

Special Meeting Agenda

Visalia City Council



Mayor: Bob Link
Vice Mayor: Amy Shuklian
Council Member: Warren Gubler
Council Member: Mike Lane
Council Member: Steve Nelsen

Monday, January 11, 2010

Visalia Convention Center, 303 E. Acequia, Visalia CA 93291
Special Recognitions 5:00 p.m. and Closed Session immediately following
Regular Session 7:00 p.m.

5:00 P.M. SPECIAL RECOGNITIONS

Visalia Police Department - presented by Chief Mestas

- Officer of the Year - Detective Curtis Brown
- Reserve Officer of the Year - Jim Jolly
- Communications Operator of the Year - Stacy Handley
- Civilian Employee of the Year - Carina Mello

Visalia Fire Department - presented by Chief Nelson

- Fire Fighter of the Year - Captain Teresa Lovero
- Fire Fighter of the Year - Engineer Paramedic Tony Colbert
- Fire Fighter of the Year - Fire Fighter Paramedic Nick Branch

ITEMS OF INTEREST

ADJOURN TO CLOSED SESSION

1. Conference with Legal Counsel - Existing Litigation (Subdivision (a) of G.C. Section 54956.9)
 - a) City of Visalia Retirees v. City of Visalia TCSC #09-232173
 - b) Chavez v. City of Visalia TCSC #09-231177
2. Conference with Real Property Negotiators (G.C. Section 54956.8)
Property: 300 E. Oak St.,
Under Negotiation: Potential acquisition
Negotiating Parties for City: Steve Salomon, Mike Olmos, Ricardo Noguera
Negotiating Parties for Landowner: Scott Ellis, Realtor
3. Conference with Legal Counsel - Anticipated Litigation
Significant exposure to litigation pursuant to subdivision (b) of G.C. Section 54956.9: two potential cases.

7:00 P.M. CALL TO ORDER REGULAR SESSION

PLEDGE OF ALLEGIANCE

INVOCATION – Chaplain Kent Mishler, Kaweah Delta Hospital Care District

PUBLIC COMMENTS - *This is the time for citizens to comment on subject matters that are not on the agenda that are within the jurisdiction of the Visalia City Council.*

This is also the time for citizens to comment on items listed on the Consent Calendar or to request an item from the Consent Calendar be pulled for discussion purposes. Comments related to Regular or Public Hearing Items that are listed on this agenda will be heard at the time that item is discussed or at the time the Public Hearing is opened for comment.

In fairness to all who wish to speak tonight, each speaker from the public will be allowed three minutes (timing lights mounted on the lectern will notify you with a flashing red light when your time has expired). Please begin your comments by stating and spelling your name and providing your street name and city.



4. CONSENT CALENDAR - *Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made and then the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.*

- a) Authorization to read ordinances by title only.
- b) Authorize the City Manager to enter into a contract for professional services for labor relations, negotiations and/or other mediation services with Liebert Cassidy Whitmore, a Professional Law Corporation, for an amount not to exceed \$60,000.
- c) Authorization to file a Notice of Completion for River Run Ranch, Phase No. 2, a subdivision (containing 35 single family lots), located on the East side of McAuliff Street between St. Johns River and Houston Avenue.
- d) Approve extension of a lease agreement with the California Department of Forestry and Fire Protection, and the California Department of General Services, for space located at 1968 S. Lovers Lane.
- e) Reappointment of Ben Arellano to the Visalia Environmental Committee.
- f) Designate Visalia as a Federal Recovery Zone pursuant to the American Recovery and Reinvestment Act of 2009 for the purpose of pursuing Recovery Zone Bonds. **Resolution 2010-01 required.**
- g) Authorize the City Manager to approve a reimbursement request in the amount of \$643,726 (of which \$162,246 is due in a cash payment) per the "Riverwood Unit #2" Subdivision Reimbursement Agreement for improvements made to arterial streets (Mineral King Avenue and McAuliff St.).
- h) Authorize staff to use Neighborhood Stabilization Program (NSP) Funds to acquire and rehabilitate a foreclosed multi-family complex and contract with a non-profit agency to manage the property.

- i) Establish and/or recertify existing prima facie speed zones at the following locations:
- Riggins Avenue from Demaree Street to Dinuba Highway
 - Pinkham Street from Caldwell Avenue to Noble Avenue
 - County Center Drive from Houston Avenue to Shannon Parkway
 - Demaree Street from Goshen Avenue to Pratt Avenue
 - Roeben Street from Buena Vista Avenue to Riggins Avenue.

Resolution 2010-02 required.

REGULAR ITEMS AND PUBLIC HEARINGS - *Comments related to Regular Items and Public Hearing Items are limited to three minutes per speaker, for a maximum of 30 minutes per item, unless otherwise extended by the Mayor.*

5. Consider and adopt Retiree Health Care premiums for 2010.
6. **PUBLIC HEARING** –Appeal of the Planning Commission’s denial of Variance No. 2009-10 by Ad Art Sign Company and Visalia Properties to erect a 35-foot high/72 square foot double face freestanding sign for the Orchard Supply Hardware store located in the C-R (Regional Retail Commercial) Zone. The site is located at 2230 West Walnut Avenue. (APN: 095-134-045 & 046). **Resolution No. 2010-03 required.** *Postponed from October 19, 2009 and November 16, 2009 at request of applicant.*

CLOSED SESSION REPORT (if any)

ADJOURN MEETING

Upcoming Council Meetings *(Meeting dates/times are subject to change, check posted agenda for correct details)*

- Tuesday, January 19, 2010, 4:00 p.m. Work Session; Regular Session 7:00 p.m., Council Chambers 707 W. Acequia
- Monday, January 25, 2010, 6:00 p.m. Jt. Meeting with Kaweah Delta Health Care District, 400 W. Mineral King, Blue Room Conference Room
- Monday, February 1, 2010, 4:00 p.m. Work Session; Regular Session 7:00 p.m., Council Chambers 707 W. Acequia
- Fri/Sat, February 5-6, 2010, Council Strategic Planning Workshop, Fri. Noon-8 pm; Sat 8-5 pm; Convention Center 303 E. Acequia

In compliance with the American Disabilities Act, if you need special assistance to participate in meetings call (559) 713-4512 48-hours in advance of the meeting. For Hearing-Impaired - Call (559) 713-4900 (TDD) 48-hours in advance of the scheduled meeting time to request signing services.

Written materials relating to any items on this agenda, submitted to the Council after distribution of the agenda packet, are available for public inspection at the meeting and in the City Clerk’s Office, 425 E. Oak Street, Visalia, CA 93291, during normal business hours.

The City’s newsletter, Inside City Hall, is published after all regular City Council meetings. To self-subscribe, go to http://www.ci.visalia.ca.us/about/inside_city_hall_newsletter.asp. For more information, contact Community Relations Manager Nancy Loliva at nloliva@ci.visalia.ca.us.

A quote from
Visalia’s history:

“We are pleased to note that the large hole at the corner of Court and Acequia streets has been filled up. Many a nocturnal pedestrian has waltzed around on his ear and cussed after unwarily plunging up to the knees in its slush and water. It had been there so long that it had become to be regarded as an institution of Visalia.” Visalia Weekly Delta, November 28, 1879

City of Visalia Agenda Item Transmittal

Meeting Date: January 11, 2010

Agenda Item Number (Assigned by City Clerk): 4b

Agenda Item Wording: Authorization for the City Manager to enter into a contract for professional services for labor relations, negotiations and/or other mediation services with Liebert Cassidy Whitmore, a Professional Law Corporation, for an amount not to exceed \$60,000.

Deadline for Action: January 11, 2010

Submitting Department: Administrative Services

Contact Name and Phone Number: Janice Avila, Human Resources Manager, x4417; Eric Frost, Administrative Services Director x4474

Department Recommendation: Staff recommends entering into a professional services agreement with the firm of Liebert Cassidy Whitmore to perform various services for the City relating to labor relations, negotiations, and/or mediation activities, in an amount not to exceed \$60,000. These services include, but are not limited to, the following areas:

- Advice and consultation for labor relations
- Negotiations with bargaining units
- Mediation and fact finding activities
- Other such advice, opinion, or assistance requested by the City through the City Manager or his designee

Summary/background: The Memoranda of Understanding for all five employee bargaining units expire June 30, 2010. Due to budget constraints, it is critical to have well qualified and experienced labor negotiators on the City's team.

At the direction of Council, City staff interviewed four firms. These firms were selected because they had offices in the Central Valley, which would contain costs related to travel expenses and maximize time availability of staff. Prior public sector collective bargaining experience as well as client recommendations were strong considerations.

The collective recommendation of the interview panel is the firm of Liebert Cassidy Whitmore in Fresno. This recommendation is based on the following considerations:

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

- The firm's extensive experience in Public Sector labor relations and human resources.
- Expertise within the firm, as well as perception of how they would be received by the bargaining units, management, and Council.
- An added bonus is that the firm will be committing the services of two of its staff attorneys, one of whom is the managing partner. This team approach would ensure ample time allotted to each bargaining unit.
- In addition, the firm has recognized labor relations and employment law professionals in their San Francisco and Los Angeles offices that can be tapped for advice and consult during our negotiations process.

Staff developed a cost comparison based on a rough estimate of the time required (222 hours) and expenses. The estimate is based upon time spent in previous negotiations. These are best guess estimates assuming that the process will move smoothly and concluded in a timely manner.

Atkinson, Andelson, Loya, Ruud & Romo	\$56,330
Liebert Cassidy Whitmore	\$49,852
Lozano-Smith	\$45,850
Ken Caves and Associates	\$42,480

Although Liebert Cassidy Whitmore is not the low cost provider, their fee is similar to other firms and staff believes they provide good value for their fee. Staff requests that the contract be set at an amount not to exceed \$60,000 without express Council authority.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives:

Attachments: Professional Services Agreement

Recommended Motion (and Alternative Motions if expected): I move the City Council authorize the City Manager to enter into a contract with Liebert Cassidy Whitmore to perform various labor relations, negotiations and/or mediation services for the City beginning January 11, 2010 and contract not to exceed \$60,000.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

PROFESSIONAL SERVICES AGREEMENT

LABOR RELATIONS, NEGOTIATIONS AND/OR OTHER MEDIATION SERVICES

This Agreement, entered into this 11th day of January, 2010, by and between the City of Visalia, hereinafter referred to as the "CITY", and Liebert Cassidy Whitmore, a Professional Law Corporation, hereinafter referred to as the "CONSULTANT".

WITNESSETH

WHEREAS, the CITY is authorized and empowered to employ consultants and specialists in the performance of its duties and functions; and

WHEREAS, the CITY has the desire to secure certain technical and professional services to assist in the preparation and completion of the items of work described as "Scope of Work" in Exhibit "A", and hereinafter referred to as the "PROJECT"; and

WHEREAS, the CONSULTANT represents it is licensed, qualified and willing to provide such services pursuant to terms and conditions of this Agreement.

NOW, THEREFORE, CITY and CONSULTANT agree as follows:

I. SERVICES TO BE PERFORMED BY THE CONSULTANT

- A. Authorized Scope of Work: The CONSULTANT agrees to perform all work necessary to complete in a manner satisfactory to the CITY those services outlined in Exhibit "A – Scope of Work and under the direction of the Administrative Services Director or his/her designee.
- B. Additional Services: Related incidental work not provided for in Exhibit "A" may be needed during the performance of this Agreement. The CONSULTANT agrees to provide any and all additional services at the rates outlined in this agreement. Such additional services shall not be performed by CONSULTANT without the written consent of CITY.

II. TIME OF PERFORMANCE

The CONSULTANT shall commence performance of this Agreement on January 11, 2010 and shall complete the work within the timeframes outlined in Exhibit "A", unless otherwise extended in writing by CITY, in its sole discretion.

If the CONSULTANT fails to complete the PROJECT within the time specified, plus any extensions of time which may be granted, the CITY shall determine the percent of each work item completed and shall pay the CONSULTANT on that basis.

CONSULTANT shall not be responsible for delays which are due to causes beyond the CONSULTANT's reasonable control. In the case of any such delay, the time of completion shall be extended accordingly in writing signed by both parties.

III. COMPENSATION

- A. Compensation: For PROJECT performed pursuant to this Agreement, the CITY agrees to pay and the CONSULTANT agrees to accept, as payment in full, a sum not to exceed two-hundred thirty dollars (\$230) per hour for services rendered by a partner and a sum not to exceed one-hundred seventy dollars (\$170) per hour for services rendered by an associate. The CITY shall pay and reimburse CONSULTANT reasonable and necessary expenses incurred in the course of performing such PROJECT, including, but not limited to, travel and facsimile expenses. All such expenses shall be billed at cost to CITY. The total compensation allowed under this agreement will not exceed \$60,000 including expenses.
- B. Payment of Compensation: The CONSULTANT shall be paid no later than thirty (30) days following submission of a written, verified billing to the CITY. The CONSULTANT shall submit to CITY's Administrative Services Director, a monthly statement of charges for all time spent on PROJECT pursuant to this Agreement, including all receipts for all pre-approved expenses incurred by CONSULTANT for the month preceding each such statement.

IV. AUTHORIZED REPRESENTATIVE

- A. CITY: The Administrative Services Director shall represent the CITY in all matters pertaining to the PROJECT to be rendered under this Agreement, except where approval of the City Council of the City of Visalia is specifically required.
- B. CONSULTANT: Managing Partner Shelline Bennett shall represent and act as principle for CONSULTANT in all matters pertaining to the PROJECT to be rendered by it under this Agreement.

V. TERM

The term of this Agreement shall commence on January 11, 2010, and continue in full force until completion of the project, or unless terminated per the provisions outlined in section VI – Termination.

VI. TERMINATION

The right to terminate this Agreement, with or without cause, may be exercised without prejudice to any other right or remedy to which the terminating party may be entitled at law or under this Agreement.

- A. Termination by Either Party Without Cause: The CITY or CONSULTANT may terminate this Agreement at any time by giving written notice to the other of such termination and specifying the effective date thereof, at least fifteen (15) days before the effective date of such termination.
- B. Termination of Agreement for Cause: The CITY may by written notice to the CONSULTANT specifying the effective date thereof, at least fifteen (15) days before the effective date of such termination, terminate the whole or any part of this Agreement in any of the following circumstances:
 - 1. If the CONSULTANT fails to perform the PROJECT called for by this Agreement within time(s) specified herein or any extension thereof; or
 - 2. If the CONSULTANT fails to make progress under this Agreement as to endanger performance of this Agreement in accordance with its terms, and does not correct such failure within a period of ten (10) days (or longer period as the CITY may authorize in writing) after receipt of notice from the CITY specifying such failure.
- C. Post-Termination:
 - 1. In the event the CITY terminates this Agreement with or without cause, the CITY may procure, upon such terms and such manner as it may determine appropriate, PROJECT similar to those terminated.
 - 2. Except with respect to defaults of subconsultants, the CONSULTANT shall not be liable for any excess costs if the failure to perform this Agreement arises out of causes beyond the control and without the fault or negligence of the CONSULTANT. Such causes include, but are not limited to, acts of God or of the public enemy, floods, epidemics, quarantine restrictions, strikes, and

unusually severe weather; but in the event the failure to perform is caused by the default of a subconsultant, the CONSULTANT shall not be liable for failure to perform, unless the PROJECT to be furnished by the subconsultant were obtainable from other sources in sufficient time and within budgeted resources to permit the CONSULTANT to meet the required delivery schedule or other performance requirements.

3. Should the Agreement be terminated with or without cause, the CONSULTANT shall provide the CITY with all finished and unfinished documents, data, studies, PROJECT, drawings, maps, models, photographs, reports, etc., prepared by the CONSULTANT pursuant to this Agreement.
4. Upon termination, with or without cause, CONSULTANT will be compensated for the PROJECT satisfactorily completed to the date of termination according to compensation provisions contained herein. In no event, shall the total compensation paid CONSULTANT exceed the total compensation agreed to herein.
5. If, after notice of termination of this Agreement, as provided for in this article, it is determined for any reason that the CONSULTANT was not in default under the provisions of this article, then the rights and obligations of the parties shall be the same as if the Agreement was terminated without cause.
6. Termination of this Agreement shall not terminate any obligation to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination activities.

VI. INTEREST OF OFFICIALS AND THE CONSULTANT

- A. No officer, member, or employee of the CITY who exercises any functions or responsibilities in the review or approval of this Agreement shall:
 1. Participate in any decision relating to this Agreement which effects his/her personal interest or the interest of any corporation, partnership, or association in which he has, directly or indirectly, any interest; or
 2. Have any interest, direct or indirect, in this Agreement or the proceeds thereof during his/her tenure or for one year thereafter.
- B. The CONSULTANT hereby covenants that he has, at the time of the execution of this Agreement, no interest, and that he shall not acquire any

interest in the future, direct or indirect, which would conflict in any manner or degree with the performance of PROJECT required to be performed pursuant to this Agreement. The CONSULTANT further covenants that in the performance of this work, no person having any such interest shall be employed.

VII. NO PERSONNEL, AGENCY OR COMMISSION

The CONSULTANT warrants, by execution of this Agreement, that no personnel agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide established commercial or selling agencies maintained by the CONSULTANT for the purpose of securing business. For breach or violation of this warranty, the CITY shall have the right to annul this Agreement without liability or, in its discretion, to deduct from this Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

VIII. SUBCONTRACTING

- A. The CONSULTANT shall not subcontract or otherwise assign any portion of the work to be performed under this Agreement without the prior written approval of the CITY.
- B. In no event shall the CONSULTANT subcontract work in excess of 50% of the contract amount, excluding specialized PROJECT. Specialized PROJECT is those items not ordinarily furnished by a consultant performing the particular type of PROJECT.

IX. INDEPENDENT CONTRACTOR

In the performance of the PROJECT herein provided for, the CONSULTANT shall be, and is, an independent contractor and is not an agent or employee of the CITY. The CONSULTANT has and shall retain the right to exercise full control and supervision of all persons who may be employed by the CONSULTANT in the performance of said PROJECT hereunder. The CONSULTANT shall be solely responsible for all matters relating to the payment of its employees including compliance with social security and income tax withholding and all other regulations governing such matters.

X. SPECIFICATIONS

All specifications, manuals, standards, etc., either attached to this Agreement or incorporated by reference, are binding as to the performance of the work specified in this Agreement unless they are changed by written amendment to this Agreement modified in writing to incorporate such changes.

XI. DOCUMENTS/DATA

- A. Ownership of Documents: All original papers and documents, produced as a result of this Agreement, shall become the property of the CITY. In addition, CITY shall be provided with access and use of any other papers and documents consistent with the purpose and scope of PROJECT covered by this Agreement. Any additional copies, not otherwise provided for herein, shall be the responsibility of the CITY.

Documents, including drawings and specifications, prepared by CONSULTANT pursuant to this Agreement, are not intended or represented to be suitable for reuse by CITY or others on extensions of the PROJECT or on any other PROJECT. Any use of the completed documents for other PROJECT and any use of incomplete documents without the specific written authorization from CONSULTANT will be at CITY's sole risk and without liability to CONSULTANT. Further, any and all liability arising out of changes made to CONSULTANT's deliverables under this Agreement by CITY or persons other than CONSULTANT is waived as against CONSULTANT, and the CITY assumes full responsibility for such changes unless the CITY has given CONSULTANT prior notice and has received from CONSULTANT written consent for such changes.

- B. Publication: No report, information, or other data given or prepared or assembled by the CONSULTANT pursuant to this Agreement, shall be made available to any individual or organization by the CONSULTANT without the prior written approval of the CITY. Notwithstanding the foregoing, however, the CONSULTANT shall not be required to protect or hold in confidence and confidential information which (1) is or becomes available to the public with the prior written consent of the CITY; (2) must be disclosed to comply with law; or (3) must be disclosed in connection with any legal proceedings.
- C. Copyrights: The CONSULTANT shall be free to copyright material developed under this Agreement with the provision that the CITY be given a nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use the material for government or public purposes.

XII. INSURANCE

- A. It is agreed that CONSULTANT shall secure prior to commencing any activities under this Agreement, and maintain during the term of this Agreement, insurance coverage as follows:

- Comprehensive Automobile Liability coverage with a combined single limit of not less than Three Hundred/Five Hundred Thousand Dollars (\$300,000/\$500,000) per occurrence.

CITY'S Risk Manager is hereby authorized to reduce the requirements set forth above in the event he/she determines that such reduction is in the CITY'S best interest.

This insurance policy required by this Agreement shall contain the following clause:

"This insurance shall not be canceled, limited in scope or coverage, or non-renewed until after thirty (30) days prior written notice has been given to the City Clerk, City of Visalia, 707 W. Acequia, Visalia, CA 93291."

In addition, the comprehensive automobile liability policies required by this Agreement shall contain the following clauses:

"It is agreed that any insurance maintained by the City of Visalia shall apply in excess of and not contribute with insurance provided by this policy."

"The City of Visalia, its officers, agents, employees, representatives and volunteers are added as additional insureds as respects operations and activities of, or on behalf of the named insured, performed under contract with the City of Visalia."

- B. Prior to commencing any work under this Agreement, CONSULTANT shall deliver to CITY insurance certificates confirming the existence of the insurance required by this Agreement, and including the applicable clauses referenced above. Within thirty (30) days of the execution date of this Agreement, CONSULTANT shall provide to CITY endorsements to the above-required policies, which add to these policies the applicable clauses referenced above. Said endorsements shall be signed by an authorized representative of the insurance company and shall include the signatory's company affiliation and title. Should it be deemed necessary by CITY, it shall be CONSULTANT's responsibility to see that CITY receives documentation acceptable to CITY which sustains that the individual signing said endorsements is indeed authorized to do so by the insurance company. CITY has the right to demand, and to receive within a reasonable time period, copies of any insurance policies required under this Agreement.

- C. In addition to any other remedies CITY may have if CONSULTANT fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:
1. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; or
 2. Order CONSULTANT to stop work under this Agreement and/or withhold any payment(s) which become due to CONSULTANT hereunder until CONSULTANT demonstrates compliance with the requirements hereof; or
 3. Terminate this Agreement.

Exercise of any of the above remedies, however, is an alternative to other remedies CITY may have and is not the exclusive remedy for CONSULTANT's failure to maintain insurance or secure appropriate endorsements.

Nothing herein contained shall be construed as limiting in any way the extent to which CONSULTANT may be held responsible for payments of damages to persons or property resulting from CONSULTANT's or its subcontractor's performance of the work covered under this Agreement.

XIII. NON-DISCRIMINATION

CONSULTANT and all subcontractors shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, or sex in the performance of this Agreement. The CONSULTANT shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement.

XIV. MISCELLANEOUS PROVISIONS

- A. Successors and Assigns: This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the parties.
- B. Prohibition of Assignment: Neither the CITY nor CONSULTANT shall assign, delegate or transfer their rights and duties in this Agreement without the written consent of the other party.
- C. Dispute/Governing Law: Any dispute not resolvable by informal arbitration between the parties to this Agreement shall be adjudicated in a Court of Law under the laws of the State of California.

- D. Notices: Notice shall be sufficient hereunder if personally served upon the City Clerk of the CITY or an officer or principal of the CONSULTANT, or if sent via the United States Postal PROJECT, postage prepaid, addressed as follows:

CITY OF VISALIA
707 W. Acequia Ave.
Visalia, CA 93291
Attention: City Clerk

CONSULTANT
Liebert Cassidy Whitmore
5701 N West Avenue
Fresno CA 93711

- E. Jurisdiction/Venue/Waiver Of Removal: This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that State. Any action brought to interpret or enforce this Agreement, or any of the terms or conditions hereof, shall be brought in Tulare County, California. The CONSULTANT hereby expressly waives any right to remove any action to a county other than Tulare County as permitted pursuant to Section 394 of the California Code of Civil Procedure.
- F. Integration/Modification: This Agreement and each of the exhibits referenced herein, which are incorporated by reference, represents the entire understanding of the CITY and the CONSULTANT as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by the CITY and the CONSULTANT.
- G. Conflict With Law: If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said law, but the remainder of the Agreement shall be in full force and effect.
- H. Attorney's Fees: In the event either party commences any action, arbitration or legal proceedings for the enforcement of this Agreement, the prevailing party, as determined by the court or arbitrator, shall be entitled to recovery of its attorney's fees and court costs incurred in the action brought thereon.
- I. Construction: This Agreement is the product of negotiation and compromise on the part of each party and the parties agree, notwithstanding Civil Code Section 1654, that in the event of uncertainty the language will not be construed against the party causing the uncertainty to exist.

