



Last Resolution No. 16-998
Last Ordinance No. 16-320

REGULAR MEETING OF THE SOLVANG CITY COUNCIL

COUNCIL CHAMBERS
1644 OAK STREET

October 24, 2016
6:30 p.m.

Please be advised that, pursuant to State Law, any member of the public may address the Council concerning any item on the Agenda. Please be aware that Items on the Consent Calendar are considered to be routine and are normally enacted by one vote of the Council.

If you wish to speak on Items 4, 5, or 6 please do so during Public Communications.
Regular City Council meetings are broadcast live on **Channel 23** in the Santa Ynez Valley

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

CITY MANAGERS REPORT

1. PUBLIC COMMUNICATIONS – WRITTEN OR VERBAL

At this time, please direct comments to the City Council regarding Consent Calendar Items or matters NOT on the agenda but within the jurisdiction of the Council. (Speakers are limited to five (5) minutes).

2. COUNCIL COMMENTS AND REQUESTS

Comments and requests from City Council Members. No action will be taken at this meeting.

3. CORRESPONDENCE RECEIVED BY CITY COUNCIL

4. APPROVAL OF AGENDA AS PRESENTED

5. CITY COUNCIL MINUTES OF OCTOBER 10, 2016

Approval of Draft Minutes.

6. CONSENT AGENDA

- a. Receive and file Sheriff's Department Report for September 2016
- b. Authorize the Mayor to execute the Agreement for Land Development Improvements for the Merkantile (Valley Plaza) Redevelopment project.

- c. Marijuana Urgency Ordinance Time Extension
 1. Adopt Resolution No. 16-___, extending the previously adopted Urgency Ordinance 16-319 until September 12, 2017.

REGULAR AGENDA

7. PARKING IN-LIEU FEE PROMISSORY NOTE, 478 FOURTH PLACE

Approve and authorize City Manager to execute the Promissory Note for Parking In-Lieu fees for two (2) required spaces for the project located at 478 Fourth Place known as K'Syrah Catering.

8. STATUS UPDATE FOR ECONOMIC DEVELOPMENT STRATEGIC PLAN

- a. Review status of Economic Development Strategic Plan;
- b. Accept list of completed projects and provide direction regarding remaining projects;
- c. Adopt Resolution No. 16-___ setting forth City policies regarding Economic Development; or
- d. Provide alternate direction to staff.

9. FIRST READING OF PROPOSED AMENDMENT TO THE ZONING ORDINANCE, TITLE 11 OF THE MUNICIPAL CODE, TO PROVIDE REGULATIONS FOR SHORT TERM/VACATION RENTALS

- a. Review proposed amendments to Title 11 of the Municipal Code, to provide Regulations for Short Term/Vacation Rentals; and
- b. Introduce for first reading by title only for amendments to Title 11; and
- c. Accept the Exemption to the California Environmental Quality Act pursuant to CEQA Section 15061; or
- d. Provide alternate direction to staff.

10. SECOND READING OF ORDINANCE AMENDING CONTRACT BETWEEN THE CITY OF SOLVANG AND THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM BOARD OF ADMINISTRATION

Adopt on second reading, by title only, Ordinance 16-___, an Ordinance of the City Council of the City of Solvang Authorizing an Amendment to the Contract between the Council of the City of Solvang and the Board of Administration of the California Public Employees' Retirement System.

11. FUNDING RECOMMENDATION FOR AWARD OF BID FOR SOLVANG FIRE STATION ADDITION

- a. Approve ad hoc committee recommendation to reallocate \$113,000 of Indian Gaming funding from the Alamo Pintado Bicycle Bridge Project to the Fire Station 30 expansion;
- b. Award bid to J&P Construction for \$171,499 including \$10,000 contingency; and
- c. Approve budget adjustment to facilitate the change.

12. COUNCIL MEMBER REPORTS (Oral reports: Each Council Member will give oral reports on their activities in relation to the following committee or agencies. In addition, each member may report on items that will be included on the agenda for such committee or agency and seek guidance from the Council as a whole on such items, including on what position to take on behalf of the City)

- Santa Barbara County Association of Governments
- Air Pollution Control Board
- Joint Wastewater Committee
- Finance Committee
- Chumash Tribe
- Indian Gaming Benefit Committee
- California Joint Powers Insurance Authority

13. ADVANCE CALENDAR

Informational Calendar – No Action.

14. ADJOURNMENT

Copies of staff reports and supporting documentation pertaining to each item on this agenda are available for public viewing and inspection at City Hall, 1644 Oak Street, Solvang, during regular business hours and on the City's website www.cityofsolvang.com, in addition, any writings relating to an open session agenda item provided to a majority of the Council that is distributed within 72 hours of the meeting, after the posting of the agenda, will be identified and available separately at City Hall and may be posted to the website.

In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of Administrative Services at 688-5575 or the California Relay Service. Notification 48 hours prior to the meeting would enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Veggie Rescue

Nourishing our Community



Executive Director
Amy Derryberry

Secretary
Kellie Delaney

Board of Directors

Chairman
Terry Delaney

Treasurer
Erica Holten

Directors

Bethany Markee

Mark Overduin

Monica Scafide

Bob Williams

City of Solvang
Sandra Featherson
Director of Administrative Services
1655 Oak Street
Solvang, CA 93463

September 3rd, 2016

Dear Council Members,

From all of us at Veggie Rescue we would like to thank you for your generous support of \$6,000 received on 8/18/2016. You have entrusted us with funds and we will use this money very wisely to help our community.

Veggie Rescue has had a very productive year. Our gleaning and delivery totals are up almost 25% over the totals for last year. We have hit a milestone of over one half a million pounds of produce delivered! In the five years we have been in existence, we have gleaned and delivered an all-time total of over 519,438 pounds of fruits, vegetables and baked goods, thanks to our generous local farmers! This equates approximately \$760,276 in food cost savings for our local charities and schools. More importantly, the nutritional value to our community is priceless.

We have helped these groups stretch their food budgets even as the food they serve is healthier and tastes better. People of all ages have benefitted from the labor and skill of our local farmers. Our community has found a way to take better care of one another.

We could not be so successful without the continued support of you and other members of our community including our farmers. They understand that the food they donate to us is delivered directly to the kitchens of our schools and organizations who serve our community members most in need, namely our children and our seniors, as well as our families who are living with food insecurity.

SYVFVR is a 501(c)(3) non-profit organization and your donation is tax deductible, to the extent of the law, tax ID # 45-1797788. No goods or services were given in exchange for your donation.

Thank you again for your support.

Amy Derryberry
Executive Director

SYV Fruit & Vegetable Rescue

A California Non-Profit Corporation and 501(c)(3) Organization

P.O. Box 1651 Santa Ynez, CA 93460 · 805-350-9154 · www.veggierescue.org · info@veggierescue.org



1511-B Mission Drive
Solvang, CA 93463
wildlingmuseum.org
805.688 1082

BOARD OF DIRECTORS

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VICE PRESIDENT
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Suzanne Mellichamp
Rod Nash
Alexander Power
Richard Sanford
Thekla Sanford

September 29, 2016

City of Solvang
Brad Vidro
1644 Oak Street
Solvang, CA 93463

Dear Brad,

The Board of Directors of the Wildling Museum wishes to thank you for your continued support of the museum and your recent grant of \$1500.

Thanks to supporters like you, we can continue to have quality exhibitions like our upcoming shows in October: *The Places of the Heart* exhibition and sale by the wonderful artists of and *The Nature of Wood* featuring the artworks of local woodworkers, along with an amazing photography show by David Paul Bayles called *Trees in Transition*.

We appreciate your generosity and support of the museum. We can't do our work without you!

Gratefully yours,

A handwritten signature in cursive script that reads "Suzi Schomer".

Suzi Schomer
President
Board of Directors

RECEIVED
OCT - 3 2016
CITY OF SOLVANG



1511-B Mission Drive
Solvang, CA 93463
wildlingmuseum.org
805.688.1082

September 15, 2016

RECEIVED
OCT - 5 2016
CITY OF SOLVANG

City of Solvang
Brad Vidro
1644 Oak Street
Solvang, CA 93463

BOARD OF DIRECTORS

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Suzanne Mellichamp
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Richard Sanford
Thekla Sanford

Dear Brad,

On behalf of the Board of Directors of the Wildling Museum I want to thank you for your recent grant in the amount of \$1500, received on 9/15/2016 in support of our Solvang community exhibits.

Your generous contribution will allow the Wildling to continue providing an inspiring diversity of high quality exhibitions and year-round educational programs for all ages.

Mark your calendar for October 7th and join us as we put the "art" in "party" for this year's fall fundraiser! Be among the first to see *Places of the Heart*, an art exhibition and sale by the wonderful artists of SCAPE. The exhibit will celebrate beloved places in our local and tri-county landscape.

Again, on behalf of everyone at the Wildling, thank you for your support. We hope to see you often in the coming months.

Sincerely,

Many thanks!

Stacey Otte-Demangate
Executive Director
806-686-8216
stacey@wildlingmuseum.org

The Wildling Museum is a 501(c)(3) public benefit non-profit corporation (Tax ID #77-0470520). Your donation is fully deductible to the extent allowed by law. No goods or services were provided, in whole or in part, in consideration for this gift.



MINUTES OF THE REGULAR MEETING OF THE
SOLVANG CITY COUNCIL

Council Chambers
1644 Oak Street
Solvang, CA 93463

October 10, 2016
Monday
6:30 pm

CALL TO ORDER: Mayor Richardson called the meeting to order at 6:30 p.m.

ROLL CALL:

PRESENT: Mayor Richardson, Council Members Duus, Skytt, and Zimmerman

ABSENT: Council Member Jamieson

STAFF: Arleen T. Pelster, Acting City Manager; Roy Hanley, City Attorney;
Matt van der Linden, Public Works Director; Lt. Shawn O'Grady; and Lisa S.
Martin, City Clerk

PLEDGE OF ALLEGIANCE: Led by Council Member Duus

PRESENTATIONS

Mayor Richardson presented a proclamation recognizing October as Energy Awareness Month to Dave Cross of PG&E and Santa Barbara County EnergyWatch.

CITY MANAGERS REPORT: Informational report only

1. **PUBLIC COMMUNICATIONS – WRITTEN OR VERBAL**

Tracy Farhad, Executive Director of SCVB

- Updates on tour companies, Christmas trees, and a new Amtrak promotion.
- This year is the 25th Anniversary of the Taste of Solvang.

Scott Cory, SYHS District Superintendent and Member of the Solvang Chamber of Commerce

- Referring to the school bond measure on the ballot in November, there is a town hall meeting in the library tomorrow at 6:00 p.m.
- The high school provides the most used community center in the Valley, and the swimming pool is a community pool in the summer.

Fred Kovol, Solvang Resident

- Likes the SCVB Crisis Communication Plan and pointed out that on the last page it discusses a zip code alert site.
- Would like his comments from the last meeting corrected on the last page of the meeting minutes to change the word “bypass” to “buy back.”
- Provided an update on water in Lake Cachuma.

Jeff Paaske, SCVB

- Commented on the team members of the Crisis Communication Plan and the purpose of the document.

Karen Waite, Solvang Resident and Candidate for City Council

- Reminded the public of the candidate forum/debate at Bethania Church at 6:30 p.m. Thursday, October 13th.

Tracy Beard, President of the Solvang Chamber of Commerce

- Reiterated information regarding the candidate forum after the Chamber Mixer at Bethania Lutheran Church on October 13th.

Ryan Toussaint, Solvang Resident and Candidate for City Council

- His votetoussaint.com website has an area for comments on which he received a complaint about the noise from the concrete plant.

2. **COUNCIL REQUESTS**

Council Member Zimmerman requested that the public restrooms be cleaned twice a day on the weekends as they were very dirty.

Council Member Skytt requested that the Sheriff's Department have a discussion with City representatives relating to response to an active shooter.

Mayor Richardson requested that the Water Ad Hoc Committee with ID#1 reconvene.

3. **CORRESPONDENCE RECEIVED BY COUNCIL**

Letter dated September 26, 2016 from the Solvang Retailers Association.

Mayor Richardson opened the item for public comment at 7:10 p.m.

Kemal Turkkan, Business Owner (Esko Esko) and Solvang Retailers Association

- Not happy that a City employee who did not identify himself removed a decorative bunting from his building and told his employee that it could not be displayed.
- Does not think it is a crime to display the Flag of the United States.

Karen Waite, Board of Architectural Review Member

- Sat on the BAR that night when it was decided that Esko should remove all but two of the American Flags at his business and was the only dissenting vote. Being from a military family it killed her to sit on the board when it made that decision.
- Would like the sign ordinance to be reexamined relating to flags.

There is consensus to bring the subject back as a discussion item on the next Council agenda.

4. **APPROVAL OF AGENDA AS PRESENTED**

Item 6f should be continued at the request of staff.

5. **CITY COUNCIL MINUTES OF SEPTEMBER 26, 2016**

*Motion made by Council Member Duus to approve the minutes with the change to Fred Kovol's comment on Page 6, seconded by Council Member Skytt, and **carried** with a verbal response of 4 ayes (Council Member Jamieson absent).*

6. **CONSENT AGENDA**

- a. Approval of Warrant Register
- b. Receive and File the Fire Department Quarterly Report for July – September, 2016
- c. Receive and File the Solvang Conference & Visitors Bureau Crisis Communication Plan
- d. Accept the Pavement Maintenance Project as complete and direct the City Manager to execute and record the Notice of Completion
- e. Second Reading, by title only, of Proposed Amendment to Title 4 Chapter 10 amending Regulations for Massage Establishments
 1. Accept the Exemption to the California Environmental Quality Act pursuant to CEQA Section 15061 and adopt Ordinance No. 16-320, on second reading by title only, an Ordinance of the City Council of the City of Solvang amending Title 4
- f. Authorize the Mayor to execute the Agreement for Land Development Improvements for the Merkantile (Valley Plaza) Redevelopment project.

Council Member Duus pulled Item 6c.

*Motion to approve consent agenda items 6a, b, d, and e and to table item 6f made by Council Member Skytt, seconded by Council Member Duus, and **carried** with a roll call vote of 4-0-1.*

Council Member Duus commented that he had read the Crisis Communication Plan and likes it. Often times the media will create a crisis situation where there is none. This plan will ensure that accurate information is submitted to the media and may reduce the impact to tourism.

Mayor Richardson opened the item for public comment at 7:24 p.m. and, seeing none, closed the item.

*Motion made by Council Member Duus to accept item 6c, seconded by Council Member Skytt, and **carried** with a roll call vote of 4-0-1.*

REGULAR AGENDA

7. **PARKING IN-LIEU FEE PROMISSORY NOTE, 478 FOURTH PLACE**

The applicant is not in attendance. The item is moved to the end of the agenda. Motion is made after hearing Item 8.

*Motion made by Council Member Duus to continue the item to the next meeting at the recommendation of staff, seconded by Council Member Skytt, and **carried** with a roll call vote of 4-0.*

8. **PROFESSIONAL SERVICES AGREEMENT – ENGINEERING SERVICES FOR WELL 22 UPGRADE PROJECT**

Staff report by Matt van der Linden, Public Works Director.

Council Member Zimmerman questioned whether the costs for engineering services were fair. Matt van der Linden explained that this project includes a disinfection facility that a previous contract did not because the City was fully staffed, and therefore the contract amount was reasonable.

Mayor Richardson steps down due to a 500 foot conflict.

Mayor Pro Tem Duus opened the item for public comment at 7:29 p.m. and, seeing none, closed the item.

