

Regular Meeting Agenda

Visalia City Council



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

Tuesday, September 7, 2010

City Hall Council Chambers, 707 W. Acequia, Visalia CA 93291
Work Session 4:00 p.m.; Closed Session immediately following Work Session
Regular Session 7:00 p.m.

4:00 p.m. WORK SESSION AND ACTION ITEMS (as described)



1. Review recommendation to continue the planned elimination of private cart privileges at Valley Oaks Golf Course effective October 31, 2010. **Receive public comment.**

ITEMS OF INTEREST

4:30 p.m. CLOSED SESSION (immediately following Work Session)

2. Public Employee Appointment (G.C. Section 54957)
Title: City Attorney
3. Conference with Legal Counsel – Existing Litigation. Subdivision (1) of Section 54956.9
Name of case: Aiello v. City of Visalia. TCSC #10-237120
4. Conference with Legal Counsel – Anticipated Litigation - Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 2 potential cases
5. Conference with Real Property Negotiators (GC 54956.8)
Property: SW corner of Ben Maddox and Goshen
Negotiating Parties: Steve Salomon, Alex Peltzer, Brian Hyde
Under negotiation: Authority to negotiate terms and conditions of potential sale
6. Conference with Real Property Negotiators (GC 54956.8)
Properties: (1) Portion of 28.26 acre property located on north side of Highway 198, east side of Kelsey Street (Road 88) (APN: 081-040-030); and (2) Portion of 16.38 acre property located on north side of State Highway 198, approximately 2000 feet east of Shirk Street (APN 085-010-096)
Negotiating Parties for City: Steve Salomon, Michael Olmos, Alex Peltzer
Negotiating Parties for Seller: Rick Telegan, BP Investors, LLC
Under negotiation: Authority to negotiate purchase, sale, and/or trade

7. Conference with Real Property Negotiators (GC 54956.8)
Properties: Portion of A.P.N. 081-110-05056 and 081-110-052 – property address 1010 North Plaza Drive
Negotiating Parties for City: Steve Salomon, Michael Olmos, Alex Peltzer, James Koontz
Negotiating Parties for Seller: Jon and Stacy Broderick
Under negotiation: Purchase price and terms of sale
8. Conference with Real Property Negotiators (GC 54956.8)
Properties: Portion of A.P.N. 081-110-051 – property address 1130 North Plaza Drive
Negotiating Parties for City: Steve Salomon, Michael Olmos, Alex Peltzer, James Koontz
Negotiating Parties for Seller: Anthony DaCosta
Under negotiation: Purchase price and terms of sale
9. Conference with Labor Negotiators (G.C. §54957.6)
Agency designated representatives: Steve Salomon, Eric Frost, Diane Davis, Shelline Bennett
Employee Organization: All Bargaining Groups

7:00 p.m.

CALL TO ORDER REGULAR SESSION

PLEDGE OF ALLEGIANCE

INVOCATION – Pastor Steve Harms, Neighborhood Church

SPECIAL PRESENTATIONS/RECOGNITION – Recognition of Visalia Fire Department's Technical Rescue Team

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.

10. **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) Authority to enter into a purchasing contract with Kern Turf, the area distributor for Rain Bird in the amount of \$460,930.79 for the purchase of the Rain Bird Integrated Control IC irrigation system for the Valley Oaks Golf Course Irrigation Project.
- c) Authorization to amend the existing Haz Mat Agreement with the City of Tulare and other agencies as necessary to reflect each year's current rates and fees as approved by Council.

- d) Adopt resolution reaffirming support for Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act of 2010. **Resolution 2010-57 required.**
- e) Authorization to submit a grant application for the 2010 SAFER Grant Program to the Federal Emergency Management Agency (FEMA) in the amount of approximately \$1,900,000 for Fire Department staffing.
- f) Authorization to prepare a Request for Proposal (RFP) for an energy efficiency audit using Energy Efficiency and Conservation Block Grant funds.
- g) Authorization to file a Notice of Completion for the Traffic Signal Modification Project at Caldwell Avenue and County Center Drive, final cost \$148,554.20.
- h) Award the annual contract for the transportation of road materials to WTB Inc., Visalia.
- i) Award the annual contract for the purchase of asphalt and road materials to Vulcan Materials Co., Lemon Cove.
- j) Authorization for the City Manager to enter into a reimbursement agreement (with Mangano Company) for the Mill Creek culvert repairs between Santa Fe and Bridge Streets and to approve the funding of the project not to exceed amount of \$433,000 for the culvert repairs.
- k) Authorize the City Manager to execute the Memorandum of Understanding for Miscellaneous supervisors and Managers (Bargaining Unit Group E) for the period August 28, 2010 through June 30, 2011.

Convene jointly as Visalia City Council and the Redevelopment Agency Board

11. RDA CONSENT CALENDAR

- a) Approval of a Density Bonus, Zoning Ordinance Section 17.32, Article 2, and authorize the Executive Director of the Redevelopment Agency (RDA) Board to approve an amendment to loan agreement between RDA and Kaweah Management Company (KMC) and change the scope of work from rehabilitation of six (6) units to demolition of existing units and reconstruction of eight (8) rental units located at 632, 634, 636, 640, 642 and 644 East Kaweah Avenue, located at the north side of Kaweah Avenue between Tipton and Burke Streets.

Adjourn as Visalia City Council and the Redevelopment Agency Board and remain seated as the Visalia City Council.

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.*

- 12. *Continue to October 4, 2010 (Convention Center) at the request of staff and the applicant. Motion required.*

PUBLIC HEARING - Appeal of the Planning Commission's denial of Conditional Use Permit No. 2010-09 and Variance No. 2010-04 filed by Verizon Wireless for a proposal to install a new 80 ft. telecommunications tower on property located on the north side of East Caldwell between South Stover Street and South Pinkham Street.

13. **PUBLIC HEARING** – Approve the final 2009-2010 Program Year Consolidated Annual Performance and Evaluation Report (CAPER); and approve 2nd Amendment to the 2009/10 Action Plan and 1st Amendment to the 2010/11 Action Plan , reprogramming HOME funds. **Resolution 2010-58 required.**
14. Authorize staff to pursue bond financing for the Animal Control Facility with Build America Bond or Tax-Exempt Bond Financing as appropriate; authorize acceleration of various street improvement projects; and pursue bond financing options for street improvement projects as appropriate. **Resolutions 2010-59 and 2010-60 required.**

CLOSED SESSION REPORT (if any)

Upcoming Council Meetings

- Monday, September 20, 2010, 4:00 p.m. Work Session, 7:00 p.m. Regular Session; Convention Center, 303 E. Acequia
- Monday, October 4, 2010, 4:00 p.m. Work Session, 7:00 p.m. Regular Session; Covention Center, 303 E. Acequia
- Monday, October 18, 2010, 4:00 p.m. Work Session, 7:00 p.m. Regular Session; City Hall Council Chambers 707 W. Acequia.

Note: Meeting dates/times are subject to change, check posted agenda for correct details.

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.

Any written materials relating to an item on this agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the Office of the City Clerk, 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.

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 1

Agenda Item Wording: Elimination of private golf cart use at Valley Oaks Golf Course

Deadline for Action: N/A

Submitting Department: Parks & Recreation

Contact Name and Phone Number: Jeannie Greenwood,
Recreation Manager, 713-4042

Department Recommendation:

City staff recommends that the City Council direct CourseCo to continue with the planned elimination of the private cart privilege at Valley Oaks Golf Course effective October 31, 2010.

Background Information:

CourseCo assumed management of the Valley Oaks Golf Course in February, 2000 under a ten year management contract. The contract pays CourseCo a fixed management fee and incentives based on improving the Course's net income and bottom line, thereby improving the Golf Course's financial health as an enterprise fund. CourseCo's ten-year pro-forma set operational expectations related to covering costs and paying down debt service. In order to meet the expectations of the City, CourseCo performed an extensive evaluation of the Course, including the rates & fees structure. In order for CourseCo to meet their performance measures, they approached the City with a financial update, operational plan and rate recommendations. One of the recommendations was to eliminate the use of private golf carts at the course.

In November, 2000, Council approved a 5-year phase out of private golf cart privileges at the Valley Oaks Golf Course. The decision by Council to eliminate the usage of private carts was based largely upon the recommendation of CourseCo, who stated that the elimination of private golf carts at Valley Oaks Golf Course was in the best financial

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.

interest of the course. Under the provisions of Council's decision, 43 private cart owners were "grandfathered in" and allowed to use their carts at the course until November, 2005. "Grandfathering" private cart users at that time was a means eliminating private carts without taking away a privilege already afforded the patrons of Valley Oaks.

In an update to Council in September, 2004, it was reported that since the time of the phase-out plan, a total of 26 cart owners had voluntarily removed themselves from the list by means of selling their cart or discontinuing playing golf for whatever reason. At that time, Valley Oaks Golf Course was issuing an average of 30 passes per month for the remaining private carts.

At the Valley Oaks Golf Course's annual report to City Council on July 18, 2005, City staff and CourseCo recommended that the course continue the planned elimination of private cart use. The report further recommended that if Council chose to extend the deadline, it would be for an additional period not to exceed two (2) years and that fees should be increased to be comparable to cart rental rates.

After the annual report and based on requests by private cart users, the elimination of private golf carts was brought to Council for re-consideration on October 17, 2005. At this time, there were 17 remaining private cart owners with an average of 12 permits per month. At this meeting, against the recommendation from CourseCo, Council approved a 5-year extension of private cart privileges to "grandfathered" owners. This 5 year extension will expire on October 31, 2010.

At the August 2, 2010 City Council meeting, approximately 7 of the 10 remaining private cart owners approached the City Council to ask for consideration to allow private cart use to continue past the October 31, 2010 deadline. City Council asked that this item be placed on a future agenda.

Private cart owners currently pay a permit fee of \$90 per month. On the average, these participants play 10 rounds of golf per month, equaling a \$9/round fee. The cost to rent a cart for 18 holes is \$13 per rider or a punch card can be purchased allowing 12 rentals for \$120, \$10 per round. Private carts are neither stored nor charged at the course.

In an effort to assist with the elimination of private cart use and to increase monthly rounds, CourseCo has created a cart product that is more cost effective than utilizing a private cart and is available to all golfers. Available September 1, 2010, anyone who purchases a monthly ticket can add unlimited use of a golf cart for an additional \$100 per month. In addition, all time restrictions will be removed from the monthly ticket holders allowing unlimited golf at all times.

This new product is a great solution for eliminating the use of private golf carts. At the current \$90 per month rate for the private cart privilege, the \$10 increase more than compensates for the costs associated with owning and utilizing a private cart such as electrical costs to charge batteries, the replacement of batteries, insurance costs and

maintenance. In addition, this plan is available to anyone who wishes to purchase the product and eliminates the “privilege” that only a few are able to have.

CourseCo staff met with nine of the ten grandfathered cart owners and shared this new product with them. At this meeting, six (6) of the nine (9) agreed to give up their private cart privilege and take advantage of the new product. The remaining three (3) who were in attendance would like to see their privilege continue and one (1) person was not in attendance.

Advisory Committee Recommendation

Valley Oaks Golf Course Advisory Committee Purpose and Responsibilities state: “The purpose of the Course Advisory Committee is to facilitate communications throughout and between the golfing community, the Course Manager and the City of Visalia. The Committee shall provide a forum whereby golfers of all ability levels can participate in matters of importance and, as a result, help improve the overall quality of operations and the recreational experience.”

Further stated, “The Valley Oaks Golf Course Advisory Committee will be appointed by management, with input from the community, for the purpose of advising management on the policies, programs and practices of facility management that directly effect the services and quality of Valley Oaks Golf Course.”

The Golf Course Advisory Committee has been discussing the topic of private carts for the past several months and has had the opportunity to hear from the private cart owners as to their position and desire to continue the privilege of utilizing their private carts.

Items of discussion included fairness, industry standards, past practice and alternatives. At the August 10, 2010 Golf Course Advisory Committee meeting, City staff the Golf Course Advisory Committee for its recommendation on the use of private golf carts. Taking into consideration the new product available, the Golf Course Advisory Committee recommend that the City Council continue with the planned elimination of private golf cart use effective October 31, 2010. The Advisory Committee feels that the course offers a comparable product that is fair to all who golf.

City Staff & CourseCo Recommendation

The City prudently adopted a policy 10 years ago with proper procedures and notice to private cart users. This was a fair policy that gave ample time for compliance and neither the City nor CourseCo see a good reason to set aside the policy to eliminate the use of private carts at Valley Oaks Golf Course. The recommendation from CourseCo and City staff is to move forward with the planned elimination of private golf cart use effective October 31, 2010.

Prior Council/Board Actions:

November 6, 2000 – Council direction to “Commence the phase out of private carts over the next five years by licensing no new private carts.”

July 18, 2005 – Council direction to “Continue with the planned elimination of the private golf cart usage in November 2005, as previously approved by Council.

October 17, 2005 – Council approved “a 5-year extension to the private golf cart privileges extended to the original 43 members of the Valley Oaks Golf Club. The extension will expire on October 31, 2010.”

August 10, 2010 – The Valley Oaks Golf Course Advisory Committee voted on a recommendation to continue with the planned elimination of private golf cart privileges effective October 31, 2010.

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Recommended Motion (and Alternative Motions if expected):

Motion to direct CourseCo to continue with the planned elimination of private golf cart use at Valley Oaks Golf Course effective October 31, 2010.

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 10b

Agenda Item Wording: Authorization to enter into a purchasing contract with Kern Turf, the area distributor for Rain Bird in the amount of \$460,930.79 for the purchase of the Rain Bird Integrated Control (IC) irrigation system for the Valley Oaks Golf Course Irrigation Project.

Deadline for Action: N/A

Submitting Department: Parks & Recreation

Contact Name and Phone Number: Jeannie Greenwood,
Recreation Manager, 713-4042

Department Recommendation:

City staff recommends that the City Council authorize a purchasing contract with Kern Turf in the amount of \$460,830.79 for the purchase of the Rain Bird IC System for the Valley Oaks Golf Course Irrigation Project. The installation of the equipment will be bid openly as a Public Works project. Purchase of the equipment separate from the from installation will save money and will ensure that equipment that is compatible with the existing system is utilized.

Background Information:

Valley Oaks Golf Course has three 9-hole courses. The Valley and Oaks courses were built in 1972 and have not had an irrigation replacement since that time. When the Lakes Course was added, the City installed an irrigation system consistent in brand and function with the existing 18 holes - the Rain Bird Irrigation System.

The City is now involved in a replacement irrigation project for the golf course. The project is estimated to be \$1.7 million dollars. To save money, the City is directly purchasing the controllers and specialized equipment for the irrigation system in order to avoid an 8-15% general contractor mark-up. If the contractor purchases the product or equipment, the contractor passes along the cost, including a mark-up to the City. In other Capital Improvement Projects

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)

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such as street light projects or sports field lighting, the City is able to see a savings by purchasing the products directly and supplying the product to the contractor for installation. As the cost for the irrigation control system in this project is considerable, City staff recommends the purchase of these materials directly from Rain Bird in order to save the City an 8-15% markup from a contractor, a savings of \$36,866 - \$69,125.

The City prefers to purchase locally when available. However, the preferred irrigation control system for the Valley Oaks Golf Course Irrigation project is sold by Rain Bird, a leader in golf course irrigation products who sells internationally. Based on the size of the corporation and the areas served, the company structure is one that has a geographical distributor who serves a large area. Although residential grade products may be available locally, there are no local vendors in Visalia or Tulare County who distribute the industrial grade products needed for the project, specifically the Rain Bird Integrated Control (IC) System. Kern Turf, the local representative for Rain Bird in our region, has offices in Fresno and Bakersfield.

City staff is recommending the continuance of the Rain Bird Irrigation System for the following reasons:

- This is the system currently used at Valley Oaks Golf Course.
 - This product allows all three courses to be programmed, operated and maintained by one system. This eliminates the use of two separate systems for irrigation operations which would take up additional space, require stocking two sets of parts from different companies and would require additional staff time to program, monitor and maintain.
 - To purchase a new product (such as Toro or Hunter) and require the new system to integrate the existing Rain Bird system could cost the City an additional \$200,000. (See attached Rain Bird and Toro System comparison)
 - When a facility has a Rain Bird system, any upgrade will integrate with older Rain Bird products. When you have problems with the irrigation system or would like to upgrade in phases, new products will work with older products. This will allow the City to integrate the Lakes Course into this system to increase water savings and efficiency.
 - Golf course staff is already familiar with the Rain Bird system and products which will allow for immediate and effective use of the system with a much smaller learning time.
- This is the system called for in the design and specifications for this project. To deter from this system would require re-design and a new Request for Bid.
- Rain Bird is a leader in the industry when it comes to golf course irrigation. Rain Bird's IC system technology of direct computer to head communication has many benefits:

- It allows for water conservation. The central control system offers automatic monitoring thus it saves water and benefits the environment. An automatic controller will have multiple start times, multiple independent programs and automatic shut on/off. This is a great option, because you have the flexibility to irrigate only when necessary. Golf courses require various water requirements. Greens, tees, fairways and roughs all water on different schedules. This system gives the irrigation manager tremendous control and flexibility of where, when and how much water is applied.
- The Integrated Control system eliminates \$70,000 to \$80,000 in additional wire with other systems, not to mention maintenance of the additional wire lines over the life of the system.
- By purchasing directly from Rain Bird, the City will receive a 5 year warranty on parts and products as well as on-going technical support.
- The pricing we received from Rain Bird reflects a 60% discount from list price.

Although the City would prefer to purchase items locally, in this instance, it is more practical and cost effective to purchase from a distributor rather than a local source. We do not have the specialized commercial product available locally for this project. The project does call for the contractor to supply allied parts and equipment (pipe, wire, conduit, etc.) which may be purchased locally.

Prior Council/Board Actions:

December 15, 2007 – Council approved the replacement of the irrigation system for the Valley and Oaks courses and appropriated \$1.7 million for said project.

May, 2008 – City hired Russell D. Mitchell & Associates for irrigation design and specifications.

January 20, 2009 – Council authorized City to enter into an agreement with CourseCo to serve as Project Manager for the irrigation project.

April 2010 – Council authorized City staff to solicit bids for the Valley Oaks Golf Course Irrigation project.

Committee/Commission Review and Actions:

Alternatives:

- Attachments:** Quote from Kern Turf Supply, Inc.
 Rain Bird / Toro price comparison
 Rain Bird Integrated Control System (IC System) product information

Recommended Motion (and Alternative Motions if expected):

Motion - City Council authorize a purchasing contract with Kern Turf in the amount of \$460,830.79 for the purchase of the Rain Bird IC System for the Valley Oaks Golf Course Irrigation Project.

UPDATED RAIN BIRD / TORO COMPARISON

RAIN BIRD

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1373	AT700 IC-32-70	\$145.95	\$ 200,389.35
761	AT751 IC-32-70	\$157.17	\$ 119,606.37
123	AT 500 IC-54-70	\$144.75	\$ 17,804.25
71	AT550 IC-54-70	\$150.96	\$10,718.16
27	AT 351B-36S	\$29.39	\$793.53
27	SJ-12-100-43 1.5X12X1.25	\$8.95	\$241.65
6	200PES-B/PRS-D/ICMA/1CM	\$198.02	\$1,188.12
165	ICSD	\$38.35	\$6,327.75
1	COMPUTER UPGRADE	\$16,493.80	\$16,493.80
178	44NP QUICK COUPLER VALVES	\$54.82	\$9,757.96
2328	SJ-12-100-43 1X12X1	\$16.95	\$39,459.60
		SUB TOTAL	\$422,780.54
		TAX	\$38,050.25
		TOTAL	\$460,830.79

COMMOM WIRE , GROUND WIRE , SPICING MATERIAL \$46,900.00

TAX \$4,221.00

TOTAL \$51,12.00

RAIN BIRD SATELLITE LABOR \$0

RAIN BIRD WIRE SPLICING LABOR TOTAL \$5000.00

TOTAL RAIN BIRD COST \$516,951.79

TORO

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1373	DT34-46-336	\$91.00	\$124,943.00
761	835S-40-336	\$111.00	\$84,471.00
123	834S-46-306	\$111.00	\$13,635.00
71	835S-46-306	\$111.00	\$7,881.00
27	810G-42L	\$28.00	\$756.00
27	LASCO SWING JOINT G1	\$9.83	\$265.41
1	CENTRAL CONTROL	\$26,564.00	\$26,564.00
39	201-64-PGM3	\$2,839.00	\$110,721.00
23 *	201-64-PGM3	\$2,839.00	\$65,297.00
2328	LASCO SWING JOINTS G2	\$13.05	\$30,380.40
		SUB TOTAL	\$464,913.81
		TAX	\$41,842.24
		TOTAL	\$506,756.05

23* THE TOTAL NUMBER OF SATELLITES TO RETROFIT THE EXISTING NINE

COMMUNICATION WIRE , GROUND WIRE , SPLICING MATERIAL \$105,000.00

TAX \$9,450.00

TOTAL \$114,450.00

SATELLITE LABOR \$62,000.00

WIRE AND SPLICING LABOR \$35,000.00

TOTAL TORO COST \$718,206.05

RAIN BIRD \$516,951.79

TORO \$718,206.05

COST DIFFERENTIAL \$201,254.26

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 10c

Agenda Item Wording: Authorization to amend the existing Haz Mat Agreement with the City of Tulare and other agencies as necessary to reflect each year's current rates and fees as approved by Council.

Deadline for Action: September 7, 2010

Submitting Department: Fire Department

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

Department Recommendation: That City Council approves the amending of the existing Haz Mat Agreement with the City of Tulare and other agencies as necessary. Language needs to be added to the agreement to reflect each year's current approved rates and fees as adopted by Council for future agreements.

Summary/background:

The existing Haz Mat agreement between the Visalia Fire Department and the City of Tulare adopted in March 1995 contains language for cost of services and method of payment consistent with Council approved rates and fees in 1995. To continue this agreement, it is necessary to update the agreement to include language which reflects the current rates and fees for services as adopted by Council for each current year of the agreement.

Prior Council/Board Actions:

Current Haz Mat Agreement adopted in 1995.
2010/11 Rates and Fees as adopted by Council June 15, 2009.

Committee/Commission Review and Actions:

Alternatives:

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.):_15__

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.

Attachments:

- Attachment A – Existing Haz Mat Agreement with City of Tulare containing cost information
- Attachment B – Existing Fee Schedule (Exhibit C) with City of Tulare
- Attachment C – Current Fire Department Rates & Fees as approved by Council
- Attachment D – Proposed Amendment for current agreement

Recommended Motion (and Alternative Motions if expected):

I move staff be directed to amend the existing Haz Mat Agreement with the City of Tulare and other agencies as necessary to include language which includes the current rates and fees as adopted by Council.

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:

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AGREEMENT

This Agreement, made and entered into this 21st day of March, 1995, by and between the City of Tulare, hereinafter referred to as FIRE RESPONSE AGENCY, and the City of Visalia, a municipal corporation of the State of California, hereinafter referred to as the HAZ-MAT AGENCY.

A. Whereas, the HAZ-MAT AGENCY has acquired a hazardous materials release response vehicle and trained and equipped a Haz-Mat Response team for responding to the local emergency incidents in Kings and Tulare Counties which involve or may involve hazardous materials.

B. Whereas, the FIRE RESPONSE AGENCY and the HAZ-MAT AGENCY desire to contractually provide for the use of such services and the compensation therefor and for the continued availability of such services on an efficient and cost effective basis.

ACCORDINGLY, IT IS AGREED:

1. SERVICES: The FIRE RESPONSE AGENCY shall provide to the HAZ-MAT AGENCY the services set out and described in Exhibit A, attached hereto and incorporated herein by this reference. The HAZ-MAT AGENCY shall provide to the FIRE RESPONSE AGENCY the services set out and described in

1 Exhibit B, attached hereto and incorporated herein by this
2 reference.

3 a. AVAILABILITY: Should the HAZ-MAT AGENCY be
4 unavailable the FIRE RESPONSE AGENCY shall have the
5 option, at its sole cost, to call another Haz-Mat
6 Agency.

6 2. COST OF SERVICES: The FIRE RESPONSE AGENCY shall
7 provide its services to the HAZ-MAT AGENCY at no cost but
8 in consideration for the services provided by the HAZ-MAT
9 AGENCY. In addition, the FIRE RESPONSE AGENCY shall
10 reimburse the HAZ-MAT AGENCY for the Haz-Mat services
11 provided in accordance with the rate schedule set out in
12 Exhibit C, attached hereto and incorporated herein by this
13 reference. This obligation for payment shall only be
14 triggered upon undertaking a hazardous response or upon a
15 formal request for training. Any fire response services
16 provided by the HAZ-MAT AGENCY shall not be governed by
17 this Agreement but shall be governed by existing mutual aid
18 agreements.

19
20 3. METHOD OF PAYMENT:

21 a. CONSULTATION AND ASSISTANCE RESPONSE SERVICES: In
22 regard to consultation and emergency response services,
23 within thirty (30) days of response date, the HAZ-MAT
24 AGENCY shall provide an invoice of costs in accordance with
25 the rates established in Exhibit C. Upon review of the
26

1 invoice by the FIRE RESPONSE AGENCY'S Fire Chief or Fire
2 Warden, the undisputed costs amounts set out in such
3 invoice shall be due and payable by the FIRE RESPONSE
4 AGENCY within thirty (30) days of receipt of such invoice.
5 The FIRE RESPONSE AGENCY'S Fire Chief or Fire Warden shall
6 notify the HAZ-MAT AGENCY'S Fire Chief or any disputed
7 costs and the basis for the challenged amount within twenty
8 (20) days of receipt of invoice and these officers shall
9 attempt to resolve the dispute satisfactorily to both
10 parties. Payment in accordance with the resolution shall
11 be made within thirty (30) days of written confirmation of
12 the resolution. If the dispute cannot be resolved at that
13 level, the officers shall refer the dispute to their
14 Agency's governing board or an agreed upon arbitrator to be
15 approved at the time.

16
17 b. ESTIMATES AND INVOICES: All total invoice costs shall
18 be broken down by service, cost per element of service,
19 rate, and actual hours or estimated hours, as appropriate,
20 of service. Service hours shall be based on a minimum one
21 half hour increments. Administration costs shall be
22 indicated separately. The HAZ-MAT AGENCY shall provide the
23 FIRE RESPONSE AGENCY with any additional information
24 concerning the contents of such estimates and invoices upon
25 request.
26

1 governing its subject, the conflicting provision shall be
2 considered null and void. If the effect of nullifying any
3 conflicting provision is such that a material benefit of
4 the Agreement to either party is lost, the Agreement may be
5 terminated at the option of the affected party. In all
6 other cases the remainder of the Agreement shall continue
7 in full force and effect.

8
9 18. FURTHER ASSURANCES: Each party agrees to execute any
10 additional documents and to perform any further acts which
11 may be reasonably required to effect the purposes of this
12 Agreement.

13
14 19. ASSURANCES OF NON-DISCRIMINATION: Each agency
15 expressly agrees that it will not discriminate in
16 employment or the provision of services on the basis of any
17 characteristic or condition upon which discrimination is
18 prohibited by state or federal law or regulation.

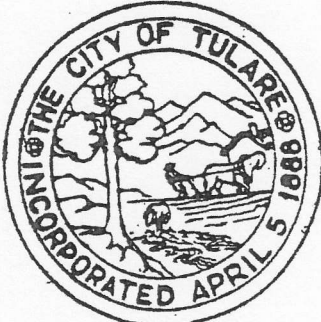
19
20 20. ASSIGNMENT/SUBCONTRACTING: Unless otherwise provided
21 in this Agreement, no part of this Agreement may be
22 assigned or subcontracted by the HAZ-MAT AGENCY without the
23 prior written consent of the FIRE RESPONSE AGENCY.

24 / / /

25 / / /

26

1 THE PARTIES, having read and considered the above
2 provisions, indicate their agreement by their authorized signatures
3 below.



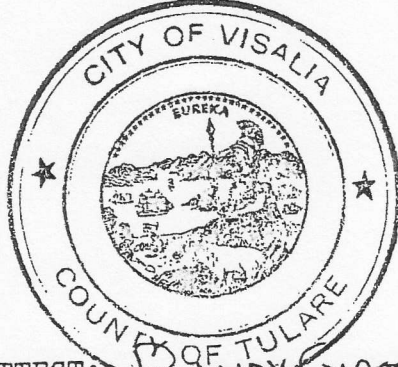
CITY OF TULARE

By [Signature]
Mayor, City Council
"FIRE RESPONSE AGENCY"

ATTEST: Chief Deputy City

Clerk of the Council of the
Tulare

BY [Signature]
~~XXXXXX~~ Deputy Sharyn Redwine



CITY OF VISALIA

By [Signature]
Mayor, City Council
"HAZ-MAT AGENCY"

ATTEST: [Signature]
Clerk of the Council of the

CITY OF VISALIA
BY [Signature]
Deputy

Approved as to form:
Attorney for FIRE RESPONSE AGENCY

By [Signature]
~~XXXXXX~~ Steve Kabot

Approved as to form:
Attorney for City of Visalia
HURLBUTT, CLEVINGER, LONG,
VORTMANN & RAUBER

By [Signature]
John L. Rozier

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EXHIBIT C

FEE SCHEDULE

Hazardous Materials Cost Recovery

- Equipment - Includes all personal protective equipment, detection devices and all related apparatus.
- Costs - 100% of present replacement value including all applicable expenditures including shipping, handling, and sales tax.
- 100% of repairs, testing, recalibrating including all expenditures including shipping, handling, and tax.
- Labor - Calculated at 1/2 hour intervals, per person based on rank as stipulated, minimum 1/2 hour.

Cost (based upon rank, per hour, per person)

Fire Fighter	(each):	\$ 19.98 per hour
Engineer	(each):	21.88 per hour
Captain	(each):	26.55 per hour
Safety Officer	(each):	37.34 per hour
Division Chief	(each):	43.21 per hour

1 Responses which occur or continue after 5 p.m., Monday through
2 Friday, on weekends, or holidays or exceed 24 continuous hours, may
3 be calculated at 1.5 times the stated labor charges as required by
4 the California State labor Code.

5
6 Should it be necessary to call back personnel from off duty status
7 to respond, cost may be calculated at 1.5 times the stated labor
8 charges.

9
10 Should it be necessary to call back off duty personnel to provide
11 position coverage during a hazardous materials response, labor cost
12 may be charged at 1.5 times the stated labor charges for the
13 position(s) being filled.

14
15 Administrative Fees - 10 percent of the total expense.

16
17 Example of a basic response outside the City of Visalia might be as
18 follows:

19 Cost would vary pending staffing needs at the scene and the need to
20 back fill for the responding Haz-Mat Team.

21
22 Cost for one (1) hour: 2 Captains \$ 53.10 per hour
23 1 Engineer 21.88 per hour
24 1 Firefighter 19.98 per hour
25 1 Division Chief 43.21 per hour
26 Total Staffing \$ 138.17 per hour

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1 Haz-Mat Van	\$ 6.80 per hour
1 D/C Car	<u>2.38 per hour</u>
Total Equipment	\$ 9.18 per hour
1 Captain	\$ 39.82 per hour
1 Engineer	32.82 per hour
1 firefighter	<u>29.97 per hour</u>
Possible Backfill	\$ 102.61 per hour
Staffing	\$ 138.17
Equipment	9.10
Maintenance	11.23
Possible Backfill	<u>102.61</u>
Total Hourly Cost	\$ 261.11
10% Administrative Fee	<u>26.11</u>
Total	\$ 287.22

This would be in addition to any equipment that was contaminated or deemed unusable/repairable due to the incident.