- J. Authority: Each signatory to this Agreement represents that it is authorized to enter into this Agreement and to bind the party to which its signature represents.
- K. Headings: Section headings are provided for organizational purposes only and do not in any manner affect the scope or intent of the provisions thereunder.

IN WITNESS WHEREOF, this Agreement is executed on this ____ day of January, 2010.

CITY OF VISALIA

CONSULTANT

City Manager

Liebert Cassidy Whitmore

Approved as to Form

City Attorney

Risk Manager

Purchasing Agent

Attachments:

Exhibit "A": Scope of Work

SCOPE OF WORK
Exhibit "A"

Professional Services Agreement
Between the City of Visalia and Liebert Cassidy Whitmore

DUTIES OF CONSULTANT

1. CONSULTANT will provide any and all requested or required services with the labor relations, personnel activities, negotiations, and/or mediation activities of the CITY including, but not limited to:
 - Advise and consultation
 - Grievance handling and processing
 - Negotiations with bargaining units
 - Mediation and fact finding activities
 - Other such advice, opinion or assistance requested by the CITY through the City Manager or his/her designees.
2. CONSULTANT in carrying out the terms and conditions of this agreement is an independent contractor and is not an employee of the CITY.
3. CONSULTANT shall commence performance of this Agreement on January 11, 2010, until completion of the project no later than December 31, 2010 unless otherwise extended in writing by CITY, or unless terminated per the provisions outlined in section VI – Termination.

DUTIES OF CITY

1. CITY shall cooperate with CONSULTANT in the performance of this agreement as follows:
 - a. Providing all information reasonably accessible to the CITY which may be helpful to CONSULTANT in the performance of his services, and
 - b. Providing a management team to assist CONSULTANT during negotiations sessions, and
 - c. Providing clerical and stenographic assistance as CONSULTANT may reasonably require when on site, and
 - d. Providing a suitable location where negotiations sessions and other related sessions may be conducted.

**City of Visalia
Agenda Item Transmittal**

Meeting Date: January 11, 2010

Agenda Item Number (Assigned by City Clerk): 4c

Agenda Item Wording: Request authorization to file a Notice of Completion for River Run Ranch, Phase-2, a subdivision (containing 35 single family lots), located on the east side of McAuliff Street (between St. Johns River and Houston Avenue).

Deadline for Action: None

Submitting Department: Community Development Department/
Engineering Division

Contact Name and Phone Number:
Chris Young, Assistant Community Dev. Director – 713-4392

Department Recommendation:
Staff recommends that Council grants authorization to file a Notice of Completion for the River Run Ranch, Phase-2 subdivision.

Summary/Background:
All of the required improvements for this subdivision have been completed and are ready for acceptance by the City Engineer. The subdivision was developed by Mark Hoffman General Engineering. Mark Hoffman General Engineering has submitted a maintenance bond in the amount of \$8,229.00 as required by the Subdivision Map Act to guarantee the improvements against defects for one year. The completed improvements include landscaping which will be maintained by: (1) the private development, (2) the City through Landscape and Lighting District No. 01-03.

Prior Council/Board Actions: The final map recording and Landscape and Lighting District formation were approved by Council at the meeting on October 28, 2002.

Committee/Commission Review and Actions: The tentative subdivision map for River Run Ranch Phase-2 was approved by Planning Commission on August 27, 2001.

Alternatives: N/A

Attachments: Developer Disclosure Form and location sketch/vicinity map.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 1Min.

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Recommended Motion (and Alternative Motions if expected):

I hereby move to authorize the filing of a Notice of Completion for River Run Ranch, Phase-2 subdivision.

Environmental Assessment Status

CEQA Review: Environmental finding completed for tentative subdivision map.

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

City of Visalia Agenda Item Transmittal

Meeting Date: January 11, 2010

Agenda Item Number (Assigned by City Clerk): 4d

Agenda Item Wording: Approve the extension of the current Lease Agreement with the California Department of Forestry and Fire Protection, and the California Department of General Services (DGS), for space located at 1968 S. Lovers Lane.

Deadline for Action: January 11, 2009

Submitting Department: Fire Department

Contact Name and Phone Number:
Fire Chief Mark R. Nelson – 713-4218

Department Recommendation: The Fire Department recommends that the City Council approve the extension of the current Lease Agreement to November 2018. The new monthly lease amount shall be based on fair market rental rates set by DGS by November 2011. The space is needed to maintain a Fire Station in the southeast portion of our community.

Summary: The City of Visalia currently leases approximately 3,065 sq ft of space at the Cal Fire facility located at 1968 S. Lovers Lane for \$1,600 per month. This space houses Fire Station #56 with Cal Fire. The current lease agreement provides for a 5 year lease, with month to month options after the original 5 years. We are in the third year of the five year lease.

After reviewing the current fire station locations, calls for service and response time data, the Fire Department has determined that there is a significant need for a fire station to be located in the south-west portion of our community. The current "Measure T" spending plan calls for the construction of a permanent south-east fire station in the year 2012. We believe the current trends for fire department emergency response show the need in the south-west portion of the community outweighs the need to build a permanent south-east station by 2012. The response data shows that the current fire station location of Fire Station #56 provides for adequate coverage for the south-east portion of the community and will for many years to come.

With the adequate coverage provided by the current location of Fire Station #56, we believe adding 7 years to the current lease with the State of California, for a total of 12 years, will allow us to focus our efforts and "Measure T" money on improving the service delivery for south-west Visalia.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time
(Min.):_10____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required
or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The Fire Department Staff recommends the following:

Approve the new Lease Agreement with Cal Fire and add seven years to the current lease. This will allow the use of the facility through November 2018.

This gives time for the Council and community to consider options. It is unlikely a permanent fire station in the south-east will be built to the terms of the current lease.

Background: In 2002 the Fire Department made a presentation to the City Council on future fire station locations. During this meeting, the City Council gave direction to maintain the locations of the existing fire stations, and to focus our future efforts on finding locations in the northwest and southeast portions of our community.

In February 2005, the Tulare County Fire Department eliminated the permanent staff at their Fire Station #9, located at Lovers Lane and Walnut. Engine 9 provided coverage to the southeast portion of our community through an Automatic Aid Agreement. When the permanent staff left Station #9, the southeast portion of our community lost an important part of our delivery system. In response to this issue, the City Council authorized the Fire Department to add an additional Engine Company, which is currently housed at Fire Station #56. This Engine Company was established to improve our coverage in the southeast.

In March of 2006, the City Council authorized the Fire Department and City Manager to begin discussions with the California Department of Forestry and Fire Protection (CDF) to lease space at Station #9. The Lease Agreement was approved in November of 2006.

Prior Council/Board Actions:

October 2008 – approval to negotiate an extension of current lease with Cal Fire

November 2006 – council approved the current lease agreement with the State of California

March 2006 – approval to negotiate a lease with Cal Fire.

Committee/Commission Review and Actions:

Alternatives:

1. Re-negotiate the new lease agreement
2. Continue with current lease as written

Attachments:

Attachment A-1 - Revised Lease Agreement

Attachment A-2 - Current Lease Agreement

Attachment B – Measure T Guidelines

Attachment C – Response Maps

Attachment D – Current Site Map of Leased facility

Recommended Motion (and Alternative Motions if expected): I move to approve the extension of the Lease Agreement with Cal Fire and the Department of General Services. The new monthly lease amount shall be based on fair market rental rates set by DGS by November 2011. This space is needed to operate a southeast Fire Station at 1968 S. Lovers Lane.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*



State Lease No. L - 2349

November 17, 2009

Chief Mark Nelson
City of Visalia Fire Department
707 W. Acequia Avenue
Visalia, CA 93291

Re: Lease Amendment
Tulare Unit Headquarters

Dear Chief Nelson:

Enclosed are three originals of the lease amendment for the City of Visalia Fire Department building space at the Tulare Unit Headquarters in Tulare County, California.

Upon review of the enclosed document, if you find it meets with your approval, please:

- 1) Have all three originals signed where indicated on Page 2 of 2; and
- 2) Return all copies to this office for final consideration by the State.

Our file indicates that the required signature authority information and certificate of insurance is needed prior to final execution of the lease amendment. Please submit these documents at your earliest convenience.

After the documents have been fully executed, an original will be sent to your office. Thank you for your assistance. If you have any questions, please do not hesitate to call me at (916) 375-4041.

Sincerely,

Maureen Geeter
Associate Real Estate Officer

Enclosures

Location of Leased Premises TULARE UNIT HEADQUARTERS COUNTY OF TULARE
Agency: Department of Forestry & Fire Protection Real Property No.: 624

BUILDING SPACE LEASE

Amendment No. 1 to Lease L-2349

Lessee: City of Visalia

AMENDMENT NO. 1

This Amendment No. 1 to Lease L-2349, hereinafter referred to as "Amendment," dated September 21, 2009, for reference purposes, is made and entered into by and between the City of Visalia, hereinafter referred to as LESSEE, and the State of California, acting by and through the Director of the Department of General Services (DGS), with the consent of the Department of Forestry and Fire Protection (CAL FIRE), hereinafter collectively referred to as STATE.

RECITALS

WHEREAS, pursuant to Section 14670.12 of the Government Code, the Department, with the consent of the State agency concerned, may lease real property owned by the STATE, not exceeding five (5) acres, for a period not to exceed twenty-five (25) years to governmental entities to further the State's mission for providing emergency services, where the Director deems it is in the best interests of the STATE; and

WHEREAS, STATE has under its jurisdiction certain real property consisting of land and building improvements located at 1968 South Lovers Lane, in the City of Visalia, County of Tulare, California and known as the Tulare Unit Headquarters, hereinafter referred to as "Tulare UH"; and

WHEREAS, the LESSEE desires to extend said Lease from November 30, 2011 to December 31, 2018; and

NOW, THEREFORE, it is mutually agreed by the parties hereto as follows:

WITNESSETH

The following clauses are added to the Lease, all other terms and conditions remain the same.

- Lease Extension:** The original term of the Lease expires November 30, 2011. This Amendment grants a separate additional seven (7) years and one (1) month extension, expiring December 31, 2018, subject to all other terms and conditions contained within the Lease. The extension period shall be initially established at then current market rental rates set by DGS. Absent a rent adjustment notice from DGS, rent shall increase at a rate of 5% per year in the extension period.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK



This Amendment No. 1 contains all the agreements of the parties hereto and supersedes any prior amendment or negotiations. There have been no representations by the STATE or understandings made between the STATE or LESSEE other than those set forth in this Amendment. This Amendment may not be modified except by a written instrument duly executed by the parties hereto.

IN WITNESS WHEREOF, this Amendment to the Lease has been executed by the parties hereto as of the date written below.

STATE OF CALIFORNIA

LESSEE:

DIRECTOR OF DEPARTMENT OF
GENERAL SERVICES

CITY OF VISALIA

By: _____
TONY PSIHOPAIDAS, Manager
State Owned Leasing and Development

By: _____
STEVE SALOMON
City Manager

EXECUTED DATE: _____

Date Signed: _____

CONSENT:

DEPARTMENT OF FORESTRY AND FIRE PROTECTION

By: _____
JEROLD L. PETERSON
Real Property Manager

Date Signed: _____

RECOMMENDED FOR APPROVAL:

DEPARTMENT OF GENERAL SERVICES
Real Estate Services Division

By: _____
MAUREEN GEETER, Associate Real Estate Officer
State Owned Leasing and Development

Date Signed: _____

Location of Leased Premises TULARE UNIT HEADQUARTERS COUNTY OF TULARE
Agency: Department of Forestry & Fire Protection Real Property No.: 624

BUILDING SPACE LEASE

Amendment No. 1 to Lease L-2349

Lessee: City of Visalia

AMENDMENT NO. 1

This Amendment No. 1 to Lease L-2349, hereinafter referred to as "Amendment," dated September 21, 2009, for reference purposes, is made and entered into by and between the City of Visalia, hereinafter referred to as LESSEE, and the State of California, acting by and through the Director of the Department of General Services (DGS), with the consent of the Department of Forestry and Fire Protection (CAL FIRE), hereinafter collectively referred to as STATE.

RECITALS

WHEREAS, pursuant to Section 14670.12 of the Government Code, the Department, with the consent of the State agency concerned, may lease real property owned by the STATE, not exceeding five (5) acres, for a period not to exceed twenty-five (25) years to governmental entities to further the State's mission for providing emergency services, where the Director deems it is in the best interests of the STATE; and

WHEREAS, STATE has under its jurisdiction certain real property consisting of land and building improvements located at 1968 South Lovers Lane, in the City of Visalia, County of Tulare, California and known as the Tulare Unit Headquarters, hereinafter referred to as "Tulare UH"; and

WHEREAS, the LESSEE desires to extend said Lease from November 30, 2011 to December 31, 2018; and

NOW, THEREFORE, it is mutually agreed by the parties hereto as follows:

WITNESSETH

The following clauses are added to the Lease, all other terms and conditions remain the same.

- Lease Extension:** The original term of the Lease expires November 30, 2011. This Amendment grants a separate additional seven (7) years and one (1) month extension, expiring December 31, 2018, subject to all other terms and conditions contained within the Lease. The extension period shall be initially established at then current market rental rates set by DGS. Absent a rent adjustment notice from DGS, rent shall increase at a rate of 5% per year in the extension period.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK



This Amendment No. 1 contains all the agreements of the parties hereto and supersedes any prior amendment or negotiations. There have been no representations by the STATE or understandings made between the STATE or LESSEE other than those set forth in this Amendment. This Amendment may not be modified except by a written instrument duly executed by the parties hereto.

IN WITNESS WHEREOF, this Amendment to the Lease has been executed by the parties hereto as of the date written below.

STATE OF CALIFORNIA

LESSEE:

DIRECTOR OF DEPARTMENT OF
GENERAL SERVICES

CITY OF VISALIA

By: _____
TONY PSIHOPAIDAS, Manager
State Owned Leasing and Development

By: _____
STEVE SALOMON
City Manager

EXECUTED DATE: _____

Date Signed: _____

CONSENT:

DEPARTMENT OF FORESTRY AND FIRE PROTECTION

By: _____
JEROLD L. PETERSON
Real Property Manager

Date Signed: _____

RECOMMENDED FOR APPROVAL:

DEPARTMENT OF GENERAL SERVICES
Real Estate Services Division

By: _____
MAUREEN GEETER, Associate Real Estate Officer
State Owned Leasing and Development

Date Signed: _____

This Amendment No. 1 contains all the agreements of the parties hereto and supersedes any prior amendment or negotiations. There have been no representations by the STATE or understandings made between the STATE or LESSEE other than those set forth in this Amendment. This Amendment may not be modified except by a written instrument duly executed by the parties hereto.

IN WITNESS WHEREOF, this Amendment to the Lease has been executed by the parties hereto as of the date written below.

STATE OF CALIFORNIA

LESSEE:

DIRECTOR OF DEPARTMENT OF
GENERAL SERVICES

CITY OF VISALIA

By: _____
TONY PSIHOPAIDAS, Manager
State Owned Leasing and Development

By: _____
STEVE SALOMON
City Manager

EXECUTED DATE: _____

Date Signed: _____

CONSENT:

DEPARTMENT OF FORESTRY AND FIRE PROTECTION

By: _____
JEROLD L. PETERSON
Real Property Manager

Date Signed: _____

RECOMMENDED FOR APPROVAL:

DEPARTMENT OF GENERAL SERVICES
Real Estate Services Division

By: _____
MAUREEN GEETER, Associate Real Estate Officer
State Owned Leasing and Development

Date Signed: _____



Attachment A2

December 4, 2006

City of Visalia – Fire Department
Mr. George Sandoval, Chief
707 West Acequia Avenue
Visalia, California 93291

Dear Chief Sandoval:

Please find enclosed your fully executed copy of the Building Space Lease between the State of California and the City of Visalia to occupy the property known as the Tulare FFS, located at 1968 South Lovers Lane. Should you have any questions, please contact me at (916) 375-4054.

Sincerely,

A handwritten signature in black ink, appearing to read "George Fields". The signature is fluid and cursive.

George Fields
Real Estate Officer

Enclosure

BUILDING SPACE LEASE

<p><u>LEASE COVERING PREMISES LOCATED AT</u></p> <p>Tulare Forest Fire Station (Headquarters) Visalia, California</p>
<p><u>AGENCY</u></p> <p>Department of Forestry and Fire Protection</p>

LEASE NO.: L- 2349

This Lease, dated for reference purposes only this **21st day of November 2006**, by and between the State of California, acting by and through its Director of General Services (DGS), with the consent of the California Department of Forestry and Fire Protection (CDF), hereinafter called STATE, and the **City of Visalia** hereinafter called LESSEE.

RECITALS

WHEREAS, STATE has under its jurisdiction certain real property consisting of land and building improvements located at 1968 South Lovers Lane, in the City of Visalia; County of Tulare, California and further referred to as the **Tulare Forest Fire Station Headquarters**, as shown on attached Exhibit "A"; and

WHEREAS, LESSEE has requested to lease approximately 3,065 sq ft of building space within the Tulare FFS Headquarters compound for use as a Fire Station in southeast Visalia; and

WHEREAS; pursuant to Government Code 14670 (a), the Director of the Department of General Services, with the consent of the Department of Forestry and Fire Protection, is authorized to let STATE real property for a period not to exceed five (5) years if the Director deems such letting is in the best interest of the STATE; and

NOW THEREFORE, the parties agree to the following:

WITNESSETH:

DESCRIPTION

1. STATE does hereby lease to the LESSEE, and LESSEE hereby hires from STATE, upon the terms, agreements, and conditions hereinafter set forth, those certain Premises as outlined on the attached diagram, as Exhibit "B", which is incorporated herein and by this reference made a part hereof and more particularly described as follows:

A portion of the Tulare Forest Fire Station located in the City of Visalia to include:

1. *One Dormitory Room for three persons to include a kitchen, dayroom, restroom, showers, laundry room, storage, 10 lockers and 1/2 cabinets*
2. *One Apparatus Bay for one fire engine*
3. *Two Office spaces at the north end of Garage*
4. *Storage area at the south end of Garage*
5. *Three Parking Spaces in the parking lot adjoining the barracks*

TERM

2. The term of this Lease shall be for a period of Five (5) years, commencing on December 1, 2006 and ending on November 30, 2011, with such rights of termination as are hereinafter expressly set forth.

USE

3. The Premises shall be used by LESSEE during the term hereof for the intended purpose of a Fire Station for the City of Visalia.

RENT

4. The Rental Rate for use of said Premises shall be in the total amount of :

LESSEE shall make separate rental payments monthly in advance to each of the following:

DGS - for building space in the amount of \$800.00 per month.

*Department of General Services
Accounts Receivable PAL (L-2349)
P.O. Box 989053
West Sacramento, California 95798-9053*

CDF- for utilities and maintenance in the amount of \$800.00 per month.

*Dept. of Forestry and Fire Protection
Accounting Dept
P.O. Box 944246
Sacramento, California*

TERMINATION

5. The parties hereto agree that either party may terminate this Lease at any time during the term hereof by giving notice to the other party in writing 90 days prior to the date when such termination shall become effective.

HOLD OVER

6. Any holding over after the expiration of the said term or any extension thereof, with the written consent of the STATE expressed or implied, shall be deemed a tenancy only from month-to-month and shall otherwise be subject to the terms and conditions specified so far as applicable.

UTILITIES

7. STATE shall furnish the following utilities at STATE's expense during the term of this Lease to the Premises: Electric, Gas, Water, Sewer, Garbage collection.

a. LESSEE shall be responsible for telephone service and installation.

b. STATE reserves the right to adjust the monthly rent should the costs incurred for servicing utilities increase.

JANITORIAL SERVICES

8. LESSEE at LESSEE's sole cost and expense, shall have or hire janitorial services sufficient to maintain the interior in a clean and well maintained condition.

a. Lessee shall properly dispose of all trash in the building's designated central trash collection facility or dumpster provided by STATE.

REPAIR AND MAINTENANCE

9. LESSEE shall maintain said Premises in good tenantable condition and in compliance with all health, safety and sanitation laws, ordinances and regulations of the State of California and local authorities.

a. Premises to be leased in "as is" condition, whereas STATE shall not be responsible for any upgrades, repairs or corrective actions for any State or local code compliance to include Americans with Disabilities Act (ADA).

b. STATE shall be responsible for maintenance due to normal wear and tear of the use of the buildings. LESSEE shall be responsible for any direct damage that the city equipment or personnel imparts upon the Premises.

NOTICES

10. All notices or other or other communications required or permitted hereunder shall be in writing, and shall be personally delivered (including by means of professional messenger service) or sent by overnight courier, or sent by registered or certified mail, postage prepaid, return receipt requested to the addresses set forth below, or sent by electronic facsimile to the telefacsimile numbers set forth below. All such notices or other communications shall be deemed received upon the earlier of (i) if personally delivered or sent by overnight courier, the date of delivery to the address of the person to receive such notice, (ii) if mailed as provided above, on the date of receipt or rejection, or (iii) if given by electronic facsimile, when received by the other party if received Monday through Friday between 6:00 a.m. and 5:00 p.m Pacific Standard Time so long as such day is not a state or federal holiday and otherwise on the next day provided that if the next day is Saturday, Sunday, or a state or federal holiday, such notice shall be effective on the following business day.

To the LESSEE: City of Visalia Fire Department
Attn: Fire Chief
707 West Acequia Avenue
Visalia, California 93291
(559) 713-4218

To the STATE: Department of General Services
Real Estate Services Division-SOLD
707 Third Street, Fifth Floor
West Sacramento, California 95605
(916) 375-4040

To the STATE: Department of Forestry and Fire Protection
Attn: Luke Wilson
P.O. Box 944246
Sacramento, California 94244-2460
(916) 324-1183

The address to which notices may be mailed to either party, may be changed by written notice given by one party to the other, as provided herein; but nothing contained herein shall preclude the giving of any such notice by personal service.

RECOVERY OF
LEGAL FEES

11. If action is brought by the STATE for the recovery of any rent due under the provisions hereof or for any breach hereof, or to restrain the breach of any agreement contained herein, or for the recovery of possession of the Premises, or to protect any rights given to the STATE against the LESSEE, and if the STATE shall prevail in such action, the LESSEE shall pay to STATE such amount of all costs and expenses including attorney's fees in said action, as the court determines to be reasonable, which shall be fixed by the court as part of the costs of said action.

HOLD HARMLESS

12. This lease is made upon the express condition that the State of California is to be free from all liability and claims for damages by reason of any injury to any person or persons, including LESSEE, or property of any kind whatsoever and to whomsoever belonging, including LESSEE, from any cause or causes whatsoever while in, upon or in any way connected with the Premises during the term of this Lease or any occupancy hereunder, except those arising out of the sole negligence of the STATE. LESSEE agrees to defend, indemnify, and hold harmless the State of California from all liability, loss, cost or obligation on account of or arising out of any such injury or loss, however occurring. LESSEE further agrees to provide necessary Worker's Compensation Insurance for all employees of LESSEE upon said Premises at the LESSEE's own cost and expense.

INSURANCE

13. LESSEE shall furnish a Certificate of Insurance, issued to STATE with amounts of Commercial General Liability of at least \$2,000,000 per occurrence and both Fire and Automotive Legal Liability of at least \$1,000,000, naming the State of California, its officers, agents and employees as additional insured. Said certificate of insurance shall be issued by an insurance company with a minimum Best Insurance Guide rating of A-or better.

a. If LESSEE is Self Insured, LESSEE shall provide STATE with written acknowledgement of this fact at time of execution of this Lease. LESSEE, annually thereafter, on the anniversary date of execution of this lease, provide STATE written acknowledgement of continuation of its self insured status. If at any time after execution of this lease, LESSEE abandons its self insured status, LESSEE shall immediately notify STATE of this fact.

b. It is agreed that STATE shall not be liable for the payment of any premiums or assessments on the insurance coverage required by this paragraph. The certificate of insurance shall provide that the insurer will not cancel the insured's coverage without thirty (30) days prior written notice to STATE. LESSEE agrees that the insurance herein provided for shall be in effect at all times during the term of this Lease, all extensions thereof, hold-over periods or any other occupancy of the Premises by LESSEE.

c. In the event said insurance coverage expires at any time or times during the term of this lease, LESSEE agrees to provide STATE at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than one (1) year.

d. In the event LESSEE fails to keep in effect at all times insurance coverage as herein provided, STATE may, in addition to any other remedies it may have, immediately terminate this lease upon the occurrence of such event.