*Motion made by Council Member Zimmerman to approve the professional services agreement, seconded by Council Member Skytt, and **carried** with a roll call vote of 3-0-1 with Mayor Richardson not participating.*

9. COUNCIL MEMBER REPORTS (Oral reports: Each Council Member will give oral reports on their activities in relation to the following committee or agencies. In addition, each member may report on items that will be included on the agenda for such committee or agency and seek guidance from the Council as a whole on such items, including on what position to take on behalf of the City)

- Santa Barbara County Association of Governments
- Air Pollution Control Board
- Joint Wastewater Committee
- Finance Committee
- Chumash Tribe
- Water Committee
- Indian Gaming Benefit Committee
- California Joint Powers Insurance Authority

10. ADVANCE CALENDAR

Information only, no action.

11. ADJOURNMENT Mayor Richardson adjourned the City Council meeting at 7:30 p.m.

MEMORANDUM

Date: October 17, 2016
To: Solvang City Council
From: Senior Deputy Charlie Uhrig
Subject: Solvang Statistics and Activity Report for September
CC: Lt. Shawn O'Grady



This statistics report is designed to provide a general overview of law enforcement activity in the City of Solvang for the month of September. The report highlights and describes patterns of activity, significant felonies in the city, and noteworthy performances by deputies assigned to the Solvang station.

Burglary:

One attempted burglary was reported in Solvang during the month of September.

On 09-03-16 (**case 16-12880**), Solvang Patrol responded to a report of an attempted burglary at a local business in the 1600 block of Fir Avenue. The victim was contacted and said the following: sometime during the previous 24 hours' unknown suspect(s) had attempted to drill the lock on one of two change machines located inside the business. Deputies observed the two machines and saw minor drilling damage to one of the locks. The lock was not breached and the damage to the machine was minimal. The owner did not have any suspect(s) or witnesses to the attempted burglary, but did have video surveillance of the business which would be available to view at a later date. The owner said he would get the video to deputies as soon as possible.

A couple of days later, the owner sent images of two suspects, one male and one female, to the investigating deputy. The suspects faces were hidden by their clothing, making identification difficult. Clothing descriptions of the suspects were sent out to other Sheriff's deputies and to neighboring agencies. The case is suspended pending further leads, and identification of the suspect(s).

Other Significant Activity:

During the month of September deputies conducted 65 traffic stops which resulted in 15 citations written for various offenses, including 5 moving violations. There were 14 calls for alarms and 3 calls for 9-1-1 follow ups. In addition, there were 10 traffic related investigations during the month of September. There were no coroner cases reported in Solvang during the month of September.

On 09-13-16 (**case 16-13397**), Deputies were dispatched to a report of defrauding an innkeeper in the 1500 block of Mission Drive. Dispatch broadcast a description of the two suspects, suspect vehicle, and a license plate of the vehicle. Responding deputies located the vehicle, parked, and contacted the two occupants. During the subsequent investigation it was learned the adult male passenger was on parole, and also on County probation. A Probation search was conducted and a marijuana pipe, along with a stolen check was found in the suspect's pocket. Also during the search, several social security cards, a credit card, and an identification card, all belonging to others, was found inside of his wallet. The suspect denied knowing anything about this property and claimed he was holding it all for a friend. Ironically, the credit card had been reported stolen from the mailbox of a local deputy. This suspect was arrested for **felony** possession of stolen property, possession of a stolen check, possessing bank account information of others without permission, and probation violations. He was transported and booked into County Jail. The female was cited for defrauding an innkeeper, and released at the scene.

On 09-17-16 (**case 16-13615**), Solvang Patrol responded to the 1600 block of Oak Street to check the welfare of a dog locked in a hot car. Upon arrival, the deputy saw the large dog locked inside the vehicle, and was able to give water to the thirsty dog, through the slightly open windows. During the subsequent investigation, the driver was located and cited for leaving an animal unattended inside a locked motor vehicle. The dog was hot but otherwise unharmed.

On 09-19-16 (**case 16-13697**), Solvang Patrol stopped a vehicle for an observed violation. During the subsequent investigation, it was learned the driver did not have a driver's license in his possession. It was also learned the subject was in possession of a small amount of a white powdery substance, which tested positive for cocaine. The driver was arrested for **felony** possession of an opiate, and cite released on scene.

Murder:

No murders were reported in Solvang for the month of September.

Rape:

No rapes were reported in Solvang for the month of September.

Robbery:

No robberies were reported in Solvang during the month of September.

Domestic Assault/Assault:

There were no cases of domestic violence reported for the month of September. There was one possible child abuse and one elder abuse case reported for the month of September, along with one felony assault reported in Solvang.

On 09-18-16 (**case 16-13655**), Solvang Patrol was dispatched to investigate a report of loud music. Upon arrival, deputies parked down the street and walked in to better hear the music. As they approached the house they could hear a faint sound of music coming from the rear of the residence. As they neared the backyard it was determined the music was coming from an open door at the back of the residence. The deputies looked over the block wall and observed an adult male subject standing in the open doorway of the residence. Deputies used a flashlight to illuminate the subject and gain his attention while shouting "Sheriff's Department." The subject initially acknowledged the deputies and started to walk out of the residence. But then he yelled something at them and threw a glass beer bottle towards them, shattering it on the block wall. The deputies again attempted to identify themselves to the subject, who grabbed a chair and swung it over the wall, barely missing them. After a short, tense stand-off, and some assistance from family members, deputies were able to take the subject into custody without further incident. He was arrested for **felony** assault with a deadly weapon, transported and booked into County jail.

Grand Theft:

No grand thefts were reported in Solvang during the month of September.

Auto Theft

No thefts of an auto were reported in Solvang during the month of September.

Misdemeanors/Thefts:

There was one vandalism case, and one petty theft reported during the month of September.

Arrests:

During the month of September, deputies made a total of 14 arrests, including 3 felony arrests. These arrests also included the following types of Misdemeanor arrests: 4 for DUI, 3 for Public Intoxication and 2 for Narcotics.

On 09-13-16 (**case 16-13397**), Deputies were dispatched to a report of defrauding an innkeeper in the 1500 block of Mission Drive. Dispatch broadcast a description of the two suspects, suspect vehicle, and a license plate of the vehicle. Responding deputies located the vehicle, parked, and contacted the two occupants. During the subsequent investigation it was learned the adult male passenger was on parole, and also on County probation. A Probation search was conducted and a marijuana pipe, along with a stolen check was found in the suspect's pocket. Also during the search, several social security cards, a credit card, and an identification card, all belonging to others, was found inside of his wallet. The suspect denied knowing anything about this property and claimed he was holding it all for a friend. Ironically, the credit card had been reported stolen from the mailbox of a local deputy. This suspect was arrested for **felony** possession of stolen property, possession of a stolen check, possessing bank account information of others without permission, and probation violations. He was transported and booked into County Jail. The female was cited for defrauding an innkeeper, and released at the scene.

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Monthly Activity Report for September

This is the September end of the month report from the Solvang Community Resource Deputy. It highlights all the activities, meetings, and presentations by the Community Resource Deputy for the month of September.

MEETINGS:

On September 7, I met with SYHS Staff to discuss student laws and ordinances.

On September 9, I met with Lt O'Grady and some local residents at the Lompoc station.

On September 13, I teleconferenced with Max Hanberg and Donna Ineman, regarding the Danish Days and Children's parade.

On September 14, I met with Mission Santa Ines staff regarding recent incidents on the property.

On September 15, I met with Solvang PW staff to discuss the upcoming Danish Days events.

On September 20, I met with a volunteer of the Danish Days parade, regarding an incident during the parade.

On September 21, I met with the other party regarding the incident during the parade.

On September 27, I attended a City Staff meeting.

PRESENTATIONS:

One presentation was given in the month of September.

On September 7, I did a presentation on "Juvenile Laws and Ordinances" for students of the Santa Ynez Valley Niels Brock Campus. The presentation was at The Elverhoj Museum and about 40 people were in attendance.

ACTIVITIES:

On September 7, 8, 12, and 15, I worked a Solvang Patrol detail around Solvang School.

On September 8 and 10, I worked security details at the Vets Hall.

On September 10, I worked a security detail at the SYHS Luau Dance.

On September 14 and 26, I worked security details for the Courts.

On September 16, 17, and 18, I coordinated and worked traffic details for the Danish Days Torchlight parade, Danish Days parade, and Children's parade. We had a few medical emergencies before and during the Saturday parade, as well as an incident involving one of our parade volunteers after the parade. Attendance seemed to be down for the main parade and Children's parade, possibly attributed to the hot weather.

On September 23, I assisted with a traffic detail for the Chumash Elder Walk.

On September 26, I coordinated the Sheriff portion of the Mayor for the Day. This included a tour of the station and a Ride-A-Long with the Solvang Patrol Deputy.

On September 28, I attended two trainings; one for the Project Lifesaver Program, and the other for our Pursuit Policy Training.

On September 30, I worked a security detail for the Valley-wide Dance. We had our largest attendance ever, with about 375 kids coming to the dance. No incidents to report.

CITY OF SOLVANG STATISTICS 2016

ACTIVITY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD Total
Log Entries	255	282	317	340	423	351	452	410	420				3250
OAI Reports	45	35	34	33	65	51	54	52	47				416
Trfc Invest.	10	5	10	13	9	7	9	9	10				82
Coroner	0	0	0	2	1	0	0	0	0				3
Burglaries	4	1	2	1	0	4	6	2	0				20
Attempts	0	0	0	1	0	1	0	0	1				3
Residential	1	0	0	0	0	1	1	2	0				5
Vehicle	2	0	2	0	0	1	5	0	0				10
Commercial	1	1	0	1	0	2	0	0	0				5
Other	0	0	0	0	0	0	0	0	0				0
Felonies	3	5	1	4	3	7	2	4	3				32
Murder	0	0	0	0	0	0	0	0	0				0
Rape	0	0	0	0	0	0	0	0	0				0
Robbery	0	0	1	0	0	0	0	0	0				1
Assault	1	1	0	0	1	2	0	1	1				7
Grand Theft	1	1	0	0	0	3	0	2	0				7
Auto Theft	0	0	0	0	0	1	0	0	0				1
Other	1	3	0	4	2	1	2	1	2				16
Misd./Thefts	7	1	2	3	3	5	7	2	2				32
Arrests	12	7	3	8	16	13	14	9	14				96
Misd.	9	3	2	4	13	9	10	7	11				68
Felony	3	4	1	4	3	4	4	2	3				28
DUI	4	2	1	0	2	1	0	1	4				15
Public Intox.	0	0	0	2	4	2	8	2	3				21
Narcotic	1	1	1	1	2	1	2	0	2				11
Citations	5	8	10	14	23	16	13	17	15				121
Moving	1	0	1	5	4	2	4	7	5				29
Equipment	4	3	1	2	1	4	3	4	3				25
Other	0	4	8	6	16	6	5	5	7				57
Parking	0	1	0	1	2	4	1	1	0				10
Viborg Rd.	0	1	0	2	0	0	1	2	1				7
Skate Park	0	0	0	0	0	0	0	0	0				0



**CITY COUNCIL
STAFF REPORT/CONSENT AGENDA**

TO: SOLVANG CITY COUNCIL MEMBERS

FROM: Matt van der Linden, Public Works Director/City Engineer

MEETING DATE: October 24, 2016

DATE PREPARED: October 14, 2016

**SUBJECT: LAND DEVELOPMENT AGREEMENT FOR MERKANTILE
(VALLEY PLAZA) REDEVELOPMENT PROJECT**

I. RECOMMENDATIONS:

Authorize Mayor to execute Agreement for Land Development Improvements for the Merkantile (Valley Plaza) Redevelopment Project.

II. BACKGROUND:

On April 4, 2016, the Planning Commission approved the Development Plan for the Merkantile (Valley Plaza) Redevelopment Project, and adopted the Mitigated Negative Declaration for the Project. The Project adheres to permitted uses within the C-2 zone district as outlined in Chapter 7 of the Zoning Regulations, Title 11 of the City of Solvang Municipal Code. Planning Staff found the Project to be consistent with General Plan policies.

The property owners Development Plan requested approval to reconfigure and reconstruct the existing Valley Plaza shopping center comprising 39,282 square feet (SF) and two apartment units, and rebuild a new shopping center comprising 41,429 SF commercial retail space and eight one-bedroom residential units on a 3.9 acre property zoned C-2, and to adopt the Mitigated Negative Declaration (MND) pursuant to State Guidelines.

The project includes the following public improvements: new water services and fireline connections, new driveway approaches with ADA compliant sidewalk, and realignment of existing public storm drain improvements.

III. DISCUSSION:

All conditions necessary for the Merkantile (Valley Plaza) Redevelopment Project have either been met or are in progress to the satisfaction of staff.

Agreement for Land Development Improvements: The Agreement for Land Development Improvements requires the developer to complete all site grading, construct all public improvements, and provide surety in the form of bonds, cash, or Letter of Credit to ensure completion of those improvements. The necessary bonds have been submitted by the developer and are on file with the City's Administrative Services Director.

IV. ALTERNATIVES:

None.

V. FISCAL IMPACT:

None.

VI. ATTACHMENTS:

Agreement for Land Development Improvements

RECORDING REQUESTED BY

City of Solvang

AND WHEN RECORDED MAIL TO

City of Solvang
1644 Oak Street
Solvang, CA 93464

No Fee Per Government Code 6103

Revised Form 07/11/01

APNs 139-540-051 & 139-540-052

CITY OF SOLVANG

County of Santa Barbara, California

AGREEMENT FOR LAND DEVELOPMENT IMPROVEMENTS

PROJECT IDENTIFICATION: **Merkantile (Valley Plaza) Redevelopment Project**

THIS AGREEMENT is between the City of Solvang, a municipal corporation, hereinafter referred to as "City", and **1980s Old Mission Drive, LLC**, hereinafter referred to as "Developer", and is dated **October 24, 2016**.

Developer is the owner of land situated in the City, generally known and described in **Exhibit "A"**, attached hereto. Developer proposes to do and perform certain work of improvement thereon as hereinafter set forth; and

City desires to assure that said proposed improvements will be done in good workmanlike manner and in accordance with all ordinances and laws now in force and effect in the City, the terms and conditions of which are incorporated herein by reference. Developer declares that it is familiar with the regulations contained in said laws and agrees to comply therewith.

WHEREAS, onsite and offsite improvement plans have been prepared in accordance with the provisions of the City Municipal Code and have been filed by the Developer with the City and reviewed by the City, said plans are identified as:

- A. Merkantile Onsite Grading (& Private Drainage) Plans,**
- B. Merkantile Erosion Control Plans,**
- C. Public Storm Drain Improvements for the Merkantile Project,**
- D. Public Street Improvements for the Merkantile Project,**
- E. Public Water Improvements for the Merkantile Project, and**
- F. Highway 246 (Mission Drive) Street Improvements.**

NOW THEREFORE, in consideration of the review and acceptance by the City of said improvement plans, bond estimates and the covenants herein contained, the parties hereto mutually covenant and agree that the Agreement for Land Development Improvements shall include the following numbered paragraphs: All paragraphs 1 through 21.

1. General Requirements

Developer shall, at its own cost and expense, complete all of the improvements hereinafter referred to in a good and workmanlike manner in accordance with all adopted City/County standards and all applicable laws, rules and regulations, to the satisfaction of the City Engineer at an estimated cost of: **\$879,359** for improvements (grading, retaining walls, storm drain system improvements, street improvements (asphalt paving, curb & gutter, driveway approaches, sidewalk, etc.), and water system improvements, including any cost of checking and inspection which is the estimate of the City Engineer. The time for completion may be extended by the City Engineer in writing for good cause shown by the Developer. The estimated cost of said improvements shall be for bonding purposes only and shall not limit Developer's obligation and promise to complete said developments, as herein provided. Said improvements shall be those required by all the terms, provisions, conditions, plans and approvals set forth by the Planning Commission and/or the City Council (collectively "approvals").