FIRE

FY 10-11

PERSONNEL

57.00	Per Hour	Fire Fighter (each)
62.00	Per Hour	Fire Engineer (each)
62.00	Per Hour	Fire Fighter / Paramedic (each)
71.00	Per Hour	Fire Captain (each)
55.00	Per Hour	Fire Inspector (each)
63.00	Per Hour	Duty Chief / Battalion Chief (each)

EQUIPMENT

56.00	Per Hour	Hazardous Materials Unit
37.00	Per Hour	Engine/Pumper
19.00	Per Hour	Fire Truck
9.00	Per Hour	Command Vehicle
6.00	Per Hour	Fleet or Inspector Vehicle

AMENDMENT TO AGREEMENT

This Amendment to Agreement is made and entered this ___ day of _____, 20___, by and between the City of Tulare, hereinafter referred to as the "FIRE RESPONSE AGENCY" and the City of Visalia, hereinafter referred to as the "HAZ-MAT AGENCY".

- A. WHEREAS, the HAZ-MAT AGENCY and the FIRE RESPONSE AGENCY entered into that certain Agreement dated March 28, 1995 (the "Haz-Mat Agreement"), whereby HAZ-MAT AGENCY and FIRE RESPONSE AGENCY agree to provide services to each other under certain described terms and conditions, and FIRE RESPONSE AGENCY agrees to pay for the costs of certain such services under certain described terms and conditions; and
- B. WHEREAS, the parties to the Haz-Mat Agreement now desire to clarify that the rates and schedules for the costs to be reimbursed by FIRE RESPONSE AGENCY as described in Exhibit C to the Haz-Mat Agreement are intended to be adjusted periodically to reflect updated costs as determined by the City of Visalia.

NOW THEREFORE, the Haz-Mat Agreement shall be and hereby is amended as follows:

1. Paragraph 2. of the Haz-Mat Agreement is hereby amended to read as follows:

"2. COST OF SERVICES: The FIRE RESPONSE AGENCY shall provide its services to the HAZ-MAT AGENCY at no cost but in consideration for the services provided by the HAZ-MAT AGENCY. In addition, the FIRE RESPONSE AGENCY shall reimburse the HAZ-MAT AGENCY for the Haz-Mat services provided in accordance with the provisions rate schedule set out in Exhibit C, attached hereto and incorporated herein by this reference, provided that the rates for labor and equipment chargeable for any particular response shall be charged at the rates as set by the City of Visalia, through the periodic adoption of the standard schedule of rates and costs, that are in effect at the time of the response in question. This obligation for payment shall only be triggered upon undertaking a hazardous response or upon a formal request for training. Any fire response services provided by the HAZ-MAT AGENCY shall not be governed by this Agreement but shall be governed by existing mutual aid agreements."

2. The following paragraph is hereby added to the end of Exhibit C as attached to the Haz-Mat Agreement:

"The chargeable cost rates for labor and equipment are adjusted from time to time by action of the City Council of the City of Visalia, through adoption of updated standard Fire Department rates and fee schedules. The cost rates for the individual labor and equipment items that are chargeable pursuant to this Agreement, as shown in the above tables and examples, shall be automatically adjusted upon approval of new rates by the City Council of the City of Visalia."

3. All other terms and conditions as contained in the Haz-Mat Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the City and Developer have executed this Agreement as of the date and at the place set out on page 1, and all pages hereof have been initialed by Developer and a representative of the City.

HAZ-MAT AGENCY
City of Visalia

FIRE RESPONSE AGENCY
City of Tulare

Bob Link, Mayor

By: Craig Vejvoda, Mayor

ATTEST:

ATTEST:

Donjia Huffmon, Chief Deputy
City Clerk

Roxanne Yoder, Chief Deputy
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Alex M. Peltzer, City Attorney

Seth Merewitz, City Attorney

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 10d

Agenda Item Wording: Adopt resolution reaffirming support for Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act of 2010.

Deadline for Action: September 7, 2010

Submitting Department: Administration

Contact Name and Phone Number: Mayor Bob Link, 713-4512.

Department Recommendation: Adopt Resolution No. 2010-__ reaffirming support for Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act of 2010. As Proposition 22 moves to the November 2010 election, it is important that the Council reaffirm its support of this critical ballot measure to preserve local revenues.

Summary/Background: California voters have repeatedly approved ballot measures to dedicate local funding sources to essential local services and to prevent the legislature and governor from shifting or raiding local government, transit and transportation funds. Despite this, the legislature has seized and borrowed billions of dollars in local government and transportation funds in the past few years. Taking revenues from local government has severely impacted cities, including Visalia, and has affected city services, including police and fire protection.

The League of California Cities joined with local government, transit and transportation advocates to craft a constitutional amendment that will be placed on the November 2010 ballot. Approval of this ballot initiative by the populace will close loopholes and change the California Constitution to further prevent State politicians from seizing, diverting, shifting, borrowing, transferring, suspending, or otherwise taking or interfering with tax revenues dedicated to funding local government services including public safety, redevelopment, or dedicated to transportation improvement projects and mass transit.

Proposition 22 will protect local services such as police, fire, transportation, transit, parks, and other services vital to promote business growth and enhance the quality of life for the citizens of Visalia. It will protect billions of dollars of investments and hundreds of jobs created by local redevelopment projects, and protect tens of thousands of infrastructure jobs and billions of

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.

economic growth repairing local streets and roads and investing in mass transit. It reduces the need for local fees and taxes on businesses and residents to maintain local services when the state takes local funds. Passage of Proposition 22 will not increase taxes. It will help to reduce local fees and taxes through the protection of city revenues.

Prior Council/Board Actions: Passage of Resolution 2010-04 in support of the Local Taxpayer, Public Safety and Transportation Protection Act of 2010 on Feb. 1, 2010.

Committee/Commission Review and Actions: NA

Alternatives: None recommended.

Attachments:

Recommended Motion (and Alternative Motions if expected):

Move to adopt a resolution reaffirming support for Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act of 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:

RESOLUTION 2010-57
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA
REAFFIRMING SUPPORT OF THE LOCAL TAXPAYER, PUBLIC SAFETY AND
TRANSPORTATION PROTECTION ACT OF 2010

WHEREAS, California voters have repeatedly and overwhelmingly passed separate ballot measures to stop State raids of local government funds, and to dedicate the taxes on gasoline to fund local and state transportation improvement projects; and

WHEREAS, these local government funds are critical to provide the police and fire, emergency response, parks, libraries, and other vital local services that residents rely upon every day, and gas tax funds are vital to maintain and improve local streets and roads, to make road safety improvements, relieve traffic congestion, and provide mass transit; and

WHEREAS, despite the fact that voters have repeatedly passed measures to prevent the State from taking these revenues dedicated to funding local government services and transportation improvement projects, the State Legislature has seized and borrowed billions of dollars in local government and transportation funds in the past few years; and

WHEREAS, this year's borrowing and raids of local government, redevelopment and transit funds, as well as previous, ongoing raids of local government and transportation funds have lead to severe consequences, such as layoffs of police, fire and paramedic first responders, fire station closures, stalled economic development, healthcare cutbacks, delays in road safety improvements, public transit fare increases and cutbacks in public transit services; and

WHEREAS, State politicians in Sacramento have continued to ignore the will of the voters, and current law provides no penalties when state politicians take or borrow these locally-dedicated funds; and

WHEREAS, approval of this ballot initiative would close loopholes and change the constitution to further prevent State politicians in Sacramento from seizing, diverting, shifting, borrowing, transferring, suspending or otherwise taking or interfering with tax revenues dedicated to funding local government services, including redevelopment, or dedicated to transportation improvement projects and mass transit.

THEREFORE, BE IT RESOLVED that the City Council of the City of Visalia formally endorses the Local Taxpayer, Public Safety and Transportation Protection Act of 2010, a proposed constitutional amendment.

BE IT FURTHER RESOLVED that we hereby authorize the listing of the City of Visalia in support of the Local Taxpayer, Public Safety and Transportation Protection Act of 2010.

PASSED AND ADOPTED: STEVEN M. SALOMON, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.

CITY OF VISALIA)

I, Steven M. Salomon, City Clerk of the City of Visalia, certify the foregoing is the full and true Resolution _____ passed and adopted by the Council of the City of Visalia at a regular meeting held on _____.

Dated:

STEVEN M. SALOMON, CITY CLERK

By Donjia Huffmon CMC, Chief Deputy City Clerk

City of Visalia Agenda Item Transmittal

Agenda Item Number (Assigned by City Clerk): 10e

Meeting Date: September 7, 2010

Agenda Item Wording: Authorize the submittal of a grant application to the Federal Emergency Management Agency (FEMA) in the amount of approximately \$1,900,000 for Fire Department staffing.

Deadline for Action: September 16th, 2010

Submitting Department: Fire

Contact Name and Phone Number:
Danny Wristen @ 713-4056, Mark Nelson @ 713-4218

Department Recommendation:

Approval of this grant application, the 2010 SAFER Grant Program would provide grant funding to hire up to 9 additional firefighters for 2 years. At that time, the funding for those firefighters would be assumed by Measure T in accordance with that plan. A future public hearing and amendment to the Measure T plan is recommended to provide for Measure T expenditures needed for this grant. It is recommended the Council approve this application.

Summary:

This is an annual grant that is funded by FEMA. The purpose of this grant is to enhance local fire departments' staffing and deployment capabilities, so they may more effectively respond to emergencies wherever they may occur. The deadline for submission is September 16, 2010.

Typically the SAFER Grant requires matching funds on a declining schedule. The timeline is usually on a 5 year program starting out funding at 90% the first year, 80% - 2nd year, 70% - 3rd year, 60% - 4th year and 50% the 5th year. In the past, we have not applied for this type of grant due to the matching fund requirements. Additionally, if an agency were awarded this type of grant, they would not be able to reduce (lay off) any fire personnel in the future. If an agency did reduce fire staff, they would have to repay all grant money awarded.

The current 2010 SAFER Grant does not require any local matching funds. The performance period for this grant is two years and requires that the City would keep the firefighter positions at a minimum for one additional year after the performance period. The grant also requires that the City will not eliminate any fire department safety positions during the three year period. The Grant will pay for the salary and benefits of the firefighter positions for two full years.

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)

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The SAFER Grant will not pay for recruitment costs for the new firefighter positions. The Grant will pay for the employees during their Recruit Academy (10 weeks). The cost to outfit the new firefighter positions would be funded by Measure T, after making an amendment to the Measure T Plan.

The Measure T Expenditure Plan calls for the next round of fire department staffing to take place on July 1, 2012. The SAFER Grant would allow this additional staffing to take place one and one-half years earlier, at a minimal cost to the City. The SAFER Grant firefighter positions would become Measure T funded positions at the end of the two year grant period.

Due to the City of Visalia's current staffing standard of a Captain, Engineer and Firefighter/Paramedic per engine (or truck) company, an additional expense that would be covered by the Grant is the cost for internal promotions for Engineer and Captain positions. In order to appropriately staff one additional engine company, we would need to promote current employees. This would provide for our standard three person engine company. (Captain, Engineer and Firefighter-Paramedic) The cost for the internal promotions would be covered by the Measure T Fund.

Until the next fire station is built and new fire engine is purchased in 2012, we would propose to utilize a reserve fire engine for this new engine company (Measure T calls for ordering a new fire engine in 2010 and delivery in 2011). We could house this engine company at one of our existing fire stations or establish a temporary facility within a mile radius of the Tulare / Akers intersection. (It has been determined through our response data that this area experiences less than standard response times) This could be accomplished by leasing an existing building or by leasing a piece of property and using a modular unit or temporary facility. During this time period staff would be examining emergency response models and make a recommendation for a future permanent fire station site.

Background:

The Visalia Fire Department is a full service organization, providing many types of emergency response and preparedness services to our citizens. We currently provide service from 5 strategically located fire stations with five Medic Fire Engines, one Medic Ladder Truck and one on-duty Battalion Chief. Over the last 10 years as the population of Visalia has increased, so has the Fire Department demand for service.

In March of 2004, Visalia voters passed a quarter cent sales tax increase (Measure T) to improve public safety services in our community.

In 2006 (after Measure T passed in 2004) Tulare County Fire Department deciding not to staff a fire engine in the south east section of the City. This decision placed a burden on the city to provide emergency response coverage to this area. The City used 5 relief positions and 4 Measure T funded positions to staff a fire engine in the south east area of the city. Currently, the City is leasing a portion of the Cal Fire compound at the corner of Lovers Lane and Walnut Avenue to house the fire company. This location has served the City of Visalia well; providing the ability for a fire unit to respond for service 94% of the time under the 5 minute response time standard.

In 2008, because of this unexpected change, the City decided to move the personnel from Fire Station #53 (Airport) to staff the new Fire Station #55 (Shirk and Ferguson)) in the northwest area of the City.

The next round of funding for fire personnel will come in FY 12/13; Measure T calls for the hiring of 14 additional personnel. Due to the loss in sales tax, the City may not be able to commit to hiring all 14 personnel and have to reduce the number of employees hired.

The City of Visalia's Fire Department Response Time Standard is to arrive at 90% of our calls for service in 5 minutes or less. Currently, some areas of the City are struggling to meet this standard. One area that poses a major challenge to meet this response standard is in the S/W portion of the City at Akers and Tulare. Currently, the Visalia Fire Department does not meet the standard for over 2000 call for service annually; of the 2000 calls, approximately 1200 are medical aids.

In closing, having an additional engine company in service would greatly reduce the depletion of resources on a daily basis. Additionally, if an additional engine company were housed in a temporary facility which was strategically located in an extended response time area; the overall response times for the City of Visalia would be improved from 52% to approximately 70% of all calls meeting the Response Time Standard of 5 minutes or less.

Funding

Depending on when the SAFER Grant is awarded, the funding from Measure T may be delayed until the Grant has completed its funding timeline, thus allowing an increase in the growth of the Measure T funds.

Below is a breakdown of costs associated with the SAFER Grant if we were to hire 9 Firefighters:

- Salary and Benefits 9 Firefighter-Paramedics First Year - \$899,664.78 (Grant Funded)
- Salary and Benefits 9 firefighter-Paramedics Second Year - \$972,987.17 (Grant Funded)
- FLSA 9 Firefighter-Paramedics First Year - \$15,931.80 (Grant Funded)
- FLSA 9 Firefighter-Paramedics Second Year - \$17,206.38 (Grant Funded)
- Uniforms and Equipment 9 Firefighter-Paramedics - \$65,007 (Measure T)
- Recruitment Costs - \$5000 (Measure T)
- Promotion of 6 Engineers and 3 Captains - \$34,221.10 - annually (Measure T)
- Additional Operations Cost for 1 Engine Company - \$15,000 (Measure T)

	SAFER Grant	Measure T	Total
9 Firefighter/Paramedics	\$1,905,790.00		\$ 1,905,790.00
Uniforms and Equipment		\$65,000	\$ 65,000.00
Recruitment		\$5,000	\$ 5,000.00
Promotional Costs		\$34,000	\$ 34,000.00
Operations - Engine		\$15,000	\$ 15,000.00
Total	\$ 1,905,790.00	\$119,000.00	\$ 2,024,790.00

It should be noted that Measure T funds could be used to pay for General Fund items listed above. If the decision were made to proceed along this course, a public hearing to amend the Measure T Plan would be required.

Prior Council/Board Actions:

December 7, 2009 – Council approved application for 2009 SAFER Grant

Committee/Commission Review and Actions:

n/a

Alternatives:

Attachments:

Recommended Motion (and Alternative Motions if expected):

Authorize the submittal of a grant application to the Federal Emergency Management Agency (FEMA) in the amount of approximately \$1,900,000 for Fire Department staffing.

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)*

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 10f

Agenda Item Wording: Authorization to prepare a request for proposal for an energy efficiency audit using Energy Efficiency & Conservation Block Grant funds.

Deadline for Action: September 7, 2010

Submitting Department: Administration/Natural Resource Conservation

Contact Name and Phone Number:
Kim Loeb, Natural Resource Conservation Manager, 713-4530
Leslie Caviglia, Deputy City Manager, 713-4317

Department Recommendation:
Authorize staff to prepare an RFP soliciting proposals from energy service companies to conduct an energy efficiency audit at municipal facilities using EECBG funds.

Summary:
The City received an Energy Efficiency and Conservation Block Grant (EECBG) which consists of \$1.15 million of ARRA stimulus funds. Five projects were identified including energy efficiency lighting retrofits at selected City facilities and retrofit of traffic signals to LED lamps.

In June, Council authorized staff to prepare an RFP for energy efficiency performance contracting services with an Energy Service Company (ESCO) to conduct a comprehensive audit of City facilities and implement energy efficiency measures not included in the EECBG projects. These services would be financed and paid for through guaranteed energy savings in a performance contract.

In preparing the bid package for the traffic signal retrofit project, City engineering staff has recently estimated that the project will cost considerably less than originally projected in the current economic climate leaving approximately \$351,000 of EECBG funds unallocated. The EECBG funds must be committed by May 2011.

Rather than financing the audit as part of a performance contract as originally proposed, staff recommends that the City pay for the energy efficiency audit with EECBG grant funds. No City General Fund dollars or other City discretionary funds will be used. Paying for the audit separately rather than including it as part of a performance contract provides the City with

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)

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several advantages including lower cost and greater flexibility in implementing the energy efficiency measures that will be identified by the audit.

Additionally, staff believes this will allow the audit to be conducted more quickly, and to focus on identifying the projects to be paid for with remaining EECBG grant funds so these can be specified and put out to bid to meet the May 2011 deadline.

Background:

Staff recognized the need for a comprehensive energy efficiency audit of City facilities to identify energy efficiency and alternative energy measures to reduce the City's energy use and costs. A comprehensive energy audit can be paid for up front, if funds are available, or financed through long-term energy savings with no up-front costs if the City contracts with an Energy Service Company (ESCO) to implement the identified measures.

The City Council authorized staff to prepare an RFP for energy efficiency performance contracting services with an ESCO at its June 7th meeting. As part of these services, the ESCO would first conduct a comprehensive energy audit of City facilities. Based on the findings of the audit, the ESCO would propose energy efficiency measures to reduce the City's energy use which meets the City's pre-defined criteria. These services would be paid for through guaranteed energy savings.

Staff formed a committee with members from each City department to identify which facilities should be included in the audit, document existing energy uses at those facilities, identify and document other energy efficiency programs, and prepare the RFP. One of those existing energy programs is the City's Energy Efficiency and Conservation Block Grant (EECBG) which consists of \$1.15 million of ARRA stimulus funds administered through the U.S. Department of Energy (DOE).

The majority of the EECBG funds, approximately \$723,000, was allocated by the City to complete the LED retrofit of the City's traffic signals. City engineering staff has recently completed the detailed design and analysis of the traffic signal retrofit and has estimated that in the current economic climate the project will cost significantly less, approximately \$372,000.

This finding frees up approximately \$351,000 of EECBG funds that are not presently allocated. Under the terms of the grant, these funds must be committed within 18 months from grant award, which is May 2011, and projects must be completed within 36 months, which is November 2012.

Staff recommends using some of these funds for the comprehensive energy audit. Paying for the audit separately rather than including it as part of a performance contract provides the City with several advantages including lower cost and greater flexibility in implementing the energy efficiency measures that will be identified by the audit. Other local governmental agencies which have recently taken this approach include the City of Brea and San Luis Obispo County.

Additionally, staff believes this will allow the audit to be conducted more quickly, and to focus on identifying the projects to be paid for with remaining EECBG funds so these can be specified and put out to bid to meet the May 2011 deadline.

Staff has identified replacement and upgrading facility heating, ventilation, and air conditioning (HVAC) systems as likely the best use of the remaining EECBG funds. HVAC retrofits likely would have been one of the key components of the ESCO performance contract project as well.

At this time, staff recommends the City issue an RFP to contract an energy consultant or ESCO to conduct a comprehensive energy audit, with a focus on identifying and specifying the best use of the EECBG funds, in an expedited manner. The upgrades which will be paid for out of the EECBG funds need to be specified and bid out by the May 2011 deadline. This plan is acceptable to DOE based on a conference call staff held on August 25th with the DOE EECBG project manager.

The audit will include all aspects previously proposed including evaluation of the following types of energy efficiency and alternative energy measures:

- Lighting fixtures
- Lighting controls
- Building automation and controls
- Air handling systems
- Plant/equipment modifications
- Motor replacement and variable frequency drives
- Heating, cooling and ventilation (HVAC) replacement and upgrades
- Alternative energy including photovoltaic systems and fuel cells
- Water conservation including low-flow fixtures and irrigation controllers

If measures beyond what can be funded with EECBG funds are identified, alternative financing mechanisms will be investigated including the possibility of performance contracts for specific measures, as originally envisioned.

Identified energy efficiency and alternative energy measures will be brought to the City Council following completion of the energy efficiency audit.

Prior Council/Board Actions:

June 7, 2010 – Authorization to prepare an RFP for Energy Efficiency Performance Contracting Services

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Recommended Motion (and Alternative Motions if expected):

I move to authorize staff to prepare an RFP for a comprehensive energy efficiency audit using EECBG funds.

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: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 10g

Agenda Item Wording: Request authorization to file a Notice of Completion for the Traffic Signal Modification Project at Caldwell Avenue and County Center Drive, Project No. 1241-00000-720000-0-8112 with a final cost of \$148,554.20.

Deadline for Action: none

Submitting Department: Community Development Department/
Engineering Division

Contact Name and Phone Number:

Adam Ennis, Engineering Services Manager, 713-4323
Chris Young, Community Development Director, 713-4392

Department Recommendation: Staff recommends that authorization be given to file a Notice of Completion for the Traffic Signal Modification Project at Caldwell Avenue at County Center Drive, Project No. 1241-00000-720000-0-8112.

Summary: The project consisted of providing protected left turn arrows for north and south bound traffic at the signalized intersection of Caldwell Avenue at County Center Drive. The project also included the installation of two new poles and mast arms necessary for installing new left turn signal heads. All existing incandescent signal indications at the intersection were replaced with energy efficient LED indications making the traffic signals all-LED. Curb returns were also installed or replaced as necessary and installed with ADA-compliant handicap ramps.

The Construction work for the Project was completed by Loop Electric Inc., at a final cost of \$148,554.20. The awarded contract amount for the construction was \$146,101.00.

There were two change orders approved by the change order committee on July 22, 2010 totaling \$2,554.20 (1.7%) applied to this project. The approved changes were:

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.): 1

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty N/A
(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.

1. Change Order No. 1 (Bid Item #6) - Additional curb and gutter over original engineer's estimate. Fourteen (14) additional feet of curb and gutter were removed and replaced in various areas due to poor existing curb conditions.

Total Cost of Change Order No. 1: \$1,135.20

2. Change Order No. 2 (Bid Item #7) – Additional sidewalk removed and replaced over engineer's original estimate One hundred and fifty (150) additional square feet of sidewalk was installed or replaced due to poor existing sidewalk conditions.

Total Cost of Change Order No. 2: \$1,419.00

Prior Council/Board Actions: The City Council Awarded the Construction Contract at the February 1, 2010 meeting.

Committee/Commission Review and Actions: None

Alternatives: None

Attachments: Exhibit # 1 – Site Location Map, Exhibit #2 – Ownership disclosure for contractors and consultants

Recommended Motion (and Alternative Motions if expected): I hereby move to authorize filing the Notice of Completion for the Traffic Signal Modification Project at Caldwell Avenue and County Center Drive, Project No. 1241-00000-720000-0-8112.

Financial Impact

Funding Source:

Account Number: 1241-00000-720000-0-8112

Budget Recap:

Total Estimated cost: \$215,000	New Revenue:	\$
Amount Budgeted: \$215,000	Lost Revenue:	\$
New funding required: \$00,000	New Personnel:	\$
Council Policy Change: Yes ___	No <u>X</u>	

Copies of this report have been provided to:

This document last revised: 9/2/2010, 3:59 PM

By author: Myron C. Rounsfll

File location and name: H:\(1) AGENDAS for Council - DO NOT REMOVE\2010\9-7-2010\Item 10g NOC Caldwell at County Center signal modifications.doc

Environmental Assessment Status

CEQA Review:

Required? Yes No

Review and Action:

Prior:

Required: Cat Exempt – This project is considered routine maintenance at an existing facility

NEPA Review:

Required? Yes No

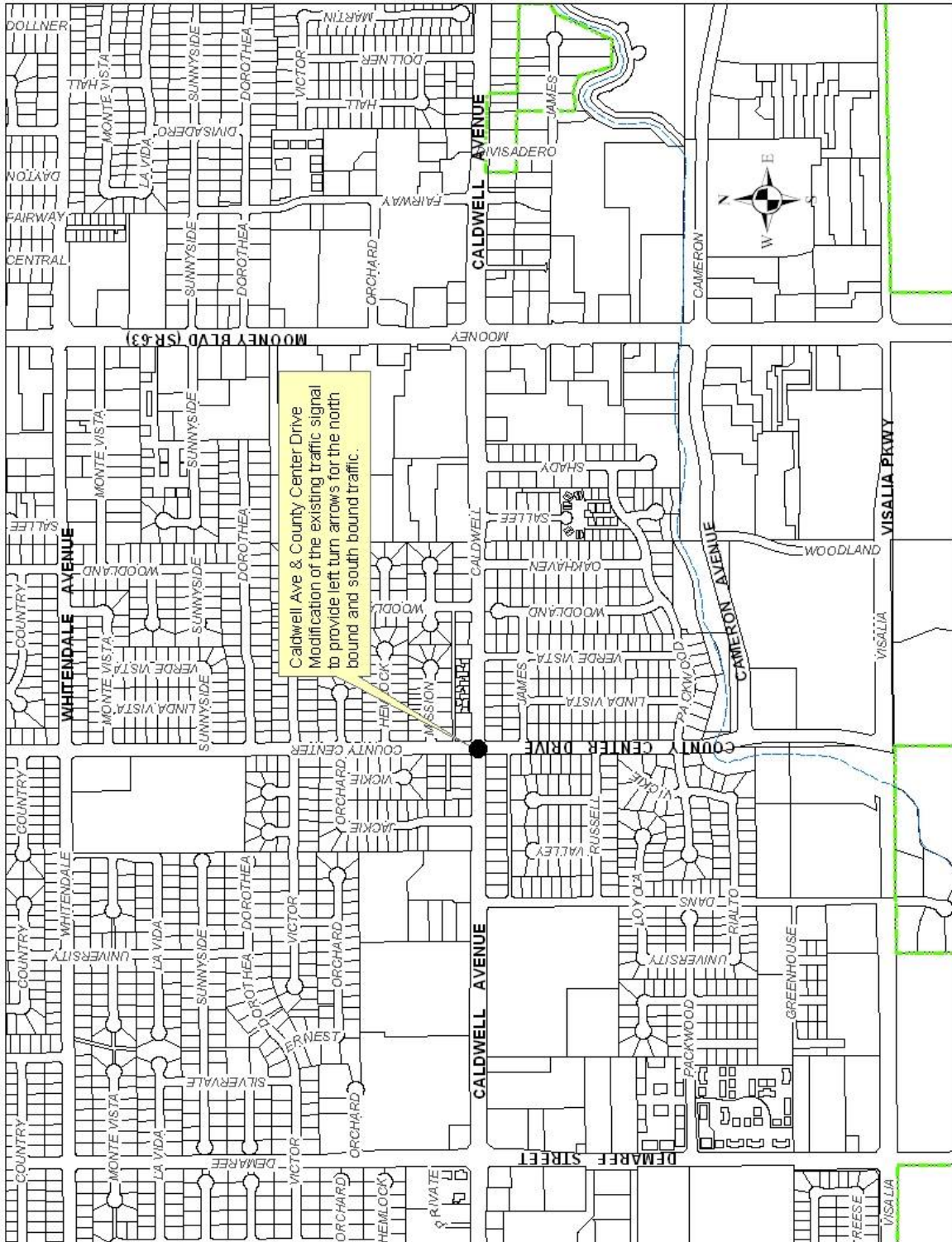
Review and Action:

Prior:

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)*

SITE LOCATION MAP





CITY OF VISALIA
Ownership Disclosure for Contractors and
Consultants
NOTICE OF COMPLETION

NAMES OF PRINCIPALS, PARTNERS, AND/OR TRUSTEES:

Firm Name Loop Electric Inc

Firm Address 7040 Downing Avenue, Bakersfield CA 93308-5814

List the names of all principals, partners, and/or trustees. For corporations provide names of officers, directors and all stockholders owning more than 10% equity interest in corporation:

Andrew Kitsch, President

Kimberly Kitsch, Secretary/Treasurer

Submitted by: Name **Myron Rounsfull**

Date **July 24, 2010**

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 10h

Agenda Item Wording: Authorization to award the annual contract for the transportation of road materials (RFB 10-11-13) to WTB Inc., Visalia.

Deadline for Action: September 7, 2010

Submitting Department: Public Works

Contact Name and Phone Number:
 Tim Fosberg, Financial Analyst, Public Works 713-4565
 Andrew Benelli, Public Works Director 713-4340

Department Recommendation: Staff recommends that the Council award an annual contract for the transportation of road materials to WTB Inc., Visalia (WTB) for an hourly rate of \$77.00 per Request for Bids 10-11-13 (RFB).

Summary: RFB 10-11-13 was issued to solicit bids to transport road materials from local batch plants and quarries to sites in the City where the material is needed. The City owns dump trucks and hauls the materials for most small projects. Asphalt is loaded into the dump trucks and placed on the roadway while it is hot, ideally over 200 degrees. The City does not have sufficient equipment and manpower to transport material for projects that require more than two or three truck loads. Contract trucking firms are used on those projects.

The bid proposal was for an hourly rate to haul the materials for approximately 900 hours per year. The lowest bid was submitted by WTB Inc. at \$77.00 per hour. **The RFB did not guarantee a specific amount of work to the low bidder.**

On July 30, 2010, the City held a pre-bid meeting to discuss the RFB and to answer questions, with two (2) vendors attending. On August 13, 2010, the City received bids from four (4) vendors. The bids are listed below with the hourly rate and the estimated annual amount (in descending order).

<u>Company and Location</u>	<u>Bid Amount Hourly Rate</u>
WTB Inc., Visalia, CA.....	\$ 77.00
Hannah Trucking Service Inc., Ivanhoe, CA	\$ 77.89
Barragan & Sons Trucking, Fresno, CA	\$ 79.99
L. Mc Queen Inc., Lindsey, CA	\$ 88.20

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 AB 9/1/10
 (Initials & date required)

Finance EF 9/1/10
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 contract for transporting road materials as quoted in the RFB, is fixed for twelve (12) months from the annual anniversary date of the agreement. The contract has the potential of being extended for four (4) additional years (following the initial fiscal year 2010-11). A price adjustment feature is incorporated into the contract and hourly rates may be adjusted annually to allow for increases or decreases in fuel costs. The hourly rate will also be adjusted by the customary Consumer Price Index. The rate may be changed in an amount equal to the percentage of movement for the most recent twelve-month period for the CPI. In no instance shall the annual rate increase exceed five percent.

WTB has offices in Visalia and Fresno and has been in business for over 20 years and provides similar transportation services with numerous other governmental agencies (e.g. State of California - Caltrans, County of Tulare and the cities of Tulare and Corcoran). They have over 30 transfer trucks and over 60 trucks with bottom dump trailers. WTB has provided over ten years of very dependable service with the City of Visalia and have an excellent performance history.

During the past fiscal year (FY09-10), the City paid WTB approximately \$66,000 for transportation services.

Special Revenue funds (i.e. Gas Tax and Measure R - Local) usually pay for transporting road materials, unless the material is used in a park or for some other application that is not eligible for transportation funds.

Prior City Council Action: None.

Commission Review and Actions: None

Attachments: None

Recommended Motion (and Alternative Motions if expected): Staff recommends City Council award the annual contract for transportation of road materials to WTB Inc. (of Visalia) for an hourly rate of \$77.00 as per RFB # 10-11-13.