RULES AND REGULATIONS

14. LESSEE agrees to comply with the Rules and Regulations of the Dept. of Forestry and Fire Protection, Unit Chief at 1968 South Lovers Lane, Visalia, California

a. LESSEE further agrees to comply with all applicable statutes, laws, ordinances rules and regulations adopted by the Federal, State, County or any other body politic which pertains to the use of the facility.

LOSSES

15. STATE will not be responsible for losses or damage to personal property, equipment or materials of LESSEE and all losses shall be reported to STATE immediately upon discovery.

TAXES AND ASSESSMENTS

16. LESSEE agrees to pay all lawful taxes, assessments, or charges which at any time may be levied upon any interest in this agreement. It is understood that this Lease may create a possessory interest subject to property taxation and LESSEE may be subject to the payment of property taxes levied on such interest.

NON-DISCRIMINATION

17. LESSEE agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, sex, age or physical handicap. LESSEE agrees to take action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, ancestry, national origin, sex, age or physical handicap. (See California Government Code Sections 12920-12994 for further details.)

REMEDIES FOR WILLFUL VIOLATIONS:

(a) The State may determine a willful violation of the Fair Employment Practices provision to have occurred upon the receipt of a final judgment having that effect from a court in an action to which LESSEE was a party, or upon receipt of a written notice from the Fair Employment Practices Commission, that it has investigated and determined that the LESSEE has violated the Fair Employment Practices Act and has issued an order pursuant to the appropriate provisions of the Government Code.

(b) The STATE shall have the right to terminate this Lease and any loss or damage sustained by the STATE by reason thereof shall be borne and paid by the LESSEE.

DEBT LIABILITY
DISCLAIMER

18. The STATE will not be liable for any debts or claims that arise from operation of this Lease.

PARTNERSHIP
DISCLAIMER

19. LESSEE and any and all agents of LESSEE shall act in an independent capacity and not as officers or employees of the STATE. Nothing herein contained shall be construed as constituting the parties herein as partners.

SUBLETTING

20. LESSEE shall not assign this Lease in any event and shall not sublet the leased Premises or any part thereof and will not permit the use of the Premises by anyone other than the LESSEE without prior written consent of the STATE

SURRENDER OF
PREMISES

21. Lessee agrees that on the last day of the term, or sooner termination of this Lease, to surrender up to STATE the Premises, in a condition that is at a minimum as when received, reasonable use and wear thereof and damage by acts of God, excepted.

COMPLIANCE
WITH LAWS

22. LESSEE shall at its sole cost and expense, comply with all the laws and requirements of all Municipal, County, State, and Federal authorities now in force, or which may hereafter be in force pertaining to the Premises and use of the Premises as provided by this Lease.

ALTERATIONS AND
REPAIRS

23. LESSEE must request and obtain written consent from CDF prior to making any repairs, changes, and/or alterations to the Premises. LESSEE agrees to keep the Premises in good order and condition and be responsible for the cost and expense of any changes LESSEE makes to Premises.

DISPOSITION OF
IMPROVEMENTS

24. Upon termination of this Lease for any cause, LESSEE shall remove any and all personal equipment and LESSEE shall restore any damage caused by said removal. Except, however, the STATE may approve, in writing, any deviation from this requirement.

CANCELLATION

25. Notwithstanding any other provisions contained herein, any willful violation of the terms or conditions of this Lease or of the rules and regulations that continue for a period of ten (10) days after written notice by the STATE to LESSEE, shall be grounds for immediate cancellation of the Lease and removal of the LESSEE.

DEFAULT

26. LESSEE shall pay said rent to the STATE without deduction, default or delay. In the event of the failure of LESSEE to do so, or in the event of a breach of any of the other terms, covenants or conditions herein contained on the part of LESSEE to be kept and performed and if such default continues for a period of thirty (30) days after receipt of written notice from STATE to LESSEE of such default, this Lease may be terminated. In the event of termination of this Lease, it shall be lawful for STATE to reenter into and upon the Premises and every part thereof and to remove and store at LESSEE's expense all property therefrom and to repossess and occupy the Premises. In the event STATE terminates this Lease pursuant to this paragraph, the STATE shall not be required to pay LESSEE any sum or sums whatsoever.

FIRE AND
CASUALTY
DAMAGES

27. STATE will not keep any improvements which are constructed or installed by LESSEE, during Lessee's tenancy, insured against fire or casualty and LESSEE will make no claim of any nature against STATE by reason of any damage to the business or property of LESSEE in the event of damage or destruction by fire or other cause, arising other than from or out of negligence or willful misconduct of agents or employees of the State of California in the course of their employment.

HAZARDOUS
SUBSTANCES

28. LESSEE agrees that it will comply with all laws, either Federal, State, or local, existing during the term of this Lease pertaining to the use, storage, transportation, and disposal of any hazardous substance as that term is defined in such applicable law. In the event STATE or any of its affiliates, successors, principals, employees, or agents should incur any liability, cost, or expense, including attorney's fees and costs, as a result of the LESSEE's illegal or alleged illegal use, storage, transportation, or disposal of any hazardous substance, including any petroleum derivative, the LESSEE shall indemnify, defend, and hold harmless any of these individuals against such liability. Where the LESSEE is found to be in breach of this provision due to the issuance of a government order directing the LESSEE to cease and desist any illegal action in connection with a hazardous substance, or to remediate a contaminated condition caused by the LESSEE or any person acting under LESSEE's direct control and authority, LESSEE shall be responsible for all costs and expenses of complying with such order, including any and all expenses imposed on or incurred by STATE in connection with or in response to such government order. In the event a government order is issued naming the LESSEE or the LESSEE incurs any liability, during or after the term of the Lease, in connection with contamination which pre-existed, the LESSEE's obligations and occupancy under this Lease or which were not caused by the LESSEE, STATE shall hold harmless, indemnify, and defend the LESSEE in connection therewith and shall be solely responsible as between LESSEE and STATE for all efforts and expenses therefore.

If Lessee is required to prepare a Business Plan, as specified by Health and Safety Code Section 25500 et seq. or a Hazardous Waste Contingency Plan, as specified in 22 CCR 66264.51, then a copy of the plan shall be submitted to the Unit Chief.

If Lessee or Lessee's representative generates any regulated hazardous wastes on the State's property, Lessee agrees to dispose of such waste in accordance with all applicable Federal, State and local regulations. Copies of all hazardous waste manifests or disposal certificates shall be submitted to the Unit Chief immediately and renewed monthly.

Storage of hazardous waste shall comply with 22 CCR 66264 et al and all applicable fire regulations. Lessee shall not apply to become a "permitted" hazardous waste storage facility without prior permission of CDF.

The State reserves the right to inspect all areas which are leased or rented by Lessee for the purpose of environmental compliance.

At the request of the Facility Manager, Lessee shall provide copies of Material Safety Data Sheets (MSDS) for all hazardous materials used on State property.

Any violation in Federal, State or local environmental law deemed serious by State will be grounds for termination of lease in accordance with applicable sections herein. Termination of lease by either party or evacuation of Premises by Lessee shall not relieve Lessee of any liabilities incurred by State during Lessee's occupancy of Premises or incurred as a result of Lessee's actions.

AUTHORITY

29. Each individual executing this Lease on behalf of the LESSEE represents and warrants that he/she is duly authorized to execute and deliver this lease on behalf of the LESSEE in accordance with the City rules and regulations, and that this Lease is binding upon said City of Visalia in accordance with its terms.

RIGHT OF ENTRY

30. During continuance in force of this Lease, there shall be and is hereby expressly reserved to STATE, and to any of its agencies, contractors, agents, employees, representatives, or licensees, the right at any and all times and any and all places, to temporarily enter upon said Premises for survey, inspection or other lawful STATE purposes.

PARKING

31. Parking of vehicles is to be in compliance with the State Vehicle Code and facility policy in the area so designated.

EASEMENTS AND RIGHTS OF WAY

32. This Lease is subject to all existing easements and rights of way. STATE further reserves the right to grant additional public utility easements as may be necessary and LESSEE hereby consents to the granting of any such easement. The public utility will be required to reimburse LESSEE for any damages caused by the construction work on the easement area.

RELOCATION

33. LESSEE acknowledges that LESSEE, it's employees, contractors, subordinates and assigns are not entitled to any Relocation Payment or Relocation Advisory Assistance due to their occupancy of the Premises.

a. In the event subleasing is permitted, LESSEE shall incorporate the above paragraph into each sublease. Failure to do so may obligate LESSEE for damages and costs resulting from claims for relocation payment by sublessees.

FAILURE TO PERFORM

34. In the event of the failure, neglect, or refusal of LESSEE to do, or perform work, or any part thereof, or any act or thing in this Lease provided to be done and performed by LESSEE, STATE shall, at its option, have the right to do and perform the same, and LESSEE hereby covenants and agrees to pay STATE the cost thereof on demand.

NO SMOKING

35. Smoking is not allowed in or upon the Premises. LESSEE will enforce the smoking prohibition inside the building and within 15 feet of any entrance regarding LESSEE's employees and invitees. The signs shall be in bold print and legible from a distance of 25 feet.

KEYS

36. All building keys provided to Lessee will remain in the sole possession of Lessee. Keys to the building are not to be issued to anyone not directly employed by Lessee. Any outside services contracted by Lessee to be performed within the leased building will be performed during regular business hours to prevent disbursement of keys.

PROPERTY INSPECTION

37. LESSEE has visited and inspected the Premises and it is agreed that the area described herein is only approximate and the STATE does not hereby warrant or guarantee the actual area included hereunder.

BINDING CLAUSE

38. The terms of this lease and covenants and agreements herein contained shall apply to and shall bind and inure to the benefit of the heirs, representatives, assigns, and successors in interest of the parties hereto.

SECTION HEADINGS

39. All section headings contained herein are for convenience of reference only, and are not intended to define or limit the scope of any provisions of this Lease.

ESSENCE OF TIME

40. Time is of the essence for each and all of the provisions, covenants and conditions of this agreement.

IN WITNESS WHEREOF, this agreement has been executed by the parties hereto as of the date listed below.

STATE OF CALIFORNIA

LESSEE:

APPROVED:

CITY OF VISALIA

**DIRECTOR OF THE
DEPARTMENT OF GENERAL SERVICES**

By: 

Tony Psihopaidas, Manager
State Owned Leasing and Development

Date: 11/30/06

By: 

Date: 11/27/06

CONSENTS TO:

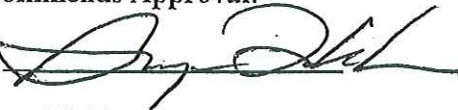
Department of Forestry and Fire Protection

By: 

L.E. "Luke" Wilson,
Real Property Manager

Date:

Recommends Approval:

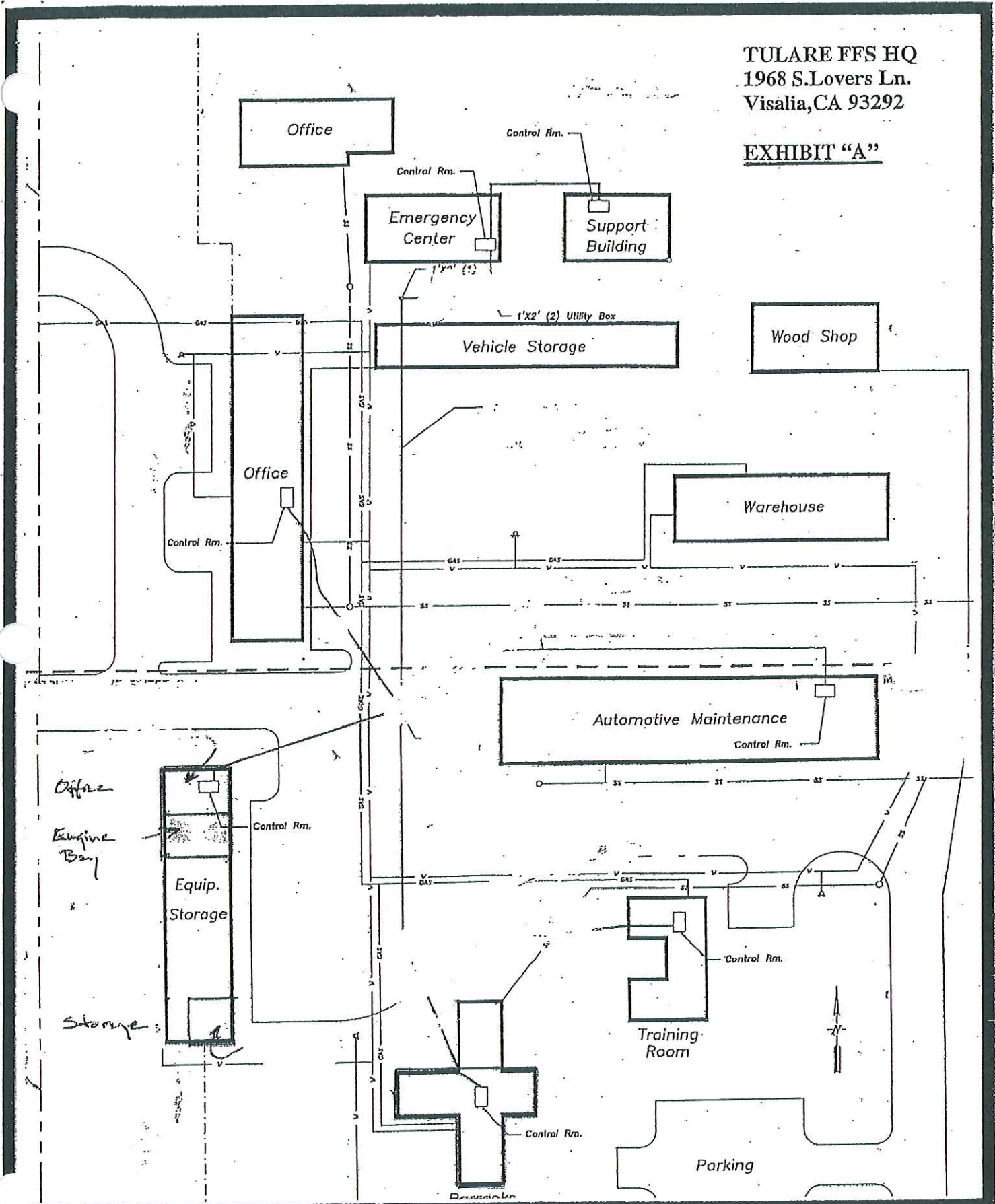
By: 

George Fields
Real Estate Officer

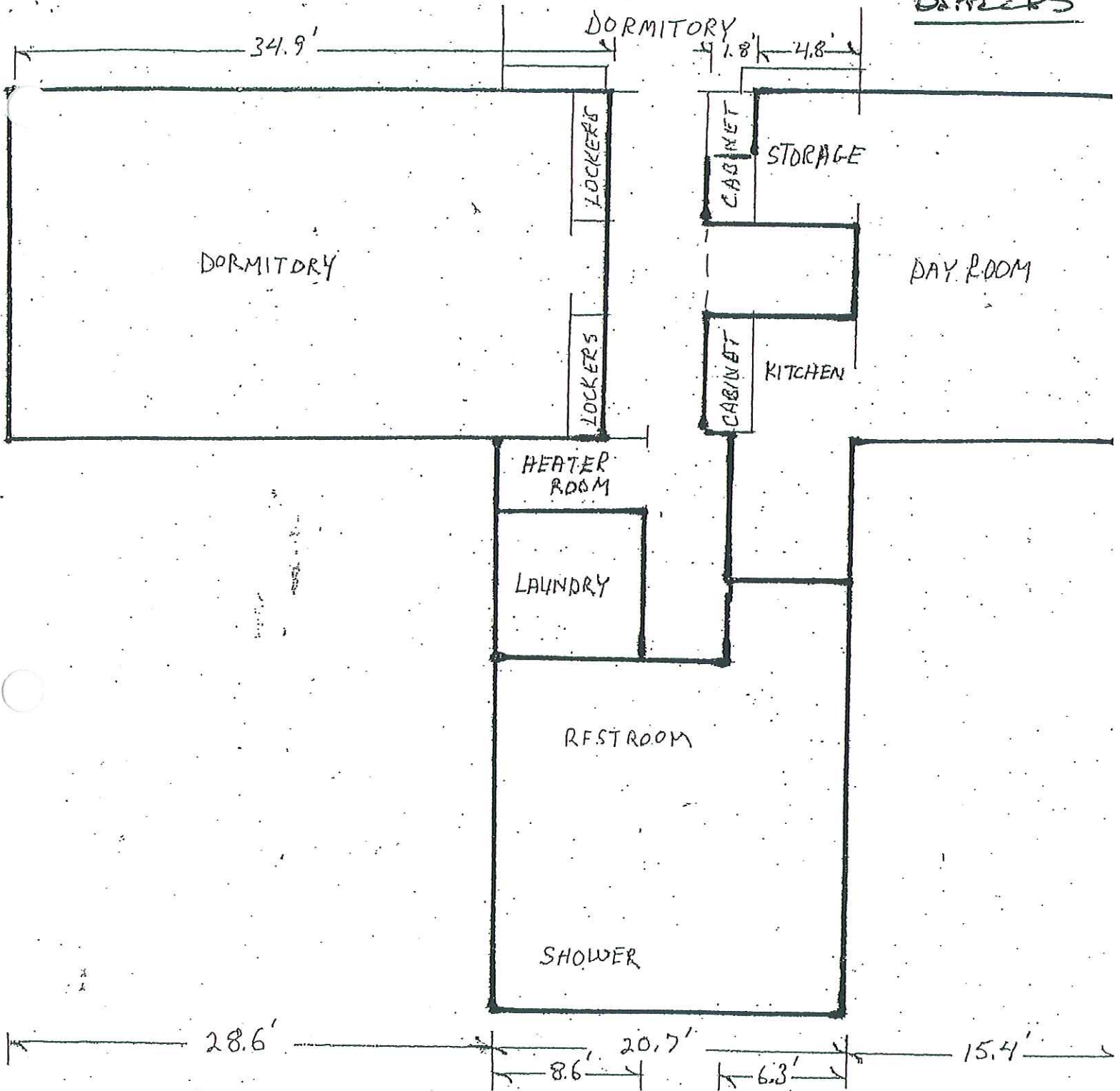
Date: _____

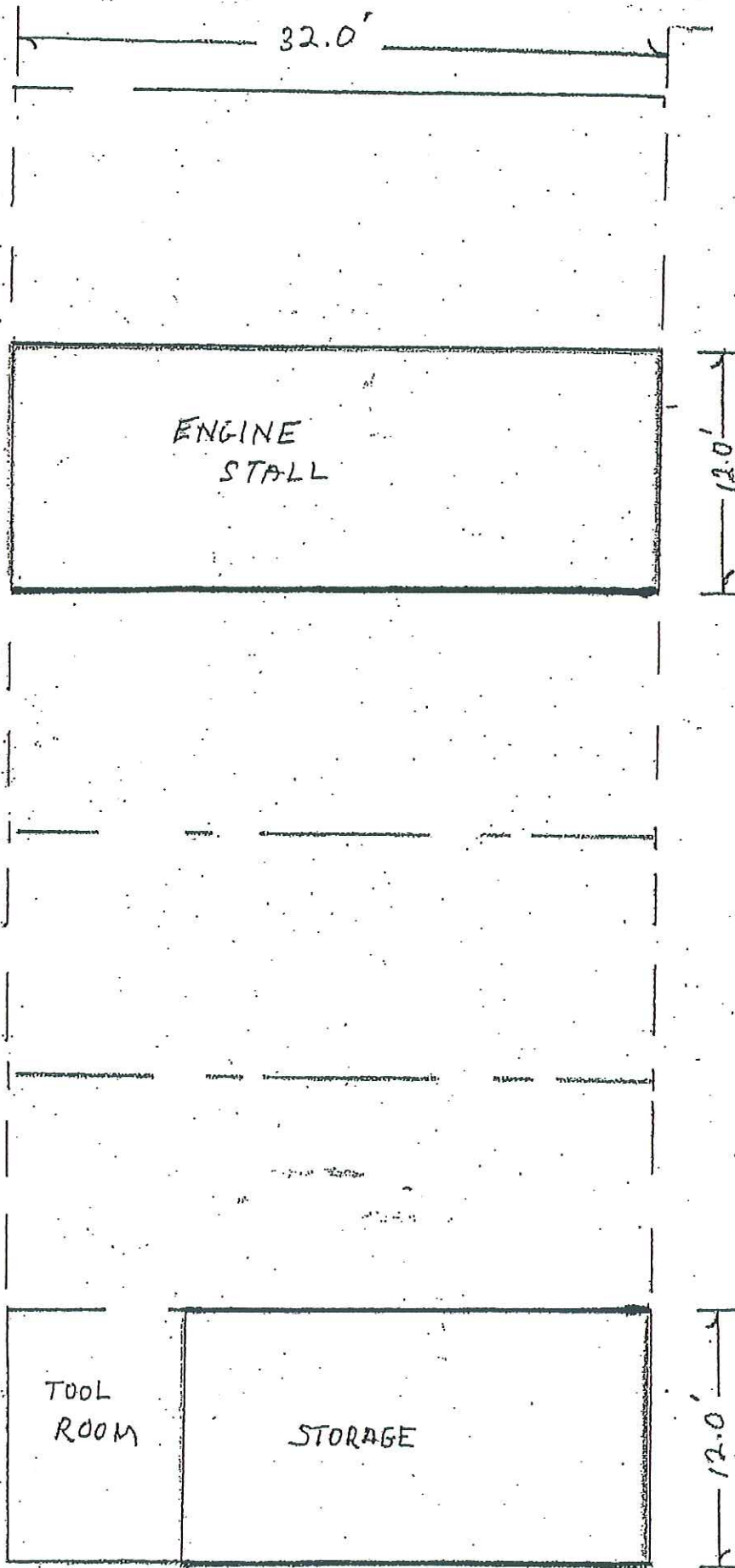
TULARE FFS HQ
1968 S.Lovers Ln.
Visalia, CA 93292

EXHIBIT "A"

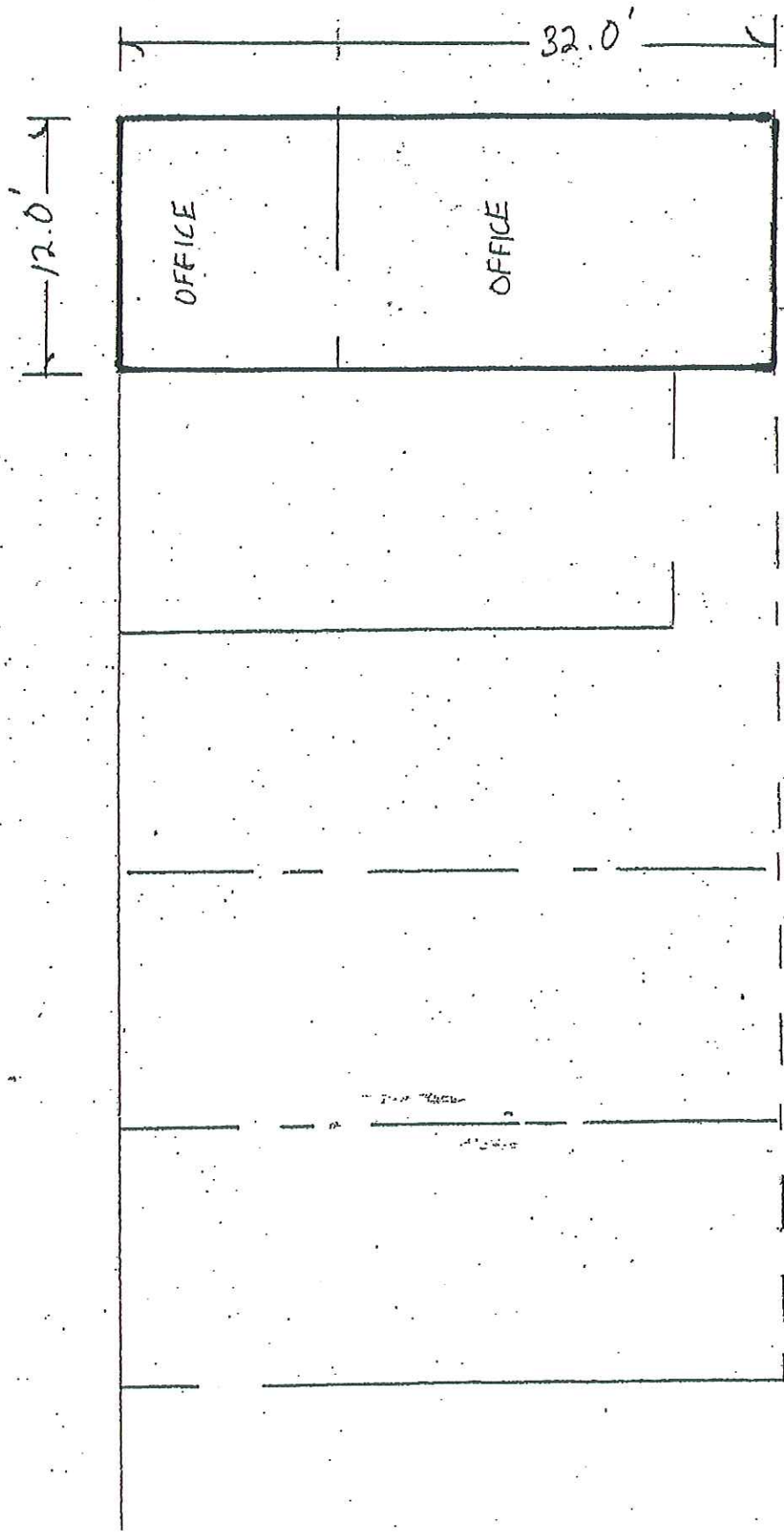


Barracks





Office



Visalia Public Safety Sales Tax Measure Program Guidelines

This sales tax measure will provide a secure, local revenue stream to the City of Visalia that will be used entirely to provide additional police and fire personnel and services to protect our community. Visalians deserve to know how the funds will be spent. Detailed spending plans have been developed so voters can have a clear understanding of how the monies will be spent if the 1/4¢ sales tax is approved. Program guidelines have also been established to govern how the money can be spent, to specify the accounting, audit and oversight guidelines that will be implemented to make certain that the funds are spent according to the voter's direction, and to ensure the public is well-informed of the progress and process.

