Beach Municipal Code. Conditions prior to the issuance of a grading permit shall include, but not be limited to, the following:
 - a. The Applicant shall obtain a grading plan prepared by a Registered Civil Engineer and approved by the City Engineer. On-site grading design and construction shall be in accordance with Chapter 15.40 of the Solana Beach Municipal Code.
 - b. The Applicant shall obtain a Soils Report prepared by a Registered Soils Engineer and approved by the City Engineer. All necessary measures shall be taken and implemented to assure slope stability, erosion control and soil integrity. The grading plan shall incorporate all recommendations contained in the soils report.
 - c. The Applicant shall provide a Drainage Report prepared by a Registered Civil Engineer. This report shall address the design for detention basin and corresponding outflow system to ensure the rate of runoff for the proposed development is at or below that of pre-existing condition. All recommendations of this report shall be

incorporated into the Preliminary Grading Plan. A detention basin easement(s) shall be recorded for maintenance of the detention basins by the property owner(s) in perpetuity, prior to Final Inspection of the Building Permit.

- d. The Applicant shall show all retaining walls and drainage structures. Retaining walls shown on the grading plan shall conform to the San Diego Regional Standards or be designed by a licensed civil engineer. Engineering calculations for all designed walls with a surcharge and nonstandard walls shall be submitted at grading plan check. Retaining walls may not exceed the allowable height within the property line setback as determined by the City of Solana Beach Municipal Code. Contact the Community Development department for further information.
- e. The Applicant is responsible to protect the adjacent properties during construction. If any grading, construction activity, access or potential construction-related impacts are anticipated beyond the property lines, as determined by the City Engineer, the Applicant shall obtain a letter of permission from the adjoining property owners. All required letters of permission shall be submitted to the City Engineer prior to the issuance of the grading permit.
- f. Cut and fill slopes shall be set back from site boundaries and buildings shall be set back from cut or fill slopes in accordance with SBMC 15.40.140 and to the satisfaction of the City Engineer.
- g. The Applicant shall pay a grading plan check fee in accordance with the current Engineering Fee Schedule at initial grading plan submittal. Inspection fees shall be paid prior to issuance of the grading permit.
- h. The Applicant shall obtain and submit grading security in a form prescribed by the City Engineer.
- i. The Applicant shall obtain haul permit for import / export of soil. The Applicant shall transport all excavated material to a legal disposal site.
- j. The Applicant shall submit certification from the Engineer of Record and the Soils Engineer that all public or private drainage facilities and finished grades are functioning and are installed in accordance with the approved plans. This shall be accomplished by the Engineer of Record incorporating as-built conditions on the Mylar grading plans and obtaining signatures of the Engineer of Record and the Soils Engineer certifying the as-built conditions.
- k. An Erosion Prevention and Sediment Control Plan shall be prepared by the Applicant. Best management practices shall be developed and implemented to manage storm water and non-storm water discharges from the site at all times during excavation and grading activities. Erosion prevention shall be emphasized as the

most important measure for keeping sediment on site during excavation and grading activities. Sediment controls shall be used as a supplement to erosion prevention for keeping sediment on site.

- i. The Applicant shall show all proposed on-site private drainage facilities intended to discharge water run-off. Elements of this design shall include a hydrologic and hydraulic analysis verifying the adequacy of the facilities and identify any easements or structures required to properly convey the drainage. The construction of drainage structures shall comply with the standards set forth by the San Diego Regional Standard Drawings.
- m. Post Construction Best Management Practices meeting City and RWQCB Order No. R9-2013-001 requirements shall be implemented in the drainage design.
- n. Prior to obtaining a building permit, submit a building pad certification statement from a soils engineer and an engineer or land surveyor licensed in Land Surveying per SBMC 15.40.230E.
- o. The building permit shall be issued concurrently with the grading permit.
- p. No increased cross lot drainage shall be allowed.
- q. The Applicant shall prepare a City of Solana Beach Storm Water Checklist for Determination of Project Category to address potential water quality impacts to ensure that pollutants and runoff from this development are reduced to the maximum extent practicable.

XII. ENFORCEMENT

Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.1.6 and 1.18 in addition to any applicable revocation proceedings.

XIII. EXPIRATION

The Development Review Permit for the project shall expire 24 months from the date of this Resolution, unless the Applicant has obtained building permits and has commenced construction prior to that date, and diligently pursued construction to completion. An extension of the application may be granted by the City Council according to SBMC 17.72.110.

XIV. INDEMNIFICATION AGREEMENT

The Applicant shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney’s fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicant of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicant shall pay all of the costs related thereto, including without limitation reasonable attorney’s fees and costs. In the event of a disagreement between the City and Applicant regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicant shall not be required to pay or perform any settlement unless such settlement is approved by the Applicant.

NOTICE TO APPLICANT: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this resolution you must comply with the provisions of Government Code Section 66020. Generally the resolution is effective upon expiration of the tenth day following the date of adoption of this resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, held on the 24th day of June, 2020, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



FORD RESIDENCE

XXX FORD AVENUE
SOLANA BEACH, CA 92075
APN 263-182-0200

REVISIONS

2019-10-10	FIRST PLANNING REVIEW
2019-11-27	2ND PLANNING REVIEW
2020-01-27	3RD PLANNING REVIEW
2020-06-10	CITY COUNCIL

DIRECTORY	SHEET INDEX	PROJECT INFORMATION	NOTES:	GOVERNING CODE																				
<p>OWNER LAND HOLDINGS LLC CONTACT: BOB MUELLER 731 SOUTH HIGHWAY 101, STE 2B SOLANA BEACH, CA 92075 (858) 775-0701</p> <p>ARCHITECT EOS ARCHITECTURE INC. CONTACT: JENNIFER BOLYN 7542 FAY AVE. LA JOLLA, CA 92037 (858) 459-0575 PHONE</p> <p>CIVIL ENGINEER PASCO LARET SUITER & ASSOCIATES CONTACT: BRIAN ARDOLINO 535 NORTH HIGHWAY 101 SOLANA BEACH, CA 92075 (858) 259-8212</p> <p>SURVEY BHL, INC. 5115 ENCINIDAS AVE, SUITE L CARLSBAD, CA 92008 (760) 931-8700</p> <p>LANDSCAPE Sean Clarke, LLA S.R. CLARKE LANDSCAPE ARCHITECTURE & DEVELOPMENT 110 COPPERWOOD WAY#P. OCEANSIDE, CA 92058</p>	<p>ARCHITECTURAL</p> <p>CS1 COVER SHEET</p> <p>SP1 LOWER LEVEL SITE PLAN</p> <p>SP2 UPPER LEVEL SITE PLAN</p> <p>A1.0 LOWER LEVEL FLOOR PLAN</p> <p>A1.1 UPPER LEVEL FLOOR PLAN</p> <p>A2.0 F.A.R. DIAGRAM</p> <p>A3.0 ROOF PLAN</p> <p>A4.0 BUILDING EXTERIOR ELEVATIONS</p> <p>A4.1 BUILDING EXTERIOR ELEVATIONS</p> <p>A4.2 BUILDING EXTERIOR ELEVATIONS</p> <p>A5.0 BUILDING SECTIONS</p> <p>A5.1 BUILDING SECTIONS</p> <p>A6.0 STORY POLE PLAN</p> <p>A6.1 STORY POLE ELEVATIONS</p> <p>A6.2 STORY POLE ELEVATIONS</p> <p>CIVIL</p> <p>C1.0 SURVEY</p> <p>C1.1 PRELIMINARY GRADING</p> <p>C1.2 PRELIMINARY GRADING</p> <p>LANDSCAPE</p> <p>L1 CONCEPTUAL LANDSCAPE</p> <p>L2 HYDROZONE MAP</p>	<p>SCOPE OF WORK: CONSTRUCT NEW TWO STORY SINGLE FAMILY RESIDENCE WITH TWO CAR GARAGE AND ASSOCIATED LANDSCAPE AND HARDSCAPE</p> <p>LEGAL: LOTS 10 AND 11 IN BLOCK L, OF MARVIEW HEIGHTS UNIT NO. 4 IN THE CITY OF SOLANA BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP NO. 2829, AS FILED IN THE COUNTY OF RECORDERS' OFFICE OF SAN DIEGO COUNTY, ON DECEMBER 27, 1951 AS FILE NUMBER 155468</p> <p>APN#: 263-182-0200</p> <p>EXISTING USE: VACANT AND UNDEVELOPED LAND</p> <p>ZONE : LRD, SROZ</p> <p>SPRINKLERED: YES, PER CFC SECTION 903.2.1.1 AND INSTALLED PER NFPA 13D.</p> <p>PROPOSED GRADING: PER CIVIL DRAWINGS</p> <p>GROSS LOT SIZE: 13,919 SF</p> <p>NET LOT SIZE:</p> <p>FAR ALLOWABLE: 0 - 6,000SF - 50% = (6,000SF X 50%) 3,000 SF 6,001 - 20,000 17.5% = (7,919 SF X 17.5%) 1,386 SF</p> <p>FAR - ALLOWABLE TOTAL: 4,386 SF</p> <p>BUILDING AREA CALCULATION</p> <table border="1"> <tr> <td>UPPER LEVEL LIVING AREA</td> <td>2,583 SF</td> </tr> <tr> <td>UPPER LEVEL GARAGE AREA</td> <td>523 SF</td> </tr> <tr> <td>LOWER LEVEL LIVING AREA</td> <td>1,680 SF</td> </tr> <tr> <td>SUB-TOTAL</td> <td>4,786 SF</td> </tr> <tr> <td>GARAGE PARKING EXEMPTION</td> <td>-400 SF</td> </tr> <tr> <td>TOTAL PROPOSED FLOOR AREA INCLUDED IN FAR</td> <td>4,386 SF</td> </tr> </table> <p>DETACHED STORAGE (EXCLUDED FROM FAR) 120 SF</p> <p>OUTDOOR COVERED AREA 763 SF</p> <p>LOT COVERAGE BREAKDOWN:</p> <table border="1"> <tr> <td>PROPOSED HARDSCAPE/BUILDING:</td> <td>4,845 SF</td> </tr> <tr> <td>PROPOSED IRRIGATED LANDSCAPE:</td> <td>9,044 SF</td> </tr> <tr> <td>PROPOSED UNIMPROVED:</td> <td>0 SF</td> </tr> <tr> <td>NET TOTAL AREA:</td> <td>3,919 SF</td> </tr> </table>	UPPER LEVEL LIVING AREA	2,583 SF	UPPER LEVEL GARAGE AREA	523 SF	LOWER LEVEL LIVING AREA	1,680 SF	SUB-TOTAL	4,786 SF	GARAGE PARKING EXEMPTION	-400 SF	TOTAL PROPOSED FLOOR AREA INCLUDED IN FAR	4,386 SF	PROPOSED HARDSCAPE/BUILDING:	4,845 SF	PROPOSED IRRIGATED LANDSCAPE:	9,044 SF	PROPOSED UNIMPROVED:	0 SF	NET TOTAL AREA:	3,919 SF	<p>1. OBSTRUCTION OF ROADWAYS DURING CONSTRUCTION: ALL ROADWAYS SHALL BE MINIMUM OF 24' IN WIDTH DURING CONSTRUCTION AND MAINTAINED FREE AND CLEAR, INCLUDING THE PARKING OF VEHICLES, IN ACCORDANCE WITH THE CALIFORNIA FIRECODE AND THE FIRE DEPARTMENT.</p> <p>2. ADDRESS NUMBERS: STREET NUMBERS: APPROVED NUMBERS AND/ OR ADDRESSES SHALL BE PLACES ON ALL NEW AND EXISTING BUILDINGS AND AT APPROPRIATE ADDITIONAL LOCATIONS AS TO BE PLAINLY VISIBLE AND LEGIBLE FROM THE STREET OR ROADWAY FRONTING THE PROPERTY FROM EITHER DIRECTION OF APPROACH. SAID NUMBERS SHALL CONTRAST WITH THEIR BACKGROUND, AND SHALL MEET THE FOLLOWING MIN. STANDARDS AS TO SIZE: 4" HIGH WITH A 1/2" STROKE WIDTH FOR RESIDENTIAL BUILDINGS, 8" HIGH WITH A 1/2" STROKE FOR COMMERCIAL AND MULTI-FAMILY RESIDENTIAL BUILDINGS, 12" HIGH WITH A 1" STROKE FOR INDUSTRIAL BUILDINGS. ADDITIONAL NUMBERS SHALL BE REQUIRED WHERE DEEMED NECESSARY BY FIRE MARSHAL, SUCH AS REAR ACCESS DOORS, BUILDING CORNERS AND ENTRANCES TO COMMERCIAL CENTERS.</p> <p>3. AUTOMATIC FIRE SPRINKLER SYSTEMS: ONE AND TWO FAMILY DWELLINGS: STRUCTURES SHALL BE PROTECTED BY AN AUTOMATIC FIRE SPRINKLER SYSTEM DESIGNED AND INSTALLED TO THE SATISFACTION OF THE FIRE DEPARTMENT. PLANS FOR THE AUTOMATIC FIRE SPRINKLER SYSTEM SHALL BE APPROVED BY THE FIRE DEPARTMENT.</p> <p>4. SMOKE DETECTORS/ CARBON MONOXIDE ALARMS/ FIRE SPRINKLER SYSTEMS: SMOKE DETECTORS/ CARBON MONOXIDE ALARMS/FIRE SPRINKLERS SHALL BE INSPECTED BY THE SOLANA BEACH FIRE DEPARTMENT</p> <p>5. CLASS "A" ROOF: ALL STRUCTURES SHALL BE PROVIDED WITH A CLASS "A" ROOF COVERING TO SATISFACTION OF THE SOLANA BEACH FIRE DEPARTMENT.</p> <p>6. SOLAR PHOTOVOLTAIC INSTALLATIONS (SOLAR PANELS): SOLAR PHOTOVOLTAIC SYSTEMS SHALL BE INSTALLED PER THE CALIFORNIA FIRE CODE AND SOLANA BEACH FIRE DEPARTMENT REQUIREMENTS.</p>	<p>2016 CA BUILDING STANDARD CODE</p> <p>2016 CA RESIDENTIAL CODE</p> <p>2016 CA GREEN BUILDING CODE</p> <p>2016 CA ELECTRICAL CODE</p> <p>2016 CA MECHANICAL CODE</p> <p>2016 CA PLUMBING CODE</p> <p>VICINITY MAP</p>
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PHASE

PLANNING

DATE

10-10-2019

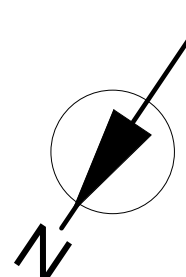
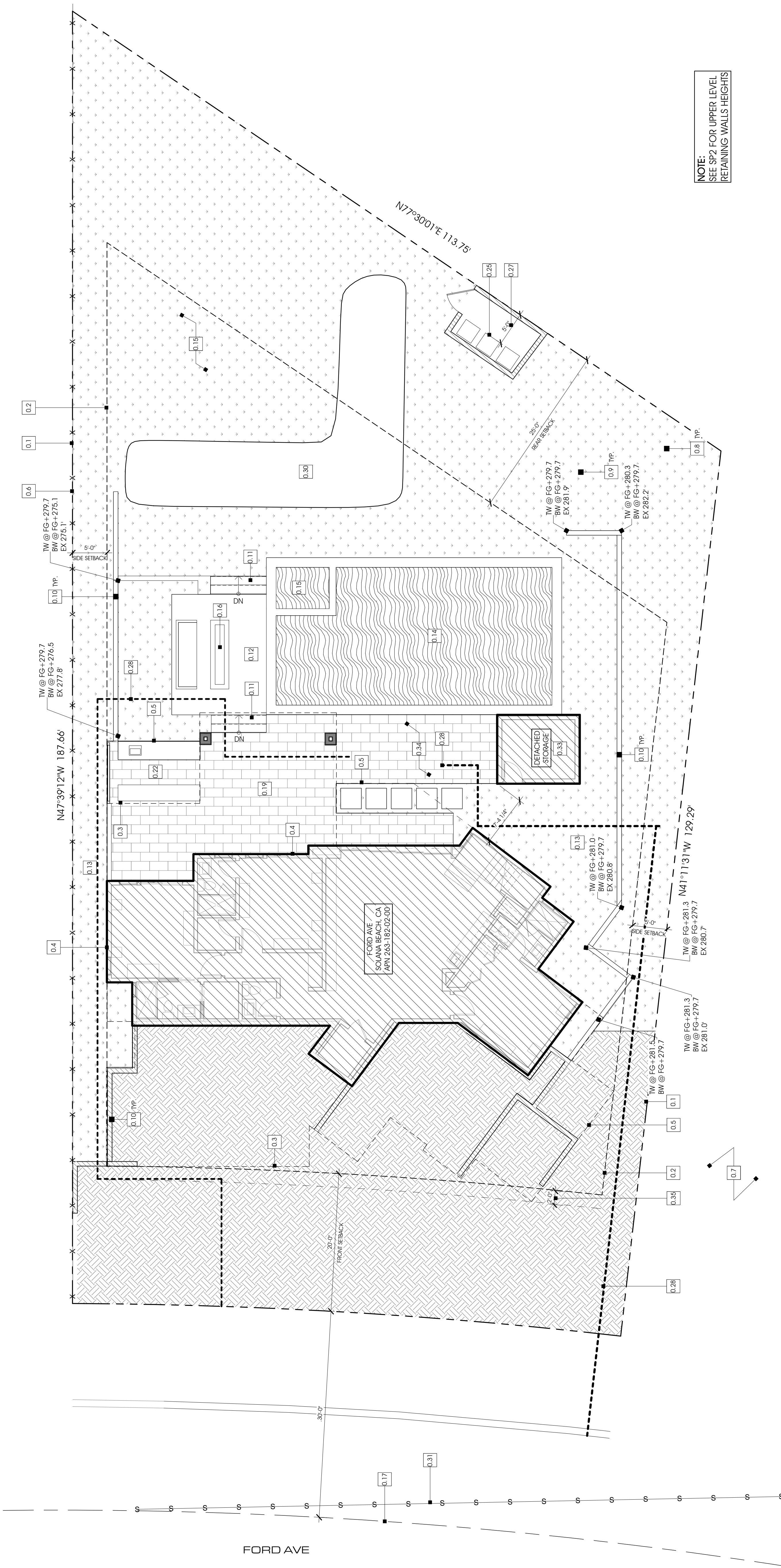
JOB NO.

19-04

COVER SHEET

CS1

REVISIONS
2019-10-10 FIRST PLANNING REVIEW
2019-11-27 2ND PLANNING REVIEW
2020-01-27 3RD PLANNING REVIEW



1/8" = 1'-0"

NOTE:
SEE SP2 FOR UPPER LEVEL
RETAINING WALLS HEIGHTS

PROJECT INFORMATION

SCOPE OF WORK:	CONSTRUCT NEW TWO STORY SINGLE FAMILY RESIDENCE WITH TWO CAR GARAGE AND ASSOCIATED LANDSCAPE AND HANDSCAPE
LEGAL:	LOTS 10 AND 11 IN BLOCK 4 OF MAPVIEW HEIGHTS, UNIT NO. 4 IN THE CITY OF SOLANA BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA ACCORDING TO THE MAP NO. 2829, AS FILED IN THE COUNTY OF RECORDERS' OFFICE OF SAN DIEGO COUNTY, ON DECEMBER 27, 1951 AS FILE NUMBER 155468
APN#:	263-182-0200
EXISTING USE:	VACANT AND UNDEVELOPED LAND
ZONE :	LRD, SR02
SPRINKLERED:	YES, PER CGC SECTION 903.2.1.1 AND INSTALLED PER WPPA 130.
PROPOSED GRADING:	PER CIVIL DRAWINGS
GROSS LOT SIZE:	13,919 SF
NET LOT SIZE:	
FAR ALLOWABLE:	0 - 6.000SF - 50% = (6.000SF X 50%) 6.001 - 20.000 17.5% = (7.919 SF X 17.5%)
	3,000 SF 1,366 SF
FAR - ALLOWABLE TOTAL:	4,366 SF

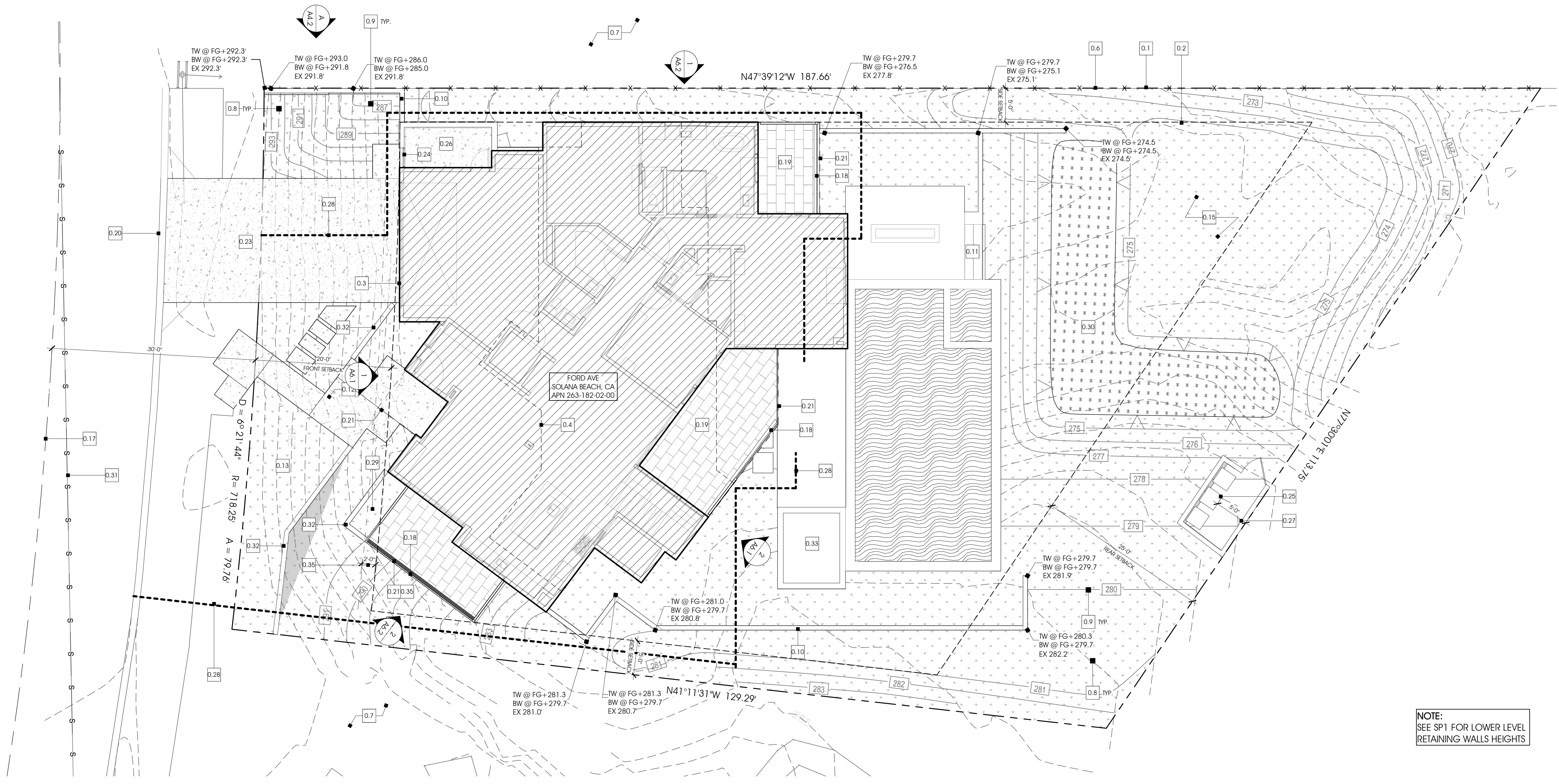
KEYNOTES

0.1	PROPERTY LINE, TYP.	0.16	FIREPT
0.2	SETBACK LINE, TYP.	0.17	CENTER LINE OF ROAD
0.3	LINE OF PROPOSED UPPER LEVEL OF RESIDENCE	0.19	COVERED DECK
0.4	LINE OF PROPOSED LOWER LEVEL OF RESIDENCE	0.22	BARBECUE AREA, PROVIDE HOOD AS REQUIRED FOR PROPER VENTILATION
0.5	LINE OF PROPOSED DECK ABOVE	0.25	POOL EQUIPMENT LOCATION W/ 6" HIGH SOLID CIVIL WALLS AND WOOD GATE
0.6	FENCE PER LANDSCAPE PLANS	0.27	5'-0" MIN. SET BACK TO POOL EQUIPMENT
0.7	EXISTING ADJACENT SITE, NWP	0.28	HEAVY DASHED LINE INDICATING 150'-0" HOSE PULL TO FURTHER STRUCTURE FROM LEVEL AREA ON DRIVEWAY
0.8	EXISTING TOPOGRAPHY PER SURVEY	0.30	DETENTION BASIN PER CIVIL PLANS
0.9	PROPOSED TOPOGRAPHY PER CIVIL PLANS	0.31	SEWER MAIN, PER CIVIL
0.10	NEW RETAINING WALL WITH STUCCO FINISH WHERE EXPOSED TO VIEW, SEE CIVIL PLANS	0.33	120 SF DETACHED STORAGE AREA
0.11	CONCRETE SITE STAIR AT GRADE LEVEL	0.34	PORCELAIN TILE OVER PAVER OVER CONCRETE
0.12	PROPOSED HANDSCAPE, ACID ETCHED, EXPOSED AGGREGATE CONCRETE	0.35	2'-0" EAVE / BALCONY ENCROACHMENT
0.13	PROPOSED LANDSCAPE PER LANDSCAPE PLANS		
0.14	PROPOSED POOL		
0.15	PROPOSED SPA		

BUILDING AREA CALCULATION	
UPPER LEVEL LIVING AREA	2,585 SF
UPPER LEVEL GARAGE AREA	523 SF
LOWER LEVEL LIVING AREA	1,480 SF
SUB-TOTAL	4,786 SF
GARAGE PARKING EXEMPTION	-400 SF
TOTAL PROPOSED FLOOR AREA INCLUDED IN FAR	4,386 SF
DETACHED STORAGE (EXCLUDED FROM FAR)	120 SF
OUTDOOR COVERED AREA	763 SF
LOT COVERAGE BREAKDOWN:	
PROPOSED HANDSCAPE BUILDING:	4,845 SF
PROPOSED HANDSCAPE LANDSCAPE:	9,844 SF
PROPOSED UNIMPROVED:	0 SF
NET TOTAL AREA:	3,919 SF

LOWER LEVEL SITE PLAN

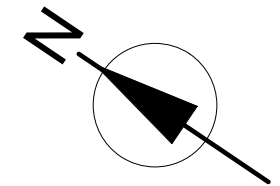
REVISIONS
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2019-11-27 2ND PLANNING REVIEW
2020-01-27 3RD PLANNING REVIEW



NOTE:
SEE SP1 FOR LOWER LEVEL
RETAINING WALLS HEIGHTS

UPPER LEVEL SITE PLAN

1/8" = 1'-0"



PROJECT INFORMATION

SCOPE OF WORK:	CONSTRUCT NEW TWO STORY SINGLE FAMILY RESIDENCE WITH TWO CAR GARAGE AND ASSOCIATED LANDSCAPE AND HARDSCAPE	
LEGAL:	LOTS 10 AND 11 IN BLOCK L, OF MARVIEW HEIGHTS UNIT NO. 4 IN THE CITY OF SOLANA BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP NO. 2829, AS FILED IN THE COUNTY OF RECORDERS' OFFICE OF SAN DIEGO COUNTY, ON DECEMBER 27, 1951 AS FILE NUMBER 155468	
APN#:	263-182-0200	
EXISTING USE:	VACANT AND UNDEVELOPED LAND	
ZONE :	LRD, SROZ	
SPRINKLERED:	YES, PER CFC SECTION 903.2.1.1 AND INSTALLED PER NFPA 13D.	
PROPOSED GRADING:	PER CIVIL DRAWINGS	
GROSS LOT SIZE:	13,919 SF	
NET LOT SIZE:		
FAR ALLOWABLE:	0 - 6,000SF - 50% = (6,000SF X 50%) 6,001 - 20,000 17.5% = (7,919 SF X 17.5%)	3,000 SF 1,386 SF
FAR - ALLOWABLE TOTAL:		4,386 SF

BUILDING AREA CALCULATION

UPPER LEVEL LIVING AREA	2,583 SF
UPPER LEVEL GARAGE AREA	523 SF
LOWER LEVEL LIVING AREA	1,680 SF
SUB-TOTAL	4,786 SF
GARAGE PARKING EXEMPTION	-400 SF
TOTAL PROPOSED FLOOR AREA INCLUDED IN FAR	4,386 SF

DETACHED STORAGE (EXCLUDED FROM FAR)	120 SF
OUTDOOR COVERED AREA	763 SF

LOT COVERAGE BREAKDOWN:

PROPOSED HARDSCAPE/BUILDING:	4,845 SF
PROPOSED IRRIGATED LANDSCAPE:	9,044 SF
PROPOSED UNIMPROVED:	0 SF
NET TOTAL AREA:	3,919 SF