Environmental Assessment Status

CEQA Review: Required? Yes No
Review and Action Prior: **Required:**

NEPA Review: Required? Yes No
Review and Action Prior: **Required:**

Financial Impact

Funding Source:

- 1111 Gas Tax (CIP Projects)
- 1131 Measure R - Local (CIP Projects)

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: None

City of Visalia Agenda Item Transmittal

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 10i

Agenda Item Wording: Authorization to award the annual contract for the purchase of asphalt and road materials (RFB 10-11-12) to Vulcan Materials Co., Lemon Cove.

Deadline for Action: September 7, 2010

Submitting Department: Public Works

Contact Name and Phone Number:

Tim Fosberg, Financial Analyst, Public Works	713-4565
Andrew Benelli, Public Works Director	713-4340

Department Recommendation: Staff recommends that the Council award an annual contract for the purchase of asphalt and road materials per Request for Bids No. 10-11-12 (RFB) to Vulcan Materials Co., (Vulcan) for \$55.47 per ton.

Summary: The annual contract for road materials is for the purchase of asphalt used for City street, alley and parking lot projects performed by the City's Street Maintenance Division. The bid document required vendors to submit bids for 4,500 tons of PG64-10 asphalt and 4,500 tons of PG70-10 asphalt. The amount of material that the City purchases each year will vary but is expected to be approximately 9,000 tons. **The City is not guaranteeing the selected vendor a minimum purchase.**

On July 30, 2010, the City held a pre-bid meeting to discuss the RFB and to answer questions, with one (1) vendor attending. On August 13, 2010, the City received bids from three (3) vendors. Vulcan Materials Company submitted the lowest bid. Their bid was \$55.47 a ton for both types of asphalt except when the City makes a large order of over 300 tons per day. The cost per ton would drop to \$54.92 for the large orders. Table 1, "Schedule of Bids Received" lists the individual material bid amounts received from each vendor.

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.

Table 1
Schedule of Bids Received

Item	Asphalt Material	Glen Wells Construction	Porterville Asphalt	Vulcan Materials
1	<u>PG 64-10 3/4"</u>			
	Less than 25 tons per day	\$ 63.57	\$ 63.07	\$ 55.47
	25 to 300 tons per day	62.05	61.98	55.47
	Greater than 300 tons per day	57.25	56.55	54.92
2	<u>PG 70-10 3/4"</u>			
	Less than 25 tons per day	63.57	63.07	55.47
	25 to 300 tons per day	62.05	61.98	55.47
	Greater than 300 tons per day	57.25	56.55	54.92

This contract for the purchase of asphalt and other road materials as quoted in the RFB is fixed for twelve (12) months from the annual anniversary date of the agreement. The contract has the potential of being extended for four (4) additional years (following the initial fiscal year 2010-11). A price adjustment feature is incorporated into the contract and prices may be adjusted annually at the commencement of each subsequent year to allow for price increases or decreases for operating costs. The unit price will be subject to adjustment by the customary Consumer Price Index. The purchase price may be changed in an amount equal to the percentage of movement for the most recent twelve-month period for the CPI. The bid document states that CPI adjustment cannot exceed five percent per year.

Vulcan is a global firm with over 60 years of asphalt production. Vulcan has asphalt batch plants in Lemon Cove and in Sanger. The City will obtain asphalt from the Lemon Cove plant but may occasionally get material from Sanger when the Lemon Cove plant is out of service. The Lemon Cove plant has been in existence for almost 40 years. Vulcan has similar asphalt contracts with numerous other governmental agencies (e.g. State of California - Caltrans, County of Tulare and the cities of Tulare and Porterville). Staff's experience with Vulcan is that they are a dependable and professional vendor with an acceptable performance history with the City of Visalia.

The City has purchased asphalt materials from Vulcan for several years. During the past fiscal year (FY09-10) the City paid Vulcan \$468,000 for approximately 8,000 tons of asphalt and road materials. Special Revenue funds (i.e. Gas Tax and Measure R - Local) usually pay for the materials, unless they are used in a park or other application that is unrelated to transportation.

Prior City Council Action: None.

Commission Review and Actions: None

Attachments: None

Recommended Motion (and Alternative Motions if expected): Staff recommends City Council award the annual purchase of asphalt and road materials to Vulcan Materials for \$54.47 per ton.

Environmental Assessment Status

CEQA Review: Required? Yes No
Review and Action Prior: **Required:**

NEPA Review: Required? Yes No
Review and Action Prior: **Required:**

Financial Impact

Funding Source:

- 1111 Gas Tax (CIP Projects)
- 1131 Measure R - Local (CIP Projects)

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)*

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 10j

Agenda Item Wording: Authorization for the City Manager to enter into a reimbursement agreement (with the Mangano Company) for the Mill Creek culvert repairs between Santa Fe and Bridge Streets and for the Council to approve the funding of the project (not to exceed amount of \$433,000 for the culvert repairs).

Deadline for Action: September 7, 2010 due to the approaching and limited "dry up" schedule of Mill Creek.

Submitting Department: Community Development Department/
Engineering Division

Contact Name and Phone Number:

Adam Ennis, Engineering Services Manager 713-4323,
Chris Young, Community Development Director 713-4392

Department Recommendation: Authorization for the City Manager to enter into a reimbursement agreement (with the Mangano Company) for the Mill Creek culvert repairs between Santa Fe and Bridge Streets and approve the funding of the project (not to exceed \$433,000 for Phase 1). This will be Phase 1 of the Downtown One-way Street Conversion Project.

Summary: Staff is requesting that Council authorize a total of \$433,000 for the Mill Creek culvert repairs. Most of the culvert that needs repair (between Bridge and Santa Fe Streets) lies less than two feet below the street or sidewalk within City right-of-way. The City is responsible for the cost of repairs to the culvert within its right-of-way. Following an inspection of the culvert by structural/ geotechnical engineers and City engineers, it was determined that the repairs needed were much more extensive than originally thought. Fully one-third to one-half of the culvert "lid" will have to be completely replaced. The remaining portions of the existing culvert will need extensive repairs. Staff is requesting additional funding to cover the cost of those repairs.

In order to complete the culvert repair work on time (during the immediately upcoming "dry up" period for Mill Creek), staff recommends that the Mangano Company's contractor do the work as part of their Main Street Promenade Project. A reimbursement agreement is needed to facilitate the arrangements with the Mangano Company for this work.

About \$140,000 of the required funding will come from the City's Storm Drain Fund and the remaining funding from the Measure R Local Fund (\$293,000). This will be the First Phase of the proposed downtown one-way conversions of Main Street, Garden Street, and Center Avenue. Phase 2 will be the actual one-way street conversions. Phase 2 will be a City Capital Improvement Program Project requiring approximately \$242,000 in funding from Measure R

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 CY 8/31/10
(Initials & date required)

Finance _____
City Atty AP 8/31/10
(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.

Local. The total costs of both phases will be approximately \$675,000. Originally, Council approved funding of up to \$500,000 for both phases of this conversion project.

Background: In March of this year, Council authorized implementing the downtown one-way conversions. The one-way conversions also include needed repairs to the Mill Creek culvert below Main Street. The timing of these culvert repairs is critical due to the dry creek period, the holiday season and the Main Street Promenade construction schedule. To meet this critical timing, staff is proposing to complete the downtown one-way conversion in two phases starting with the culvert repairs as Phase 1. The culvert repair would begin immediately to take advantage of the dry up period. For several reasons (explained below), Phase 1 should be completed at the same time privately funded improvements to other portions of the culvert are being completed by the Mangano Company, owner of the Main Street Promenade project. Because of this, staff has concluded that the Phase 1 portion of the City project is best completed by the same contractor that completes the private portion of the project, and therefore should be managed and constructed by the Mangano Company through a reimbursement agreement with the City. This will allow the work to start immediately in coordination with the Promenade Project. The future street improvement phase ("Phase 2") would be constructed after the holiday season and would be brought back to Council for approval (engineer's estimate for street improvements is \$242,000). The culvert has been examined by structural and geotechnical engineers and City staff. The repairs needed to the culvert will require some extensive temporary bracing and specialized concrete work. Since the nature of this work is somewhat unusual and specialized, only two construction bids were received by the Mangano Company. The lowest responsible bid received was for \$376,000. This bid has been closely reviewed by City engineers and deemed to be reasonable. Since there are a number of possible unknown conditions that may be discovered during the repairs, a contingency of 15% should be included in the proposed funding. Therefore, staff is requesting that Council authorize a total of \$433,000 for the culvert repairs (Phase 1). It is proposed that reimbursement would be through straight cash reimbursement, rather than credits of fees otherwise payable on the Main Street Promenade project; appropriate fees will therefore be charged on that project without credit.

At the March 1, 2010 City Council meeting, Council approved implementing the downtown one-way conversions and authorized expenditures of up to \$200,000 from Measure R Local and \$300,000 from Gas Tax for this project. Since that time, the City contracted with Lane Engineers for the design work and has been working on the design improvements. The work includes repairs to the Mill Creek culvert below Main Street, street improvements such as bulb-outs, landscaping and associated improvements similar to the existing Main Street improvements to the west. The street improvements include conversion of Main Street to eastbound one-way between Garden and Santa Fe Streets, Garden Street to one-way southbound between Center Avenue and Main Street and Center Avenue to one-way west bound between Santa Fe and Bridge Streets. The Center Street conversion would occur if it would not adversely affect the Transit Center operations. The final determination on the effects to the Transit Center will probably occur once the expansion is complete and in operation, which is anticipated before the end of this year. The culvert repair design is complete and the street improvements design should be complete within the next few weeks.

The repair of the culvert is critical to the schedule from several aspects. First, the culvert repair needs to be completed during the dry up period which is beginning now and will continue until rainy weather produces storm flow in the creek. Second, the repairs need to be completed prior to the holiday season and construction of the Main Street Promenade private development. The Main Street Promenade building foundation will be located directly adjacent to the north side of the culvert making repairs to the north side of the culvert difficult if the structure is already in place. Lastly, the Main Street Promenade has already committed to a tenant occupancy schedule that must be maintained. Based on these timing issues, staff is proposing to break the downtown conversion project into phases to accommodate the schedule deadlines that must be

met. In this way, the culvert repair and the work on the Main Street Promenade structure could be coordinated and allow for progress on both projects. The future street improvement phase would be bid and constructed as a City Capital Improvement Program Project after the holiday season and would be brought back to Council for approval of funding and contract award prior to construction.

Financing

The Measure R Funding recommended for this project would come from the savings which accrued from the amount originally budgeted for the Acequia Two-way conversion. In addition, the Phase 2 street improvement work is anticipated to be funded by Measure R Local Funding savings realized by previously completed projects.

Prior Council/Board Actions: March 1, 2010 – City Council authorized implementation of the downtown one-way conversions.

Committee/Commission Review and Actions: None.

Alternatives: No project or revision of project.

Attachments: Exhibit A – Location Map

Recommended Motion (and Alternative Motions if expected):

Authorization for the City Manager to enter into a reimbursement agreement for the Mill Creek culvert repairs between Santa Fe and Bridge Streets and for the Council to approve the funding of the project (not to exceed \$433,000 for Phase 1).

Environmental Assessment Status

CEQA Review: Categorical Exemption

NEPA Review: Not applicable

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)*

City of Visalia Agenda Item Transmittal

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 10k

Agenda Item Wording: Authorize the City Manager to execute the Memorandum of Understanding for Miscellaneous Supervisors and Managers (City of Visalia Employee Bargaining Unit Group E) for the period August 28, 2010 through June 30, 2011.

Deadline for Action: September 7, 2010

Submitting Department: Administrative Services

Contact Name and Phone Number: Diane Davis, Human Resources Manager, 713-4575 and Eric Frost, Administrative Services Director, 713-4474.

Department Recommendation:

That Council authorizes the City Manager to execute a Memorandum of Understanding by and between the City of Visalia and Miscellaneous Supervisors and Managers (City of Visalia Employee Bargaining Unit Group E) for the period August 28, 2010 through June 30, 2011.

Summary/background:

In early March, 2010, the City's negotiation team began the negotiations process with Group E for their MOU that was set to expire on June 30, 2010. Because of difficult fiscal conditions, the City asked for wage concession from Group E. In August, the City and Group E came to a tentative agreement, and on August 16, 2010, City staff presented the tentative agreement to Council for consideration and authorization. On September 2, 2010, Group E's membership voted to accept the tentative agreement which calls for employees of this unit to pay an additional 4% towards their PERS retirement and new employees to have a lower tiered retirement plan. The following summarizes the general elements of the Group's Memorandum's of Understanding.

- **Term of Contract:** Until June 30, 2011
- **Contract Date:** August 28, 2010 through June 30, 2011
- **Salary:** No increase

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.

- **PERS:**
 - A third-tiered retirement system. All new miscellaneous employees hired will be covered in the 2% at 60 PERS plan. The effective date of the third-tiered retirement system would be made effective as soon as allowed by PERS.
 - Beginning as of August 28, 2010, this group will pay 4% of the employer's PERS contribution. If the City's contribution is assessed at less than 4%, the unit's obligation will be whatever the City's rate is for that year.

- **Uniform Allowance:**
 - No formal dress uniform will be required for Group E employees in the Police Department. The Police Uniform Allowance will be reduced to \$400 a year for employees required by the department to wear a uniform. New employees required to wear a uniform will be provided six sets of pants and shirts at the time of hire. Employees not required to wear a uniform will no longer received the uniform allowance. Annually, the Chief of Police will determine which employee classifications will be required to wear a uniform. The current employees required to wear a uniform are:
 - Identification Technician
 - Senior Identification Technician
 - Records Supervisor
 - Communications Supervisor

- **Standby Pay:**
 - The standby allowance in the Police Department has been eliminated except for those employees who held the following classification prior to August 28, 2010:

Senior Identification Technician

- **Optional life insurance:**
 - When the City renews its group life insurance policy, the City will solicit coverage of up to \$500,000 for employees and \$300,000 for spouses as optional coverage which may be purchased by employees.

Prior Council/Board Actions: August 16, 2010, closed session item, tentatively approving staff's recommendation.

Committee/Commission Review and Actions:

Alternatives:

Attachments: Group E Memorandum of Understanding, August 28, 2010 through June 30, 2011.

Recommended Motion (and Alternative Motions if expected):

I move authorization for the City Manager to execute the Memorandum of Understanding by and between the City of Visalia and the Miscellaneous Managers and Supervisors Group (City of Visalia Employee Bargaining Unit Group E) for the period August 28, 2010 through June 30, 2011.

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:

MEMORANDUM OF UNDERSTANDING

**By and Between the City of Visalia
And the
Miscellaneous Supervisors and Managers
(City of Visalia Employee Bargaining Unit Group E)**



August 28, 2010 to June 30, 2011

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Article 2:	Authorized Agents and Recognition	
Article 3:	City Rights	
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Article 5:	Discrimination	
Article 6:	Wages and Other Related Issues Salaries & Wages; Merit Increases; Other pay	
Article 7:	Days and Hours of Work; Overtime Work Schedule; Overtime; Stand-By	
Article 8:	Allowances for Work Related Expenditures Uniforms and Uniform Maintenance	
Article 9:	Employee Benefits and Retirement Medical/Dental/Retirement; PERS	
Article 10:	Paid Leaves (Holidays)	
Article 11:	Vacation	
Article 12:	Sick Leave	
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Article 17:	Maintenance of Benefits Clause	
Article 18:	Full Understanding, Modification, Waiver	
Article 19:	Separability	
Article 20:	Term of Contract	

ARTICLE 1: TERMS AND CONDITIONS

The Miscellaneous Supervisors and Managers Association and their affiliates (herein referenced to as "Association") and representatives of the City of Visalia (herein referenced to as the "City") have met and conferred regarding wages, hours and other terms and conditions of employment of employees in the Group "E" bargaining unit, have freely exchanged information, opinions, and proposals and have reached agreement on the following matters relating to the employment conditions and employer-employee relations of such employees.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias-Brown Act (Government Code Sections 3500-3510).

ARTICLE 2: AUTHORIZED AGENTS AND RECOGNITION

Section 1: Authorized Agents

For the purpose of administering the terms and provisions of this Memorandum of Understanding, the following authorized agents have been designated:

City of Visalia
City Manager or his/her designee
707 W. Acequia
Visalia, CA 93291

Miscellaneous Supervisors and Managers – Group "E"
Association President, Group E
303 E. Acequia
Visalia, CA 93291

The Association shall be responsible for keeping current the name, address and telephone number of the designated representative and a list of persons authorized to act on its behalf or receive service in its name.

Section 2: Recognition

The City recognizes and expressly acknowledges the Association as the exclusive collective bargaining representative and employee organization for employees covered by this Memorandum of Understanding, the employees in Group "E." Represented classifications for Group E are listed in Attachment A.

ARTICLE 3: CITY RIGHTS

As defined in the Visalia Municipal Code, Section 2.40.040, the rights of the City include, but are not limited to, the exclusive right to determine the mission of its constituent departments, commission and boards; set standards of service; determine

the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work.

ARTICLE 4: ASSOCIATION RIGHTS

Section 1: Payroll Deductions

The Association may have the regular dues deductions of its members (or service fees) within the Group "E" bargaining unit deducted from employees' paychecks under procedures as follows:

- Dues deduction shall be for a specified amount and shall be made only upon the written authorization of the member provided by the Association to the City. The Association shall be responsible for processing all dues-related paperwork.
- The Association agrees to indemnify and hold the City harmless from any liabilities, which may arise as a result of an application of this Article. The request for deductions shall be made on City approved authorization cards in accordance with applicable state law. The Association will pay the City's customary and reasonable administrative fees for the payroll deductions.

Section 2: Employee Rights

As defined in the Visalia Municipal Code, Section 2.40.040, employees of the City shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employee relations including, but not limited to, wages, hours and other terms and conditions of employment. Employees of the City shall also have the right to refuse to join or participate in the activities of the employee organizations and shall have the right to represent themselves individually in their employment relations with the City, at separate negotiating sessions. No employee shall be interfered with, intimidated, retaliated against, restrained, coerced or discriminated against by the City or by any employee organizations because of the exercise of these rights.

Section 3: Advance Notice

Except in cases of emergency as provided below in this subsection the Association, if affected, shall be given reasonable advance notice of any ordinance, resolution, rule or regulation, or reduction in workforce, directly and primarily relating to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to meet with the appropriate management representatives. In cases of

emergency, the City shall make its best effort to notify the Association on the first business day after the emergency.

Section 4: Release Time

City employees who are official representatives of the Association shall be given reasonable time off with pay (at the regular hourly rate of pay in all instances) to attend formal meet and confer sessions, grievance or discipline meetings with management representatives. The Association shall notify the Employee Relations Officer of the names of the employees who are official representatives of the Association. Such representatives shall notify their supervisors in writing on the first business day after a meeting has been scheduled of the dates of excused absences. This advance notice may be waived by the Employee Relations Officer. The number of employees excused for meet and confer sessions shall not exceed four (4). Time allowed off before and after scheduled negotiations shall be limited to two (2) hours respectively. Under no circumstances will overtime be paid for an employee's attendance at a negotiations session. Attendance at negotiations sessions that occur on an employee's day off or before or after regular work hours is strictly voluntary.

ARTICLE 5: DISCRIMINATION

The parties agree that no person employed or applying for employment shall be discriminated against because of race, color, religion, disability, medical condition, national origin, ancestry, marital status, gender, sexual orientation, or age, except where such is determined to be a bona fide occupational qualification.

Neither the City nor the Association shall interfere with, intimidate, retaliate against, coerce or discriminate against City employees who exercise their right to form, join or participate in the activities of the Association. Neither the City nor the Association shall interfere with, intimidate, coerce, or discriminate against City employees because they exercise their right not to form, join, or participate in the activities of the Association.

ARTICLE 6: WAGES AND OTHER RELATED ISSUES

Section 1: Salaries & Wages

- A. There will be no salary range adjustments for unit classifications during the term of this agreement.
- B. In an effort to identify benchmark positions (which may include single incumbent classifications) that represent a broad sampling of positions, adequately dispersed through Group E, prior to the commencement of new MOU negotiations, the City agrees to meet with and advise representatives of Group E regarding selection of benchmark positions and explain the methodology being

utilized to address the appropriateness of total compensation for Group E members.

Section 2: Merit Increases

- A. The performance of each employee is reviewed annually, and overall performance and salary level shall be appraised, in detail. The merit of employee performance as reported on such appraisals will determine the salary increase to be given, if any. Employees who are being compensated at the top of the salary range for their classification are not eligible to receive merit increases.
- B. If performance evaluations are not completed within sixty (60) calendar days of their due date, the appropriate merit raise (or step) shall be considered to be automatically granted. The merit increase will be granted retroactive to the due date.
- C. All other provisions of the General Compensation Policy shall apply to merit increases.

Section 3: Bilingual Pay

Unit members may be eligible to receive bilingual pay in the amount of \$50 per month, calculated and paid bi-weekly as part of regular payroll. The City shall continue to determine those positions that require such abilities and the language or languages that will be compensated for. An employee is entitled to receive bilingual pay provided that employee has passed an oral proficiency examination as determined by the City Manager and are assigned to provide translation services in addition to other duties contained within their specific job descriptions. Currently, the qualifying languages are Spanish and the Laotian dialects of Hmong, Lahu and Mien.

ARTICLE 7: DAYS AND HOURS OF WORK; OVERTIME

Section 1: Work Schedule

Appointing Authority: The appointing authority shall fix the hours of work with due regard for the convenience of the public and laws of the State and the City.

Section 2: Overtime

- A. Visalia City Personnel Policy #202 will apply to overtime except, for the purposes of this agreement, overtime is defined as time worked in excess of forty (40) hours in a seven (7) day work period. Paid time off, excluding sick leave, shall be considered as time worked for overtime calculation purposes (for non-exempt employees only).

- B. Authorization: Supervisors approval to work overtime must be obtained prior to working overtime hours.

Section 3: Standby Allowance

By previous Memorandum of Understanding, several technical, supervisory, or managerial civilian positions in the Police Department were awarded \$1,000 per year as a standby allowance. Effective with the previous agreement, this standby pay allowance is eliminated. Only those employees, who, on August 28, 2010, occupy the classification outlined below, shall continue to receive this pay allowance and only until such time as they leave that particular position and/or City employment. This allowance shall be considered as income for purposes of employees' retirement calculation. Payment is made in July of each year and is compensation for the previous twelve (12) months.

Senior Identification Technician

ARTICLE 8: ALLOWANCES FOR WORK RELATED EXPENDITURES

Section 1: Uniforms and Uniform Maintenance

- A. Except as noted in this section, no provision shall be made for uniforms or uniform maintenance for the general membership of Group E as part of this agreement except for those Group E members who are required by the City to purchase, wear, and maintain uniforms as a condition of employment.
- B. No formal dress uniform will be required for Group E employees in the Police Department. The Police Uniform Allowance will be reduced to \$400 a year for employees required by the department to wear a uniform. New employees required to wear a uniform will be provided six sets of pants and shirts at the time of hire. Employees not required to wear a uniform will no longer receive the uniform allowance. Annually, the Chief of Police will determine which employee classifications will be required to wear a uniform. The current classifications required to wear a uniform are:
 - a. Identification Technician
 - b. Senior Identification Technician
 - c. Communications Supervisor
 - d. Records Supervisor
- C. Other Group E employees required by the City to purchase, wear, and maintain uniforms as a condition of employment shall have required apparel provided by the City or shall receive reimbursement for required expenses (with the approval of their supervisor).

ARTICLE 9: EMPLOYEE BENEFITS AND RETIREMENT

Section 1: Medical/Dental/Vision

- A. Medical, Dental and Vision benefits (including employee co-payments) in place shall remain in effect at their current levels, except as modified herein. All unit employees shall continue to contribute one-hundred dollars (\$100) each month for medical/dental/vision insurance, taken as a bi-weekly payroll deduction. This payment is in addition to established amounts paid for dependent coverage.
- B. Group "E" members agree to share increases in future health plan costs over the current cost (if any) by up to 50%. In no case, however, will the cost sharing be increased more than \$50 per month per year of this agreement. For purposes of calculating the health plan increase, the current medical only composite rate of \$947.55 will be used as the rate base.
- C. Group "E" agrees to participate in an Employee Health Benefits Committee (EHBC). The purpose of the EHBC is to cooperatively manage the City's Health Benefits Plan by providing oversight on the plan's resources, remain fiscally sound, provide the best benefits available to employees given available resources, improve administration of the plan, and make appropriate recommendations for change as researched and considered by the Committee. The EHBC is made up of all bargaining groups and City management. The EHBC does not replace collective bargaining agreements. Employee representatives are only empowered to act to the extent authorized by their respective agreements.
- D. Increases in health plan costs, if any, may be paid via changes in the health plan as confirmed by the plan's actuary, if agreed to by 5 of the 6 units (5 bargaining groups plus city management). In the event that approved plan changes exceed the employee cost increases, 75% of excess plan savings costs will be credited to the employees' contribution for current or future health plan cost increases. Savings is defined as money that is saved by the plan modifications and money that is presently in the plan, shall remain in the plan.
- E. The current spouse of a retiree of this group that survives said retiree will, upon the death of the retiree, be allowed to maintain the health and vision coverage then afforded to retirees at the retiree's cost of one hundred and fourteen dollars (\$114) per month, so long as the spouse was covered at the time of the retiree's death. The surviving spouse shall not be allowed to add new dependents to the coverage.
- F. The City shall provide and maintain a Section 125 Flexible Spending Account (FSA) Program as defined by, and in compliance with, the Internal Revenue Code. Such plan shall allow Group E employees to take advantage of benefit tax deductions for insurance premiums, out-of-pocket medical expenses, dependent day care, and any other expense allowable under the plan.

All unit employees will automatically be enrolled to participate in the FSA, as soon as operationally feasible, by having their employee and dependent health care contribution run through this program as a pre-tax benefit, unless the employee specifically opts out of the program. To opt out of the program, an employee must notify the City in writing during the open enrollment period.

Section 2: California Public Employees Retirement System (PERS)

- A. The City shall maintain in effect the 3% @ 60 PERS Retirement Program for employees hired before May 11, 2008. Employees hired on or after that date, up to such time as a third tier is implemented, will be covered under the 2.5% @ 55 PERS plan. A third tier retirement system, 2% @ 60 PERS plan, will be implemented for all new miscellaneous employees hired on or after May 11, 2011 contingent upon a second retirement tier being implemented with the City's public safety employees.
- B. The City will maintain the optional in-service death benefit (Pre-retirement Optional Settlement 2 Death Benefit, section 21548) which provides the surviving spouse the same retirement benefit as if the employee had retired at the time of death.
- C. Effective with the pay period beginning August 28, 2010, Group E employees will assume responsibility for payment of 4% of the employer's contribution for PERS. In any fiscal year that the City's required employer contribution rate to PERS drops below 4%, Group E employees' obligation will be the employer's contribution rate for that fiscal year.

Section 3: Long-term Disability

Group "E" Members shall continue paying their own coverage under the City's Long Term Disability (LTD) Insurance Program.

Section 4: Life Insurance

The City will explore changes to the existing Life Insurance contract, which could result in an increase the amount of life insurance available to be purchased at an employee's own expense as follows:

- Life Insurance for Employee – May be purchased in an amount up to \$500,000.
- Life Insurance for Employee's Spouse- May be purchased in an amount up to \$300,000.

- Any decision to change the existing Life Insurance contract pursuant to this section will be made as soon as operationally possible, but no later than the date of the City's life insurance agreement renewal in January 1, 2011.

ARTICLE 10: PAID LEAVES

A. Holidays:

Regular employees are eligible for holidays immediately upon hire. Holiday leave shall be provided pursuant to City of Visalia Personnel Policy #303. The following days shall be official City holidays for Group "E" Bargaining Unit employees.

New Years Day	January 1
Martin Luther King Jr. Day	3 rd Monday in January
Presidents Day	3 rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1 st Monday in September
Veterans Day	November 11
Thanksgiving Day	Designated Thurs. in November
Friday after Thanksgiving	
Christmas Day	December 25

Regular part-time employees are allowed time off, with pay, for the above holidays on a prorated basis. Employees normally scheduled to work twenty (20) hours a week shall receive four (4) hours for each of the holidays listed above and those normally scheduled to work thirty (30) hours a week shall receive six (6) hours for each of the holidays listed above.

B. Administrative Leave:

Employees in Bargaining Group E, who are deemed by the City to be exempt from the overtime provisions of the FLSA, are eligible for Administrative Leave. Regular full-time exempt employees are granted fifty-six (56) hours of administrative leave each calendar year. Administrative leave will be accrued from the date of appointment to an exempt position. An employee who is hired in an exempt position after June 30 shall be granted twenty-eight (28) hours of administrative leave for the remainder of the calendar year.

Up to twenty-four (24) hours of administrative leave may be carried over from one calendar year to the next. However, at no point in time may any employee accumulate more than eighty (80) hours of administrative leave. An exempt employee shall not be compensated for any accumulated administrative leave upon separation of employment from the City.

Group E employees designated as exempt are afforded the option of using their Administrative Leave or selling back their eligible amount on a tiered approach. The established year period for this Administrative Buy-back Program runs from November 1 through October 31 consistent with the City's sick leave buy-back program. The tiered approach is tied to vacation leave usage as outlined below:

- If the employee uses two (2) weeks of his/her accrued vacation leave, he/she may sell back up to five (5) days (40 hours) of his/her available Administrative Leave Balance at his/her current regular hourly rate of pay.
- If the employee uses three (3) weeks of his/her accrued vacation leave, he/she may sell back up to six (6) days (48 hours) of his/her available Administrative Leave Balance at his/her current regular hourly rate of pay.
- If the employee uses four (4) weeks of his/her accrued vacation leave, he/she may sell back up to seven (7) days (56 hours) of his/her available Administrative Leave Balance at his/her current regular hourly rate of pay.

ARTICLE 11: VACATION

Group "E" Employees receive vacation benefits consistent with the provisions of City of Visalia Personnel Policy #304.

ARTICLE 12: SICK LEAVE

Section 1: Sick Leave

- A. Group "E" Bargaining Unit Employees receive sick leave time consistent with the provisions of the current City of Visalia Personnel Policy Guidelines concerning sick leave summarized below, subject to the provisions herein.
- B. Regular full-time employees are granted twelve (12) days of sick leave each year of which eight (8) days may be used as personal leave for family emergencies and/or illness. This time is accrued at the rate of 3.692 hours per pay period. Regular part-time employees accrue sick leave on a pro-rated basis. Employees working twenty (20) hours per week receive one-half (.50) of this accrual. Employees working thirty (30) hours per week receive three-fourth (.75) of this accrual. Sick leave may be accrued to four hundred and eighty (480) hours, except for employees hired before December 1, 2004.
- C. For those employees governed by the four hundred and eighty (480) hour cap, the City will annually buy back all hours in excess of the cap at forty percent (40%) of the employee's rate of pay.
- D. Employees hired prior to December 1, 2004, have elected either to be governed by the new accrual cap or they may accrue sick leave without limit. Those employees who have elected to accrue sick leave without limit may sell back

annually up to six (6) days of sick leave less any days used, but at only fifty percent (50%) of pay.

- E. Employees must be employed for at least six (6) months in order to be eligible for the sick leave benefit.
- F. All employee benefits will continue during sick leave under the same terms and conditions as if the employee were at work provided the employee has time in his/her sick leave bank.

Section 2: Family Care & Medical Leave

The City will provide family and medical care leave for eligible employees, in accordance with the Federal Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA) and City of Visalia Personnel Policy #316.

ARTICLE 13: PERSONNEL PRACTICES

Section 1: Probationary Period

The probationary period for members of this group will be for twelve (12) months and subject to the provisions of the Policy #110 of the City of Visalia Personnel Policy Guidelines.

Section 2: Performance Evaluation

Performance evaluations are completed annually.