Fiscal Accountability Protections

An Independent Auditor will annually review and audit expenditures of funds specifically derived from the Public Safety Measure, to ensure compliance with the expenditure plans and with prudent, established accounting regulations and practices. The results will be part of the City's annual audit.

The City will utilize the existing Citizens Advisory Committee to provide an oversight function - to at least annually review revenues and expenditures, providing a second independent verification that all expenditures are being made as promised to Visalia residents. The findings of both the Citizen's Advisory Committee and the Independent Auditor will be reviewed by the City Council and made available to the public.

Each June, as the City's budget is adopted following public hearings, the City Manager will recertify the plan to the City Council, stating what monies have been received, what monies have been spent and what monies are available. The financial consequences of these changes will be reflected in the recertified plan. The City Manager will also certify that the monies have not been used for purposes other than Public Safety.

Finally, at the first Council meeting of each new decade, the City Council will hold a public hearing to review the progress on the Public Safety plan and the continuing need for the sales tax. Public comments will be taken and the Council will consider the appropriateness of the sales tax. To continue the sales tax, 4/5ths of the Council must affirm the tax.

Dedicated Accounting Structure

This Expenditure Plan specifies that all revenues from the Measure are to be utilized for the sole purpose of improving our community's public safety, with the revenue to be directed to the police and fire departments respectively, in the proportions of 40% to Fire and 60% to Police. These proportions were mutually agreed upon based upon the historical budgetary funding proportions of the two departments.

The City will establish separate funds into which these specific monies shall be deposited. These accounts shall be separate for police and for fire and shall be the source of their respective expenditures as established in the approved expenditure plans. Any balances in these funds, positive or negative, shall earn or pay interest accordingly.

Based on public safety needs and unique circumstances, the City may opt to advance funds from the City's General Fund into the individual police and fire accounts in order to most effectively accomplish the objectives of the program. If this is done, any advanced funds must be reimbursed to the City's General Fund within twenty-four (24) months of the date of the advance. To ensure the highest level of fiscal accounting, funds may not be shifted or loaned between the separate police and fire accounts.

The City Council will not use public safety revenue measure funds to supplant General Fund dollars budgeted for normal operations at the previous year's service levels. In the event of an economic emergency, the City Council may only alter this provision by a supermajority (4/5th) vote.

Economic Uncertainty Fund

Because the ¼ cent sales tax is used for essential services that are needed during both good and bad economic times, the City Council will establish a contingency/reserve fund adequate to assure that services are maintained in the event sales tax revenues decline.

A contingency/reserve account will be established as follows: A contingency/reserve fund containing twenty-five (25) percent of the annually budgeted revenues will be established. In any given year when the reserve fund holds less than the required twenty-five (25) percent of annual revenues, the first use of funds will be to implement the plan's current year program and then establish the contingency/reserve fund in the first year and add to it in the following years.

In the event that actual revenues in any given year are less than budgeted revenues, the City Council may use the reserve fund to make up the difference between budgeted revenues and actual revenues.

Priorities if additional revenues are available

In the event that the contingency/reserve is fully funded and all annual planned expenditures have been implemented, the use of the additional unanticipated sales tax revenues will be used first to accelerate the implementation of the plan and then to provide additional public safety facilities, personnel, and equipment based upon the specific needs of the community.

Visalia Public Safety Sales Tax Measure Program Guidelines

This sales tax measure will provide a secure, local revenue stream to the City of Visalia that will be used entirely to provide additional police and fire personnel and services to protect our community. Visalians deserve to know how the funds will be spent. Detailed spending plans have been developed so voters can have a clear understanding of how the monies will be spent if the 1/4¢ sales tax is approved. Program guidelines have also been established to govern how the money can be spent, to specify the accounting, audit and oversight guidelines that will be implemented to make certain that the funds are spent according to the voter's direction, and to ensure the public is well-informed of the progress and process.

Fiscal Accountability Protections

An Independent Auditor will annually review and audit expenditures of funds specifically derived from the Public Safety Measure, to ensure compliance with the expenditure plans and with prudent, established accounting regulations and practices. The results will be part of the City's annual audit.

The City will utilize the existing Citizens Advisory Committee to provide an oversight function - to at least annually review revenues and expenditures, providing a second independent verification that all expenditures are being made as promised to Visalia residents. The findings of both the Citizen's Advisory Committee and the Independent Auditor will be reviewed by the City Council and made available to the public.

Each June, as the City's budget is adopted following public hearings, the City Manager will re-certify the plan to the City Council, stating what monies have been received, what monies have been spent and what monies are available. The financial consequences of these changes will be reflected in the recertified plan. The City Manager will also certify that the monies have not been used for purposes other than Public Safety.

On the first City Council meeting in January, 2013, followed by the first meeting in January 2021 and every 8 years thereafter, the City Council will hold a public hearing to review the progress on the Public Safety plan and the continuing need for the sales tax. Public comments will be taken and the Council will consider the appropriateness of the sales tax. To continue the sales tax, 4/5ths of the Council must affirm the tax.

If the Council fails to affirm the tax, all operating expenditures for the tax will discontinue within 90 days of the action and the tax will discontinue as soon as enough resources have been accumulated to satisfy any outstanding indebtedness.

Dedicated Accounting Structure

This Expenditure Plan specifies that all revenues from the Measure are to be utilized for the sole purpose of improving our community's public safety, with the revenue to be directed to the

police and fire departments respectively, in the proportions of 40% to Fire and 60% to Police. These proportions were mutually agreed upon based upon the historical budgetary funding proportions of the two departments.

The City will establish separate funds into which these specific monies shall be deposited. These accounts shall be separate for police and for fire and shall be the source of their respective expenditures as established in the approved expenditure plans. Any balances in these funds, positive or negative, shall earn or pay interest accordingly.

Based on public safety needs and unique circumstances, the City may opt to advance funds from the City's General Fund into the individual police and fire accounts in order to most effectively accomplish the objectives of the program. If this is done, any advanced funds must be reimbursed to the City's General Fund within twenty-four (24) months of the date of the advance. To ensure the highest level of fiscal accounting, funds may not be shifted or loaned between the separate police and fire accounts.

The City Council will not use public safety revenue measure funds to replace General Fund dollars budgeted for normal operations at the previous year's service levels. In the event of an economic emergency, the City Council may only alter this provision by a supermajority (4/5th) vote.

Economic Uncertainty Fund

Because the ¼ cent sales tax is used for essential services that are needed during both good and bad economic times, the City Council will establish a contingency/reserve fund adequate to assure that services are maintained in the event sales tax revenues decline.

A contingency/reserve account will be established as follows: A contingency/reserve fund containing twenty-five (25) percent of the annually budgeted revenues will be established. In any given year when the reserve fund holds less than the required twenty-five (25) percent of annual revenues, the first use of funds will be to implement the plan's current year program and then establish the contingency/reserve fund in the first year and add to it in the following years.

In the event that actual revenues in any given year are less than budgeted revenues, the City Council may use the reserve fund to make up the difference between budgeted revenues and actual revenues.

Priorities if additional revenues are available

In the event that the contingency/reserve is fully funded and all annual planned expenditures have been implemented, the use of the additional unanticipated sales tax revenues will be used first to accelerate the implementation of the plan and then to provide additional public safety facilities, personnel, and equipment based upon the specific needs of the community.

VISALIA POLICE & FIRE DEPARTMENTS
Revenue (1/4 Cent Sales Tax & Impact Fee) and Expenditure Plan

Annual Sales Tax Revenue Initially Est. @ \$4.5 Million With A 60/40 Split To Police / Fire

YR	Description	TOTAL Costs		ONE-TIME Costs				ONGOING Costs		ANNUAL Sales Tax INCOME Est. Annual Growth @ 2%	CURRENT YEAR Sales Tax CARRYOVER		ACCUMULATED Sales Tax RESERVES	
		Police	Fire	General Fund	Impact Fee	Sales Tax		Sales Tax			Police	Fire	Est. Annual Police	Interest @ 2% Fire
1	POLICE													
	Staffing South-side Precinct													
	* Hire 5 new police officers and appropriate staff adjustments	(477,097)												
	* Purchase 5 new police vehicles/equipment	(187,500)												
	* Depreciation for 5 vehicles	(19,500)												
	FIRE													
	Northwest Fire Station Project -													
	* Land - Station - 2 acres @ \$55k per acre		(110,000)		(72,600)									
	* Land - Training Area 3 acres @ \$55k per acre		(165,000)		(108,900)									
	* Architectural & Professional Services - Station		(405,828)		(287,846)									
	* Architectural Design & Services - Training Area		(199,901)		(131,935)									
	* Est. Geo-Tech & Environmental @ \$5k per acre		(25,000)		(16,500)									
	Total - First Year	(684,097)	(905,729)	-	(597,781)	(495,448)	(495,448)	(495,597)		4,500,000	2,015,903	1,492,052	2,015,903	1,492,052
	Sales Tax Revenues & Costs													
2	POLICE													
	Staffing North-Side Precinct													
	* Hire 5 new police officers and appropriate staff adjustments	(514,979)												
	* Purchase 5 new police vehicles/equipment	(191,250)												
	* Depreciation for 5 vehicles	(19,988)												
	FIRE													
	Northwest Fire Station Project													
	* Site Development - @ \$6 sq. ft. (less building)		(455,520)		(300,643)									
	* Station Construction - 11,200 sq. ft. @ \$200 sq. ft.		(2,240,000)		(1,478,400)									
	Total Training Area Construction - 2nd Yr													
	* Site Develop. - Training Facility @ \$6 sq. ft. (less bldg.)		(705,672)		(465,744)									
	* Training Area Construction		(612,000)		(403,920)									
	* Quint Fire Apparatus (Order & Receive in 1st Yr) - 1st Payment		(350,000)		(231,000)									
	Southeast Fire Station Site Acquisition - 2 Acres		(111,500)		(73,590)									
	Total - Second Year	(726,217)	(4,474,692)		(2,953,297)	(1,712,645)	(1,712,645)	(534,967)		4,590,000	2,015,903	1,492,052	2,015,903	1,492,052
	Sales Tax Revenues & Costs													
3	POLICE													
	New Police Admin/Dispatch Center & Precincts	(12,758,164)		(3,291,606)	(6,174,951)	Bond Funded		(265,000)		3,291,607	1,516,288	314,605	3,572,509	1,836,498
	* Hire 5 new police officers	(485,947)						(485,947)					71,450	36,730
	* Purchase 5 new police vehicles/equipment	(195,075)						(195,075)					Interest	Interest
	* Depreciation for 5 vehicles	(20,487)						(20,487)						
	FIRE													
	Northwest Fire Station Project													
	* Staffing - Existing personnel plus 4 new hire (9 Personnel)		(617,634)					(617,634)						
	* Operations		(105,000)					(105,000)						
	Quint Fire Apparatus - Final Payment		(350,000)					(350,000)						
	Total - Third Year	(13,459,673)	(1,072,654)	(3,291,606)	(6,405,951)	(314,075)	(314,075)	(1,494,068)		4,681,800	764,715	1,031,086	4,408,675	2,904,314
	Sales Tax Revenues & Costs													
4	POLICE													
	Payment - 20 year bond for infrastructure	(265,000)						(265,000)					88,173	58,086
	* Hire 5 new police officers	(501,378)						(501,378)					Interest	Interest
	* Purchase 5 new police vehicles/equipment	(198,977)						(198,977)						
	* Depreciation for 5 vehicles	(20,999)						(20,999)						

VISALIA POLICE & FIRE DEPARTMENTS
Revenue (1/4 Cent Sales Tax & Impact Fee) and Expenditure Plan
Annual Sales Tax Revenue Initially Est. @ \$4.5 Million With A 60/40 Split To Police / Fire

YR	Description	TOTAL Costs		ONE-TIME Costs			ONGOING Costs		ANNUAL Sales Tax INCOME		CURRENT YEAR		ACCUMULATED	
		Police	Fire	General Fund	Impact Fee	Sales Tax	Sales Tax	Est. Annual Growth @ 2%	Police	Fire	Sales Tax	Est. Annual Interest @ 2%	Fire	
5	Northwest Fire Station - Additional Ongoing		(11,000)											
	Public Safety Building - Fire													
	* Site Development @ \$6 sq ft		(120,000)	(20,400)	(79,200)	(20,400)								
	* Building - Fire @ 9,000 sq. ft. @ \$250		(2,250,000)	(382,500)	(1,485,000)	(382,500)								
	Total - Fourth Year		(986,354)	(402,900)	(1,564,200)	(601,877)	(798,377)							
	Previous Yrs' Ongoing Cost + 3% - POLICE						(1,631,818)	(744,313)						
	Previous Yrs' Ongoing Cost + 3% - FIRE							(3,174,508)						
	Sales Tax Revenues & Costs								4,775,436	247,089	751,961	4,743,937	3,714,362	
	POLICE													
	Payment - 20 year bond for infrastructure		(265,000)					(265,000)						
* Hire 4 new police officers		(414,014)					(414,014)				94,879	74,287		
* Purchase 4 new police vehicles/equipment		(162,365)					(162,365)				Interest	Interest		
* Depreciation for 4 vehicles		(17,219)					(17,219)							
Total - Fifth Year		(858,598)					(696,283)							
Previous Yrs' Ongoing Cost + 3% less bonds - POLICE							(2,218,821)							
Previous Yrs' Ongoing Cost + 3% - FIRE							(777,972)							
Sales Tax Revenues & Costs								4,870,945	(154,852)	1,170,405	4,683,964	4,959,054		
POLICE														
Payment - 20 year bond for infrastructure		(265,000)					(265,000)							
* Hire 2 new police officers		(212,085)					(212,085)				93,679	99,181		
* Purchase 2 new police vehicles/equipment		(82,806)					(82,806)				Interest	Interest		
* Depreciation for 2 vehicles		(8,825)					(8,825)							
Total - Sixth Year		(568,716)					(485,910)							
Previous Yrs' Ongoing Cost + 3% less bonds - POLICE							(2,729,556)							
Previous Yrs' Ongoing Cost + 3% - FIRE							(801,312)							
Sales Tax Revenues & Costs								4,968,364	(317,254)	1,186,034	4,460,389	6,244,269		
POLICE														
Payment - 20 year bond for infrastructure		(265,000)					(265,000)							
* Hire 2 new police officers		(215,643)					(215,643)				89,208	124,885		
* Purchase 2 new police vehicles/equipment		(84,462)					(84,462)				Interest	Interest		
* Depreciation for 2 vehicles		(9,046)					(9,046)							
Total - Seventh Year														
Previous Yrs' Ongoing Cost + 3% less bonds - POLICE							(4,016,778)							
Previous Yrs' Ongoing Cost + 3% - FIRE							(825,351)							
Sales Tax Revenues & Costs								5,067,731	(572,492)	383,549	3,977,105	6,752,704		
POLICE														
Payment - 20 year bond for infrastructure		(265,000)					(265,000)							
* Fire Engine - Possession & Final Payment		(245,000)					(161,700)				79,542	135,054		
Total - Eighth Year		(265,000)	(245,000)				(161,700)				Interest	Interest		
Previous Yrs' Ongoing Cost + 3% less bonds - POLICE							(3,361,579)							
Previous Yrs' Ongoing Cost + 3% - FIRE							(850,111)							

VISALIA POLICE & FIRE DEPARTMENTS
Revenue (1/4 Cent Sales Tax & Impact Fee) and Expenditure Plan

Annual Sales Tax Revenue Initially Est. @ \$4.5 Million With A 60/40 Split To Police / Fire

YR	Description	TOTAL Costs		ONE-TIME Costs			ONGOING Costs		ANNUAL Sales Tax INCOME		CURRENT YEAR		ACCUMULATED	
		Police	Fire	General Fund	Impact Fee	Sales Tax	Sales Tax	Est. Annual Growth @ 2%	Sales Tax CARRYOVER	Police	Fire	Est. Annual Sales Tax Reserve	Police Interest @ 2%	Fire Interest
9	Sales Tax Revenues & Costs					(83,300)	(4,476,690)	5,169,086	(525,127)	1,134,223	3,531,519	8,021,980		
	POLICE						(265,000)							
	Payment - 20 year bond for infrastructure	(265,000)												
	Southeast Fire Station Staffing - 14 Personnel		(1,834,561)				(1,834,561)							
	Southeast Fire Station Operations		(119,405)				(119,405)							
10	Sales Tax Revenues & Costs						(6,557,007)	5,272,467	(563,946)	(720,594)	3,038,204	7,461,826		
	POLICE						(265,000)							
	Payment - 20 year bond for infrastructure	(265,000)												
	Total - Tenth Year						(265,000)							
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(3,566,299)							
11	Sales Tax Revenues & Costs						(6,745,767)	5,377,917	(604,549)	(763,302)	2,494,420	6,847,761		
	POLICE						(265,000)							
	Payment - 20 year bond for infrastructure	(265,000)												
	Total - Eleventh Year						(265,000)							
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(3,673,289)							
12	Sales Tax Revenues & Costs						(6,940,190)	5,485,475	(647,003)	(807,712)	1,897,305	6,177,004		
	POLICE						(265,000)							
	Payment - 20 year bond for infrastructure	(265,000)												
	Total - Twelfth Year						(265,000)							
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(3,783,486)							
13	Sales Tax Revenues & Costs						(7,140,446)	5,595,184	(691,376)	(853,866)	1,243,876	5,446,658		
	POLICE						(265,000)							
	Payment - 20 year bond for infrastructure	(265,000)												
	Total - Thirteenth Year						(265,000)							
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(3,896,991)							
14	Sales Tax Revenues & Costs						(7,346,709)	5,707,088	(737,738)	(901,863)	531,015	4,653,709		
	POLICE						(265,000)							
	Payment - 20 year bond for infrastructure	(265,000)												
	Total - Fourteenth Year						(265,000)							
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(4,013,901)							
15	Sales Tax Revenues & Costs						(7,559,160)	5,821,230	(786,163)	(951,768)	(244,527)	3,795,015		
	POLICE						(265,000)							
	Payment - 20 year bond for infrastructure	(265,000)												
	Total - Fifteenth Year						(265,000)							
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(4,134,318)							
16	Sales Tax Revenues & Costs						(7,777,985)	5,937,654	(836,725)	(1,003,606)	(1,086,142)	2,867,310		
	POLICE						(265,000)							
	Payment - 20 year bond for infrastructure	(265,000)												
	Total - Sixteenth Year						(265,000)							
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(4,258,347)							

**VISALIA POLICE & FIRE DEPARTMENTS
Revenue (1/4 Cent Sales Tax & Impact Fee) and Expenditure Plan**

Annual Sales Tax Revenue Initially Est. @ \$4.5 Million With A 60/40 Split To Police / Fire

YR	Description	TOTAL Costs		ONE-TIME Costs			ONGOING Costs	ANNUAL Sales Tax INCOME	CURRENT YEAR		ACCUMULATED	
		Police	Fire	General Fund	Impact Fee	Sales Tax			Sales Tax CARRYOVER	Fire	Est. Annual Sales Tax RESERVES	Police
17	Previous Yrs' Ongoing Cost + 3% - FIRE						(3,480,027)	6,056,408	(889,503)	(1,057,464)	(1,997,368)	1,867,192
	Sales Tax Revenues & Costs						(8,003,375)				(39,947)	37,344
	POLICE						(265,000)				Interest	Interest
	Payment - 20 year bond for infrastructure						(265,000)					
18	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(4,386,098)					
	Previous Yrs' Ongoing Cost + 3% - FIRE						(3,584,428)	6,177,536	(944,576)	(1,113,414)	(2,981,891)	791,121
	Sales Tax Revenues & Costs						(8,235,526)				(59,638)	15,822
	POLICE						(265,000)				Interest	Interest
19	Payment - 20 year bond for infrastructure						(265,000)					
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(4,517,880)					
	Previous Yrs' Ongoing Cost + 3% - FIRE						(3,691,961)	6,301,086	(1,002,029)	(1,171,527)	(4,043,558)	(364,583)
	Sales Tax Revenues & Costs						(8,474,842)				(80,871)	(7,292)
20	Payment - 20 year bond for infrastructure						(265,000)					
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(4,653,211)					
	Previous Yrs' Ongoing Cost + 3% - FIRE						(3,802,720)	6,427,108	(1,061,946)	(1,231,877)	(5,186,375)	(1,603,751)
	Sales Tax Revenues & Costs						(8,720,931)				(103,728)	(32,075)
20	Payment - 20 year bond for infrastructure						(265,000)					
	Previous Yrs' Ongoing Cost + 3% less bonds - POLICE						(4,792,807)					
	Previous Yrs' Ongoing Cost + 3% - FIRE						(3,916,802)	6,555,650	(1,124,417)	(1,294,541)	(6,414,520)	(2,930,368)
	Sales Tax Revenues & Costs						(8,974,609)					
							112,629,771					

**City of Visalia
Agenda Item Transmittal**

Meeting Date: January 11, 2010

Agenda Item Number (Assigned by City Clerk): 4e

Agenda Item Wording: Reappoint Ben Arellano to the Visalia Environmental Committee

Deadline for Action: N/A

Submitting Department: Administration

Contact Name and Phone Number:
Kim Loeb, Natural Resource Conservation Manager, 713-4530

Department Recommendation: It is recommended that Ben Arellano be reappointed to the Visalia Environmental Committee for the 2010-2012 term.

Background:

Ben Arellano was appointed to fill a vacancy on the Visalia Environmental Committee with term ending on December 31, 2009, by Council at its June 1, 2009, meeting. He has regularly attended meetings since his appointment and has participated in the activities of the Committee.

Mr. Arellano has been a resident of Visalia for 27 years and has a history in working on energy efficiency projects with both So. Cal Gas and So. Cal Edison. Currently, he is a Certified Energy Analyst for Allied Energy Services, Inc., here in Visalia. He has served as a member of the Visalia Sports Committee and has been involved with Habitat for Humanity.