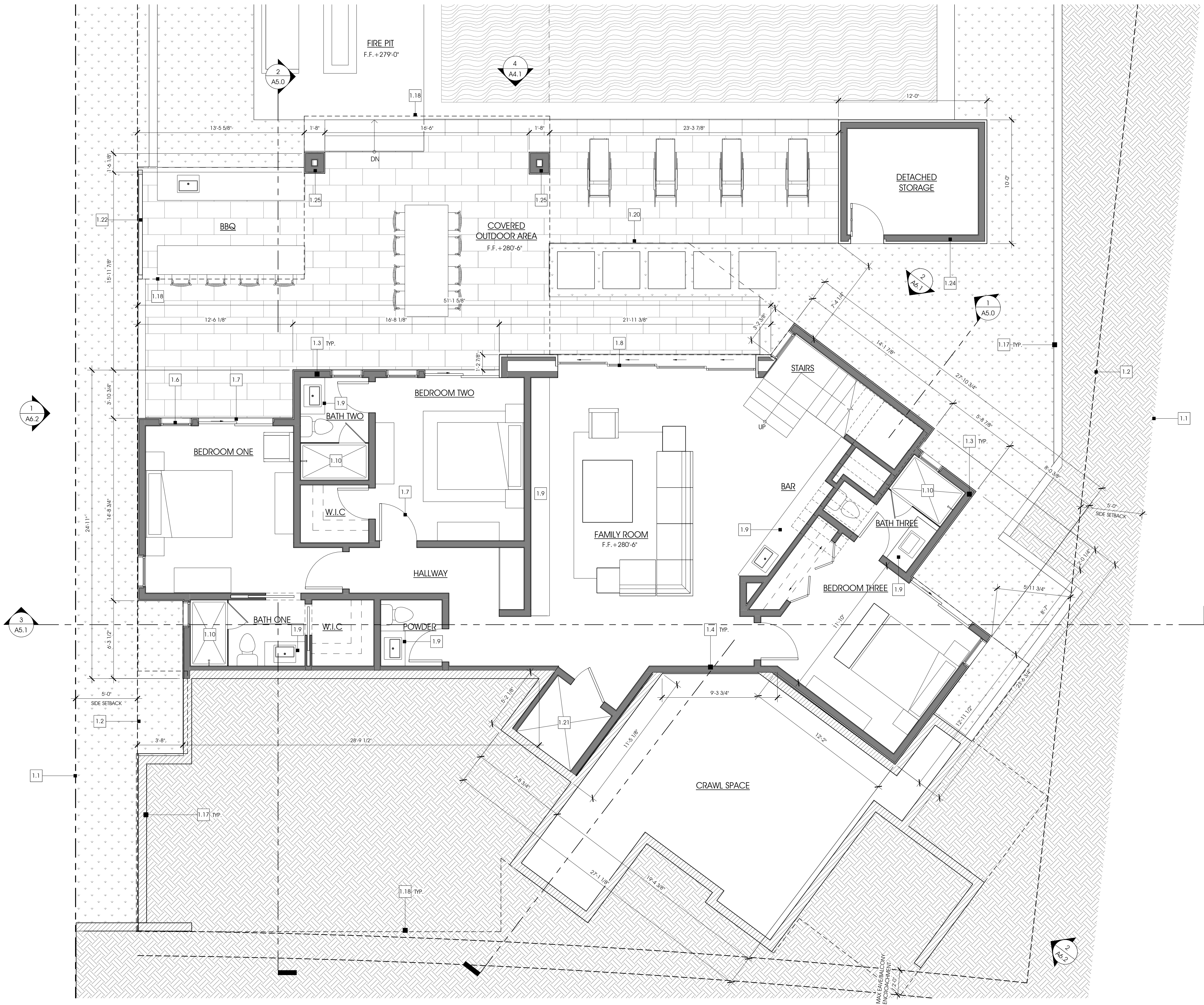
KEYNOTES

- | | |
|--|--|
| 0.1 PROPERTY LINE, TYP. | 0.20 DRIVEWAY CURB CUT PER CIVIL & LANDSCAPE |
| 0.2 SETBACK LINE, TYP. | 0.21 LINE OF ROOF/ OVERHANG |
| 0.3 LINE OF PROPOSED UPPER LEVEL OF RESIDENCE | 0.23 CONCRETE DRIVEWAY, ACID ETCHED EXPOSED AGGREGATE COLORED CONCRETE |
| 0.4 LINE OF PROPOSED LOWER LEVEL OF RESIDENCE | 0.24 CMU WALL & GATE NOT TO EXCEED 6'-0" HIGH IN SETBACKS |
| 0.6 FENCE PER LANDSCAPE PLANS | 0.26 TRASH AND RECYCLING ENCLOSURE PER LANDSCAPE PLANS |
| 0.7 EXISTING ADJACENT SITE, NAP | 0.28 HEAVY DASHED LINE INDICATING 150'-0" HOSE PULL TO FURTHER STRUCTURE FROM LEVEL AREA ON DRIVEWAY |
| 0.8 EXISTING TOPOGRAPHY PER SURVEY | 0.29 RAISED PLANTER |
| 0.9 PROPOSED TOPOGRAPHY PER CIVIL | 0.30 DETENTION BASIN PER CIVIL PLANS |
| 0.11 CONCRETE SITE STAIR AT GRADE LEVEL | 0.31 SEWER MAIN, PER CIVIL |
| 0.12 PROPOSED HARDSCAPE, ACID ETCHED, EXPOSED AGGREGATE CONCRETE | 0.32 6" MOW CURB PER CIVIL |
| 0.13 PROPOSED LANDSCAPE PER LANDSCAPE | 0.35 2'-0" EAVE / BALCONY ENCROACHMENT |
| 0.15 PROPOSED SPA | |
| 0.17 CENTER LINE OF ROAD | |
| 0.18 42" HIGH BALCONY GUARDRAIL | |
| 0.19 COVERED DECK | |

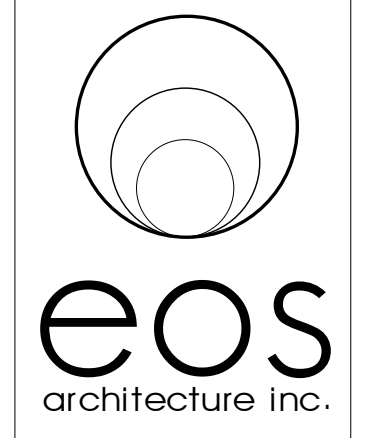
PHASE
PLANNING
DATE
10-10-2019
JOB NO.
19-04

UPPER LEVEL SITE PLAN

SP2



- ### KEYNOTES
- 1.1 PROPERTY LINE, TYP.
 - 1.2 SETBACK LINE, TYP.
 - 1.3 EXTERIOR WALL: 2x WOOD STUD FRAMING PER STRUCTURAL W/ R-19 BATT INSULATION AT 2 X 6, R-13 BATT INSULATION AT 2 X 4 WALLS. EXTERIOR FINISH PER EXTERIOR ELEVATIONS C/ 2 LAYERS MIN. GRADE 'D' BUILDING PAPER. INSIDE 5/8" GWS UON PER INTERIOR ELEVATIONS
 - 1.4 INTERIOR WALL: 2x WOOD STUD FRAMING W/ R-19 BATT INSULATION @ 2X6 & R-13 BATT INSULATION @ 2X4, 5/8" GWS THROUGHOUT
 - 1.6 WINDOW, TYP.
 - 1.7 DOOR, TYP.
 - 1.8 LIFT AND SLIDE DOOR
 - 1.9 BUILT IN/ CABINETRY
 - 1.10 WALK-IN SHOWER
 - 1.17 RETAINING WALL
 - 1.18 LINE OF FLOOR ABOVE
 - 1.20 LINE OF CEILING/ OVERHANG/ DECK/ ROOF ABOVE
 - 1.21 ELEVATOR
 - 1.22 HORIZONTAL TRELLIS PER ELEVATION - 50% OPEN
 - 1.24 INDICATES STONE VENEER, TYP.
 - 1.25 STRUCTURAL COLUMNS



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APN 263-182-0200

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2019-10-10 FIRST PLANNING REVIEW
2019-11-27 2ND PLANNING REVIEW
2020-01-27 3RD PLANNING REVIEW
2020-06-10 CITY COUNCIL

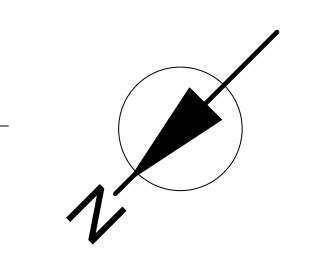
PHASE
PLANNING
DATE
10-10-2019
JOB NO.
19-04

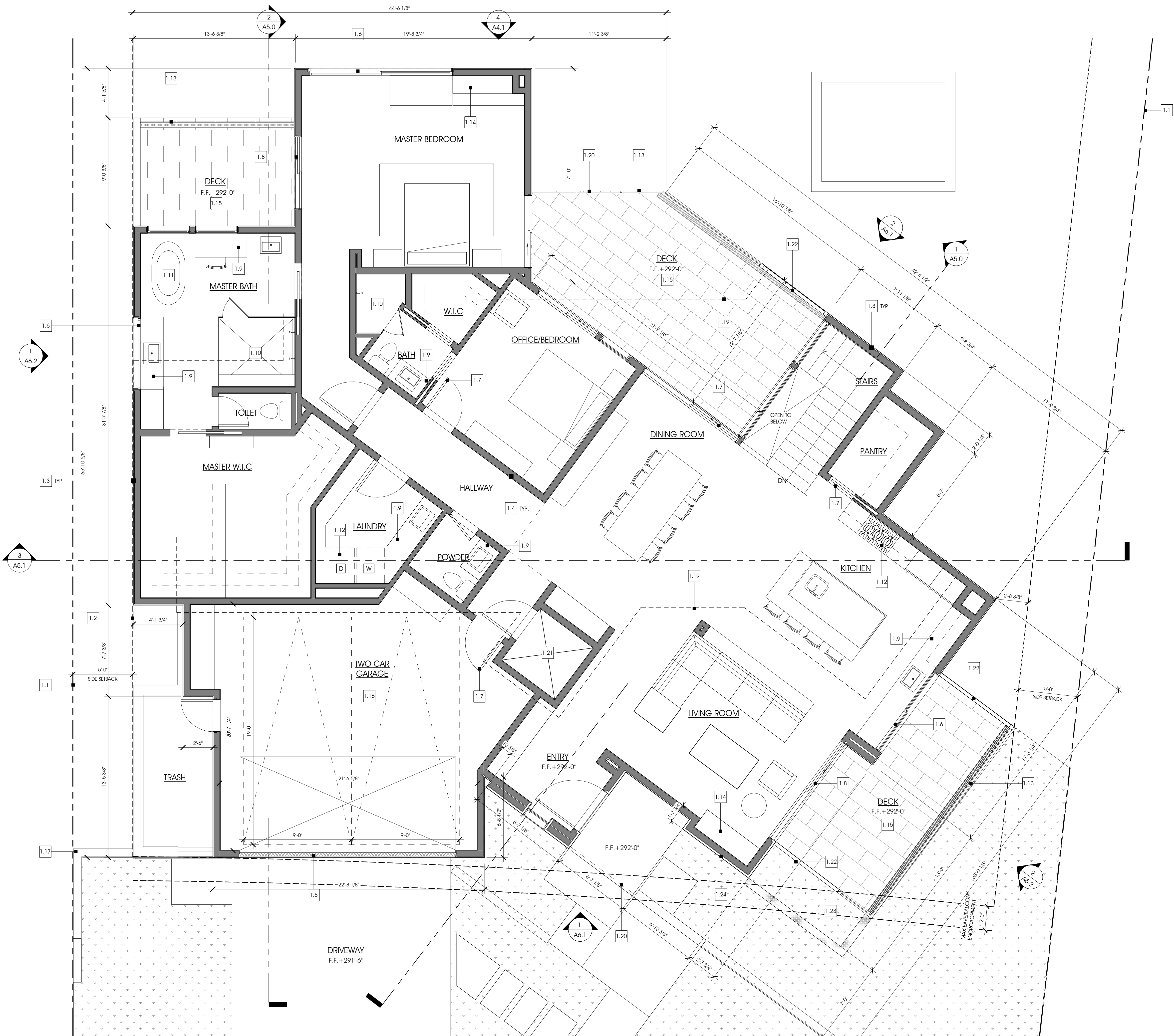
LOWER LEVEL FLOOR PLAN

A1.0

LOWER LEVEL FLOOR PLAN

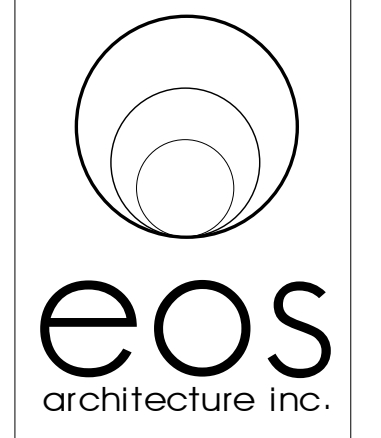
1/4" = 1'-0"





KEYNOTES

- 1.1 PROPERTY LINE, TYP.
- 1.2 SETBACK LINE, TYP.
- 1.3 EXTERIOR WALL: 2x WOOD STUD FRAMING PER STRUCTURAL W/ R-19 BATT INSULATION AT 2 X 4 WALLS. EXTERIOR FINISH PER EXTERIOR ELEVATIONS O/ 2 LAYERS MIN. GRADE 1" BUILDING PAPER. INSIDE 5/8" GWB UON PER INTERIOR ELEVATIONS
- 1.4 INTERIOR WALL: 2x WOOD STUD FRAMING W/ R-19 BATT INSULATION @ 2X6 & R-13 BATT INSULATION @ 2X4. 5/8" GWB THROUGHOUT
- 1.5 GARAGE DOOR
- 1.6 WINDOW, TYP.
- 1.7 DOOR, TYP.
- 1.8 LIFT AND SLIDE DOOR
- 1.9 BUILT IN/ CABINETRY
- 1.10 WALK-IN SHOWER
- 1.11 TUB
- 1.12 APPLIANCE PER OWNER
- 1.13 42" HIGH GUARDRAIL
- 1.14 FIREPLACE
- 1.15 TILE DECK
- 1.16 PARKING SPACES TO BE 19' X 9' CLEAR
- 1.17 RETAINING WALL
- 1.19 LINE OF FLOOR BELOW
- 1.20 LINE OF CEILING/ OVERHANG/ DECK/ ROOF ABOVE
- 1.21 ELEVATOR
- 1.22 HORIZONTAL TRELLIS PER ELEVATION - 50% OPEN
- 1.23 RAISED PLANTER
- 1.24 INDICATES STONE VENEER, TYP.



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2020-06-10 CITY COUNCIL

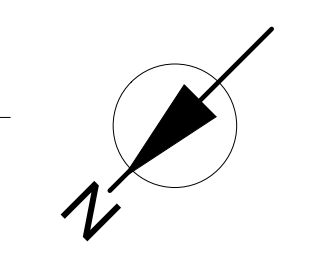
PHASE PLANNING
DATE 10-10-2019
JOB NO. 19-04

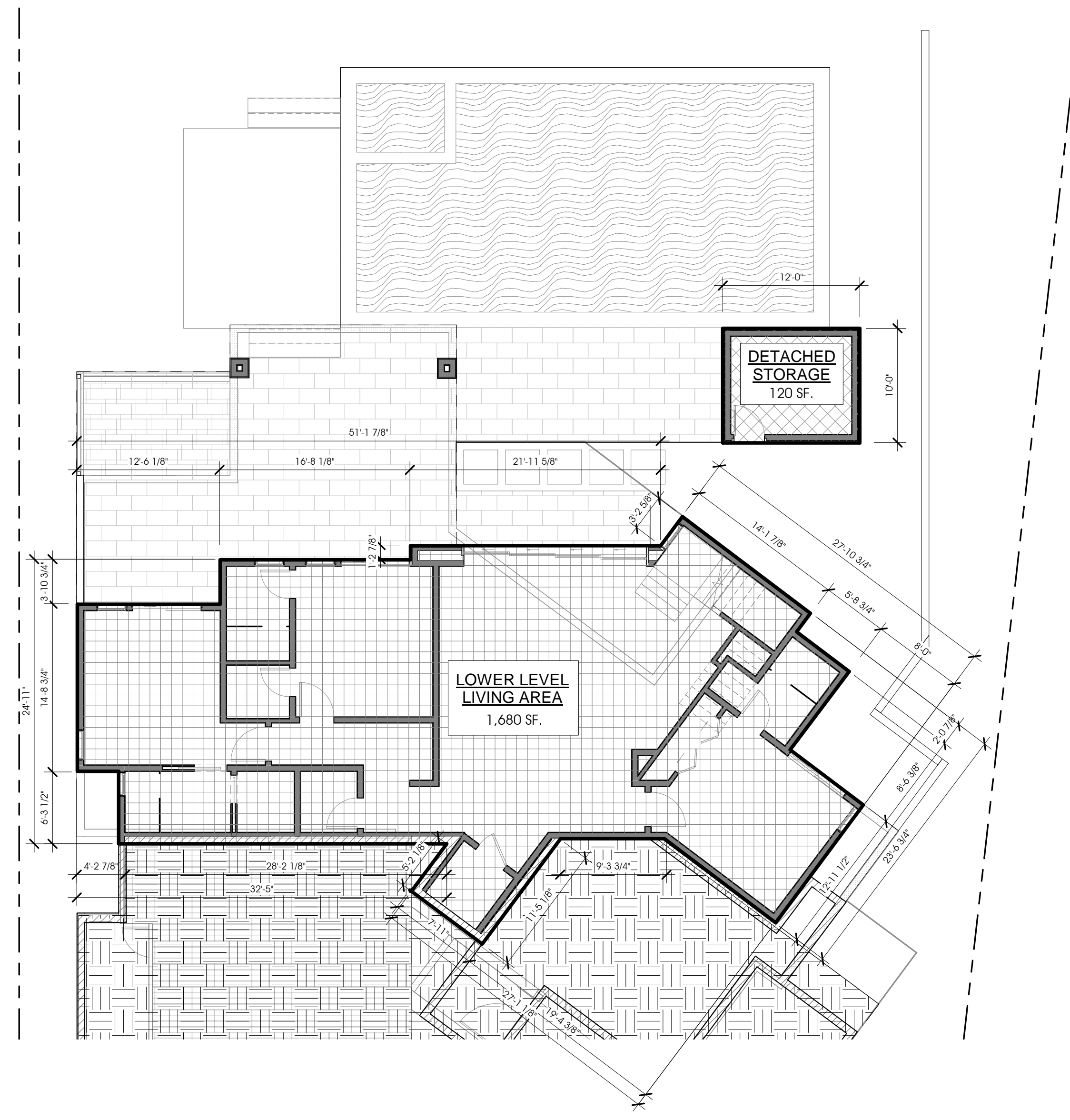
UPPER LEVEL FLOOR PLAN

A1.1

UPPER LEVEL FLOOR PLAN

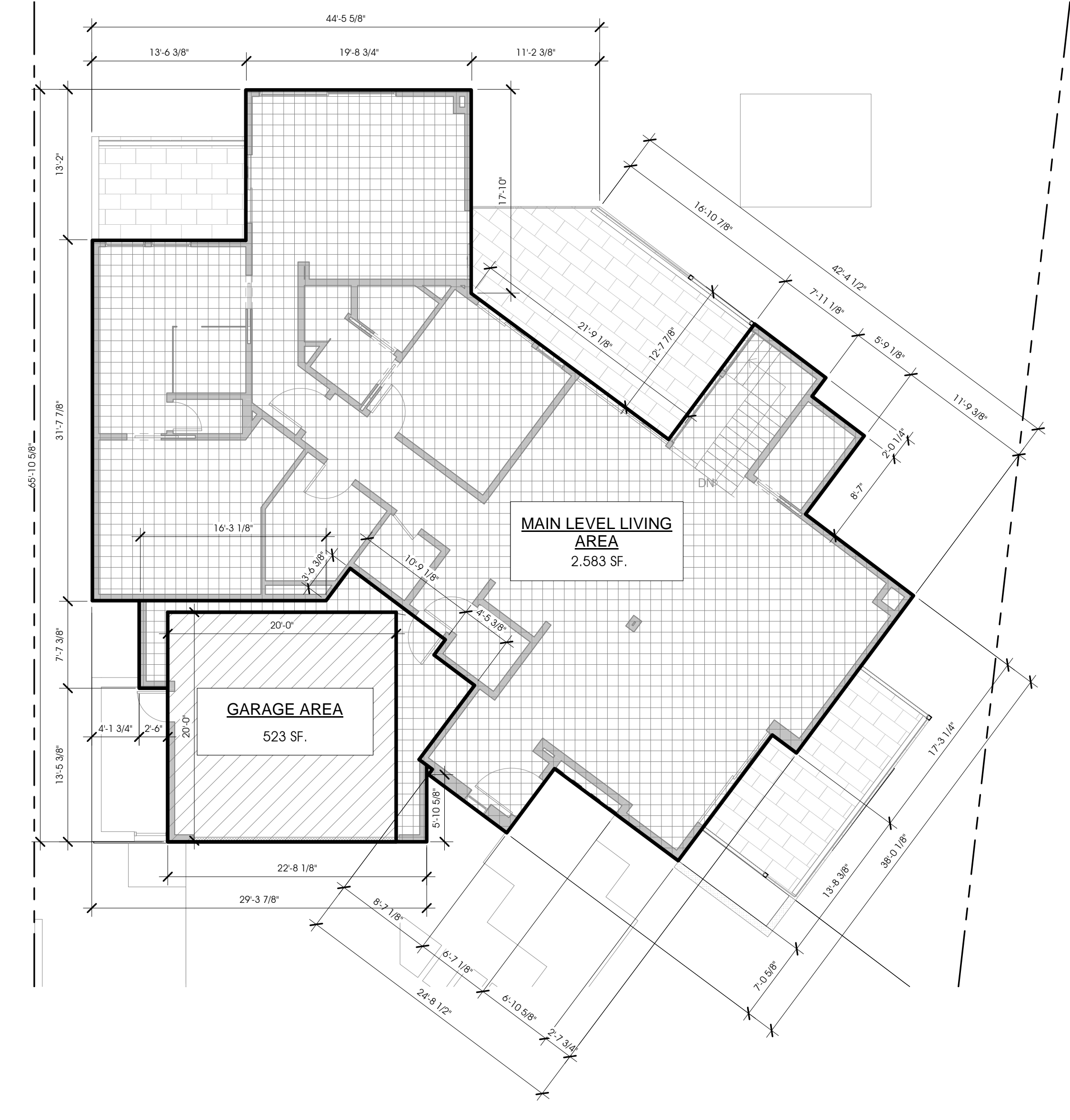
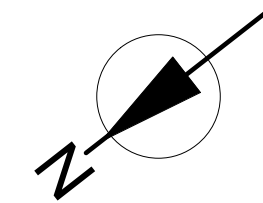
1/4" = 1'-0"





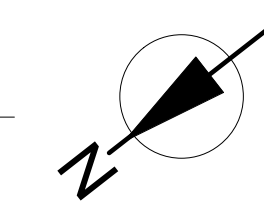
LOWER LEVEL F.A.R DIAGRAM

1/8" = 1'-0"



UPPER LEVEL F.A.R DIAGRAM

1/8" = 1'-0"



PROJECT INFORMATION

SCOPE OF WORK: CONSTRUCT NEW TWO STORY SINGLE FAMILY RESIDENCE WITH TWO CAR GARAGE AND ASSOCIATED LANDSCAPE AND HARDSCAPE

LEGAL: LOTS 10 AND 11 IN BLOCK L OF MARVIEW HEIGHTS UNIT NO. 4 IN THE CITY OF SOLANA BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP NO. 2829, AS FILED IN THE COUNTY OF RECORDERS' OFFICE OF SAN DIEGO COUNTY, ON DECEMBER 27, 1951 AS FILE NUMBER 155468

APN#: 263-182-0200

EXISTING USE: VACANT AND UNDEVELOPED LAND

ZONE : LRD, SROZ

SPRINKLERED: YES, PER CFC SECTION 903.2.1.1 AND INSTALLED PER NFPA 13D.

PROPOSED GRADING: PER CIVIL DRAWINGS

GROSS LOT SIZE: 13,919 SF

NET LOT SIZE:

FAR ALLOWABLE: 0 - 6,000SF - 50% = (6,000SF X 50%) 3,000 SF
6,001 - 20,000 17.5% = (7,919 SF X 17.5%) 1,386 SF
FAR - ALLOWABLE TOTAL: 4,386 SF

BUILDING AREA CALCULATION

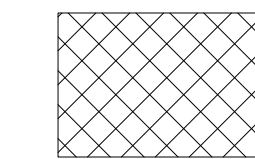
UPPER LEVEL LIVING AREA	2,583 SF
UPPER LEVEL GARAGE AREA	523 SF
LOWER LEVEL LIVING AREA	1,680 SF
SUB-TOTAL	4,786 SF
GARAGE PARKING EXEMPTION	-400 SF
TOTAL PROPOSED FLOOR AREA INCLUDED IN FAR	4,386 SF

DETACHED STORAGE (EXCLUDED FROM FAR)	120 SF
OUTDOOR COVERED AREA	763 SF

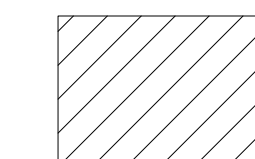
LOT COVERAGE BREAKDOWN:

PROPOSED HARDSCAPE/BUILDING:	4,845 SF
PROPOSED IRRIGATED LANDSCAPE:	9,044 SF
PROPOSED UNIMPROVED:	0 SF
NET TOTAL AREA:	3,919 SF

LEGEND



HATCH INDICATES PROPOSED SQUARE FOOTAGE INCLUDED IN FAR



HATCH INDICATES GARAGE EXEMPT FROM FAR (400SF GARAGE EXEMPTION)

REVISIONS

2019-10-10	FIRST PLANNING REVIEW
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2020-06-10	CITY COUNCIL

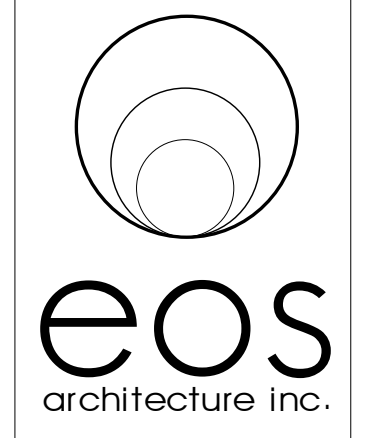
PHASE PLANNING

DATE	10-10-2019
JOB NO.	19-04

F.A.R. DIAGRAM

KEYNOTES

- 3.1 PROPERTY LINE, TYP.
- 3.2 SETBACK LINE, TYP.
- 3.3 OVERHANG
- 3.4 BUILT UP ROOFING
- 3.5 STANDING SEAM METAL ROOF
- 3.6 GUTTER AND OVERFLOW
- 3.7 PARAPET WALL
- 3.8 SCUPPER
- 3.9 ROOF DRAIN
- 3.10 SOLAR PANELS, TYP.
- 3.11 STONE PARAPET



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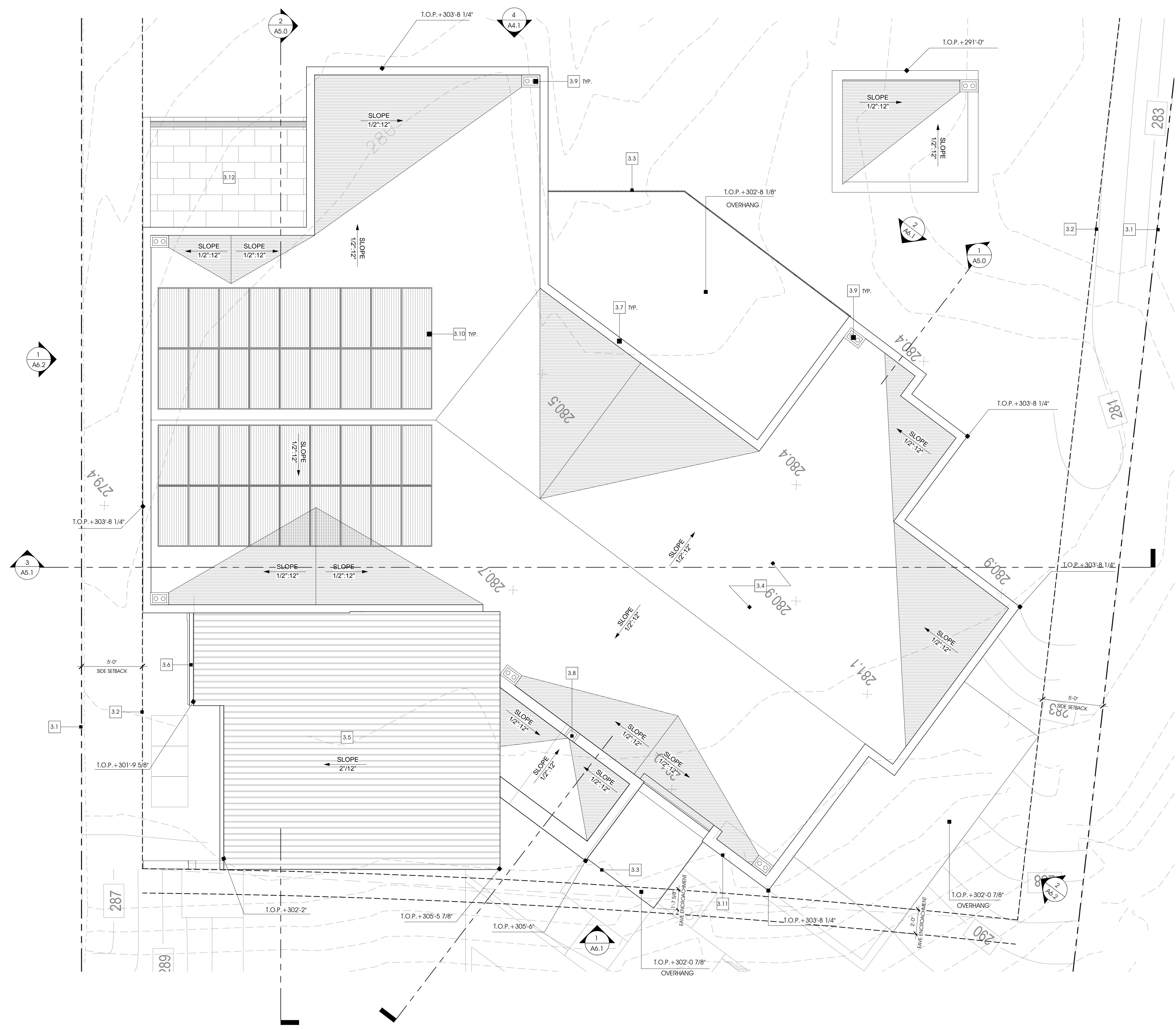
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PHASE
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JOB NO.
19-04