Section 3: Safety Reporting Procedure

Safety reporting shall be conducted in accordance with the City's existing Injury and Illness Prevention Program.

Section 4: Drug Free Work Place

The City and Association agree that they are committed to providing and maintaining a drug free work place in accord with the Drug Free Work Place Act of 1988. It is understood that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the work place and that violation of this provision would subject the employee to disciplinary action. It is also agreed that every reasonable effort will be made to inform employees about the dangers of drug abuse in the work place, the availability of any counseling or rehabilitation, as well as the Employee Assistance Program, and that disciplinary action may be imposed upon employees for drug abuse violations occurring in the work place or affecting work performance and/or safety.

Section 5: Jury Duty

As required by law, the employee will receive his/her base pay for any and all working days of jury service. The City will continue the employee's regular paycheck. The employee will waive any monies awarded by the court system for serving on a jury directly through the appropriate court system, but will be eligible to receive any mileage reimbursement paid by the courts. The employee will supply documentation of jury time served to the Finance Department.

Employees who are called for jury duty, but who work a swing or graveyard shift, shall be excused from that shift for a number of hours equal to that spent on jury duty that day. Work schedules shall be accordingly adjusted in such a way as to provide for the most logical sleep time, etc.

A. Procedure:

1. The employee shall present his/her supervisor, the subpoena or other document which gives instructions to report for jury empanelment upon receipt.
2. Upon selection for jury duty, the employee shall notify his/her supervisor verbally, and advise him/her of the estimated length of the trial.
3. Upon reporting for jury duty, the employee shall notify the court that he/she wishes to waive any monies or stipend awarded by the court system for his/her jury service. However, the employee will be eligible to claim and receive the mileage reimbursement provided by the court system.
4. The employee shall report for jury duty each day as instructed by the court. At times the employee may be released from jury service during normal working hours; when this is the case, the employee shall be required to be at work, when practical.
5. The employee's supervisor may require an attendance slip verifying his/her actual days of jury service. If an attendance slip is required, it should be attached to the employee's time card to complete that record.

ARTICLE 14: GRIEVANCE PROCEDURE

A. Purpose

To resolve conflict and to provide an appeal process for any regular full-time or regular part-time employee who feels that he or she has been personally adversely affected by the interpretation, application or administration of this Memorandum of Understanding of the City of Visalia Personnel Policy Guidelines.

Matters which are not subject to the Grievance Policy include the following:

- Discipline, including reprimand, suspension, demotion and discharge.
- Any defenses to discipline, such as an alleged failure to follow City Corrective Counseling (Discipline) procedures [such defenses must be raised in the appropriate disciplinary proceeding, and may not be separately grieved].
- Complaints concerning equal employment opportunity, affirmative action, or sexual harassment, which are subject to the procedures in the City of Visalia Personnel Policies #101 and #120.
- Other matters for which a specific method of review is provided by law, by the rules and regulations of the City Council or by administrative regulations and procedures of this City are not within the scope of this Grievance Policy.
- Matters of concern to an employee which are not eligible for the procedures set forth in either City of Visalia Personnel Policy #101 Equal Employment Opportunity/Affirmative Action, Policy #116 Corrective Counseling Policy (Discipline), Policy #117 Grievance Policy or Policy #120 Sexual Harassment, may be addressed to the Human Resources Director or his/her designee.

B. Coverage

Any regular full-time employee (including any promoted probationary employee) who wishes to appeal management decisions made relative to interpretation or administration of the aforementioned areas, may do so in accordance with the provisions of this article.

A probationary employee may not file a grievance under this article, except that a probationary employee who feels personally adversely affected by the application specifically of probationary rules and/or policies to himself or herself can grieve such rule or policy application in accordance with this article.

C. Definitions

1. Grievance

A Grievance is an allegation by an employee that he/she has been personally adversely affected by the interpretation, application or administration of this Memorandum of Understanding or the City of Visalia Personnel Policy Guidelines.

2. Grievant

A Grievant may be any regular full-time or regular part-time employee of the City of Visalia.

3. Immediate Supervisor

An Immediate Supervisor is the lowest level administrator having immediate jurisdiction over the Grievant.

D. Procedure

1. Informal Level

Prior to filing a formal Grievance, that Grievant must attempt to resolve the matter informally. This informal process should begin with an informal conference between the Grievant and the Immediate Supervisor within ten (10) calendar days of the alleged incident giving rise to the Grievance.

2. Formal Level

a. Level I – Supervisor Review

If the Grievance is not resolved informally, the Grievant shall present the relevant facts in writing to the Immediate Supervisor within ten (10) calendar days of the date of the informal conference.

The Grievance should clearly state:

- 1) The facts of the Grievance,
- 2) The basis for the Grievant's objection,
- 3) The remedy desired.

The supervisor shall communicate a decision in writing to the Grievant within ten (10) calendar days from the date the Grievance was received by the Supervisor. Within the above time limits, either party may request a meeting, with the other, to discuss or clarify any facts/concerns regarding the Grievance.

b. Level II – Department Head Review

In the event the Grievant is not satisfied with the decision of the Supervisor, an appeal may be made to the Department Head within ten (10) calendar days from the date the decision was rendered. Such appeal must be made in writing and include; 1) a copy of the original Grievance, 2) a copy of the decision rendered, and 3) a concise statement of the reasons for the appeal.

The Department Head shall communicate a decision in writing to the Grievant within ten (10) calendar days from receipt of the appeal by the Department Head. Within the above time limits, either party may request a meeting, with the other, to discuss or clarify any facts/concerns regarding the Grievance.

c. Level III – Mediation Step

If the Grievance is not resolved after Level II, as an alternative to proceeding directly to Level IV, City Manager decision, the Grievance may be submitted to mediation. A request for mediation may be presented in writing to the Human Resource Manager within ten (10) calendar days from the date a decision was rendered at Level II. As soon as practicable thereafter, or as otherwise agreed to by the parties, a mediator shall hear and attempt to mediate a resolution to the Grievance. A request for mediation will automatically suspend the normal processing of a Grievance until the mediation process is completed. The mediation process shall be optional, and any opinion expressed by the mediator shall be informal and shall be considered advisory to the City Manager. State Mediation and Conciliation Service shall be utilized for this mediation process.

d. Level IV – City Manager Decision

If the Grievance is not resolved in the mediation step (Level III) the City Manager (or designee) may render a decision solely on the basis of a review of the record; or may arrange a meeting between those affected before rendering within twenty (20) calendar days of notification that the mediation step was unsuccessful.

ARTICLE 15: EDUCATIONAL/TUITION ASSISTANCE PROGRAM

As set forth in City of Visalia Personnel Policy #312, the City provides educational/tuition assistance to its regular employees for the purpose of continuing education. The City will provide up to \$1,000 per fiscal year per employee to help defray education expenses for those pursuing up to an AA degree from an accredited

institution, and up to \$1,200 per fiscal year for those employees pursuing a BA/BS degree or beyond.

ARTICLE 16: PEACEFUL PERFORMANCE CLAUSE

The parties hereto recognize and acknowledge that the services performed by the City employees covered by this Agreement are essential to the public health, safety, and general welfare of the residents of the City of Visalia.

In the event of any work stoppage, during the term of this agreement, whether by the Association or by any member of the bargaining unit, the Association by its officers, shall immediately declare in writing and publicize that such work stoppage is illegal and unauthorized, and further direct its members in writing to cease the said conduct and resume work. Copies of such written notice shall be personally served upon the City. In the event of any work stoppage, the Association shall promptly and in good faith perform the obligations of this paragraph, and providing the Association had not otherwise authorized, permitted or encouraged such work stoppage, the Association shall not be liable for any damages caused by the violation of the provision. However, the City shall have the right to discipline, to include discharge, any employee who instigates, or participates in, any work stoppage activity herein prohibited, and the City shall have the right to seek full legal redress as provided by law.

ARTICLE 17: MAINTENANCE OF BENEFITS

Except as provided or noted herein, all rights and all benefits which are presently enjoyed by all affected employees of this group, within the scope of representation, shall remain in full force and effect during the term of this agreement, unless modified through an amendment to this agreement, or until a new Memorandum of Understanding is agreed upon.

ARTICLE 18: FULL UNDERSTANDING, MODIFICATION, WAIVER

The waiver of any breach, term or condition of this Memorandum of Understanding by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

ARTICLE 19: SEPARABILITY

If any provisions of this Memorandum of Understanding are held to be contrary to law by a court of competent jurisdiction, such provisions will not affect the validity of the remaining provisions except to the extent permitted by law, and all other provisions will continue in full force and effect.

ARTICLE 20: TERM OF CONTRACT

This Memorandum of Understanding shall be for the period commencing on August 28, 2010 and ending on June 30, 2011. The parties agree to commence negotiations on the successor agreement no less than ninety (90) days prior to the expiration date of this Memorandum of Understanding.

IN WITNESS WHEREOF, the parties hereto have set their hands on the date stated below

FOR THE CITY OF VISALIA

FOR THE ASSOCIATION–GROUP “E”

By: _____
Steven M. Salomon, City Manager

By: _____
Mario Cifuentez

Dated: _____

Dated: _____

By: _____
Eric Frost, Admin. Services Director

By: _____
Michael Allen

Dated: _____

Dated: _____

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 07, 2010

Agenda Item Number (Assigned by City Clerk): 11a

Agenda Item Wording:

A: Authorize the City Council to approve a Density Bonus, Zoning Ordinance Section 17.32, Article 2, and;

B. Authorize the Executive Director of the Redevelopment Agency (RDA) Board to approve an amendment to loan agreement between RDA and Kaweah Management Company (KMC) and change the scope of work from rehabilitation of six (6) units to demolition of existing units and reconstruction of eight (8) rental units for low and moderate income tenants.

Location: 632, 634, 636, 640, 642 and 644 East Kaweah Avenue, located at the north side of Kaweah Avenue between Tipton and Burke Streets.

No additional funds are being requested.

Assessor Parcel Numbers: 097-122-042 & -043.

Deadline for Action: September 07, 2010

Submitting Department: Housing & Economic Development

Contact Name and Phone Number: Ricardo Noguera, Housing & Economic Development Director xt: 4190; Rhonda Haynes, Housing Specialist xt 4460; Andrew Chamberlain, Sr. Planner xt 4003

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.

Department Recommendation: Authorize the City Council to approve a Density Bonus and Authorize the Executive Director to approve an amendment to the loan agreement dated September 21, 2009, to change the scope of work from rehabilitation of six (6) units to demolition of existing units and reconstruction of eight (8) rental units.

Project Description:

In June 2009, Kaweah Management Company (KMC) acquired two triplexes which were foreclosed, abandoned and vandalized. On July 13, 2009, KMC requested financial assistance in the amount of \$480,000 with use of Central Redevelopment Agency Funds to support the acquisition, rehabilitation and rental of two foreclosed triplexes (contains a total of six two-bedroom units). The original intent was to rehabilitate two – triplexes with six (6) units on two lots. The original contracts for this project were signed in 2009.

Under further analysis by KMC, they found the cost to be higher than expected for rehabilitation, therefore, KMC's intent was to demolish the units, which has been completed, and reconstruct with a new design. The

new design allows for additional open space and meets the density bonus requirements, which allows KMC to construct two additional units, totaling eight (8) units. KMC awaits Council's review and requests approval of the Density Bonus in order to move forward with the construction of eight new units. As noted, the existing units have been demolished. A revised site plan and color rendering is attached (Exhibit "A" and "B").

Council's authorization allows the amendment to the original agreement which shall affect the language to increase the number of units from six to eight and authorizes the Density Bonus. The affordability covenant shall remain effective for 55 years. Also, to the extent there are Residual Receipts from the Project, the Kaweah Management Company shall pay 100% of the Residual Receipts to the Agency on an annual basis as indicated within the agreement.

This request continues to fulfill the department's neighborhood revitalization efforts, assisting proven developers to acquire and rehabilitate dilapidated rental properties in challenged areas of town and completing infill development. This project represents the City/Agency's first attempt to partner in the acquisition and rehabilitation of multi-family bank-owned homes. This property also falls within one of the City's targeted neighborhoods "Washington School Neighborhood".

Planning Commission Review and Approval:

On August 9, 2010, the Planning Commission held a public hearing which surrounding property owners were notified of Kaweah Management Company's request. The Planning Commission reviewed and approved Exception No. 2010-06, which by Zoning Ordinance Section 17.42.100 (B); only becomes effective upon granting of the Density Bonus by City Council. This is an exception to setbacks in the front, rear, and side yards for a multiple family housing project which is associated with a density bonus.

As specified by Planning Staff, "The density bonus provisions in Zoning Ordinance Section 17.32.190 means a density increase of at least twenty-five percent over the otherwise maximum allowable density in the zone. The subject site is 19,535 square feet which at one unit per 3,000 square feet allows 6.5 units. The 6.5 X 1.25 results in 8.1 units (8 units) which meets the density requirements. In addition, Zoning Ordinance Section 17.32.220-A-1 provides an additional concession or incentive which includes a reduction in site development standards such as the requested setbacks."

Role of Kaweah Management Company (KMC): The Kaweah Management Company is a non-profit charitable organization (501 (c) 3) that develops, rehabilitates and manages affordable housing units and projects. The City partnered with Kaweah on past affordable housing projects including the 20-unit Paradise & Court Development, located just south of the Washington School Neighborhood; 95-unit Kimball Court elderly low income housing project, the Tulare Avenue Transitional Living Center, the mixed income 71-unit Millcreek Project and the 10-unit Robinwood Project, and this project (East Kaweah Multi Family Unit Project). The City of Visalia Redevelopment Agency provided Kaweah with a \$480,000 Residual Receipts Loan with use of Redevelopment Low-Mod funds from the Central Redevelopment Project Area to fund the project now under consideration.

Sources and Disbursement of Funds:

The total acquisition and rehabilitation costs were originally estimated at \$750,000 with approximately \$80,000 in rehabilitation costs per unit. With the additional cost analysis conducted by KMC, they found the cost to rehabilitate more than reconstruction. With the use of Redevelopment funds, prevailing wages apply, thereby adding to the cost of the project. The estimated cost for reconstruction including two additional units is approximately \$830,000. The Agency's contribution totaled \$480,000 and is being utilized toward the reconstruction of the development. The Redevelopment Agency disbursed \$240,000 in June 2009 upon signing of the original agreements and shall disburse the remaining funds following approval of building permits through the City's Building Division.

Project Design, Use Restrictions and Requirements. Kaweah Management Company continues to agree that the Property shall only be used and occupied for rental purposes in compliance with and subject to conditions outlined within the original and amended agreements. Staff would like to bring to Council's attention a few of the conditions:

- (a) Prevailing wages. "Kaweah is contractually obligated to comply with all applicable State and Federal prevailing wage laws, and to indemnify the Agency against any claims of noncompliance".
- (b) Relocation of tenants. This is not applicable since the property is completely vacant.
- (c) Maintenance and Operations. After completion of the Project, Kaweah will serve as the Property Manager.
- (d) Fair Market Rents. The HUD Fair Market Rents will be utilized. The rents are anticipated to be \$299 for the two bedroom units where the renter's household income levels shall not exceed 30% of the median income level.
- (d) Rental Restrictions. Developers shall meet or exceed the affordability requirements for the Central Redevelopment Low/Mod funds. Fifty-five years are required for use of Redevelopment funds. Developer will enter into agreements with the tenants, to comply
- (e) Monitoring of Use of Dwelling Units. Initial tenant income will be determined and each year during the affordability period for the Project, each tenant's annual income will be re-examined in accordance with funding source requirements.

Prior Council/Board Actions: City Council approval July 13, 2009

Committee/Commission Review and Actions: Preliminary Site Plan Review completed. Planning Commission approval August 9, 2010

Alternatives: None

Attachments: Exhibit "A" Site Map
Exhibit "B" Color Rendering
Exhibit "C" KMC & City Agency Low Mod Amendment Agreement

Recommended Motion (and Alternative Motions if expected): A: Authorize the City Council to approve a Density Bonus, Zoning Ordinance Section 17.32, Article 2, and;

B. Authorize the Executive Director of the Redevelopment Agency (RDA) Board to approve an amendment to loan agreement between RDA and Kaweah Management Company (KMC) and change the scope of work from rehabilitation of six (6) units to demolition of existing units and reconstruction of eight (8) rental units

Location: 632, 634, 636, 640, 642 and 644 East Kaweah Avenue, located at the north side of Kaweah Avenue between Tipton and Burke Streets.

Environmental Assessment Status

CEQA Review: CEQA Cat Exempt No. 2008-10

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*)

Signatures for amended agreement required: Exhibits B

Copies of this report have been provided to:

Exhibit "A" Site Map



Exhibit "B"
Color Renderings- new 8 units



Exhibit "C"
KMC & City Agency Low Mod Amended Agreement

**AMENDMENT TO THE AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF VISALIA AND
KAWEAH MANAGEMENT COMPANY**

THIS AMENDMENT ("Amendment") to the "Agreement Between The Community Redevelopment Agency Of The City Of Visalia And Kaweah Management Company dated as of September 21, 2009, is entered into by and between THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA, a public body corporate and politic ("Agency"), and KAWEAH MANAGEMENT COMPANY, a California non-profit public benefit corporation ("Kaweah") (collectively referred to as the "Parties").

RECITALS

The following recitals are a substantive part of this Amendment:

A. Pursuant to the Agreement, Developer proposed to rehabilitate and remodel two triplexes totaling six units of multifamily housing that would be committed to low-income affordable housing on the property identified in the Agreement (the "Original Project"). The Agreement included Project Plans, Schedule and Budget, attached thereto and incorporated therein as "Exhibit B."

B. Subsequent to entering into the Agreement, Kaweah determined that the Original Project was infeasible. Kaweah now desires to proceed with the construction of eight (8) new units of multifamily housing that would be committed to low-income affordable housing (the "Revised Project"). The Revised Project Plans, Schedule and Budget for the Revised Project are attached hereto as Exhibit "A".

C. Kaweah is not seeking and the Agency is not agreeing to provide any funding for the Revised Project other than the funds originally committed in the Agreement.

D. Agency and Kaweah desire to amend the Agreement to reflect the aforementioned changes to the Project Plans, Schedule, and Budget.

NOW, THEREFORE, Agency and Kaweah hereby agree as follows:

1. Disbursement of Agency Loan. Agency provided Kaweah with \$240,000.00 immediately after approval of the Original Project to assist Kaweah with the acquisition of the property identified in the Agreement. Agency agreed to provide Kaweah with up to \$240,000.00 at the time Kaweah obtained building permits for the Original Project. Agency shall provide Kaweah with up to \$240,000.00 at the time Kaweah obtains building permits for the Revised Project.

2. Scope of Development. Kaweah agrees to develop eight (8) units of new multifamily housing on the Property identified in the Agreement that will be committed to multifamily affordable housing, in accordance with the Revised Project Plans, Schedule and Budget attached hereto as "Exhibit A." Exhibit "A" of this Amendment shall supersede Exhibit "B" of the Agreement.

3. Effect of Amendment. The terms and conditions of the Agreement, and the obligations of the Parties thereto, shall remain in full force and effect unless expressly superseded by this Amendment.

4. Effective Date. This Amendment shall be effective on September __, 2010.

IN WITNESS WHEREOF, Agency and Kaweah have executed this Agreement on the respective dates set forth below.

THE COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF VISALIA, a public body, corporate and
politic

Dated: _____, 2009 By: _____
Executive Director

ATTEST:

APPROVED AS TO FORM:

Secretary

Attorney for Agency

KAWEAH MANAGEMENT COMPANY, a California
nonprofit public benefit corporation

Dated: _____, 2009 By: _____

APPROVED AS TO FORM:

Attorney for Kaweah
Exhibit "A"

Revised Project Plans, Schedule, and Budget

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 13

Agenda Item Wording: Approve final 2009-2010 Program Year Consolidated Annual Performance and Evaluation Report (CAPER); and approve 2nd Amendment to the 2009/10 Action Plan and 1st Amendment to the 2010/11 Action Plan, reprogramming HOME funds.

Resolution No. 2010-58.

Deadline for Action: September 7, 2010

Submitting Department: Housing and Economic Development

Contact Name and Phone Number: Ricardo Noguera (4190); Rhonda Haynes (4460); Nancy Renovato (4462)

Department Recommendation:

- 1) That the City Council approve the 2nd Amendment to the 2009/10 Action Plan and 1st Amendment to the 2010/11 Action Plan, redirecting a total of \$520,000 from the 2009/10 & 2010/11 HOME funded First Time Homebuyers Program to the New Homes Deferred 2nd Mortgage Program. The program is directed at assisting families of newly constructed homes, thus bolstering jobs within the construction industry.
- 2) That the City Council adopt by resolution the Final 2009/2010 Program Year CAPER Consolidated Annual Performance Evaluation Report; and
- 3) Authorize the City Manager to make minor modifications to the final new program guidelines as necessary to implement the Council's action.

Summary/background:

1.) Action Plan Amendments

Action Plan Amendments Fiscal Year 2009/2010 & 2010/2011(\$520,000 HOME funds):

Staff recommends redirecting \$520,000 from the 2009/10 & 2010/11 HOME funded First Time Homebuyers Program to the New Homes Deferred 2nd Mortgage Program. This program is directed at assisting families of newly constructed homes within the city limits. The intent is to provide further opportunities to local families to purchase homes and bolster jobs within the construction industry.

In the past, the City of Visalia's First Time Homebuyer Program (FTHB) has provided funds to homeowners of existing homes within the city limits. Although the program has already assisted ten (10) families (09/10), a majority of those loans were funded at the beginning of the program year. Funds are also set aside to finalize loans for three additional families. As funding opportunities arise through 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.):15

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.

State of California, near February 2011, such as the CalHome Program, Staff will pursue funding to continue assisting families interested in purchasing existing housing stock.

Staff is responding to the local market by stimulating new construction and creating jobs in the construction industry. Staff conducted a survey of the number of subdivisions with available lots. As of spring 2010, there were approximately 41 subdivisions with approximately 1,400 subdivided lots available to build upon citywide. Staff met with fourteen (14) local Developers on August 11, 2010, to discuss the proposed new construction loan program and the specific guidelines. In addition to reviewing the guidelines, Staff asked that the Developers submit a proposal to participate. Developers encouraged the City's effort to stimulate jobs and new construction and looked forward to submitting proposals.

On Wednesday, August 18, 2010, seven (7) Developers submitted proposals which included a developer contribution (i.e. % developer funds to match City's loan funds, developer to pay closing costs, fees). City Staff will seek to select properties where we can induce new construction and therefore create jobs and work with Developers to sell and occupy homes. Of the seven developers who responded to the proposal, six submitted proposals detailing their contribution. The Developers have committed to an estimated twenty-two (22) homes, utilizing the set aside program funding, as shown in Table I; the City's program goal is a minimum of fifteen (15) homes.

Table I	
New Homes Deferred 2nd Mortgage Program- Developer Proposals	
Builder/Developer	Timeline of Developer Construction
Mike Fistolera/ Sam Sciacca	120 days
Vacarro Construction	120 days
McMillian Homes	120 days
Smee Builders	120 days
Hughes Homes, Inc/ BridgeCourt Homes LP	120 days
DR Horton	120 days

Developers have indicated that construction would be completed within 120 days, however, City Staff will review the proposals received from the homebuilders above and negotiate terms for the individual contribution toward the financing for each borrower, construction schedule and time allocated to secure borrowing with approved first mortgage.

This new program shall be provided to families as a 15 year deferred second mortgage. After the 15 year deferment, payments shall begin for an additional 15 years at zero percent (0%) interest. All major program requirements will remain the same. This will not only assist new homebuyers, but also generate construction activity and job creation.

Highlights of the new home buyer program guidelines shall consist of:

- Home must be located within City limits of Visalia
- Home must be principal residence, cannot be rented or used as a business
- Maximum sales price adjusts to 95% of the Federal Housing Administration (FHA) Single Family Mortgage Maximum 203b limit, currently is \$201,183
- Mortgage principal, interest, taxes and insurance shall be no less than 30% and no more than 35% of monthly gross income
- 3% down payment (1st mortgage approved gift, cash contributions are acceptable)

- Family income must be less than 80% of the area median income (i.e. Family of 4 (80% AMI = \$45,050 per year for 2010))
- Maximum second mortgage loan up to \$40,000 of the purchase price
- Interest rate of 2nd mortgage shall be two-percent (2%) simple interest
- City Loan is recorded in 2nd position on new property
- Loan shall be deferred for 15 year, payable thereafter or immediately upon sale, rent or transfer of ownership
- An affordability covenant for a period of 15 years shall be placed on the property/borrower (home must remain affordable to families at or below 80% of the area median income (AMI))
- No upgrades allowed.
- Developer to contribute toward program (i.e. down payment, cash contribution)

Staff recommends that the City Manager be authorized to make minor modifications to the final new program guidelines as necessary to implement the Council's action.

2.) *CAPER 2009/2010*

HUD Requirements:

The Consolidated Annual Performance Evaluation Report (CAPER) was prepared by the Housing and Economic Development Department in compliance with the U.S. Department of Housing and Urban Development (HUD) requirements. The CAPER is a federally mandated document that evaluates the City's overall progress and performance in meeting the priority activities identified in its Consolidated Plan. The document is a tool used by HUD and the City to evaluate accomplishments and actions taken during the previous program year. This CAPER assesses the City of Visalia's fifth year of progress for the Consolidated Plan year 2005-2010 in completing activities identified in the 2009/2010 Action Plan Year for the period beginning July 1, 2009 through June 30, 2010, as well as any activities that were continued from prior program years.

National Objectives and Outcomes

The primary objective of the City's projects and programs is to develop viable communities through the provision of decent and affordable housing, provide a suitable living environment, and create economic opportunities, principally for person of low and moderate income. To clearly identify Visalia's housing and community needs, the City will adhere to meeting HUD's three National Objectives; Provide Decent Affordable Housing, Provide a Suitable Living Environment and Create Economic Opportunities. The Outcomes of these Objectives are to improve availability or accessibility, Improve Affordability, and Improve Sustainability by promoting viable communities.

Over the course of Fiscal Year 2009-2010, the Housing and Economic Development Department made great strides towards developing and expanding home ownership and housing opportunities.

Affordable Housing

- **First Time Homebuyer Program (HOME funds):** This program assists low income families with a loan up to \$40,000 as a second mortgage for gap financing and/or down payment assistance. In Fiscal Year 09/10, the City assisted a total of ten families in the amount of \$493,062. Currently, the City has reserved a total of \$110,000 to assist three more families who are currently going through the application process.
- **CalHome First Time Homebuyers Program (non federal funds)** – State CalHome funds in the amount of \$600,000 were awarded to the City in 2006. The City utilized the funding to assist



families with the purchase of a home. Since inception of the program, the City assisted a total of 15 households totaling \$598,000 to achieve the American Dream of homeownership.

- **Sierra Meadows Project** - The City of Visalia in partnership with Christian Church Homes of Northern California have been working together since 2004 for the construction of 42 units of senior housing. To date, the City has contributed a total of \$2.8 million in HOME funds towards this project. This amount represents 30% of the development cost of \$9.4 million dollars. The project addresses the objectives of the Consolidated Plan as a high priority for “Special Needs Housing”. The project broke ground on December 2009, and is 50% complete, with the roof, street sidewalks, driveway, parking lot, and exterior windows completed. The project is anticipated to be completed by March 2011.



- **Paradise and Court Project** - The City in partnership with Tulare County Housing Authority and non-profit partner; Kaweah Management Company are addressing the needs of the community infill housing development through rehabilitation and construction of new affordable housing units. The City has provided \$500,000 in HOME CHDO funds and \$500,000 in Redevelopment Low Mod funds to assist with the rehabilitation of eleven (11) units and construction of nine (9) units at the northeast corner of Paradise and Court Street. The Rehab phase of the project is approximately 95% complete, with fencing and landscaping underway.



- **Neighborhood Stabilization Program (NSP)** – In September 2008, the City was awarded a \$2.38 million CDBG grant from HUD to acquire, rehabilitate, and resell foreclosed properties. As a requirement of the grant, the City must meet the CDBG National Objective by purchasing and rehabilitating foreclosed properties and re-sell them to families with income up to 120 percent of the Area Median Income (AMI). Additionally, HUD requires that 25% of the grant (\$600,000) be directed toward families at or below 50% AMI. HUD requires that all funds be obligated by September 2010. The City has met the obligation requirement.

The City’s program is geared to recycle its dollars through the resale of homes in order to purchase and rehabilitate more homes and assist more families. The goal for 2010/11 is to purchase, rehabilitate and resell 24 more homes. On average the City buys one house per month. A total of 21 have been purchased and 15 resold.

Table II	
15 Homes Purchased & Resold	
1821 E. Babcock	2342 N. Jacob
2431 N. Charter Oak	820 E Oakridge
2429 N. Clark	1032 E. Oakridge
2450 N Clark	1829 W. Perez
2021 W. Ferguson	1710 N. Park
620 E. Harold	1932 W. Vine
1922 E. Harold	2946 N. Willis
2322 N. Jacob	
4 Homes Under Rehabilitation	
937 E. Ferguson	
2238 N Oak Park	
429 E Oakridge Court	
1 Multi- Fmly Under Rehabilitation	
210 NW 2nd (Multi-family)	
1 Home Available for Resale	
2339 N. Bradley	
1743 E. Babcock	

Economic Development:

- **Parking Structure (West Acequia Parking Structure) - Section 108 Loan:** The West Acequia



Parking Structure was completed in 2007, and continues to provide



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economic benefits to the Downtown Area. The 700 space garage, bound by Acequia, Floral, and Main Streets supports the hospital's recent six-story expansion as well as many local businesses throughout the downtown area. As part of the City's loan agreement with HUD, there is a commitment of job creation. Since the hospital's expansion, Kaweah Delta District has created a total of 552 jobs, which staff continues to monitor annually. Additionally, the parking structure will also support the jobs created by the expansion of the Transit Center and a 60,000 square foot, three-story development; Main Street Promenade. In fiscal year 09/10, the City made a Section 108 payment in the amount of \$497,646.

Senior and Other Housing Assistance:

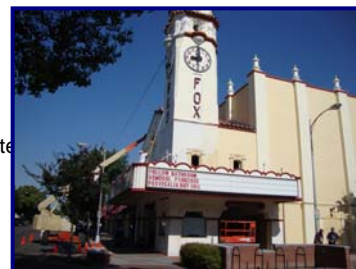
- **Mobile Home Senior Handicap and Repair Program (SHARP)** – This program administered by Self-Help Enterprises has a total of \$90,000 to support the administration and repairs to mobile homes owned by low income and handicap seniors. The vast majority of repairs are currently of life and safety issues such as roofs, air conditioning, plumbing & electrical and handicap ramps. Without such a program, these coaches would be uninhabitable and force the seniors out. Thus far, two households have been assisted, and 3 households are in progress. It is projected that five more households will be assisted over the next several months.
- **Senior Home Repair Minor Repairs** – This program, administered by Community Services and Employment Training (CSET) assists senior citizens by addressing minor repairs to their home. Repairs may include; plumbing, cooler/air conditioning, roof, door, windows, and electrical repairs. In fiscal year 09/10, the City allocated \$91,000 and has addressed a total of 725 repairs. Additionally, CSET utilizes donated materials to further assist these seniors who are typically on a fixed income.