Prior Council/Board Actions:

June 1, 2009 – Appointed Ben Arellano to fill a vacant term ending on December 31, 2009.

Committee/Commission Review and Actions:

April 2009 – Environmental Committee recommended applicant to the CAC.

May 2009 – CAC reviewed and concurred with the Environmental Committee recommendation.

Alternatives:

Position becomes vacant.

Attachments:

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Recommended Motion (and Alternative Motions if expected):

I move to reappoint Ben Arellano to the Visalia Environmental Committee to serve the recommended term.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: January 11, 2010

Agenda Item Number (Assigned by City Clerk): 4f

ADOPT A RESOLUTION DESIGNATING VISALIA AS A FEDERAL RECOVERY ZONE PURSUANT TO THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 FOR THE PURPOSE OF PURSUING RECOVERY ZONE BONDS

Deadline for Action: January 31, 2010

Submitting Department: Housing and Economic Development

Contact Name and Phone Number: Ricardo Noguera, Housing & Economic Development Director; 4190;

Department Recommendation: Adopt a resolution designating Visalia as a Federal Recovery Zone pursuant to the American Recovery and Reinvestment Act (ARRA) of 2009 for the purpose of pursuing Recovery Zone Facility Bonds and Recovery Zone Economic Development Bonds in amounts not to exceed \$10 million.

Background

On June 12, 2009, the U.S. Department of the Treasury released information and guidance regarding eligibility and authorization levels for the ARRA's "Recovery Zone" bonds. There are two types of bonds: Recovery Zone Facility Bonds (RZFB) and Recovery Zone Economic Development Bonds (RZEDB). It should be noted that due to the weak economy these programs have not been utilized to the extent originally anticipated by the Federal Government.

Recovery Zone Facility Bond (RZFB)

Recovery Zone Facility Bonds are a type of tax-exempt bond that may be used by private businesses or non-profits in designated "recovery zones" to finance a broad range of depreciable capital projects. Land acquisition cannot be financed through these bonds and they must be issued before December 31, 2010.

Recovery Zone Economic Development Bonds (RZEDB)

Recovery Zone Economic Development Bonds are a form of taxable "Build America" Bonds that allow states and local governments to obtain lower borrowing costs through a new direct federal payment subsidy, for 45% of the interest, to finance a broad range of qualified economic development projects. These bonds may only be used by state or local governments for

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.):5__

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

government projects which otherwise comply with the tax code for tax-exempt financed facilities; private developers, businesses or non-profits are not eligible. Bonds must be issued before December 31, 2010.

Eligibility Requirements

To be eligible for either of the programs, projects must be located in "Recovery Zones" that are designated by the local jurisdiction. Recovery Zones are defined as "1) any area designated by the issuer as having significant poverty, unemployment, rate of home foreclosures, or general distress; 2) any area designated as economically distressed by reason of the closure or realignment of a military installation; or 3) any area for which a designation as an "empowerment zone" or "renewal community" is in effect as of the effective date of the ARRA (2/17/09)." Visalia is proposing to include the following areas: the four redevelopment project areas; CDBG boundaries; and BIZ Zone (soon to include the State Enterprise Zone boundaries). To make use of these bond programs, the local governing body must designate the area that the bonds will be utilized in as a Recovery Zone and to include the basis for the designation per ARRA section 1400-1(b).

Visalia did not receive an initial allocation from the U.S. Department of Treasury

In determining the allocation of funding to cities and counties throughout the United States, the Federal Government used a formula based on increases to a jurisdiction's unemployment level. In California, over \$1.2 billion in funds were allocated directly to large municipalities (with populations exceeding 100,000) and counties for the Recovery Zone Facility Bond Program and over \$800 million for the Recovery Zone Economic Development Bond Program. Unfortunately, though the Central Valley and its cities of Fresno, Bakersfield, Salinas and Visalia have been considered Ground Zero of the national foreclosure crisis and subject high unemployment, these cities were not recommended for allocations. Based on discussions with the Department of the Treasury, the formula utilized to determine allocations was based on the difference in total jobs in December 2007 and December 2008. If there was not a net loss in employment then the municipality was not given an allocation. This is unfortunate because it does not take into consideration downsizing and reduced work hours as well as conversion of full-time to part time positions which is more typical in agriculturally-oriented communities such as those in the Central Valley.

Despite the U.S. Department of Treasury's decision not to provide a direct allocation of Recovery Zone bonds to Visalia, projects in the city will still have an opportunity to access this bond resource through the State of California. The California Debt Limit Allocation Committee (CDLAC) is in the process of establishing a process for the reallocation of Recovery Zone bond authority either voluntarily waived or deemed waived from large municipalities and counties who did receive an allocation. One of the priorities of CDLAC's proposed reallocation program is to provide bond authority to projects located in communities that did not receive a direct allocation from the Treasury such as Visalia. For a project to be eligible for CDLAC's program, it must be located in a Recovery Zone as determined by that city or county.

Fiscal Impact

There is no fiscal impact association with this action. The designation as a Recovery Zone does not financially obligate the city in any way. By designating Visalia as a Federal Recovery Zone, local businesses will be eligible for millions of dollars of financing through the ARRA. While RZFBs allow borrowers to access the tax-exempt marketplace to fund their projects, RZFBs are not guaranteed by any local, state or federal agency. The borrower and the project are required to have a demonstrated ability to repay the RZFB issue. If this resolution is approved by

Council, staff will analyze whether there are any projects which would be appropriate to finance under the RZEDB portion.

RZFBs sunset on December 31, 2010.

Prior Council/Board Actions: None

Committee/Commission Review and Actions:

Attachments: N/A

Recommended Motion (and Alternative Motions if expected):

Adopt Resolution 2010-01 designating Visalia as a Federal Recovery Zone pursuant to the American Recovery and Reinvestment Act (ARRA) of 2009 for the purpose of pursuing Recovery Zone Facility Bonds and Recovery Zone Economic Development Bonds in amounts not to exceed \$10 million.

Environmental Assessment Status

CEQA Review: n/a

NEPA Review: n/a

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date) Loan Agreement*

Copies of this report have been provided to:

RESOLUTION NO.
A RESOLUTION OF THE CITY OF VISALIA
DESIGNATING A RECOVERY ZONE PURSUANT TO THE AMERICAN RECOVERY AND
REINVESTMENT ACT OF 2009 FOR THE PURPOSES OF PURSUING RECOVERY ZONE
FACILITY BONDS AND RECOVER ZONE ECONOMIC DEVELOPMENT BONDS NOT TO
EXCEED \$10 MILLION EACH

WHEREAS, Section 1401 of the American Recovery and Reinvestment Act (ARRA) of 2009, Publ. L. No. 111-5, 123 Stat. 115 (2009) (the "Act"), added Section 1400U-1 through 1400U-3 to the Internal Revenue Code of 1986, as amended (the "Code"), authorizing states, counties, and large municipalities to issue Recovery Zone Facility Bonds and Recovery Zone Economic Development Bonds; and

WHEREAS, Recovery Zone Facility Bonds and Recovery Economic Development Bonds may be used to finance certain "qualified economic development proposes" and certain "recovery zone property", generally for use within Recovery Zones; and

WHEREAS, a Recovery Zone is defined in Section 1400U-1 as: (i) any area designated by the issuer as having significant poverty, unemployment, rate of home foreclosures, or general distress; (ii) any area designated as economically distressed by reason of the closure or realignment of a military installation; (iii) any area for which a designation as an empowerment zone or renewal community is in effect as of the effective date of ARRA which effective date of the ARRA which effective date is February 17, 2009; and

WHEREAS, the recent economic downturn has caused business closures, a decline in sales and property taxes and an unemployment rate of 10 percent in Visalia, and the latter of which is the basis for the Federal Recovery Zone designation per ARRA Section 1400-1(b); and

WHEREAS, Visalia has not been allocated any bonds but can be considered in Tier II by the California Debt Limit Allocation Committee (CDLAC) if all bonds are not exhausted by Tier I communities (those communities with more than 100,000 residents which experienced a loss in total employment between December 2007 and December 2008), for individual allocations up to and not to exceed \$10 million which must be issued through January 31, 2011; and

WHEREAS, Internal Revenue Service Notice 2009-50 (the "notice") states that an issuer of Recovery Zone Facility Bonds and Recovery Zone Economic Development Bunds can make designations of Recovery Zones in any reasonable manner as it shall determine in good faith at its discretion; and

WHEREAS, the City Councils approval of Recovery Zone areas is required prior to Visalia being considered for future RZFB or RZEDB allocations; and

WHEREAS, all requests for use of Recovery Zone funds all be approved by the City Council in accordance with the rules or regulations relating to issuance of bonds or any financing documents relating to such issuance; and

WHEREAS, the use of Recovery Zone Bonds in the City of Visalia will assist with recovery from the economic downturn by advancing economic development and public infrastructure priorities.

NOW, THEREFORE, BE IT RESOLVED, that the Visalia City Council hereby designates Visalia (Redevelopment Project Areas, CDBG areas and the Industrial District Park) as a

Federal Recovery Zone pursuant to the American Recovery and Reinvestment Act of 2009 for the purpose of pursuing the issuance of Recovery Zone Facility Bonds and Recovery Zone Economic Development Bonds.

PASSED AND ADOPTED by the City Council of the City of Visalia, Tulare County, State of California, this _____ day of _____ 2010, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Mayor

ATTEST: _____
City Clerk

I, the undersigned City Clerk, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Visalia, California, at a regular meeting thereof held on the _____ day of _____ 2010, is a true and correct copy. The original of which is on file in my office.

City Clerk

City of Visalia Agenda Item Transmittal

Meeting Date: January 11, 2009

Agenda Item Number (Assigned by City Clerk): 4g

Agenda Item Wording: Authorize the City Manager to approve a reimbursement request in the amount of \$643,726 (of which \$162,246 is due in a cash payment) per the "Riverwood Unit #2" Subdivision Reimbursement Agreement for improvements made to arterial streets (Mineral King Avenue and McAuliff Street).

Deadline for Action: None.

Submitting Department: Community Development Department/
Engineering Division.

Contact Name and Phone Number:

Chris Young, Assistant Community Dev. Director - 713-4392
Adam Ennis, Engineering Services Manager- 713-4323
Peter Spiro, Associate Engineer - 713-4256

Department Recommendation: Authorize the City Manager to approve a reimbursement request for the amount of \$643,726 (of which \$162,246 is due in a cash payment and the remainder in fee credits) per the "Riverwood Unit #2" Subdivision Reimbursement Agreement for improvements made to arterial streets (Mineral King Avenue and McAuliff Street). The project's developer was Centex Homes. Additionally, the reimbursements include storm drain and sanitary sewer "oversizing" costs to serve the future commercial site just south of Mineral King Avenue north of SR 198.

Summary: City Council approved the final subdivision map of "Riverwood Unit #2" on November 20th, 2006. The subdivision improvement agreement called for specific reimbursable improvements to be made. As per City policy that existed at that time, the City Manager executed a Subdivision Reimbursement Agreement for this project on May 4th, 2007 (Exhibit "C").

Total Reimbursement Agreement Amount	\$643,726
Transportation Impact Fee Credits Previously Given to Developer	\$481,480
Reimbursement Due to Developer ("Cash Payment")	\$162,246

Background: The subdivision reimbursement agreement called for a combination of fee credits and cash payment. A Transportation Impact Fee Credit in the amount of \$481,480 was granted to all of the (80) building permits issued to the subdivision. The total estimated cost of reimbursement, per the original subdivision reimbursement agreement, was for the amount of \$511,106. The actual eligible reimbursement cost per construction invoices was \$643,726 (Exhibit "B"); the difference of \$132,620 was due to the following:

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 2

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

- Authorized changes/additions consisted of slightly widening the existing Mineral King Avenue east of McAuliff Street in order to accommodate a dedicated left turn pocket onto McAuliff Street, to allow for a smoother and safer traffic flow at the intersection of Mineral King Avenue and McAuliff Street. The extra work included asphalt grinding, striping removal, additional asphalt pavement, curbing and new striping, which resulted in an additional cost of \$68,750.
- Material price increases due to the rising construction costs at the time (development was constructed during the high point of the construction boom) and oil price fluctuations, which consequently affected the asphalt prices, accounted for the remainder of the difference in the reimbursement cost of \$63,870.

Staff has compared the unit prices which were submitted with the invoices to those obtained from different projects constructed around the same year and found them to be comparable. A portion of this development consists of multi-family units (a total of 25 units) that haven't been built yet, therefore additional transportation impact fee revenue in the amount of \$110,300 is estimated when these building permits are issued. Since this reimbursement agreement was prepared during the previous City Transportation Impact Fee Policy, the multi-family units will be subject to the fee schedule that was in effect at the time of preparing this agreement (higher fee schedule). The Developer Reimbursement Review Committee recommended approval of the reimbursement request.

Prior Council/Board Actions:

- City Council approved recording the Final Subdivision Map on November 20th, 2006.
- City Council approved filing a Notice of Completion of the project on April 7th, 2008.

Committee/Commission Review and Actions:

- The Tentative Subdivision Map of Riverwood subdivision was approved by the Planning Commission on November 22nd, 2004.

Alternatives: None.

Attachments: Exhibit A - Vicinity Map
 Exhibit B – Construction Costs/ Reimbursement Summary
 Exhibit C - Subdivision Reimbursement Agreement
 Exhibit D - Developer Disclosure Form

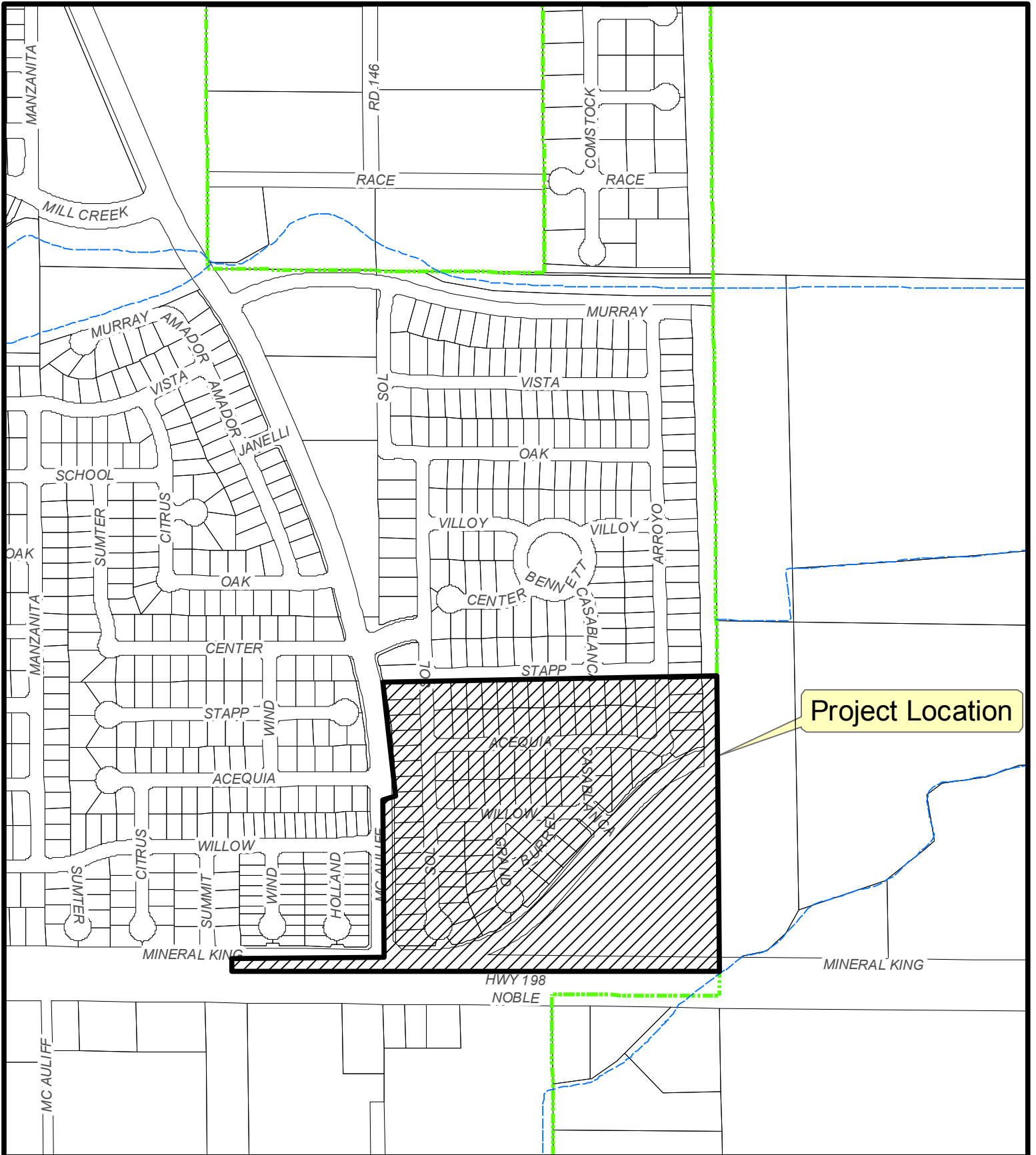
Recommended Motion (and Alternative Motions if expected): I move to give the City Manager authorization to approve a reimbursement request for the amount of \$643,726, (of which \$162,246 is due in a cash payment and the remainder in fee credits) per “Riverwood Unit #2” Subdivision Reimbursement Agreement for improvements made to arterial streets (Mineral King Avenue and McAuliff Street).

CEQA Review: Environmental finding completed for tentative subdivision map.

NEPA Review: N/A

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date):*
Check Request

Copies of this report have been provided to:



RIVERWOOD UNIT #2 VICINITY MAP



Scale: 1"=500'

ITEM NO.	DESCRIPTION	VENDOR	QUANTIT	UNIT	ACTUAL UNIT COST	AMOUNT INVOICED	Comparable Unit Cost
Exhibit "B" Riverwood Unit #2 offsite reimbursable Improvements -							
1	Curb & Gutter (grading)	Gill/Reeves	1,454	LF	\$1.60	\$2,326.40	\$1.40
2	Curb & Gutter (concrete)	Graham Con.	1,454	LF	\$9.00	\$13,086.00	\$9.50
3	Mineral King Ave. Pavement (5" AC / 6" AB)	Gill/Reeves	25,650	SF	\$3.29	\$84,388.50	\$3.15
4	McAuliff St. Pavement (5" AC / 6" AB)	Gill/Reeves	11,530	SF	\$3.29	\$37,933.70	\$3.15
5	Grind existing asphalt on Mineral King	Gill/Reeves	1	LS	\$10,000.00	\$10,000.00	n/a
6	Saw cut existing asphalt for conform	Gill/Reeves	1	LS	\$2,300.00	\$2,300.00	n/a
7	Install 1205 LF of AC Berm on Mineral King	Gill/Reeves	1	LS	\$13,840.50	\$13,840.50	\$11,809.00
8	Striping & Signage	Gill/Reeves	1	LS	\$13,123.00	\$13,123.00	n/a
9	Additional Paving on north side of Mineral King	Gill/Reeves	2,550	SF	\$5.38	\$13,719.00	n/a
10	Add for barricade on skids on Mineral King	Gill/Reeves	1	LS	\$1,300.00	\$1,300.00	\$1,500.00
11	Street lights - Mineral King & McAuliff	SCE	11	EA	\$1,044.58	\$11,490.38	\$2,500.00
12	Over sizing 10" to 12" Sanitary Sewer Pipe - M.K & Rio Vi	Bill Nelson	2,033	LF	\$9.37	\$19,049.21	\$11.00
13	Heavy wall concrete pipe 24" - Mineral King	Bill Nelson	517	LF	\$85.00	\$43,945.00	\$81.00
14	Curb Return/H.C. Ramp	Graham Con	1	LS	\$1,400.00	\$1,400.00	\$1,500.00
	Construction Administration (10%)		10%	%	\$267,901.69	\$26,790.17	
	Mineral King Street Right of way dedication		84,512	SF	\$4.13	\$349,034.56	
					TOTAL	\$643,726.42	
	LESS TRANSPORTATION IMPACT FEES ACCREDITED		80	Lots	-6,018.50	-\$481,480.00	
					DUE IN CASH	\$162,246.42	

REIMBURSEMENT AGREEMENT FOR SUPPLEMENTAL IMPROVEMENTS

Riverwood Unit #2 SUBDIVISION (WILLOW CREEK 2)

THIS REIMBURSEMENT AGREEMENT FOR SUPPLEMENTAL IMPROVEMENTS (hereafter "Agreement"), entered into this 4th day of May, 2007, by and between the CITY OF VISALIA, hereinafter referred to and the "CITY", and Centex Homes hereinafter referred to as "SUBDIVIDER".

WITNESSETH:

WHEREAS, said SUBDIVIDER has agreed to install supplemental size, capacity, number, or length of improvements and/or excessive right of way as required by the city as a condition of development or extension of facilities for Riverwood Unit #2 Subdivision; and

WHEREAS, the provisions of Chapter 16.36.210 of Chapter 16 of the Municipal Code of the City of Visalia requires that the City enter into an agreement for reimbursement to the SUBDIVIDER for the cost to install improvements which contain supplemental size, capacity or number for the benefit of property not within the subdivision; and

WHEREAS, reimbursements shall be based on the actual cost of constructing the improvements. In addition, reimbursements involving additional pipe size and/or depth shall be limited to the additional material and equipment costs. Reimbursement for design and construction management shall be established at a fixed percentage of the actual cost of constructing the improvements, excluding the cost of additional pipe size and/or depth. Reimbursement for excessive right of way dedications shall be based on the zoning in effect at the time of dedication and the "middle of value range" per the city wide land value study done by the CITY, in effect at the time of dedication; and

NOW, THEREFORE, be it agreed, by the CITY and SUBDIVIDER as follows:

1. Reimbursements from the CITY for supplemental improvements installed and/or right of way dedicated by the SUBDIVIDER shall be made through impact fee credits and cash payment. The split between fee credits and cash payment are detailed in the following tables:

	ITEM	QUANTITY	UNITS	UNIT COST	AMOUNT
A. FRONTAGE STREET IMPROVEMENTS					
1	Curb & Gutter (including grading)/Mineral King	1,423	LF	\$ 9.25	\$ 13,162.75
2	Mineral King Ave Pavement (5"AC / 6"AB)	25,650	SF	\$ 2.50	\$ 64,125.00
3	Median curb@South side of Mineral King	1200	EA	\$ 11.00	\$ 13,200.00
4	Street lights <i>M.K. & MORNING</i>	11	EA	\$ 2,500.00	\$ 27,500.00
5	Oversizing 10" to 12" S.S. Pipe <i>M.K. & MORNING</i>	1400	EA	\$ 11.00	\$ 15,400.00
6	Heavy wall concrete pipe 24"	370	L.F.	\$ 35.00	\$ 12,950.00
7	Curb return/H.C ramp	1	LS	\$ 1,000.00	\$ 1,000.00
	Total Cost of Frontage Street Improvements				\$ 147,337.75
	Design & Construction Management (10% of Total Cost less Oversize Cost)				\$ 14,733.78
			SF		\$ -
	Mineral King R/W	84,512	SF	\$ 4.13	\$ 349,034.56
	TOTAL (DUE IN CREDITS TOWARD TRANSPORTATION IMPACT FEES)				\$ 511,106.09
	TOTAL TRANSPORTATION IMPACT FEES AVAILABLE FOR CREDIT PER 11-18-05 FEE SCHEDULE				
		80	LOTS	\$ 8,018.50	\$ 481,480.00
					\$ -
	EXCESS FEE CREDITS (DUE IN CASH)				\$ 29,626.08

II. The principal due in cash for the supplemental improvements shall be payable to the SUBDIVIDER from the CITY no sooner than thirty days after City Council's approval of the Notice of Completion for the subdivision improvements. The CITY shall process payment to the SUBDIVIDER within forty five days of all necessary invoices being submitted to the CITY by the SUBDIVIDER. In addition to that, The CITY shall collect full impact fees FOR THE MULTI-FAMILY LOTS IN THE PROJECT with the issuance of each building permit FOR EACH UNIT. The CITY will perform a quarterly accounting of the impact fees paid (end of March, end of June, end of October and end of December) and a check for the amount of impact fees collected will be issued to the SUBDIVIDER until full reimbursement is made.