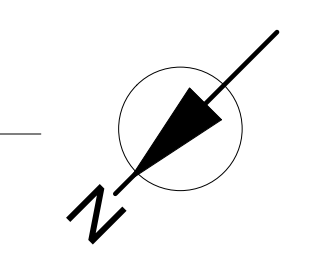
ROOF PLAN

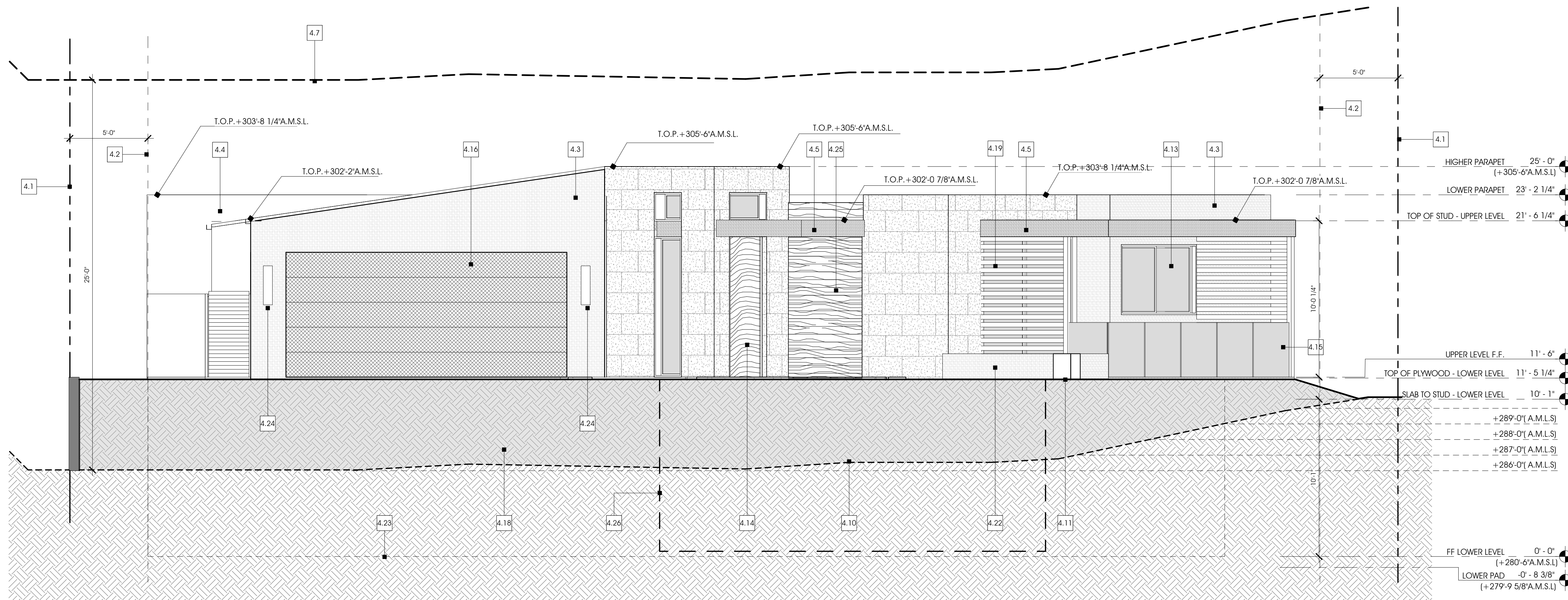
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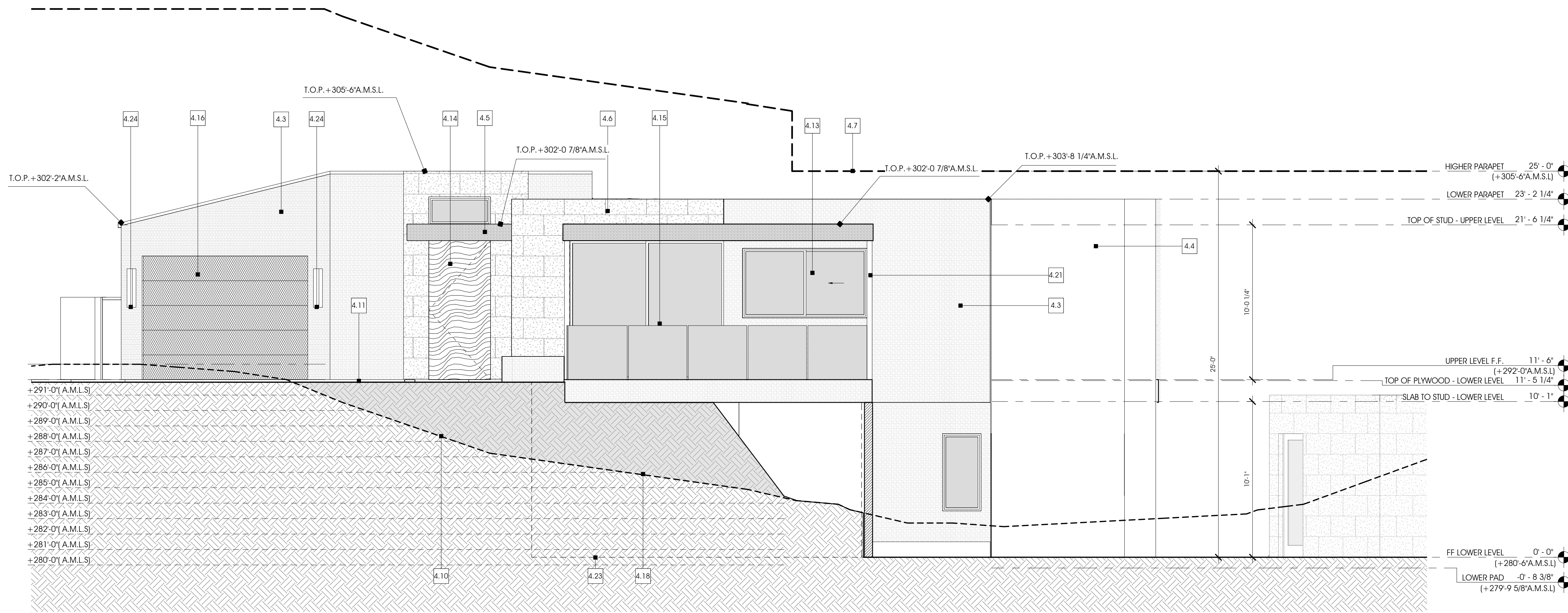
ROOF PLAN

1/4" = 1'-0"





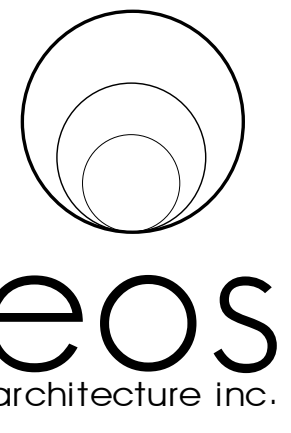
1 NORTH ELEVATION - FRONT
1/4" = 1'-0"



2 WEST ELEVATION
1/4" = 1'-0"

KEYNOTES

- 4.1 PROPERTY LINE, TYP.
- 4.2 SETBACK LINE, TYP.
- 4.3 STUCCO FINISH DARK COLOR TO BE SELECTED BY ARCHITECT
- 4.4 STUCCO FINISH LIGHT COLOR TO BE SELECTED BY ARCHITECT
- 4.5 METAL FASCIA OVERHANG
- 4.6 STONE VENEER
- 4.7 LINE OF 25'-0" HEIGHT LIMIT FROM LOWER OF EXISTING OR PROPOSED GRADE
- 4.10 LINE OF EXISTING GRADE AT BUILDING LINE
- 4.11 LINE OF PROPOSED GRADE AT BUILDING LINE
- 4.13 WINDOW/ DOOR TYP.
- 4.14 ENTRY DOOR
- 4.15 42" HIGH GLASS GUARDRAIL
- 4.16 GARAGE DOOR WITH PERFORATED SCREEN
- 4.18 FILL TYP.
- 4.19 HORIZONTAL WOOD TRELLIS
- 4.21 STRUCTURAL COLUMNS
- 4.22 RAISED PLANTER
- 4.23 LINE OF LEVEL BELOW
- 4.24 LIGHT FIXTURE
- 4.25 WOOD SIDING PANEL
- 4.26 CRAWNSPACE LOCATION



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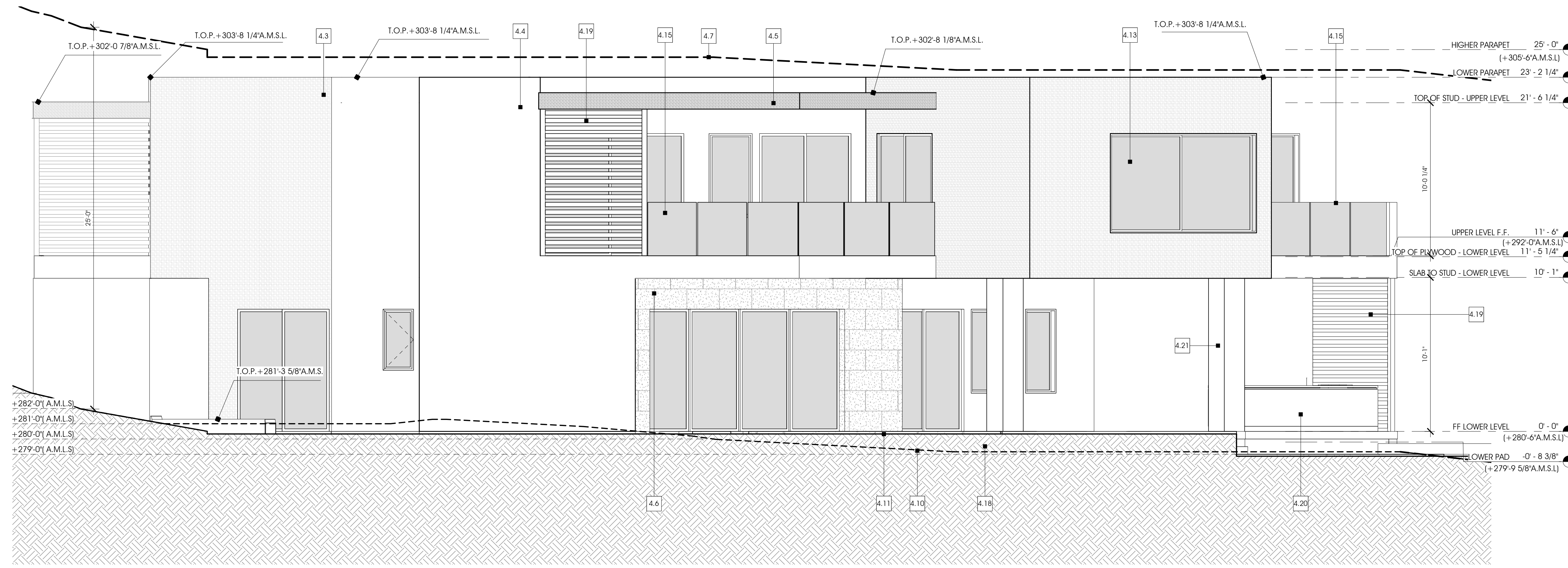
2019-10-10	FIRST PLANNING REVIEW
2019-11-27	2ND PLANNING REVIEW
2020-01-27	3RD PLANNING REVIEW
2020-06-10	CITY COUNCIL

PHASE PLANNING

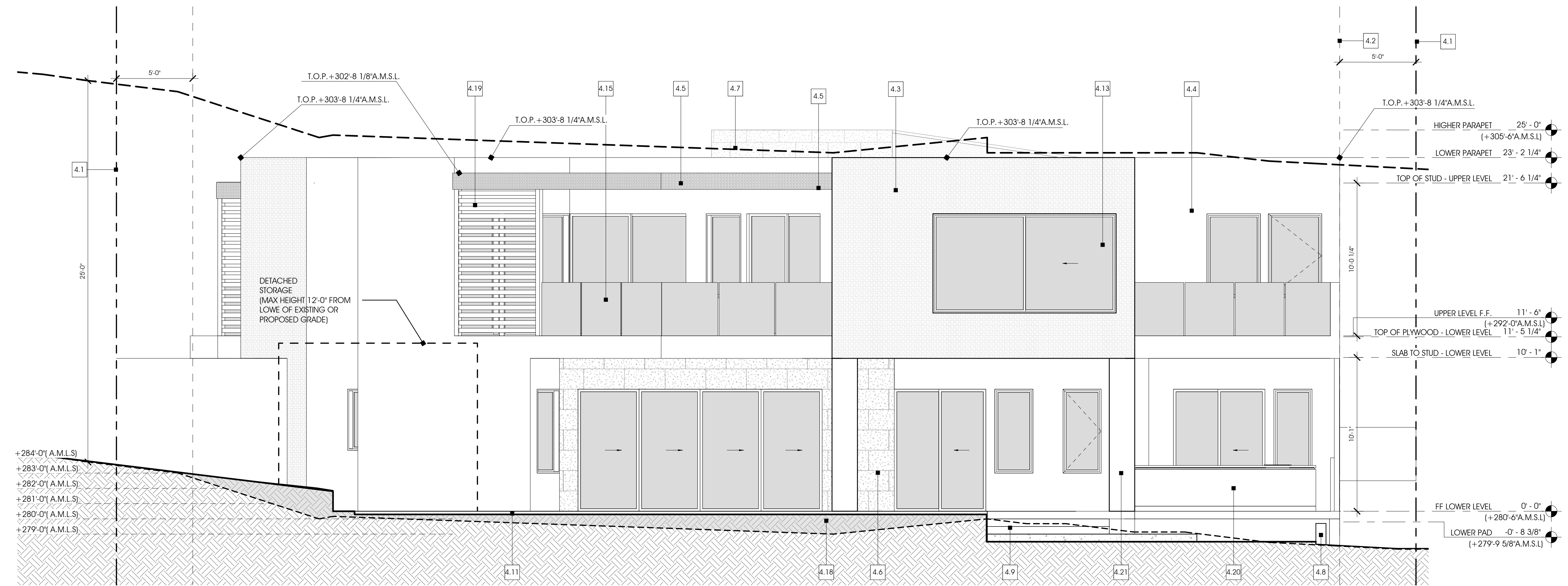
DATE	10-10-2019
JOB NO.	19-04

BUILDING EXTERIOR ELEVATIONS

A4.0



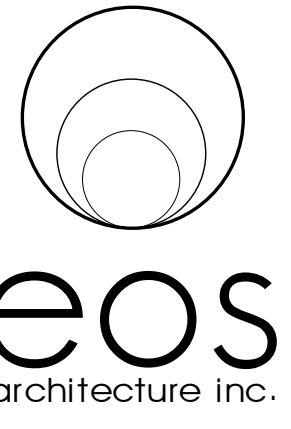
3 SOUTH ELEVATION
1/4" = 1'-0"



4 SOUTH-EAST ELEVATION
1/4" = 1'-0"

KEYNOTES

- 4.1 PROPERTY LINE, TYP.
- 4.2 SETBACK LINE, TYP.
- 4.3 STUCCO FINISH DARK COLOR TO BE SELECTED BY ARCHITECT
- 4.4 STUCCO FINISH LIGHT COLOR TO BE SELECTED BY ARCHITECT
- 4.5 METAL FASCIA OVERHANG
- 4.6 STONE VENEER
- 4.7 LINE OF 25'-0" HEIGHT LIMIT FROM LOWER OF EXISTING OR PROPOSED GRADE
- 4.8 RETAINING WALL PER CIVIL
- 4.9 SITE STAIRS PER CIVIL/LANDSCAPE
- 4.10 LINE OF EXISTING GRADE AT BUILDING LINE
- 4.11 LINE OF PROPOSED GRADE AT BUILDING LINE
- 4.13 WINDOW/ DOOR TYP.
- 4.15 42" HIGH GLASS GUARDRAIL
- 4.18 FILL TYP.
- 4.19 HORIZONTAL WOOD TRELLIS
- 4.20 BBQ
- 4.21 STRUCTURAL COLUMNS



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REVISIONS

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2020-01-27	3RD PLANNING REVIEW
2020-06-10	CITY COUNCIL

PHASE PLANNING

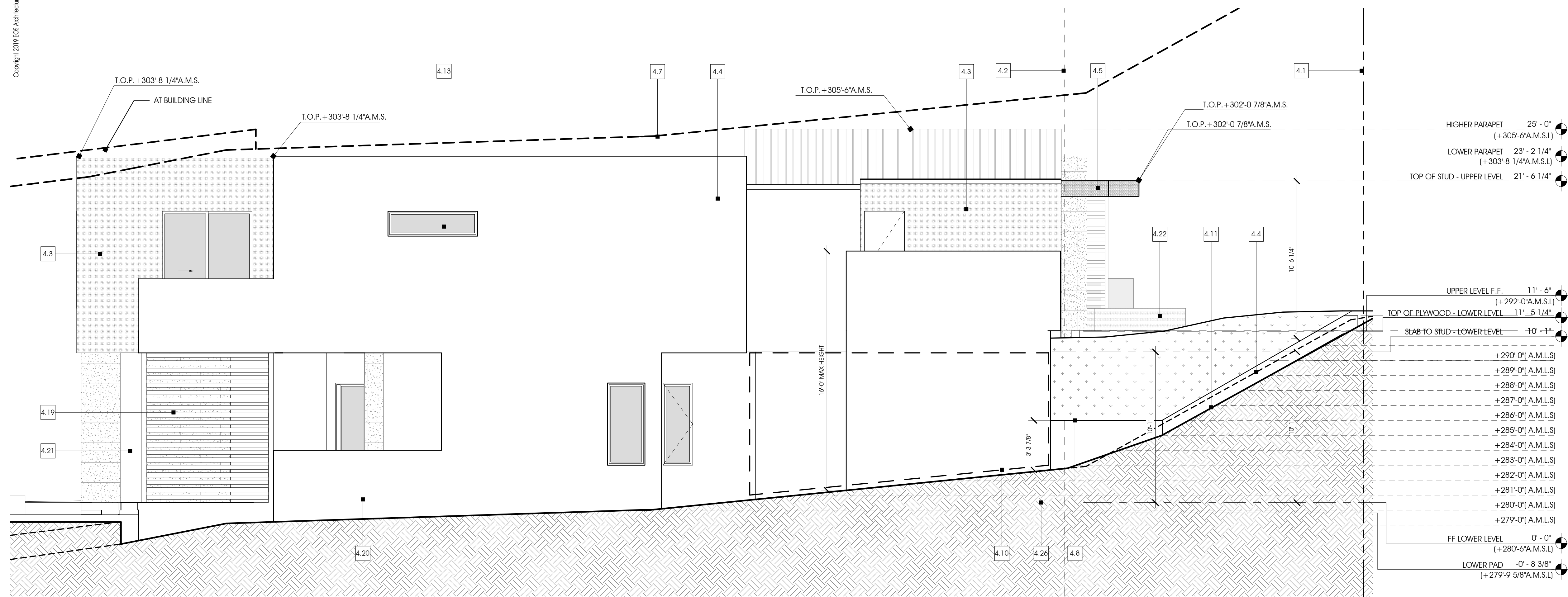
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10-10-2019

JOB NO.

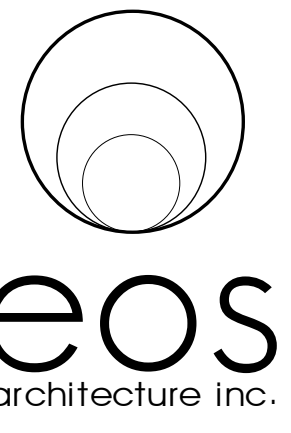
19-04

BUILDING EXTERIOR ELEVATIONS



KEYNOTES

- 4.1 PROPERTY LINE, TYP.
- 4.2 SETBACK LINE, TYP.
- 4.3 STUCCO FINISH DARK COLOR TO BE SELECTED BY ARCHITECT
- 4.4 STUCCO FINISH LIGHT COLOR TO BE SELECTED BY ARCHITECT
- 4.5 METAL FASCIA OVERHANG
- 4.6 STONE VENEER
- 4.7 LINE OF 25'-0" HEIGHT LIMIT FROM LOWER OF EXISTING OR PROPOSED GRADE
- 4.8 RETAINING WALL PER CIVIL
- 4.10 LINE OF EXISTING GRADE AT BUILDING LINE
- 4.11 LINE OF PROPOSED GRADE AT BUILDING LINE
- 4.13 WINDOW/ DOOR TYP.
- 4.19 HORIZONTAL WOOD TRELLIS
- 4.20 BBQ
- 4.21 STRUCTURAL COLUMNS
- 4.22 RAISED PLANTER
- 4.24 LIGHT FIXTURE
- 4.26 CRAWNSPACE LOCATION



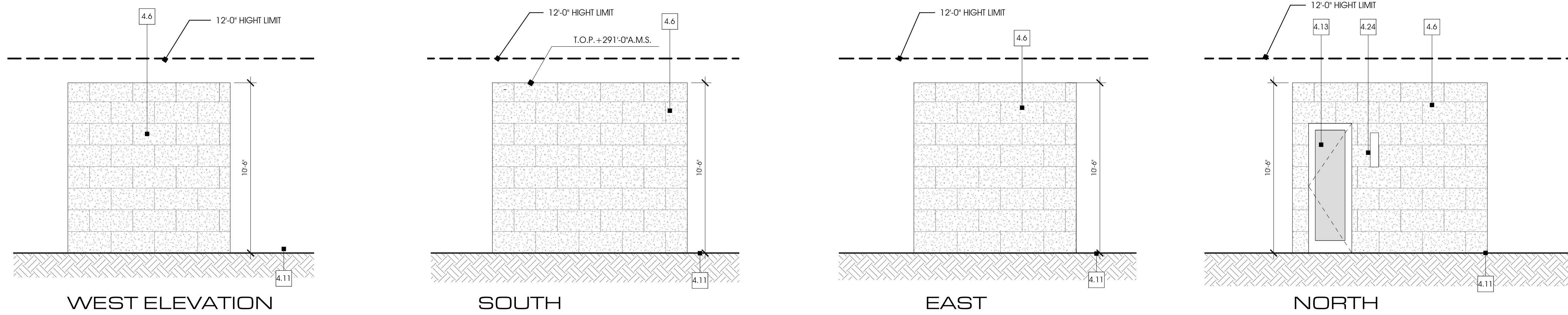
7542 FAY AVENUE
LA JOLLA CA 92037
PH: 858.459.0575
EMAIL: eos@eosarc.com

JENNIFER
BOLYN
Architect

All work, design, and arrangements indicated on these drawings are the property of EOS Architecture, Inc. and are intended for use solely on the project identified in the title block. No part of these drawings shall be used for any purpose whatsoever without the written consent of the architect. There shall be no change or alterations from these drawings or the accompanying specifications without the written consent of the architect.

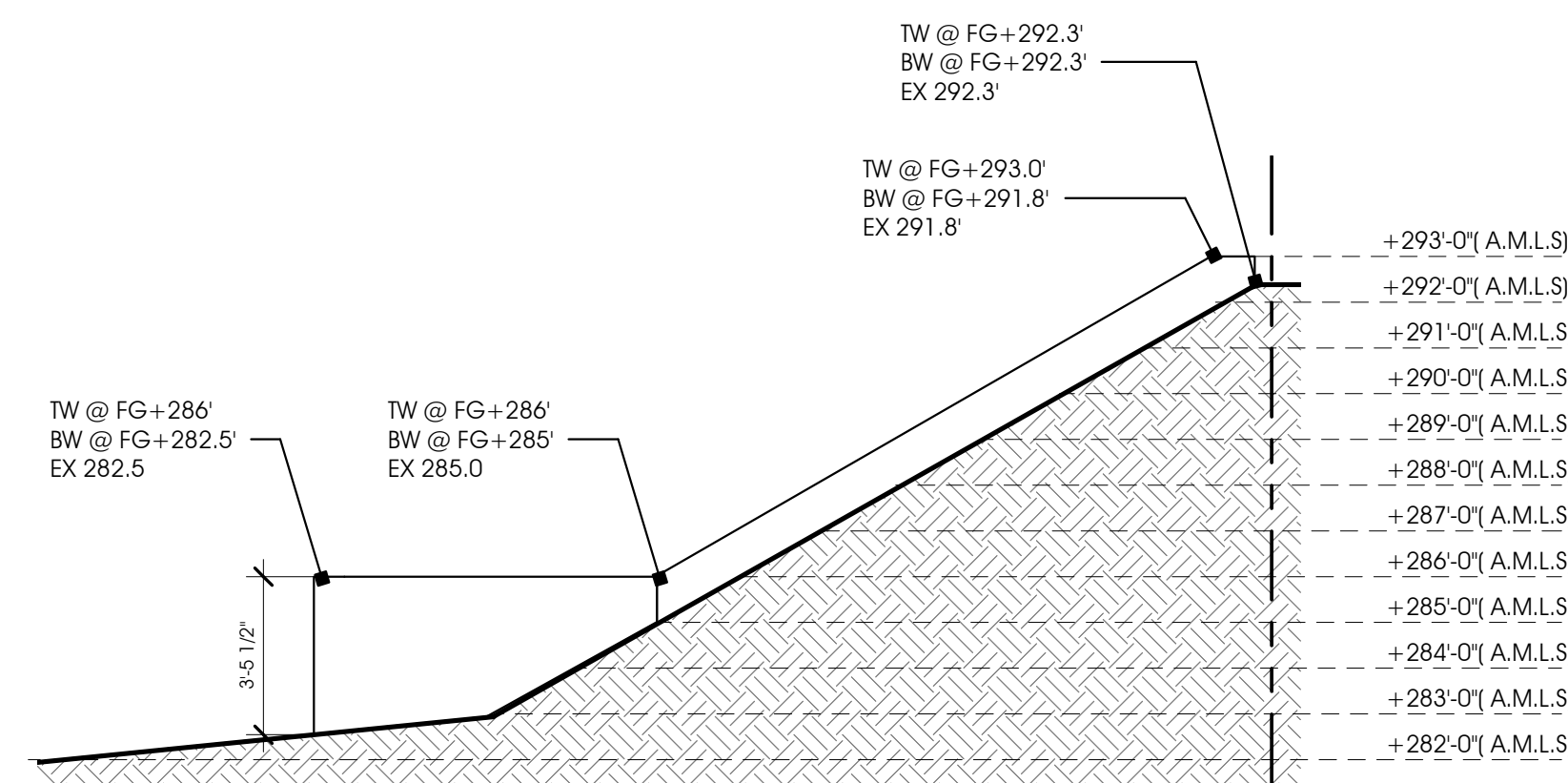
5 EAST ELEVATION

1/4" = 1'-0"



7 DETACHED STORAGE ELEVATIONS

1/4" = 1'-0"



A RETAINING WALL - ELEVATION

1/4" = 1'-0"