2. Definition and Ownership of Improvements

The term "improvements" means and includes all grading, retaining walls, erosion control measures, paving, curbs and gutters, driveway approaches, sidewalks, pathways/bikeways, storm drain system, water system, sanitary sewer system, utilities, street lights, traffic safety devices, ornamental "street trees", landscaping and landscaping maintenance that are shown upon said plans, which Developer agrees to complete in accordance with City standards. The cost of checking and construction inspection shall be paid by Developer. All public improvements constructed or installed pursuant to this agreement shall become the sole exclusive property of the City, without payment thereof, upon acceptance of said improvements by the City.

3. Time of Completion

All of said improvements shall be completed within eighteen (18) months of Agreement date, or prior to final occupancy clearance for Building B, whichever is sooner. In the event that Developer fails to complete the improvements within the time specified herein or to maintain the same as provided in the plans, the City may complete said work and Developer promises to pay the City the full cost and expenses thereof or City may recover the same from the surety as hereinafter provided, including reasonable attorneys' fees. The City may require Developer, or his surety, to pay the City in advance, sufficient moneys to cover City's cost in completing construction of said improvements.

4. Surety Bonds

(a) Form of Security. Prior to the recordation of this Agreement, Developer shall file with the City a bond or bonds by one or more duly authorized corporate securities to secure the faithful performance and for the security of laborers and material men offered in conjunction with the improvements required hereunder. Such security shall be in one of the following forms, at the option of, and subject to the approval of the City:

(i) A bond or bonds by one or more duly authorized corporate sureties;

(ii) A deposit, either with the City or a responsible escrow agent or trust company, at the option of the City, or money or negotiable bonds of the kind approved for securing deposits of public moneys; or

(iii) An instrument of credit from one or more financial institutions subject to regulation by the state or federal government, pledging that the funds necessary to carry out the act or agreement are on deposit and guaranteed for payment.

(b) Amount of Security. The improvement security shall be in the amount set forth as follows:

(i) An amount which equals one hundred percent (100%) of the total estimated cost of the improvement or of the act to be performed, as specified in Section 1 of this Agreement, conditioned upon the faithful performance of the act or agreement.

(ii) An additional amount which equals one hundred percent (100%) of the total estimated cost of the improvement or performance of the required act, as specified in Section 1 of this Agreement, securing payment to the contractor, his subcontractors and to persons furnishing labor, materials or equipment to them for the improvement or the performance of the required act.

(iii) An additional amount which equals fifteen percent (15%) of the total estimated cost of the improvement or act to be performed, as specified in Section 1 of this Agreement, to guarantee and warranty the work for a period of one (1) year following the completion and acceptance thereof against any defective work or labor done or materials furnished (to be provided upon completion and acceptance of improvements by the City).

(c) Release of Security. The improvement security required hereunder shall be released in the following manner:

(i) Security given for faithful performance of any act or agreement shall be released upon the final completion and acceptance of the act or work subject to the provisions of Subsection (ii) below.

(ii) The Director of Public Works may release a portion of the security in conjunction with the acceptance of the performance of the act or work as it progresses upon application therefore by the subdivider; provided, however, that no such release shall be for an amount less than twenty-five percent (25%) of the total improvement security given for faithful performance of the act or work and that security shall not be reduced to an amount less than fifty percent (50%) of the total improvement security given for faithful performance until final completion and acceptance of the act or work. In no event shall the Director of Public Works authorize a release of the improvement security which would reduce such security to an amount below that required to guarantee the completion of the act or work, or any other obligation imposed by the provisions of Title 3 of the Solvang Municipal Code, the Subdivision Map Act, or the improvement agreement.

(iii) Security given to secure payment to the contractor, his subcontractors and to persons furnishing labor, materials, or equipment, may, thirty days after the completion and acceptance of the act or work, be reduced to any amount equal to the amount of all claims therefore filed and of which notice has been given to the City Council, plus an amount reasonably determined by the Director of Public

Works to be required to assure the performance of any other obligations for which the security was given.

(iv) Security given for the guarantee or warranty of work shall be released upon the expiration of the period for which it is given. The City Council shall have one (1) year after completion and acceptance of the performance of the obligation to register its satisfaction or dissatisfaction. If, at the end of that period, it has not registered its satisfaction or dissatisfaction, it shall be conclusively deemed that the performance of the obligation was done to its satisfaction.

5. Effective Date of Contract

This contract shall not become effective unless and until it is approved by the City Council and all fees and deposits paid and bonds or instruments of credit posted.

6. Liability for Non-Performance

Neither the City nor any of its elected or appointed officials, employees, or volunteers shall be liable to Developer or its contractors for any error or omission arising out of or in connection with any work to be performed under this Agreement.

7. Liability for Personal Injuries

The City shall not be liable to the Developer or to any other person, firm, or corporation whatsoever, for any injury or damage that may result to any person or property by or from any cause whatsoever in, on, or about the development of said land covered by this Agreement, or any part thereof.

8. Release and Indemnification

The Developer hereby releases and agrees to indemnify and save the City and its employees as individuals, harmless from and against any and all damages, injuries and deaths to persons and property, and any and all claims, demands, costs, losses, damages, injuries or liability, howsoever caused, resulting directly or indirectly from the performance or non-performance of any and all work done or to be done pursuant to this Agreement, in connection with said development, or in, upon or under the streets in said development including without limitation, any made or suffered by the Developer or the Developer's agents, employees, contractors or subcontractors.

9. Insurance

Prior to the commencement of any work pursuant to this Agreement, Developer's contractors, without cost to the City, shall furnish to City satisfactory evidence of insurance as provided in **Exhibit "B"** attached hereto and incorporated herein by this reference.

10. Developer's Expenses

Without limiting Developer's obligations, Developer agrees to pay for the following expenses:

(a) The Developer and its contractors and subcontractors shall pay for any and all materials, provisions, supplies, equipment, labor and materials used in, upon, for, or about the performance of the work contracted to be done for the improvements for any

labor or work done thereon of any kind or nature and for the payment of the bond with respect to such work or labor.

(b). All required improvements shall be constructed under the inspection of and subject to the approval of the City. The cost of inspections shall be paid by Developer.

11. Review by City Engineer

It is agreed that the City shall have the right to reject any or all of the work to be performed under this contract if such work does not conform with the plans mentioned herein or the ordinances or adopted standards of the City. Developer agrees to pay for any and all damage to the water system, sewer system, drainage system, utilities, concrete work, or street paving that occurs after installation and agrees to completely repair the same to the satisfaction of the City Engineer before release of bond or final acceptance of completed work.

12. Obligations of Developer

Notwithstanding the fact that Developer's plans and specifications, completion of the work, and other acts are subject to approval of the City, it is understood and agreed that any review by the City thereof shall not relieve Developer from satisfactorily performing said work or his obligations hereunder. The construction shall be done strictly in accordance with the plans approved by the City in accordance with law and the Standard Specifications. Developer hereby warrants that its plans will comply with all of the City Standard Specifications and all applicable laws and ordinances and that the work done pursuant thereto shall be in conformity with the City Standard Specifications and ordinances and that they are adequate to accomplish the work in a good workmanlike manner and in accordance with sound construction practices. This warranty shall survive any investigation by the City and any City employees. The sufficiency and the compliance of the plans and specifications with City Standards and all applicable laws, rules and regulations shall be the sole responsibility of the Developer.

13. Warranty and Maintenance of Work

Without limiting the foregoing, Developer warrants and guarantees materials used and workmanship performed on said work for a period of one (1) year after completion and acceptance thereof by the City.

Unless the plans are for maintenance only, the Developer shall maintain the work (a) for a period of one (1) year after acceptance of the work by the City, or (b) until all deficiencies in the work are corrected to conform to the plans and the City's Standards and Specifications for the work, whichever is later.

14. Relationship of Contractors

It is hereby mutually covenanted and agreed by the parties hereto that the Developers and the Developer's contractors are not partners, employees, joint ventures nor agents of the City, and that the Developer's and the Developer's contractors' relations to City, if any, are those of independent contractors.

15. Assignment

This contract shall not be assignable by Developer without the written consent of the City.

16. Supplying Record Drawings

Upon completion of the improvements and subsequent to the acceptance of the improvements by the City, the Developer shall supply the City, at no cost to the City, one mylar set of record drawings, and electronic files of record drawings in PDF format. These drawings shall be certified as being record drawings and shall reflect the improvements as actually constructed, with all changes incorporated therein.

17. Survival of Representations

All promises, representations, and warranties made by Developer pursuant to this Agreement shall survive the consummation of the transactions contemplated by this Agreement, the acceptance of the work by the City, and any investigations or inspections made by or on behalf of the City.

18. Binding on Successors

All covenants, agreements, promises, representations and warranties of the Developer shall be binding upon the Developer and his heirs, successors, legal representatives and assigns.

19. Modification

This Agreement supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties in connection with the subject matter hereof. No supplement, modification, discharge, waiver or termination of this Agreement or any provisions hereof shall be binding unless executed in writing by the parties to be bound thereby. No waiver of any of the provisions of this Agreement shall constitute a continuing waiver unless otherwise expressly provided.

20. Headings Not For Construction

Section, paragraph, and subparagraph headings, if any, are not to be considered part of this Agreement and are included solely for convenience and are not intended to be full or accurate descriptions of the contents thereof.

21. No Waivers

No course of dealing between the Developer and the City, or any delay on the part of the City in exercising any rights hereunder shall operate as a waiver of any rights by City, except to the extent expressly waived in writing by City.

IN WITNESS THEREOF, the parties hereto have executed this Agreement as of the **24th** day of **October, 2016**.

City of Solvang

Mayor
ATTEST:

Lisa S. Martin, City Clerk

Developer (1980s Old Mission Drive, LLC)

Signature

Printed Name

Title

EXHIBIT A
LEGAL DESCRIPTION

PARCEL 1:

Parcel "A" as shown on Parcel Map No. 13,125 in the City of Solvang, County of Santa Barbara, State of California, filed in Book 26, Pages 78 and 79 of Parcel Maps, in the office of the County Recorder of said County. Assessor's Parcel No. 139-540-051 (formerly APN 139-240-074).

PARCEL 2:

Parcel "B" as shown on Parcel Map No. 13,125 in the City of Solvang, County of Santa Barbara, State of California, filed in Book 26, Pages 78 and 79 of Parcel Maps, in the office of the County Recorder of said County. Assessor's Parcel No. 139-540-052 (formerly APN 139-240-075).

Exhibit "B"

Contractor Insurance Requirements

Prior to the beginning of and throughout the duration of the Work, Contractor will maintain insurance in conformance with the requirements set forth below. Contractor will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, it will be amended to do so. Contractor acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds in excess of the limits and coverage required in this Agreement and which is applicable to a given loss, will be available to the City of Solvang.

Contractor shall provide the following types and amounts of insurance:

- 1. Commercial General liability Insurance** using Insurance Services Office "Commercial General liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall *not* be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000 per occurrence for all covered losses and no less than \$2,000,000 general aggregate.
- 2. Workers' Compensation** on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses.
- 3. Business Auto Coverage** on ISO Business Auto Coverage form CA 00 01 including owned, non-owned and hired autos, or the exact equivalent. Limits shall be no less than \$1,000,000 per accident, combined single limit. If Contractor owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Contractor or Contractor's employees will use personal autos in any way on this project, Contractor shall obtain evidence of personal auto liability coverage for each such person.
- 4. Excess or Umbrella Liability Insurance** (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverage. Such policy or policies shall include as insured those covered by the underlying policies, including additional insureds. Coverage shall be "pay on behalf", with defense costs payable in addition to policy limits. There shall be no cross liability exclusion precluding coverage for claims" or suits by one insured against another. Coverage shall be applicable to City for injury to employees of Contractor, subcontractors or others involved in the Work. The scope of coverage provided is subject to approval of City following receipt of proof of insurance as required herein.



**CITY COUNCIL
STAFF REPORT/CONSENT AGENDA**

TO: SOLVANG CITY COUNCIL MEMBERS

FROM: Roy A. Hanley, City Attorney

MEETING DATE: October 24, 2016

DATE PREPARED: October 18, 2016

SUBJECT: RESOLUTION EXTENDING URGENCY ORDINANCE PROHIBITING
MANUFACTURING, PROCESSING, ETC., AND WHOLESALE AND
RETAIL DISTRIBUTION OF CANNABIS

I. RECOMMENDATION:

Adopt Resolution No. 16-___, extending the previously adopted Urgency Ordinance 16-319 until September 12, 2017.

II. DISCUSSION:

Government Code § 65858(a) authorizes the City Council to extend the urgency ordinance previously adopted for a period of ten (10) months and fifteen (15) days, following public notice and a hearing. This extension, if adopted by resolution, would extend the expiration date to September 12, 2017. This extension would allow sufficient time to evaluate the results of the November election, and determine what language to use in a permanent ordinance.

Extension of the urgency ordinance requires issuance of a report describing the measures taken to alleviate the condition which lead to the adoption of the ordinance. (Government Code § 65858(d).) Said report is provided herewith as Attachment A.

III. ALTERNATIVES:

The City is not legally required to take action, may choose to not enact a ban.

IV. FISCAL IMPACT:

Failure to extend an urgency ordinance could lead to the establishment of uses that the City later wants to forbid or regulate and enforcement costs would increase as well as the City suffer from the effects of unregulated uses.

V. ATTACHMENTS:

- Report
- Resolution

FOR THE COUNCIL MEETING OF OCTOBER 24, 2016

COUNCIL AGENDA REPORT

TO: City Council

FROM: City Attorney

**SUBJECT: REPORT PURSUANT TO GOVERNMENT CODE § 65858(d) as
PREREQUISITE TO EXTENSION OF URGENCY ORDINANCE NO. 16-319**

RECOMMENDATION:

That the City Council review and accept the following report describing the measures taken to alleviate the condition which lead to the adoption of urgency Ordinance No. 16-319, and adopt Resolution No. 16-____ extending Ordinance 16-319 until September 12, 2017.

BACKGROUND:

On September 26, 2016, the City Council enacted Urgency Ordinance No. 16-319, finding there to be a current and immediate threat to the health, safety, and welfare of City residents arising from the risks associated with the manufacture, processing, laboratory testing, labeling, storing and wholesale and retail distribution of cannabis, whether medical or for adult use, imposing an immediate ban on said activities. Without action by the City Council, Ordinance No. 16-319 will expire forty-five (45) days following its passage, on November 10, 2016. Government Code § 65858(a) authorizes the City Council to extend the urgency ordinance for a period of ten (10) months and fifteen (15) days, following public notice and a hearing. Extension of the urgency ordinance requires issuance of this report describing the measures taken to alleviate the condition which lead to the adoption of the ordinance. (Government Code § 65858(d).)

REPORT:

The Solvang Municipal Code presently prohibits medical marijuana dispensaries, within every zone in the City. Although dispensaries are prohibited, the Code allows for the delivery of medical marijuana to qualified patients under the Compassionate Use Act. Since the enacting of the moratorium, there has not been enough time to address all of the significant policy issues that are involved in regulating non medical marijuana uses. Staff has been monitoring the activity of the Bureau of Medical Cannabis Regulation ("BMCR") and Office of Medical Cannabis Safety ("OMCS"). Both agencies have scheduled pre-regulatory stakeholder meetings in September and October across the state to gather input on issues related to general licensing requirements, and specific

concepts related to the regulation of medical cannabis dispensaries, distributors, manufacturers, testing laboratories and transporters.

Similarly, staff has monitored the activities of the California Department of Food and Agriculture (“CDFA”). CDFA has issued a Notice of Preparation of a Draft Programmatic Environmental Impact Report (“PEIR”) in compliance with the requirements of the California Environmental Quality Act. The PEIR is intended to provide the public, state and local agencies information about the potential environmental effects associated with the adoption and implementation of statewide medical cannabis cultivation regulations. CDFA will seek public input regarding the nature and scope of medical cannabis cultivation environmental impacts addressed in the PEIR.