Neighborhood Preservation

- **Code Enforcement** - The Neighborhood Preservation Division is responsible for the management of the Code Enforcement Program. The primary emphasis of the program is on Life Safety and non-compliance code issues. Considerable efforts are focused on Health and Safety Code enforcement as it primarily relates to Housing standards. Some of the common violations include: substandard housing, unsafe structures, abandoned properties, contaminated and/ or unsecured swimming pools, construction without permits, and unlicensed vendors. In fiscal year 09/10, the City allocated a total of \$166,250 in CDBG funds and expended a total of \$106,076. A total of 81 code cases were opened in fiscal year 09/10 and 254 closed within CDBG target areas. *(Closed cases may include cases that were opened in previous years but closed in fiscal year 09/10)*

Public Improvements

- **ADA Compliance** - The City has always been at the forefront of working to improve access for persons with disabilities. The City in partnership with the Disability Advocacy Committee will continue to support the disabled community by providing ADA compliant ramps and warning detection panels for the blind throughout the downtown area and the City's CDBG target areas. In fiscal year 09/10, the City allocated a total of \$50,000. On March 25, 2010, the City Manager authorized budget modifications to the 2009/10 & 2006/07 Action Plans re-directing an additional \$18,116.62 for ADA Compliance. The City's ADA Compliance program provided 33 curb cuts and expended a total of \$70,697.



- **Fox Theater Painting** – The total painting budget for the Fox Theater was \$43,700. Of this amount, the City contributed a total of \$30,000 in CDBG funds. The remaining balance came from Visaliam Friends of the Fox. The painting was completed in July 2010. A total of \$14,141 was expended in 2009/10. The balance of the expenditures will be reported in next year’s CAPER.

- **Village Park/Wittman Center** – In April 2009, the City completed improvements to the Jefferson Park and Wittman Center totaling \$76,126 in CDBG funds and \$88,123 obtained from a State grant. The improvements included; picnic tables and pads, new irrigation system, refurbish park benches, soccer goals, landscaping, concrete curbing, and concrete work. Inside the building, work consisted of new lighting in the main multi-purpose room, painting of the exterior stairwell, painting of the interior main activity room; demo of the concession room on the interior, kitchen improvements, new basketball equipment, some floor tile work in the multi-purpose room, two new swamp coolers, interior ceiling insulation, new exterior awning, and new drinking fountain.



Community Development Block Grant Recovery (CDBG-R) In response to the economic recession, the City was also the recipient of funding through The American Recovery and Reinvestment Act of 2009 (ARRA). The City proposed and invested a total of \$322,067 in CDBG-R funds into infrastructure and public facility activities. These activities will achieve long-term benefits, quickly spur further economic investment, create and/or retain jobs in the community; especially in areas with the greatest need, and improve the quality of life in deteriorating neighborhoods. The improvements include:

- **Public Sidewalk & Handicap Access (\$35,000)** - Project to construct sidewalks along both Watson Avenue (7' wide), on the west side of the park, and Myrtle (6' wide) on the North, including a handicap ramp at the intersection of Watson and Myrtle. The project is located at 700 S. Watson (3.6 acres) bounded by Watson/Myrtle/Encina and Cypress within the CDBG area. **Status: Project Complete**



- **Center Avenue Improvements (\$193,200)** - Project consists of providing bulb outs at intersections between crosswalks and angled parking spaces and providing truncated domes on the existing sidewalk handicap ramps. This project will provide safer pedestrian access within the CDBG area by slowing traffic along the corridor, providing additional separation between cars parking and pedestrians and adding truncated domes to the existing handicap ramps. The truncated domes provide a sensory detection for sight impaired citizens utilizing canes when approaching the intersection. This project also provides safer pedestrian access for employees and customers to the businesses in the CDBG area. Due to the summer weather, installation of landscape improvements will take place late fall 2010. **Status: Project underway and near completion.**



- **Anthony Community Center (\$61,660)** - Rehabilitation of multi-purpose main room & restrooms. These facilities are 50 years old. The primary work is to repair and paint the walls in the multi-purpose room; replace the existing rubber floor with a tile floor; includes replacement of sheet rock in some areas, texture, primer & painting of the walls, and renovation of existing restrooms. This project will improve the quality of a neighborhood facility for low income persons. **Status: Project underway & near completion.**



Special Needs

- **Continuum of Care** - The City continues its partnership with the Kings/Tulare Continuum of Care to address issues of homelessness. The Continuum of Care (CoC) is a consortium of housing providers, service providers, and local government, that work together to end homelessness in Kings and Tulare Counties. The City of Visalia is one of several cities within the region that supports the CoC through the provision of funding or in-kind contributions. In fiscal year 2009/2010 the City allocated and expended a total of \$5,000 to support efforts by the CoC. The CoC utilized these funds to engage legal counsel and an accountant to assist in the completion of a 501c3 non-profit status application. The CoC obtained non-profit status in September 2009. Since then, the CoC has received a \$1.1 million federal grant to support agencies throughout Kings & Tulare Counties. Most recently in July 2010, the CoC received a total of \$348,739 which will be used for supportive housing units in Visalia.

Table III Goal Achievement 2009-2010

This table identifies the HOME and CDBG Achievements for the program year as they relate to meeting the National Objectives. Additional detailed data is provided as Attachment “A”; Consolidated Annual Performance Evaluation Report (CAPER) and Attachment “B”, CAPER 2009-2010 Expenditures

Table III
HUD Housing Program Goal Achievement

Program Unit/Services Goal	Unit Goal	Units Completed	% of Goal
First Time Homebuyer Program	14	10	71%
Paradise & Court CHDO	20	Project Underway: Rehab 95% Complete	
Christian Church Homes	42	Project Underway: 50% Complete	
Code Enforcement	120	254	212%
Fairhousing Hotline	100	267	267%
Continuum of Care	1	1	100%
ADA Compliance	15	33	220%
Minor Senior Home Repairs	600	725	121%
Mobile Home Senior Handicap Repair	14	2	14%

Although most programs and services exceeded/met expectations; the Mobile Home Senior Handicap Repair Program (SHARP) and First Time Homebuyer Program fell short due to completion of environmental documents and HUD approval. The Mobile Home SHARP assists senior citizens with a

grant to make health and safety repairs to their mobile home. Due to a continued decline in Program Income, and in order to balance the budget, staff had to reduce the funding to this program; however, staff also increased the grant amount from \$5,000 to \$7,000 to assist seniors with additional repairs to their home.

Committee/Commission Review and Actions:

As per the Citizens Participation Plan, the Consolidated Annual Performance Evaluation Report was reviewed and presented to the Disability Advocacy Committee on August 9th; the North Visalia Neighborhood Advisory Committee on August 19th; and the Citizens Advisory Committee on September 1st. (Attachment C)

Prior Council/Board Actions: Adoption of the 2005/10 Consolidated Plan and adoption of the 2007-2008 Action Plan (May 07, 2008) and 1st & 2nd amendments (July 14, 2008 and September 15, 2008) and Action Plan 2008/2009 (April 21, 2008) and Neighborhood Stabilization Program (November 3, 2008) and Adoption of 3rd Amendment to the 06/07, 4th Amendment to the 07/08, 5th amendment to the 08/09, 1st amendment to the 09/10 Action Plans (February 16, 2010) and Adoption of approval to use NSP funds to acquire a multi-family complex (January 11, 2010) Adoption of 2nd amendment, and 1st amendment to 08/09 Action Plan (April 20, 2009) Adoption of Consolidated Plan and 10/11 Action Plan (April 19, 2010)

Alternatives: None recommended.

Attachments:

- Attachment "A" Consolidated Annual Performance Evaluation Report (CAPER) 2009/10
- Attachment "B" CAPER 2009/10 Expenditures
- Attachment "C" Committee Notes
- Attachment "D" Resolution

<p>Recommended Motion (and Alternative Motions if expected):</p> <p>1) That the City Council adopt by resolution the Final 2009/2010 Program Year CAPER Consolidated Annual Performance Evaluation Report); and</p> <p>2) That the City Council approve the 2nd Amendment to the 2009/10 Action Plan and 1st Amendment to the 2010/11 Action Plan, redirecting a total of \$520,000 from the 2009/10 & 2010/11 HOME funded First Time Homebuyers Program to the New Homes Deferred 2nd Mortgage Program. The program is directed at assisting families of newly constructed homes, thus bolstering jobs within the construction industry.</p> <p>3) Authorize the City Manager to make minor modifications to the final new program guidelines as necessary to implement the Council's action.</p>
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<p style="text-align: center;"><i>Environmental Assessment Status</i></p> <p>CEQA Review: N/A</p> <p>NEPA Review: Required for Program Amendment</p>

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) - Resolution*

Copies of this report have been provided to:

RESOLUTION NO. 2010-58

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA
APPROVING THE 2009-2010 PROGRAM YEAR
CONSOLIDATED ANNUAL PERFORMANCE AND EVALUTION REPORT**

WHEREAS, the City of Visalia operated the Community Development Block Grant Program (CDBG), and the Home Investment Partnerships Grant Program (HOME) for the 2009-2010 Program Year; and

WHEREAS, the City is required to submit a Consolidated Annual Performance and Evaluation Report (CAPER) to the U.S. Department of Housing and Urban Development (HUD) for the activities and expenditures for the 2009-2010 Program Year; and

WHEREAS, the City must also certify that it is complying with HUD requirements for the use of CDBG and HOME funds; and

WHEREAS, the City spent \$2.4 million dollars in CDBG and HOME funds during the 2009-2010 Program Year; 100% of the funds were used to assist households with incomes at or below 80% of median income; and

WHEREAS, the City Manager is the certifying official for all HUD reports and transactions.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Visalia that it approves the attached 2009-2010 Program Year Consolidated Annual Performance and Evaluation Report, and authorizes the City Manager to submit the same to HUD on behalf of the City of Visalia.



Fifth Program Year CAPER 2009/2010

The CPMP Fifth Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

GENERAL

Executive Summary

The Consolidated Annual Performance Evaluation Report (CAPER) was prepared by the Housing and Economic Development Department in compliance with the U.S. Department of Housing and Urban Development (HUD) requirements. The CAPER is a federally mandated document that evaluates the City's overall progress and performance in meeting the priority activities identified in its Consolidated Plan. The document is a tool used by HUD and the City to evaluate accomplishments and actions taken during the previous program year. This CAPER assesses the City of Visalia's fifth year of progress for the Consolidated Plan years 2005-2010 in completing activities identified in the 2009/2010 Action Plan for the period beginning July 1, 2009 through June 30, 2010, as well as activities that were continued from prior program years.



Summary of the Consolidated Plan Process

The City of Visalia is the recipient of federal Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds from the United States Department of Housing and Urban Development (HUD). HUD annually provides these funds to the City to provide decent housing, provide a suitable living environment, and to expand economic opportunities benefiting low income persons and areas. As a recipient of these funds, the City is required to prepare a five year strategic plan called a Consolidated Plan. The Consolidated Plan identifies housing and community needs of low income persons and areas within the City, prioritizes these needs, identifies resources to address needs, and establishes annual goals and objectives to meet the needs. As part of the Consolidated Plan process, the City is required to put together an Action Plan for each fiscal year of the Consolidated Plan. The Action Plan establishes goals to increase the availability of affordable housing and economic opportunities contained in the five-

year Consolidated Plan. The Action Plan also identifies resources available within the community to meet Consolidated Plan goals; and describes a one-year plan and budget for the intended use of federal resources. At the end of the fiscal year, the City prepares a Consolidated Annual Performance and Evaluation Report (CAPER) that reports the City's progress in meeting overall five-year goals and priorities of the Consolidated Plan. Overall, the City of Visalia has done an excellent job in meeting the majority of its annual goals as identified in its Consolidated Plan.

Amendments

- On June 1, 2009, Visalia City Council adopted the a Substantial Amendment (3rd) to the 2008/09 Annual Action Plan for the use of Community Development Block Grant Recovery (CDBG-R) funds in the amount of \$322,067, appropriated by the American Recovery and Reinvestment Act (Recovery Act) distributed through U. S. Department of Housing and Urban Development (HUD). The CDBG-R was a one time allocation through HUD to jump start job creation across the country.
- On September 21, 2009, Visalia City Council adopted a 4th Amendment to the 2008-2009 and 3rd Amendment to the 2007-2008 Action Plans reprogramming CDBG Funds as follows:
 - Due to a significant lower cost than previously anticipated for installation of new lamps in the Washington School Neighborhood, \$50,000 from the 08/09 and \$13,000 from 07/08 Action Plans were re-directed to support improvements to Jefferson Park which is in the same neighborhood.
- On January 11, 2010, City Council authorized staff to expend up to \$250,000 in 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.
- On February 16, 2010, City Council adopted a 3rd Amendment to the 2006-07 Action Plan, 4th Amendment to the 2007/08 Action Plan, 5th Amendment to the 2008-09 Action Plan and 1st Amendment to the 2009-10 Action Plan reducing projected budgets due to declining program income and allocating HOME CHDO funds to Community Services Employment Training (CSET) to acquire foreclosed single family dwelling, rehabilitate and resell to income qualifying families.
- On March 4, 2010, the City Manager authorized an additional \$50,000 in NSP funding to be utilized for the acquisition of a multi-family four-plex. On January 11, 2010, City Council approved \$250,000 for the acquisition and rehabilitation; however, the actual cost for the acquisition was \$164,188.90. Staff will also utilize the additional funding to support rehabilitation costs. (This funding request did not exceed the 50% threshold of the original allocation; therefore, neither a substantial amendment nor public hearing was needed.)

- On March 25, 2010, the City Manager authorized a re-allocation of CDBG fund from the 2006/07 & 2009/10 Action Plan Budgets:
 - Redirect \$11,418.62 from 2009/10 Program Income and \$6,698 left over in the 2006/07 Emergency Repairs & Basic Needs Program to continue providing public improvements to persons with disabilities by providing additional curb cuts and detention panels through the downtown CDBG areas. (This re-allocation did not exceed the 50% threshold of the original allocation; therefore, neither an amendment nor public hearing was needed.)
- On April 19, 2010, City Council approved the Five-Year Consolidated Plan, Strategic and Citizens Participation Plans, the Analysis of Impediments and 2010/11 Action Plan for the use of U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and HOME Investment Partnership Funds.

General Questions

1. Assessment of the one-year goals and objectives:
 - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.

HOME Funded: Objective 1 and Accomplishments: Provide Decent Affordable Housing: Even in these trying economic times, the City of Visalia strives to enhance the quality of life for low and moderate income families by providing decent & affordable housing through our First Time Homebuyer Program.

(Outcome Goal #1) Provide decent affordable housing by promoting homeownership opportunities for low-and moderate-income households earning less than 80 percent of the area median income.

- **First Time Homebuyer (FTHB) Program** – The City of Visalia continues to assist qualified First Time Homebuyers make their dream of homeownership a reality through the First Time Homebuyer Program. The program provides a qualified borrower a loan up to \$40,000, as a second mortgage, to assist with gap financing and/or down payment assistance. The loan is provided at an interest rate of three-percent and is deferred for five years. In Fiscal Year 09/10, the City assisted a total of 10 families



totaling \$493,062. Currently, three families have funding reservations in the amount of \$110,000.

Due to a reassessment of the First Time Homebuyer Program and community needs, staff is recommending that funding previously set-aside for this program be re-directed to create a Program that will support the local economy with construction jobs, by providing alternative financing options, such as down payment or gap financing to newly constructed or future construction homes within the city limits. The recommendation will be presented to the City Council as a Public Hearing on September 7, 2010.

- **CalHome First Time Homebuyers Program (non federal funds)** – State CalHome funds in the amount of \$600,000 were awarded to the City in 2006. The CalHome FTTHB program assists First Time Homebuyers with down payment assistance as a second mortgage up to \$38,000 at three percent interest. In Fiscal Year 09/10, the City assisted a total of five households in the amount of \$170,460. In total, the City assisted fifteen households to achieve the American Dream of homeownership. This grant has been expended and closed. The City will seek a new allotment of funds in fiscal year 2011/12.



(Outcome Goal #2) Provide decent affordable housing by promoting homeownership financial opportunities through acquisition with Community Housing Development Organization (CHDO) funds, for low-and-moderate-income households earning less than 80 percent of the area median family income.

- **Paradise and Court Project** - The City of Visalia in partnership with Tulare County Housing Authority and its non-profit arm; Kaweah Management Company are addressing the needs of the community through rehabilitation and building of new affordable housing units.

The Paradise and Court Project consists of two phases; the first phase consists of rehabilitating 11 existing units, which has been completed.



The second phase of the project consists of constructing nine (9) units. The new units will consist of approximately 1,220 square feet, 3 bedroom & 2 full baths and a single car attached garage.

Thus far, the City has provided a total of \$375,271.98 in CHDO HOME funds and a total of \$124,573 in Redevelopment Low Mod funds. The City had previously anticipated releasing the balance of the earmarked CHDO funds upon completion of the project; however, due to a delay in tax credits, and to continue support for this development, the City disbursed the remaining committed balance of \$124,728.02 to the developer in mid July 2010.

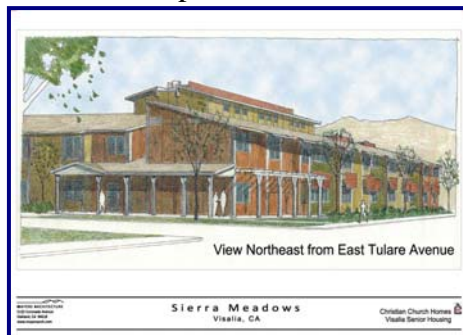
(Outcome Goal #3) Provide decent affordable housing by promoting homeownership financial opportunities through acquisition with Community Housing Development Organization (CHDO) funds, for low-and-moderate-income households earning less than 80 percent of the area median family income.

- **Community Services Employment Training (CSET)** – CSET as a designated CHDO – On February 16, 2010, the City Council, approved CSET as the City’s third Community Housing Development Organization. CSET, under the City’s direction will acquire foreclosed single family dwellings, rehabilitate and resell to income qualifying families. The City has set-aside a total of \$260,000 HOME CHDO funds of which \$15,000 shall be utilized for pre-development costs as a loan to be repaid. CSET’s goal is to purchase and resell two homes within the CDBG targeted areas by December 2010.

HOME Funded: Objective 2 and Accomplishments: Increase availability of affordable rental housing through partnership with Christian Church Homes

(Outcome Goal #1) - To increase availability of decent affordable rental housing through partnerships with non-profit agencies.

- **Sierra Meadows Project** - The City of Visalia in partnership with Christian Church Homes of Northern California have been working together since 2004 for the construction of 42 units of senior housing. To date, the City has contributed a total of \$2.8 million in HOME funds towards this project. This amount represents 30% of the development cost of \$9.4 million dollars. The



project addresses the objectives of the Consolidated Plan as a high priority for “Special Needs Housing”. The project broke ground in December 2009, and thus far is 50% complete. The roof, street sidewalks,

driveway, parking lot, and exterior windows have all been completed. The project is anticipated to be completed by March 2010.

CDBG Funded: Objective 1 and Accomplishments: Suitable Living Environment through Neighborhood Preservation:

(Outcome Goal #1) Maintain and preserve quality housing by addressing substandard housing.

- **Code Enforcement** - The Neighborhood Preservation Division is responsible for the management of the Code Enforcement Program. The primary emphasis of the program is on Life Safety and non compliance code issues. Considerable efforts are focused on Health and safety Code enforcement as it primarily relates to Housing standards. Some of the common violations include: unsafe structures, abandoned properties, contaminated and/ or unsecured swimming pools, construction without permits, and unlicensed vendors.



Code inspectors enforce and correct violations of the housing code, dangerous building code and public nuisance and zoning ordinances.

In fiscal year 09/10, the City allocated a total of \$166,250 in CDBG funds and expended a total of \$106,076. A total of 81 code cases were opened in 2009/10 and 254 closed within CDBG target areas. (Closed cases may include old cases from previous years that were closed in 09/10)

Outcome Goal # 2 – To provide services to low-to-moderate income persons by providing Fair Housing Education

- **Fair Housing Hotline Program** - The City continues to offer the Fair Housing Hotline Program, which is administered by Tulare County Housing Authority (TCHA) to affirmatively further fair housing.

Federal fair housing laws prohibit discrimination in the sale, rental or lease of housing, and in negotiations for real property, based on race, color, religion, sex, national origin, familial status and disability. California fair housing laws build on the federal laws, including age, marital status, ancestry, source of income, sexual orientation and “any arbitrary discrimination” as the protected categories under the laws.

The Analysis of Impediments (AI) was updated and adopted by the City Council on April 19, 2010. The AI to Fair Housing Choice provides an overview of laws, regulations, conditions and other possible obstacles that could affect an individual's or household's access to housing in Visalia. The AI includes A comprehensive review of Visalia's laws, regulations and administrative policies, procedures and practices, as well as an assessment of how they affect the location, availability and accessibility of housing, and an assessment of conditions, both public and private, affecting fair housing choice. A complete copy of the report can be viewed on the City's website at www.ci.visalia.ca.us under the Housing & Economic Development Department tab.

TCHA staff attended the following events and or training:

- On November 5, 2009, TCHA was present at the annual project Homeless Connect event that was sponsored by Visalia Rescue Mission. The project reaches out to the homeless community by offering services and information. TCHA distributed approximately 25 Fair Housing Brochures.
- On February 18th & 19th 2010, TCHA staff attended a Fair Housing Workshop in Las Vegas, NV. The major thrust of the workshop was to review "Reasonable Accommodations" for the disabled which has become a major component of the Fair Housing Act.
- On June 17, 2010, City staff met with TCHA for on-site monitoring of the Fair Housing Program. The review focused specifically on the operation of the Fair Housing Hotline, including basic data screens used to interview callers, disposition of calls, seminars, events, annual training, marketing, Fair Housing Logo, and a review of financial records.

In 2009/2010, the City allocated a total of \$27,917 for the administration of the Fair Housing Hotline with TCHA serving as the City's main contact. The program has assisted a total of 267 callers and distributed over 600 Fair Housing Brochures. The Fair Housing Hotline Program is currently being evaluated by staff to possibly administer the program in-house.

Program Year 2009-2010	Hotline Calls Received	Total referral services provided	Lawyer & Legal Referral Services	Fairhousing Brochures Provided	Tenant/Landlord Handbooks provided	WHITE	HISPANIC	BLACK	AMERICAN/ INDIAN	ASIAN PACIFIC
July	36	45	29	100	2	23	13	0	0	0
August	18	22	14	100	1	7	11	0	0	0
September	9	16	8	100	1	4	5	0	0	0
October	12	17	8	100	2	4	8	0	0	0
November	36	46	30	100	4	23	13	0	0	0
December	40	50	25	50	8	27	11	2	0	0
January	35	43	25	0	6	25	10	0	0	0
February	32	41	23	0	5	25	7	0	0	0
March	14	23	10	0	2	9	5	0	0	0
April	17	26	13	25	3	13	4	0	0	0
May	3	5	3	0	1	2	1	0	0	0
June	15	20	12	100	4	12	3	0	0	0
Total to Date	267	354	200	675	39	174	91	2	0	0

CDBG Funded: Objective 2 and Accomplishments: Suitable Living Environment by Supporting Special Needs Facilities:

(Outcome Goal #1) – To increase accessibility to support facilities to end chronic homelessness.

Continuum of Care - The City continues its partnership with the Kings/Tulare Continuum of Care to address issues of homelessness. The Continuum of Care (CoC) is a consortium of housing providers, service providers, and local government, that work together to combat homelessness in Kings and Tulare Counties. In fiscal year 2009/2010 the City allocated and expended a total of \$5,000 to support efforts by the CoC. The funding was utilized for administration costs associated with securing a 501c3 non-profit status. This allows the Continuum to expand services to member organizations, access additional sources of financing, and continue efforts to eliminate homelessness in Visalia and Tulare/Kings Counties.



Accomplishments of the CoC in 2009/10:

- o The CoC is working to expand the services offered to its members, many of whom work to combat homelessness in the City of Visalia.
- o The CoC has secured the Self Sufficient Calculator (SSC). The SSC includes updated data from all county, state and federal agencies to mainstream benefits, and allows the case manager to input the homeless client’s data, which results in the calculation and forms needed to assist them in accessing much needed benefits. The CoC utilized a consultant to apply for HUD

funding for 2010-2011, to continue this service for Visalia organizations that serve the homeless.

- On November 5, 2009, the CoC hosted the 2nd annual Project Homeless Connect (PHC) event.
 - City of Visalia served a total of 307 people, 208 homeless individuals and 99 at-risk of becoming homeless.
 - City of Visalia connected a total of 120 people with behavioral health information, provided 115 flu shots, vaccinated and fed over 40 dogs, provided legal assistance to over 100 people, and employment services to 61 people.
 - Provided a total of 68 people with identification cards and 52 birth certificates. These services are key to securing employment and residence.



CDBG Funded: Objective 3 and Accomplishments: Suitable Living Environment through Public Improvements:

(Outcome Goal #1) – To increase availability of handicap access benefiting population with special needs. (Streets ADA Compliance)

- **ADA Compliance** - The City of Visalia has always been at the forefront of working to improve access for persons with disabilities. The City in partnership with the Disability Advocacy Committee will continue to support the disabled community by providing ADA compliant ramps and warning detection panels for the blind throughout the downtown area and the City’s CDBG target areas. In fiscal year 09/10, the City allocated a total of \$50,000. On March 25, 2010, the City Manager authorized budget modifications to the 2009/10 & 2006/07 Action Plans re-directing an additional \$18,116.62 for ADA Compliance. The City’s ADA Compliance program provided 33 curb cuts and expended a total of \$70,697.



(Outcome Goal #2) – To improve quality and increase quantity through rehabilitation and preservation activities.

- **Fox Theater Painting** - The total painting budget for the Fox Theater was \$43,700. Of this amount, the City contributed a total of \$30,000 in CDBG funds. The remaining balance came from Visalian Friends of the Fox. The painting was completed in July 2010. A total



of \$14,141 was expended in 2009/10. The balance of the expenditures will be reported in next year's CAPER.

(Outcome Goal #3) – Improve quality and increase quantity of public improvements that benefit low-and-moderate income residents.

- **Jefferson Park Reconstruction (Washington School Neighborhood)** – On September 21, 2009, the City Council adopted an amendment to the 08/09 & 07/08 Action Plans redirecting a total of \$63,000 collectively to support improvements to Jefferson Park located in the Washington School neighborhood. The funding was previously earmarked to address lighting in the neighborhood, however, due to a significant lower cost than previously anticipated for the installation of new lamps, the excess funding will be utilized to continue improving the quality of life of the neighborhood by providing several improvements to the park. The project addresses a number of safety related issues, including reconstruction/replacement of the existing 35 year old backstop, dugouts, and the foul line fencing in addition to lighting for the basketball courts. In 2009/10, a total of \$7,833 was expended on this project.

CDBG Funded: Objective 4 and Accomplishments: Create Economic Opportunities (Job Creation) and community Development Opportunities;

(Outcome Goal #1) – Demonstrate a commitment to long-term economic growth by promoting expansion and job creation. (Section 108 Loan)

- **Parking Structure (West Acequia Parking Structure)** - Section 108 Loan: The



West Acequia Parking Structure was completed in 2007 and continues to provide great economic benefit to the Downtown Area. The 700 space garage, bound by Acequia, Floral, and Main Streets mainly supports the hospital's recent six-story expansion as well as many local businesses. Since the expansion, Kaweah Delta District Hospital



has created a total of 552 jobs. City staff continues to monitor the jobs created by the hospital annually.

Despite the economic downturn, Visalia has welcomed a cluster of new businesses, including a new bank, pharmacy, and bicycle shop. Additionally, the parking structure will also support the jobs created by the expansion of the Transit Center and a 60,000 square foot, three-story development; Main Street Promenade. In fiscal year 09/10, the City made a Section 108 payment in the amount of \$497,646.

(Outcome Goal #2) – To improve economic opportunities for low-income person through Job Creation.

- **Job Creation** – With high unemployment and job turnover in Visalia, the City continues exploring ways to expand community revitalization efforts to include job creation and workforce development for low to moderate income families. The City continues to focus efforts to recruit new businesses or help existing businesses to expand by providing CDBG funding for improvements or as direct assistance to those companies who create at least 51% of new jobs to benefit low to moderate income persons and/or benefit the area. In 2009/2010 the City allocated a total of \$100,000 to job creation. Additionally, on February 16, 2010, City Council adopted a 1st amendment to the 2009/2010 Action Plan and redirected a total of \$75,202 from the 08/09, 07/08, and 06/07 Action Plans. It is expected our funds will be used to allow a new or expanding company to hire new employees.
 - **American Recovery and Reinvestment Act of 2009 (ARRA)** - ARRA appropriated a total of \$322,067 in CDBG-R funds to the City. As a result of receiving this funding, the City's approved projects created a total of 1,584 hours with full time equivalency of four jobs for three projects.
 - **Neighborhood Stabilization Program (NSP)** In September 2008, the City was awarded a \$2.38 million CDBG grant from HUD to acquire and rehabilitate foreclosed properties and re-sell them to income qualified households. As a result of receiving this funding, the City's NSP has created a total of about five jobs per house for 20 houses and should have 100 house more. Additionally, the program has supported local realtors, appraisers, and lenders. In order to administer this program in-house, the City hired one full-time Administrative Technician and one part-time Administrative Technician to support the Housing Specialist in the day to day administration of the program.
 - **Senior Housing** – This project has created a total of thirteen (13) full-time jobs; five framers, five electricians, two fire sprinkler technicians and a new hire. It is worthy to note, that three employees were re-hired after being on unemployment and ten were able to keep their current employment positions.

CDBG Funded: Objective 5 and Accomplishments: Suitable Living Environment through Community Development Opportunities; Public Parks:

(Outcome Goal #1) – Improve quality and increase availability of neighborhood facilities for low-income persons.

Village Park/Wittman Center: The City is conscious of the need to provide safe and enjoyable facilities for the public and when possible leverages federal dollars with other funding sources. In fiscal year 09/10 a total of \$76,126 in CDBG funds and a total of \$88,123 in State funds were spent to improve the Village Park/Wittman Center. The improvements included; picnic tables and pads, new irrigation system, refurbish park benches, soccer goals, landscaping, concrete curbing, miscellaneous concrete flatwork, new 6' perimeter fence work, drinking fountain, park lighting, 8' fencing at the parking lot, new park identification sign, new basketball posts and backboards and court resurfacing.



In the building, work consisted of new lighting in the main multi-purpose room, painting of the exterior stair well, painting of the interior main activity room; demo of the concession room on the interior, kitchen improvements, new basketball equipment, some floor tile work in the multi-purpose room, two new swamp coolers, interior ceiling insulation, new exterior awning, and new drinking fountain. The project was completed in April 2009.



(Outcome Goal #2) – Improve quality and increase availability of neighborhood facilities for low-income persons.

- **Lincoln Oval Park Neighborhood** - In 2008, City Council directed staff to work with residents and businesses in the densely populated and economically challenged Oval Park Neighborhood, to identify needs related to traffic, safety and lighting to foster revitalization efforts. The City has held many community meetings to obtain community input. To implement the favored outcome, the City will soon retain the services of an engineering firm to prepare plans for pedestrian and traffic improvements and roadways surrounding the park. The goal is to improve pedestrian and traffic safety. Through fiscal year 2009/10 a total of \$166,000



in CDBG funds has been set aside for this project. Currently, the City is exploring sources to complete construction of the roadway improvements.

CDBG Funded: Objective 6 and Accomplishments: Suitable Living Environment by Supporting Special Needs Services:

(Outcome Goal #1) – To increase accessibility and range of housing options for persons with special needs.

➤ **Mobile Home Senior Handicap and Repair**

Program (SHARP) – This program administered by Self-Help Enterprises has a total of \$90,000 to support the administration and repairs to mobile homes owned by low income and handicap seniors. The vast majority of repairs are currently of life and safety issues such as roofs, air conditioning, plumbing & electrical and handicap ramps. Without such a program, these coaches would be uninhabitable and force the seniors out. Thus far two households have been completed, and 3 are in progress. It is projected that five more households will be assisted over the next several months.



(Outcome Goal #2) - To maintain quality owner-occupied housing for the elderly.