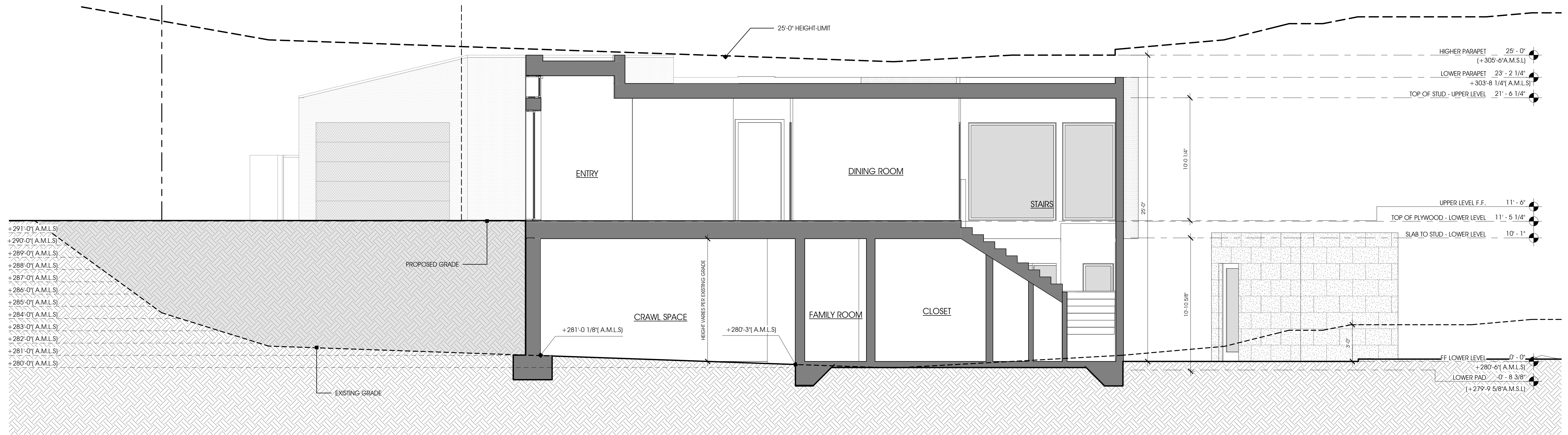
REVISIONS

2019-10-10	FIRST PLANNING REVIEW
2019-11-27	2ND PLANNING REVIEW
2020-01-27	3RD PLANNING REVIEW
2020-06-10	CITY COUNCIL

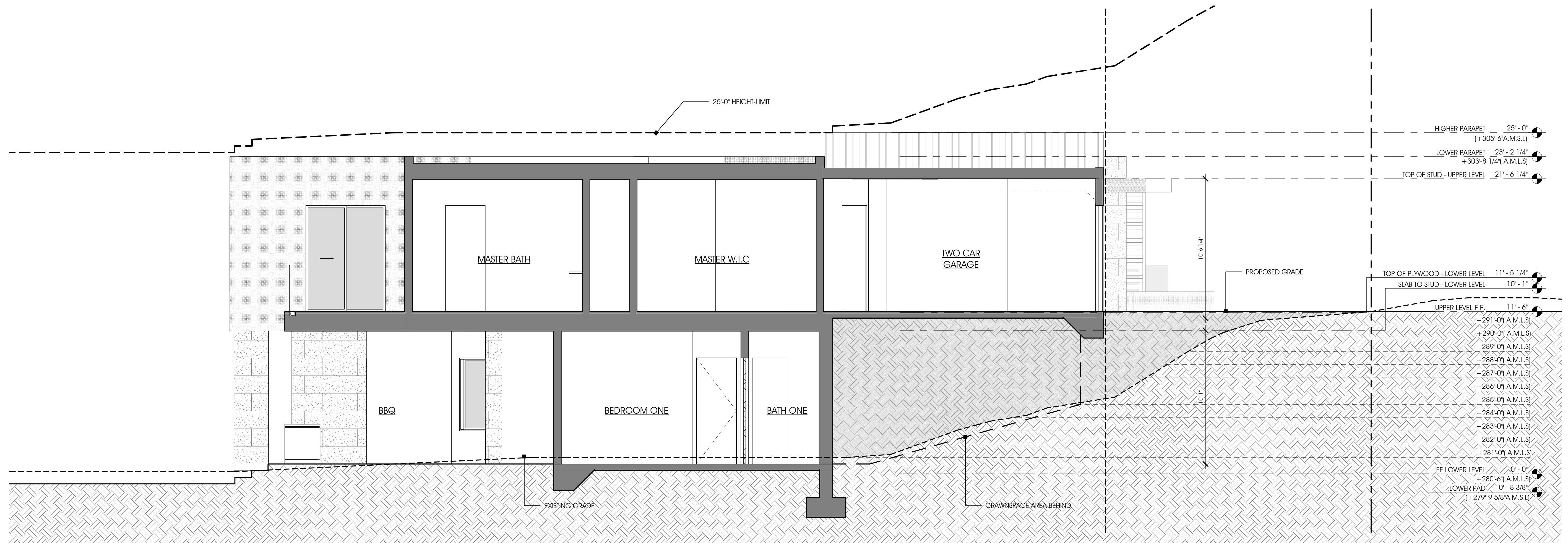
PHASE PLANNING

DATE	10-10-2019
JOB NO.	19-04

BUILDING EXTERIOR ELEVATIONS



1 BUILDING SECTION
1/4" = 1'-0"



2 BUILDING SECTION
1/4" = 1'-0"

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FORD RESIDENCE
XXX FORD AVENUE
SOLANA BEACH, CA 92075
APN 263-182-0200

REVISIONS
2019-10-10 FIRST PLANNING REVIEW
2019-11-27 2ND PLANNING REVIEW
2020-01-27 3RD PLANNING REVIEW
2020-06-10 CITY COUNCIL

PHASE
PLANNING
DATE
10-10-2019
JOB NO.
19-04

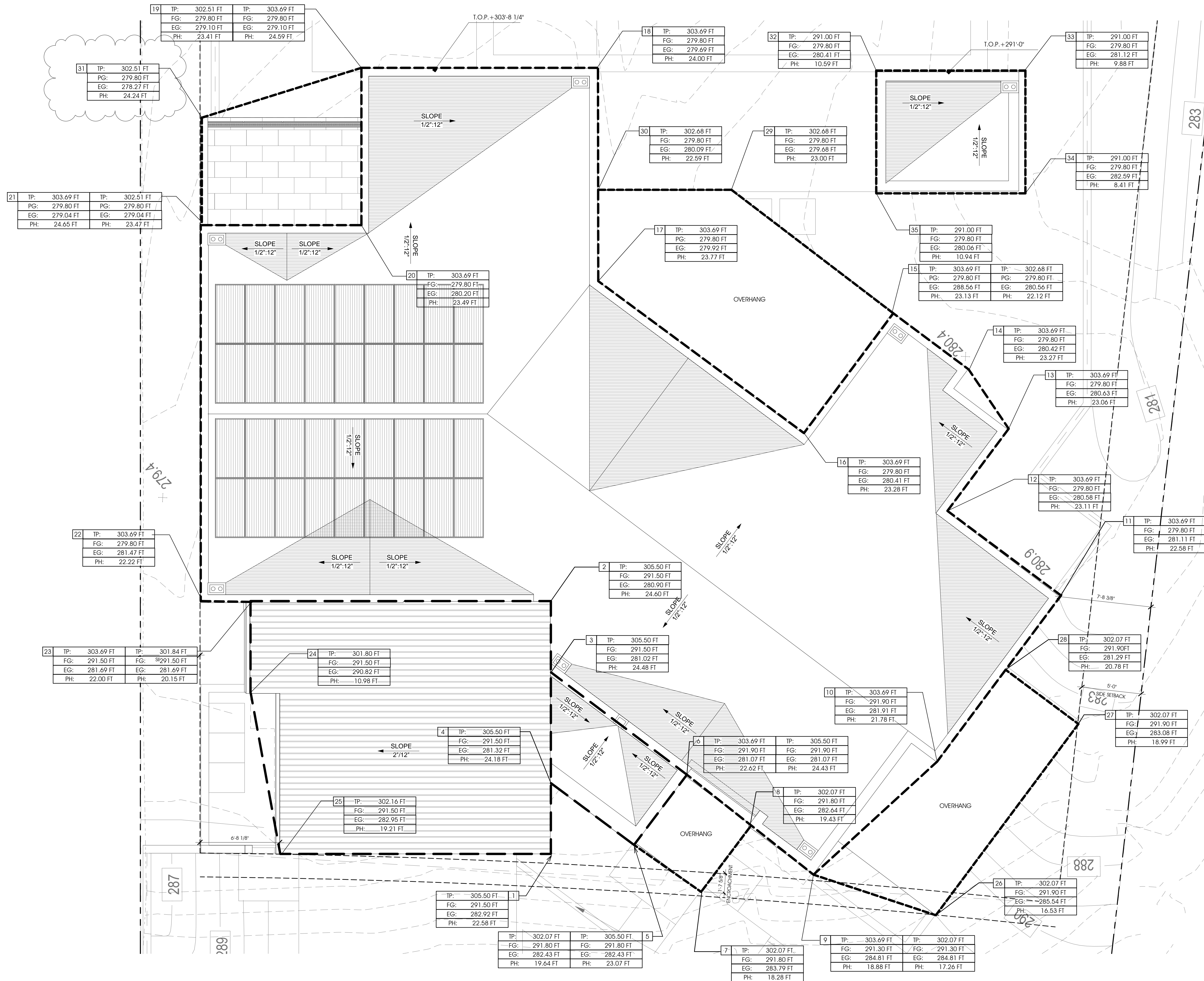
BUILDING SECTIONS

REVISIONS
2019-10-10 FIRST PLANNING REVIEW
2019-11-27 2ND PLANNING REVIEW
2020-01-27 3RD PLANNING REVIEW
2020-06-10 CITY COUNCIL

PHASE PLANNING
DATE
11/26/19
JOB NO.
19-04

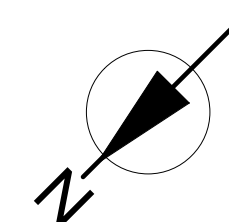
STORY POLE PLAN

A6.0



STORY POLE PLAN

1/4" = 1'-0"



All work, design, and arrangements indicated on these drawings are the property of EOS Architecture, Inc. and are intended for use only in connection with the specific project only and shall not otherwise be used for any purpose whatsoever without the written consent of the architect. There shall be no change or alterations from these drawings or the accompanying specifications without the written consent of the architect.

REVISIONS
2019-10-10 FIRST PLANNING REVIEW
2019-11-27 2ND PLANNING REVIEW
2020-01-27 3RD PLANNING REVIEW
2020-06-10 CITY COUNCIL

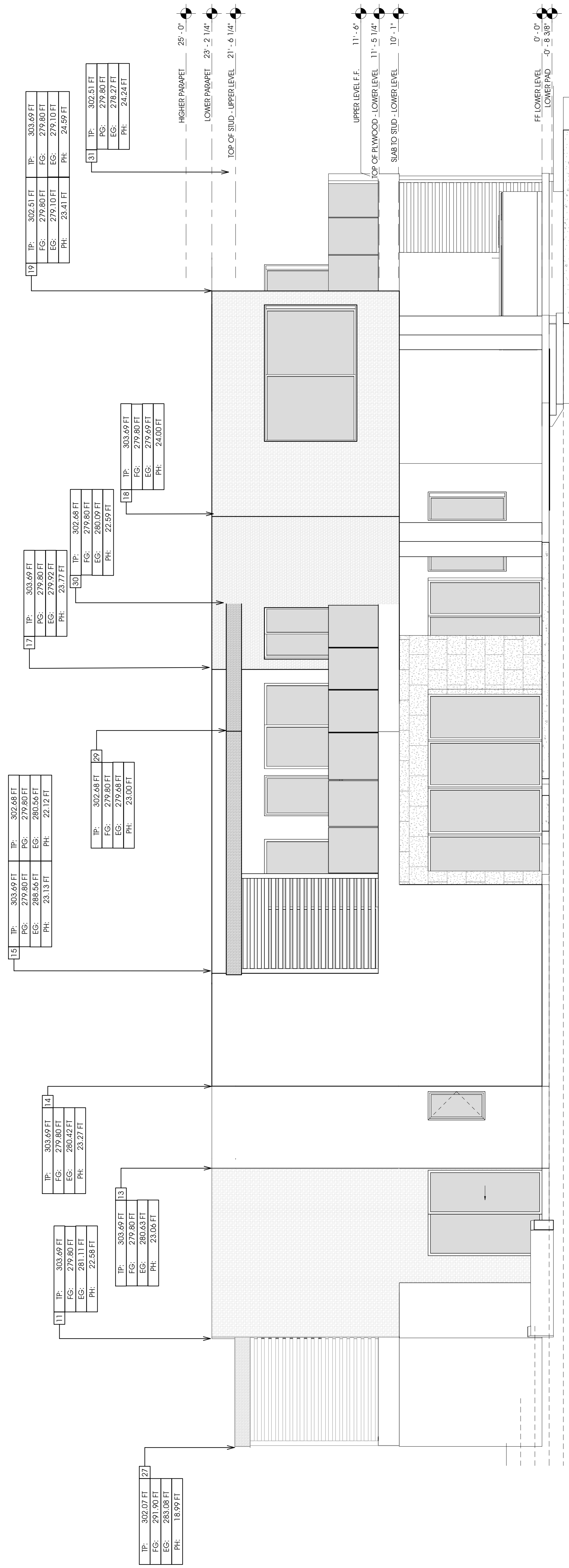
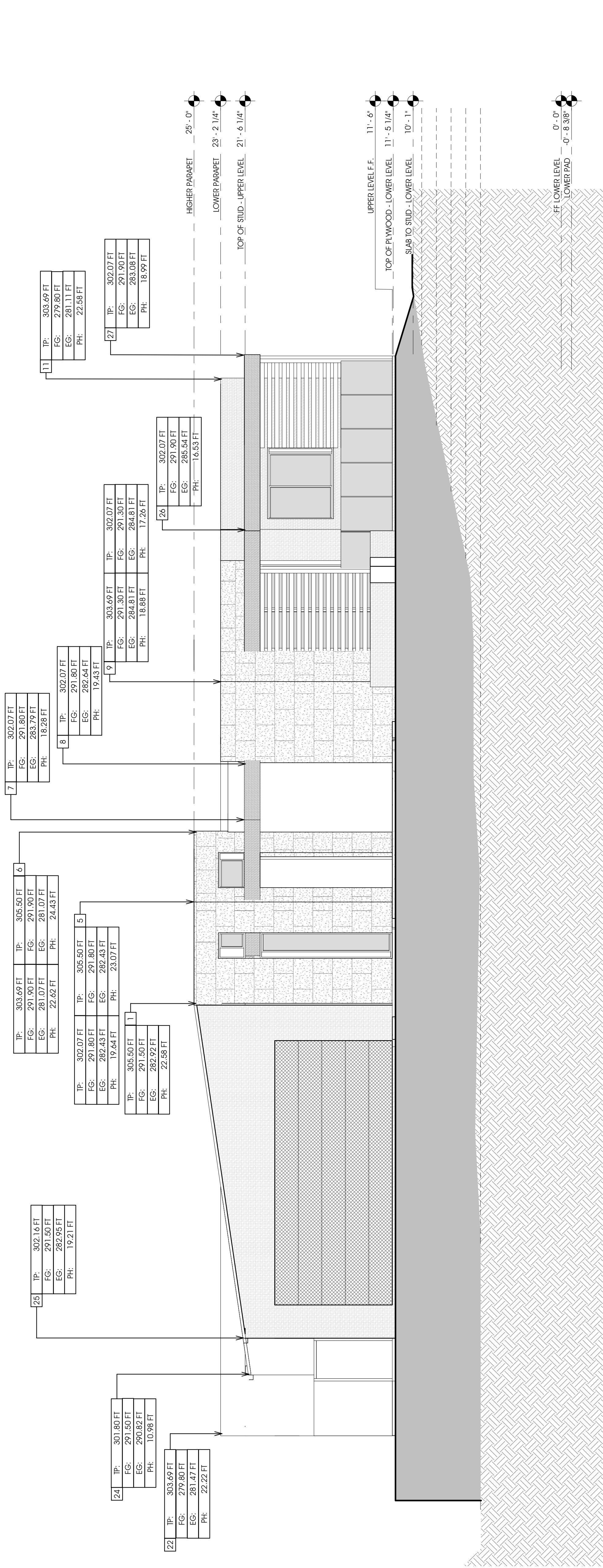
PHASE
PLANNING

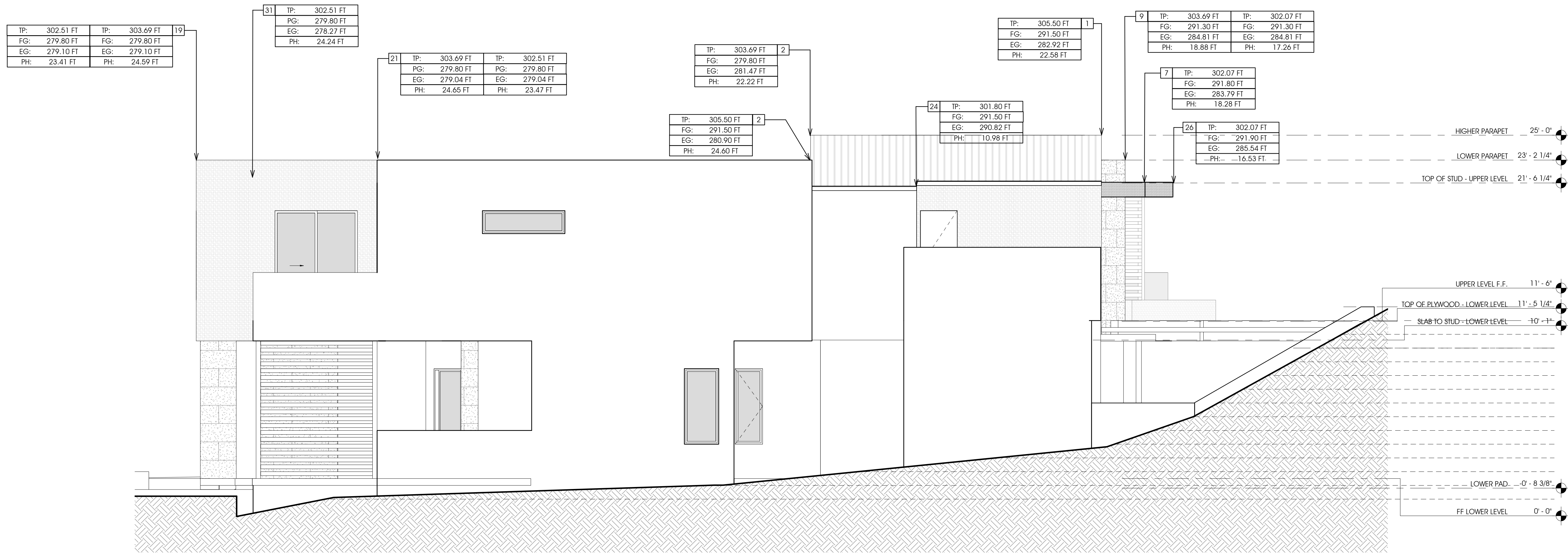
DATE
01/16/20

JOB NO.
19-04

STORY POLE ELEVATIONS

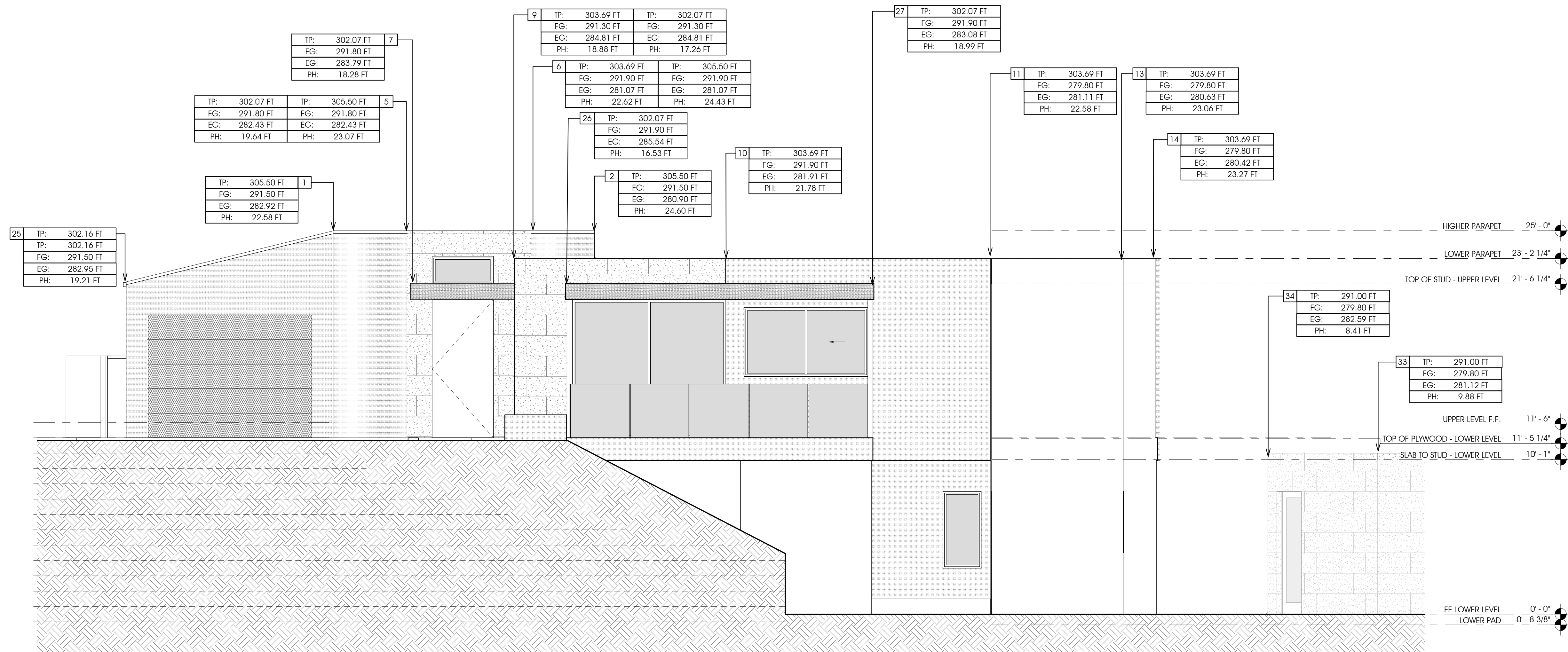
A6.1





EAST ELEVATION - STORY POLE

1/4" = 1'-0"



WEST ELEVATION - STORY POLE

1/4" = 1'-0"

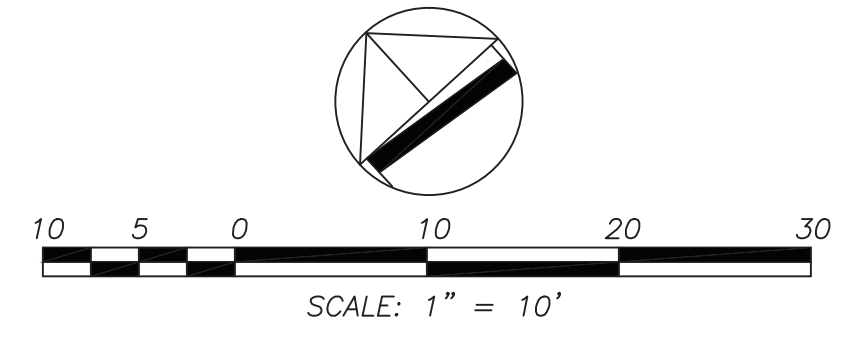
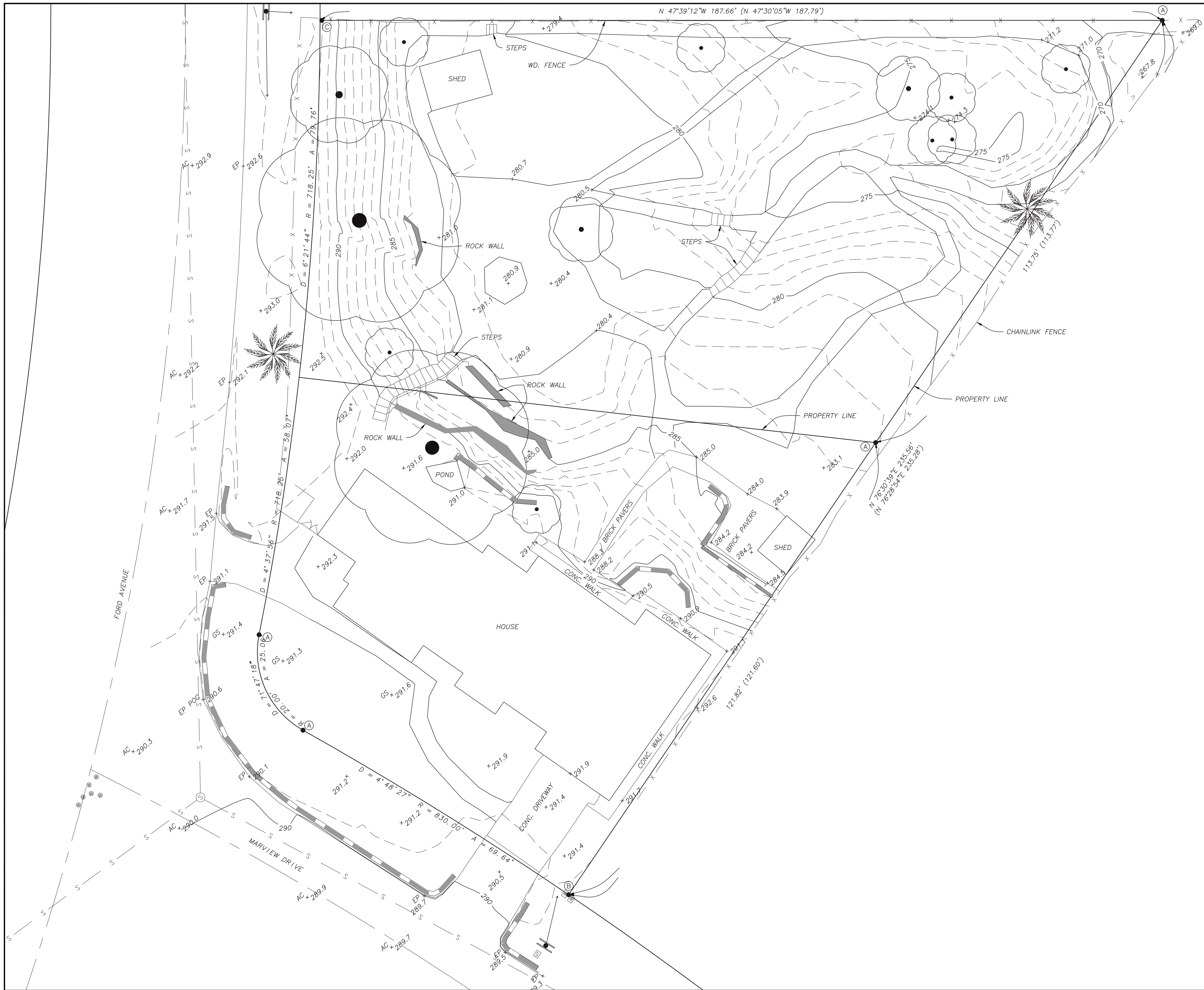
REVISIONS

2019-10-10	FIRST PLANNING REVIEW
2019-11-27	2ND PLANNING REVIEW
2020-01-27	3RD PLANNING REVIEW
2020-06-10	CITY COUNCIL

PHASE PLANNING

DATE	01/16/20
JOB NO.	19-04

STORY POLE ELEVATIONS



LEGAL DESCRIPTION

LOTS 10 AND 11 IN BLOCK L, OF MARVIEW HEIGHTS UNIT NO. 4, IN THE CITY OF SOLANA BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 2829, AS FILED IN THE COUNTY RECORDER'S OFFICE OF SAN DIEGO COUNTY, ON DECEMBER 27, 1951 AS FILE NUMBER 155468.