The “Control, Regulate, and Tax Adult Use of Marijuana Initiative” (Proposition 64) remains on the November 8, 2016, California ballot. If passed by a majority of California voters, the measure would legalize marijuana use for those 21 years of age and over, and would establish the Bureau of Marijuana Control within the Department of Consumer Affairs to regulate and license the entire marijuana industry, not just medical cannabis. Both opponents and proponents of the measure have filed competing lawsuits in the Sacramento County Superior Court over the ballot language. As of September 1, 2016, the Proposition’s proponents have raised \$11.45 million. Opponents have raised approximately \$200,000.

Results of a recent poll by the Institute of Governmental Studies at UC Berkley published August 17, 2016, indicate almost two in three respondents (63.8%) support legalization. Supporters included 73.8% of Democrats and 62.2% of independents. Republicans opposed legalization, 53% to 47%, evidencing less Republican opposition than registered when the same question was polled last year, when Republicans opposed legalization by 61.6% to 38.4%. Support for legalization was highest among African Americans (71.9%) and Latinos (69.3%) and lowest among Asian-Americans (57.7%). Support for legalization was also highest among 18- to 24-year-olds, and lowest among those over 65.¹

Recent polling indicates voters age 18 to 34 favor legalizing marijuana by 2 to 1, far greater than older voters.

Passage of Proposition 64 would have immediate implications for the City of Solvang, including revisions to the Code to bring it into conformance with law, and consideration of local regulation and taxation of components of the cannabis industry not previously contemplated by the City. Until and unless the Proposition passes, which appears likely, and/or the BMCR, OMCR and CDFA finalize any regulations or reports, it remains unclear what actions or regulation revisions the City may be required to undertake, or desire to voluntarily implement.

¹All statistics provided by the Institute of Governmental Studies at UC Berkley. For more information, visit igs.berkeley.edu.

CONCLUSION:

Staff will continue to monitor the activities of regulatory agencies, the legislature, and election results, and provide information and analysis of the impacts of any new regulation or statutes to the Solvang Municipal Code.

Roy A. Hanley
City Attorney

RESOLUTION NO. 16-_____

A RESOLUTION EXTENDING INTERIM ORDINANCE NO. 16-319 OF THE CITY COUNCIL OF THE CITY OF SOLVANG, CALIFORNIA PROHIBITING MANUFACTURING, PROCESSING, LABORATORY TESTING, LABELING, STORING AND WHOLESALE AND RETAIL DISTRIBUTION OF CANNABIS

WHEREAS, on September 26, 2016, the City Council enacted Ordinance No. 16-319, finding there to be a current and immediate threat to the health, safety, and welfare of City residents arising from the risks associated with the manufacture, processing, laboratory testing, labeling, storing and wholesale and retail distribution of cannabis, whether medical or for adult use; and

WHEREAS, the City Council thereby ordained the Citywide prohibition of all cannabis activities, from cultivation to point of sale, to avoid the risks of criminal activity, degradation of the natural environment, malodorous smells and indoor electrical fire hazards that may result from such activities; and

WHEREAS, the City Council directed preparation of a report on describing the measures taken to alleviate the condition which lead to the adoption of the ordinance, in accordance with Government Code § 65858(d); and

WHEREAS, without action by the City Council, Ordinance No. 16-319 will expire forty-five (45) days following its adoption; and

WHEREAS, without an extension of Ordinance No. 16-319, it will expire before a permanent ordinance can be adopted; and

WHEREAS, the City Council finds there continues to be a current and immediate threat to the health, safety, and welfare of City residents arising from the risks associated with the manufacture, processing, laboratory testing, labeling, storing and wholesale and retail distribution of cannabis, whether for medical or adult use, requiring further research and investigation.

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

Section 1. Ordinance No. 16-319 is extended pursuant to Government Code § 65858(a) for a period of ten (10) months and fifteen (15) days, to then expire September 12, 2017, unless further extended.

Section 2. In accordance with Ordinance No. 16-319, any commercial or industrial use involving cannabis is prohibited in every zoning district in the City, including but not limited to manufacture, processing, laboratory testing, labeling, storing and wholesale and retail distribution.

Section 3. This resolution is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 15306 (Information Collection) because it does not have the potential to create a physical environmental effect.

PASSED, APPROVED AND ADOPTED at the regular meeting of the City Council of the City of Solvang held this 24th day of October, 2016 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jim Richardson, Mayor

ATTEST:

Lisa S. Martin, City Clerk



**CITY COUNCIL
STAFF REPORT**

TO: SOLVANG CITY COUNCIL MEMBERS

FROM: Julie Glendinning, Finance Supervisor

MEETING DATE: October 24, 2016

DATE PREPARED: October 13, 2016

SUBJECT: Parking In Lieu Promissory Note – 478 Fourth Place

I. RECOMMENDATION:

Approve and authorize City Manager to execute the Promissory Note for the Parking In Lieu fees for two (2) required spaces for the project located at 478 Fourth Place known as K'Syrah Catering.

II. DISCUSSION:

Demetrios Loizides, owner of K'Syrah Catering, has purchased the property located at 478 Fourth Place and has undertaken a remodel of the former restaurant property. Mr. Loizides has received approval for construction of a new outdoor dining area adjacent to Fourth Place. The expansion of the dining area requires provision of two (2) additional parking spaces in accordance with Zoning Ordinance parking requirements. Space is not available on site to provide additional parking, therefore, Mr. Loizides will need to pay the in-lieu parking fee for two (2) parking spaces.

Mr. Loizides desires to finance the Parking In Lieu fees over the allowable 20 year period. Staff is recommending the note be for 20 years, at 4.50% fixed rate, which is 1% over the prime rate, currently at 3.50%.

III. ALTERNATIVES:

The City Council could require the applicant to pay the \$24,752.00 for Parking in Lieu fees prior to commencement of business utilizing the outdoor area.

IV. FISCAL IMPACT:

Upon execution of a 20-year promissory note, the AB1600 Impact Fee fund would realize principal and interest payments totaling \$36,417.93, over the course of the note. Annual payments of \$1,820.90 are due annually thereafter on November 1st. This calculation is based on the prime rate (as reported by the Wall Street Journal) plus 1%. These funds will be restricted for parking lot use only.

V. ATTACHMENTS:

- A. Letter from K'Syrah Catering
- B. In-Lieu Parking Fee Financing Agreement
- C. Promissory Note
- D. Loan Amortization schedule



August 22, 2016

City of Solvang
Planning & Community Development
411 Second Street
Solvang, CA 93463

Dear City Council and Planning Department Members,

I would like to express my sincerest gratitude to the Planning and Building Departments of the City of Solvang for working with me and my team on our new K'Syrah Catering facility.

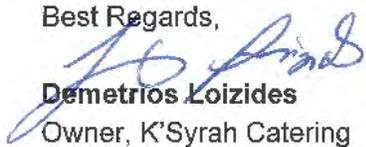
We have all put a lot of time, money and love into this project, and we are quickly approaching its completion.

The only hurdle left for us is to obtain financing for two additional parking spaces required by the City at a cost of \$12,000 each.

At this time, I am asking the City for assistance with this financing in the form of an interest-free loan for 20 years, with a payment to be paid at the end of every year.

Thank you for your time and consideration.

Best Regards,



Demetrios Loizides

Owner, K'Syrah Catering

Phone: (562) 715-6515

Email: jloizides@aol.com

RECEIVED

AUG 22 2016

CITY OF SOLVANG

IN-LIEU PARKING FEE FINANCING AGREEMENT

THIS IN-LIEU PARKING FEE FINANCING AGREEMENT (the “Agreement”) is entered into on the date set forth below between the CITY OF SOLVANG (the “City”) and Demetrios Lozides (“developer”) and is made with reference to the following facts:

- A. Developer has applied for permits to construct a commercial project known as K’Syrah located at 478 Fourth Place (APN 139-173-014), in the City of Solvang.
- B. The City has enacted Section 11-11-7 of the Solvang Municipal Code requiring developers of retail and general commercial projects to mitigate adverse parking impacts caused by those projects by providing 1 on-site parking space per 200 square feet of gross floor area of development.
- C. The purpose of the In-Lieu Parking Fee is to finance the construction of City-owned parking facilities to accommodate additional parking demand generated by new retail and commercial development within the City.
- D. The City has determined that the In-Lieu Parking Fee shall equal \$12,376 for each parking space that is not provided on-site.
- E. The City has further determined that the in-lieu principal fee shall be payable either (1) in full prior to the issuance of the building permit(s) for the project, or (2) in 19 consecutive equal annual installments with interest at 4.5% per annum, with the first payment due December 1, 2016.
- F. The City and the Developer desire to enter into this Financing Agreement for the payment of the In-Lieu Parking Fee on an installment basis.

NOW, THEREFORE, the parties hereto intending to be legally bound, agree as follows:

1. ***IN-LIEU PARKING FEE***

Developer shall pay an In-Lieu Parking Fee of \$24,752.00 for two (2) parking spaces, plus interest to the City of Solvang in satisfaction of Developer's responsibility to mitigate adverse parking impacts by contributing to the cost of construction of certain public parking facilities in the City as provided for in Section 11-11-7 of the Solvang Municipal Code.

2. ***USE OF FEE***

The fee to be paid pursuant to this Agreement shall be used to finance the construction of the Parking Facility constructed by the City in order to increase the City's parking capacity, or to reimburse the City for the Developer's share of parking facilities already constructed by the City.

3. ***INSTALLMENT PAYMENT***

The Developer shall pay the In-Lieu Parking Fee in 19 equal annual installments with interest based upon the Prime rate as reported by the Wall Street Journal (WSJ), currently 4.25% per annum and adjusted annually. The Developer shall tender to the City a promissory note of even date with this Agreement for the total amount of fees plus interest. The promissory note shall be secured by a Letter of Credit or other form and shall be subject to approval of the City Attorney.

4. ***TERMS AND CONDITIONS***

This Agreement shall be subject to all terms and conditions contained within Section 11-11-7 of the Solvang Municipal Code; Resolution No. 94-326 adopted by the City Council of the City of Solvang on October 10th, 1994 authorizing collection and payment of In-Lieu Parking Fees; and the Promissory Note and form of security provided by Developer concurrently with this Agreement.

Agreement: page 3 of 3

5. ***TERMS AND CONDITIONS***

This Agreement shall automatically terminate upon full payment of the In-Lieu Parking Fee provided for herein.

6. GENERAL PROVISIONS

- 6.1 Binding Effect. All rights and duties of Developer and City hereunder shall inure to the benefit of and be binding upon Developer and the City, respectively, and their respective successors and assigns.
- 6.2 Attorney's Fees. Should any action or proceeding be necessary to construe or enforce the terms or provisions of this Agreement or the rights of the parties hereunder, then the prevailing party in any such action or proceeding shall be entitled to recover all court costs and reasonable attorney's fees.
- 6.3 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties have caused this agreement to be signed on the date(s) set forth opposite their respective names.

“CITY”

CITY OF SOLVANG, a Municipal Corporation

By _____

“DEVELOPER”

By _____

Demetrios Lozides, Owner
K'Syrah Catering



PROMISSORY NOTE

Date: October 24, 2016

This promissory note is executed by and between, **Demetrios Lozides** (“Maker”) and the **City of Solvang** (“Holder”) for payment of parking in lieu fees incurred for a project at 478 Fourth Place (APN 139-173-014) in Solvang, California.

Maker promises to pay to Holder, per attached payment schedule, at Solvang, California, or at such place as Holder may from time to time designate in writing, the principal sum of **\$24,752.00** payable in **19** consecutive annual installments of **\$1,820.90** and **one final payment** of **\$1,820.83**. The first payment to be paid on or before **December 1, 2016** and the remaining installments to be paid annually on or before **December 1st** thereafter, with the entire unpaid principal balance due and payable in full upon a change in ownership of the project located at 478 Fourth Place, Solvang, California, 93463 or on **December 1, 2035**, whichever occurs first.

Default

Should default be made in the payment of any amount due under this Note, or in the performance of any other obligation of Maker provided herein, or should Maker make an assignment for the benefit of creditors, the whole sum of principal shall become immediately due at the option of the Holder. Failure to exercise such option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

Late Payment Charge

Maker acknowledges and agrees that late payment to the Holder hereof will cause the Holder to incur costs not contemplated by this Note, the exact amount of such costs being difficult and impracticable to assess. Therefore, Maker agrees that, should all or any part of any installment payable hereunder not be paid when due, Maker shall pay holder a late charge equal to ten percent (10%) of any such amount not paid by the due date, and such amount shall be deemed to be the damages of the Holder for the loss suffered by such delinquency in payment. By accepting this Note but without prejudicing any other rights or remedies of Holder hereunder, Holder agrees to accept such amount as liquidated damages on account of any such delinquency payment.

General Provisions

- All sums due hereunder shall be paid in lawful money of the United States of America.
- Maker agrees to pay all court costs and reasonable attorney’s fees of the Holder if counsel is engaged to assist in the collection of this Note after a default hereunder, of if any action is brought to construe or enforce this Note or any of the provisions hereof.
- In this Note, the singular shall include the plural, each gender shall include the other, and this Note shall be the joint and several obligation of each Maker.
- Maker, for itself and its legal representatives, successors and assigns, expressly waives demand, notice of nonpayment, presentment for demand, presentment for the purpose of accelerating maturity, dishonor, notice of dishonor, protest, notice of protest, notice of maturity and diligence in collection.

Date:

“HOLDER”

“MAKER”

City Manager, Brad Vidro

BY _____
Demetrios Lozides
Owner, K’Syrah Catering

Initial Loan Values

Loan Amount:	\$24,752.00	Number of Payments:	20
Annual Interest Rate:	4.5000%	Periodic Payment:	\$1,820.90
Loan Date:	12/01/2016	1st Payment Due:	12/01/2016
Payment Frequency:	Annually	Last Payment Due:	12/01/2035
Total Interest Due:	\$11,665.93	Total All Payments:	\$36,417.93

Payment Schedule

#/Year	Date	Payment	Interest	Principal	Balance
Loan:	12/01/2016	0.00	0.00	0.00	24,752.00
1:1	12/01/2016	1,820.90	0.00	1,820.90	22,931.10
2:2	12/01/2017	1,820.90	1,031.90	789.00	22,142.10
3:3	12/01/2018	1,820.90	996.39	824.51	21,317.59
4:4	12/01/2019	1,820.90	959.29	861.61	20,455.98
5:5	12/01/2020	1,820.90	920.52	900.38	19,555.60
6:6	12/01/2021	1,820.90	880.00	940.90	18,614.70
7:7	12/01/2022	1,820.90	837.66	983.24	17,631.46
8:8	12/01/2023	1,820.90	793.42	1,027.48	16,603.98
9:9	12/01/2024	1,820.90	747.18	1,073.72	15,530.26
10:10	12/01/2025	1,820.90	698.86	1,122.04	14,408.22
11:11	12/01/2026	1,820.90	648.37	1,172.53	13,235.69
12:12	12/01/2027	1,820.90	595.61	1,225.29	12,010.40
13:13	12/01/2028	1,820.90	540.47	1,280.43	10,729.97
14:14	12/01/2029	1,820.90	482.85	1,338.05	9,391.92
15:15	12/01/2030	1,820.90	422.64	1,398.26	7,993.66
16:16	12/01/2031	1,820.90	359.71	1,461.19	6,532.47
17:17	12/01/2032	1,820.90	293.96	1,526.94	5,005.53
18:18	12/01/2033	1,820.90	225.25	1,595.65	3,409.88
19:19	12/01/2034	1,820.90	153.44	1,667.46	1,742.42
20:20	12/01/2035	1,820.83	78.41	1,742.42	0.00
<i>Running Totals:</i>		<i>36,417.93</i>	<i>11,665.93</i>	<i>24,752.00</i>	

Calculation method: Normal, 360 days per year

financial-
calculators.com

Last payment decreased by \$0.07 due to rounding

Print



CITY COUNCIL STAFF REPORT

TO: SOLVANG CITY COUNCIL MEMBERS

FROM: Arleen T. Pelster, AICP, Planning & Economic Development Director

MEETING DATE: October 24, 2016

DATE PREPARED: October 12, 2016

SUBJECT: STATUS UPDATE FOR ECONOMIC DEVELOPMENT STRATEGIC PLAN

I. RECOMMENDATION:

- A. Review status of Economic Development Strategic Plan (EDSP);
- B. Accept list of completed projects, and provide direction regarding remaining projects; and
- C. Adopt Resolution No. 16- __ setting forth City policies regarding Economic Development; or
- D. Provide alternate direction to staff.