III. The SUBDIVIDER and CITY agree that the quantities and amounts presented in this agreement are the anticipated amounts; final pay amount will be based on SUBDIVIDER'S actual cost.

IV. Reimbursements are to be made to the SUBDIVIDER at the following address:

Centex Homes
801 S. Akers Street
Visalia, CA 93277

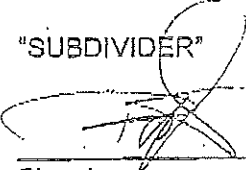
V. The SUBDIVIDER shall not transfer the rights to reimbursements without the express written consent of the CITY after having submitted a signed and notarized written request for said transfer to the City Engineer.

VII. This Agreement represents the entire understanding of the CITY and the SUBDIVIDER as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by the CITY and the SUBDIVIDER.

VIII. If any section, subsection, paragraph, sentence, clause, or phrase of this Agreement is held to be unconstitutional or invalid or ineffective by any Court or tribunal of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Agreement, or any part thereof.

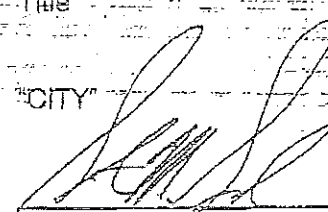
IN WITNESS WHEREOF, this Agreement is executed on the date and year first above written.

"SUBDIVIDER"

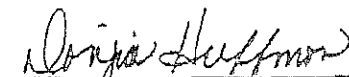

Signature _____ Date 3/30/07
Print Name ROGER FOSTER
Company Name CENTEX HOMES
Title CEO

Signature _____ Date _____
Print Name _____
Company Name _____
Title _____

"CITY"


Signature _____ Date 5/4/07
Steven M. Salomon
City Manager/City Clerk _____ Date _____

ATTEST:


Signature _____ Date 5/4/07
Deputy City Clerk _____ Date _____

hief



CITY OF VISALIA Ownership Disclosure

SITE:

Address or APN(s) Residential Subdivision at the Northeast corner of McAuliff St. and Mineral King Avenue

Short Title or Name of proposed project Riverwood Unit #2

Summary description of the proposed project 105 Units Subdivision

PROPERTY OWNER(S):

If more than two owners, please provide information and signature(s) on a separate sheet.

Name (print) Centex Homes Name (print) _____

Mailing Address 801 Sakers, Visalia, 93277 Mailing Address _____

Phone 559-733-2717 Phone _____

Statement: I/We declare under penalty of perjury that I am/we are the legal owner(s) of the property involved in this application.

8/10/09
Date

[Signature]
Property Owner Signature
VP of Land Development

Date

Property Owner Signature

OTHER INVOLVED PARTIES:

Fill in all that apply.

It is planned that the property will be sold to _____
(Write "none" if property owner(s) do not plan to sell property.)

Developer/Builder _____

Mailing Address _____

Phone _____ Fax _____

City of Visalia Agenda Item Transmittal

Meeting Date: January 11, 2010

Agenda Item Number (Assigned by City Clerk): 4h

Agenda Item Wording: Authorize staff using Neighborhood Stabilization Program (NSP) Funds to acquire and rehabilitate a foreclosed multi-family complex and contract with a Non-Profit Agency to manage the property

Deadline for Action: None

Submitting Department: Housing and Economic Development

Contact Name and Phone Number: Ricardo Noguera, Housing & Economic Development Director; 4190

Department Recommendation: Authorize staff to utilize NSP funds to acquire a foreclosed triplex or four-plex and retain the services of a local non-profit agency to lease and manage the property.

Project Summary

The City is required to use 25 percent (approximately \$600,000) of its' \$2.38 million NSP allocation from HUD to provide affordable housing for households earning less than 50 percent of the area median income (AMI; less than \$24,000 for a family of four). Thus far, the City has been very successful in acquiring foreclosed single-family homes and refurbishing them and then reselling on the private market. It has been more challenging to fulfill the 50 percent AMI requirement. Through the purchase and eventual rental of a multi-family complex, the City can fulfill this requirement with more purchases to be considered later.

Staff proposes to acquire a triplex or four-plex and complete the rehabilitation and then select an appropriate local non-profit agency to serve as landlord and manage the property and house for very low-income residents.

Background

In September 2008, the City of Visalia was awarded a \$2.38 million CDBG grant from HUD to acquire and rehabilitate foreclosed properties. The funding became available in March 2009. The City Council also set aside \$500,000 in RDA low/mod funds in January 2009 to jumpstart this program. This proved beneficial and enabled the City to commence the program earlier. The City has a total of 18 months to allocate the original \$2.38 million in NSP funds. The

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 5

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

tentative date for final obligation of funds is September 2010. Thus far, the City has spent approximately \$1.5 million of its' original allocation. The only challenge is the approximately \$600,000 reserved for very low-income households which the City is proposing to expend up to \$250,000 for the acquisition and rehabilitation of a triplex or four-plex complex. Below are brief highlights of the status of the NSP Program to date:

Note: The City's program is geared to recycle its' dollars through the resale of homes in order to purchase and rehabilitate more homes.

Homes Purchased and Resold

1. 2946 N. Willis
2. 1829 W. Perez
3. 1821 E. Babcock
4. 1710 N. Park

Homes Purchased, Rehabilitated & In Escrow for Resale

1. 620 E. Harold
2. 820 E. Oakridge
3. 2342 N. Jacob

Homes Purchased and Under Rehabilitation

1. 1932 W. Vine
2. 2429 N. Clark
3. 2021 W. Ferguson
4. 2339 N. Bradley
5. 2431 N. Charter Oak
6. 2322 N. Jacob

Homes In Escrow to be Purchased

1. 2450 N. Clark
2. 1207 E. Ferguson
3. 1922 E. Harold

Prior Council/Board Actions:

- November 3, 2008 Council approved Substantial Amendment to 2008/09 Annual Action Plan for use of NSP Funds from HUD;
- January 5, 2009 RDA Board approved use of \$500,000 of RDA low/mod funds to acquire foreclosed and abandoned homes

Committee/Commission Review and Actions:

Attachments:

- Map of NSP Area
- Photos of Homes Sold or For Sale

Recommended Motion (and Alternative Motions if expected):

Authorize staff to utilize NSP funds to acquire a foreclosed triplex or four-plex and retain the services of a local non-profit agency to lease and manage the property.

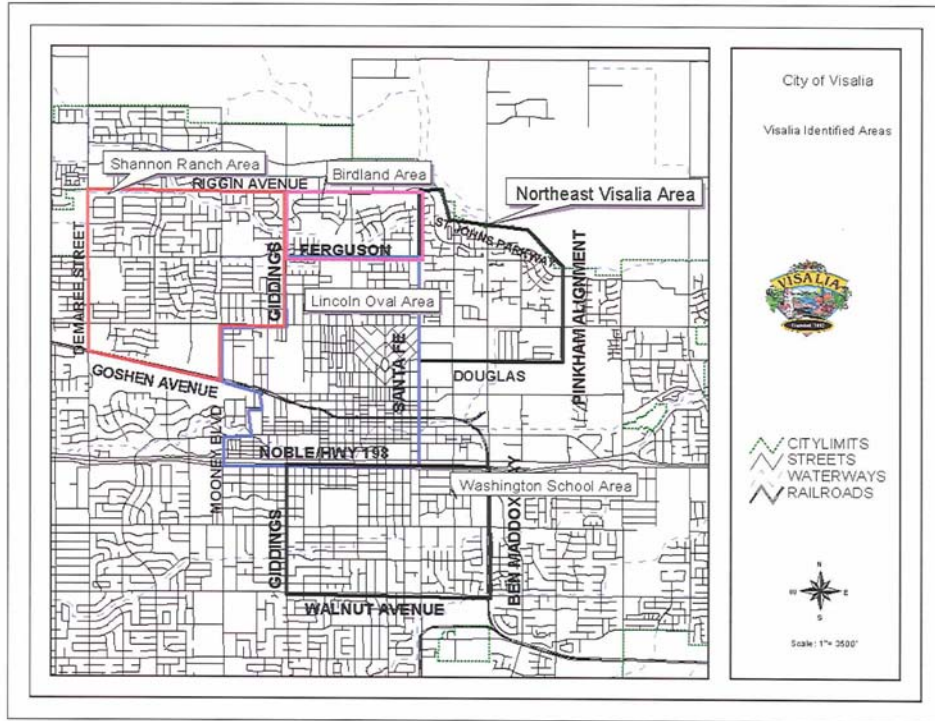
Environmental Assessment Status

CEQA Review: n/a

NEPA Review: Environmental review to be conducted to ensure compliance with NSP requirements.

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date) Loan Agreement*

Copies of this report have been provided to:



Attachment "A", Area Map for use of CHDO funds



1932 W. Vine Avenue – This home is located in the NW section of Visalia. The house built in 1977, is approximately 1,238 sq. feet, and has 3 bedrooms and 1.75 baths. To schedule a tour, please contact Felimon Carrasco at 559-786-0115 or email at carrascoc21@yahoo.com



1829 W. Perez Avenue – This very well kept, clean and neat house is located in the NW section of Visalia. The house built in 1978, has approximately 1,209 sq. feet, 3 bedrooms and 2 baths. To schedule a tour, please contact Robyn Graham at 559-786-3109 or email at robyn@dougsre.com



620 E. Harold Avenue – This house built in 1981, is located in the NE section of Visalia and has approximately 1,238 sq. feet, with 3 bedrooms and 2 baths. To schedule a tour, please contact Robyn Graham at 559-786-3109 or email at robyn@dougsre.com.



2021W. Ferguson – This house built in 1983, is located in the NW section of Visalia and has approximately 1,231 sq. feet, with 3 bedrooms and 2 baths. To schedule a tour, please contact Robyn Graham at 559-786-3109 or email at robyn@dougsre.com.



2342 N. Jacob – This house built in 2004, is located in the NW section of Visalia and has approximately 1,025 sq. feet, with 3 bedrooms and 2 baths. To schedule a tour, please contact Robyn Graham at 559-786-3109 or email at robyn@dougsre.com.



1710 N. Park – This house built in 1975, is located in the NW section of Visalia and has approximately 1,300 sq. feet, with 3 bedrooms and 2 baths. To schedule a tour, please contact Robyn Graham at 559-786-3109 or email at robyn@dougsre.com.



820 Oakridge – This house built in 1987 is located in the NE section of Visalia and has approximately 1,642 sq. feet, with 3 bedrooms and 2.5 baths. To schedule a tour, please contact Robyn Graham at 559-786-3109 or email at robyn@dougsre.com.



2429 N. Clark – This house built in 1987 is located in the NE section of Visalia and has approximately 1,642 sq. feet, with 3 bedrooms and 2.5 baths. To schedule a tour, please contact Suzette Knopf at 559-786-4289 or email at suzcteknopf@kw.com.

Agenda Item Transmittal

Meeting Date: January 11, 2010

Agenda Item Number (Assigned by City Clerk): 4i

Agenda Item Wording: Establish and/or recertify existing prima facie speed zones at the following locations:

- Riggin Avenue from Demaree Street to Dinuba Highway,
- Pinkham Street from Caldwell Avenue to Noble Avenue,
- County Center Drive from Houston Avenue to Shannon Parkway,
- Demaree Street from Goshen Avenue to Pratt Avenue, and
- Roeben Street from Buena Vista Avenue to Riggin Avenue.

Adopt Resolution No. 2010-02 to amend the Official Speed Zone List of the City of Visalia.

Deadline for Action: None

Submitting Department: Community Development Department/
Engineering Division

Contact Name and Phone Number:
Chris Young, Assistant Community Dev. Director: 713-4392
Eric Bons, Senior Civil Engineer: 713-4350

Department Recommendation: City Staff recommends that City Council adopts Resolution No. 2010-02, which will establish and/or recertify existing prima facie speed zones at the following locations:

- Riggin Avenue from Demaree Street to Dinuba Highway,
- Pinkham Street from Caldwell Avenue to Noble Avenue,
- County Center Drive from Houston Avenue to Shannon Parkway,
- Demaree Street from Goshen Avenue to Pratt Avenue, and
- Roeben Street from Buena Vista Avenue to Riggin Avenue

Adoption of Resolution 2010-02 will amend the Official Speed Zone List of the City of Visalia.

Summary:

An Engineering and Traffic Study was recently conducted in accordance with the Manual on Uniform Traffic Control Devices (MUTCD), and as required by section 627 of the California Vehicle Code, for the road segments being addressed in this resolution. Information contained in this study was used to recommend appropriate speed limit zones at the various locations studied. A summary of the streets studied and their associated speeds (existing and proposed) are shown in the table below. The establishment of new speed zones or changes to existing speed limit zones shall be established by the adoption of the attached resolution. The study

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 3 min

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

recommends that certain segments of roadways with existing speed limits not be changed. The roadway segments that have existing posted speed limits and are not changing extends the speed survey for a minimum of 5 years before the roadway needs an updated speed survey.

Background:

In making the determination as to the speed limits that are most reasonable and appropriate to facilitate the orderly movement of traffic in a safe and expeditious manner, certain factors such as prevailing speeds, traffic accident history, and unexpected conditions (which may not be readily apparent to the motorist) must be evaluated. Staff does have some limited ability to utilize “engineering judgment” in establishing prima facie (“at face value”) speed limit zones per Section 22358.5 of the California Vehicle Code (CVC).

Speed limits should be established at or near the 85th percentile speed, which is defined as the speed at or below which 85 percent of the traffic is traveling. The 85th percentile is often referred to as the “critical speed” and is recognized throughout the traffic engineering field as the most reasonable and prudent value to be used in establishing a speed limit. Speed limits set higher than the critical speed will make few additional drivers legal, while speed limits set lower than the critical speed will make larger number of reasonable drivers illegal. The majority of drivers operate their vehicles in a safe and reasonable manner based upon their perception of roadway conditions and surroundings, and such actions of said reasonable and prudent drivers should be considered legal with respect to establishing speed limits.

Street Name	Limits		Posted Speed Limit	Proposed Speed Limit
Demaree Street	Goshen Avenue	Houston Avenue	None	45
	Houston Avenue	Ferguson Avenue	None	50
	Ferguson Avenue	Pratt Avenue	None	50
County Center Drive	Houston Avenue	Riggin Avenue	None	40
	Riggin Avenue	Shannon Parkway	None	40
Pinkham Street	Caldwell Avenue	K Avenue	None	40
	K Avenue	Noble Avenue	40	40
Riggin Avenue	Demaree Street	Mooney Boulevard	None	45
	Mooney Boulevard	Dinuba Highway (SR-63)	45	45
Roeben Street	Buena Vista Avenue	Riggin Avenue	None	40

Demaree Street: Demaree Street is a collector status roadway (as identified in the Circulation Element) and carries between 15,800 vehicles per day near Goshen Avenue and approximately 4,600 vehicles per day near Pratt Avenue on the north end. The speed limit is currently unposted and the default speed limit for a multilane undivided roadway is 65 MPH. The Engineering and Traffic Study showed the 85th percentile of vehicles traveling on Demaree ranging from 44 miles per hour (MPH) between Goshen Avenue and Houston Avenue to 54 MPH near Shannon Parkway. The recommendation is to establish the speed limit between Goshen Avenue and Houston Avenue at 45 MPH which also serves as a transition from the 40 MPH speed limit south of Goshen Avenue. The segment of Demaree Street between Houston

Avenue and Ferguson Avenue has an 85th percentile of vehicles surveyed traveling 52 MPH which dictates a 50 MPH zone. The segment between Ferguson Avenue and Pratt Avenue has an 85th percentile of vehicles traveling 54 MPH which dictates a 55 MPH zone but staff is recommending the establishment of a 50 MPH speed zone. The reduction in the speed limit is being recommended because of the proximity of two elementary schools to Ferguson Avenue (near the Demaree Street corridor), several residential side streets connecting to Demaree Street, and to provide a consistent speed zone on Demaree Street.

County Center Drive: This segment of County Center Drive has developed in the past 5 years and is fully constructed between Houston Avenue and Shannon Parkway. This segment is also a collector status roadway per the City's Circulation Element and has an unposted default speed limit of 55 MPH. The portion of County Center Drive between Houston Avenue and Riggins Avenue was surveyed and the average of the three radar speed surveys showed the 85th percentile to be 46 MPH which dictates a 45 MPH speed zone. However, taking into account the pedestrian traffic along County Center Drive, which includes the pedestrian traffic associated with the elementary and junior high schools nearby, staff is recommending the establishment of a 40 MPH speed zone on County Center Drive between Houston Avenue and Ferguson Avenue.

The segment of County Center Drive between Riggins Avenue and Shannon Parkway has an 85th percentile of 42 MPH, so staff is recommending a posted speed limit of 40 MPH. Establishment of this 40 MPH speed zone between Houston Avenue and Shannon Parkway will provide a safer "uniform character" to this section of roadway.

Pinkham Street: Pinkham Street between K Avenue and Noble Avenue was previously surveyed in January of 2005 where the existing posted speed limit of 40 MPH was reconfirmed. The most recent survey of the same segment of Pinkham Street in October 2009 also reconfirmed the existing posted speed limit of 40 MPH. Therefore, staff is not recommending any change to this segment of Pinkham Street.

The segment of Pinkham Street between Caldwell Avenue and K Avenue has not previously had an "adopted" speed limit. In October 2009, City Staff performed a radar speed survey of this segment and the 85th percentile of the vehicle survey was shown to be 45 MPH. Staff however, is recommending that this portion of Pinkham Street be established as a 40 MPH speed zone considering the volumes of traffic connecting to Pinkham Street from the adjoining residential neighborhoods. This also establishes a consistent speed zone between Caldwell Avenue and Noble Avenue.

Riggins Avenue: A radar speed survey was performed on Riggins Avenue between Dinuba Highway (SR-63) and Demaree Street in November 2009. The portion of Riggins Avenue between Dinuba Highway and Mooney Boulevard is currently posted at 45 MPH. Three separate radar surveys were performed along this segment showing the 85th percentile of vehicles to be 49 MPH, 49 MPH and 51 MPH respectively. Staff also considered that this portion of Riggins Avenue has numerous houses with driveways fronting onto Riggins Avenue, on-street parking, and narrower roadway widths. Therefore, staff is recommending the adoption of 45 MPH speed zone on Riggins Avenue between Dinuba Highway and Mooney Boulevard.

The segment of Riggins Avenue between Mooney Boulevard and Demaree Street is a fully constructed roadway with two-lanes of traffic in each direction separated by a raised median. Riggins Avenue is designated as an arterial status roadway per the City's Circulation element and is a multilane divided roadway which currently has an unposted ("default") speed limit of 65

MPH. A radar survey conducted in November 2009 measured the speed of vehicles at four separate locations along this segment of roadway. The 85th percentiles of the vehicles surveyed were 54 MPH, 56 MPH, 55 MPH and 55 MPH respectively. However, the results of a recent stop sign “warrant study” conducted at the intersection of County Center Drive and Riggin Avenue shows that this intersection meets warrants for a four-way stop. Installation of the four-way stop has been scheduled and will significantly reduce the 85th percentile speeds. Also, considering that this segment of Riggin Avenue adjoins residential neighborhoods to the north and south, and considering the volume of pedestrian traffic associated with these neighborhoods (including pedestrian traffic to and from Manuel Hernandez Elementary), staff believes that a posted speed limit of 55 MPH would be inappropriate. City Staff is recommending the adoption of a 45 MPH speed zone for Riggin Avenue between Mooney Boulevard and Demaree Street. This would establish a consistent speed limit zone between Dinuba Boulevard and Demaree Street.

Roeben Street: A radar speed survey was performed on Roeben Street between Buena Vista Avenue and Riggin Avenue in November of 2008 and the 85th percentile of the vehicles surveyed were 40 MPH and 42 MPH respectively. Roeben Street is classified as a collector status roadway per the City’s Circulation Element and has an unposted speed limit of 55 MPH. The speed survey justifies the posting of this segment of Roeben Street as a 40 MPH speed zone. City staff is recommending the adoption of a 40 MPH speed zone for Roeben Street between Buena Vista Avenue and Riggin Avenue.

In summary, staff recommends establishing the following speed zones;

Street Name	Limits		Posted Speed Limit	Proposed Speed Limit
Demaree Street	Goshen Avenue	Houston Avenue	None	45
	Houston Avenue	Ferguson Avenue	None	50
	Ferguson Avenue	Pratt Avenue	None	50
County Center Drive	Houston Avenue	Riggin Avenue	None	40
	Riggin Avenue	Shannon Parkway	None	40
Pinkham Street	Caldwell Avenue	K Avenue	None	40
	K Avenue	Noble Avenue	40	40
Riggin Avenue	Demaree Street	Mooney Boulevard	None	45
	Mooney Boulevard	Dinuba Highway (SR-63)	45	45
Roeben Street	Buena Vista Avenue	Riggin Avenue	None	40

The above prima facie speed limits shall become effective with the adoption of this resolution.

Prior Council/Board Actions: None

Committee/Commission Review and Actions: None

Alternatives: Current speed limits to remain.

Attachments: Proposed Resolution No. 2010-02
Location Maps

Recommended Motion (and Alternative Motions if expected): City Staff recommends that Council adopt Resolution No. 2010-02, which will establish or revise prima facie speed zones at the locations listed in the resolution and amend the Official Speed Zone List of the City of Visalia.

Environmental Assessment Status

CEQA Review: Categorically Exempt

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

RESOLUTION No. 2010 - 02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA AMENDING THE OFFICAL SPEED ZONE LIST PURSUANT TO CHAPTER 10.12 INCLUSIVE OF TITLE 10, VEHICLES AND TRAFFIC

WHEREAS, The Council of the City of Visalia, pursuant to Chapter 10.12 inclusive of Title 10, Vehicles and Traffic, of the Ordinance Code, may enact prima facie speed limits on various roadways or portions thereof within the City of Visalia; and

WHEREAS, an “Engineering and Traffic” survey was performed pursuant to Section 10.12.060 of the Ordinance Code; and

WHEREAS, said prima facie speed limits are enacted pursuant to the provisions as set forth within the California Vehicle Code;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Visalia as follows:

Under the provisions of Chapter 10.12 inclusive of Title 10, Vehicles and Traffic, of the Ordinance Code, the prima facie speed limit for the following roadway, or portions thereof, are hereby determined and declared to be as shown below, and shall be included in the official City of Visalia Speed Zone List:

Street Name	Limits		Posted Speed Limit	Proposed Speed Limit
Demaree Street	Goshen Avenue	Houston Avenue	None	45
	Houston Avenue	Ferguson Avenue	None	50
	Ferguson Avenue	Pratt Avenue	None	50
County Center Drive	Houston Avenue	Riggin Avenue	None	40
	Riggin Avenue	Shannon Parkway	None	40
Pinkham Street	Caldwell Avenue	K Avenue	None	40
	K Avenue	Noble Avenue	40	40
Riggin Avenue	Demaree Street	Mooney Boulevard	None	45
	Mooney Boulevard	Dinuba Highway (SR-63)	45	45
Roeben Street	Buena Vista Avenue	Riggin Avenue	None	40

The above prima facie speed limits shall become effective with the posting of the appropriate speed limit signs.