APN: 263-182-01 AND 263-182-02

SITE ADDRESS: 476 MARVIEW DRIVE, SOLANA BEACH, CA 92075

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS SURVEY IS A PORTION OF THE CENTERLINE OF FORD AVENUE, AS SHOWN ON MAP 2829. I.E. N 40°04'30"E

BENCHMARK

THE BENCHMARK FOR THIS SURVEY IS THE CITY OF ENCINITAS SURVEY CONTROL PT. NO. 1046, PER RECORD OF SURVEY NO. 18416. A 2.5-INCH BRASS DISC IN THE TOP NORTHWEST CORNER OF A STORM DRAIN CURB INLET. LOCATED AT THE NORTHWEST QUADRANT OF THE INTERSECTION OF SANTA HELENA AND SANTA ROSITA STREETS. ELEVATION = 170.313 NAVD 88

LEGEND

- INDICATES FOUND MONUMENT AS NOTED HEREON
- Ⓐ FOUND 1/2" REBAR WITH ALUMINUM CAP STAMPED LS 8785
- Ⓑ FD 3/4" IRON PIPE W/DISC STAMPED RCE 1534 PER MAP 2829
- Ⓒ FD 3/4" IRON PIPE W/DISC STAMPED RCE 1534 0.40' FROM COR
- () INDICATES RECORD DATA PER MAP 2829
- X — EXISTING FENCE
- ← GUY ANCHOR
- 280 — 5-FOOT INDEX CONTOUR
- - - 1-FOOT CONTOUR
- 🌴 PALM TREE
- ⚡ POWER POLE
- Ⓢ SEWER MANHOLE
- S — SEWER LINE
- *291.7 SPOT ELEVATION
- 🌳 TREE
- WALL
- Ⓜ WATER METER
- Ⓢ WATER VALVE
- Ⓜ UTILITY BOX

SURVEYOR'S STATEMENT

THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE REQUIREMENTS OF THE PROFESSIONAL LAND SURVEYOR'S ACT AT THE REQUEST OF LAND HOLDINGS LLC, IN APRIL, 2019

Armand A. Marois
 ARMAND A. MAROIS, L.S. 5941

DATE: 4/22/2019



bHA, Inc.
 land planning, civil engineering, surveying
 5115 Avenida Encinas
 Suite L
 Carlsbad, California 92008-4387
 (760) 931-8700

GENERAL NOTES

- APPROVAL OF THIS GRADING PLAN DOES NOT CONSTITUTE APPROVAL OF VERTICAL OR HORIZONTAL ALIGNMENT OF ANY PRIVATE ROAD SHOWN HEREIN FOR PUBLIC ROAD PURPOSES.
- FINAL APPROVAL OF THESE GRADING PLANS IS SUBJECT TO FINAL APPROVAL OF THE ASSOCIATED IMPROVEMENT PLANS WHERE APPLICABLE. FINAL CURB GRADE ELEVATIONS MAY REQUIRE CHANGES IN THESE PLANS.
- IMPORT MATERIALS SHALL BE LEGALLY OBTAINED.
- A SEPARATE PERMIT FROM THE CITY ENGINEER WILL BE REQUIRED FOR ANY WORK IN THE PUBLIC RIGHT-OF-WAY.
- ALL SLOPES OVER THREE (3) FEET IN HEIGHT SHALL BE LANDSCAPED AND IRRIGATED.
- THE CONTRACTOR SHALL VERIFY THE EXISTENCE AND LOCATION OF ALL UTILITIES BEFORE COMMENCING WORK. NOTICE OF PROPOSED WORK SHALL BE GIVEN TO THE FOLLOWING AGENCIES:
UNDERGROUND S.A.
- THE SOILS REPORTS SHALL BE PROVIDED AS REQUIRED BY THE CITY OF SOLANA BEACH PRIOR TO ISSUANCE OF A GRADING PERMIT
- APPROVAL OF THESE PLANS BY THE CITY ENGINEER DOES NOT AUTHORIZE ANY WORK OR GRADING TO BE PERFORMED UNTIL THE PROPERTY OWNER'S PERMISSION HAS BEEN OBTAINED AND A VALID GRADING PERMIT HAS BEEN ISSUED.
- THE CITY ENGINEER'S APPROVAL OF THESE PLANS DOES NOT CONSTITUTE THE BUILDING OFFICIAL'S APPROVAL OF ANY FOUNDATION FOR STRUCTURES TO BE PLACED ON THE AREA COVERED BY THESE PLANS. NO WAIVER OF THE GRADING ORDINANCE REQUIREMENTS CONCERNING MINIMUM COVER OVER EXPANSIVE SOILS MADE IS INTENDED.
- ALL OPERATIONS CONDUCTED ON THE PREMISES, INCLUDING THE MARKING UP, REPAIR, ARRIVAL, DEPARTURE OR PUNING OF TRUCKS, EARTHMOVING EQUIPMENT, CONSTRUCTION EQUIPMENT AND ANY OTHER ASSOCIATED GRADING EQUIPMENT SHALL BE LIMITED TO THE PERIOD BETWEEN 7:00 a.m. AND 5:00 p.m. EACH DAY, MONDAY THROUGH FRIDAY, AND NO EARTHMOVING OR GRADING OPERATIONS SHALL BE CONDUCTED ON THE PREMISES ON SATURDAYS, SUNDAYS OR HOLIDAYS WITHOUT THE WRITTEN PERMISSION OF THE CITY ENGINEER.
- ALL MAJOR SLOPES SHALL BE FOUND INTO EXISTING TERRAIN TO PRODUCE A CONTIGUOUS TRANSITION FROM CUT OR FILL FACES TO NATURAL GROUNDS AND ABUTTING CUT OR FILL FACES.
- NOTWITHSTANDING THE MINIMUM STANDARDS SET FORTH IN THE THE GRADING ORDINANCE, AND NOTWITHSTANDING THE APPROVAL OF THESE GRADING PLANS, THE PERMITTEE IS RESPONSIBLE FOR THE PREVENTION OF DAMAGE TO THE ADJACENT PROPERTY. NO PERSON SHALL EXCAVATE ON LAND SO CLOSE TO THE PROPERTY LINE AS TO ENDANGER ANY ADJOINING PUBLIC STREET, SIDEWALK, ALLEY, FUNCTION OF ANY SEWAGE DISPOSAL SYSTEM, OR ANY OTHER PUBLIC OR PRIVATE PROPERTY WITHOUT SUPPORTING AND PROTECTING SUCH PROPERTY FROM SETTLING, CRACKING, EROSION, SILTING SCOUR OR OTHER DAMAGE WHICH MIGHT RESULT FROM THE GRADING DESCRIBED ON THIS PLAN. THE CITY WILL HOLD THE PERMITTEE RESPONSIBLE FOR CORRECTION ON NON-DEDICATED IMPROVEMENTS WHICH DAMAGE ADJACENT PROPERTY.
- SLOPE RATIOS: CUT 2:1 FILL 2:1
CUT: 230 CY FILL 930 CY IMPORT 700 CY
(NOTE: A SEPARATE VALID PERMIT MUST EXIST FOR OFFSITE IMPORT OR EXPORT AREAS.)
** THE QUANTITIES ESTIMATED ABOVE ARE FOR PERMIT PURPOSES ONLY AND SHOULD NOT BE USED FOR CONSTRUCTION BIDS. CONTRACTORS ARE RESPONSIBLE FOR THEIR OWN EARTHWORK QUANTITIES.
- SPECIAL CONDITIONS: IF ANY ARCHAEOLOGICAL RESOURCES ARE DISCOVERED ON THE SITE OF THIS GRADING DURING GRADING OPERATIONS, SUCH OPERATIONS WILL CEASE IMMEDIATELY, AND THE PERMITTEE WILL NOTIFY THE CITY ENGINEER OF THE DISCOVERY. GRADING OPERATIONS WILL NOT COMMENCE UNTIL THE PERMITTEE HAS RECEIVED WRITTEN AUTHORITY FROM THE CITY ENGINEER TO DO SO.
- ALL GRADING SHOWN ON THIS PLAN SHALL BE COMPLETED AS A SINGULAR UNIT WITH NO PROVISION FOR PARTIAL RELEASES. SHOULD IT BE ANTICIPATED THAT A PORTION OF THIS PROJECT BE COMPLETED SEPARATELY, A SEPARATE PLAN AND PERMIT APPLICATION SHALL BE SUBMITTED FOR APPROVAL.
- THE CONTRACTOR SHALL NOTIFY THE CITY OF SOLANA BEACH 858.720.2470 24 HOURS BEFORE GRADING OPERATIONS BEGIN.
- FINISHED GRADING AND PLANTING SHALL BE ACCOMPLISHED ON ALL SLOPES PRIOR TO OCTOBER 1, OR IMMEDIATELY UPON COMPLETION OF ANY SLOPES GRADED BETWEEN OCTOBER 1 AND APRIL 1. PRIOR TO ANY PLANTING, ALL LANDSCAPING SHALL BE APPROVED BY THE PLANNING DEPARTMENT AT THE DEVELOPMENT REVIEW STAGE, OR BY SEPARATE LANDSCAPE PLAN.
- ALL OFF-SITE HAUL ROUTES SHALL BE SUBMITTED BY THE CONTRACTOR TO THE CITY ENGINEER FOR APPROVAL 72 HOURS PRIOR TO THE BEGINNING OF WORK.
- UPON FINAL COMPLETION OF THE WORK UNDER THE GRADING PERMIT, BUT PRIOR TO FINAL GRADING APPROVAL AND/OR FINAL RELEASE OF SECURITY, AS AS-GRADED CERTIFICATE SHALL BE PROVIDED STATING THE GRADING UNDER PERMIT NO. SBGR-216 HAS BEEN PERFORMED IN SUBSTANTIAL CONFORMANCE WITH THE APPROVED GRADING PLAN OR AS SHOWN ON THE ATTACHED AS-GRADED PLAN. THIS STATEMENT SHALL BE FOLLOWED BY THE DATE AND SIGNATURE OF THE CIVIL ENGINEER WHO CERTIFIES SUCH A GRADING OPERATION.
- THE CONTRACTOR SHALL DESIGN, CONSTRUCT, AND MAINTAIN ALL SAFETY DEVICES INCLUDING SHORING, AND SHALL BE RESPONSIBLE FOR CONFORMING TO ALL LOCAL, STATE, AND FEDERAL SAFETY AND HEALTH STANDARDS, LAWS AND REGULATIONS.

EROSION CONTROL NOTES

- STORM WATER AND NON-STORM WATER DISCHARGE CONTROL: BEST MANAGEMENT PRACTICES SHALL BE DEVELOPED AND IMPLEMENTED TO MANAGE STORM WATER AND NON-STORM WATER DISCHARGES FROM THE SITE AT ALL TIMES DURING EXCAVATION AND GRADING ACTIVITIES.
- EROSION AND SEDIMENT CONTROL: EROSION PREVENTION SHALL BE EMPHASIZED AS THE MOST IMPORTANT MEASURE FOR KEEPING SEDIMENT ON SITE DURING EXCAVATION AND GRADING ACTIVITIES. SEDIMENT CONTROLS SHALL BE USED AS A SUPPLEMENT TO EROSION PREVENTION FOR KEEPING SEDIMENT ON SITE.
- EROSION CONTROL ON SLOPES SHALL BE MITIGATED BY INSTALLING LANDSCAPING AS PER APPROVED LANDSCAPE PLANS AS REQUIRED BY THE DEVELOPMENT REVIEW CONDITIONS, OR BY TEMPORARY EROSION CONTROL CONFORMING TO THE FOLLOWING:
NON-IRRIGATED HYDROSEED MIX WITH
A FIBER MATRIX APPLIED AT 4000 LB/ACRE.

LBS/ACRE	% PURITY/ACRE	
20	70% PLUS	ATRIPLEX GLAUCA
50		PLANTAGE INSULARIS
8		ENCELIS FARDINOSA
7	SCARIFIED	LOTUS SCOPARIUS
7	50% PLUS	EXCO-SCHOLTZIA CALIF.
91		
- THE TOPS OF ALL SLOPES TALLER THAN 5' SHALL BE DIKED OR TRENCHED TO PREVENT WATER FLOWING OVER CRESTS OF SLOPES.
- CATCH BASINS, DESILTING BASINS, AND STORM DRAIN SYSTEMS SHALL BE INSTALLED TO THE SATISFACTION OF THE CITY ENGINEER.
- SAND BAG CHECK DAMS, SILT FENCES, FIBER ROLLS OR OTHER APPROVED BMP'S SHALL BE PLACED IN UNPAVED AREAS WITH GRADIENTS IN EXCESS OF 2% AS WELL AS AT OR NEAR EVERY POINT WHERE CONCENTRATED FLOW LEAVE THE SITE.
- SAND BAGS SHALL BE PLACED ON THE UPSTREAM SIDE OF ALL DRAINAGE INLETS TO MINIMIZE SILT BUILDUP IN THE INLETS AND PIPES.
- THE CONTRACTOR SHALL REPAIR ANY ERODED SLOPES AS DIRECTED BY THE OFFICE OF THE CITY ENGINEER.
- THE CONTRACTOR SHALL SWEEP ROADWAYS AND ENTRANCES TO AND FROM THE SITE ON A REGULAR BASIS TO KEEP THEM FREE OF SOIL ACCUMULATION AND AT ALL OTHER TIMES DIRECTED BY THE CITY ENGINEER.
- THE CONTRACTOR SHALL WATER SITE ON A CONTINUOUS BASIS TO MINIMIZE AIR BORNE DUST CREATED FROM GRADING AND PAVING OPERATIONS OR EXCESSIVE WIND CONDITIONS, AND AT ALL TIMES DIRECTED BY THE CITY ENGINEER.
- IN THE EVENT SILT DOES ENTER THE EXISTING PUBLIC STORM DRAIN SYSTEM REMOVAL OF THE SILT FROM THE THE SYSTEM WILL BE DONE AT THE DEVELOPER'S EXPENSE.

PRELIMINARY GRADING PLAN

OWNER'S CERTIFICATE

I, _____ AS OWNER/DEVELOPER OF THE PROPERTY DESCRIBED HEREIN ACKNOWLEDGE THESE PLANS HAVE BEEN PREPARED AT MY DIRECTION WITH MY FULL CONSENT. I FULLY UNDERSTAND AND ACCEPT THE TERMS AND CONDITIONS CONTAINED HEREIN AND AS ATTACHED BY REFERENCE ON THIS GRADING PLAN.

IT IS AGREED THAT FIELD CONDITIONS MAY REQUIRE CHANGES TO THESE PLANS.

IT IS FURTHER AGREED THAT THE OWNER (DEVELOPER) SHALL HAVE A REGISTERED CIVIL ENGINEER MAKE SUCH CHANGES, ALTERATIONS OR ADDITIONS TO THESE PLANS WHICH THE CITY ENGINEER DETERMINES ARE NECESSARY AND DESIRABLE FOR THE PROPER COMPLETION OF THE IMPROVEMENTS.

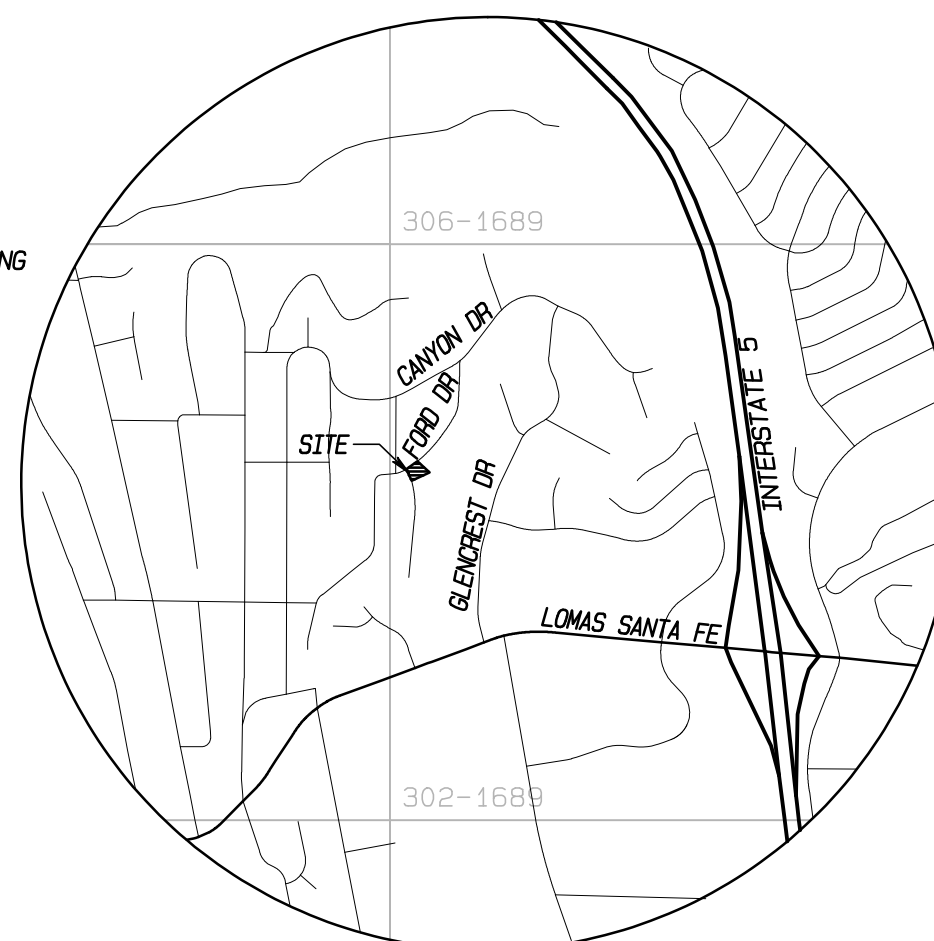
I FURTHER AGREE TO COMMENCE WORK ON ANY IMPROVEMENTS SHOWN ON THESE PLANS WITHIN EXISTING CITY RIGHT-OF-WAY WITHIN 60 DAYS OF THE CONSTRUCTION PERMIT AND TO PURSUE SUCH WORK ACTIVELY ON EVERY NORMAL WORKING DAY UNTIL COMPLETED, IRRESPECTIVE AND INDEPENDENT OF ANY OTHER WORK ASSOCIATED WITH THIS PROJECT OR UNDER MY CONTROL.

LAND HOLDINGS, LLC DATE
731 S. HIGHWAY 101, SUITE 2B
SOLANA BEACH, CA 92075

EARTHWORK QUANTITIES:

- W: EXCAVATION FOR FOOTINGS: 5 CY±
- X: REMOVAL/RECOMPACTION FOR SLABS: 100 CY±
- Y: GRADING ASSOCIATED WITH PROJECT: 230 CY CUT & 930 CY FILL
- Z: TOTAL GRADINGS: 1265 CY

* EARTHWORK QUANTITIES ARE ESTIMATED FOR PERMIT PURPOSES ONLY AND REPRESENT COMPACTED (IN PLACE) VOLUMES ONLY. THESE VALUES ARE CALCULATED ON A THEORETICAL BASIS. ACTUAL QUANTITIES MAY VARY DUE TO OBSERVED SHRINKAGE AND/OR SWELL FACTORS.



VICINITY MAP
NOT TO SCALE

LEGAL DESCRIPTION

LOTS 10 AND 11 IN BLOCK L OF MARVIEW HEIGHTS UNIT NO. 4, IN THE CITY OF SOLANA BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 2889, AS FILED IN THE COUNTY RECORDER'S OFFICE OF SAN DIEGO COUNTY, ON DECEMBER 27, 1951 AS FILE NUMBER 155468.

A.P.N. 263-182-02
SITE ADDRESS FORD AVENUE
SOLANA BEACH, CA 92075
OWNER/PERMITTEE LAND HOLDINGS, LLC
731 S. HIGHWAY 101, SUITE 2B
SOLANA BEACH, CA 92075

TOPOGRAPHIC SURVEY BHA, INC.
5115 AVENIDA ENCINAS, SUITE L
CARLSBAD, CA 92008
760.931.8700

SURVEY NOTE: ALL TOPOGRAPHIC AND BOUNDARY INFORMATION SHOWN HEREON HAS BEEN PROVIDED BY OTHERS AND IS ASSUMED TO BE COMPLETE AND ACCURATE FOR THE PURPOSES OF THIS PLAN. NO VERIFICATION OF SAID TOPOGRAPHIC OR BOUNDARY DATA HAS BEEN PERFORMED BY PASCO LARET SUTTER AND ASSOCIATES.

TOTAL ACREAGE (GROSS): 13,919 SF (0.32 AC)
AREA GRANTED AS ACCESS EASEMENT: 0 SF
TOTAL ACREAGE (NET): 13,919 SF (0.32 AC)

GENERAL PLAN DESIGNATION: SINGLE FAMILY RESIDENTIAL
PRESENT ZONING REGULATIONS: LRD
MINIMUM PARCEL SIZE: 14,000 SF

SETBACKS:
FRONT YARD: 25'
INTERIOR SIDE YARD: 5'
REAR YARD: 25'
STREET SIDE YARD: 10'

WATER SANTA FE IRRIGATION DISTRICT
FIRE CITY OF SOLANA BEACH
SEWER CITY OF SOLANA BEACH
ELEMENTARY SCHOOL SOLANA BEACH SCHOOL DISTRICT
HIGH SCHOOL SAN DIEGUITO HIGH SCHOOL

WORK TO BE DONE

THE IMPROVEMENTS CONSIST OF THE FOLLOWING WORK TO BE DONE ACCORDING TO THESE PLANS AND THE LATEST EDITIONS OF:

STANDARD SPECIFICATIONS

- STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION INCLUDING THE REGIONAL SUPPLEMENTAL AMENDMENTS.
- CALIFORNIA DEPARTMENT OF TRANSPORTATION "MANUAL OF TRAFFIC CONTROLS FOR CONSTRUCTION AND MAINTENANCE WORK ZONES"
- STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS

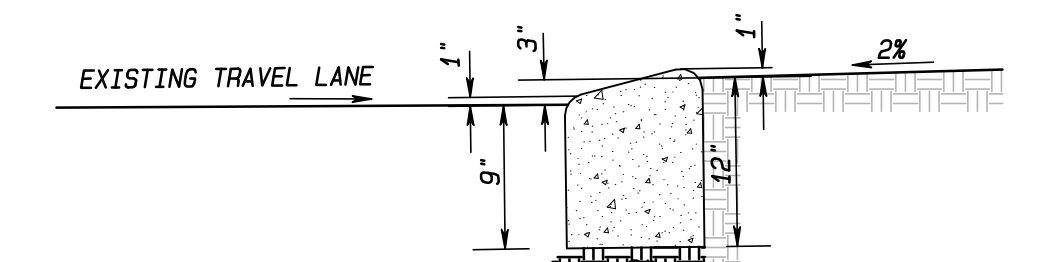
STANDARD DRAWINGS

- SAN DIEGO REGIONAL STANDARD DRAWINGS
- STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION STANDARD PLANS

No.	ITEM DESCRIPTION	STD. DWG.	SYMBOL
1.	MASONRY RETAINING WALL		

LEGEND

ITEM DESCRIPTION	SYMBOL
PROPERTY BOUNDARY	---
EXISTING CONTOURS	-236-
PROPOSED CONTOURS	-247-
PROPOSED LIMIT OF GRADING	▽
FLOWLINE DIRECTION	→
SETBACK LINE	—
PROPOSED HARDSCAPE	[Pattern]
PROPOSED RETAINING WALL PER SORSO	[Pattern]
PROPOSED DETENTION AREA	[Pattern]
PROPOSED SCREEN WALL	[Pattern]
PROPOSED STRUCTURAL WALL	[Pattern]
PROPOSED DG PARKING AREA	[Pattern]



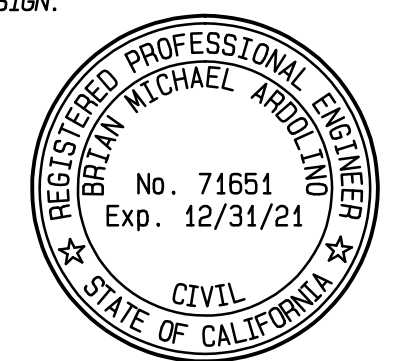
CURB DETAIL
NOT TO SCALE

DECLARATION OF RESPONSIBLE CHARGE

I, BRIAN ARDOLINO, HEREBY DECLARE THAT I AM THE ENGINEER OF WORK FOR THIS PROJECT. THAT I HAVE EXERCISED RESPONSIBLE CHARGE OVER THE DESIGN OF THE PROJECT AS DEFINED IN SECTION 6703 OF THE BUSINESS AND PROFESSIONS CODE, AND THE DESIGN IS CONSISTENT WITH CURRENT STANDARDS AND THE CITY OF SOLANA BEACH RESOLUTION NO. 2007-170.

I UNDERSTAND THAT THE CHECK OF PROJECT DRAWINGS AND SPECIFICATIONS BY THE CITY OF SOLANA BEACH IS CONFINED TO A REVIEW ONLY AND DOES NOT RELIEVE ME OF RESPONSIBILITIES FOR PROJECT DESIGN.

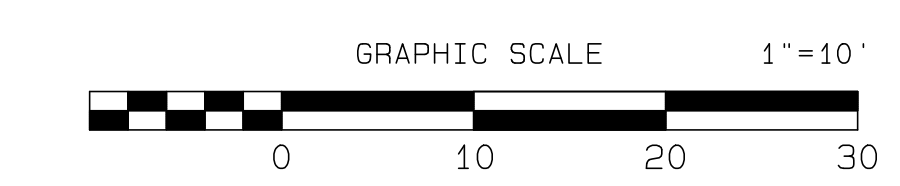
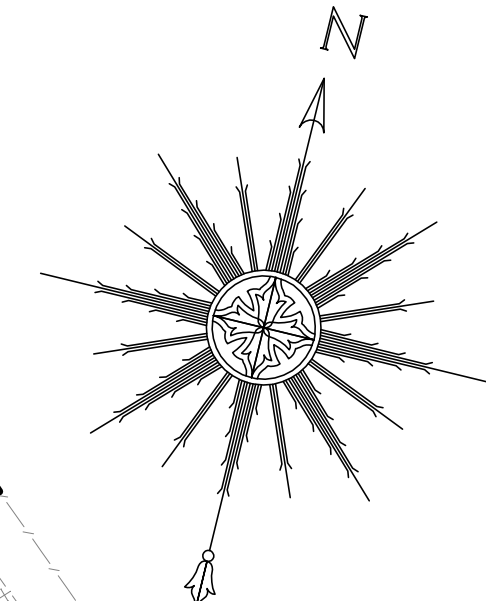
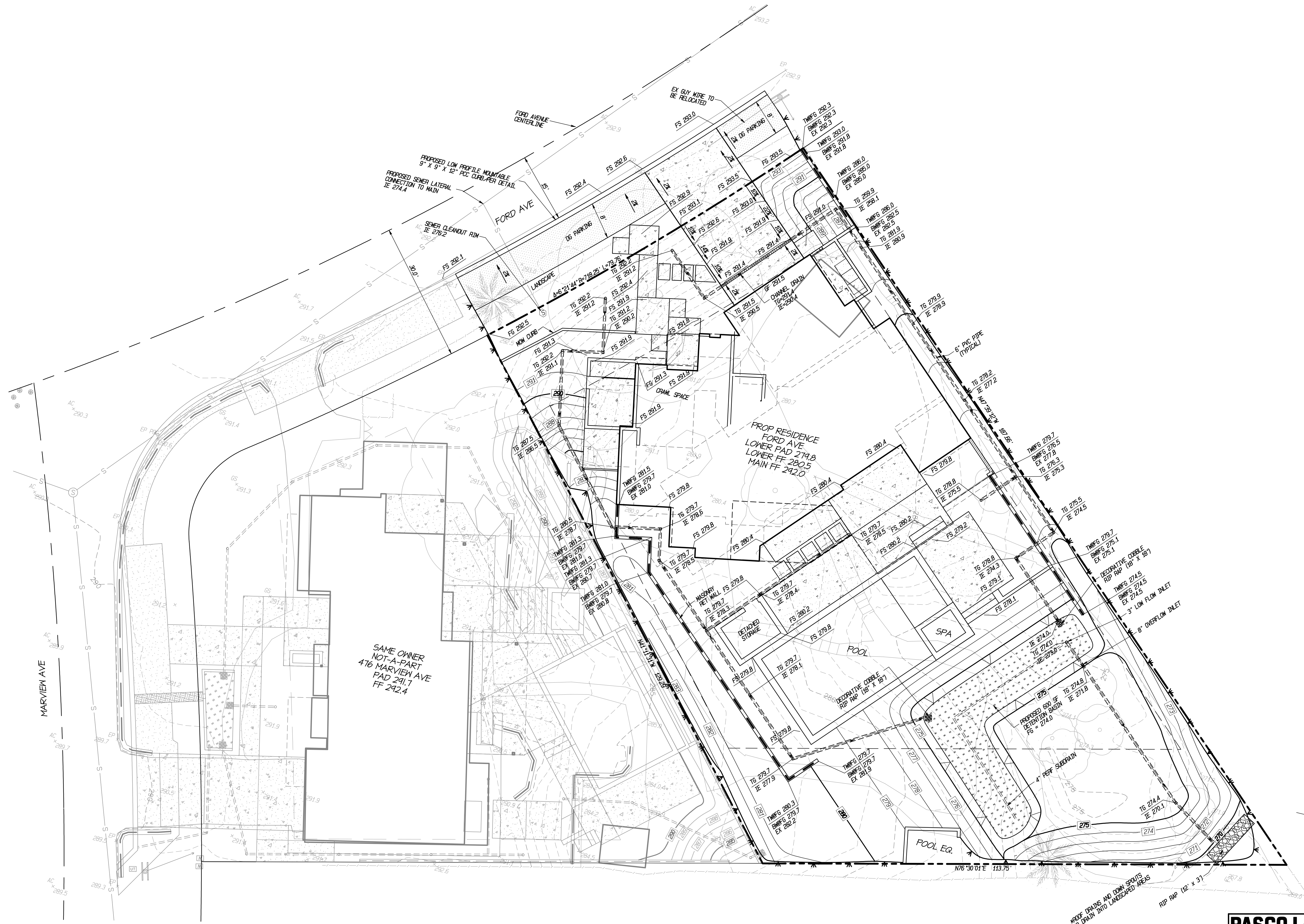
By:
BRIAN ARDOLINO
PCE No. 71651 EXP 12/31/2021
PASCO LARET SUTTER & ASSOCIATES



PASCO LARET SUTTER & ASSOCIATES
CIVIL ENGINEERING + LAND PLANNING + LAND SURVEYING
535 North Highway 101, Ste A, Solana Beach, CA 92075
ph 858.259.8212 | fx 858.259.4812 | plaengineering.com

COASTAL COMMISSION PERMIT NO.