II. BACKGROUND:

On June 11, 2012, the City Council approved the Economic Development Strategic Plan (EDSP) for the City of Solvang. The EDSP has a five-year implementation schedule for projects and procedural improvements to enhance and support the community's existing businesses, and to attract new businesses.

The EDSP has five initiatives which set forth the areas of focus.

- Initiative #1: Strengthen & expand diversity and opportunity in Solvang's retail and service economy.
- Initiative #2: Strengthen and expand Solvang's appeal to a broader cross section of visitors.
- Initiative #3: Adopt more business-friendly policies and processes to encourage new investment and support business expansion.
- Initiative #4: Promote and support business retention and expansion.
- Initiative #5: Support the targeting and attraction of new business that complement Solvang's commercial character, leverage regional assets and/or serve local residents.

The initiatives are to be achieved by action items which were developed during the SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats).

The City facilitates an informal group which discusses economic development matters. The group has periodically reviewed the EDSP and related projects.

III. DISCUSSION:

One (1) year remains for the EDSP implementation schedule, and with the retirement of the Planning & Economic Development Director, staff recommends the Council review the status of the EDSP and provide direction for its future implementation.

The economic development group reviewed the status of the EDSP on October 7, 2016, and made some general recommendations, which are supplemented herein with staff recommendations.

The status of the action items falls into one of three categories: completed, not started, or implemented as an ongoing policy measure. The economic development group suggested that the EDSP could be deconstructed into the following components:

1. A list of completed projects;
2. A "to do" list of future projects; and
3. A Resolution identifying successful, ongoing measures, and adopting said measures as City policies.

Staff has drafted the attached documents in accordance with the suggested direction of the economic development group. It is recommended that the Council review the documents, revise as necessary, and approve them as successors to the EDSP. The economic development group also discussed a visioning project.

IV. ALTERNATIVES

The Council may take alternative action regarding the EDSP, or accept the status report and retain the EDSP in its current adopted form.

V. ATTACHMENTS

1. Adopted EDSP with Updated Status
2. List of Completed Projects
3. List of Future Projects
4. Draft Resolution No. 16- __



Attachment A

Implementation Plan

Economic Development Strategic Plan
City of Solvang

Initiative #1: Strengthen and expand diversity and opportunity in Solvang’s retail and service economy

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Review & redefine the physical boundaries of the Village & review allowed uses in TRC	2 (FY 2013/14)	Lead: City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> Will require a General Plan Amendment and Zone Change Anticipate need for a minimum of two (2) workshops <p>Labor Intensity: High</p>	Work has not commenced
2.	Permit greater flexibility in architectural design & other standards in current TRC	1 (FY 2012/13)	Lead: City Planning Support: Board of Architectural Review (BAR)	<ul style="list-style-type: none"> Will require update to Design Guidelines Goal is to allow modern Danish architecture while protecting design quality BAR Sub-Committee is advised <p>Labor Intensity: Moderate</p>	Subcommittee formed, need consultant to prepare update to Design Guidelines
3.a	Improve the adequacy of Street lighting	1 - 3 (FY 2012/13 – FY 2014/15)	Lead: City Public Works Support: Economic Development Staff	<ul style="list-style-type: none"> Will require coordination with Caltrans for crosswalks on Mission Drive; may limit options Lights are owned by PG & E Funds are not budgeted for this project <p>Labor Intensity: Moderate</p>	Lighting upgrades are included in Mission Drive Corridor Study – improvements are several years out
3.b	Install directional signage at entries to village	1 (FY 2012/13)	Lead: Economic Development Staff Support: City Public Works	<ul style="list-style-type: none"> Sub-Committee is recommended Some initial work has been done Funds are not budgeted for the project <p>Labor Intensity: Moderate</p>	Done – 7 signs are in place
3.c	Provide temporary closure of Village block* defined in Tivoli Square Plan	1 (FY 2012/13)	Lead: Economic Development Staff Support: City Public Works, Chamber of Commerce	<ul style="list-style-type: none"> Need to assess interest levels of businesses Conduct several closures to assess level of success <p>Labor Intensity: Moderate</p>	Not done – interest limited Special Events provide for temporary closures

Initiative #1 continued

Action No.	Action Description	Year	Responsible Entities	Notes	Status
3.d	Revise rules to expedite pedestrian-friendly activities in Tivoli Square	3 (FY 14/15)	Lead: City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> • Need to assess success of street closures recommended in Action No. 3.c prior to initiating work • Would require an amendment to the Municipal Code <p>Labor Intensity: Moderate</p>	Not done
4.	Explore feasibility of annexation to expand commercial development options	5 (FY 16/17)	Lead: City Planning Support: Chamber of Commerce, Real Estate group	<ul style="list-style-type: none"> • Need to prepare a Land Use Inventory for commercial properties • Sub-Committee is recommended <p>Labor Intensity: High</p>	Council authorized study, letters of interest sent, RFP drafted

*First Street from Mission Drive to Copenhagen and Copenhagen from First Street to Alisal Road

Initiative #2: Strengthen Solvang’s appeal to a broader cross section of visitors

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Pursue development of a conference center, possibly in the location of the existing Veterans Memorial H	1 (FY 12/13)	Lead: Economic Development Staff Support: Solvang Conference & Visitors Bureau, Santa Ynez Valley Hotel Association	<ul style="list-style-type: none"> ● Sub-Committee is recommended ● Explore a performing arts venue ● Will need to use service of a consultant to conduct a feasibility study ● Following completion of feasibility study, will assess feasibility and determine if project should be pursue or scheduled for consideration in the future. <p>Labor Intensity: Moderate</p>	Feasibility study completed, conference center found not to be economically feasible

Initiative #3: Adopt more business-friendly policies & processes to encourage new investment and to support business expansion

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Create a new "business packet" for new businesses	1 (FY 12/13)	Lead: City Building, City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> Work is currently underway Chamber will assist in review of packet and distribution <p>Labor Intensity: Low</p>	Done
2.	Provide applicants with clear & complete instructions for permit process	1 (FY 12/13)	Lead: City Building, City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> Include process information as part of new business packet recommended in Action No. 1 Chamber will assist in review of packet and distribution <p>Labor Intensity: Low</p>	Done
3.	Give counter staff ability to help applicants minimize multiple-fee costs	All	Lead: City Building , City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> Service is currently provided; staff discusses projects with applicants and advises of opportunities to apply for phased work, particularly with BAR applications Chamber will assist in providing information to the business community <p>Labor Intensity: Low, ongoing practice</p>	Done
4.	Consider giving counter staff greater discretion in approving routine BAR standards	3 (FY 14/15)	Lead: City Planning	<ul style="list-style-type: none"> Would require amendment of the Zoning Ordinance to give staff approval authority <p>Labor Intensity: Moderate</p>	Done
5.	Improve communication with business & real estate communities	1 (FY 12/13)	Lead: Economic Development staff, City Planning	<ul style="list-style-type: none"> With concurrence from real estate group, staff could attend MLS meetings monthly to provide information and learn of concerns which need to be addressed <p>Labor Intensity: Low</p>	Done

Initiative #3 continued

Action No.	Action Description	Year	Responsible Entities	Notes	Status
6.	Explore feasibility of hiring "in-house" plan checker	1 (FY 12/13)	Lead: City Manager Support: Economic Development staff, City Building	<ul style="list-style-type: none"> • Need to circulate RFP for in-house plan checking services • Will still need a Building Official • Explore sharing services with Buellton <p>Labor Intensity: Moderate</p>	Done, cost of providing service is not economically feasible. Building Official comes to Solvang as needed
7.	Encourage "Green" development	3 (FY 14/15)	Lead: City Building, City Planning	<ul style="list-style-type: none"> • Consider reduction of fees for LEED certified buildings, explore other incentives to promote green development <p>Labor Intensity: Moderate</p>	Done, green building code adopted

Initiative #4: Promote and support business retention and expansion

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Establish Economic Development Partnership	1 (FY 12/13)	Lead: Economic Development staff Support: Economic Development Ad Hoc Committee	<ul style="list-style-type: none"> Expand Economic Development Ad Hoc Committee to include Allan Hancock College, Small Business Development Center (SBDC), Vintners Association, Santa Ynez Visitors Association, and City of Buellton Chamber of Commerce Solvang Chamber of Commerce and Solvang Conference and Visitors Bureau are participating members of the Ad Hoc Committee <p>Labor Intensity: Low</p>	Invitations were sent to all groups listed. Chamber and SCVB continue to participate.
2.	Publish Economic & Demographic Profile of Solvang	1 (FY 12/13)	Lead: Economic Development staff	<ul style="list-style-type: none"> Publish print and electronic versions of Profile, and post on City website <p>Labor Intensity: Low</p>	Done
3.	Develop a dedicated Economic Development Page on City website	1 - 3 (FY 12/13 – FY 14/15)	Lead: Economic Development staff	<ul style="list-style-type: none"> Begin by providing Economic & Demographic Profile on City website Develop Economic Development page on City website Pursue re-design of City's website <p>Labor Intensity: Moderate</p>	Done
4.	Support the development & promotion of workshops & conferences for local business	1 (FY 12/13)	Lead: Chamber of Commerce, Support: Economic Development staff	<ul style="list-style-type: none"> Chamber has held several business development workshops in 2012 City can participate with business assistance workshops 	Done, Chamber continues to provide business assistance and City supports

				Labor Intensity: Moderate	
5.	Provide a venue for delivery of technical services to small businesses	1 (FY 12/13)	Lead: Economic Development staff Support: Chamber of Commerce, Real Estate Group	<ul style="list-style-type: none"> Action would involve locating meeting space for small business assistance programs such as SBDC consultants and SCORE mentors 	No interest from SBDC and SCORE
				Labor Intensity: Low	

Initiative #4 continued

Action No.	Action Description	Year	Responsible Entities	Notes	Status
6.	Determine size & needs of home-based businesses in Solvang	5 (FY16/17)	Lead: Economic Development staff Support: Chamber of Commerce	<ul style="list-style-type: none"> Action would involve surveying home based businesses and determining need for services which could be shared <p>Labor Intensity: Low</p>	Informal discussion with Home Use Permit applicants indicated that most home-based businesses are self-sufficient.
7.	Encourage commercial landlords & brokers to list details of available property on Economic Development website page	1 (FY 12/13)	Lead: Real Estate Group Support: Economic Development staff	<ul style="list-style-type: none"> Real Estate group would need to provide timely information, ED staff would update City website Could also consider a link <p>Labor Intensity: Low</p>	Not done
8.	Consider updating or revising City's logo	1 (FY 12/13)	Lead: Economic Development staff Support: Parks and Recreation staff	<ul style="list-style-type: none"> Sub-Committee is recommended <p>Labor Intensity: Moderate</p>	City Council declined to change logo

Initiative #5: Support the targeting and attraction of new businesses that complement Solvang’s commercial character, leverage regional assets and/or serve local residents

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Form a taskforce of stakeholders to clearly define & oversee the process	1 (FY 12/13)	Lead: Economic Development Staff	<ul style="list-style-type: none"> Taskforce should include a member of the City Council, Chamber of Commerce, Real Estate group, and Solvang Conference and Visitors Bureau Labor Intensity: Low	These three items are interrelated and work has not commenced.
2.	Retain the services of a tenant mix expert for retail, IT, medical, etc.	1 (FY 12/13)	Lead: Economic Development staff Support: Chamber of Commerce, Solvang Conference and Visitors Bureau	<ul style="list-style-type: none"> Funds are not budgeted for this project Labor Intensity: Moderate	
3.	Develop a Marketing Plan	1 - 2 (FY 12/13 – FY 13/14)	Lead: Economic Development staff Support: Chamber of Commerce, Solvang Conference and Visitors Bureau	<ul style="list-style-type: none"> Work would commence after tenant mix/retail study is complete Labor Intensity: High	

Economic Development Strategic Plan Completed Projects 2012 -2016

Initiative #1:

Action No. 3b. Install directional signage at entries to the Village (seven metal signs in planters)

Initiative #2:

Action No. 1. Pursue development of a conference center (feasibility study concluded project was infeasible)

Initiative #3:

Action No. 1. Create a new “business packet”

Action No. 2. Provide applicants with clear & complete instructions for the permit process

Action No. 3. Give staff ability to help applicants minimize multiple fee costs

Action No. 4. Consider giving staff greater discretion in approving routine items (Ordinance amended to add authority in Section 11-12-24)

Action No. 5. Improve communication with business & real estate community

Action No. 6. Explore feasibility of hiring “in house” plan checker (economically infeasible)

Action No. 7. Encourage “Green” development (Green building code adopted)

Initiative #4:

Action No. 1. Establish Economic Development Partnership (invitations extended to all groups listed)

Action No. 2. Publish Economic & Demographic profile of Solvang (on website)

Action No. 3. Develop a dedicated Economic Development page on City website

Action No. 4. Support development & promotion of workshops for local businesses

Action No. 5. Provide venue for delivery of technical business services (no interested providers)

Action No. 6. Determine size & needs of home-based businesses (home-based businesses are largely self-sufficient)

Action No. 8. Consider updating City logo (Council declined to do so)

Economic Development Strategic Plan Projects for 2017

Initiative #1:

Action No. 1. Review and redefine the boundaries of the Village, and review allowed uses in the TRC.

Work has not commenced. This project would require a General Plan Amendment and Zone Change. Two workshops are anticipated.

Action No. 2. Permit greater flexibility in architectural design & other standards in the current TRC.

This project involves updating the City's Design Guidelines. A subcommittee was formed and the group reviewed the current Design Guidelines. The group found that a consultant was needed to prepare revised, updated Guidelines for review. Next step would be to secure a consultant to work with the subcommittee to draft revised Design Guidelines.

Action No. 3a. Improve adequacy of street lighting.

Improved street lighting is included in the Mission Drive Corridor Study. Improvements would be undertaken several years out.

Action No. 3c. Provide temporary closure of Village block (Copenhagen Drive from Alisal Road to First Street, and First Street from Copenhagen to Mission Drive) as defined in Tivoli Square Plan.

Action No. 3d. Revise rules to expedite pedestrian-friendly activities in Tivoli Square.

The two preceding items were intended to explore temporary street closures in the area around Copenhagen Drive and First Street. Staff discussed the idea with Chamber staff and some local business owners, and street closures were not found to be desired; most business owners placed value upon having parking nearby.

Action No. 4. Explore feasibility of annexation to expand commercial development options.

The Council has authorized work to begin on an annexation study in 2017.

Initiative #4:

Action No. 7. Encourage commercial landlords and brokers to list details of available property on Economic Development website page.

Implementation of this item is dependent upon submission of updated listings from the real estate group. With the current listings available on commercial realtors' websites, this item may have limited value.

Initiative #5:

Action No. 1. Form a taskforce of stakeholders to clearly define and oversee the process of targeting and attracting new business.

Action No. 2. Retain the services of a tenant mix expert for attraction of retail, IT, and medical businesses, etc.

Action No. 3. Develop a marketing plan.

The three preceding items are interrelated, and work has not commenced. These items were envisioned to be a joint effort with the Solvang Conference and Visitors Bureau and Solvang Chamber of Commerce to identify desirable businesses and conduct a marketing effort to attract these businesses to Solvang.