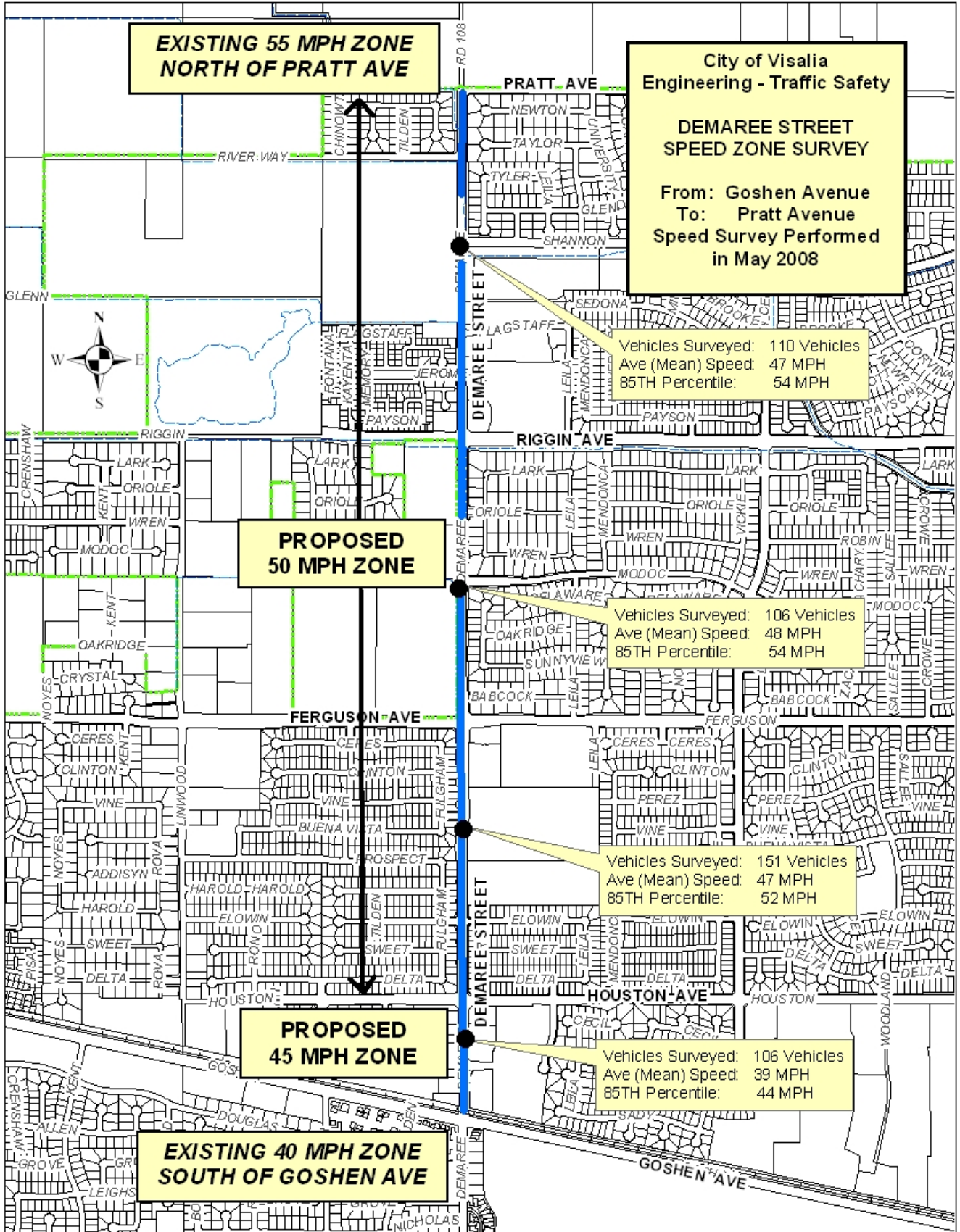
PASSED AND ADOPTED:

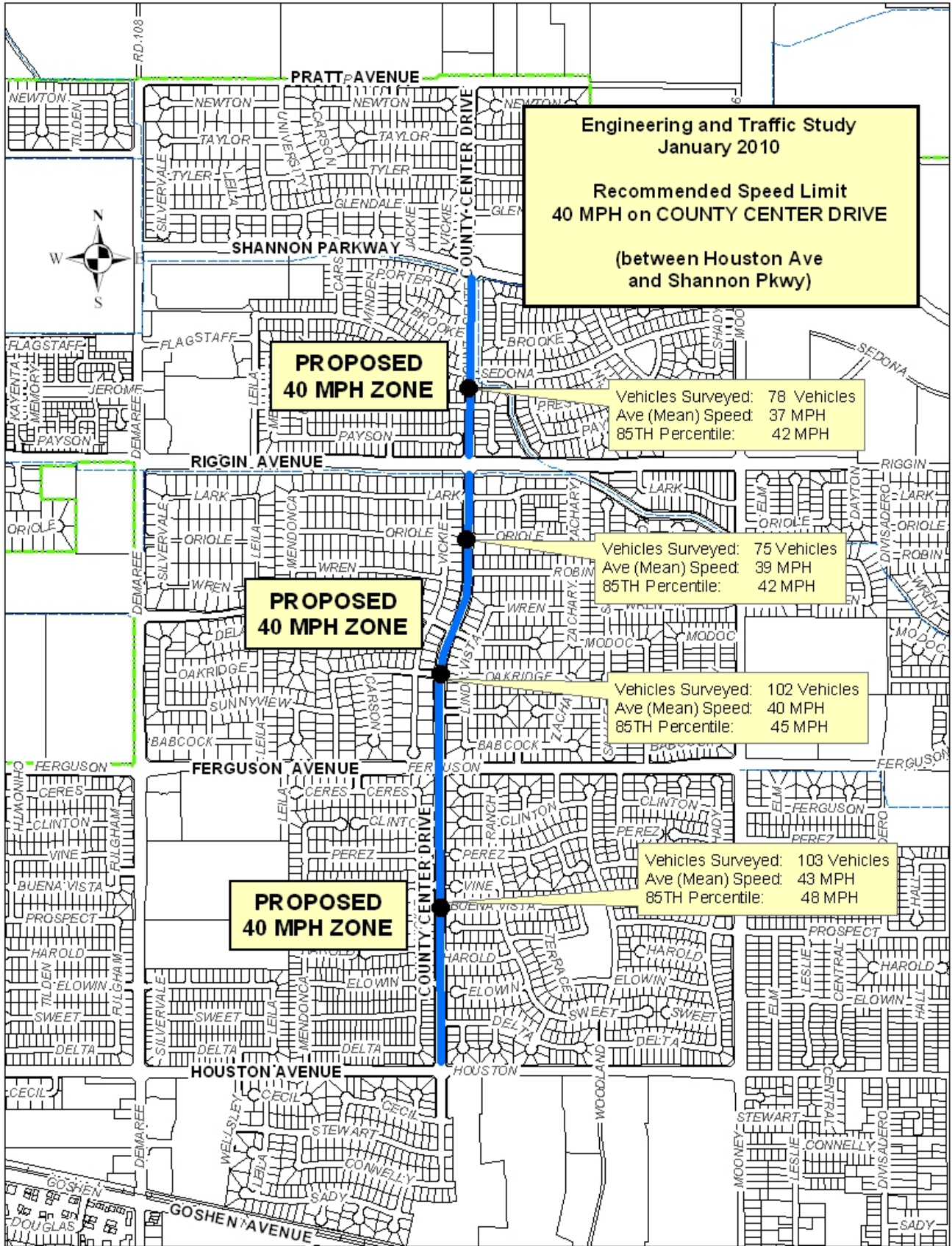
Mayor

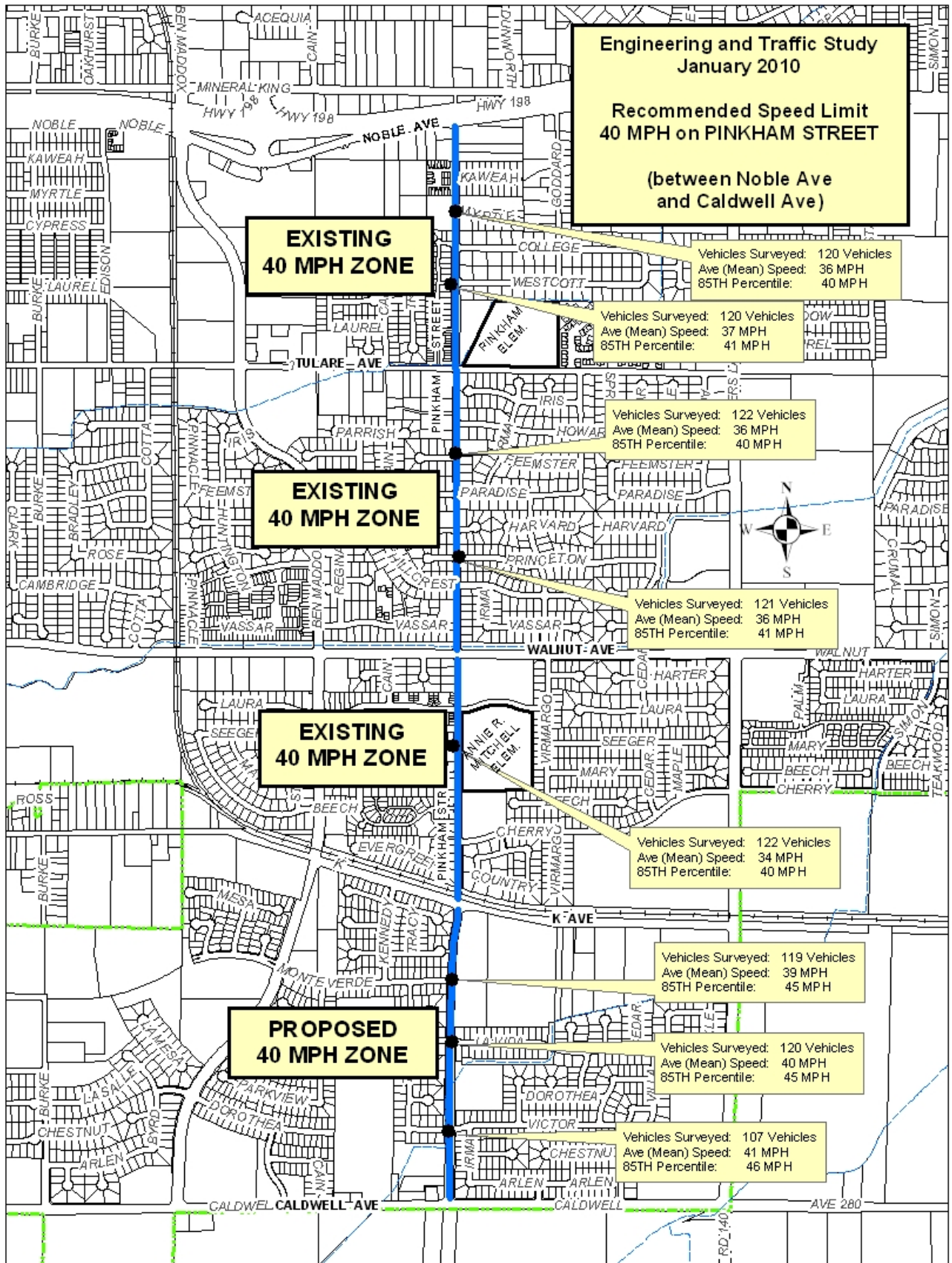
ATTEST:

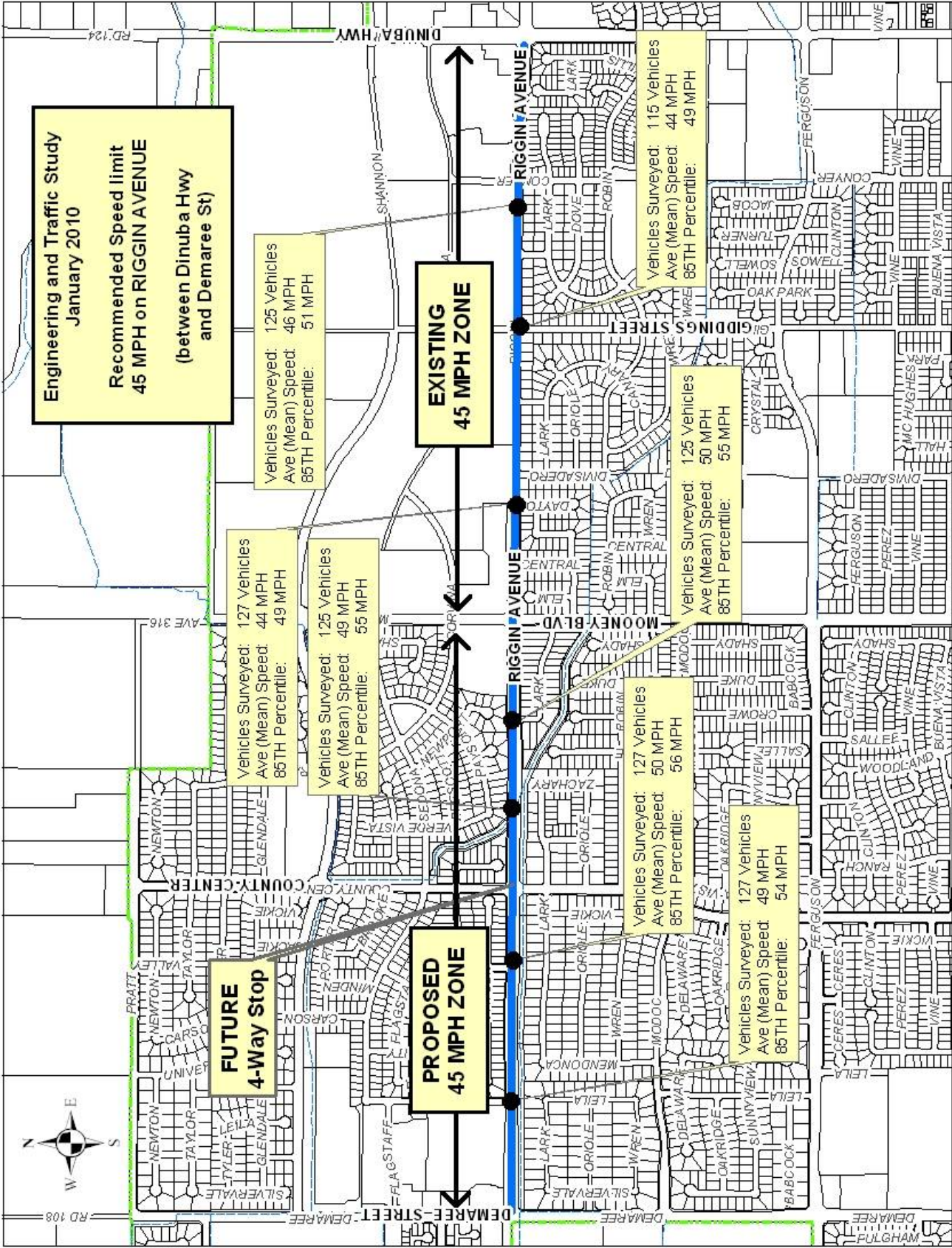
APPROVED BY CITY ATTORNEY:

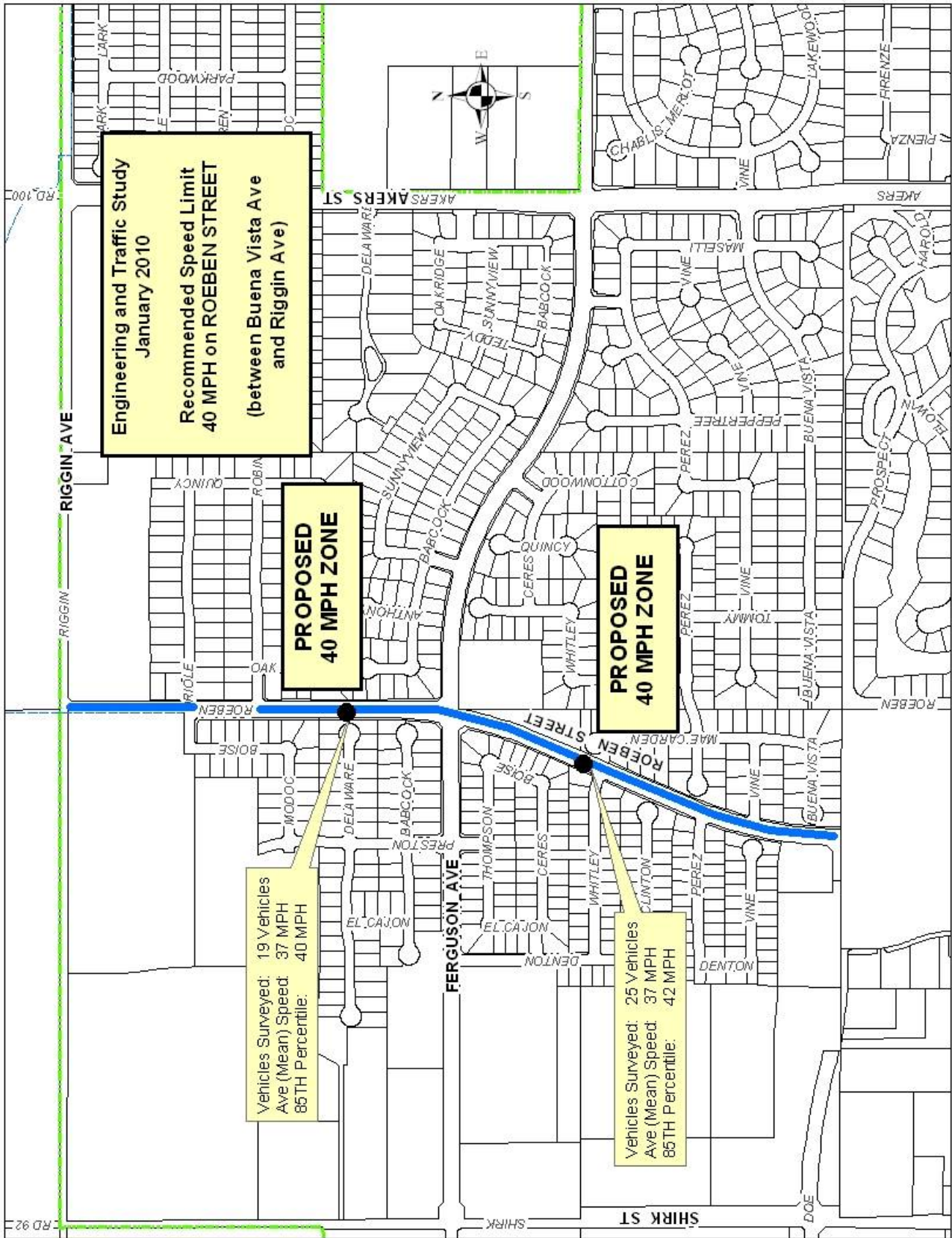
Steven M. Salomon, City Clerk











**City of Visalia
Agenda Item Transmittal**

Meeting Date: January 11, 2010

Agenda Item Number (Assigned by City Clerk): 5

Agenda Item Wording: Retiree Health Care Premiums for 2010

Deadline for Action: None

Submitting Department: Administrative Services

Contact Name and Phone Number: Eric Frost, Administrative Services Department

Department Recommendation: The City's Health Insurance Policy 301 states that retirees have access to the City's health insurance at a cost determined by the City. The City currently provides a substantial subsidy, in excess of \$2 million a year. The Council needs to set the 2010 contribution rates for retirees. Some of the options available to Council include:

1. **Leave current retiree contribution rates unchanged for 2010.** This action will cost the City approximately \$100,000 because the number of retirees has increased although each participant's individual cost to the program is unchanged for 2010.
2. **Increase retiree contributions sufficient to maintain the City's contribution as unchanged.** If the Council chose this action, staff would recommend that the increased rate be allocated equally between dependent and retiree coverage. Thus, a single retiree's monthly contribution rate would increase \$23.80 and the dependent coverage would also increase by \$23.80 a month. This action would increase total retiree contributions by \$100,000 a year and leave the City's contribution unchanged.
3. **Split the increased cost equally between the City and retirees.** This action would cost the City \$50,000 and would increase the per retiree and the per dependent coverage by \$11.90 a month.
4. In addition to options 2 or 3, Council could have no increase for lower income, Medicare-age retirees by **leaving the contribution rates for post-Medicare Age retirees unchanged for 2010** if the retiree meets the following minimum requirements:
 1. Worked for the City at least 15 years;
 2. Reached age 65 as of Dec. 31, 2009; and,
 3. Have total household income less than the 2010 Social Security Earnings limit of \$37,680.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The cost to the City of this action is approximately \$25,000 a year. (The rationale for the Medicare pricing is found in Attachment #1.)

5. If a rate change occurs, the rate increase will be effective as of May 1, 2010.

Summary/background:

Since 1982, the City has maintained a self-insured health care plan. This benefit was extended to retirees if the retiree paid the benefit's full cost, about \$60 a month in 1982. In 1988, the City formally stated its practice in its administrative policies. The City's Administrative Policy 301 states:

Retirees and their dependents are eligible for medical and vision at a cost determined each year by the City.

From 1982 to 2003, the City did not review and adjust the health care contribution made by retirees. However, starting in 2003, retiree contribution rates have increased.

Council should consider each year what the retiree health care contribution will be. This is particularly important in a fiscal year when the Council has had to authorize layoffs, work furloughs and retirement incentive programs to reduce costs. Although the per participant costs have not increased for 2010, the increased number of retirees participating in the plan will cost the City at least \$100,000 more in 2010 than in 2009.

2010 Retiree Contribution Rates

Increased use causes City's cost to increase

The per participant health plan cost will remain the same for 2010. In other words, there is no general rate increase for 2010. However, the number of retirees participating in the City's health plan has increased and will cause the City's contribution to retiree health care to increase. Comparing the October 2008 and October 2009 billings shows that the City is paying \$100,000 more a year as demonstrated in Table I, Comparison of City's Health Care Billing, October 2009 to October 2008. The number of retiree participants increased from 208 to 221. Please note that the total monthly cost is \$1,026 per month per medical health care participant, the net City contribution for retirees range from almost \$700 to \$800 a month.

Table I
Comparison of City's Health Care Billing, October 2009 to October 2008.

	Retirees	City's Contribution	Annualized
Oct. 09	221	174,258	2,091,096
Oct. 08	208	165,381	1,984,572
Change	13	8,877	106,524

Various Options. If the Council's objective is that increased plan costs are born by the retirees, the City's rate structure should be adjusted for 2010 to yield another \$100,000 in retiree contributions. If the Council were to decide that retiree contribution rates were to be increased, staff recommends that the increase be allocated equally between dependent and retiree increases. Thus, the single retiree would have a smaller increase than the retiree with dependents. This rate structure is shown in Table II, Retiree/Dependent Shared Rate Structure.

Table II
 Retiree/Dependent Shared Rate Structure
 Option: No increased City Contribution for 2010

	2009	2010
<i>Under 65</i>		
PPO or EPO	218.38	242.18
High Deductible	73.81	97.61
<i>Over 65</i>		
PPO or EPO	182.64	206.44
High Deductible	38.07	61.87
<i>Surviving Spouse</i>		
PPO or EPO	275.8	299.60
High Deductible	131.23	155.03
<i>Addition for Dependents *</i>		
- dependents under 65	57.42	81.22
- dependents over 65	21.68	45.48
* Surviving Spouse may only pay for existing dependents		

It should be noted that last year the City adopted a new plan design to provide employees, and consequentially retirees, a lower cost medical option. This High Deductible Health Plan provides a lower level of benefit due to higher deductibles but with a smaller monthly contribution. Last year, 30 out of the 727 plan participants chose this high deductible plan. Of the 30 who chose the High Deductible Health Plan, 15 were retirees.

Thus, the Council could decide to pursue any of the following options:

1. ***Leave current retiree contribution rates unchanged for 2010.*** This action will cost the City approximately \$100,000 because the number of retirees has increased although each participant's individual cost to the program is unchanged for 2010.
2. ***Increase retiree contributions sufficient to maintain the City's contribution as unchanged.*** If the Council chose this action, staff would recommend that the increased rate be allocated equally between dependent and retiree coverage. Thus, a single retiree's monthly contribution rate would increase \$23.80 and the dependent coverage would also increase by \$23.80 a month. This action would increase total retiree contributions by \$100,000 a year and leave the City's contribution unchanged.
3. ***Split the increased cost equally between the City and retirees.*** This action would cost the City \$50,000 and would increase the per retiree and the per dependent coverage by \$11.90 a month.
4. In addition to options 2 or 3, Council could have no increase for lower income, Medicare-age retirees by ***leaving the contribution rates for post-Medicare Age retirees unchanged for 2010*** if the retiree meets the following minimum requirements:

1. Worked for the City at least 15 years;
2. Reached age 65 as of Dec. 31, 2009; and,
3. Have total household income less than the 2010 Social Security Earnings limit of \$37,680.

The cost to the City of this action is approximately \$25,000 a year.

5. ***If a rate change occurs, the rate increase will be effective as of May 1, 2010.*** (The rationale for the Medicare pricing is found in Attachment #1.)