ENGINEER OF WORK	CITY APPROVED CHANGES	APP'D DATE	RECOMMENDED FOR APPROVAL	APPROVED FOR CONSTRUCTION	BENCH MARK	CITY OF SOLANA BEACH	DRAWING NO.
<p>BMA Drawn By</p> <p>By: Date: 12/01/21 Name: BRIAN ARDOLINO R.C.E. 71651 Exp: 12/31/21</p>			<p>By: Review Engineer Date:</p>	<p>By: , City Engineer R.C.E. Date: Exp:</p>	<p>DESCRIPTION: ENCINITAS CONTROL PT 1046 LOCATION: NN COR. STORM DRAIN CURB INLET NW COR. OF INT. OF SANTA HELENA & SANTA ROSITA RECORD FROM: 170.313 DATUM: NAVD 88</p>	<p>PRELIMINARY GRADING PLAN FOR: FORD AVENUE</p>	<p>SHEET 1 OF 3</p>

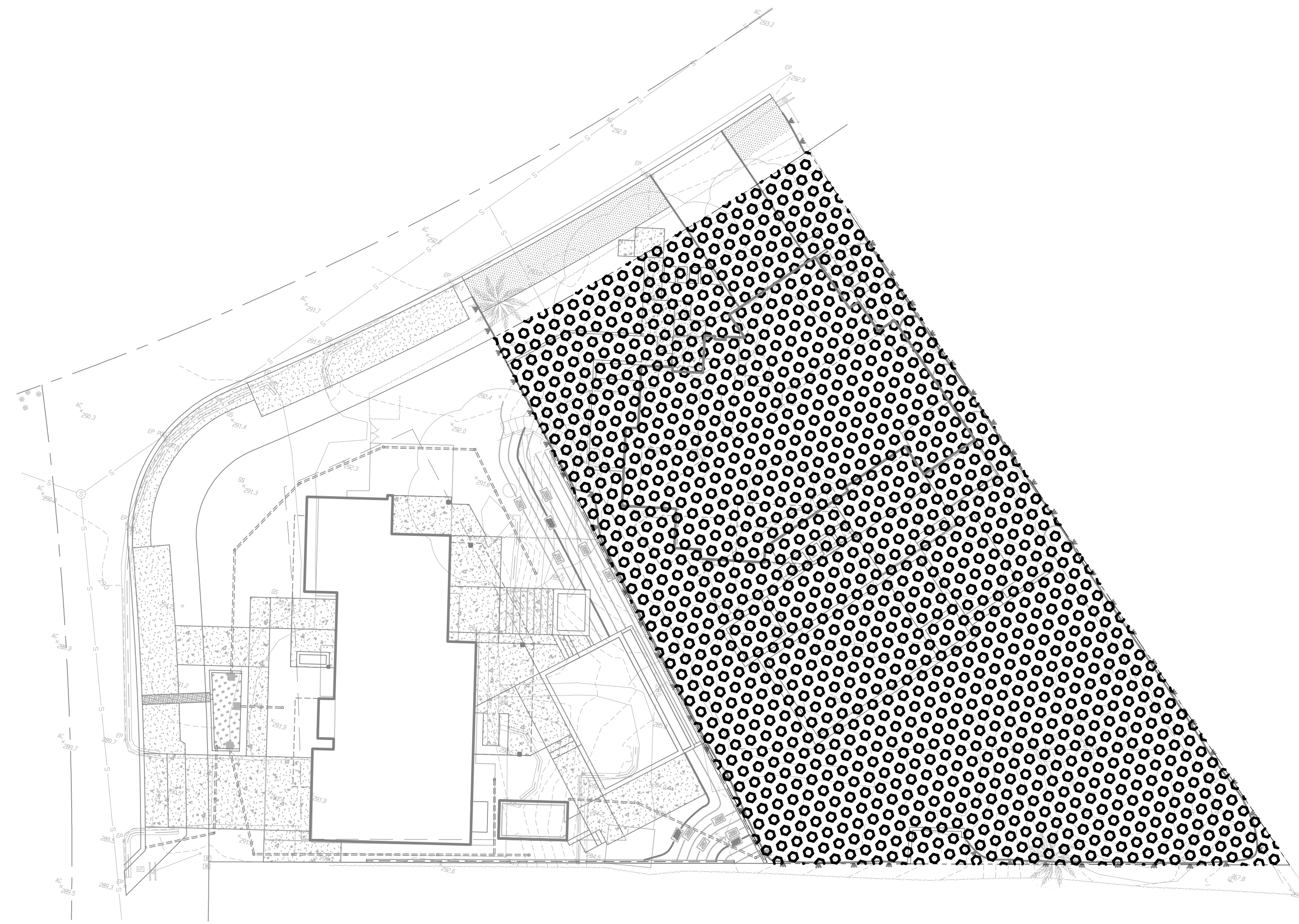


PASCO LARET SUITER & ASSOCIATES
 CIVIL ENGINEERING + LAND PLANNING + LAND SURVEYING
 535 North Highway 101, Ste A, Solana Beach, CA 92075
 ph 858.259.8212 | fx 858.259.4812 | plaengineering.com

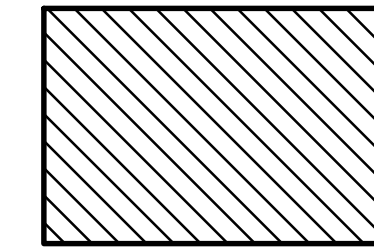
COASTAL COMMISSION PERMIT NO.

ENGINEER OF WORK		CITY APPROVED CHANGES		APP'D	DATE	RECOMMENDED FOR APPROVAL	APPROVED FOR CONSTRUCTION	BENCH MARK	CITY OF SOLANA BEACH	DRAWING NO.
By: <i>Brian</i>	Date: 12/11/19					By: _____	By: _____	DESCRIPTION: ENCINITAS CONTROL PT 1046 LOCATION: NN COR. STORM DRAIN CURB INLET NW COR. OF INT. OF SANTA HELENA & SANTA ROSITA RECORD FROM: _____ ELEV.: 170.313	PRELIMINARY GRADING PLAN FOR: FORD AVENUE	SHEET 2 OF 3
Drawn By: BMA	Name: BRIAN ARDOLINO R.C.E. 71651 Exp: 12/31/21					Review Engineer Date: _____	City Engineer R.C.E. Date: _____ Exp: _____	DATUM: NAVD 88		

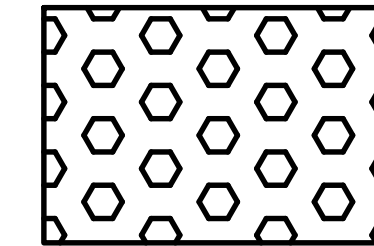
EXISTING IMPERVIOUS AREA



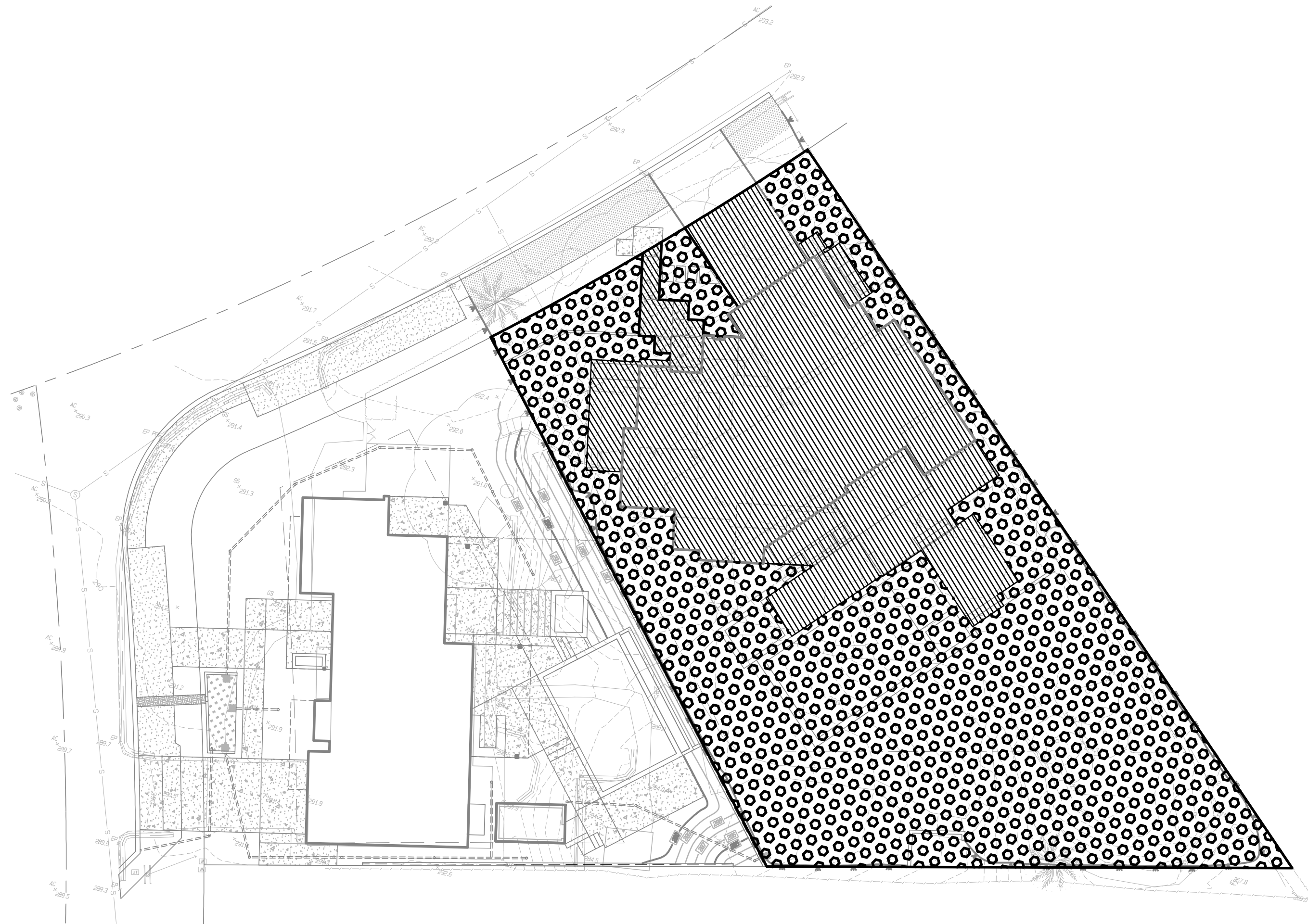
EXISTING IMPERVIOUS AREA: 0 SF



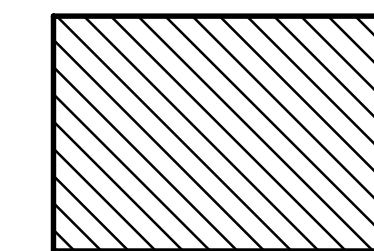
EXISTING PERVIOUS AREA: 13,920 SF



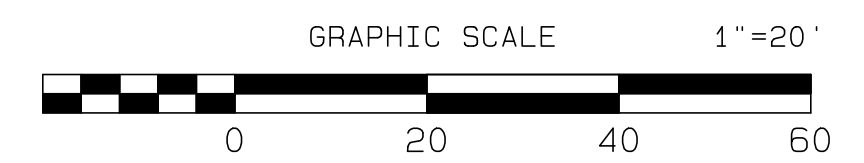
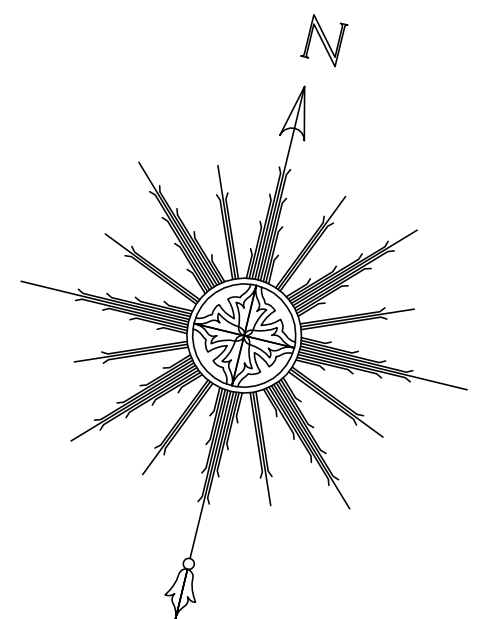
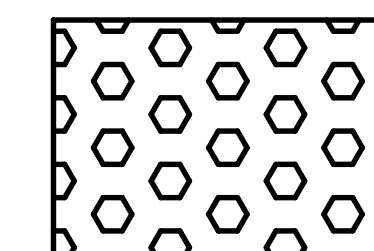
PROPOSED IMPERVIOUS AREA



PROPOSED IMPERVIOUS AREA: 4,911 SF



PROPOSED PERVIOUS AREA: 9,009 SF



PASCO LARET SUITER
& ASSOCIATES
 CIVIL ENGINEERING + LAND PLANNING + LAND SURVEYING
 535 North Highway 101, Ste A, Solana Beach, CA 92075
 ph 858.259.8212 | fx 858.259.4812 | plsaeengineering.com

COASTAL COMMISSION PERMIT NO.

ENGINEER OF WORK		CITY APPROVED CHANGES		APP'D	DATE	RECOMMENDED FOR APPROVAL	APPROVED FOR CONSTRUCTION	BENCH MARK	CITY OF SOLANA BEACH	DRAWING NO.
By: <i>Brian</i>	Date: 12/1/21					By: _____	By: _____, City Engineer	DESCRIPTION: ENCINITAS CONTROL PT 1046	PRELIMINARY GRADING PLAN FOR:	
Drawn By: BMA	Name: BRIAN ARDOLINO					Review Engineer	R.C.E.	LOCATION: NW COR. STORM DRAIN CURB INLET	FORD AVENUE	
	R.C.E. 71651					Date: _____	Exp: _____	RECORD FROM: 170.313		
	Exp: 12/31/21					Date: _____	Exp: _____	DATUM: NAVD 88		SHEET 3 OF 3

ANY CUT SLOPES MORE THAN FIVE FEET IN HEIGHT AND ANY FILL SLOPES MORE TREE FEET IN HEIGHT MUST BE STABILIZED WITH REINFORCED STRAW MATTING AND PLANTER & IRRIGATION TO PREVENT EROSION.

UNDESIRABLE PLANT LIST

The following species are highly flammable and should be avoided when planting within the first 50 feet adjacent to a structure. The plants listed below are more susceptible to burning, due to rough or peeling bark, production of large amounts of litter, vegetation that contains oils, resin, wax, or pitch, large amounts of dead material in the plant, or plantings with a high density to live fuel ratio.

BOTANICAL NAME	COMMON NAME
<i>Abies</i> species	Fir Trees
<i>Acacia</i> (trees, shrubs, groundcovers)	Acacia (trees, shrubs, groundcovers)
<i>Adenostoma sparsifolium</i> **	Red Shanks
<i>Adenostoma fasciculatum</i> **	Chamise
<i>Agonis juniperina</i>	Juniper Myrtle
<i>Anthemis cotula</i> **	Mayweed, Stinking Chamomile
<i>Araucaria</i> species	Monkey Puzzle, Norfolk Island Pine
<i>Arctostaphylos</i> species**	Manzanita
<i>Artemisia californica</i> **	California Sagebrush
<i>Arundo donax</i>	Giant Cane
<i>Bambusa</i> species	Bamboo
<i>Brasica</i> species**	Mustard
<i>Callistemon</i> species	Boottlebrush
<i>Calceolaria decurrens</i>	Hoary Cress, Perennial
<i>Cercis</i> species	Peppergrass
<i>Ceanothus</i> species	Ceanothus
<i>Cedrus</i> species	False Cypress
<i>Chamaecyparis</i> species	Campor Tree
<i>Cinnamomum</i> species	Wild Arctichoke
<i>Citrus vulgare</i>	Horseweed
<i>Coryza Canadensis</i> **	Prostrate Cyprina
<i>Crotona zuniensis</i>	Pampas Grass
<i>Cortaderia selloana</i>	Japanese Cryptomeria
<i>Cotoneaster lacteus</i>	Leylandii Cypress
<i>Cyclopogon japonicus</i>	Tecate Cypress
<i>Cyperus forbesii</i>	Arizona Cypress
<i>Cyperus alberta</i>	Monterey Cypress
<i>Cyperus macrocarpa</i>	Italian Cypress
<i>Cyperus sempervirens</i>	Artichoke Thistle
<i>Cytisus canaliculatus</i> **	Scotch Broom, French Broom, etc.
<i>Dodonaea viscosa</i>	Hopspeed Bush

<i>Eleagnus angustifolia</i>	Russian Olive
<i>Eleagnus purgens</i>	Silverberry
<i>Eriogonum fasciculatum</i> **	Common Buckwheat
<i>Eucalyptus</i> species	Eucalyptus
<i>Gesneria</i> species**	Bloom
<i>Hesperaloe parviflora</i> **	Telegraph Plant
<i>Jubaea chilensis</i>	Chilean Wine Palm
<i>Juniperus</i> species	Junipers
<i>Lactuca scariola</i> **	Prickly Lettuce
<i>Larix</i> species	Larch
<i>Lonicera japonica</i>	Japanese Honeysockle
<i>Miscanthus</i> species	Eulalia Grass
<i>Muehlenbergia</i> species**	Deer Grass
<i>Nicotiana</i> species	Tree Tobacco
<i>Palmae</i> species	Palms
<i>Pennisetum setaceum</i>	Fountain Grass
<i>Pinus</i> species	Spruce Trees
<i>Pisonia</i> species	Chaparral Pea
<i>Pickeringia Montana</i> **	Pines
<i>Pinus</i> species	Fern Pine
<i>Podocarpus</i> species	Douglas Fir
<i>Pseudotsuga mucronata</i>	Castor Bean
<i>Ricinus communis</i>	Rosemary
<i>Rosemarinus</i> species	Russian Thistle, Tumbleweed
<i>Salsola australis</i> **	Sage
<i>Salvia</i> species**	California Pepper
<i>Schinus molle</i>	Brazilian Pepper
<i>Schinus terebinthifolius</i>	Milk Thistle
<i>Shibum marianum</i> **	Spanish Broom
<i>Spartium junceum</i>	Tamarisk
<i>Spartium</i> species	Cypress
<i>Taxodium</i> species	Yew
<i>Taxus</i> species	Arborvitae
<i>Thuja</i> species	Windmill Palm
<i>Trachycarpus fortunei</i>	Hemlock
<i>Tuaea</i> species	Gorse
<i>Ulex europaea</i> **	Burning Nettie
<i>Urtica urens</i>	California/Mexican Fan Palm
<i>Washingtonia</i> species	Palm

** San Diego County native species
*** Introduced weeds to San Diego County

California Department of Forestry and Fire Protection (619) 590-3100
United States Forest Service (619) 674-2901
County Fire Service Coordinator (858) 495-5992
County Farm and Home Advisor (858) 694-2845
Insurance Information Network of California - Brochures

PLANT LEGEND TREES

SYM	BOTANICAL NAME	COMMON NAME	SIZE	HT.	WU-COLS
T1	PRUNUS CAROLINIANA	CAROLINA LAUREL CHERRY (HEDGE)	24" BOX	20'-30'	MOD.
T2	CERCIS OCCIDENTALIS	WESTERN RED BUD	24" BOX	15-25'	LOW

SHRUBS

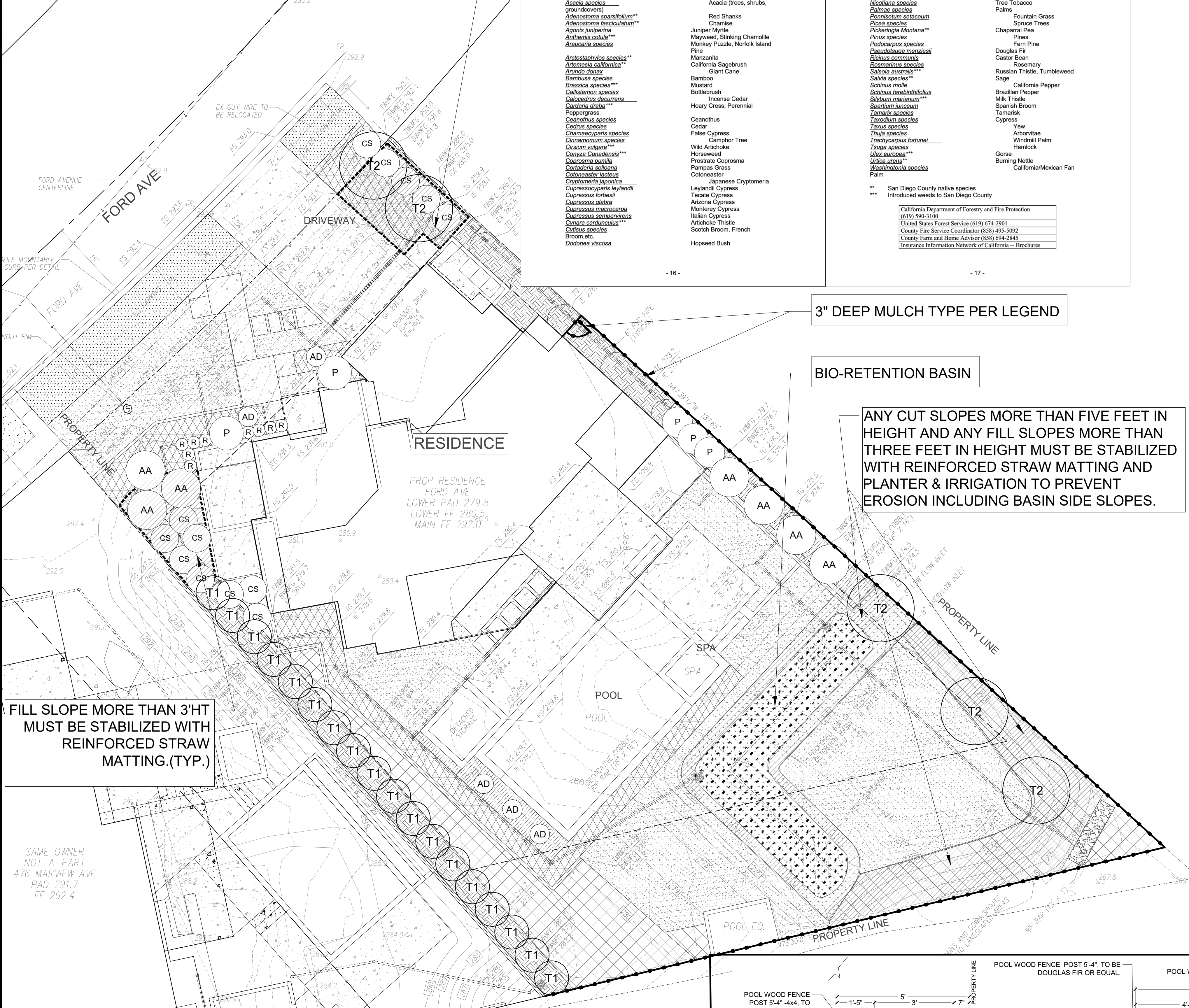
SYM	BOTANICAL NAME	COMMON NAME	SIZE	HT.	WU-COLS
AA	AGAVE AMERICANA	CENTURY AGAVE	15 GAL	8'(26" FLO-WER SPIKE)	LOW
AD	AGAVE SHAWII	COSTAL AGAVE	15 GAL	2-3'(13" FLO-WER SPIKE)	LOW
CS	CISTUS 'SUNSET'	SUNSET ROCK ROSE	5 GAL	2'	LOW
R	RAPHIOLEPIS INDICA 'ORIENTAL PEARL'	ORIENTAL PEARL INDIAN HAWTHORN	5 GAL	2-3'	LOW
P	PHOTINIA X FRASERII 'CASSINI'	PINKNK MARBLE PHOTINIA	15 GAL	10'-15'	MOD.

GROUND COVERS

SYM	NAME	COMMON NAME	SIZE	WU-COLS	
	KURAPIA	--	SOD	LOW	
	GAILLARDIA X GRANDIFLORA	BLANKET FLOWER	1GAL @ 2" O.C.	LOW	
	LUPINUS POLYPHYLLUS	BIGLEAF LUPINE	5GAL @ 42" O.C.	MOD.	
	CERASTIUM TOMENTOSUM	SNOW IN SUMMER	1GAL @ 18" O.C.	MOD.	
	CAREX TUMILICOLA	BERKELEY SEDGE	1 GAL. @ 18" O.C.	LOW	
	FOREST FINES SHREDDED MULCH GROUND COVER (TYPICAL ALL PLANTER AREAS AS WELL)				

LANDSCAPE GENERAL NOTES:

- ALL LANDSCAPE AND IRRIGATION SHALL CONFORM TO THE CITY OF SOLANA BEACH LANDSCAPE REGULATIONS.
 - MAINTENANCE: ALL REQUIRED LANDSCAPE AREAS SHALL BE MAINTAINED BY OWNER. LANDSCAPE & IRRIGATION AREAS IN THE PUBLIC RIGHT OF WAY SHALL BE MAINTAINED BY THE OWNER. LANDSCAPE AREAS SHALL BE MAINTAINED FREE OF DEBRIS AND LITTER AND ALL PLANT MATERIAL SHALL BE MAINTAINED IN A HEALTHY GROWING CONDITION. DISEASED OR DEAD PLANT MATERIAL SHALL BE SATISFACTORILY TREATED OR REPLACED PER THE CONDITIONS OF THE PERMIT.
 - IRRIGATION: A WATER EFFICIENT, AUTOMATIC, ELECTRICALLY CONTROLLED IRRIGATION SYSTEM SHALL BE PROVIDED AS REQUIRED FOR PROPER IRRIGATION, DEVELOPMENT, AND MAINTENANCE OF THE VEGETATION IN A HEALTHY, DISEASE-RESISTANT CONDITION. THE DESIGN OF THE SYSTEM SHALL PROVIDE ADEQUATE SUPPORT FOR THE VEGETATION SELECTED. THE PROPOSED IRRIGATION SYSTEM SHALL BE A COMBINATION OF POP-UP SPRAY HEAD AND DRIP LINE. THE CITY MAY REQUIRE COMMERCIAL PROJECTS TO EXTEND EXISTING RECYCLED WATER SYSTEMS TO THE PROPERTY, PER SBMC 17.56.20
 - ALL GRADED, DISTURBED, OR ERODED AREAS THAT WILL NOT BE PERMANENTLY PAVED OR COVERED BY STRUCTURES SHALL BE PERMANENTLY RE-VEGETATED AND IRRIGATED.
 - LANDSCAPE FINISH GRADING OBJECTIVES WILL INCLUDE POSITIVE SURFACE DRAINAGE OF PLANTED AREAS THROUGHOUT THE SITE.
 - A SOIL TEST BY A QUALIFIED AGRONOMIST SHALL FURTHER INFLUENCE PLANT MATERIALS AND INSTALLATION TECHNIQUES. SOIL TEST SHALL BE DONE PRIOR TO PLANTING.
 - ALL SOILS WILL BE FERTILIZED, AMENDED, AND TILLED TO CONFORM TO RECOMMENDATIONS MADE BY A SOIL TESTING LABORATORY AND/OR LANDSCAPE ARCHITECT IN ORDER TO PROMOTE HEALTHY AND VIGOROUS PLANT GROWTH.
 - ALL PROPOSED PLANTING AREAS SHALL BE TREATED WITH SOIL CONDITIONERS TO INCREASE AND RETAIN SOIL MOISTURE.
 - ALL PLANTER AREAS SHALL RECEIVE A 3" DEPTH OF SHREDDED BARK MUGH.
 - ALL PLANTING AREAS WILL BE MAINTAINED IN A WEED AND DEBRIS FREE CONDITION.
 - NON-BIODIGRADABLE ROOT BARRIERS SHALL BE INSTALLED WHERE TREES ARE PLACED WITHIN 5' OF PUBLIC IMPROVEMENTS INCLUDING WALKS, CURBS, OR STREET PAVEMENT OR WHERE NEW PUBLIC IMPROVEMENTS ARE PLACED ADJACENT TO EXISTING TREES. ROOT BARRIERS WILL NOT BE WRAPPED AROUND THE ROOT BALL.
- *12. SITE SHALL BE CLEARED OF ANY PLANTS ON THE UNDESIRABLE PLANT LIST, SEE THIS SHEET.



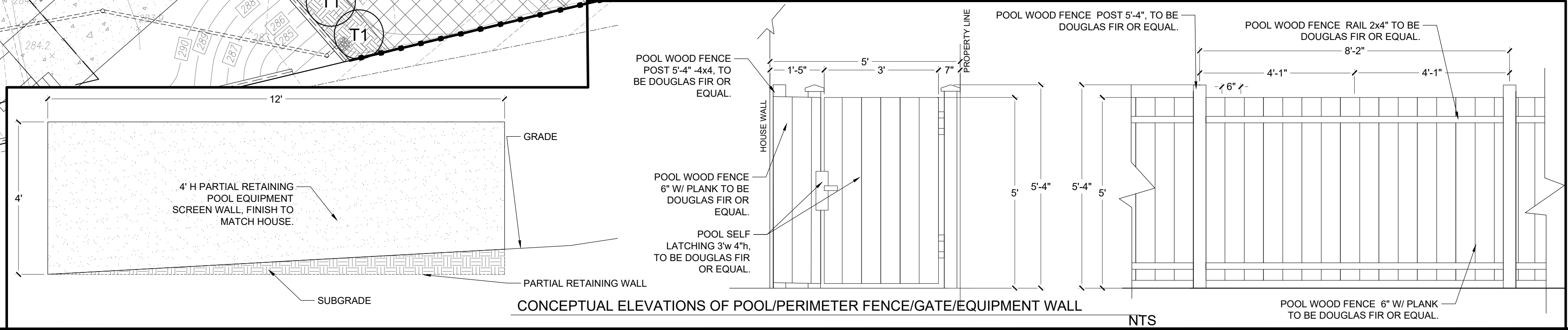
3" DEEP MULCH TYPE PER LEGEND

BIO-RETENTION BASIN

ANY CUT SLOPES MORE THAN FIVE FEET IN HEIGHT AND ANY FILL SLOPES MORE THAN THREE FEET IN HEIGHT MUST BE STABILIZED WITH REINFORCED STRAW MATTING AND PLANTER & IRRIGATION TO PREVENT EROSION INCLUDING BASIN SIDE SLOPES.

FILL SLOPE MORE THAN 3'HT MUST BE STABILIZED WITH REINFORCED STRAW MATTING. (TYP.)

SAME OWNER NOT-A-PART 476 MARVIEW AVE PAD 291.7 FF 292.4



- (www.iinc.org <http://www.iinc.org>) or call (800) 397-1679
- REFERENCES**
- Combustible Vegetation and Other Flammable Materials Ordinance, Sections 68.401 thru 86.406 of the County of San Diego's Zoning Ordinance.
 - California Department of Fish and Game (858) 467-4201
 - U.S. Fish and Wildlife Service (760) 431-9440
 - Protecting Your Property From Soil Erosion (www.sdcounty.ca.gov/dpw/docs/fire/homeerosion.pdf <http://www.sdcounty.ca.gov/dpw/docs/fire/homeerosion.pdf>)
 - Homeowner's Guide for Flood, Debris, and Erosion Control After Fires (www.sdcounty.ca.gov/dpw/docs/fire/AfterFire.pdf <http://www.sdcounty.ca.gov/dpw/docs/fire/AfterFire.pdf>)
 - Burn Institute (www.burninstitute.org)

I AM FAMILIAR WITH THE REQUIREMENTS FOR LANDSCAPE AND IRRIGATIONS PLANS CONTAINED IN THE CITY'S WATER EFFICIENT LANDSCAPE REGULATIONS. I HAVE PREPARED THIS PLAN IN COMPLIANCE WITH THOSE REGULATIONS AND THE LANDSCAPE DESIGN MANUAL. I CERTIFY THAT THE PLAN IMPLEMENTS THOSE REGULATIONS TO PROVIDE EFFICIENT USE OF WATER.