RESOLUTION NO. 16-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLVANG
ADOPTING POLICY DIRECTION FOR ECONOMIC DEVELOPMENT**

THE CITY COUNCIL OF THE CITY OF SOLVANG HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the City Council has identified economic development as a priority for the protection and retention of local businesses, and for attraction of new businesses to the City; and

WHEREAS, the City Council adopted an Economic Development Strategic Plan in 2012, which contained several operational improvements to the development review process which Council now desires to adopt as standard procedures.

NOW, THEREFORE, BE IT RESOLVED that the following procedures shall be utilized and services offered in the course of City business:

1. New business packets shall be provided to customers seeking to locate in Solvang, or to expand and improve an existing business;
2. City staff shall strive to provide clear and complete instructions for the development review process and to assist applicants in minimizing multiple-fee costs;
3. City staff shall utilize the authority in Solvang Municipal Code Section 11-12-24 when appropriate to allow slight modification of zoning standards in order to facilitate efficient processing of development applications;
4. The City shall continue to facilitate informal economic development group meetings in order to maintain effective communications and provide a discussion forum for local business owner and community group;
5. The City shall continue to support development of workshops and training opportunities for local businesses; and
6. The City shall continue to seek procedural improvements and other ways to support local businesses.

PASSED, APPROVED AND ADOPTED this 24th day of October, 2016 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Jim Richardson, Mayor

ATTEST:

Lisa S. Martin



CITY COUNCIL STAFF REPORT

TO: SOLVANG CITY COUNCIL MEMBERS

FROM: Arleen T. Pelster, AICP, Planning & Economic Development Director

MEETING DATE: October 24, 2016

DATE PREPARED: October 5, 2016

SUBJECT: FIRST READING OF PROPOSED AMENDMENT TO THE ZONING ORDINANCE, TITLE 11 OF THE MUNICIPAL CODE, TO PROVIDE REGULATIONS FOR RESIDENTIAL SHORT TERM/VACATION RENTALS

I. RECOMMENDATION:

- A. Review proposed amendments to Title 11 of the Municipal Code, to Provide Regulations for Short Term /Vacation Rentals;
- B. Introduce for first reading by title only for amendments to Title 11; and
- D. Accept the Exemption to the California Environmental Quality Act pursuant to CEQA Section 15061; or
- E. Provide alternate direction to staff.

II. BACKGROUND:

At the March 24, 2014 City Council meeting, the Council discussed a request to allow short term/vacation rentals in residential districts. Following discussion, Council directed staff to schedule a workshop to take public input and discuss the request in detail.

On May 12, 2014, the City Council held a workshop to take public input and discuss the advantages and disadvantages of allowing short term/vacation rentals subject to a new ordinance. At the regular meeting of May 12, 2014, the Council directed staff to further review other agencies' ordinances and contact several other agencies to discuss the effectiveness and enforcement of their short term/vacation rental ordinances.

On September 8, 2014, the Council determined that short term/vacation rentals should not be allowed in most residential districts. However, Council indicated the area on the south side of Copenhagen extending east from Fifth Street to the area where the Tourist Related Commercial District (TRC) begins would be suitable for short term/vacation rentals with an overlay district and appropriate regulations. These properties were formerly zoned TRC, and the Council indicated that vacation rentals could be a compatible land use due to the close proximity to the TRC, as opposed to properties located in a solely residential neighborhood. The specific properties are:

1506 Copenhagen Drive
1510 Copenhagen Drive
1514 Copenhagen Drive
1518 Copenhagen Drive
1522 Copenhagen Drive
1524 Copenhagen Drive
1532 Copenhagen Drive
1540 Copenhagen Drive
1546 Copenhagen Drive

An Urgency Ordinance was adopted on October 27, 2014. This Ordinance will expire in October of 2016, therefore, a permanent ordinance amendment was reviewed by the Planning Commission on October 3, 2016, and is recommended to the Council for adoption.

III. DISCUSSION:

Four (4) vacation rentals are in operation on the 1500 block of Copenhagen Drive. These vacation rentals initiated business in May of 2015. One (1) complaint was received regarding noise, which the property owners addressed promptly. To date, no further complaints have been received regarding the operation of the vacation rentals.

Staff provided the Planning Commission with the regulations which were used in the Urgency Ordinance, since the regulations seem to be effective, and the Commission recommended adoption of those regulations.

The changes are in the interest of the general community welfare and are consistent with good zoning and planning practices. Full text of the proposed

amendments is provided in the draft ordinance, which is attached.

IV. ENVIRONMENTAL REVIEW

The proposed amendments to the Zoning Ordinance were determined to be exempt from environmental review pursuant to §15061 of the Guidelines for the Implementation of CEQA.

This section states that CEQA only applies to “*projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, the activity is not subject to CEQA*”. The proposed ordinance amendments are in the interest of the general community welfare and are consistent with good zoning and planning practices. Any potential environmental impacts associated with the proposed impacts are considered insignificant. The amendments are consistent with the General Plan, the requirements of State Planning & Zoning Laws and the Solvang Municipal Code, Title 11.

V. ALTERNATIVES

The City Council can elect not to adopt the ordinance.

VI. ATTACHMENTS

Draft Ordinance No. 16- __
Planning Commission Resolution 16-05
Notice of CEQA Exemption

ORDINANCE NO. 16-_____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOLVANG
AMENDING TITLE 11 CHAPTER 12 OF THE ZONING ORDINANCE OF
SOLVANG TO PROVIDE REGULATIONS FOR
SHORT-TERM/VACATION RENTALS**

WHEREAS, vacation home rentals expand the number and type of lodging facilities available and assist owners of vacation home rentals by providing revenue which may be used for maintenance upgrades and other costs; and

WHEREAS, City staff has responded to numerous complaints involving excessive noise, disorderly conduct, vandalism, overcrowding, traffic, congestion, illegal vehicle parking and accumulation of refuse at vacation home rentals which require response from police, and other city personnel; and

WHEREAS, the transitory nature of occupants of vacation homes makes continued enforcement against the occupants difficult and can negatively affect residential neighborhoods; and

WHEREAS, the provisions of this ordinance are necessary to prevent the continued burden on city services and impacts posed by vacation home rentals.

NOW THEREFORE, THE PEOPLE OF THE CHARTERED CITY OF SOLVANG DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1.

Section 11-12-30 is hereby added to read as follows:

11-12-30-1: Short Term/Vacation Rental Regulations

11-12-30-2: Definitions

A. As used in this chapter, a “vacation rental” means any structure, as defined in the building code adopted in Title 10 Chapter 1 of this code, which exists, is constructed, or which is maintained or used upon any premises for the purpose of transient lodging. A vacation rental shall not include a “hotel” or “motel” as those terms are defined in Section 11-3-1.

B. As used in this chapter, “transient” shall have the same meaning as set forth in Section 3-2-1 of this code.

11-12-30-3: Application Process

A. Persons wishing to use a structure as a vacation rental shall do all of the following:

1. Complete a vacation rental certificate request form, which form shall be provided by the planning & economic development director or his/her designee.

2. Submit the following information in support of a vacation rental certificate:

a. The name, address and telephone number of the property owner and a contact person/entity that can be reached via telephone twenty-four hours a day, seven days a week, to respond to complaints regarding the use of the vacation rental. The contact person/entity shall reside or maintain a physical business address within 25 miles of the vacation rental. A post office box or private mail drop address shall not be deemed to comply with the requirement of maintaining a residence or physical business address. An owner of a vacation rental who resides within a twenty-five mile radius of the vacation rental unit may designate himself/herself as the contact person. Any change in the contact person's address or telephone number shall be furnished to City not later than 24 hours after the effective time of the change.

b. A scaled site plan and floor plan including bedroom locations and dimensions, parking locations and dimensions.

c. A copy of a proposed notice setting forth the name, address, and telephone number of the contact person required in subsection (a) that shall be posted inside the vacation rental unit.

d. Proof of written notification to all property owners within 100 feet of any point on the property containing the vacation rental, describing the proposed vacation rental use, including the number of separate vacation rental units, the number of on-site parking spaces and the telephone number of the contact person/entity set forth in subsection (a).

e. Evidence of a valid transient occupancy registration certificate issued by the tax administrator for the vacation rental pursuant to Section 3-2-4.

f. Acknowledgment that the owner and contact person/entity, if any, have read all this chapter, and acknowledgement of their responsibility to assist in enforcement for payment of transient occupancy taxes.

g. A proposed limitation for the number of overnight and daytime guests.

h. Such other information as the Planning Director or designee deems reasonably necessary to administer this chapter.

11-12-30-4: Vacation Rental Standards

- A. Each vacation rental shall have a minimum of two parking spaces available on-site at all times.
- B. Each vacation rental shall provide for garbage removal as required by the Solvang Municipal Code.

11-12-30-5: On-going Requirements for Vacation Rental Operation

- A. The operator of the vacation rental shall, at all times while the property is being used as a vacation rental, maintain a contact person/entity that can be reached via telephone twenty-four hours a day, seven days a week, to respond to and resolve complaints regarding the use of the vacation rental. The contact person shall respond, either in person as set forth in subsection (B), or by return telephone call, within 3 hours of a complaint, and the contact person shall provide the complaining party a proposed resolution to the complaint.
- B. The operator or contact person/entity shall use best efforts to ensure that the occupants and/or guests of the vacation rental do not create unlawful noise or disturbances, engage in disorderly conduct, or violate provisions of this code or any state law pertaining to noise or disorderly conduct, by notifying the occupants of the rules regarding vacation rentals and responding in person when notified that occupants are violating laws regarding their occupancy. Notwithstanding the retention of a separate contact person/entity, the owner of the vacation rental is responsible for compliance with the provisions of this chapter and the failure of an agent, representative, or contact person to comply with this chapter shall be deemed noncompliance by the owner.
- C. The operator of the vacation rental shall annually, not later than December 31 of each year, notify in writing all property owners within 100 feet of any point on the property containing the vacation rental, that the property will continue to be used as a vacation rental, or if the vacation rental has been returned to use as a private residence.
- D. The operator of the vacation rental shall annually, not later than December 31 of each year, provide in writing to all property owners within 100 feet of any point on the property containing the vacation rental the name, address and telephone number of the contact person required in subsection (A).
- E. A written notice shall be conspicuously posted inside each vacation rental unit setting forth the name, address and telephone number of the contact person required in subsection (A). The notice shall also set forth the maximum number of occupants permitted to stay overnight in the unit, the maximum number of vehicles allowed to be parked on-site, and the day(s) established for garbage collection. The notice shall also provide the non-emergency telephone number of the Solvang Sheriff's Department.

F. Any advertising of the vacation rental shall include the vacation rental permit number provided by the City. No signs may be posted at the vacation rental.

G. The number of overnight and daytime guests shall be in accordance with the approved numbers on the vacation rental certificate. In general, the number of overnight guests should be limited to two (2) adults per bedroom and two (2) adults occupying another space in the unit. Daytime guests shall not exceed twice the amount of overnight guests.

H. Special events (i.e., weddings and celebrations) shall be limited to three (3) per calendar year, and are subject to written approval and conditions established by the Planning Director or his/her designee.

11-12-30-6: Permissible Locations

A. This ordinance does not amend the Solvang Municipal Code to allow vacation rentals in any residential zone except as indicated in subsection (B) below. This ordinance is intended to and does apply to the Tourist Related Commercial (TRC) Zone.

B. Vacation rentals shall be allowed on the south side of Copenhagen Drive east of Fifth Street. The properties on which vacation rentals shall be permitted are addressed as follows:

- 1506 Copenhagen Drive
- 1510 Copenhagen Drive
- 1514 Copenhagen Drive
- 1518 Copenhagen Drive
- 1522 Copenhagen Drive
- 1524 Copenhagen Drive
- 1532 Copenhagen Drive
- 1540 Copenhagen Drive
- 1546 Copenhagen Drive

11-12-30-7: Violations and Enforcement

A. It shall be unlawful and a misdemeanor for any person to construct for vacation rental use, to convert to vacation rental use, to offer to another for vacation rental use, or to occupy as a vacation rental use any portion of any structure or facility without full compliance with this chapter.

B. In addition to, or in lieu of criminal sanctions set forth in subsection (A), administrative penalties, including a notice of violation, shall be imposed, and permits shall be revoked, in the manner provided in this sub-section (B).

1. The Planning Director or designee shall conduct an investigation whenever there is reason to believe that an owner has failed to comply with the provisions of this chapter. Should the investigation reveal substantial evidence to support a finding that a violation occurred, the Planning Director or designee shall issue written notice of the violation and intention to impose a penalty and/or revoke the permit. The written notice shall be served on the owner and operator or agent and shall specify the facts which, in the opinion of the community development director, constitute substantial evidence to establish grounds for imposition of the penalties and/or revocation, and specify that the penalties will be imposed and/or that the permit will be revoked within 15 days from the date the notice is given unless the owner and/or operator files with the city clerk the fine amount and a request for a hearing before the city manager. The penalties for violations specified in subsection (B) of this section shall be as follows:

a. For the first violation within any 12-month period, the penalty shall be a fine not to exceed \$1,000.00, and/or suspension of the permit for a period not to exceed three months.

b. For a second violation within any 12-month period, the penalty shall be a fine not to exceed \$3,000.00, and/or suspension of the permit for a period not to exceed six months.

c. For a third violation within any 12-month period, the penalty shall be a fine not to exceed \$5,000.00, and/or suspension of the permit for a period not to exceed one year.

2. If the owner requests a hearing within the time specified in subsection (1) of this section, the city clerk shall serve written notice on the owner and operator, by mail, of the date, time and place for the hearing which shall be scheduled not less than 15 days, nor more than 45 days of receipt of request for a hearing. The city manager may preside over the hearing or may designate a hearing officer to take evidence and submit proposed findings and recommendations to the city manager. The city manager shall impose the penalties or revoke the permit only upon a finding that a violation has been proven by a preponderance of the evidence, and that the penalty or revocation is consistent with the provisions of this chapter. The city manager shall render a decision within 30 days of the hearing and the decision shall be final.

C. The City Manager or designee shall have the authority to impose additional conditions on any permit in the event of any violation of the conditions of the permit or the provisions of this chapter.

SECTION 2.

Section 11-6B-2.I is hereby added to read as follows:

I. Vacation Rentals, subject to the regulations and locations specified in Section 11-12-25 of this title.

SECTION 3.

This ordinance shall become effective immediately following passage and adoption hereof.

SECTION 4.

The City Council finds, pursuant to Title 14 of the California Code of Regulations, section 15061 (b)(3), that this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a project which has the potential for causing a significant effect on the environment.

SECTION 5. Publication

Solvang is a Charter City and has adopted its own rules for summarizing and posting ordinances once they are adopted. The City Attorney will prepare a summary of this ordinance. The summary will be posted in three locations after adoption as directed in the Solvang Municipal Code. The City Clerk shall keep a true and correct copy of the full ordinance together with a record of the vote of each council member.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Solvang on this 14th day of November, 2016:

BY: _____
Jim Richardson, Mayor

ATTEST:

Lisa S. Martin, City Clerk

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA)
CITY OF SOLVANG)

I, Lisa S. Martin, City Clerk of the City of Solvang, do hereby certify that the foregoing Ordinance had its first reading on October 24, 2016 and was adopted on second reading on November 14, 2016 by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

BY: _____
Lisa S. Martin, City Clerk

PC RESOLUTION NO. 16-05

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SOLVANG, RECOMMENDING THAT THE CITY COUNCIL ADOPT AN ORDINANCE AMENDING TITLE 11, ZONING REGULATIONS, TO PROVIDE REGULATIONS FOR SHORT TERM/VACATION RENTALS; AND TO ACCEPT THE EXEMPTION, PURSUANT TO §15061 OF THE GUIDELINES FOR IMPLEMENTATION OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

THE PLANNING COMMISSION OF THE CITY OF SOLVANG HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the Planning Commission has reviewed the proposed amendments to the aforementioned Section of the City's Municipal Code, Title 11, and,

WHEREAS, the Planning Commission has held a duly noticed Public Hearing on the proposed amendments to the Municipal Code, Title 11, on October 3, 2016, at which time all interested persons were given the opportunity to be heard; and

WHEREAS, the Planning Commission has reviewed the amendments in compliance with the California Environmental Quality Act (CEQA) and has determined that the project is Exempt under the General Rule, Section 15061 of the Guidelines for the Implementation of California Environmental Quality Act, and directs staff to prepare and file a Notice of Exemption;

WHEREAS, the Planning Commission, after due research and deliberation makes the following findings in regards to the proposed amendments to Title 11:

1. The potential environmental impacts are insignificant;
2. The proposed amendments are in the interest of the general community welfare;
3. The proposed amendments are consistent with the General Plan, the requirements of State Planning & Zoning Laws, and the Solvang Municipal Code; and
4. The proposed amendments are consistent with good zoning and planning practices.