➤ **Senior Home Repair Minor Repairs**

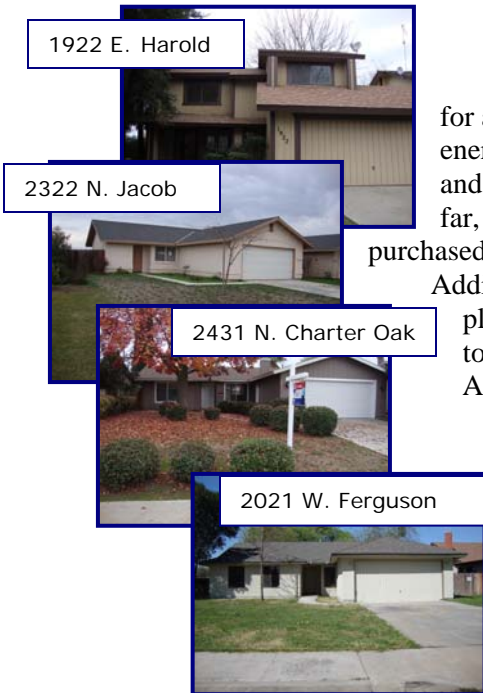
– This program, administered by Community Services and Employment Training (CSET) assists senior citizens by addressing minor repairs to their home. Repairs may include plumbing repairs, cooler/air conditioning repairs, roof repairs, door & window repairs, and electrical repairs, flooring and carpentry repairs. In fiscal year 09/10, the City of Visalia allocated a total of \$91,000 and expended \$91,000 to address 725 repairs. (Note: One household may have multiple repairs addressed in their home.)



CDBG Funded: Neighborhood Stabilization Program (NSP) Objective 1 and Accomplishments: Provide Decent Affordable Housing (LMM) up to 120% AMI

(Outcome Goal #1) – Increase availability of affordable owner-occupied housing through NSP.

- **Neighborhood Stabilization Program (NSP) 120% AMI** – The City received a \$2.38 million grant from HUD to acquire, rehabilitate and resell foreclosed homes in targeted neighborhoods.



On average, homes have been purchased for approximately \$75,000; rehabilitated with energy efficient improvements for \$25,000 and resold for approximately \$100,000. Thus far, the City has purchased 23 homes and resold 13. Additionally, the City has acquired a four-plex which will be owned & rented to households earning less than 50% of the AMI.

Note: The City’s program is geared to recycle its’ dollars through the resale of homes in order to purchase and rehabilitate more homes and assist more families. Here are brief highlights of the status of the NSP program to date.

Table I	
15 Homes Purchased & Resold	
1821 E. Babcock	2342 N. Jacob
2431 N. Charter Oak	820 E Oakridge
2429 N. Clark	1032 E. Oakridge
2450 N Clark	1829 W. Perez
2021 W. Ferguson	1710 N. Park
620 E. Harold	1932 W. Vine
1922 E. Harold	2946 N. Willis
2322 N. Jacob	
4 Homes Under Rehabilitation	
937 E. Ferguson	
2238 N Oak Park	
429 E Oakridge Court	
1 Multi- Fmly Under Rehabilitation	
210 NW 2nd (Multi-family)	
1 Home Available for Resale	
2339 N. Bradley	
1743 E. Babcock	

Special CDBG Funded: Neighborhood Stabilization Program (NSP) Objective 1 and Accomplishments: Provide Decent Affordable Housing (LMM) up to 50% AMI

(Outcome Goal #2) – Increase availability of affordable owner-occupied housing through NSP.

- **Neighborhood Stabilization Program (NSP) 50% AMI** - While the City has been very successful in acquiring & refurbishing foreclosed single-family homes for resale, it has been more challenging to fulfill the 50 percent AMI requirement. To meet this requirement, the City Council approved the purchase of a multi-family complex. The four-plex is currently under rehabilitation and should be completed in



September 2010. Once completed, the four-plex will be managed by a non-profit organization who will rent the units to very low income qualified families.

CDBG-R American Recovery and Reinvestment Act of 2009 (ARRA)
Objective 1 and Accomplishments: Provide a Suitable Living Environment through Public Improvements

(Outcome Goal #1) –Improve quality and increase quality of public improvements that benefit low and moderate income residents.

- **Community Development Block Grant Recovery (CDBG-R)** In response to the ever worsening economic recession, the City was also the recipient of funding through The American Recovery and Reinvestment Act of 2009 (ARRA). The City proposed and invested \$322,067 in CDBG-R funds into infrastructure and public facility activities. These activities will achieve long-term benefits, quickly spur further economic investment, create and/or retain jobs in the community; especially in areas with the greatest need, and improve the quality of life in deteriorating neighborhoods.

- **Public Sidewalk & Handicap Access (\$35,000)** - Project to construct sidewalks along both Watson Avenue (7' wide), on the west side of the park, and Myrtle (6' wide) on the North, including a handicap ramp at the intersection of Watson and Myrtle. The project is located at 700 S. Watson (3.6 acres) bounded by Watson/Myrtle/Encina and Cypress within the CDBG area.
Status: Project Complete



- **Center Avenue Improvements (\$193,200)** - Project consists of providing bulb outs at intersections between crosswalks and angled parking spaces and providing truncated domes on the existing sidewalk handicap ramps. This project will provide safer pedestrian access within the CDBG area by slowing traffic along the corridor, providing additional separation between cars parking and pedestrians and adding truncated domes to the existing handicap ramps. The truncated domes provide a sensory detection for sight impaired citizens utilizing canes when approaching the intersection. This project also provides safer pedestrian access for employees and customers to the businesses in the CDBG area. Due to the hot weather, landscaping improvements will begin late fall 2010. **Status: Project underway and near completion.**



- **Anthony Community Center (\$61,660)** - Rehabilitation of multi-purpose main room & restrooms. These facilities are 50 years old. The primary work is to repair and paint the walls in the multi-purpose room; replace the existing rubber floor with a tile floor; includes replacement of sheet rock in some areas, texture, primer & painting of the walls, and renovation of existing restrooms. This project will improve the quality of a neighborhood facility for low income persons.
Status: Project underway and near completion.



- **Administration (\$32,207)** – Funds utilized in compliance with 24 CFR 570 requirements to provide management, compliance and planning activities for the City’s CDBG-R Program.
- b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.

Table II		
2009/2010 Objectives and Outcomes		
CDBG and HOME Funding Allocation		
	2009-2010 Expenditures	No. units/services or jobs created or completed
HOME Investment Partnership Funds (HOME) - Objective and expected Outcome		
Affordable Housing- HOME Funds		
Objective 1: Provide Decent Affordable Housing		
1. Increase availability of affordable owner-occupied housing through (FTHB)	\$493,062.00	10
2. Increase availability of affordable rental housing through acquisition, rehabilitation and partnership with CHDO & Non-Profit Agencies (Paradise & Court)	\$124,728.00	1
3. Increase availability of affordable rental housing through acquisition, rehabilitation and partnership with CHDO (Community Services Employment & Training)	\$0.00	1
Objective 2: Suitable Living Environment by Supporting Special Needs Services		
1. Increase availability of affordable rental housing through partnership with Christian Church Homes	\$162,741.00	1
Total HOME Allocations		
Community Development Block Grant Funds (CDBG) -Objective and expected Outcome		
Community Development Grant Funds		
Objective 1: Suitable Living Environment through Neighborhood Preservation and Services		
1. Maintain quality housing by addressing substandard housing through (Code Enforcement Program)	\$ 106,076.00	
2. Provide services for low-to -moderate income persons by providing (Fair Housing Education Program)	\$ 27,917.00	267
Homelessness- CDBG Funds		
Objective 2: Suitable Living Environment by Supporting Special Needs Facilities		
1. Increase accessibility to support facilities to end chronic homelessness (Continuum of Care/Homeless Project)	\$5,000	1
Community Development- CDBG Funds		
Objective 3: Suitable Living Environment through Public Improvements		
1. Increase availability of handicapped access benefiting population with special needs (Streets ADA Compliance)	\$ 70,697.00	33
2. Improve quality and increase quantity through rehabilitation and preservation activities (Fox Theater)	\$ 14,141.00	1
3. Improve quality and increase quantity of public improvements that benefit low and moderate income residents (Jefferson Park)	\$ 7,833.00	1
Objective 4: Create Economic Development Opportunities and Community Development Opportunites (Parking Facilities)		
1. Demonstrate a commitment to long-term economic growth by promoting expansion and (job retention) - Section 108 Loan- West Aceq	\$ 497,646.00	1
Objective 5: Suitable Living Environment through Community Development Opportunities (Public Parks and Parking Facilities)		
1. Improve quality/increase availability of neighborhood facilities for low-income persons (Parks & Recreation- Village Park/Witman)	\$ 76,126.00	1
Non Homeless Special Needs Housing- CDBG Funds		
Objective 7: Suitable Living Environment by Supporting Special Needs Services		
1. Maintain quality of owner-occupied housing for elderly (Senior Home Repair Program)	\$ 91,000.00	725
2. Increase accessibility and range of housing options for person with special needs (SHARP)	\$ 65,578.00	2

In addition to the breakdown of grant funds spent, the City is also reporting the accomplishments of NSP & CDBG-R as both of these required an amendment to the 2008/09 Action Plan. It is also important to include them within this document as accomplishments as the City's efforts to mitigate the effects of foreclosures and prevent further community decline. The NSP was a substantial amendment to the Action Plan of 2008/09 and the CDBG-R was an amendment to the They have been designed to stabilize property values and prevent further prevent neighborhood blight.

CDBG Neighborhood Stabilization Program (NSP) - Objective and expected Outcome		2009-2010 Expenditures	units/services or jobs created or completed
Community Development Block Grant Funds			
Objective 1: Provide Decent Affordable Housing (LMM) up to 120% AMI			
1. Increase availability of affordable owner-occupied housing through (NSP) (Expenditures include acquisition & rehab)		\$ 1,524,524.05	21
Objective 1: Provide Decent Affordable Housing (LMM) up to 50% AMI			
1. Increase availability of affordable owner-occupied housing through (NSP)		\$ 163,383.74	1
Total HOME Allocations			
CDBG-R American Recovery & Reinvestment Act of 2009 (ARRA) -Objective and expected Outcome		2009-2010 Expenditures	No. units/services or jobs created or completed
Community Development Block Grant Funds			
Objective 3: Suitable Living Environment through Public Improvements			
1. Improve quality and increase quality of public improvements that benefit low and moderate income residents (Sidewalk & Handicap A		\$ 35,000.00	1
2. Improve quality and increase quality of public improvements that benefit low and moderate income residents (Anthony Community Ce		\$ 26,340.63	1
2. Improve quality and increase quality of street improvements that benefit low and moderate income residents (Center Street Improvem		\$ 193,200.00	1
Total HOME Allocations			

2. Describe the manner in which the recipient would change its program as a result of its experiences.

The City takes a proactive approach and continually evaluates programs and activities to ensure these are meeting targeted goals. In the 2009/10 year, City staff made difficult recommendations to the City Council to update guidelines and/or redirect funding from programs not faring well. The following changes were made through Action Plan Amendments:

1. **CDBG Funded, Mobile Home Senior Handicap and Repair Program (SHARP)** – On February 16, 2010, the City Council approved to increase the current grant amount made available to seniors to address health and safety issues to their mobile home from \$5,000 to 7,000 to assist with addressing more repairs.
2. **HOME Funded, Housing Rehabilitation Program (HRP)** – In the 2009/10 Action Plan year, the City allocated a total of \$250,000 to this program; however, due to declining program income, the program was eliminated for this program year to meet the annual budget. This program has not been successful due to declining property values.
3. **CDBG funded, Emergency Repair and Basic Needs Program (ERBN)** – As of fiscal year 2009/10, the City had set aside a total of \$175,202 for the ERBN Program. The funding was provided, as a second mortgage to existing property owners to address emergency, health and safety repairs. The program required the participating home to have at least \$10,000 in equity; however, due to declining property values, this lien mechanism was monetarily infeasible. On February 16, 2010, the City Council re-directed the available funding to Job Creation.

3. Affirmatively Furthering Fair Housing:
 a. Provide a summary of impediments to fair housing choice.

The Analysis of Impediments (AI) was updated in April 2010 and those results will be summarized in the CAPER for 2010-2011. The new AI can also be viewed on the City's website at www.visalia.ca.us under the Housing & Economic Development Department.

The results of the Analysis of Impediments that was incorporated into the Consolidated Plan of 2005-2010 are as follows:

Summary

Public Awareness & Education Issues – The AI identified that public education is key to identifying, assessing and solving fair housing and affordable housing issues. In the areas of overt and covert discrimination, lack of knowledge of fair housing rights and responsibilities may hinder the public and public agencies' ability to end discrimination. If discrimination is encountered, all involved need to be able to recognize the problem and seek available remedies such as registering a formal complaint. Currently, some victims may not realize that the limitations encountered in pursuing housing or housing choice are based upon discriminatory practices. The prospective renter or owner may not look for, or understand, forms of discrimination, such as higher rent quotations or security deposits used to dissuade prospective tenants, specific lease terms not applied to other tenants, or information that no units are available, in response to inquiries, when vacancies do exist.

Unawareness of fair housing laws may cause unintended housing discrimination practices. It is for this reason that the City places a high priority on educating the general public on fair housing policies and procedures. This includes providing information on fair housing laws, and to advise individuals of rights and remedies available under state and federal laws. This education is provided to landlords and tenants alike.

Lack of awareness of the effects of affordable housing plans and projects may result in a "Not in My Back Yard", or NIMBY reaction. These include unreasonable objections to many planning proposals for medium and high density land use entitlements in any part of a community, but especially in higher income areas. Objections are also heard regarding small lot subdivisions, apartment clusters, group homes, the use of density bonuses under the Zoning Code, transitional or homeless facilities, or simply the construction of single family residences for low income families. Community education needs to be provided that is designed to mitigate or eliminate irrational or unwarranted fears and bolster community support for needed housing plans and programs. The Tulare County Housing Authority recently constructed a 70-unit planned development for low and moderate income residents. They also presented information on the proposed development of another affordable housing project. A series of public awareness meetings were held to try to educate the public on the need for affordable housing.

Internally, City staff continues to seek training opportunities to keep up to date on new laws regarding housing discrimination issues. The City of Visalia also has several agencies such as Central California Legal Services, Friends of the Homeless, VIAH, Self-

Help Enterprises, CVC Housing, Tulare County Housing Authority, C-SET, Proteus, the Tulare/Kings County Continuum of Care that assist to educated the public in addressing Fair Housing Issues.

Discrimination Issues - Based on feedback from housing providers, the City is optimistic that fair housing education and enforcement, literacy, job training and employment programs, increased employment opportunities, may be reducing the instances of overt discrimination. At a minimum, mediation, education, fear of enforcement actions and counseling appear to be positively affecting fair housing opportunities.

Rental Discrimination - Based on telephone calls to the Tulare County Housing Authority, and the City's former Housing Discrimination Hotline, the number of rental discrimination instances is decreasing. Most fall under the category of "tenant/landlord disputes" that revolve around property maintenance, return of security deposits, notices to vacate a property, and like issues. The City intends to continue to monitor the incidents of fair housing complaints administering this program in-house.

Inadequate Infrastructure - Older neighborhoods with a large amount of affordable housing stock often have inadequate infrastructure; sidewalks, streets, sewer, drainage, and other physical facilities. This has created a deterrent to reinvestment in these neighborhoods by the private sector. The City has taken on the task of improving these neighborhoods through a comprehensive neighborhood improvement program.

Cultural/Immigration Issues - Impediments to fair housing can arise from cultural differences. Many immigrants are hindered in their search for adequate affordable and decent housing by language, income and skill barriers. To better serve these groups, the City has enlisted the cooperation of agencies, such as C-SET and Proteus to provide technical assistance to these groups to integrate them effectively into available housing and other community opportunities. Many of the housing providers in the City also have bilingual staff members who can translate available services and programs to those needing assistance.

Income and Housing Affordability - Low-income, particularly among immigrants and minorities, have prevented many families from obtaining adequate housing. A recent study performed by the California State University Fresno concludes that the typical and legal reason for refusing to rent or sell to a prospective tenant or buyer is economic. There is a need to increase the personal financial and financial management resources of area low-income residents so that more households can qualify for mortgage financing, manage adjustable mortgage increases, pay a reasonable rent and manage rent increases, as well as pay for other housing related expenses such as insurance and utilities. Without the skills to adequately manage cost of living increases, there is a stronger likelihood of increased numbers of foreclosures and evictions.

Housing Supply - According to the City's Housing Element, vacancy rates for multi-residential structures are approximately 6.4% which leads to higher rents in general, making housing less affordable and harder to find for lower income households. A recent article in the Visalia Times Delta indicated that rents are increasing as a result of the increase in housing prices in general. Average rents now exceed \$900 per month for the average family. This phenomenon may reduce housing choice and cause discriminatory practices to re-emerge.

Housing Element and Land Use Plan - An important goal of the updated Housing Element and Land Use Plan is to assure that a suitable supply of land is planned for single and multiple family housing. The Plans identify where the housing development will occur in meeting the City's housing development requirements. The provision of density bonuses are designed to provide incentives for property owners to provide affordable housing for seniors, low income persons with disabilities and other low income groups. An updated Housing Element was adopted on March 15, 2010.

Constraints and Opportunities - The City's housing supply needs are great with no easy solution. Substantial progress toward the provision of suitable housing for all residents has been made. However, funding for general housing, non-housing community development, and anti-poverty housing related needs exceed the City's available future funding. Realizing these needs, the City continues to leverage local, state and federal resources to address funding needs. Non-profit groups also assist by applying for funding through private foundations and other sources to expand the supply of affordable housing.

The City also complies with laws, such as Davis-Bacon, when constructing affordable housing. This increases the cost of the development, and adversely impacts the affordability of the housing being constructed. Lenders are less likely to fund projects in which the pro-forma results in marginal profits. This trend should be reversed in order to encourage more construction of affordable housing within the community.

- b. Identify actions taken to overcome effects of impediments identified.

As a result of the above issues, the City has identified the following major categories of impediments affecting the provision of fair housing in the City. Certain constraints are linked to several impediment areas rather than handled separately. This approach permits the City to include actions to overcome these underlying obstacles. The identified impediments and a general statement of the proposed action to mitigate or eliminate the impediment are provided below.

1. *Neighborhoods in need of revitalization.*

Action: Rehabilitate housing, upgrade infrastructure and improve services necessary to increase the supply of safe, decent and affordable housing for low income households.

- Neighborhood Stabilization Program (NSP) - The Neighborhood Stabilization Program (NSP) was established to stabilize communities suffering from foreclosures and abandonment. Under the NSP, the City of Visalia will purchase and rehabilitate foreclosed properties and then re-sell them to families with incomes up to 120 percent Area Median Income (AMI) and sell to homebuyers earning less than 50% AMI with use of 25% of the NSP funds.

2. *Inability of low-income households, including minority, those persons with disabilities, homeless and large-families, and seniors, to purchase adequate housing.*

Action: Increase the number of qualified home buyers, the number of loans approved for low-income individuals or households, and the number of homes purchased in low-income areas including increasing personal income through economic development activities.

- Sierra Meadows Project - The City of Visalia recognizes the need for all types of housing; however, one of the objectives of the Consolidated Plan identified “Special Needs Housing” as a high priority. Since 2004, the City in partnership with Christian Church Homes of Northern California has been working to construct 42 units of Senior Housing. To date, the City has contributed a total of \$2.8 million in HOME funds towards this project. This amount represents 30% of the development cost of \$9.4 million dollars.

3. *Insufficient participation of low-income and minority volunteers in housing planning, programs and decision-making processes.*

Action: Continue to promote diversity of composition on all appointed Boards, Committees, Task Forces and Commissions that reflects the cultural, social, racial, economic, sex, health, disabilities, age and other characteristics of the City; continue to promote volunteerism and participation in community activities affecting housing.

4. *Inability to maximize the potential for zoning, building and safety codes to positively impact housing supply and programs.*

Action: Follow policies outlined in the Housing Element update. Review City policies in a manner that: (a) enhances affordability, location choice, and accessibility, (b) reasonably accommodates all who seek housing and (c) decreases unnecessary housing costs or construction delays by streamlining administrative processes. Improve and step up enforcement and permitting processes to assure that all required local, state and federal laws, including Title 24 and other construction regulations related to accessibility continue to be fully implemented, and that designers and builders of single family homes and remodels are aware of programs and advantages of including accessibility features in projects that are not required to include them.

5. *Difficult for local, state and federal programs to eliminate housing discrimination.*

Action: Continue to document, investigate and monitor registered complaints of housing discrimination. Increase community awareness and knowledge of fair housing rights and responsibilities. Implement programs for recognizing, monitoring and deterring discrimination. Continue to work with the Housing Authority to monitor complaints.

- Fair Housing Hotline – The Fair Housing Hotline is administered through the Tulare County Housing Authority (TCHA). Annual funding is provided to TCHA to cover costs associated with providing Fair Housing services to Visalia residents. Callers with complaints are assisted in completing official discrimination complaint forms, which are then forwarded to the Department of Fair Employment and Housing. TCHA staff is active in pursuing training, seminar, and conference opportunities in which they share the City’s Fair Housing Program and hand out brochures. The Fair Housing Hotline will now be administered as an in-house program by City staff.

6. *Lack of sufficient housing and services for those who are homeless or threatened with homelessness including minority, persons with disabilities and large-family households.*

Action: Improve services and increase housing opportunities for the homeless and those threatened with homelessness through support of local agencies such as the Rescue Mission, and Family Services.

7. *Inadequate financial resources for implementation of housing plans and programs.*

Action: The City will continue to (a) seek funding opportunities working with the community, nonprofit and private sector groups, other cities and counties, regional partners, legislative advocates and state and federal agencies, (b) leverage, and invest funding in neighborhoods with the greatest needs and potential for provision of affordable housing, (c) continue to streamline development processes to avoid duplication of efforts, and (d) take actions to stimulate economic development.

4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

The City continues to actively pursue grants that can assist with neighborhood revitalization, housing, infrastructure and other activities and improvements. Through the Neighborhood Stabilization Program and the American Recovery & Reinvestment Act of 2009, the City will be able to bring significant change to our community. The City will also re-evaluate its’ use of HOME and CDBG funds to develop programs which will more accurately address market condition in the local community.

5. Leveraging Resources

- a. Identify progress in obtaining “other” public and private resources to address needs.
 - **CalTrans Grant** - The City obtained an Environmental Justice Context Sensitive Planning Grant from CalTrans in the amount of \$135,000 for evaluation of traffic and pedestrian conditions and recommendations for improvements in the Lincoln Oval Park area.
 - **CalHome State Funds** - In 2006, the City was awarded CalHome State funds in the amount of \$600,000 for the First Time Homebuyers Program. Since then, the City has assisted a total of fifteen families with down payment assistance. The City has utilized all of this funding.
- b. How have Federal resources from HUD leveraged other public and private resources?

When feasible, the City will continue to leverage CDBG and HOME entitlement dollars to meet the needs of the community. Thus far, HUD funds have been leveraged as follows:

- **Private Mortgage Financing**: The First Time Homebuyer Program funds are leveraged an average of 2 to 1. That is, for every \$10,000 invested in loans for a household, other lenders (CHFA, FHA, VA or conventional financing) invest an average of \$20,000.
- **Community Leveraging**: The City continues to partner with local public and non-profit agencies to develop affordable housing. Collaboration continues with Community Services and Employment Training (CSET), Habitat for Humanity of Visalia, Visalians Interested in Affordable Housing (VIAH), Kaweah Management Company, Tulare County Housing Authority (TCHA) and Christian Church Homes/Visalia Senior Housing. This enables the City to leverage CDBG and HOME resources with those of other entities to expand opportunities for low and moderate-income families:
 - **Sierra Meadows** - Since 2004, the City, in partnership with Christian Church Homes has worked together to develop 42 units of senior housing. The City played an instrumental role in the grant application process, which awarded the project a total of \$5,694,000 for construction as well as contributing a total of \$2.8 million dollars in HOME funds toward land acquisition and pre-development activities. The project is currently underway and will be completed in March 2011 with units being occupied thereafter.

- **Paradise & Court** - The City provided \$500,000 in HOME CHDO funds and \$500,000 in Redevelopment Low Mod funds to Kaweah Management Company to assist with the rehabilitation of eleven (11) units and construction of nine (9) units to provide affordable rental housing to low-income families. The rehabilitation phase is 95% complete with landscaping improvements commencing.
- **Village Park/Wittman Project** – In addition to utilizing CDBG funding, the City received a total of \$88,123 in State funds to address improvements to Village Park and the Wittman Center.
- **Lincoln Oval Park Neighborhood** – In addition to receiving a CalTrans Grant to assist with traffic improvements in the Lincoln Oval Park Neighborhood, the City has also set-aside CDBG funding to foster revitalization efforts in this neighborhood.

c. How matching requirements were satisfied.

Since 1998 HUD has reduced the matching requirement for the City to 12.5%. The City meets this requirement by utilizing Redevelopment Low and moderate Funds. In Fiscal year 2009/2010, the City's match contribution was a total of \$62,530. A HOME match report, form HUD-40107-A is attached to this report as Attachment "A".

Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

The City ensures compliance with programs and projects by incorporating accounting principles, conducting single audits, reviewing & updating guidelines & procedures, monitoring, and following HUD requirements. Staff prepares a five year Consolidated Plan, a yearly Action Plan and CAPER for City Council and HUD approval.

All reports are made available to the public for review, community meetings are held, City Council Work sessions and public hearings are also held, which provide participation opportunities for community input. Public notices are published twice in three local newspapers, including El Sol, for the Spanish speaking community. Notices are posted at the City of Visalia's library, and three City Hall offices. The Action Plan and CAPER are also made available to the public via the City's Website at www.visalia.ca.us and over the Counter at all three City Hall locations.

Citizen Participation

1. Provide a summary of citizen comments.

The City of Visalia considers Citizen Participation an important component in improving the quality of life of our neighborhoods and, therefore, encourages residents to become involved. The following public notice has been posted at various locations throughout the City as well as being published in the Visalia Times Delta and El Sol newspapers.

ATTACH NOTES

**NOTICE OF PUBLIC HEARING TO REVIEW THE CITY OF VISALIA
2009/2010 CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT
AND
INTENT TO AMEND ACTION PLAN 2009/10 (Second Amendment)
INTENT TO AMEND ACTION PLAN 2010/11 (First Amendment)**

The City of Visalia receives an annual Community Development Block Grant (CDBG) and Home Investment Partnerships Grant (HOME) from the Federal Government through the Department of Housing and Urban Development (HUD). The City uses these grants to provide decent, clean, safe and affordable housing, create a suitable living environment, and expand economic opportunities, principally for persons of low and moderate income. The City of Visalia's Consolidated Plan was previously reviewed and adopted by the City Council to meet these objectives. The City of Visalia must submit the Consolidated Annual Performance Evaluation Report (CAPER) to HUD Annually.

The City of Visalia will hold two meetings to present the
2009/10 CAPER & Action Plan Amendments

Worksession - Monday, August 16, 2010 at 4:00 P.M.
Public Hearing - Tuesday, September 7, 2010 at 7:00 P.M.
City Hall Council Chambers
707 West Acequia, Visalia, CA

The CAPER and Action Plan Amendments will also be presented to:

Disability Advocacy Committee on August 9, 2010, at 5:00 PM
City Hall East
315 E. Acequia Avenue, Visalia

North Visalia Neighborhood Advisory Committee on August 19, 2010, at 5:30 PM
Wittman Center
315 W. Pearl Street, Visalia

Citizens Advisory Committee on September 1, 2010, at 5:30 PM
City Hall Council Chambers
707 W. Acequia Avenue, Visalia

The CAPER & Action Plan Amendments will be available for public review and comment at City Hall East, 315 E. Acequia, Visalia, CA, 93291, beginning August 9, 2010, ending at 10:00 A.M. on September 7, 2010. Written comments may be submitted to the above address. All comments received will be included in the submission of the report to HUD.

Publishing dates: Visalia Times Delta (legal & retail) Monday, August 9, 2010, and Tuesday, September 7, 2010
El Sol: Friday, August 6, 2010 and Friday, September 3, 2010; Visalia Weekly: Thursday, August 5, 2010 and Thursday September 2, 2010

City of Visalia 2009-2010 CAPER	
Community Input, Council Input & Public Testimony Notes	
<i>Community Survey presented at Disability Advocacy Committee on August 9, 2010</i>	
Public Comment:	City Response
Member expressed concern about truncated domes being dangerous to people in wheel chairs. Also, who in the City decides where truncated domes are installed.	Both State & Local governments are required to use truncated domes as per ADA guidelines. The City obtains a list from the DAC showing where curb cuts and truncated domes are needed.
<i>Community Survey presented at Northern Visalia Neighborhood Advisory Committee August 19, 2010</i>	
Public Comment:	City Response
How can the committee be more involved in the decision making process for the allocation of CDBG and HOME funds? More funding should be allocated to rehabilitation, minor home repair programs, and youth programs.	The City puts together an annual Action Plan in April that is presented in draft form to various committees including two Council meetings. There is a 30 day public review period that is noticed in the paper twice specifying the time and locations where the public can comment or give input on the report. Comments & questions from the public go into the Action Plan as well as get presented to the City Council. Ultimately, City staff is under the direction of the City Council. We'd be more than happy to meet with you early in the year to hear your suggestions. You are also encouraged to attend council meetings to share your ideas. Due to other obligations, Ricardo will not be available to attend any evening meetings until November. With respect to rehabilitation programs, the Department has ceased to pursue these programs because property values have dropped significantly and unless we convert a deferred loan program to a grant program, there is no way to recoup and recycle such funds and have a significant impact on the housing stock in the targeted neighborhoods. Plus, through our experience many homeowners have first mortgages and other debt which has made it difficult in the event the property is sold to recoup the City's funding. Lastly, the City continues to fund the rehabilitation of senior homes and mobile homes through its partnerships with Self-Help Enterprises and C-Set. With respect to funding for youth and gang prevention, the City has approached this from a macro-level standpoint as it relates to CDBG. More than \$300,000 has been invested in the rehabilitation of the Village Park and Wittman Center over the past few years; funds have been used to prepare a Traffic Study for pedestrian safety for the Oval Park; and more than \$100,000 has been invested into the rehabilitation of Jefferson Park. All three recreation areas provide services to local youth and The Visalia Police Department also works closely with Proteus, the School District, interfaith organizations and the broader community in gang suppression and intervention. City staff conducts a market analysis to determine how much of a family of four can afford and therefore determine the amount of assistance. There are a number of lower priced homes that are available for these families. It should also be shared the property values have dropped more than 50% throughout the City thereby reducing purchasing prices significantly and as a result the need to provide lower second mortgage loans to eligible borrowers. Also, the City's goal is to provide financing for as many households as possible; the lower amount needed per loan the more households can be assisted.
It appears that the City continues to lower the second mortgage amount every other year; therefore, eliminating families who really need this program but can't qualify given the amount of subsidy	
<i>Citizens Advisory Committee Meeting: Presentation of Draft CAPER, September 1, 2010</i>	
Public Comment:	City Response
<i>City Council Work Session: Presentation of Draft CAPER, August 16, 2010</i>	
Public and Council Comments:	City Response
Vice Mayor asked how many vacant lots are in the City.	Staff to provide information.
<i>City Council Public Hearing Meeting: Presentation of Final CAPER, September 7, 2010</i>	
Public and Council Comments:	City Response

- In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

In addition to annual entitlement funds, the City continues to use program income from previously funded CDBG and HOME projects, and uncommitted carryover funds for projects.

The following table identifies funding expenditures for fiscal year 09/10 by project/program.