Signature: *Sean Clarke* DATE: 04-20-20

110 COPPERWOOD WAY # P OCEANSIDE CA 92058 760-716-3100 CA.LLA#5299

LANDSCAPE ARCHITECTURE & IRRIGATION

NO. 5299

01-31-22

SHEET TITLE: LANDSCAPE CONCEPT PLANTING

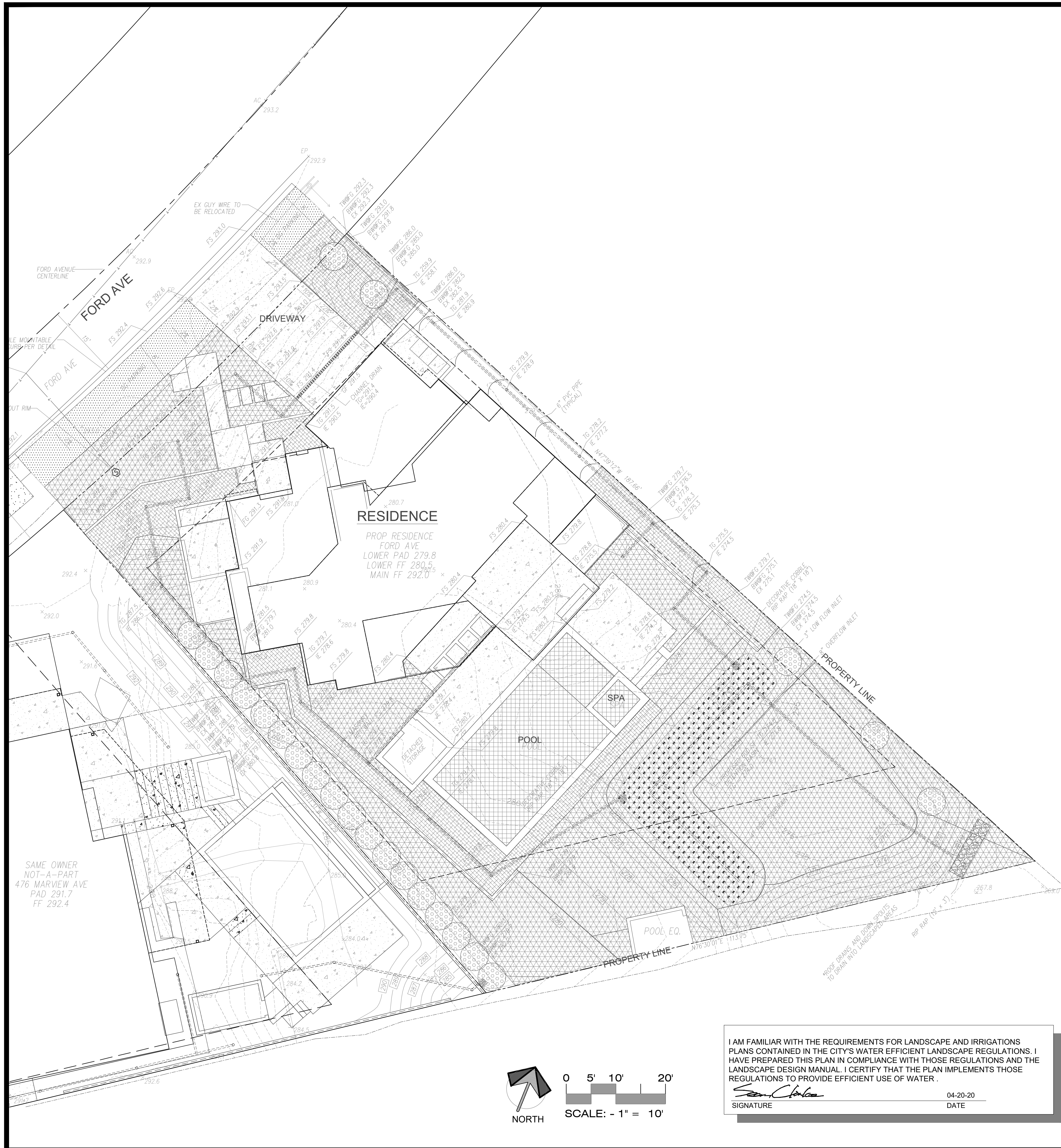
PROJECT: FORD RESIDENCE FORD AVENUE SOLANA BEACH, CA 92075

REVISIONS

1st Revision Re-Sub.	11-26-19
2nd Revision Re-Sub.	01-06-20
3rd Revision Re-Sub.	04-20-20

DRAWN: JA
APPROVED: SC

JOB NO.:
DATE: 04-20-20
SCALE: AS SHOWN
SHEET: L1 OF 2



HYDROZONE LEGEND

SYM	ZONE # AND DESCRIPTION	SQ.FT.	WUCOLS
[Symbol]	HYDROZONE 1 - TREES	575	MODERATE
[Symbol]	HYDROZONE 2 - SHRUBS AND GROUNDCOVER	1,426.82	MODERATE
[Symbol]	HYDROZONE 3 - SHRUBS AND GROUNDCOVER	5,842.1	LOW
[Symbol]	HYDROZONE 4 - POOL & SPA SURFACE	784.16	HIGH

ESTIMATED TOTAL WATER USE (ETWU) WORKSHEET

Applicant Last Name: _____ Project/Plan Check Number: _____ Project Address: _____

The project's Estimated Total Water Use is calculated using the following formula: $ETWU = (ETo)(0.62) \left(\frac{PF \times HA}{IE} + SLA \right)$

- ETWU = Estimated total water use per year (gallons per year)
- ETo = Evapotranspiration rate (inches per year)
- PF = Plant Factor from WUCOLS (see Definitions)
- HA = Hydro-zone Area (square feet). Define hydro-zones by water use: very low, low, moderate and high
- SLA = Special Landscape Area (square feet). Edible plants, irrigated with recycled water, & turf used for active play
- 0.62 = Conversion Factor (to gallons per square foot)
- IE = Irrigation Efficiency

CITY OF SOLANA BEACH ESTIMATED TOTAL WATER USE (ETWU) WORKSHEET

Line	Hydro-zone Number (1 - 4 Below - use as many tables as necessary to complete all hydrozones)				
	1	2	3	4	SLA
Evapotranspiration Rate (ETo) See "A" below	Use 41 (west of I-5) / 47 (east of I-5)				
Conversion Factor - 0.62	0.62				
(Line 1 x Line 2)	25.42 (west of I-5) / 29.14 (east of I-5)				
Plant Factor (PF) See "B" below	0.6	0.6	0.3	1.0	
Hydrozone Area (HA) - in square feet	575	1,426.82	5,842.1	784.1	
(Line 4 x Line 5)	345	856.1	1,752.6	784.1	
Irrigation Efficiency (IE) See "C" below	.75	.75	.75	1.0	
(Line 6 + Line 7)	460	1,141.4	2,336.88	784.1	
TOTAL of all Line 8 boxes + SLA	4,722.38				
Line 3 x Line 9 Estimated Total Water Use - ETWU (gallons per year) Total shall not exceed MAWA below	120,042.89				

A ETo - Evapotranspiration rate = 41 (west of I-5) / 47 (east of I-5)

B PF - Plant Factor - Use WUCOLS values to determine the category for each species used. The highest water use PF must be used when more than one PF is shown in a hydro-zone.
0.1 - VLV - Very Low Water Use Plants
0.3 - LW - Low Water Use Plants
0.6 - MW - Moderate Water Use Plants
1.0 - HW - High Water Use Plants

C IE - Irrigation Efficiency
Spray = .55
Rotor = .70
Bubbler = .75
MP Rotator = .75
Drip & Micro-spray = .81
A different IE may be used if supported by documentation subject to approval by the City Planner

MAXIMUM APPLIED WATER APPLICATION (MAWA) calculation:
Evapotranspiration adjustment factor (ETAFA) use .55 residential .45 non-residential

$25.42 \left[\left(\frac{8,628}{25.42 \text{ or } 29.14} \right) \times (1 - \text{ETAFA}) \times \frac{0}{\text{Total SLA}} \right] = \text{MAWA } 120,628.068$

January 2016 Page 3 of 9

I AM FAMILIAR WITH THE REQUIREMENTS FOR LANDSCAPE AND IRRIGATIONS PLANS CONTAINED IN THE CITY'S WATER EFFICIENT LANDSCAPE REGULATIONS. I HAVE PREPARED THIS PLAN IN COMPLIANCE WITH THOSE REGULATIONS AND THE LANDSCAPE DESIGN MANUAL. I CERTIFY THAT THE PLAN IMPLEMENTS THOSE REGULATIONS TO PROVIDE EFFICIENT USE OF WATER.

Sean Clarke
SIGNATURE DATE: 04-20-20



110 COPPERWOOD WAY # P
OCEANSIDE CA 92058
760-716-3100
CA.LLA#5299



SHEET TITLE:
**LANDSCAPE CONCEPT
IRRIGATION ZONES**

PROJECT:
**FORD RESIDENCE
FORD AVENUE
SOLANA BEACH, CA 92075**

REVISIONS

1st Revision Re-Sub.	11-28-19
2nd Revision Re-Sub.	01-06-20
3rd Revision Re-Sub.	04-20-20
DRAWN	JA
APPROVED	SC
JOB NO.	
DATE	04-20-20
SCALE	AS SHOWN
SHEET	L2 OF 2



STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: City Manager's
SUBJECT: **Public Hearing for Consideration of Adoption of Resolution 2020-099 Amending the Solana Energy Alliance (SEA) Rate Schedule**

BACKGROUND:

Community Choice Aggregation (CCA), authorized by Assembly Bill 117, is a state law that allows cities, counties and other authorized entities to aggregate electricity demand within their jurisdictions in order to purchase and/or generate alternative energy supplies for residents and businesses within their jurisdiction while maintaining the existing electricity provider for transmission and distribution services. The goal of a CCA is to provide a higher percentage of renewable energy electricity at competitive and potentially cheaper rates than existing Investor Owned Utilities (IOUs), while giving consumers local choices and promoting the development of renewable power sources and programs and local job growth.

The City of Solana Beach's (City) CCA, Solana Energy Alliance (SEA), was established by the City Council through adoption of Ordinance 483 on December 13, 2017 and began serving customers in June 2018. SEA is the first CCA to launch in San Diego Gas & Electric territory and remains the only CCA operating in San Diego County.

At its regular meeting May 13, 2020, the City Council adopted Resolution 2020-060 adjusting SEA rates to coincide with San Diego Gas & Electric's rate decrease and changed the rate discount offered to SEA customers from 3% to 1% on energy generation costs. The decision to reduce the rate discount was necessary to maintain the commitment to providing 50% renewable/75% carbon free energy while at the same time addressing the financial constraints facing SEA due to increasing Power Charge Indifference Adjustment Fees (PCIA or Exit Fees), increasing costs of carbon free energy, and increasing regulatory demands.

CITY COUNCIL ACTION:

In addition to the factors impacting SEA described above, SEA is also being impacted by the COVID-19 pandemic resulting in school closures and stay at home orders and the impact these have had on energy demand and usage. At the time the Council adopted Resolution 2020-060, these COVID-19 impacts were not clearly known. Now that there has been several months of data available related to the COVID-19 impacts, it is possible to analyze the impacts and provide an updated financial model that reflects the current conditions.

At its May 27th meeting, the City Council received a report on the impacts that COVID-19 is having on SEA's finances and deliberated on options to address the negative impacts. As a result of those discussions, the City Council directed Staff to take the following steps to address the projected negative financial projection:

- Adjust generation rates to parity (even) with SDG&E's generation rates for SEA Choice customers
- Sell PCC 2 energy and repurchase PCC 3 RECS to maintain the 75% carbon free content
- Return to discuss a possible general fund bridge loan

This item is before Council to consider adoption of Resolution 2020-099 amending the SEA rate schedule (Attachment 1) effective June 1, 2020, providing rate parity for energy generation costs on the SEA Choice product when compared to San Diego Gas & Electric (SDG&E) comparable rates.

DISCUSSION:

Pursuant to City Council direction from its May 27, 2020 meeting, the proposed SEA rates effective June 1, 2020, have the following impact to SEA Choice residential Schedule DR customers (based on average monthly usage of 465 kWh):

Rate Schedule	4/1/20 Adopted Rate	6/1/20 Proposed Rate	% change	Est. Monthly change
Residential – DR Summer	\$.10051/kWh	\$.10186/kWh	1.34%	\$.62
Residential – DR Winter	\$.03560/kWh	\$.03629/kWh	1.94%	\$.33

As discussed in the May 27th City Council Staff Report, it had been anticipated that SDG&E would be adjusting rates effective June 1, 2020 and eliminating the seasonal variance. At that time, the updated rate schedules from SDG&E were not yet available. Now that those rate schedules have been made public, it has been determined that the change to eliminate rate seasonality is being done through the delivery charges and generation charges did not change. As a result, the proposed generation rate schedule continues to include the seasonal variances as has been historically reflected in SEA rate schedules.

General Fund Bridge Loan

At its May 27th meeting, the City Council considered an option to authorize a bridge loan from the general fund to address any potential cash flow issues that may be experienced by SEA between now and when it transitions its customers to Clean Energy Alliance (CEA) and ceases to serve customers. The City Council indicated a desire to defer the discussion to a future meeting. Staff recommends continuing this discussion during this meeting.

COVID-19 Impacts to SEA Cash Flows

The discussion below was presented to the City Council on previous Staff Reports, however, since this is an evolving situation, it is appropriate to include the information again and include an update.

On March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency in response to the outbreak of novel coronavirus, COVID-19. On March 13, 2020, SDG&E implemented a moratorium on all disconnections of service for non-payment. On April 16, 2020, the CPUC adopted Resolution M-4842 that ordered electric, gas, communications and water and sewer corporations to implement consumer emergency protective measures and for the Investor Owned Utilities (including SDG&E) to file advice letters that detail their plan to implement these protective measures, due May 1, 2020. As part of that process, SDG&E was required to meet and confer with Solana Energy Alliance, which occurred on April 30, 2020.

During the meet and confer, SEA had an opportunity to hear a presentation from SDG&E regarding their proposed implementation of the consumer emergency protective measures, and to provide input regarding anticipate impacts to SEA. Of particular concern to Solana Beach is the approach SDG&E plans to take regarding allocating payments between SDG&E and SEA for partial payments, or payments from customers on payment plans. Solana Beach Staff stressed the importance to SDG&E of allocating the payments on a pro-rata share between SDG&E and SEA to ensure fair and equitable payment allocation. Cal-CCA, the professional CCA advocacy association in California, also participated in the meeting with SDG&E, as they did with the other two California IOUs. SDG&E indicated a willingness to discuss processes of allocation of payments to SEA but did not make a firm commitment to a particular allocation methodology. The risk to SEA is that SDG&E would allocate the payments first to their charges and SEA would be further impacted by long-term unpaid charges. This issue continues to be a high priority for SEA and Staff will continue to work with SDG&E to ensure an equitable allocation of payments from customers.

Subsequently, on May 1, 2020, SDG&E issued Advice Letter 3516-E-A, notifying the CPUC about its plans to implement customer protections. These plans include a detailed description of payment collection efforts for both SDG&E and CCA program charges, a commitment to pro rata allocation of partial payments and a pledge to work with CCA programs regarding implementation. AL 3516-E-A also states that because SDG&E is upgrading its billing system, it will have to work with CCA programs to manually account for pro rata charges that result from customer protections.

Since these meetings, SDG&E has met with SEA Staff and has confirmed that it has instituted manual processes to analyze partial bill payments and remit funds to SEA on a pro-rate basis that ensures an equitable distribution of payments between SDG&E and SEA. Staff is pleased with the level of cooperation that has been experienced with SDG&E during these most unusual circumstances.

CEQA COMPLIANCE STATEMENT:

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a “project” under Section 15378(b)(5) of CEQA Guidelines.

FISCAL IMPACT:

SEA rates as proposed would provide funding to cover operating costs including renewable energy, carbon free and conventional energy.

WORK PLAN:

Environmental Sustainability – Policy Development – Implement Solana Energy Alliance

OPTIONS:

- Approve Staff recommendations
- Do not approve Staff recommendations
- Provide alternative direction to Staff

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Adopt Resolution 2020-099 amending the rate schedule for Solana Energy Alliance.

CITY MANAGER RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

Resolution 2020 – 099

RESOLUTION 2020 – 099

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SOLANA BEACH, CALIFORNIA, AMENDING THE
SOLANA ENERGY ALLIANCE RATE SCHEDULE**

WHEREAS, at its regular meeting on May 13, 2020, the City Council adopted Resolution 2020-060 Amending the Solana Energy Alliance (SEA) Rate Schedule; and

WHEREAS, economic conditions related to COVID-19 have resulted in a need to amend the SEA Rate Schedule to bring SEA energy generation rates to parity with San Diego Gas & Electric; and

WHEREAS, at the June 24, 2020 City Council meeting, the City Council held the public hearing to consider amending the Solana Energy Alliance Rate Schedule.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council amends the Solana Energy Alliance Rate Schedule to implement rate parity as compared to SDG&E's generation rates per Exhibit A.
3. The rates are to become effective June 1, 2020.

PASSED AND ADOPTED this 24th day of June 2020, at a regular meeting of the City Council of the City of Solana Beach, California, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

SOLANA ENERGY ALLIANCE
PROPOSED RATES EFFECTIVE 6/1/20

SDG&E Rate Name	SEA Rate Name	Rate Description	Season	Charge Type	Time of Use Period	4/1/20 Adopted Rate (\$)	6/1/20 Proposed Rate (\$)	% Change	Notes
RESIDENTIAL RATES									
DR, DM, DS, DT, DT-RV, DR-LI	DR	Residential. DM, DS, DT – multi-family service. DT - mobile home park. DR - LI - low income.	Summer	per kWh	Total	0.10051	0.10186	1.34%	
			Winter	per kWh	Total	0.03560	0.03629	1.94%	
TOU-DR, DR-TOD, DR-TOD-PSH	TOU-DR	Residential Time-of-Use	Summer	Generation	On-Peak	0.15873	0.16068	1.23%	
			Summer	Generation	Off-Peak	0.11083	0.11228	1.31%	
			Summer	Generation	Super Off-Peak	0.06339	0.06436	1.53%	
			Winter	Generation	On-Peak	0.03431	0.03498	1.95%	
			Winter	Generation	Off-peak	0.02686	0.02746	2.23%	
			Winter	Generation	Super Off-Peak	0.01859	0.01911	2.80%	
DR-SES	DRSES	Residential time-of-use with solar	Summer	per kWh	On-Peak	0.27623	0.27938	1.14%	
			Summer	per kWh	Off-Peak	0.06676	0.06777	1.51%	
			Summer	per kWh	Super Off-Peak	0.01843	0.01894	2.77%	
			Winter	per kWh	On-Peak	0.03503	0.03572	1.97%	
			Winter	per kWh	Off-peak	0.02749	0.02810	2.22%	
			Winter	per kWh	Super Off-Peak	0.01914	0.01966	2.72%	
TOU-DR-1 & DR-2	Not Available to SEA Customers								
EV-TOU, EV-TOU2, EV-TOU-5	EVTOU	Electric Vehicle	Summer	per kWh	On-Peak	0.27623	0.27938	1.14%	
			Summer	per kWh	Off-Peak	0.06676	0.06777	1.51%	
			Summer	per kWh	Super Off-Peak	0.01843	0.01894	2.77%	
			Winter	per kWh	On-Peak	0.03503	0.03572	1.97%	
			Winter	per kWh	Off-peak	0.02749	0.02810	2.22%	
			Winter	per kWh	Super Off-Peak	0.01914	0.01966	2.72%	
TOU Periods - Weekdays			Summer		Winter				
			June 1 - Oct 31		November 1 - May 31				
On-Peak			4:00pm - 9:00pm		4:00pm - 9:00pm				
Off-Peak			6:00am-4:00pm; 9:00pm-midnight		6:00am - 4:00pm Excluding 10:00am - 2:00pm in March & April; 9:00pm - midnight				
Super Off-Peak			Midnight - 6:00am		Midnight - 6:00am				
TOU Periods - Weekends and Holidays			Summer		Winter				
			June 1 - Oct 31		November 1 - May 31				
On-Peak			4:00pm - 9:00pm		4:00pm - 9:00pm				
Off-Peak			2:00pm-4:00pm; 9:00pm-midnight		2:00pm - 4:00pm; 9:00 pm - midnight				
Super Off-Peak			Midnight - 2:00pm		Midnight - 2:00pm				

SOLANA ENERGY ALLIANCE
PROPOSED RATES EFFECTIVE 6/1/20

SDG&E Rate Name	SEA Rate Name	Rate Description	Season	Charge Type	Time of Use Period	4/1/20 Adopted Rate (\$)	6/1/20 Proposed Rate (\$)	% Change	Notes
DR-TOU	DR-TOU	Residential Time-of-Use	Summer	per kWh	On-Peak	0.16467	0.16667	1.21%	
			Summer	per kWh	Off-Peak	0.08980	0.09105	1.39%	
			Winter	per kWh	On-Peak	0.03143	0.03208	2.07%	
			Winter	per kWh	Off-Peak	0.02530	0.02588	2.29%	

DRTOU Periods	Summer	Winter
	June 1 – Oct 31	November 1 – May 31
	Noon - 6:00pm	
On-Peak	Weekdays	Noon - 6:00pm Weekdays
Off-Peak	All Other Days & Hours	All Other Days & Hours

G-DR-TOD	G-TOU-DR	Grandfathered Residential Time-of-Use	Summer	per kWh	On-Peak	0.18930	0.19156	1.19%	
			Summer	per kWh	Semi-Peak	0.11307	0.11455	1.31%	
			Summer	per kWh	Off-Peak	0.07867	0.07980	1.44%	
			Winter	per kWh	On-Peak	0.04047	0.04121	1.83%	
			Winter	per kWh	Semi-Peak	0.02957	0.03020	2.13%	
			Winter	per kWh	Off-Peak	0.02294	0.02350	2.44%	

G-TOU-DR Periods	Summer	Winter
	June 1 – Oct 31	November 1 – May 31
	11am - 6pm	
On-Peak	Weekdays, exc. Holidays	5pm-8pm Weekdays, exc. Holidays
Semi-Peak	6am-11am Weekdays, Exc. Holidays	6am-5pm, Weekdays, exc. Holidays
	6pm-10pm Weekdays, exc. Holidays	8pm-10pm Weekdays, exc. Holidays
Off-Peak	10pm-6am, Weekdays, and all hours on Weekends & Holidays	10pm-6am, Weekdays, and all hours on Weekends & Holidays

The time periods shown above will begin and end one hour later for the period between the second Sunday in March and the first Sunday in April, and for the period between the last Sunday in October and the first Sunday in November

G-DR-SES	G-DR-SES	Grandfathered Residential time-of-use with solar	Summer	per kWh	On-Peak	0.22524	0.22786	1.16%	
			Summer	per kWh	Semi-Peak	0.22523	0.22785	1.16%	
			Summer	per kWh	Off-Peak	0.05308	0.05394	1.62%	
			Winter	per kWh	Semi-Peak	0.04812	0.04894	1.70%	
			Winter	per kWh	Off-Peak	0.04331	0.04407	1.75%	

G-DR-SES Periods	Summer	Winter
	June 1 – Oct 31	November 1 – May 31
	11am - 6pm	
On-Peak	Weekdays, exc. Holidays	
Semi-Peak	6am-11am Weekdays, Exc. Holidays	6am-6pm, Weekdays, exc. Holidays
	6pm-10pm Weekdays, exc. Holidays	
Off-Peak	10pm-6am, Weekdays, and all hours on Weekends & Holidays	6pm-6am, Weekdays, and all hours on Weekends & Holidays

SOLANA ENERGY ALLIANCE
PROPOSED RATES EFFECTIVE 6/1/20

SDG&E Rate Name	SEA Rate Name	Rate Description	Season	Charge Type	Time of Use Period	4/1/20 Adopted Rate (\$)	6/1/20 Proposed Rate (\$)	% Change	Notes
G-EV-TOU2	G-EV-TOU-2	Grandfathered Electric Vehicle	Summer	per kWh	On-Peak	0.19051	0.19278	1.19%	
			Summer	per kWh	Off-Peak	0.16526	0.16728	1.22%	
			Summer	per kWh	Super Off-Peak	0.02847	0.02909	2.18%	
			Winter	per kWh	On-Peak	0.03783	0.03854	1.88%	
			Winter	per kWh	Off-peak	0.03722	0.03792	1.88%	
			Winter	per kWh	Super Off-Peak	0.02768	0.02829	2.20%	

G-EV-TOU2 Time Periods	Summer	Winter
	June 1 - Oct 31	November 1 - May 31
On-Peak	12 Noon - 6pm Daily Exc. Holidays	12 Noon - 6pm Daily Exc. Holidays
Super Off-Peak	12 Midnight - 5am Daily	12 Midnight - 5am Daily
Off-Peak	All Other Hours	All Other Hours

COMMERCIAL/INDUSTRIAL RATES

TOU-A, AS-TOD, AS-TOD-PSW	TOU-A-S	Small Commercial Time-of-Use	Season	Charge Type	Time of Use Period	4/1/20 Adopted Rate (\$)	6/1/20 Proposed Rate (\$)	% Change	Notes
			Summer	per kWh	On-Peak	0.17027	0.17228	1.18%	Secondary Voltage
			Summer	per kWh	Off-Peak	0.07786	0.07893	1.37%	
			Winter	per kWh	On-Peak	0.04283	0.04355	1.68%	
			Winter	per kWh	Off-Peak	0.03147	0.03206	1.87%	

TOU Periods - Weekdays	Summer	Winter
	June 1 - Oct 31	November 1 - May 31
On-Peak	4:00pm - 9:00pm	4:00pm - 9:00pm
Off-Peak	Midnight - 4pm; 9:00 pm - midnight	Midnight - 4pm; 9:00 pm - midnight

TOU Periods - Weekends and Holidays	Summer	Winter
	June 1 - October 31	November 1 - May 31
Off-Peak	All day	All day

G-AS-TOD, G-AS-TOD-PSW	G-TOU-A-S	Generation	Time of Use Period	4/1/20 Adopted Rate (\$)	6/1/20 Proposed Rate (\$)	% Change	Notes	
		Generation	Summer	On-Peak	0.17894	0.18104	1.17%	Secondary Voltage
			Summer	Semi-Peak	0.09457	0.09581	1.31%	
			Summer	Off-Peak	0.02911	0.02968	1.96%	
			Winter	On-Peak	0.04782	0.04858	1.59%	
			Winter	Semi-Peak	0.03663	0.03727	1.75%	
			Winter	Off-Peak	0.02917	0.02974	1.95%	

TOU Periods - Weekdays	Summer	Winter
	June 1 - Oct 31	November 1 - May 31
On-Peak	11:00am-6:00pm	5:00pm - 8:00pm
Semi-Peak	6:00am-11:00am 6:00pm-10:00pm	6:00am-5:00pm 8:00pm-10:00pm
Off-Peak	10:00pm-6:00am;	10:00pm-6:00am

TOU Periods - Weekends and Holidays	Summer	Winter
	June 1 - October 31	November 1 - May 31
Off-Peak	All day	All day