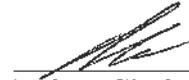
NOW, THEREFORE BE IT RESOLVED that the Planning Commission of the City of Solvang hereby recommends that the City Council approve the amendments to the aforementioned Sections of Title 11 of the Solvang Municipal Code, and accept the Exemption from the California Environmental Quality Act (CEQA).

On motion by Commissioner Infanti and seconded by Commissioner Petersen, the foregoing Resolution is hereby adopted by the following vote:

AYES: 5
NOES: 0
ABSENT: 0

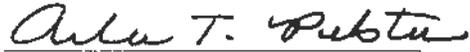
DATE: October 3, 2016

APPROVED:



Robert Clarke
Planning Commission Chair

APPROVED AS TO CONTENT:



Arleen T. Pelster, AICP
Planning & Economic Development Director



NOTICE OF EXEMPTION

To: County Clerk
County of Santa Barbara
105 East Anapamu Street
Santa Barbara, CA 93101

Project Title: Amendments to the Zoning Ordinance, Title 11 of the Solvang Municipal Code

Project Description: Review of proposed Ordinance Amendments to Title 11, Zoning Ordinance, to Provide Regulations for Short Term/Vacation Rentals.

Specific Location: 1506 – 1546 Copenhagen Drive

Name of Public Agency Approving Project: City of Solvang

Name of Person or Agency Carrying Out Project: Arleen T. Pelster, Planning & Economic Development Dir.

Exempt Status: *(check one)*

- Ministerial [Sec. 21080(b)(1); 15268];
- Declared Emergency [Sec. 21080(b)(3); 15269(a)];
- Emergency Project [Sec. 21080(b)(4); 15269(b)(c)];
- Categorical Exemption. State type and section number:
- Statutory Exemptions. State code number:
- No Possibility of Significant Effect [Sec. 15061(b)(3)]

Cite specific CEQA Guideline Section: **§15061.** This section states that CEQA only applies to “projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, the activity is not subject to CEQA”.

Reasons why project is exempt:

The environmental impacts of the proposed amendments to Title 11 are insignificant. The proposed amendments are in the interest of the general community welfare and are consistent with the General Plan, the requirements of State Planning & Zoning Laws and the Solvang Zoning Regulations. The proposed amendments to Title 11 are consistent with good zoning and planning practices.

Lead Agency Contact/Phone: Arleen T. Pelster / 805.688.4414

Signature: _____ Date: _____ Title: Planning Director



**CITY COUNCIL
STAFF REPORT**

TO: SOLVANG CITY COUNCIL MEMBERS

FROM: Sandra Featherson, Director of Administrative Services

MEETING DATE: October 24, 2016

DATE PREPARED: October 17, 2016

SUBJECT: ADOPT ON SECOND READING AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOLVANG AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL OF THE CITY OF SOLVANG

I. RECOMMENDATION:

Adopt on second reading, by title only, Ordinance 16-____, an Ordinance of the City Council of the City of Solvang Authorizing an Amendment to the Contract between the Council of the City of Solvang and the Board of Administration of the California Public Employees' Retirement System.

II. DISCUSSION:

At the June 27, 2016 City Council meeting, a Memorandum of Understanding (MOU) with the Teamsters Union Local 986 was approved. As part of that agreement, the current contract with California Public Employees Retirement System (CalPERS) would be amended to reflect an increase in the cost sharing by the employees, of the employer's share of the retirement contribution, from 4% to 6%.

Several steps must be taken to amend the CalPERS contract, including adopting a Resolution of Intention and enacting an ordinance authorizing the amendment. The Resolution of Intention and the first reading of this ordinance was completed at the City Council meeting on September 26, 2016.

An employee election was held in September 2016 with employees approving the additional 2% of cost sharing of the employer's share of the retirement contribution. This contract amendment will become effective 30 days from the date of this second reading, and begin with the payroll period starting November 28, 2016.

As a result of this contract amendment and in accordance with the MOU the following changes will take place:

	<u>Pre-Amendment/MOU</u>	<u>Post Amendment/MOU</u>
Employer's CalPERS Contribution	13.0860	11.0860
Employee's CalPERS Contribution	4%	6%

III. ALTERNATIVES:

The City Council could choose not to adopt the Ordinance and redirect staff to not move forward with contract changes. If this were to happen, the City would be required to re-open negotiations with the bargaining unit.

IV. FISCAL IMPACT:

Amending the contract reduces the City contribution to CalPERS by an additional 2%. For the fiscal year 2016-17, this saves approximately \$41,000.

V. ATTACHMENTS:

- A. Ordinance No. 16-____ authorizing the Amendment
- B. Amendment to Contract Between the Board of Administration California Public Employees' Retirement System and the City Council, City of Solvang

ORDINANCE NO. 16-___

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SOLVANG AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE COUNCIL OF THE CITY OF SOLVANG AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

THE PEOPLE OF THE CHARTERED CITY OF SOLVANG DO HEREBY ORDAIN AS FOLLOWS:

Section 1.

That an amendment to the contract between the Council of the City of Solvang and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

Section 2.

The Mayor of the Council of the City of Solvang is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

Section 3.

This Ordinance shall take effect thirty (30) days after the date of its passage.

Section 4.

Solvang is a Charter City and has adopted its own rules for posting ordinances once they are adopted. The ordinance will be posted in three locations after adoption as directed in the Solvang Municipal Code with a record of the vote of each Council Member.

PASSED, APPROVED AND ADOPTED this 24th day of October, 2016.

BY: _____
Jim Richardson, Mayor

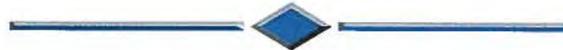
ATTEST:

Lisa S. Martin, City Clerk



EXHIBIT

California
Public Employees' Retirement System



AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Solvang



The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective July 1, 1985, and witnessed March 26, 1987, and as amended effective September 1, 1988, June 16, 1994, November 10, 2000, July 16, 2002, December 23, 2004, October 29, 2007 November 17, 2014 and November 2, 2015 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 15 are hereby stricken from said contract as executed effective November 2, 2015, and hereby replaced by the following paragraphs numbered 1 through 17 inclusive:
 1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members, age 62 for new local miscellaneous members, age 50 for classic local safety members and age 57 for new local safety members.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

2. Public Agency shall participate in the Public Employees' Retirement System from and after July 1, 1985 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Local Fire Fighters (herein referred to as local safety members);
 - b. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
 - a. **POLICE OFFICERS; AND**
 - b. **ELECTED OFFICIALS.**

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6. This contract shall be a continuation of the benefits of the contract of the Solvang Municipal Improvement District, hereinafter referred to as "Former Agency", pursuant to Section 20567.2 of the Government Code, Former Agency having ceased to exist and having been required by law to be succeeded by Public Agency on July 1, 1985. Public Agency, by this contract, assumes the accumulated contributions and assets derived therefrom and liability for prior and current service under Former Agency's contract with respect to the Former Agency's employees. Legislation repealed said Section effective January 1, 1988.
 - a. All benefits provided under this contract shall apply to all past service for former employees of the Solvang Municipal Improvement District.
7. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment before and not on or after October 29, 2007 shall be determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified and Full).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment on or after October 29, 2007 shall be determined in accordance with Section 21354.4 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2.5% at age 55 Modified and Full).
9. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).
10. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member shall be determined in accordance with Section 21362 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 50 Modified).
11. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2.7% at age 57 Full).
12. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20965 (Credit for Unused Sick Leave).
 - b. Sections 21624 and 21626 (Post-Retirement Survivor Allowance) for local miscellaneous members only.
 - c. Section 20042 (One-Year Final Compensation) for classic members only.

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- d. Sections 21624, 21626 and 21628 (Post-Retirement Survivor Allowance) for local safety members only.
- e. Section 20903 (Two Years Additional Service Credit).
- f. Section 21024 (Military Service Credit as Public Service).
- g. Section 20516 (Employees Sharing Additional Cost):

From and after November 17, 2014 and until November 2, 2015, 2% for classic local miscellaneous members.

From and after November 2, 2015 and until the effective date of this amendment to contract, 4% for classic local miscellaneous members.

From and after the effective date of this amendment to contract, 6% for classic local miscellaneous members.

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

- 13. Public Agency, in accordance with Government Code Section 20834, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20834, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20834.
- 14. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
- 15. Public Agency shall also contribute to said Retirement System as follows:
 - a. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

- b. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
16. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
 17. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF SOLVANG

BY _____
CHERYL EASON
CHIEF FINANCIAL OFFICER
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

PLEASE DO NOT SIGN "EXHIBIT ONLY"



**CITY COUNCIL
STAFF REPORT**

TO: SOLVANG CITY COUNCIL MEMBERS

FROM: Brad Vidro, City Manager

MEETING DATE: October 24, 2016

DATE PREPARED: October 13, 2016

**SUBJECT: FUNDING RECOMMENDATION FOR AWARD OF BID FOR FIRE
STATION ADDITION**

I. RECOMMENDATION:

1. Approve ad hoc committee recommendation to reallocate Indian Gaming funding from the Alamo Pintado Bicycle Bridge Project to the Fire Station 30 expansion. (\$113,000)
2. Award bid to J&P Construction for \$171,499 including \$10,000 contingency.
3. Approve budget adjustment to facilitate the change.

II. DISCUSSION:

At the March 12, 2012 City Council meeting staff was directed to make a request to Indian Gaming Local Benefit Committee to reallocate \$370,000 in funding that had been received for construction of intersection improvements to the Alamo Pintado Creek Bicycle Bridge project. This was the result of Caltrans requiring the City to show full funding for the complete replacement of the roadway bridge over Alamo Pintado as part of the intersection improvement project, which was unachievable. City Staff has been developing the bicycle bridge project since then and recently was again derailed by Caltrans when they indicated the project would affect the existing roadway bridge's scour potential during high storm flows.

The Santa Ynez Band of Chumash Indians is funding the purchase of a single chassis ladder truck for the Santa Barbara County Fire Department. To house the truck at Station 30 in Solvang requires an extension of one of the equipment bays. Through the City of Solvang's ad hoc subcommittee with the Chumash Tribe, funding was received for the design of the station addition.

The project was designed and put out to bid. While several potential bidders attended the pre-bid meeting, only one bidder submitted a bid and it was for \$171,499. Per previous City Council action, the demolition work required in the parking lot will be performed by City staff as an in kind contribution to the project. The Tribe has indicated that they have allocated \$100,000 towards the project from savings realized from aerial truck purchase.

The total estimated cost including a 5% contingency is \$213,000, which would require a commitment of up to \$113,000 in the SDF funding towards the station addition.

Currently the new truck is anticipated to be delivered in April of 2017. Awarding the contract now will help to get the construction completed before the winter season.

III. ALTERNATIVES:

The City Council could choose not to request the funds be reallocated. This would require general a general fund commitment if the desire is to award the contract and construct the addition.

The bid could be rejected and the project rebid.

IV. FISCAL IMPACT:

The Fire Station Addition funding is as follows:

Funding

Chumash Reimbursement	\$100,000
Indian Gaming Funding	\$113,000
Total	\$213,000

Expenses

Preliminary Design	\$7,350
Final Design	\$21,896
Construction	\$171,499
PG&E pole relocation (estimate)	\$1,255
Demolition debris (estimate)	\$1,000
Subtotal	\$203,000
Contingency	\$10,000
Total	\$213,000

V. ATTACHMENTS:

- Grant Application
- Construction Contract
- Budget Adjustment

Santa Barbara County Indian Gaming Local Community Benefit Committee

New Application

Revised Application

To be considered for funding by the Indian Gaming Community Benefit Committee, the applying jurisdiction must be an eligible jurisdiction pursuant to California Government Code Section 12712, and meet all the requirements as identified by the Santa Ynez Band of Chumash Indians and the Indian Gaming Local Community Benefit Committee. The Santa Ynez Band of Chumash Indians will forward applications and a list of sponsored applications to the Committee.

1. Name of Jurisdiction: City of Solvang
California Government Code Section 12712, jurisdiction is defined as a City, County or Special District

a. Please indicate by checking the appropriate box the type of local jurisdiction:

City

County

Special District – “Special District” means an agency of the State, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries.

b. If you checked Special District, please provide evidence by indicating the general law or special act (California Code Section 12712) that establishes your status as a Special District:

2. Mailing address of Jurisdiction: 1644 Oak Street, Solvang, CA 93463

3. Purpose of Grant / Description of Project: Funding of construction of an addition to the Solvang Fire Station to facilitate a location for the new ladder truck that will be purchased by the Chumash Tribe for the Santa Barbara County Fire Department. The Solvang Station provides a central location to the Santa Ynez Valley to be able to serve Santa Ynez , the Chumash Reservation, Los Olivos, Solvang and Buellton.

Santa Barbara County Indian Gaming Local Community Benefit Committee

4. Please document, in detail, the Tribal casino and/or gaming impacts and describe how the request is proportional to the documented impacts which the grant or project is designed to mitigate; in addition, each grant application shall clearly show how the grant will mitigate the impact of the casino on the grant applicant: (Please include historical data, if available. Attach additional sheets, if necessary, to provide a detailed description of impacts).

The construction of a twelve story hotel at the Chumash Casino property has resulted in the need of a ladder truck for the Santa Barbara County Fire Department. Construction of an addition to the Solvang Fire Station will facilitate a location for the ladder truck to be stationed.

5. The following are priorities, established in statute, for receipt of grant money. Please indicate by check mark, the priority(ies) the grant request satisfies:

- | | |
|---|---|
| <input type="checkbox"/> Law Enforcement | <input type="checkbox"/> Health |
| <input checked="" type="checkbox"/> Fire Services | <input type="checkbox"/> Planning and Adjacent Land Use |
| <input type="checkbox"/> Emergency Medical Services | <input type="checkbox"/> Public Health |
| <input type="checkbox"/> Environmental Impacts | <input type="checkbox"/> Roads |
| <input type="checkbox"/> Water Supplies | <input type="checkbox"/> Recreation and Youth Programs |
| <input type="checkbox"/> Waste Disposal | <input type="checkbox"/> Child Care Programs |
| <input type="checkbox"/> Behavioral | |

6. Jurisdiction Priority: 1 (Optional - If multiple applications are submitted a jurisdiction may want to indicate the relative priority of each application)

7. Request is for: Single-year grant
 Multi-year grant for Fiscal Years: _____

8. What is the grant or project time frame? Fiscal Year 2016/17

9. Amount of funding requested through this application? \$ up to \$113,000

Santa Barbara County Indian Gaming Local Community Benefit Committee

10. What will be the total cost of the project? \$ 213,245

11. If ongoing costs, annual amount? \$ _____

12. Please provide funding history since FY 08-09:

In FY 2008/09 the City of Solvang received \$173,280.96 in funding for Alamo Pintado Creek Bridge Widening and in FY 2010/11 the City received an additional \$105,883.00 for the same project. In FY 2012/13 the City received \$55,000 for the Community Resource Deputy position. In FY 2013/14 the City received \$51,000 for the Community Resource Deputy position. In 2012, \$369,859 of funding for the Alamo Pintado Creek Bridge Widening Project was reallocated to the Alamo Pintado Creek Bicycle Bridge Project.