2009/2010 CAPER EXPENDITURES					
		CDBG	HOME	TOTAL	UNITS
SOURCES OF REVENUE:					
1	Cash - Beginning Balance	429,631	724,202	1,153,833	
2	Annual Grant Amount	1,227,349	564,001	1,791,350	
3	HOME matching funds - RDA Low/Mod			-	
4	Program Income	54,724	185,371	240,095	
5	Interest Earnings/Investment Earnings			-	
6	TOTAL REVENUE	1,711,704	1,473,574	3,185,278	
7					
EXPENDITURES:					
9	Administration and Operating	251,081	43,237	294,318	
10					
11	Net for Programs and Projects	1,460,624	1,430,337	2,890,960	
12					
AFFORDABLE HOUSING:					
14	<u>Homeownership</u>				
15	FTHB (Contract w/CSET-6/9/09)		493,062	493,062	10
16	Property Acquisition (CHDO)		124,728	124,728	9
17	Housing Rehabilitation (contract w/SHE 6/30/10)			-	
18	<u>Neighborhood Preservation/Services</u>				
19	Emergency Repairs and Basic Needs (contract w/SHE 6/30/10)	-		-	
20	Code Enforcement- Target Areas	106,076		106,076	254
21	Fairhousing Hotline (contract w/TCHA 6/30/09)	27,917		27,917	267
22	HOMELESSNESS				
23	<u>Special Needs Facilities</u>				
24	Continuum of Care	5,000		5,000	1
25	COMMUNITY DEVELOPMENT				
26	<u>Public Improvements</u>				
27	ADA Compliance Projects (Contract w/Sierra Range 6/30/09)	70,697		70,697	33
28	Oval Park Area Improvements	298		298	
29	Jefferson Park Improvements	7,833		7,833	1
30	Fox Theater Renovations	14,141		14,141	1
31	Village Park/Wittman Center Improvements	76,126		76,126	1
32	<u>Economic Development/Public Parking Facilities</u>				
33	West Parking Structure Loan Payment (Section 108 Loan)	497,646		497,646	1
34	Job Creation	-		-	
35	<u>Public Park /Public Facilities</u>				
36	NON HOMELESS SPECIAL NEEDS HOUSING				
37	<u>Special Needs Services</u>				
38	Senior Home Minor Repairs (contract w/CSET 7/31/09)	91,000		91,000	725
39	Mobile Home Senior Repair & Handicapped Access (contract w/SHE 6/30/10)	65,578		65,578	2
40	Senior Housing (Christian Church Homes)		162,741	162,741	
41					
42	Subtotal Programs & Projects	962,312	780,531	1,742,843	
43					
44	TOTAL EXPENDITURES	1,213,393	823,768	2,037,161	
45					
46	REVENUE LESS EXPENDITURES				
47	Remaining to Carry Forward	498,312	649,806	1,148,117	

Additionally, the table below identifies, by program, how many people were assisted and the geographical, by census tract, which were served.

CENSUS TRACT	8	10.03	10.04	10.05	11	12	13.01	13.02	17.01	17.03	18	19.01	19.02	19.02	20.02	20.03	20.06	20.09	20.04	
MOBILE HOME SENIOR HOME REPAIR				2								1							2	
HOME FIRST TIME HOMEBUYER PROGRAM			1				1	2		1		1					1			3
STATE CALHOME FIRST TIME HOMEBUYER PROGRAM	1	2	1				2	3		2				1	1		1	1		
NSP		4	2		1		11					2								
CDBG-R PARADISE & COURT SIERRA MEADOWS						1				1										
VILLAGE PARK					1															
JEFFERSON PARK									1											

Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

As a result of being awarded the NSP and CDBG-R funds, the Housing & Economic Development Department has hired additional staff to absorb the demands programs’ operation. In addition to the Department Director, Housing Specialist, Financial Analyst, Senior Administrative Analyst, the Department added two Housing Technicians; one is a 1,000 hour part-time staff.

Additionally, the City continues a strong partnership with other agencies to help serve its housing and community development needs. Self-Help Enterprises, CSET, Tulare County Housing Authority, and Habitat for Humanity, have played an important role in the City’s implementation of community programs.

Code Enforcement is a division under the Housing & Economic Development Department and is also an integral part of the institutional structure. Neighborhood Preservation works closely with other City departments and with the community to develop programs, projects and activities that improve the City’s neighborhoods.

Monitoring

1. Describe how and the frequency with which you monitored your activities.

The City utilizes AmeriNational Community Services for loan servicing. AmeriNational monitors the City’s loan portfolio on a monthly basis for conformity with loan payments, tax & insurance, and delinquencies. Additionally, on a yearly basis, AmeriNational

conducts property condition inspections, and obtains an affidavit of ownership. This assists the City in maintaining participant compliance with each program.

Staff also monitors sub-recipients regularly and conducts annual visits to ensure that guidelines are being followed as well as reviewing program performance.

In fiscal year 09/10, City staff conducted on-site monitoring visits as follows:

- Community Services & Employment Training – Administrator of the City’s First Time Homebuyer and Minor Senior Home Repair Program was monitored on June 21, 2010.
- Self-Help Enterprises – Administrator of the City’s Mobile Home Senior Handicap and Repair Program was monitored on June 24, 2010.
- Tulare County Housing Authority – Administrator of the City’s Fair Housing Hotline was monitored on June 17, 2010.
- Park Improvement projects are managed by the Park and Recreation Department.
- ADA compliance construction is managed by the City’s Engineering Department, which conducts interviews with the construction crew, reviews certified payroll and oversees the construction process.
- CDBG funded projects are monitored by various City departments who work closely with the Housing & Economic Development Department.

2. Describe the results of your monitoring including any improvements.

- A monitoring visit to CSET was conducted on June 21, 2010. CSET administers the City’s First Time Homebuyers & Senior Home Repair program. The visit included, random sampling of files & financial records as well as drive by inspections of participating homes. Results of the monitoring visit showed that CSET is in compliance with all guidelines & regulations prescribed by the federal government and the City of Visalia.
- A monitoring visit to Self-Help Enterprises was conducted on June 24, 2010. Self-Help administers the City’s Mobile Home Senior Handicap & Repair Program. The visit included, random sampling of files & financial records as well as drive by inspections of participating mobile homes. Results of the monitoring visit showed that Self-Help is in compliance with all guidelines & regulations as prescribed by the federal government and the City of Visalia.
- A monitoring visit to Tulare County Housing Authority (TCHA) was conducted on June 17, 2010. TCHA administers the City’s Fair Housing Hotline. Monitoring focused specifically on the operation of the Fair Housing Hotline, including basic data screens used to interview callers, disposition of calls, seminars, events, annual training, marketing, Fair Housing Logo, and a review of TCHA’s 09/10 financial audit.

The City will continue to update Policy and Procedure manuals to reflect the most recent Building Code, City Policies, Monitoring Policies and CDBG/HOME Regulations, as

well as continue to prepare detailed agreements with sub-recipients and/or construction managers that outline federal regulations and performance standards.

3. Self Evaluation

- a. Describe the effect programs have in solving neighborhood and community problems.

The City strives to meet the needs of the community through the goals established in the Consolidated Plan. The projects and activities that the City provides to Visalia residents would not be possible without the federal assistance it receives from the US Department of Housing and Urban Development (HUD). By providing programs such as the First Time Homebuyers Program, Rehabilitation Programs, ADA Compliance, Park Improvements, and Code Enforcement, the City along with its non-profit partners, provide low-income people with affordable housing, improve neighborhoods, and provide economic opportunities.

Although the past year has been a challenging one, and as many homeowners were struggling to stay in their homes, the City of Visalia strived to make it easier for first-time homebuyers to purchase an affordable home. The City of Visalia allocated a total of \$399,001 to assist families with the American Dream of owning a home.

The City believes that the benefits of homeownership extend beyond property lines and into the community. For a family, home ownership creates wealth, self esteem and pride. For communities homeownership increases the tax base, attracts commercial and public investment, reduces crime, and improves the physical condition of the neighborhood. Homeownership strengthens families which in turn strengthens communities.

In addition to the many programs the City offers, the Code Enforcement division is also a crucial component in solving neighborhood and community problems. Code Enforcement is a collaborative effort between members of the community, the Police Department and various other departments. Working together, the City can identify problems of crime and disorder and involves all elements of the community in the search for solutions to these challenges. The primary emphasis of the Code Enforcement Program is Life Safety non compliance. Considerable efforts are focused on Health and Safety Code enforcement as it primarily relates to Housing standards. Some of the common violations include: unsafe structures, abandoned properties, contaminated and/or unsecured swimming pools, construction without permits, and unlicensed vendors.

The following programs help create a positive change in the community:

- First Time Homebuyers Program – This program offers a deferred “second mortgage” up to \$40,000 to low-income families.
- ADA Compliance funds provide accessibility improvements throughout the City’s CDBG Targeted Areas.

- Mobile Home Senior Handicap and Repair Program (SHARP), provides assistance for repairs to low-income, disabled senior citizens who own a mobile home.
 - Senior Home Repair Program, administered through CSET provides CDBG funding to low-income seniors to make minor repairs to owner-occupied homes, while providing job training skills for CSET students.
 - Code Enforcement Program addresses the needs and concerns of the community in blighted and distressed neighborhoods within CDBG targeted areas.
 - Tulare County Housing Authority (TCHA) administers the fair housing program, ensuring fair housing for residents of the community.
 - The West Acequia parking structure - will maintain hospital jobs in the downtown area, having a ripple effect in supporting local businesses and retail jobs.
 - Continuum of Care – Supports the Continuums efforts to end homelessness.
 - Job Creation – Program assists new companies who commit to creating low-to-moderate income jobs.
- b. Describe progress in meeting priority needs and specific objectives and help make community’s vision of the future a reality.

The City’s goal is to continue addressing the priority needs and specific objectives of the Consolidated Plan. Through community input, the City has identified the following as “High” priority needs in the community:

- Affordable Housing
- Suitable Living Environment
- Support of Special Needs Facilities
- Public Improvements
- Economic & Community Opportunities
- Support of Special Needs Services

Through the use of CDBG, HOME, Redevelopment, NSP, CDBG-R, and State funds, the City makes every effort to meet the priority needs of the community through the provision of many programs:

- Sierra Meadows Project - The City of Visalia recognizes the need for all types of housing; however, one of the objectives of the Consolidated Plan identified “Special Needs Housing” as a high priority. Special Needs Housing expands the supply of affordable rental housing for the elderly. The City, in partnership with Christian Church Homes has developed 42 units of senior housing, the project, called “Sierra Meadows” is currently underway and is 50% complete. It is anticipated that the project will be complete March 2011.
- Encina Project – The Encina Project was approved by the City to assist with the acquisition and rehabilitation of a triplex in the downtown, historic area. Kaweah Management Company (KMC) acquired the triplex in a cooperative effort with the Central Valley Regional Center (CVRC). The rehabilitation of the units has

- been completed and the triplex is being utilized as “supportive housing” for persons with developmental disabilities.
- Paradise and Court Project - The City in partnership with Tulare County Housing Authority are addressing the needs of the community through rehabilitation and building of new affordable housing units. The City provided \$500,000 in HOME CHDO funds and \$500,000 in Redevelopment Low Mod funds to assist with the rehabilitation of eleven (11) units and construction of nine (9) units for low income families.
 - Mobile Home Senior Handicap and Repair Program (SHARP) – This program allows extremely low and low-income senior citizens to address health & safety repairs to their mobile home. The vast majority of repairs include; re-roofing, heating and cooling, handicap access, and electrical & plumbing issues.
 - First Time Homebuyer (FTHB) Program – The City continues to assist qualified First Time Homebuyers make their dream of homeownership a reality through the First Time Homebuyer Program. The program provides a qualified borrower a loan up to \$40,000 as a second mortgage to assist with gap financing and/or down payment assistance.
 - CalHome First Time Homebuyer Program – The City received a State Grant in the amount of \$600,000 in 2006. Since then, the City has assisted a total of fifteen families in the acquisition of a new home and has expended all funding.
 - Neighborhood Stabilization Program (NSP) - Under NSP, the City will purchase and redevelop foreclosed and abandoned homes. Once rehabbed, homes will be resold to families with incomes up to 120 percent Area Median Income (AMI) and 25% of the funds will be reserved for homebuyers at or below 50% AMI.
 - ADA Compliance - The City has always been at the forefront of working to improve access for persons with disabilities. The City in partnership with a Disability Advocacy Committee will continue to support the disabled community by providing ADA compliant ramps and warning detection panels for the blind throughout the area of downtown and the City’s CDBG target areas.
 - Jefferson Park/Washington School Neighborhood – City Council directed staff to work with residents of the Washington Neighborhood to primarily focus on increasing lighting in unlit areas and to pursue acquisition of foreclosed homes. Thus far, the City has installed a total of 47 new light lamps and is considering utilizing the remaining resources to improve Jefferson Park. Future work includes reconstruction/replacement of the existing 35 year old backstop, dugouts, and the foul line fencing in addition to lighting for the basketball courts.

- Oval Park Improvements: City Council directed staff to work with residents and businesses in the densely populated and economically challenged Oval Park Neighborhood, to identify needs related to traffic, safety and lighting to foster revitalization efforts. The City has held many community meetings to obtain community input. To implement the favored outcome, the city will soon retain the services of an engineering firm to prepare plans that address pedestrian & traffic improvements and roadways surrounding the park.
- Continuum of Care – The City continues its partnership with the Continuum of Care to address issues of homelessness. The City will also continue to support partners in the local community who are in the fight to combat homelessness, such as the Rescue Mission and Family Services.
- Economic Opportunities through Job Creation - The City is committed to providing adequate parking in the Downtown area to further promote jobs. The West Acequia Parking Structure was completed in 2007 and continues to provide great economic benefit to the Downtown Area. The 700 space garage mainly supports the hospital's recent six-story expansion as well as many local businesses. Since the hospital's expansion, Kaweah Delta District has created a total of 552 jobs.

- c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.

The Objectives and Outcomes Table on page 17 of this report shows how funding from the 2009/2010 year were expended to provide suitable living environments, Economic Opportunities, and Affordable Housing in the City of Visalia.

- d. Indicate any activities falling behind schedule.

Due to delays in completing the environmental process for HUD approval, the City's entitlement of 09/10 funds were not available at the beginning of the fiscal year, and likewise not released to the City's sub-recipients; however, all program and activities are now in progress and going well.

- e. Describe how activities and strategies made an impact on identified needs.

Notwithstanding the nationwide housing meltdown impacting all sectors of the economy, particularly the housing market, Visalia has had its share of challenges. City staff evaluated and made enhancements and revisions to some of the City's programs over the course of the year to make programs more attainable to families in need:

- **CDBG Funded, Mobile Home Senior Handicap and Repair Program (SHARP)** – On February 16, 2010, the City Council approved to increase the current grant amount made available to seniors to address health and safety issues to their mobile home from \$5,000 to 7,000 to assist with addressing more repairs.
- **HOME Funded, Housing Rehabilitation Program (HRP)** – In the 2009/10 Action Plan year, the City allocated a total of \$250,000 to this program; however, due to declining program income, the program was eliminated for this program year to meet the annual budget. This program has not been successful due to declining property values.
- **CDBG funded, Emergency Repair and Basic Needs Program (ERBN)** – As of fiscal year 2009/10, the City had set aside a total of \$175,202 for the ERBN Program. The funding was provided, as a second mortgage to existing property owners to address emergency, health and safety repairs. The program required the participating home to have at least \$10,000 in equity; however, due to declining property values, this lien mechanism was monetarily unfeasible. On February 16, 2010, the City Council re-directed the available funding to Job Creation.

f. Identify indicators that would best describe the results.

The City continues to move forward to meet the goals of the Consolidated Plan and address the needs of the community through the national objectives set forth by HUD. The indicators show that the Code Enforcement Program and Fair Housing Hotline are both very successful programs as both programs exceeded the expected outcome over a five year period. Nonetheless, all projects and programs continue moving forward successfully as shown on the following table.

<i>Table I</i>			
<i>CDBG and HOME 5 year goal/accomplishments</i>			
HOME Investment Partnership Funds (HOME) - Objective and expected Outcome	5 Yr Unit Goal	# Units completed to date	% of 5 Yr goal
Affordable Housing- HOME Funds			
Objective 1: Provide Decent Affordable Housing	152	90	59%
1. Promote availability of affordable owner-occupied housing through (FTHB)	77	61	79%
2. Increase availability of affordable owner-occupied housing through acquisition (CHDO)	1	1	100%
3. Increase availability of affordable owner-occupied housing through acquisition (Encina Development, Other Property Acquired)	4	4	100%
4. Increase quality of owner-occupied housing through rehabilitation (HRP)	30	9	30%
5. Maintain quality of owner-occupied housing through rehabilitation of substandard housing (ERBN)	30	5	17%
6. Increase availability of affordable rental housing through partnership with Non-Profit Agencies (TCHA- Robinwood Project)	10	10	100%
Affordable Housing- HOME Funds			
Objective 2: Suitable Living Environment through Neighborhood Preservation and Services	2	0	0%
1. Increase availability of affordable owner-occupied housing through Loan Recapture Program (CHDO)	2	0	0%
Community Development Block Grant Funds (CDBG) -Objective and expected Outcome			
Affordable Housing- CDBG Funds			
Objective 1: Suitable Living Environment through Neighborhood Preservation and Services	1,145	2,333	204%
1. Maintain quality housing by addressing substandard housing through (Code Enforcement Program)	600	1,245	208%
2. Maintain quality of owner-occupied housing through rehabilitation of substandard housing (ERBN)	45	5	11%
3. Provide services for low-to -moderate income persons by providing (Fair Housing Education Program)	500	1,083	217%
Homelessness- CDBG Funds			
Objective 2: Suitable Living Environment by Supporting Special Needs Facilities	2	3	150%
1. Increase accessibility to support facilities to end chronic homelessness (Continuum of Care/Homeless Project)	2	3	150%
Community Development- CDBG Funds			
Objective 3: Suitable Living Environment through Public Improvements	75	96	128%
1. Increase availability of handicapped access benefiting population with special needs (Streets ADA Compliance)	75	96	128%
2. Improve quality and increase quantity through rehabilitation and preservation activities	1	1	100%
3. Improve quality and increase quantity of public improvements that benefit low and moderate income residents (Jefferson Park)	1	1	100%
Objective 4: Create Economic Development Opportunities and Community Development Opportunites (Parking Facilities)	1,157	1,051	91%
1. Improve economic opportunities for low-income persons through (job creation)	500	917	183%
2. Demonstrate a commitment to long-term economic growth by promoting expansion and (job creation) - Section 108 Loan- East Acequia Parking	455	93	20%
3. Demonstrate a commitment to long-term economic growth by promoting expansion and (job creation) - Construction of the West Acequia Parking	2	2	100%
4. Demonstrate a commitment to long-term economic growth by promoting expansion and (job creation) - Section 108 Loan- West Acequia Parking	200	39	20%
Objective 5: Suitable Living Environment through Community Development Opportunities (Public Parks and Parking Facilities)	16	6	38%
1. Improve quality/increase availability of neighborhood facilities for low-income persons (Parks & Recreation)Village Park	14	4	29%
2. Improve quality/increase availability of neighborhood facilities for low-income persons (Community Campus Project)	2	2	100%
Objective 6: Suitable Living Environment through Community Development Opportunities (Public Services)			
1. Support non profit agencies with accessibility to public services			
Non Homeless Special Needs Housing- CDBG Funds			
Objective 7: Suitable Living Environment by Supporting Special Needs Services	3,070	3,410	111%
1. Maintain quality of owner-occupied housing for elderly (Senior Home Repair Program)	3,000	3,360	112%
2. Increase accessibility and range of housing options for person with special needs (SHARP)	70	50	71%
3. Increase availability of affordable rental housing through partnership with Non-Profit Agencies (Christian Church Homes/Visalia Senior Housing)	42	In progress	0%

g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.

The economic challenges facing families have definitely had an impact on some of the City’s programs. As an example, the foreclosure crisis has had a negative impact on the City of Visalia and its residents. Vacant houses have decreased surrounding property values, diminished equity and assets of neighboring homeowners and have become magnets for vandalism and criminal activity, putting added strain on Code Enforcement. The City of Visalia will continue revitalizing efforts through the Neighborhood Stabilization Program. Likewise, it is important for the City to stay on top of the changing needs of the community according to economic times. With so many people losing their jobs, potential homebuyers do not consider this the best time to purchase a home; therefore, the City’s First Time Homebuyer Program is not faring as well as it has in past years. Staff is currently evaluating the First Time Homebuyer Program to see how we can make this program more attainable to families.

h. Identify whether major goals are on target and discuss reasons for those that are not on target.

Although the City has made significant progress in meeting goals in 09/10, some programs have been slow in taking off due to the economic downturn. City staff has made changes to programs not faring well.

- **HOME Funded, Housing Rehabilitation Program (HRP)** – In the 2009/10 Action Plan year, the City allocated a total of \$250,000 to this program; however, due to declining program income, the program was eliminated for this program year to meet the annual budget. This program has not been successful due to declining property values.
- **CDBG funded, Emergency Repair and Basic Needs Program (ERBN)** – As of fiscal year 2009/10, the City had set aside a total of \$175,202 for the ERBN Program. The funding was provided, as a second mortgage to existing property owners to address emergency, health and safety repairs. The program required the participating home to have at least \$10,000 in equity; however, due to declining property values, this lien mechanism was monetarily unfeasible. On February 16, 2010, the City Council re-directed the available funding to Job Creation.

- i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

Although the Housing & Economic Development Department operates with limited staff, it continues to make good progress towards identified goals. To achieve more with less, the department conducts weekly meetings to discuss calendars, strategize, and streamline processes. The use of a project table to keep projects moving forward and towards desired goals is also used.

Additionally, as a result of receiving NSP and CDBG-R funding the department has recently hired two housing technicians to help absorb the demands of running these programs.

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

Lead-based paint hazards are addressed in all housing rehabilitation and homebuyer assistance projects. For all of our housing programs, applicants are informed of the danger of lead-based paint through a brochure and part of the application process. Additionally, city building inspectors are alert to signs of this hazard as they perform their substandard housing inspections. All housing owners and occupants with whom the City interacts through its various programs are required to abate this hazard as a condition of assistance from the City based upon the HUD requirements and allocation of funding.

Asbestos evaluations are also performed on those houses where the City assists in relocation or restoration. The City's Building Official has recently been certified in lead based paint.

Tulare County Health Services has a Lead Poisoning Program that investigates cases of lead poisoning when testing reveals that a child has elevated levels of lead in their blood. Specially trained and certified staff conducts lead investigations in the child's home. Tulare County Health is also contacted in properties within the City limits.

HOUSING

Housing Needs

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe Actions taken during the last year to foster and maintain affordable housing.

The City continues to foster and maintain affordable housing through the following programs:

- Sierra Meadows Project - The City, in partnership with Christian Homes has worked together to develop 42 units of senior housing. The project is currently underway and scheduled for completion in March 2011.
- Paradise and Court Project - The City in partnership with Tulare County Housing Authority are addressing the needs of the community through rehabilitation and building of new affordable housing units. Rehabilitation of 11 units has been completed.
- First Time Homebuyer (FTHB) Program – The City continues to assist qualified First Time Homebuyers make their dream of homeownership a reality through the First Time Homebuyer Program. The program provides a qualified borrower a loan up to \$40,000 to assist with down payment assistance. In 2009/10 the City assisted a total of ten families and three more families are in process.
- Neighborhood Stabilization Program (NSP) - Under the NSP, the City of Visalia will purchase and redevelop foreclosed and abandoned homes and re-sell them to families with incomes up to 120 percent Area Median Income (AMI) and to borrowers at or below 50% AMI. Thus far, the City has purchased 23 homes and resold 13. Additionally, the City has acquired a four-plex which will be owned & rented to households earning less than 50% of the AMI.
- CalHome First Time Homebuyers Program (non federal funds) – The City received a State grant in the amount of \$600,000 in 2006. Since then, the city has

assisted a total of fifteen households with the purchase of a new home. All funding has been expended.

Specific Housing Objectives

1. Evaluate progress in meeting specific objectives of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.

The City of Visalia continues making progress towards meeting the goals and objectives of the Consolidated Plan. The table below identifies the number of people/units and income levels of the assistance offered through HOME, CDBG and State Funding.

City of Visalia, California	2009-2010 Program Year		
Priority Need Category	CDBG	HOME	Total
Total People assisted	267	0	267
Total Household units assisted *	1020	33	1053
Total Female Head of Household *	6	3	9
**Disabled *	46	0	46
Owners			
0 - 30% of MFI	162		162
31 - 50 of MFI	143	5	148
51 - 80 of MFI	35	17	52
Total	340	22	362

2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

The City of Visalia’s First Time Homebuyers Program guidelines meet Section 215 definition of affordable housing as follows:

- a. The program mortgage maximum coincides with the FHA 203(b) mortgage maximum. The purchase price may not exceed 95% of the median purchase price for the area, which is currently \$201,183.
- b. The home is the principal residence of the qualifying family.
- c. The home is subject to the HOME Recapture provisions.

3. Describe efforts to address “worst-case” housing needs and housing needs of persons with disabilities.

Worst-case housing needs are defined as low-income renter households who pay more than half their income for rent, live in seriously substandard housing (including homeless people) or have been involuntarily displaced.

The City continues to review and analyze how it can better meet the needs of the underserved and address “worst case” housing needs through its affordable housing programs, supportive services, Continuum of Care and the efforts of the City’s Fair Housing Administrator. The City allocates both CDBG and HOME funds to affordable housing programs, such as the First Time Homebuyer Program, the Housing Rehabilitation Program, Senior Rental Housing and Senior Repair Programs. Additionally, the City works closely with the Tulare County Housing authority and it’s Section 8 Rental Assistance Program. Tulare County Housing Authority also administers the City’s Fair Housing Hotline. The City also works closely with the Disability Advocacy Committee to address the needs of the disabled community and works closely with the Code Enforcement Division to minimize substandard housing.

Public Housing Strategy

1. Describe actions taken during the last year to improve public housing and resident initiatives.

Public Housing and Section 8: Assistance is available from the Tulare County Housing Authority (TCHA) which administers the Section 8 voucher program. Currently there are 1,148 households receiving rental assistance and over 3,505 on the waiting list. The Tulare County Housing Authority has a “Moving to Work” program that limits participation in the Section 8 voucher to a maximum of five years or until the family income exceeds 120% of median income, thus encouraging families to save money, become self-sufficient and hopefully be in a better position to buy a house. It also ensures that the assisted housing is made available to other needy families.

Currently, the City, in partnership with TCHA, are working together on the “Paradise & Court” project which is to construct 9 new units and rehabilitate 11 existing units for low income households.

Tulare County Housing Authority has established a solid reputation for providing safe, affordable housing to low-income persons. The Housing Market Analysis shows the number of public housing units owned and managed by Tulare County Housing Authority with the City limits of Visalia.

Jurisdiction						
Housing Market Analysis						
<i>Complete cells in blue.</i>						
Housing Stock Inventory	Vacancy Rate	0 & 1 Bedroom	2 Bedrooms	3+ Bedroom	Total	Substandard Units
Affordability Mismatch						
Occupied Units: Renter		3234	4879	3400	11513	622
Occupied Units: Owner		1108	2919	15405	19432	772
Vacant Units: For Rent	8%	121	630	180	931	59
Vacant Units: For Sale	2%	4	89	305	398	147
Total Units Occupied & Vacant		4467	8517	19290	32274	1600
Rents: Applicable FMRs (in \$)		481	538	625		
Rent Affordable at 30% of 50% of MFI (in \$)		476	571	660		
Public Housing Units						
Occupied Units		21	70	88	179	0
Vacant Units		0	0	0	0	0
Total Units Occupied & Vacant		21	70	88	179	0
Rehabilitation Needs (in \$)					0	

Barriers to Affordable Housing

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

As detailed in the City's 2005-2010 Consolidated Plan and Housing Element, the following policies are designed to assist with barriers to affordable housing:

General Policies

- The City, in a leadership role, shall continue to utilize all available funds to subsidize the development of affordable housing.
- The City shall continue to provide a wide range of incentive programs to encourage affordable housing.
- The City shall ensure that information on available housing programs continues to be made available and is accessible to the public.

Specific Policy Implementations

- The Visalia Zoning Ordinance will grant a 25% density bonus over the housing unit density allowed by existing zoning if the developer agrees to meet one of the following conditions:
 - At least 10% of the units are for very low income households
 - At least 20% of the units are for lower income households
 - At least 50% of the units are for seniors
- The Visalia Zoning Ordinance permits manufactured housing parks in three residential zones with a Conditional use permit.
- The City has no policies that would put constraints on the development of farm worker housing.
- On January 8, 2004, the City adopted a second dwelling unit ordinance that follows the requirements of State law.
- The Visalia Zoning Ordinance permits group homes in four residential zones
- The City has approved three emergency shelters through the use of the CUP process in the last decade and will continue to do this on a case by case basis.
- Brochures regarding housing programs are regularly distributed to the public via the Redevelopment Agency, Code Enforcement Division, the Tulare County Regional Center, the Police and the sub-recipients of our housing grants.

HOME/ American Dream Down Payment Initiative (ADDI)

1. Assessment of Relationship of HOME Funds to Goals and Objectives
 - a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.

Please refer to page 3, where the City's objectives, outcomes, and goals begin.

2. HOME Match Report

- a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.

The HOME Match Report, HUD -40107-A is attached at Attachment “A”.

3. HOME MBE and WBE Report

- a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women’s Business Enterprises (WBEs).

A Minority Business Enterprise and Women’s Business Enterprise Report has been prepared on form HUD-40107 and is attached to this CAPER as Appendix “B”. (To be attached)

4. Assessments

- a. Detail results of on-site inspections of rental housing.

Currently, the City does not fund a Rental Rehabilitation Program. Existing funding toward rental housing will be monitored through Kaweah Management Company for the Robinwood HOME funded project, Mill Creek Parkway Redevelopment funded project and upon completion of rehabilitation and construction of the new Paradise and Court Project. The City of Visalia contracted with AmeriNational Community Services, Inc. in monitoring on-site inspections, owner affidavits, taxes and insurance for its First Time Homebuyer Program, Housing Rehabilitation Programs, and Habitat acquired properties.

- b. Describe the HOME jurisdiction’s affirmative marketing actions.

Attached is the City’s Affirmative Marketing Plan Appendix “C” (To be attached)

- c. Describe outreach to minority and women owned businesses.

Because California is governed by proposition 209, the City may no longer make distinctions based on race, sex, or ethnicity; however, the City provides opportunities to local and minority companies when soliciting bids for contracts. For example, the City has contracted with Sierra Range Construction on many projects, including the installation of curb cuts for the disabled community. Additionally, CM Construction has worked with the City on project such as the Transit Center and the Rawhide Stadium. Both Sierra Range and CM Construction are local, minority based companies.

HOMELESS

Homeless Needs

- 1. Identify actions taken to address needs of homeless persons.

The City continues its partnership with the Continuum of Care of Kings-Tulare County to address issues of homelessness. Through the CoC, the City continues to move forward

towards combating homelessness. The Continuum of Care administers an annual “Point in Time” survey every year in the late winter during a week designated by HUD. Volunteers throughout the surrounding cities pick specific locations to target the homeless. In exchange for an “incentive bag” containing basic necessities such as toothbrushes, lotion, socks, etc., volunteers gather information of the homeless by asking questions such as age, language, how long they have been homeless, employment, number of children etc. This year, there were 698 surveys collected, a 16% increase over 2009. Although the number of homeless persons remained the same between 2009 and 2010, the following factors have affected the count:

- There were 100 more individuals counted in 2010 (persons not in households with children).
- Persons who are considered “Precariously Housed” were not included in the 2010 count. This population represented 227 (23%) of the 2009 respondents.
- Additions and eliminations of communities in the 2010.

The following table shows the number of sheltered and unsheltered homeless persons during the 2010 Point in Time. The total number of homeless individuals is 966 of which (406 individuals) 42% were sheltered and (560 individuals) 58% were unsheltered. Of the 966 homeless individuals in Kings/Tulare Counties; the City of Visalia reported a total of 428.