SOLANA ENERGY ALLIANCE
PROPOSED RATES EFFECTIVE 6/1/20

SDG&E Rate Name	SEA Rate Name	Rate Description	Season	Charge Type	Time of Use Period	4/1/20 Adopted Rate (\$)	6/1/20 Proposed Rate (\$)	% Change	Notes
TOU-M	TOU-M	General Service - Small - Time Metered	Summer	Generation	On-Peak	0.22850	0.23111	1.14%	Secondary Voltage
			Summer	Generation	Off-Peak	0.07100	0.07200	1.41%	
			Summer	Generation	Super Off-Peak	0.02827	0.02884	2.02%	
			Winter	Generation	On-Peak	0.04266	0.04337	1.66%	
			Winter	Generation	Off-Peak	0.03467	0.03530	1.82%	
			Winter	Generation	Super Off-Peak	0.02560	0.02614	2.11%	
AL-TOU, AL-DGR-CP2, AL-TOU-CP2	AL-TOU-S	Medium Commercial Time Metered Time of Use	Summer	Demand	On-Peak	9.68	9.78	1.03%	Secondary
			Summer	per kWh	On-Peak	0.08755	0.08875	1.37%	
			Summer	per kWh	Off-Peak	0.06847	0.06947	1.46%	
			Summer	per kWh	Super Off-Peak	0.04379	0.04454	1.71%	
			Winter	per kWh	On-Peak	0.06795	0.06895	1.47%	
			Winter	per kWh	Off-Peak	0.05698	0.05787	1.56%	
			Winter	per kWh	Super Off-Peak	0.04483	0.04559	1.70%	
			Winter	Demand	On-Peak	9.63	9.73	1.04%	
Summer	Generation	On-Peak	0.08699	0.08817	1.36%				
Summer	Generation	Off-Peak	0.06802	0.06902	1.47%				
Summer	Generation	Super Off-Peak	0.04354	0.04429	1.72%				
Winter	Generation	On-Peak	0.06751	0.06850	1.47%				
Winter	Generation	Off-Peak	0.05663	0.05751	1.55%				
Winter	Generation	Super Off-Peak	0.04459	0.04535	1.70%				
TOU Periods - Weekdays			Summer June 1 - Oct 31	Winter November 1 - May 31					
On-Peak			4:00pm - 9:00pm	4:00pm - 9:00pm					
Off-Peak			6:00am - 4:00pm; 9:00pm - midnight	6:00am - 4:00pm; Excluding 10:00am - 2:00pm in March & April					
Super-Off-Peak			Midnight - 6:00am	10:00am - 2:00pm in March and April					
TOU Periods - Weekends & Holidays			Summer June 1 - Oct 31	Winter November 1 - May 31					
On-Peak			4:00pm - 9:00pm	4:00pm - 9:00pm					
Off-Peak			2:00pm - 4:00pm; 9:00pm - midnight	2:00pm - 4:00pm 9:00pm - midnight					
Super-Off-Peak			Midnight - 2:00pm	Midnight - 2:00pm					
G-AL-TOU, G-AL-TOU-G-AL-TOU-S	G-AL-TOU-P	Medium Commercial Time Metered Time of Use	Summer	Demand	On-Peak	5.74	5.80	1.05%	Secondary
			Summer	Generation	On-Peak	0.08505	0.08622	1.38%	
			Summer	Generation	Semi-Peak	0.07919	0.08030	1.40%	
			Summer	Generation	Off-Peak	0.05471	0.05557	1.57%	
			Winter	Generation	On-Peak	0.07901	0.08011	1.39%	
			Winter	Generation	Semi-Peak	0.06267	0.06362	1.52%	
			Winter	Generation	Off-Peak	0.05275	0.05359	1.59%	
			TOU Periods - Weekdays			Summer June 1 - October 31	Winter November 1 - May 31		
On-Peak			11:00am - 6:00pm	5:00pm - 8:00pm					
Semi-Peak			6:00am - 11:00am; 6:00pm - 10:00pm	6:00am - 5:00pm; 8:00pm - 10:00pm					
Off-Peak			10:00pm - 6:00am	10:00pm - 6:00am					
TOU Periods - Weekends and Holidays			Summer June 1 - October 31	Winter November 1 - May 31					
Off-Peak			All day	All day					

SOLANA ENERGY ALLIANCE
PROPOSED RATES EFFECTIVE 6/1/20

SDG&E Rate Name	SEA Rate Name	Rate Description	Season	Charge Type	Time of Use Period	4/1/20 Adopted Rate (\$)	6/1/20 Proposed Rate (\$)	% Change	Notes
A-TC	ATC	Traffic Control Service	All	per kWh	Total	0.03434	0.03497	1.83%	

AGRICULTURAL RATES

PA-T-1	PA-T-1-S	Agricultural & Pumping	Summer	Demand	On-Peak	3.95	3.99	1.01%	Secondary
			Summer	per kWh	On-Peak	0.05857	0.05940	1.42%	
			Summer	per kWh	Off-Peak	0.04503	0.04572	1.53%	
			Summer	per kWh	Super Off-Peak	0.03156	0.03211	1.74%	
			Winter	per kWh	On-Peak	0.04932	0.05005	1.48%	
			Winter	per kWh	Off-Peak	0.04126	0.04191	1.58%	
			Winter	per kWh	Super Off-Peak	0.03232	0.03288	1.73%	
TOU-PA-3	TOU-PA-3	Agricultural & Pumping	Summer	Demand	On-Peak		1.76		
			Summer	per kWh	On-Peak	0.14684	0.09486	-35.40%	
			Summer	per kWh	Off-Peak	0.06499	0.07187	10.59%	
			Summer	per kWh	Super Off-Peak	0.02131	0.01506	-29.33%	
			Winter	per kWh	On-Peak	0.03183	0.04295	34.94%	
			Winter	per kWh	Off-Peak	0.02574	0.03560	38.31%	
			Winter	per kWh	Super Off-Peak	0.01899	0.02746	44.60%	

TOU Periods - Weekdays	Summer June 1 - October 31		Winter November 1 - May 31	
	On-Peak	4:00pm - 9:00pm	4:00pm - 9:00pm	6:00am - 4:00pm; Excluding 10:00am - 2:00pm in March & April
Off-Peak	6:00am-4:00pm; 9:00pm-Midnight	9:00pm - Midnight	9:00pm - Midnight	
Super Off Peak	Midnight-6:00am	10:00am - 2:00pm in March & April	Midnight - 6:00am; 10:00am - 2:00pm in March & April	

TOU Periods - Weekends and Holidays	Summer June 1 - October 31		Winter November 1 - May 31	
	On-Peak	4:00pm - 9:00pm	4:00pm - 9:00pm	
Off-Peak	2:00pm-4:00pm; 9:00pm-Midnight	2:00pm - 4:00pm; 9:00pm - Midnight		
Super Off Peak	Midnight - 2:00pm	Midnight - 2:00pm		

TOU-PA	TOU-PA-S	Agricultural & Pumping	Summer	Generation	On-Peak	0.12475	0.12626	1.21%	Secondary
			Summer	Generation	Off-Peak	0.05892	0.05975	1.41%	
			Winter	Generation	On-Peak	0.03285	0.03342	1.74%	
			Winter	Generation	Off-Peak	0.02241	0.02286	2.01%	

TOU Periods - Weekdays	Summer June 1 - Oct 31		Winter November 1 - May 31	
	On-Peak	4:00pm - 9:00pm	4:00pm - 9:00pm	
Off-Peak	Midnight - 4pm; 9:00 pm - midnight	Midnight - 4pm; 9:00 pm - midnight		

TOU Periods - Weekends and Holidays	Summer June 1 - October 31		Winter November 1 - May 31	
	Off-Peak	All day	All day	All day

SOLANA ENERGY ALLIANCE
PROPOSED RATES EFFECTIVE 6/1/20

SDG&E Rate Name	SEA Rate Name	Rate Description	Season	Charge Type	Time of Use Period	4/1/20 Adopted Rate (\$)	6/1/20 Proposed Rate (\$)	% Change	Notes
G-TOU-PA	G-TOU-PA-S	Agricultural & Pumping	Summer	Generation	On-Peak	0.16387	0.16577	1.16%	Secondary
			Summer	Generation	Semi-Peak	0.06516	0.06606	1.38%	
			Summer	Generation	Off-Peak	0.02570	0.02619	1.91%	
			Winter	Generation	On-Peak	0.03633	0.03693	1.65%	
			Winter	Generation	Semi-Peak	0.02751	0.02802	1.85%	
			Winter	Generation	Off-Peak	0.02213	0.02259	2.08%	

TOU Periods - Weekdays	Summer June 1 - October 31		Winter November 1 - May 31	
	On-Peak	11:00am - 6:00pm	5:00pm - 8:00pm	
	6:00am - 11:00am;	6:00am - 5:00pm;		
Semi-Peak	6:00pm - 10:00pm	8:00pm - 10:00pm		
Off-Peak	10:00pm - 6:00am	10:00pm - 6:00am		

TOU Periods - Weekends and Holidays	Summer June 1 - October 31		Winter November 1 - May 31	
	Off-Peak	All day		All day

LIGHTING RATES

LS-1, LS-2, LS-3, OL-1, DWL	LS	Street and Outdoor Lighting	All	per kWh	Total	0.04217	0.04282	1.54%
OL-TOU	OL-TOU	Outdoor Lighting	Summer	Generation	On-Peak	0.29222	0.28690	-1.82%
			Summer	Generation	Off-Peak	0.09518	0.08785	-7.70%
			Summer	Generation	Super Off-Peak	0.03777	0.02985	-20.97%
			Winter	Generation	On-Peak	0.05714	0.04942	-13.51%
			Winter	Generation	Off-Peak	0.04835	0.04054	-16.15%
			Winter	Generation	Super Off-Peak	0.03860	0.03069	-20.49%

TOU Periods - Weekdays	Summer June 1 - Oct 31		Winter November 1 - May 31	
	On-Peak	4:00pm - 9:00pm	4:00pm - 9:00pm	
Off-Peak	6:00am - 4:00pm;	6:00am - 4:00pm;		
	9:00pm - midnight	Excluding 10:00am - 2:00pm in Midnight - 6:00am		
Super-Off-Peak	Midnight - 6:00am	10:00am - 2:00pm in March and April		

SEA GREEN 100% RENEWABLE PRODUCT RATE

SEA Green 100% Renewable Energy Premium	per kWh	0.003	0.003	0.00%
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SEA NEM NET SURPLUS COMPENSATION RATE

SEA NEM Annual Net Surplus Compensation Rate	per kWh	0.06	0.06	0.00%
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STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 24, 2020
ORIGINATING DEPT: Finance
SUBJECT: **Proposed Amendments to Fiscal Year 2020/21 Adopted General Fund Budget**

BACKGROUND:

On June 12, 2019, the City Council (Council) approved the Fiscal Years (FYs) 2019/20 and 2020/21 Budgets. On April 8, 2020, Staff presented to the City Council an initial analysis report of the impacts of COVID-19 to the City's General Fund revenue budgets for FY 2019/20 and FY 2020/21 and on May 6, 2020 an update was provided with recommended adjustments for revenues, expenditures and capital improvement projects.

Based on these initial analyses, Staff has reviewed the FY 2020/21 Adopted General Fund Budget and is recommending amendments to certain revenue and expenditure categories. Staff will return to Council at its July 8th meeting for adoption of changes to General Fund appropriations and to non-General Fund funds.

This item is before the City Council to consider proposed adjustments to the FY 2020/21 Adopted General Fund Budget.

DISCUSSION:

Revenues

General Fund revenues are projected to decrease for FY 2020/21 by \$539,900, or 2.7%, from \$19,827,600 to \$19,287,700.

FY 2020/21 Adopted City-wide revenues, with proposed amendments, are shown in the Revenues by Major Categories and Sources schedule in Attachment 1.

At the April 8, 2020 and May 6, 2020 Council meetings, adjustments were provided that would decrease General Fund revenues by \$526,900 as a result of the impacts of COVID-19 on the economy. Staff has conducted an overall analysis of General Fund revenues

CITY COUNCIL ACTION:

and is recommending \$13,000 in further revenue reductions for a total reduction in General Fund revenue of \$539,900 as shown in lower half of the following table:

	FY 2020/21			
	ADOPTED	ADJUSTMENTS	AMENDED	% change
Sales and Use Tax	\$ 3,308,700	\$ 184,300	\$ 3,493,000	5.6%
Transient Occupancy Tax - Hotels	1,000,000	(266,200)	733,800	-26.6%
TOT - Short-term Vacation Rentals	420,000	(149,400)	270,600	-35.6%
Business Registration	148,700	(30,000)	118,700	-20.2%
Building/Plumbing/Electrical/ Permits	252,100	(72,000)	180,100	-28.6%
Other Special Permits	27,000	(2,000)	25,000	-7.4%
Planning and Zoning	189,100	(47,300)	141,800	-25.0%
Building/Plan Check Fees	226,900	(56,700)	170,200	-25.0%
Public Facilities Fees	55,000	(13,800)	41,200	-25.1%
Engineering Fees	215,300	(53,800)	161,500	-25.0%
Fire Plan Check Fees	79,800	(20,000)	59,800	-25.1%
Revenue Adjustments: COVID-19	<u>\$ 5,922,600</u>	<u>\$ (526,900)</u>	<u>\$ 5,395,700</u>	
Parking Citations	136,000	(72,000)	64,000	-52.9%
Motor Vehicle in-Lieu	1,784,100	25,400	1,809,500	1.4%
Miscellaneous Revenues	108,500	27,300	135,800	25.2%
Administration Charges	471,000	6,300	477,300	1.3%
Additional Revenue Adjustments	<u>\$ 2,499,600</u>	<u>\$ (13,000)</u>	<u>\$ 2,486,600</u>	
Other General Fund Revenues	<u>\$ 11,405,400</u>	<u>\$ -</u>	<u>\$ 11,405,400</u>	0.0%
TOTAL REVENUE ADJUSTMENT	<u>\$ 19,827,600</u>	<u>\$ (539,900)</u>	<u>\$ 19,287,700</u>	-2.7%

Parking Citation revenue has been steadily dropping since FY 2018/19 and now the impact of COVID-19 has further added to the decline in revenue. Staff is recommending a reduction in Parking Citation revenue of \$72,000, or by 52.9%, from \$136,000 to \$64,000.

Motor Vehicle in-Lieu revenue is tied to increases in property taxes and the FY 2020/21 budgeted amount included an increase to match the FY 2020/21 Adopted Budget's increase in property taxes. Actual Motor Vehicle in-Lieu revenue received for FY 2019/20 was slightly higher than budgeted and Staff is recommending a \$25,400, or 1.4%, increase from \$1,784,100 to \$1,809,500 to match the overall expected property tax increase.

Miscellaneous Revenue was adjusted to reflect the expected increase in reimbursed crossing guard costs from the Solana Beach Elementary School District. The proposed crossing guard contract costs have increased from \$96,000 in FY 2019/20 to \$138,000 in FY 2020/21, or by \$42,000. The Solana Beach Elementary School District reimburses 65% of this cost to the City which will result in an additional \$27,300 in Miscellaneous Revenue being received by the City. The crossing guard professional services contract is reported in the Traffic Safety budget unit in the General Fund.

Administrative Costs also increased by \$6,300 to reflect a 2.5% increase in certain non-General Fund funds administrative costs to reflect the 2.5% increase in the City's Schedule of Fees that was effective January 1, 2020.

Property Tax revenues, the City's largest revenue source at 43% of total General Fund revenue, is budgeted for a total of \$8,586,500 in FY 2020/21, which is a \$329,300, or 4.0%, increase over the FY 2019/20 adopted budget amount of \$8,257,200. Projected revenues for FY 2019/20 are expected to be close to the adopted budget amount. Assessed valuations per the County of San Diego are expected to increase by 4.86% in FY 2020/21 as compared to FY 2019/20, with some delinquencies in property tax payments anticipated for next fiscal year, Staff is recommending that no adjustment in the property tax revenue budget for FY 2020/21.

Expenditures

Staff has been working with each department to review their General Fund operating budgets. General Fund expenditures are projected to decrease from the FY 2020/21 Adopted Budget amount of \$19,602,500 by \$43,100, or -0.22%, to \$19,559,400.

FY 2020/21 Adopted City-wide expenditures, with proposed amendments, are shown in the General Fund Expenditures schedule in Attachment 2.

Salaries and Benefits

Personnel costs are expected to increase by \$53,900 from \$8,830,800 in the FY 2020/21 Adopted Budget to \$8,884,700 as shown in the following table:

Reduction by 2%	
Miscellaneous	\$ (24,400)
Marine Safety	(6,200)
Unrepresented	(36,100)
Total 2% savings (GF only)	<u>\$ (66,700)</u>
City Clerk - coverage for employees on leave	71,500
Promotion-Battalian Chief to Deputy Fire Chief	12,100
AAIII - Community Development	(83,800)
Permit Technician - Building	83,800
Marine Safety - Adjustment for Jr. Guard	
2020 Summer Program cancellation	76,500
Public Works Manager-1/2 year vacancy	(35,800)
CalPERS Rate Increases	
Employer Rate Increases	9,400
UAL Increases	6,400
Other Miscellaneous Adjustments	(19,500)
Total General Fund Salary/Benefit Adjustments	<u><u>\$ 53,900</u></u>

For budgeting purposes, the FY 2020/21 Adopted Budget projected and included a 2% increase in salary and no increase in flex benefits for represented employees in the Solana Beach Miscellaneous Unit (SBEA-MISC) and the Marine Safety Unit (SBEA-MSU) and all unrepresented employees. Due to the economic impact of the COVID-19 pandemic, the members of SBEA-MISC and SBEA-MSU voluntarily proposed and offered not to negotiate salary or flex benefits (health care) increases and to instead extend the terms of their respective Memorandum of Understandings (MOUs) for an additional year, until June 30, 2021. This resulted in General Fund salary and benefit cost savings for FY 2020/21 for SBEA-MISC of \$24,400 and for SBEA-MSU of \$6,200. Unrepresented employees will also keep their current salary and benefits for FY 2020/21 at the same level as in FY 2019/20 resulting in General Fund salary and benefit cost savings for FY 2020/21 of \$36,100 for unrepresented employees.

The Solana Beach Firefighters' Association (SBFA) is currently in a four (4) year agreement with the City from July 1, 2018 to June 30, 2022. For FY 2020/21, the SBFA is scheduled to receive a 2% salary increase as well as a 5% increase to their flex credit and these increases totaling \$55,200 are included in the FY 2020/21 Adopted Budget. Due to the COVID-19 pandemic, the City is currently meeting and conferring with members of the SBFA team to discuss options to reduce the financial impact of these scheduled increases on the City's budget.

The City Clerk's department currently has two employees on leave and the positions are being backfilled by two part-time temporary employees for a cost of \$71,500.

The Community Development department's Administrative Assistant III (AIII) position is currently vacant. Staff is proposing to leave the position vacant and hire a Permit Technician that will fulfill some of the AIII responsibilities and provide services that are currently being provided by EsGil, the City's third-party contractor for building services. The AIII and Permit Technician positions are paid at the same salary and benefit rates. EsGil has agreed to amend the City's contract to reduce its current 75% of building permit and plan check fees that are paid to EsGil to 70% beginning July 1, 2020 and once the Permit Technician is hired, to 55% of the fees collected. This savings in professional services paid to EsGil will help pay for the salary and benefits costs of the Permit Technician and provide more flexibility to the Community Development and Building departments.

A portion of Marine Safety regular staff are paid by the Junior Lifeguard Camp fund. Since the Junior Lifeguard program was cancelled for the summer of 2020, an adjustment was made for the first six months of the fiscal year to move the portion of Marine Safety staff being charged to Junior Lifeguards to the General Fund which results in an additional \$76,500 cost.

Material, Supplies, and Services:

Departments were asked to evaluate their FY 2020/21 Adopted Budget amounts for materials, supplies and services and to recommend reductions or justify any requested increases.

Materials, supplies and services costs are expected to increase by \$89,900 from \$8,759,600 in the FY 2020/21 Adopted Budget to \$8,849,500 as shown in Attachment 2.

The City Clerk has received a cost estimate for the November general election of \$125,000 from the County of San Diego Registrar's office resulting in an increase of \$100,000 in the Elections expenditure category.

The City anticipates upgrading its internet connections at City Hall in FY 2020/21 resulting in an increased cost to the Communications expenditure category in the Information Systems budget unit of \$12,000.

The Maintenance of Buildings and Grounds expenditure accounts increased a total of \$48,900 for increases in a new janitorial contract beginning January 1, 2020 and in the landscape contract with Nissho for additional required services.

Professional Services decreased a net \$118,000 primarily due to reduced payments to EsGil because of anticipated reductions in development related revenues and in the amended 55% rate paid to EsGil for building permit and plan check fees collected by the City. EsGil contracted services are budgeted at the 55% rate since the Permit Technician is budgeted on a full-time basis in the proposed amendments. The 70% rate for EsGil would be paid until the Permit Technician is hired. An internal budget transfer would be made moving monies from the Permit Technician position to Professional Services to cover the 70% rate until the position is hired when the EsGil rate would be reduced to 55%.

The Maintenance and Operation of Equipment expenditure account is increased by \$84,900 to account for the payment to Tyler Technologies for the Tyler Munis financial and human resources software program maintenance costs.

Capital, Debt Services, and Other Charges

It is a financial policy of the City to maintain a minimum \$500,000 reserve in each of the insurance related internal service funds – Self Insurance and Workers Compensation. Due to lower than expected costs over the past two fiscal years, the administrative allocation to the insurance internal service funds were adjusted in FY 2020/21 Adopted Budget. This resulted in savings of \$166,500 in Claim Liability Charges that are received by the Self-Insurance Fund and an increase of \$98,100 in Worker Compensation Charges that are received by the Worker Compensation Fund for a net total savings of \$68,400 as compared to the Adopted Budget.

An additional asset allocation amount of \$27,000 was added to the Finance department's budget to pay for the internal borrowing by the Finance department's asset replacement balance from public safety asset replacement balances to pay for the Tyler Munis software program.

In an effort to reduce overall General Fund expenditures, Staff is recommending suspending on a one-time basis the \$150,000 payment to the Facilities Replacement internal service fund for FY 2020/21.

Transfers In/Transfers Out

The City has been approved for a SB 2 grant from the California Department of Housing and Community Development (HCD) in the amount of \$160,000 of which \$80,000 is for the Housing and Safety Element Update (Update) that was paid by the City CIP fund. Since the General Fund transferred monies to the City CIP fund to pay for Update, the \$80,000 in HCD grant funding will be recorded in the City CIP fund and that amount will be transferred back to the General Fund.

General Fund Summary

Proposed amendments to the FY 2020/21 Adopted General Fund Budget, not including internal service funds, are summarized in the table on the following page with a comparison to the FY 2020/21 Adopted General Fund Budget:

**General Fund Summary *
 Amended Budget Proposal
 FY2020/21**

	FY2021		
	Adopted	Adjustments	Amended
Revenues	\$ 19,827,600	(539,900)	\$ 19,287,700
Salaries & Benefits	8,830,800	53,900	8,884,700
Materials, Supplies, Services	8,759,600	89,900	8,849,500
Internal Service	2,012,100	(186,900)	1,825,200
Total Expenditures	19,602,500	(43,100)	19,559,400
Revenues Over/(Under) Expend	225,100	(496,800)	\$ (271,700)
Transfer In			
City CIP	-	80,000	80,000
Transfers Out			
Debt Service	(151,100)	-	(151,100)
Net Transfers	(151,100)	80,000	(71,100)
Net Projected Surplus (Deficit)	\$ 74,000	\$ (416,800)	\$ (342,800)

* Does not include internal service funds (Risk Management, Workers Compensation, Asset Replacement, Facilities Replacement funds, Real Property Acquisition, Other Post Employment Benefits (OPEB), and Pension Stabilization funds)

As shown above, prior to the onset of the COVID-19 outbreak, the FY 2020/21 General Fund surplus was anticipated to be \$74,000. Our current analysis shows the impact will reduce this surplus by a net \$416,800 to a \$342,800 projected deficit.

Staff is continuing to evaluate department budgets to determine if additional savings can be found and looking for direction from Council regarding the proposed amended FY 2020/21 Adopted Budget as presented above.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA

FISCAL IMPACT:

The fiscal impacts have been detailed in the Discussion section of this Staff Report.

WORK PLAN:

Fiscal Sustainability

OPTIONS:


- Provide direction to Staff
- Request modification to the proposed budget amendments and/or request additional information from Staff.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council review the proposed amendments to the FY 2020/21 Adopted General Fund Budget and provide Staff with direction to amend the budget for adoption on July 8, 2020.

CITY MANAGER'S RECOMMENDATION:

Approve department recommendation.



Gregory Wade, City Manager

Attachments:

1. General Fund Revenues
2. General Fund Expenditures

REVENUES BY MAJOR CATEGORIES AND SOURCES

	2020-2021 ADOPTED	2020-2021 ADJUSTMNTS	2020-2021 AMENDED
Tax Revenues			
Property Taxes - Current	8,561,500		8,561,500
Property Taxes - Delinquent	25,000		25,000
Total Property Taxes	8,586,500	-	8,586,500
Sales and Use Tax	3,308,700	184,300	3,493,000
Transient Occupancy Tax - Hotels	1,000,000	(266,200)	733,800
TOT - Short-term Vacation Rentals	420,000	(149,400)	270,600
Franchise Fees	818,800		818,800
Property Transfer Tax	180,000		180,000
Street Sweeping	51,100		51,100
Hazardous Household Waste	30,300		30,300
Fire Benefit Fees	440,000		440,000
Solid Waste Fee NPDES	262,000		262,000
RDA Pass Thru Payments	208,000		208,000
Total Taxes and Fees Revenues	15,305,400	(231,300)	15,074,100
Licenses and Permits			
Business Registration	148,700	(30,000)	118,700
Building/Plumbing/Electrical/ Permits	252,100	(72,000)	180,100
Other Special Permits	27,000	(2,000)	25,000
Total Licenses and Permits	427,800	(104,000)	323,800
Fines and Penalties			
CVC Fines	135,000		135,000
Admin Citations	4,000		4,000
Parking Citations	136,000	(72,000)	64,000
Red Light Citations	190,000		190,000
False Alarm Fines	3,000		3,000
Total Fines and Penalties	468,000	(72,000)	396,000
Use of Money and Property			
Investment Interest Earnings	105,000		105,000
Property Rental	90,000		90,000
Total Use of Money and Property	195,000	-	195,000
Intergovernmental Revenues			
Motor Vehicle in-Lieu	1,784,100	25,400	1,809,500
State Homeowners Exemption (HOE)	51,000		51,000
Off Track Betting (OTB)	25,000		25,000
Fire Revenue from Other Agencies	189,700		189,700
Miscellaneous	21,000		21,000
Total Intergovernmental Revenues	2,070,800	25,400	2,096,200
Service Charges			
Planning and Zoning	189,100	(47,300)	141,800
Building/Plan Check Fees	226,900	(56,700)	170,200
Public Facilities Fees	55,000	(13,800)	41,200
Engineering Fees	215,300	(53,800)	161,500
Fire Plan Check Fees	79,800	(20,000)	59,800
Total Service Charges	766,100	(191,600)	574,500
Other Revenues			
Community Grants/Contributions	15,000		15,000
Miscellaneous Revenues	108,500	27,300	135,800
Administration Charges	471,000	6,300	477,300
Total Other Revenues	594,500	33,600	628,100
Subtotal General Fund	19,827,600	(539,900)	19,287,700

CITY OF SOLANA BEACH
FISCAL YEAR 2020-21 BUDGET

DEPARTMENT		BUDGET UNIT		
General Fund		All		
OBJECT CODE	EXPENSE CLASSIFICATION	2020-2021 ADOPTED	2020-2021 ADJUSTMENTS	2020-2021 AMENDED
SALARIES & FRINGE BENEFITS				
6101	Regular Salaries	4,890,900	(52,200)	4,838,700
6102	Part Time & Temporary Salaries	461,700	56,100	517,800
6103	Overtime	530,500	-	530,500
6104	Special Pay	119,500	(3,700)	115,800
6205	Retirement	676,400	10,400	686,800
6207	Retirement-UAL	959,300	13,900	973,200
6210	Medicare	87,000	100	87,100
6211	Social Security	16,200	-	16,200
6220	Flex Credit Benefit	938,800	27,400	966,200
6244	LT Disability Insurance	15,700	-	15,700
6245	Life Insurance	16,600	300	16,900
6255	Deferred Compensation	10,600	1,200	11,800
6248	RHSA % Benefit	39,900	300	40,200
6260	Unemployment Insurance	20,000	-	20,000
6280	Auto Allowance	37,200	100	37,300
6285	Uniform Allowance	2,500	-	2,500
6295	Rideshare	8,000	-	8,000
TOTAL		8,830,800	53,900	8,884,700
MATERIALS, SUPPLIES & SERV.				
6315	Travel, Conferences & Meetings	41,000	(9,000)	32,000
6320	Training	35,000	(2,000)	33,000
6330	Membership and Dues	111,400	1,500	112,900
6340	Clothing and Personal Expenses	43,700	(400)	43,300
6341	Tuition Reimbursement	10,000	-	10,000
6350	Pre-Employment	8,500	-	8,500
6351	Recruitments	17,900	(200)	17,700
6413	Fire Prevention Program	4,100	1,200	5,300
6415	Elections	25,000	100,000	125,000
6416	Office Supplies	8,000	(400)	7,600
6417	Postage	9,000	(1,100)	7,900
6418	Books, Subscriptions & Printing	29,800	(1,100)	28,700
6419	Minor Equipment	45,300	2,200	47,500
6420	Departmental Special Supplies	101,400	4,700	106,100
6421	Small Tools	1,700	-	1,700
6427	Vehicle Operating Supplies	48,400	1,800	50,200
6428	Vehicle Maintenance	91,900	(800)	91,100
6522	Advertising	13,400	200	13,600
6523	Communications	84,300	14,600	98,900
6524	Utilities - Electric	141,100	(300)	140,800
6525	Rents and Leases	22,300	5,100	27,400
6526	Maint. of Buildings & Grounds	326,800	48,900	375,700
6527	Utilities - Water	72,400	(7,100)	65,300
6529	Mileage	4,000	(1,100)	2,900
6530	Professional Services	6,927,000	(118,600)	6,808,400
6531	Maint. & Operation of Equipment	133,900	84,900	218,800
6532	Contribution to Other Agencies	85,700	-	85,700
6535	Community Television Production	52,200	(2,000)	50,200
6538	Special Events	23,400	(1,500)	21,900
6539	Contingency	37,500	-	37,500
6570	Other Charges	199,000	(29,600)	169,400
6575	Public Arts Expenditures	4,500	-	4,500
TOTAL		8,759,600	89,900	8,849,500
CAPITAL, DEBT SVC & CHRGS				
6910	Claims Liability Charges	278,000	(166,500)	111,500
6920	Worker's Comp Charges	410,200	98,100	508,300
6930	Asset Replacement Charges	397,100	27,000	424,100
6935	Facilities Replacement Charges	150,000	(150,000)	-
6938	700 Stevens	445,700	-	445,700
6960	PARS OPEB Charges	331,100	4,500	335,600
TOTAL		2,012,100	(186,900)	1,825,200
ACTIVITY TOTALS		19,602,500	(43,100)	19,559,400