13. Name other sources of funding, if any, that will be contributed to the project and the amount provided by each source: \$100,000 Chumash Tribe; \$10,000 in kind services City of Solvang

14. Type of grant for which you are applying: (Nexus or Discretionary)

Nexus Grants (Total of \$442,051.44 Available)

To be eligible for Nexus Grant funding, a **City or County** must meet a minimum of two of the following nexus criteria established by State law (Government Code).

(Please check all that apply):

- a. Local government jurisdiction borders the Indian lands on all sides (Section 12715 (c)(1)(A));
- b. Local government jurisdiction partially borders Indian lands (Section 12715 (c)(1)(B));
- c. Local government jurisdiction maintains a highway or road that is predominant access to casino that is located within 4 miles (Section (c)(1)(C));
- d. All or part of the local government jurisdiction is located within 4 miles of the casino (Section (c)(1)(D)).

Based on the above, in Santa Barbara County, Nexus Grants are limited to the **City of Solvang** and the **County of Santa Barbara**. Nexus grants are to be awarded as follows:

- 50% of the 60% available awarded to jurisdictions meeting all 4 nexus test criteria.
- 30% of the 60% awarded to jurisdictions that meet 3 of the nexus test criteria
- 20% awarded to jurisdictions that meet 2 of the nexus test criteria.

Discretionary Grant

Special Distribution Funds (SDF)

Discretionary Grants are available to local jurisdictions (City, County, or Special Districts) impacted by casinos of tribes that are paying into the Special Distribution Fund.

15. Please affirm the jurisdiction is aware and will comply with requirement for noticing of project funding

Yes

No

Santa Barbara County Indian Gaming Local Community Benefit Committee

Grant recipients must provide notice to the public, either through a slogan, signage or other mechanism, which states that the project has received funding from the Indian Gaming Special Distribution Fund and further identifies the particular Individual Tribal Casino Account from which the grant derives.

Contact Person:

Name: Brad Vidro Phone: 805-688-5575

Fax: 805-686-2049 E-mail Address: bradv@cityofsolvang.com

Authorized Signature Date City Manager
Title

B1 - CONSTRUCTION AGREEMENT

PROJECT: CITY OF SOLVANG – SOLVANG FIRE STATION ADDITON, PW 068

AMOUNT OF CONTRACT: ___\$171,499.00_____

THIS AGREEMENT, made and entered into this __24th_____ day of __October_____, 2016,

by and between the City of Solvang hereinafter referred to as "Agency", and _J&P Construction_____, hereinafter referred to as "Contractor".

IN CONSIDERATION OF THE MUTUAL PROMISES, COVENANTS AND CONDITIONS HEREINAFTER SET FORTH, THE PARTIES DO HEREBY AGREE as follows:

ARTICLE I: GENERAL

For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by said Agency, said Contractor agrees with said Agency to perform and complete in a workmanlike manner all work required under the Bidding Schedule of said Agency's Specifications entitled **SOLVANG FIRE STATION ADDITION, PW 068** in accordance with the Specifications and Drawings therefore, to furnish at his own expense all labor, materials, equipment, tools, transportation, and services necessary therefore, except such materials, equipment and services as may be stipulated in said Specifications to be furnished by said Agency, and to do everything required by the Agreement and the said Specifications and Drawings, for the sum of \$___171,499.00_____, pursuant to the Bidding Schedule attached hereto and made a part hereof.

ARTICLE II: PAYMENT

For furnishing all said labor, materials, equipment, tools, and services, furnishing and removing all plant, temporary structures, tools, and equipment, and doing everything required by this Agreement and the said Specifications and Drawings; for all loss and damages arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise during the prosecution of the work until its acceptance by said Agency, and for all risks of every description connected with the work; for all expenses resulting from the suspension or discontinuance of work, except as in the said Specifications are expressly stipulated to be borne by said Agency and for completing the work in accordance with the requirements of said Specifications and Drawings, said Agency will pay, and said Contractor shall receive, in full compensation there for, the price named in the above mentioned Bidding Schedule.

ARTICLE III: CONSIDERATION

The Agency hereby employs said Contractor to perform the work according to the terms of this Agreement for the abovementioned price and agrees to pay the same at the time, in the manner, and upon the conditions stipulated in the said Specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE IV: INDEMNIFICATION

(a) To the fullest extent permitted by law, the Contractor shall (1) immediately defend and (2) indemnify the City of Solvang, and its elected officials, officers, and employees from and against all liabilities regardless of nature, type, or cause, arising out of or resulting from or in connection with the performance of the Contract. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. The Contractor's obligation to indemnify applies regardless of whether a liability is a result

of the negligence of any other person, unless it is adjudicated that the liability is caused by the sole active negligence or sole willful misconduct of an indemnified party.

(b) The duty to defend is a separate and distinct obligation from the Contractor's duty to indemnify. The Contractor shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the City of Solvang, the City of Solvang and its elected officials, officers, and employees, immediately upon submittal to the Contractor of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. A determination of comparative active negligence or willful misconduct by an indemnified party does not relieve the Contractor from its separate and distinct obligation to defend City of Solvang. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes an obligation to provide independent defense counsel if Contractor asserts that liability is caused in whole or in part by the negligence or willful misconduct of the indemnified party. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of an indemnified party, Contractor may submit a claim to the City of Solvang for reimbursement of reasonable attorneys' fees and defense costs.

(c) The review, acceptance or approval of the Contractor's work or work product by any indemnified party shall not affect, relieve or reduce the Contractor's indemnification or defense obligations. This Section survives completion of the services or the termination of this contract. The provisions of this Section are not limited by and do not affect the provisions of this contract relating to insurance.

(d) Liabilities subject to this Section include any claim of discrimination or harassment, including but not limited to sexual harassment, arising from the conduct of the Contractor or any of the Contractor's officers, employees, agents, licensees, or subcontractors. In the event of a discrimination or harassment complaint against any employee, agent, licensee or subcontractor of the Contractor or its subcontractors, the Contractor shall take immediate and appropriate action in response to such complaint, including, but not limited to termination or appropriate discipline of any responsible employee, agent, licensee or subcontractor.

ARTICLE V: WAGES

The payment of prevailing wages are required on this project. The general prevailing rates of per diem wages and general prevailing rate for holiday and overtime work in the locality in which the work is to be performed have been determined by the Agency. Said general prevailing rates of per diem wages are hereby incorporated herein and made a part hereof. The Contractor agrees that he, or any subcontractor under him, will pay not less than the foregoing specified prevailing rates of wages to all workmen employed in the execution of the Contract. Any contractor who is awarded a public works project and intends to use a craft or classification not shown on the general prevailing wage determinations, may be required to pay the wage rate of that craft or classification most closely related to it as shown in the general determinations effective at the time of the call for bids.

ARTICLE VI: HOURS AND WORKING CONDITIONS

The Agency is a public entity in the State of California and is subject to the provisions of the Government Code and the Labor Code of the State. It is stipulated and agreed that all provisions of law applicable to public contracts are a part of this contract to the same extent as though set forth herein and will be complied with by the Contractor.

ARTICLE VII: COMPONENTS OF AGREEMENT

The Bid Information Sheet, Contractor's Proposal, Bid Bond, Information Required of Bidder, Faithful Performance Bond, Labor and Material Bond, Certificate of Compliance, Insurance Requirements for Contractors, Labor Provisions, Standard Specifications for Public Works Construction (latest edition), General Provisions, General Provisions Modifications, Special Provisions, Specifications, Drawings and all Addenda issued by the Agency with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Agreement.

IN WITNESS WHEREOF, this contract has been executed on the day and year first above written.

CITY OF SOLVANG

APPROVED AS TO FORM:

City Attorney

Mayor

ATTEST:

City Clerk

CONTRACTOR

Printed Name

Signature

Title

Bond Principal:

Bond No.: _____

Bond Type: _____

Bond Amount: _____

Project: SOLVANG FIRE STATION ADDITION, PW 068

B2 - LABOR & MATERIALS BOND

WHEREAS, the City of Solvang, as AGENCY has awarded to, as CONTRACTOR, a contract for the SOLVANG FIRE STATION ADDITION, PW 068;

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of ____ Dollars (\$) which is one hundred percent (100%) of the total contract amount for the above stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if said CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and paid over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorney's fee to the plaintiff's and the AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying same shall in any manner affect its obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this _____ day of _____, 20_____.

CONTRACTOR:* _____

SURETY:* _____

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

Subscribed and sworn to this _____ day of _____, 20_____.

NOTARY PUBLIC: _____ (SEAL)

(EXECUTE IN DUPLICATE)

Bond Principal: _____

Bond No.: _____

Bond Type: _____

Bond Amount: _____

Project: **SOLVANG FIRE STATION ADDITION, PW 068**

B3 - FAITHFUL PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS that _____, as CONTRACTOR and _____, as SURETY, are held and firmly bound unto the City of Solvang, as AGENCY, in the penal sum of _____ Dollars (\$ _____), which is one hundred percent (100%) of the total contract amount for the above stated project, for the payment of which sum, CONTRACTOR and SURETY agree to be bound, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has been awarded and is about to enter into the annexed Contract Agreement with AGENCY for the above stated project, if CONTRACTOR faithfully performs and fulfills all obligations under the contract documents in the manner and time specified therein, then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor of AGENCY; provided that any alterations in the obligations or time for completion made pursuant to the terms of the contract documents shall not in any way release either CONTRACTOR or SURETY, and notice of such alterations is hereby waived by SURETY. In case suit is brought upon this bond the said SURETY will pay a reasonable attorney's fee to the AGENCY in an amount to be fixed by the court.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this _____ day of _____, 20_____.

CONTRACTOR:* _____

SURETY:* _____

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

Subscribed and sworn to this _____ day of _____, 20_____.

NOTARY PUBLIC: _____

(SEAL)

(EXECUTE IN DUPLICATE)

Bond Principal: _____

Bond No.: _____

Bond Type: _____

Bond Amount: _____

Project: **SOLVANG FIRE STATION ADDITION PW 068**

B4 - MAINTENANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS THAT WHEREAS, the City of Solvang, as AGENCY has awarded to _____, as CONTRACTOR, a contract for the SOLVANG FIRE STATION ADDITION, PW 068;

AND WHEREAS, said CONTRACTOR is required to furnish a bond in connection with said contract guaranteeing maintenance thereof;

NOW, THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held firmly bound unto AGENCY in the sum of _____ Dollars (\$_____), which is fifty percent (50%) of the total contract amount for the above stated project to be paid to AGENCY, its successors and assigns, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that if said CONTRACTOR shall remedy without cost to AGENCY any defects which may develop during a period of one (1) year from the date of recordation of the Notice of Completion of the work performed under said contract, provided such defects are caused by defective or inferior materials or work, then this obligation shall be void; otherwise it shall be and remain in full force and effect. In case suit is brought upon this bond, the said SURETY will pay a reasonable attorneys fee to the AGENCY in an amount to be fixed by the court.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this _____ day of _____, 20_____.

CONTRACTOR:* _____

SURETY:* _____

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

Subscribed and sworn to this _____ day of _____, 20_____.

NOTARY PUBLIC: _____

(SEAL)

(EXECUTE IN DUPLICATE)



**City of Solvang
Budget Adjustment Request**

Agenda Item	MO/YR	Number
	10/16	17-03

Dept: Administration _____

Revenue Adjustments

Decrease/ Increase	Account/ Project Name	Fund	Dept	Prog.	Object	Description	Current Budget	AMOUNT		Revised Budget
								Decrease	Increase	
Increase	Chumash Donation	100	1600	620	39001	Chumash Reimbursement for Remodel	0		104,333	104,333
Increase	Indian Gaming Funds	100	1600	620	35003	Funding for Firestation Remodel	0		113,245	113,245
										0
										0
							\$ -	\$ -	\$ 217,578	\$ 217,578

Total Revenues Increase (Decrease) \$ 217,578

Expense Adjustments

Decrease/ Increase	Account/ Project Name	Fund	Dept	Prog.	Object	Description	Current Budget	AMOUNT		Revised Budget
								Decrease	Increase	
Increase	Fire Station Remodel	100	1600	620	70944	Fire Station Remodel	0		217,578	217,578
										0
										0
										0
										0
							\$ -	\$ -	\$ 217,578	\$ 217,578

Total Expense Increase (Decrease) \$ 217,578

EXPLANATION:

Fire Station Remodel
Approved additional funding from Indian gaming funds.

Prepared By: Sandra Featherson	Date: 10/17/16
Admin. Services Director:	Date
City Manager:	Date
City Council Approved:	Date
Posted by:	Date



October 18, 2016

ADVANCE CALENDAR

Below is an Advance Calendar of anticipated agenda items. The dates are tentative but reflect an overview of items to come. Items on this advance calendar are subject to change. Final agendas will be available on-line and at City Hall at least 72 hours prior to the meeting date.

MEETING DATE	AGENDA ITEM	ACTION
NOVEMBER 14, 2016	Mayor for a Day- Linda Johansen	N/A
	California Building Code Ordinance Update	Approve
	Award Professional Services Agrmt for Compensation Study	Approve
	Professional Services Agrmt, Mission Drive Crosswalks	Approve
	Fiscal Year 2015-16 Financial Review	Receive
	Citywide Sidewalk Master Plan Final Draft	Approve
	Sign Ordinance Discussion re: Flags	Discuss
	Water Softener Restriction Ord Amendment 2 nd Reading- Consent	Approve
	Proclamation recognizing Law Enforcement	Present
NOVEMBER 28, 2016	Halloween Haunted House Donation	Accept
	Hazard Mitigation Plan Update	Approve
	Tajiguas Resource Recovery Project Materials Delivery Commitment	
DECEMBER 2016	Results of Election and Installation of New Mayor/Councilmembers	Accept
<i>(BBQ for Council, Bds,</i>	Appointment to Boards and Commissions	Approve
<i>And Commissions)</i>	Cancellation of 2 nd Meeting in December	
JANUARY 2017	Investment Report	Receive
FEBRUARY 2017	2015-16 Comprehensive Annual Financial Report (CAFR)	Receive
MARCH 2017		
<i>*Public Notice Required</i>	Measure A 5-Year Local Program of Projects (2 nd Mtg in March 2017)	Approve
	Solvang Mesa LLMD Resolution of Intent (1 st Mtg in March 2017)	Adopt
APRIL 2017		
<i>*Public Notice Required</i>	Solvang Mesa LLMD Resolution of Assessment (1 st Mtg in Apr 2017)	Adopt
MAY 2017		
<i>*Public Notice Required</i>	Amend Appropriation Limit for FY 2016-17 (2 nd Mtg in May)	Approve

<u>Unscheduled</u>		
	Resolution of Intent re: Installment Sale Water Revenue Bonds	
	Ordinance Amendment- Snowbird Meter Fees	
	Storm Water Resource Plan	
	Sphere of Influence/Annexation Study	
<i>*Public Notice Required</i>	Building Code/Fee revisions, California Code Check Agreement	
	Wireless Telecommunication Facilities Regulations	
	Findings of SYCSD Recycled Water Planning Study	
	Resolution of Support for SBCAG Regional Bike & Ped Plan	
	NPDES Permit Trash Amendment Summary	
	Conflict of Interest Code Review (June 2018)	Discuss
	<i>Warrant Register (1st meeting of each month)</i>	<i>Approve</i>
	<i>Sheriff's Department Report (2nd meeting of each month)</i>	<i>Receive</i>
	<i>SCVB Report (2nd meeting of each month & biennial report)</i>	<i>Receive</i>
	<i>Fire Department Report (Quarterly)</i>	<i>Receive</i>
	<i>VisitSYV Report (Quarterly)</i>	<i>Receive</i>