	Sheltered		Unsheltered		Total	
	#	%	#	%	#	%
Adults	287	71%	443	79%	730	76%
Children	119	29%	117	21%	236	24%
Totals	406	42%	560	58%	966	100%

With the completion of this survey, the Continuum of Care can better gauge its progress in its effort to combat homelessness and also improve the allocation of funding. With the data, the continuum also fulfills reporting requirements to the U.S. Department of Housing and Urban Development (HUD).

To strengthen their capacity, the Continuum currently obtained 501c3 status to competitively apply for foundation and corporate funding. The Continuum is focused on systematically implementing systems and programs that will help support existing homeless organizations and offer the resources that are needed locally to be successful.

Age Group	<20	14	4%	Ethnicity	African American	18	4%	What is your income by source?	Wages	10	3%	What is/are the reason(s) for your CURRENT experience of homelessness?*	Alcohol/drug	54	15%	
	21-29	72	20%		Native American	8	2%		Child Support	2	1%		Medical	26	7%	
	30-39	89	24%		White	172	47%		Retirement/SS	3	1%		Mental Health	32	9%	
	40-49	90	24%		Asian/Pacific Islander	7	2%		Veteran's Benefits	1	0%		Physical disabilities	23	6%	
	50-59	73	20%		Hispanic/Latino	145	39%		GA	4	1%		Argument w/ fam/friends	22	6%	
	60-69	21	6%		Multi-Cultural	10	3%		Food Stamps	81	22%		Domestic Violence	5	1%	
	70+	2	1%		Other	1	0%		TANF	14	4%		Discharged from Hospital	2	1%	
	Unknown	7	2%		Unknown	10	3%		SSI	18	5%		Discharged from Prison	24	7%	
	Total	368	100%		Total	368	100%		SSDI	0	0%		Divorce/Separation	9	2%	
In the past three years, how many times have you been homeless?*	1 Time	109	29%	Primary Language*	English	114	31%	Do you have any of the following Disabilities?*	Surveys	174	47%	Services Needed**	Food/Hot meal	122	33%	
	2 Times	18	5%		Spanish	21	6%		Physical	80	22%		Mental Health	76	21%	
	3 Times	7	2%		Bilingual	21	6%		Mental	79	21%		Dental	101	27%	
	4 Times	4	1%		Hmong	0	0%		HIV/AIDS	2	1%		Vision	83	23%	
	5 Times	2	1%		Lao	0	0%		Substance Abuse	92	25%		Substance Abuse	35	10%	
6 or more	3	1%	Other	0	0%	Dual Diagnosis	14	4%	Transportation	91	25%					
Unknown	3	1%	Unknown	1	0%	PTSD	25	7%	Housing	103	28%					
Total	157	43%	Total	157	43%	Other	16	4%	Legal	47	13%					
How long homeless this time?*	<2mo	61	17%	Highest level of Education	Grade School	84	23%	Are you Employed?*	YES	27	7%	Chronically Homeless?*	YES	82	22%	
	2-6mo	96	26%		HS/GED	106	29%		NO	209	57%		NO	184	50%	
	7-12mo	85	23%		Some College	30	8%		Unknown	131	36%		Unknown	102	28%	
	13-24mo	34	9%		College Degree	7	2%		Never	1	0%		Total	368	100%	
	25-36mo	17	5%		No School	11	3%		Total	368	100%		YES	0	0%	
	37-48mo	12	3%		Unknown	130	35%		If No, Last Employment Date:*	<2mo	2		1%	NO	0	0%
	49-60mo	4	1%		Total	368	100%		2-6mo	9	2%		Unknown-N/A	368	100%	
Total	157	43%				7-12mo	4	1%	Total	368	100%					
Current Housing	EH	104	28%	Location of Previous Housing	KC	10	3%	If No, Last Employment Date:*	37-48	2	1%	Pregnant?*	YES	0	0%	
	TH	174	47%		TC	282	77%		48-60	7	2%		NO	157	43%	
	Street	88	24%		Another County	33	9%		>60mo	31	8%		Total	157	43%	
	Unknown	2	1%		Out of State	8	2%		Unknown	24	6%		YES	21	6%	
	Total	368	100%		Out of Country	2	1%		Total	72	20%		NO	347	94%	
Gender	Male	272	74%	Size House/Apt Needed	Unknown	33	9%	Households with Children	YES	21	6%	Total	NO	347	94%	
	Female	96	26%		Studio	259	70%		NO	368	100%		NO	368	100%	
	Unknown	0	0%		1bd	65	18%		Total	157	43%		NO	368	100%	
	Total	368	100%		2bd	20	5%		NO	157	43%		NO	368	100%	
	Are you a Veteran?*	YES	34		9%	3bd	7		2%	NO	157		43%	NO	368	100%
NO	330	90%	4bd	5	1%	Total	157	43%	NO	368	100%					
Unknown	4	1%	5bd	1	0%	NO	157	43%	NO	368	100%					
Total	368	100%	None Wanted	8	2%	NO	157	43%	NO	368	100%					
Jail/Prison?*	YES	89	24%	DV Victim?*	YES	46	13%	Homeless w/Spouse?*	YES	11	3%	Total	YES	11	3%	
	NO	62	17%		NO	206	56%		NO	139	37%		NO	139	37%	
	Unknown	6	2%		Unknown	116	32%		Unknown	7	2%		NO	139	37%	
	Total	157	43%		Total	368	100%		Unknown	7	2%		NO	139	37%	
	Spouse completed survey?*	YES	11		3%	Homeless w/Spouse**	NO		131	36%	Unknown		7	2%	NO	139
NO	139	37%	Total	157	43%	Unknown	6	2%	Unknown	7	2%	NO	139	37%		
Unknown	7	2%				Total	157	43%	Unknown	7	2%	NO	139	37%		
Total	157	43%														

*Data not captured in HMIS

2. Identify actions to help homeless persons make the transition to permanent housing and independent living.

The City of Visalia has many non-profit and religious shelters that offer successful programs ranging from emergency shelter to transitional housing. Transitional housing organizations help men, women, & women with children transition from living on the streets to becoming self-sufficient through offering meals housing, and the gospel. In most cases, persons need to complete a program in preparation to re-enter the community and search for full time employment.

- **Visalia Rescue Mission** - a faith based recovery program has a 42 bed men's shelter and can accommodate 60 men as part of their overnight emergency services. Additionally, the Visalia Rescue Mission has one apartment; the Alpha House which is designated as transitional housing, accommodating 7 men. The Rescue Mission also has a short term women's shelter; Shelter of Hope. Here they offer emergency and transitional services for homeless single women and women with children. This rescue program is designated to help women and women with children transition from living on the streets to becoming self-sufficient through offering meals, housing, and the gospel.

3. Identify new Federal resources obtained from Homeless SuperNOFA.

In addition to receiving a \$1.1 million dollar award in 2008, the Continuum also received a total of \$348,739 in July 2010, for supportive housing units in Visalia.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

The City continues a strong partnership with the Continuum of Care. For a full report on the City's efforts to address homelessness, see page 8.

Emergency Shelter Grants (ESG) N/A

1. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).
2. Assessment of Relationship of ESG Funds to Goals and Objectives
 - a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.
 - b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.
3. Matching Resources
 - a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.
4. State Method of Distribution
 - a. States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients.
5. Activity and Beneficiary Data
 - a. Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.
 - b. Homeless Discharge Coordination
 - i. As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after

- being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.
- c. Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

CAPER ESG response: The City does not currently receive Emergency Shelter Grants

COMMUNITY DEVELOPMENT

Community Development

*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Assessment of Relationship of CDBG Funds to Goals and Objectives
 - a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.
 - b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.
 - c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

All CDBG funds were used to benefit very-low, low- and moderate-income persons or to aid in the elimination of slum and blight. The City of Visalia spent 100 percent of its CDBG funds to benefit low- and moderate-income individuals (minimum 70 percent is required).

2. Changes in Program Objectives
 - a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

The City of Visalia has not changed the CDBG program and continues to use CDBG funds to provide affordable housing, safe suitable living environments and economic opportunities primarily for low to moderate income families. There is always an ongoing need for CDBG funds to fulfill the objectives and needs of the community.

3. Assessment of Efforts in Carrying Out Planned Actions
 - a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.

The City of Visalia pursued all potential resources as indicated in the Consolidated Plan by working with developers, non-profits and other agencies to leverage a variety of funds for the construction and rehabilitation of affordable housing projects and programs, opportunities for low- and moderate-income people to become homeowners, assistance with rehabilitation, and through neighborhood preservation services.

- b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.

The City considers all requests submitted in writing. Requests are evaluated and taken into consideration within the guidelines of the Consolidated Plan. The City of Visalia certifies that it is administering the CDBG/HOME program in compliance with its Consolidated Plan and rules, regulations, and certifications required by HUD of its grantees.

- c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

No actions were taken to limit the implementation of the Consolidated Plan.

4. For Funds Not Used for National Objectives

- a. Indicate how use of CDBG funds did not meet national objectives.

All CDBG funds utilized met CDBG National Objectives.

- b. Indicate how did not comply with overall benefit certification.

CDBG funded activities met all requirements providing overall benefit to low- and moderate income persons.

5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property

- a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.

While several of the City’s affordable housing programs utilized CDBG funds for acquisition and rehabilitation, no permanent displacement occurred under any of these programs. The City did not utilize CDBG funds for demolish.

- b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.

Not Applicable

- c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.

Not Applicable

6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons
- a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.

Not Applicable

- b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.

Not Applicable

- c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.

Not Applicable

7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit
- a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.

Activities that do not fall within a category of presumed limited clientele requires Census Tract data that demonstrates it benefits a limited clientele at least 51% of whom are low- and moderate-income individuals.

8. Program income received
- a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.

The following table identifies Program Income by funding source not by activity.

2009/2010 CAPER EXPENDITURES						
		CDBG	HOME	TOTAL	UNITS	
SOURCES OF REVENUE:						
1	Cash - Beginning Balance	429,631	724,202	1,153,833		
2	Annual Grant Amount	1,227,349	564,001	1,791,350		
3	HOME matching funds - RDA Low/Mod			-		
4	Program Income	54,724	185,371	240,095		
5	Interest Earnings/Investment Earnings			-		
6	TOTAL REVENUE	1,711,704	1,473,574	3,185,278		

- b. Detail the amount repaid on each float-funded activity.

The City does not have any float-funded activities.

Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other. **Not Applicable**

c. Detail the amount of income received from the sale of property by parcel.

Not Applicable

9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:

a. The activity name and number as shown in IDIS; **Not Applicable**

b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported; **Not Applicable**

c. The amount returned to line-of-credit or program account; and

Not Applicable

d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.

Not Applicable

10. Loans and other receivables

a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.

There were no-float-funded activities.

b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.

Loan Portfolio						
<i>Month: June 2010</i>						
	Amortized		Deferred		Totals	
	\$	#	\$	#	\$	#
HOUSING REHABILITATION (HRP, ERBN)	700,216	30	1,483,288	89	2,183,504	119
RENTAL REHABILITATION (RRP)	108,432	5	-	-	108,432	5
HOMEBUYER'S ASSISTANCE (HAP) deferred for the first 5 years	912,997	54	3,559,153	77	4,472,150	131
Total	1,721,644	89	5,042,441	166	6,764,085	255

c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.

Loan terms vary from 20 to 30 years and/or until the property is sold or owner is deceased. The following table shows the number and principal balance owed on loans that are deferred.

OUTSTANDING HOUSING LOAN BALANCES		
	DEFERRED	
	\$	#
HOUSING REHABILITATION		
CDBG (961)	1,149,747	78
HOME (449)	301,081	10
EAST L/M (446)	32,460	1
SUBTOTAL	1,483,288	89
HOMEBUYER'S ASSISTANCE		
HOME VIAH (988)	2,568,571	44
HOME FTHB (486)	165,416	10
HOME FTHB (1156)	807,252	13
CAL HOME FTHB (1293)	17,913	10
Habitat (1320)	815,162	17
SUBTOTAL	3,559,153	77
GRAND TOTAL	5,042,441	166

- d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.

Currently, the City’s portfolio includes 3 CDBG loans that are currently delinquent totaling \$1,000. Typically, loans that are under three payments behind are monitored but are given the opportunity to work toward bringing their account current. No loans were written-off or forgiven in 2009/10.

OUTSTANDING HOUSING LOAN BALANCES		
	DELINQUENT	
	\$	#
HOUSING REHABILITATION		
CDBG (961)	1,000	3
SUBTOTAL	1,000	3

- e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

No CDBG funds were utilized to purchase property during the program year.

- 6. Lump sum agreements **(Not Applicable)**
 - a. Provide the name of the financial institution.
 - b. Provide the date the funds were deposited.
 - c. Provide the date the use of funds commenced.

- d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.
7. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year
 - a. Identify the type of program and number of projects/units completed for each program.
 - b. Provide the total CDBG funds involved in the program.
 - c. Detail other public and private funds involved in the project.
 - Senior Home Repair Minor Repairs (CDBG) – This program, administered by Community Services and Employment Training (CSET) assists senior citizens by addressing minor repairs to their home. Repairs may include plumbing repairs, cooler/air conditioning repairs, roof repairs, door & window repairs, and electrical repairs, flooring and carpentry repairs. In fiscal year 09/10, the City of Visalia allocated a total of \$91,000 and has expended \$91,000 to address 725 repairs. Additionally, CSET utilizes donated materials to further assist these seniors who are typically on a fixed income.
 - Mobile Home Senior Home Repair (CDBG) – This program, administered by Self-Help Enterprises allows extremely low and low-income senior citizens to make minor repairs to their mobile home. Assistance may include; re-roofing, heating and cooling repairs, handicap access, electrical and plumbing issues. In fiscal year 09/10 the City allocated a total of \$90,000. This year thus far, the City has assisted a total of 2 units and anticipates assisting at least 5 more. Additionally, Self-Help Enterprises utilizes other in-house programs to leverage the resources available to senior citizens who typically are on a fixed income.
 8. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies
 - a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

Not Applicable

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

Consolidated Plan Goal

Due to the need in addressing physical and social deterioration and related issues, the City, as part of a countywide effort, will continue to:

- Promote development of new jobs in skilled positions,

- Provide incentives to businesses to expand including job training and placement services,
- Support to the Continuum of Care for services to the homeless and people "at risk" of becoming homeless.

As of June 2010, the State of California Labor Market Information Center indicates that there is a 15.8% unemployment rate in the Visalia-Porterville Metropolitan Statistical Area, which is a 7.5% increase from last year, this month. The City continues to make unemployment a priority as it continues to increase efforts to improve the economic development and expansion opportunities city-wide. Included in these efforts is to provide assistance to businesses who will provide job retention and creation opportunities.

The City will also continue working with and supporting both private and non-profit agencies who serve to stabilize the job market. Some of these agencies include; the Workforce Investment Board, Economic Development Corporation, and the Chamber of Commerce. The City will also continue to support the Continuum of Care with efforts to move those that are homeless from emergency, to transitional, to affordable housing as well as support for agencies who provide homeless board.

The City believes that three of the greatest assets to meeting the needs of the underserved population are education, coordination of services and availability of resources. The City continues to address all of these areas by forging cooperative efforts with public and private organizations sharing a common mission of improving the quality of life for individuals eligible for HUD assistance. Agencies with whom we will continue to collaborate on housing, social services, employment and skills training, neighborhood revitalization and economic development include:

City of Visalia - Citizens Advisory Committee	City of Visalia Council
Community Services & Employment Training (CSET)	Continuum of Care
Family Services of Tulare County	Kings/Tulare Hispanic Chamber of Commerce
Habitat for Humanity	Kaweah Delta Health Care District
Manuel Hernandez Community Center	North Visalia Neighborhood Advisory Committee
Proteus, Inc.	Pro-Youth/Hearth Visalia
Real Alternative for Youth Organization (RAYO)	Salvation Army
Self-Help Enterprise	Tulare County Resource Management Agency
Tulare County Health & Human Services Agency	Tulare County Mental Health Association
Tulare County Association of Realtors	Visalia Chamber of Commerce
Valley Regional Center	Visalia Economic Development Corporation
Visalia Rescue Mission	Visalia Unified School District
Visalia Emergency Aid Council	Wittman Village Community Center
YWCA and YMCA	

The City will continue to pool its resources with these and other organizations to provide a continuum of services addressing the full range of needs of low and moderate-income

families of Visalia. The City will continue working to obtain additional funds from State and Federal sources for housing and community development projects.

NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).

The City provided Redevelopment Low Mod Set Aside Funds as a loan in the amount of \$342,687 to Kaweah Management Company to acquire and rehabilitate the property located at Encina and Oak. The triplex was acquired for the purpose of creating affordable housing to be utilized as “supportive housing” for persons with developmental disabilities. The grand opening was celebrated on September 8, 2009 and qualified tenants have moved in.

Specific HOPWA Objectives

Not Applicable

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

**City of Visalia
Agenda Item Transmittal**

Meeting Date: September 7, 2010

Agenda Item Number (Assigned by City Clerk): 14

Agenda Item Wording: 1) Authorize staff to pursue bond financing for the Animal Control Facility with Build America Bond or Tax-Exempt Bond Financing as appropriate; 2) authorize acceleration of Various Street Improvement Projects and 3) pursue bond financing options for Street Improvement Projects as appropriate

Deadline for Action: September 7, 2010

Submitting Department: Administrative Services/Administration/
Community Development

Contact Name and Phone Number:

Eric Frost, Administrative Services Director	713-4474
Mario Cifuentez, Airport Manager	713-4480
Adam Ennis, Engineering Services Manager	713-4323
Chris Tavarez, Management Analyst	713-4540

Department Recommendation

1) Authorize staff to pursue bond financing for the Animal Control Facility with Build America Bond or Tax-Exempt Bond Financing as appropriate due to low interest rates available and approve accompanying resolutions for approval and reimbursement; 2) authorize acceleration of Various Street Improvement Projects and 3) pursue bond financing options as appropriate for Street Improvements due to low interest rates, economic benefits and favorable bid environment.

Projects for consideration:

a) Animal Control Facility:	\$6 million
b) Various Street Improvements:	<u>\$8.75 million</u>
Total:	\$14.75 million

Background

Currently the United States, including the State of California and the City of Visalia are going through perhaps the most serious Recession since The Great Depression from 1929 to about 1942.

In an effort to help in these economic times, the President signed into law The American Recovery and Reinvestment Act (ARRA) of 2009. This legislation created the Build America Bond (BAB) Program, which authorizes state and local governments to issue BABs as taxable bonds in 2009 and 2010 to finance any capital projects that would otherwise be issued as Tax-

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
min.

Review:

Dept. Head EF 8/30/10
(Initials & date required)

Finance EF 8/30/10
City Atty AP 8/31/10
(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.

Exempt Governmental Bonds. The subsidy is in the form of a 35% taxable interest rebate to the City, which provides the ability to have an effective interest rate 35% lower than traditional taxable bonds. This provides a financing tool available to the City in addition to traditional Tax-Exempt Bond financing. Both of these bond financing tools can be done without prevailing wage requirements.

The deadline to have BABs issued is December 31, 2010. Due to this deadline, Staff is presenting this report to Council for consideration. Although Tax-Exempt Bonding has historically been the most accessible financing mechanism to the City, and is expected to continue to be available, the approaching deadline of the BAB Program will mean an end to a potential savings opportunity for the City and a potentially optimal time to provide a further boost to the local economy with more funding available for construction and acceleration of the above referenced Public Projects.

Discussion

Decision One – Bond Financing for Animal Control Facility

Staff is asking for Council to affirm staff’s work to have the Animal Control Facility (ACF) ready for construction as soon as possible and authorize pursuit of bond financing to help the City cover the costs. There are two choices that Council has for payment of the ACF: a) Payment from City Reserves (not recommended) and b) finance the payment over time with bond financing from the Build America Bond Program or Tax-Exempt Bond Financing as appropriate (staff recommends). In past discussion the Council has expressed support for the construction of the ACF and has appropriated some General Fund money for the design and initial project management of the project. Staff has been looking into funding for such, and at this point in time Staff believes bond financing may be the most appropriate way for payment.

Animal Control Facility

<i>Project Description</i>	<i>Scope</i>	<i>Estimated Costs (Design, ROW and Construction)</i>
Animal Control Facility	Design and construct Animal Control Facility (includes soft costs and construction costs)	\$6,000,000
	Total	\$6,000,000

Delivery Outlook

Currently, there is no other funding source for the Animal Control Facility besides payment from the City’s General Fund. A design consultant has begun work on the plans for the project. The General Fund would be the sole funding source for this project unless contributions can be garnered. **These costs represent only the City’s responsibility to provide animal control and do not include additional SPCA facility needs as may be requested for adoption, etc.** Staff considers this project an ideal candidate for bond financing and it is expected to be ready for construction by July 2011.

The financing options presented to Council include the BAB Program that provides opportunity for the City to save approximately \$27,000 annually versus conventional Tax-Exempt Bond Financing (see Table 1). Since the deadline to have these bonds issued is December 31, 2010, Staff is requesting Council’s authorization to pursue financing under the BAB Program due to this potential in savings. Analysis shows that should construction not be substantially underway within 12 months of bond issuance the benefit of the BAB Financing will be lost due to ‘negative carry’ on interest payments on an unused cash balance; however, with the current timeline on the project, staff believes this project is in a good position for the financing.

Table 1

ACF – Estimate for 30 Year Bond Comparison					
Principal Amount – \$6,000,000	Build America Bond		Tax-Exempt Bond	Difference	
Interest Rate		4.60%	5.20%	0.60%	
Estimated Annual Payment	\$	373,000.00	\$	400,000.00	\$27,000.00

Council’s authorization to pursue BAB Program financing for this project will trigger Staff to confirm construction can be substantially underway by December 31, 2011 or come back to Council with a request to pursue Tax-Exempt Bond Financing. Also, as this project continues to develop, Staff will bring back to Council to request final authorization for bond financing and be able to provide updated estimates of costs and potential to decrease the amount needed for financing.

Decision Two and Three-

(2) Accelerate Various Street Improvement Projects and (3) pursue appropriate bond financing

Staff recommends Council consider authorization to accelerate these projects and pursue appropriate bond financing to cover the costs. Other capital projects were considered that could benefit from cash advancement due to current low interest bond financing and found Various Street Improvements that could be done. During the last couple of years, construction bids throughout Tulare County, including within the City, have had bids come up to 40 percent lower than Engineer’s Estimates. With accelerated development of these projects, the design, project management and construction of these projects could help bring additional jobs to the local economy and may stimulate other economic growth that can directly benefit the City.

Making funding available with appropriate bond financing could bring many benefits to the City in a tough economic time. Although principal and interest payments would restrict future funding for projects in future years, the City could realize savings on these projects by harnessing potential savings from the current low bid environment. Now may be an optimal time for the City to realize these savings from the current low bidding environment and the direct and indirect economic benefits this project could bring.

The Street Improvement Projects listed below are not currently budgeted (2010/11 & 2011/12) and do not have a determined source of funding. However, should Council authorize acceleration of these projects, the City would benefit from their long-term traffic circulation benefits and economic development promotion and potential for temporary job growth.

If Council were to authorize the acceleration of these Street Improvements, Staff would begin acceleration of these projects and investigate further the most appropriate financing tool that the City could benefit from. For example, Table 2 shows the current estimated difference between BABs and Tax-Exempt Bonds, BABs could provide a savings of approximately \$40,000 annually. As with the Animal Control Facility, if the projects are not substantially underway within 12 months of bond issuance the benefit of a BAB versus a Tax-Exempt Project is lost due to the ‘negative carry’ of a note on hand that is not being used.

Table 2

Street Improvements – Estimate for 30 Year Bond Comparison			
Principal Amount – \$8,750,000	Build America Bond	Tax-Exempt Bond	Difference
Interest Rate	4.60%	5.20%	0.60%
Estimated Annual Payment	\$ 545,000.00	\$ 585,000.00	\$40,000.00

Current Projects and Staffing Consideration

Staff is currently working on near \$46 million in projects over the next two budget years. At current staffing levels, it will be necessary to add staffing (could be on contract for length of project) and have consultant help for delivery of the Street Improvements within 12 months or as soon as possible. The below outlined costs would be expected to pay for the design and delivery of the projects including staff and consultant time.

Street Improvements

<i>Project Description</i>	<i>Scope</i>	<i>Estimated Costs (Design, ROW and Construction)</i>
Tulare Avenue Extension	Lovers Lane to McAuliff Street	\$2,000,000
Santa Fe Construction	Houston Avenue to Riggins Avenue	\$3,000,000
Santa Fe Widening	K Avenue to Noble Avenue	\$2,500,000
New Signalized Intersection	Riggins Avenue/County Center Drive	\$250,000
New Signalized Intersection	Houston Avenue/Mooney Boulevard	\$250,000
New Signalized Intersection	Hurley Avenue/ Shirk Street	\$250,000
New Signalized Intersection	Court Street/Whitendale Avenue	\$250,000
New Signalized Intersection	Main Street/ Santa Fe Street	\$250,000
	Total	\$8,750,000

Delivery Outlook

None of these Street Improvement Projects are currently funded in the City's 2010/11 & 2011/12 Capital Improvement Budget. However, all of these projects are planned to be constructed within the next ten years contingent on available funding. Transportation Revenues primarily from Gas Tax/State Transportation Allocations, Measure R Local and Transportation Impact Fees would be eligible to finance such a bond issuance. Based on the adopted two year Capital Improvement Budget these revenue sources would not be able to fund these projects but could be re-appropriated in future years to support payment of principal and interest from bond financing for the life of the bond.

All of these projects are included in the City's Transportation Impact Fee (TIF) Program, however, the Transportation Impact Fee Fund is projected to have a negative cash balance at least until 2015. Until a time when the TIF Fund would have positive cash balance and be able to pay the full amount of the bond issue, Staff recommends the Gas Tax/State Transportation Fund (1111) contribute 75% and the Measure R Local Fund (1131) 25% of the bond principal/interest payment.

Bond Financing for the above listed Street Improvement Project will no doubt be helpful to the City in the immediate future in bringing jobs and promoting growth; however, capital project funding including street maintenance in the future will be more limited due to the need to support payment of a bond issue.

With new staffing and consultant support, it is initially believed all of these projects could be under construction within 12 months of bond issuance. None of the above listed Street Improvements have substantial land acquisition to be done or have any other identified issues that would delay design and construction.

Staff requests that Council consider approval of acceleration of this Various Street Improvements Project and authorize bond financing as appropriate. Upon approval Staff will pursue bond financing, if for any reason Staff foresees construction not being able to be substantially underway within 12 months, Staff would bring this project back to Council for Tax-Exempt Bond Financing.

Conclusion

Staff recommends:

- 1) Council authorize Build America Bond Financing or Tax-Exempt Bond Financing as appropriate for the Animal Control Facility - \$6 million of net bond proceeds
- 2) Council authorize acceleration of Various Street Improvements
- 3) For staff to pursue Build America Bond Financing or Tax-Exempt Bond Financing as appropriate for construction of the projects listed - \$8.75 million of net bond proceeds

A concurrent approval is recommended to be made for the City Manager to execute documents needed to initiate Bond Issuance/Underwriting up to a maximum allocation of \$16 million for the above two projects as authorized (cover estimated project costs and costs of bond issuance) or a decreased amount as otherwise designated by Council.

This decisions today are for directional purposes to authorize Staff to pursue 1) bond financing for the Animal Control Facility 2) accelerate construction of Various Street Improvements and 3) pursue bond financing for the Various Street Improvements. Council will have further opportunity to expand or restrict bond financing amounts and provide final approval as Staff takes the decisions made today to develop/solidify project delivery schedules and bond financing mechanisms.

Other Staff Considerations

Staff did look into whether Build America Bond or Tax-Exempt Bond Financing might be appropriate for the Waster Water Treatment Plant Expansion estimated to be about \$110 million. After recent discussion with officials at the State's Clean Water Revolving Fund Office, City Staff feels confident in the current plan to pursue financing at an effective interest of around 2.5% interest. Staff will continue to pursue this Clean Water Revolving Fund financing as previously authorized by Council.

Committee/Commission Review and Actions: None

Prior Actions: none

Alternatives:

- Not pursue Build America Bond Program Financing
- Pursue Tax-Exempt Financing
- Pay for Animal Control Facility from General Fund cash reserves
- Pay for Street Improvements in future as Transportation Fund balances allow

Attachments: Resolution of Approval: Resolution 2010-____
Reimbursement Resolution: Resolution 2010-____

Recommended Motion (and Alternative Motions if expected

1) I move to authorize Staff to pursue bond financing for the Animal Control Facility under the Build America Bond Program or Tax-Exempt Bonds as appropriate, approve the accompanying Reimbursement Resolution and authorize the City Manager to initiate and sign bond documents for net proceeds up to \$6 million.

2) I move to authorize staff to accelerate delivery of the Various Street Improvement Projects presented in this report.

And

3) I move to authorize Staff to pursue bond financing as appropriate for the Various Street Improvement Projects under the Build America Bond Program or Tax-Exempt Bonds and authorize the City Manager to initiate and sign bond documents for net proceeds up to \$8.75 million.

Environmental Assessment Status

CEQA Review: to be completed before construction

NEPA Review: not applicable

Copies of this report have been provided to:
N/A

**CITY OF VISALIA
RESOLUTION AUTHORIZING TO PURSUE BUILD AMERICA BONDS
IN AN AMOUNT NOT TO EXCEED \$16 MILLION
RESOLUTION NO. 2010-__**

BE IT RESOLVED by the Visalia City Council that the City Manager is hereby authorized and directed to sign and file, for and on behalf of the City of Visalia, any necessary documents for bond issuance, for pursuit of financing made available from the American Recovery and Reinvestment Act (ARRA) of 2009 in the form of Build America Bonds (BAB) to bond finance the following projects;

WHEREAS, that City Council approves that the bond financing will be filed for the planning, design, land acquisition and construction for projects listed as a) Animal Control Facility, and b) Various Street Improvements, or as otherwise approved at the City Council meeting conducted on September 7, 2010; and

WHEREAS, the City of Visalia hereby agrees and further does authorize the aforementioned representative or his/her designee to certify that the Agency has and will comply with all applicable state and federal statutory and regulatory requirements related to any financing or financial assistance received from the issuance of Build America Bonds; and

BE IT FURTHER RESOLVED that the City Manager or his/her designee of the City of Visalia is hereby authorized to negotiate, file, pay fees, and any amendments or change orders thereto and certify financing agreement disbursements for bond financing from the Build America Bond Program, on behalf of the City of Visalia.

City of Visalia
REIMBURSEMENT RESOLUTION
BUILD AMERICA BOND PROGRAM
RESOLUTION NO. 2010-__

WHEREAS, the City of Visalia (the "Agency") desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements for the Animal Control Facility, including related infrastructure (the "Project"); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the Build America Bond Program provided by the American Recovery and Reinvestment Act of 2009; and

WHEREAS, the Agency may fund the Project Funds with proceeds from the sale of obligations the interest upon which may be excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, THE AGENCY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

SECTION 1. The Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations.

SECTION 2. The reasonably expected maximum principal amount of the Project Funds is \$16,000,000.

SECTION 3. This resolution is being adopted no later than 90 days after the date on which the Agency will expend moneys for the portion of the Project costs to be reimbursed with Project Funds.

SECTION 4. Each Agency expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

SECTION 5. To the best of our knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt or other obligations have not been issued.

SECTION 6. This resolution is adopted as official intent of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

SECTION 7. All the recitals in this Resolution are true and correct and this Agency so finds, determines and represents.

AYES: _____ NOES: _____ ABSENT: _____

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Visalia City Council held on September 7, 2010

(Donjia Huffman, Deputy City Clerk)