Implementation

The City's third party administrator usually requires 90 days to implement a rate change. Because of timing, the administrator has already sent out the payment book for 2010 using current rates. If the Council chooses to adopt increased 2010 Retiree Health Care Contribution rates on January 11, staff recommends the rate be effective as of May 1, 2010.

Recommendations:

That Council considers retiree health care contributions and act accordingly.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives:

Attachments: #1 Effects of Medicare on City Health Plan Costs

Recommended Motion (and Alternative Motions if expected): That the Council adopt one of the alternatives:

1. ***Leave current retiree contribution rates unchanged for 2010.*** This action will cost the City approximately \$100,000 because the number of retirees has increased although each participant's individual cost to the program is unchanged for 2010.
2. ***Increase retiree contributions sufficient to maintain the City's contribution as unchanged.*** If the Council chose this action, staff would recommend that the increased rate be allocated equally between dependent and retiree coverage. Thus, a single retiree's monthly contribution rate would increase \$23.80 and the dependent coverage would also increase by \$23.80 a month. This action would increase total retiree contributions by \$100,000 a year and leave the City's contribution unchanged.
3. ***Split the increased cost equally between the City and retirees.*** This action would cost the City \$50,000 and would increase the per retiree and the per dependent coverage by \$11.90 a month.
4. In addition to options 2 or 3, Council could have no increase for lower income, Medicare-age retirees by ***leaving the contribution rates for post-Medicare Age retirees unchanged for 2010*** if the retiree meets the following minimum requirements:

1. Worked for the City at least 15 years;

2. Reached age 65 as of Dec. 31, 2009; and,
3. Have total household income less than the 2010 Social Security Earnings limit of \$37,680.

The cost to the City of this action is approximately \$25,000 a year.

5. ***If a rate change occurs, the rate increase will be effective as of May 1, 2010.***

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

Attachment # 1

Effect of Medicare on City Health Plan Costs. Staff has considered the cost of the health plan per retiree. In the May 2008 actuarial study, the actuary used cost assumptions per retired participant for annual medical costs as shown in Table III, Annual Retiree Medical Costs:

Table III
Annual Retiree Medical Costs

Age	Medical/Rx	Average
55	\$8,434	\$ 9,738
60	9,777	
64	11,004	
65	5,853	\$ 6,317
70	6,305	
75	6,792	

Medical costs typically increase as an individual ages. Notice that the City's medical costs drop once a retiree hits Medicare age and then begin to rise again. This occurs because the City's health plan requires individuals to be on Medicare once they are of Medicare age. Comparing the two costs, the average cost of the pre-Medicare participant is 50% more than the average cost of the post-Medicare age participant. Given these cost factors, pre-Medicare retiree contributions should be proportionally 50% more than a post-Medicare retiree rate.

Table IV, Current Contribution Rates – Contrast Between Pre and Post Medicare Rates, shows what is occurring now and what the rates would be if they more properly reflected the

Table IV
Current Contribution Rates
Contrast Between Pre and Post Medicare Rates

	2009	Rates if proportional to underlying cost
Single Retiree - PPO or EPO Plan		
Under 65	218.38	273.96
Over 65	182.64	182.64
Ratio	1.20	1.50
Retiree + Dependent - PPO or EPO Plan		
Under 65	275.80	306.48
Over 65	204.32	204.32
Ratio	1.35	1.50

underlying costs of the medical insurance. Note that retiree health contributions cover about 30% of the monthly health costs.

If Council desired that contributions should reflect the underlying costs, staff would recommend adjusting these rates over time such that Post-Medicare rates did not increase until Pre-Medicare rates were 50% more than the Post-Medicare rates. For 2010, no rate increase would apply. Further, these preferred rates could be limited to individuals who meet certain qualifications, namely:

1. Worked for the City at least 15 years;
2. Reached age 65 as of Dec. 31, 2009; and,
3. Have total household income less than the 2010 Social Security Earnings limit of \$37,680.

Implementing such a policy would mean the City would forgo increased contributions of approximately \$25,000 a year.

City of Visalia
Agenda Item Transmittal

Meeting Date: January 11, 2010 (continued from November 16 & October 19, 2009 at the request of the applicant)

Agenda Item Number (Assigned by City Clerk): 6

Agenda Item Wording:

Public hearing for:

- Appeal of the Planning Commission's denial of Variance No. 2009-10 Ad Art Sign Company and Visalia Properties:** A request by Ad Art Sign Company to erect a 35-foot high/72 square foot double face freestanding sign for the Orchard Supply Hardware store located in the C-R (Regional Retail Commercial) Zone. The site is located at 2230 West Walnut Avenue. (APN: 095-134-045 & 046). **Resolution No. 2010-03 required.**

Deadline for Action: October 19, 2009. Per Visalia Municipal Code Section 17.02.045.B, an appeal before the City Council must be heard within 30 days of the appeal filing date. This appeal was filed on September 24, 2009, requiring the appeal to be heard by October 19, 2009. Due to the applicant's request to continue the item from previous City Council meetings, staff recommends that the City Council make a final decision on the item on January 11, 2010, thereby enabling the City to proceed with the street widening project along the Mooney/Walnut intersection.

Submitting Department: Community Development - Planning

Contact Name and Phone Number:

Paul Scheibel, AICP, Planning Service Manager, (559) 713-4369
Paul Bernal, Associate Planner (559) 713-4025

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.):30mins

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Department

Recommendation: It is recommended that the City Council hear the item and adopt the resolution upholding the denial by the Planning Commission on September 14, 2009, and deny the appeal. This recommendation is based on the conclusion that the Planning Commission's denial was made in conformance with the Visalia Municipal Code, and consistent with previous Planning Commission actions on similar projects.

Background on Variance No. 2009-10: The variance is a request by Ad Art Sign Company to erect a 35-foot high/72 square foot double face freestanding sign for the Orchard Supply Hardware (OSH) site. The location and dimensions of the pole sign are depicted on Exhibits "A" and "B". The Planning Commission staff report is included as Exhibit 2.

The site is zoned C-R (Regional Retail Commercial) and is located in Design District "A". The City's zoning regulations stipulate that each commercial site within Design District "A" is permitted one freestanding sign, not exceeding 10 feet in height and not exceeding an area of 35 square feet of sign copy area per face. Freestanding signs shall be mounted on a base, the width of which is not less than 50 percent of the width of the widest part of the sign.

This request is an outgrowth of ongoing negotiations to purchase additional right-of-way from the Orchard Supply Hardware property to facilitate widening of the Walnut Avenue approach to

Mooney Boulevard. The existing Orchard Supply Hardware sign is located in the area needed for right-of-way. As part of the right-of-way negotiations, the City’s representatives offered to re-locate the existing, code compliant monument sign approximately five (5) feet north of its existing location. The property owner, Visalia Properties, has not accepted the offer to re-locate the existing monument sign, arguing that the relocation will make the sign less visible from Mooney Boulevard. The property owner is therefore requesting a much taller and larger pole sign to be placed at the new sign location, significantly exceeding the City’s maximum sign allowances.

Size Comparison

	Maximum Allowed by Code	Proposed Sign Variance
Height	10 ft.	35 ft.
Area	35 sq. ft.	72 sq. ft.
Base	Monument	Pole

Staff has provided the appellant with two sign alternatives (see Exhibits 6 & 7). The reason for these alternatives would be to give the applicant, its tenant and city staff the opportunity to further discuss alternative variance approaches. For example, city staff has suggested that they could support a variance that does not involve a new pole sign, but rather provides for a modest 20% expansion of the existing monument style sign. For example an increase in sign height (10 feet to 12-13 feet) and area (35 sq. ft. to 42-45 sq. ft.) would provide added visibility but not violate the central prohibition against pole signs the City has attempted to enforce in the Mooney corridor. The appellant has not responded to the exhibits provided by staff.

Planning Commission Action: The Planning Commission held a public hearing on September 14, 2009, and denied Variance No. 2009-10 by a 4-1 vote (Commissioner Soltesz voting no). The applicant provided five findings for the variance (see Exhibit “2”) which discuss the resulting street widening project impacting the visibility of the Orchard Supply Hardware store. The applicant contends the street widening project along Walnut Avenue will result in the loss of the existing monument sign thus necessitating the request to install a 35 foot tall/72 square foot pole sign.

During the public hearing, three persons spoke on the item. David Esajan Ad Art Sign Company, Patrick Walsh, attorney for property owner and Craig Vanryn, Orchard Supply Hardware store manager, spoke in favor of approving the Variance.

The staff report analyzed the applicant’s five findings for their sign variance request and could not support their findings.

The Planning Commission is required by City ordinance to make five findings before a variance can be granted. The five findings are listed below:

1. *That strict or literal interpretation and enforcement of the Zoning Ordinance would result in practical difficulty or unnecessary hardship inconsistent with the objectives of the Zoning Ordinance.*
2. *That there are exceptional or extraordinary circumstances or conditions applicable to the property involved or to the intended use of the property, which do not apply to other properties classified in the same zone.*
3. *That strict or literal interpretation and enforcement of the ordinance would deprive the applicant of privileges enjoyed by the owners of other properties classified in the same zone.*
4. *That the granting of the variance would not constitute a grant of special privilege inconsistent with the limitations on other properties in the same zone.*
5. *That the granting of the variance will be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.*

The Planning Commission considered all of the testimony and concluded that the five findings could not be made to support the Variance request, and thus adopted the findings in Resolution No. 2009-58 denying Variance No. 2009-10.

Appeal: On September 24, 2009, staff received the appeal. The reasons for the appeal are stated by the Appellant as follows (see Exhibit "1" for the appeal statement):

1. Relocation of existing Orchard Supply Hardware freestanding sign will result in loss of sign visibility from Mooney Boulevard creating a hardship on the business.
2. The proposed Orchard Supply Hardware sign would not constitute a special privilege because there are other existing pole signs within close proximity to the Orchard Supply Hardware site.
3. Planning Commission failed to address Variance Finding No. 5.

Issue 1 Relocation of existing Orchard Supply Hardware freestanding sign will result in loss of sign visibility from Mooney Boulevard creating a hardship on the business:

The appellant contends the relocation of the existing Orchard Supply Hardware sign from its current location due to the Walnut Avenue street widening project will result in the loss of sign visibility from Mooney Boulevard thereby creating a hardship on the Orchard Supply Hardware store.

Planning Commission Determination:

The Planning Commission considered this issue. The Commission noted that the Orchard Supply Hardware site has no frontage along Mooney Boulevard and therefore sign visibility along Mooney Boulevard never existed; however, there is some limited distant visibility from the Mooney/Walnut intersection. During the public hearing, staff provided the Commission with a diagram depicting right-of-way acquisition for the Mooney Boulevard/Walnut Avenue intersection (see Exhibit "3").

The Commission concluded the relocation of the existing Orchard Supply Hardware sign approximately five feet to the north from its current location, in conjunction with the dedication of right-of-way along Walnut Avenue from the adjacent In-&-Out restaurant, would not obstruct visibility of the sign from the Mooney Boulevard/Walnut Avenue intersection.

The Commission is also stated that several business have been affected by the street widening project without submitting sign variance application request to erect signs that exceed Design District "A" standards.

Issue 2 Proposed Orchard Supply Hardware sign would not constitute a special privilege because there are other existing pole signs within close proximity to the Orchard Supply Hardware site:

The appellant contends the granting of the variance would not constitute a special privilege because this sign variance request would do no more than permit a new pole sign in an area that already has several existing pole signs.

Planning Commission Determination:

During the Planning Commission hearing, the Commission requested further discussion regarding the existing non-conforming sign used by First Union Bank located on the southwest corner of Mooney Boulevard and Walnut Avenue. Staff addressed the Commission's request and stated that the First Union Bank pole sign, as well as several other pole signs along the Mooney Boulevard corridor are non-conforming signs which were legally erected prior to the update of the sign ordinance. Non-conforming signs which were legally erected prior to the effective date of the Sign Ordinance can remain in place indefinitely subject to the provision of Chapter 17.48.040 (see Exhibit "4") of the Visalia Zoning Ordinance.

The Commission concluded that the granting of the variance would constitute a special privilege inconsistent with the sign ordinance. Several businesses have been required to relocate their signs due to the street widening without requesting a sign variance to allow for additional sign height and/or sign area. In addition, the Commission concluded that supporting the proposed Orchard Supply Hardware sign would not be in conformance with the City's ordinance to remove pole signs from commercial corridors once a pole sign loses its non-conforming status.

Issue 3 Planning Commission failed to address Variance Finding No. 5:

The appellant contends the Commission failed to address Variance Finding No. 5 due to staff's distorted interpretation of the Sign Ordinance.

Planning Commission Determination:

The Planning Commission concluded denying the variance would be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity as stated in the adopted Finding No. 5 of Resolution No. 2009-58. During the public hearing, several of the Commissioners stated that the sign ordinance was established to provide a high quality visual environment within the City. Pole signs were eliminated to reduce the clutter of unnecessary signage, remove signs as the dominant feature of the skyline in commercial areas, and to prevent the signs of one establishment from blocking visibility of signs on adjacent lots. This is evident with the City's current sign ordinance which establishes sign standards that add to the enhancement and attractiveness of the City's appearance. Rather, the Commission concluded approving the variance would result in adding signage to the City that has been identified as unsightly and unattractive which can be detrimental to the public health and welfare.

Prior Council/Board Actions: None

Committee/Commission Review and Actions: The Planning Commission held a public hearing on September 14, 2009, denying Variance No. 2009-10 on a 4-1 vote (Commissioner Soltesz voting no).

Design District "A" Sign Standards: Each commercial site within Design District "A" is permitted one freestanding sign, not exceeding 10 feet in height and not exceeding an area of 35 square feet of sign copy area per face. Freestanding signs shall be mounted on a base, the width of which is not less than 50 percent of the width of the widest part of the sign. In addition, freestanding signs may be located within the required setback areas as long as all parts of the freestanding sign are located more than five (5) feet from the front property line and public or private right-of-way line.

Exhibit "5" attached herein is the approved sign permit elevation for the existing Orchard Supply Hardware store. The sign meets the Design District "A" standards for sign height, area and mounted base as previously mentioned.

Mooney Boulevard Street Widening/Existing Non-Conforming Pole Signs: The Mooney Boulevard street widening project, in addition to the street widening along major intersections that bisect the Moony Boulevard corridor has necessitated the dedication of property by individual property owners. In certain cases, the street widening has resulted in the relocation of signs. However, property and business owners whose property rights have been affected by street widening have been or will be compensated through the eminent domain process.

Through the eminent domain process, all existing monument and/or non-conforming signs affected by the street widening project were allowed to be retained, by the property owners and businesses, but have been required to be relocated outside the public right-of-way, and have been or will be relocated in areas that do not impede pedestrian and vehicular access. Staff believes the subject of this variance action is not different from the other property owners and businesses that have been similarly affected by the street and intersection improvements.

City staff surveyed the South Mooney Boulevard corridor for pole signs in 1976 and then again in 1988. During the 1976 survey, 109 pole signs existed while the 1988 survey identified 60 pole signs. On October 5, 2009, staff surveyed the South Mooney Boulevard corridor from Meadow Street to Visalia Parkway to determine the number of existing non-conforming pole signs. All properties located along the Mooney Boulevard corridor between the defined survey area are zoned C-R and are within Design District "A". The survey concluded that 20 non-conforming pole signs exist today along this corridor.

The City has approved sign variances for sign height and sign area along the Mooney Boulevard corridor. Examples of sign variances approved include the 13-foot tall/46 sq. ft. wide multi-tenant monument sign for the Sequoia Mall, the marquee sign which was used to display movie times for the former Sequoia Discount Cinema and the Visalia Mall monument sign which does not advertise businesses within the mall.

Prohibition on Filing New Variance Application

Per Zoning Code Section 17.48.110.M, following the denial of a variance or exception application or the revocation of a variance or exception, no application for the same or substantially the same site shall be filed within one year of the date of denial of the variance or exception application or revocation of the variance or exception.

Alternatives: The City Council may:

1. Approve the variance as requested by the applicant. The City Council would then amend the resolution with the necessary findings for approval. Staff would return with amended resolution to the City Council for adoption.
2. Deny the appeal and uphold the Planning Commission's denial of the variance request, but waive the one-year waiting period for filing a revised variance request. The reason for this alternative would be to give the applicant, its tenant and city staff the opportunity to further discuss alternative variance approaches. For example, city staff has indicated support for a variance that does not involve a new pole sign, but rather provides for a modest 20% expansion of the existing monument style sign. For example an increase in sign height (10 feet to 12-13 feet) and area (35 sq. ft. to 42-45 sq. ft.) would provide added visibility but not violate the central prohibition against pole signs the City has attempted to enforce in the Mooney corridor. Such an alternative variance would allow the sign to remain in the same general location as it currently is while providing improved visibility (see attached examples of preferred variance scenarios, Exhibits 6 and 7. If the Council were to proceed with such alternative, the motion would be to "Deny the Appeal, uphold the Planning Commissions denial of the subject variance request but with a waiver of the one year waiting period for a new variance." In making such motion, the Council could also provide direction as to the acceptable parameters of an alternative variance, and could specify whether on refiling, the variance request could be finally determined at the Planning Commission level (unless appealed) or would need to be brought back to the Council regardless of whether an appeal is filed.

Attachments:

- Resolution denying the appeal and upholding the denial of Variance No. 2009-10
- Exhibit "1" – Appeal of Planning Commission Action dated September 24, 2009
- Exhibit "2" – Planning Commission Staff report dated September 14, 2009
- Exhibit "3" – Mooney Boulevard/Walnut Avenue intersection right-of-way
- Exhibit "4" – Chapter 17.48 (Sign Ordinance)

- Exhibit “5” – Approved Orchard Supply Hardware sign and photograph
- Exhibit “6” – Sign height at 10-feet with 3-foot right-of-way encroachment
- Exhibit “7” – Sign height at 13 feet / 45 square foot sign area w/ 2-foot right-of-way encroachment
- Exhibit “A” – Proposed site plan location of pole sign
- Exhibit “B” – Proposed Elevation of Orchard Supply Hardware Sign
- Unsigned Resolution No. 2009-58 denying Variance No. 2009-10
- General Plan Map
- Zoning Map
- Aerial Photo
- Location Sketch

Recommended Motion: I move to deny the appeal and uphold the Planning Commission’s denial of Variance No. 2009-10; or,

Alternative Motion: I move to uphold the appeal and approve Variance No. 2009-10 as requested by the applicant and direct staff to prepare necessary findings for the variance approval.

Alternative Motion: I move to deny the appeal and uphold the Planning Commission’s denial of the variance request, but waive the one-year waiting period for filing a revised variance request.

Environmental Assessment Status

CEQA Review: No action needs to be taken on an environmental document subject to Section 15270 of the California Environmental Quality Act. However, if the City Council approves the variance as requested by the applicant, staff will prepare an environmental document.

NEPA Review: None Required

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

Planning Commission
Appellant

RESOLUTION NO. 2010-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA DENYING THE APPEAL AND UPHOLDING THE PLANNING COMMISSION'S DENIAL OF VARIANCE NO. 2009-10, A REQUEST BY AD ART SIGN COMPANY TO ERECT A 35-FOOT HIGH/72 SQUARE FOOT DOUBLE FACE FREESTANDING SIGN FOR THE ORCHARD SUPPLY HARDWARE STORE LOCATED IN THE C-R (REGIONAL RETAIL COMMERCIAL) ZONE. THE SITE IS LOCATED AT 2230 WEST WALNUT AVENUE. (APN: 095-134-045 & 046)

WHEREAS, Variance No. 2009-10, A request by Ad Art Sign Company to erect a 35-foot high/72 square foot double face freestanding sign for the Orchard Supply Hardware store located in the C-R (Regional Retail Commercial) Zone. The site is located at 2230 West Walnut Avenue, City of Visalia, County of Tulare (APN: 095-134-045 & 046); and

WHEREAS, the Planning Commission of the City of Visalia, after duly published notice did hold a public hearing before said Commission on September 14, 2009; and

WHEREAS, the Planning Commission of the City of Visalia, after conducting a public hearing, denied Variance No. 2009-10; and

WHEREAS, an appeal of the Planning Commission's denial of Variance No. 2009-10 pertaining to error or abuse of discretion by the Planning Commission in its action and pertaining to the Commission's actions not being supported by evidence in the record was received on September 24, 2009; and

WHEREAS, the City Council of the City of Visalia, after ten (10) days published notice held a public hearing before said Council on October 19, 2009 and continued said hearing to November 16, 2009; and

WHEREAS, the City Council finds the denial of Variance No. 209-10 was made in accordance with Chapter 17.48 (Signs) of the City of Visalia, based on the evidence contained in the staff report and testimony presented at the public hearing.

WHEREAS, if Variance No. 2009-10 is denied, no action needs to be taken on an environmental document subject to Section 15270 of the California Environmental Quality Act.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Visalia makes the following specific findings based on the evidence presented:

1. That the strict or literal interpretation and enforcement of the Zoning Ordinance would not result in practical difficulty or unnecessary hardship inconsistent with the objectives of the Zoning Ordinance.

The sign variance request can not be supported because the proposed pole sign does not conform to the standards as identified in the sign ordinance. The sign ordinance, and more particularly Design District "A", permits businesses one 10 foot high double face freestanding sign with 35 square feet of sign face area. In addition, Design District "A" allows freestanding monument signs to be located within the required landscape setback area as long as all parts of the freestanding sign are located five (5) feet from property line.

The appellant contends the street and intersection widening along Mooney Boulevard and Walnut Avenue results in the loss of sign visibility from Mooney Boulevard. However, the City would permit the existing monument sign to be retained but the sign would be required to be relocated out of the public right-of-way. The City has allowed both conforming and non-conforming signs affected by the street widening project to be retained and not removed. The Orchard Supply Hardware site would be given the same sign considerations as given to other sites affected by the street widening project. There have been no variance

requests for pole signs and/or monument signs in excess of Design District “A” standards which have been affected by the street widening.

2. That there are no exceptional or extraordinary circumstances or conditions applicable to the property involved or to the intended use of the property, which do not apply to the other properties classified in the same zone.

The subject property (i.e., Orchard Supply Hardware) and surrounding commercial properties are classified in the same zone (C-R) and are classified with the same sign standards of Design District “A”. Each of the surrounding commercial properties is permitted one 10 foot high double face freestanding sign with 35 square feet of sign face area. In addition, commercial properties affected by the street widening project have been permitted to retain their signage subject to the relocation of the sign outside of the public right-of-way.

3. That the strict or literal interpretation and enforcement of the ordinance would not deprive the applicant of privileges enjoyed by the owners of the other properties classified in the same zone.

There have been no sign variances approved requesting 35-foot high/72 square foot double face freestanding pole signs. The only pole sign in the immediate area exceeding the current Design District “A” sign standard is the pole sign used by Union Bank located at the southwest corner of Mooney Boulevard and Walnut Avenue. Currently there are approximately 17 signs along the Mooney Boulevard corridor that can be classified as poles signs; however, these pole sign are non-conforming (i.e., established prior to the update of the sign ordinance) and are subject to Section 17.48.040 of the Zoning Ordinance.

4. That the granting of the variance would constitute a grant of special privilege inconsistent with the limitations on other properties in the same zone.

The variance as proposed would constitute a special privilege inconsistent with the sign ordinance. There has been no sign variance request by other business/property owners for pole signs and/or monument signs in excess of Design District “A” standards which have been affected by the street widening project. There is one non-conforming pole sign in the immediate area and 16 other pole signs located along the Mooney Boulevard corridor that are used to advertise businesses. However, all of these signs are non-conforming and are subject to the provision of Section 17.48.040 of the Zoning Ordinance.

5. That the granting of the variance would be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity.

The approval of this variance would be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity. The City adopted the current sign ordinance to provide a high quality visual environment for the City’s citizens. The purpose of the sign ordinance is to maintain and enhance the attractiveness and orderliness of the City’s appearance, with a particular emphasis towards the streetscape. Adopting the standards as set forth in the sign ordinance, the City determined that well designed signs create a positive contribution to the streetscape rather than having pole signs that dominate the skyline and tended to block visibility of signs on adjacent lots.

BE IT FURTHER RESOLVED that the City Council hereby denies Variance No. 2009-10 on the real property here in above described in accordance with the terms of this resolution under the provisions of Section 17.48.110 of the Ordinance Code of the City of Visalia.