

CONCURRENT MEETING
CITY COUNCIL/CRA/RCFC

Monday, April 5, 2010

5:30 p.m. – Regular Meeting

AGENDA



Ken Cooley, Mayor

Robert J. McGarvey, Vice Mayor

David Sander, Council Member

Linda Budge, Council Member

Dan Skoglund, Council Member



**CONCURRENT MEETING
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY (CRA)/
RANCHO CORDOVA FINANCING CORPORATION (RCFC)**

**City Hall
2729 Prospect Park Drive, Rancho Cordova**

Monday, April 5, 2010

**5:30 P.M. – Regular Meeting
David B. Roberts Council Chambers**

AGENDA

1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

Council Members Sander, Budge, Skoglund, McGarvey, and Mayor Cooley

2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The City Clerk will announce the meetings video recording and playback schedules.

3. PLEDGE OF ALLEGIANCE

The Mayor will call on Cub Scout Pack #305 to Perform Flag Ceremony and Lead the Pledge of Allegiance.

4. INVOCATION

Pastor Becky Goodwin, United Methodist Church of Rancho Cordova, will give the invocation.

5. PRESENTATIONS

- 5.1 Presentation by Economic Development Director Curt Haven to Rancho Cordova City Council Celebrating the Demolition of the Stagger Inn.
- 5.2 Presentation of Award to Congressman Lungren in Recognition of his Support of the International Extension / Bridge Project.
- 5.3 Presentation of Proclamation to Cub Scout Pack #305 in Recognition of Creek Week, April 9-17, 2010.
- 5.4 Presentation by Neighborhood Services Manager Kerry Simpson in Support of Fair Housing Month (April 2010).

6. PUBLIC COMMENT

Citizens wishing to address the Council for any matter on the Consent Calendar or not on the agenda may do so at this time by completing and submitting a (blue) Speaker Card to the City Clerk. **For items on the agenda, speakers will be called up to the podium by the Mayor at the point on the agenda when the item will be heard.** Speakers are encouraged to keep comments to three minutes or less and to state name and community of residence.

Note, under the provisions of the California Government Code, the City Council is prohibited from discussing or taking immediate action on any unagendized item unless it can be demonstrated to be of an emergency nature or the need to take immediate action arose after the posting of the agenda.

7. COUNCIL REPORTS

8. CONSENT CALENDAR ITEMS – ROLL CALL VOTE

8.1 **Subject:** Meeting Minutes:

- a) Regular Meeting Minutes of March 1, 2010; and
- b) Special Meeting Minutes of March 23, 2010; and
- c) Work Session Meeting Minutes of March 23, 2010.

Recommendation: Adopt Minutes.

8.2 **Subject:** Ordinance Temporarily Suspending Residential Photovoltaic Solar System Permit Fees, in Section 16.90.030 of the Rancho Cordova Municipal Code

Recommendation: Waive second reading and adopt Ordinance No. 2-2010. **(Roll Call Vote)**

Result of Recommended Action: Adoption of this ordinance will authorize an additional one-year suspension of permit fees for retrofit photovoltaic solar panels in residential buildings. This ordinance supports and encourages the installation of solar panels in residences.

Staff Report: Cyrus Abhar, Public Works Department

Advances Goal: 11

8.3 **Subject:** Resolution Authorizing the Establishment of the California Employees Retiree Benefits Trust, to Prefund the Trust for the Actuarially Determined Liability, and Delegation of Authority to Withdraw from the Trust

Recommendation: Adopt Resolution No. 16-2010.

Result of Recommended Action: After the City establishes the trust fund, and remits its liability, the City will have fully funded its annual required contribution for the future costs of allowing its employees to purchase their own health insurance through CalPERS, at their own expense. Adoption of this resolution will establish a trust with CalPERS and fully fund it for the actuarially required contribution (ARC) calculated as of June 30, 2010 of \$266,493. Authority to request disbursements from the trust will be delegated to the finance director and the manager of human resources.

Staff Report: Donna Silva, Finance Department

Advances Goal: 11

- 8.4 **Subject:** Resolution Changing the Location of Regular City Council Meetings from 3121 Gold Canal Drive to the Current City Hall Location at 2729 Prospect Park Drive
Recommendation: Adopt Resolution No. 18-2010.
Result of Recommended Action: This resolution updates a resolution adopted on July 1, 2003 and is an necessary administrative update.
Staff Report: Adam Lindgren, City Attorney's Office
Advances Goals: 4
- 8.5 **Subject:** Resolution Authorizing the City Manager to Execute a Contract with Coast Landscape Management in an Amount not to Exceed \$601,464 for Citywide Landscape Maintenance Services
Recommendation: Adopt Resolution No. 20-2010.
Result of Recommended Action: Adoption of this resolution will allow the Public Works Department to consolidate various City landscape contracts, and the remaining Sacramento County maintained areas to one contract. Approval will allow City staff to have one point of contact for all landscape issues and reduce costs because of increased quantity of work.
Staff Report: Cyrus Abhar, Public Works Department
Advances Goals: 1, 4, and 11

GROWING STRONG NEIGHBORHOODS

- 8.6 **Subject:** 2009 General Plan Annual Report
Recommendation: Receive the 2009 General Plan Annual Report from the Planning Commission as required by State law.
Result of Recommended Action: By receiving this report from the Planning Commission, the City Council is satisfying its statutory obligation under State law. No further action is required on the part of the City Council. The purpose of state law is for the Council and Planning Commission to trace and provide direction to ensure the implementation of the General Plan.
Staff Report: Paul Junker and Christopher Jordan, Planning Department
Advances Goals: 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13
- 8.7 **Subject:** Report Describing the Measures Taken to Alleviate the Conditions that Led to the Adoption of a Temporary Moratorium on the Establishment, Expansion or Relocation of Resale Shops
Recommendation: That Council receives report.
Result of Recommended Action: This report describes the measures taken to alleviate the conditions that led to the adoption of a temporary moratorium prohibiting the establishment, expansion, or relocation of resale shops. This report complies with the requirements of Government Code Section 65858(d).
Staff Report: Adam U. Lindgren, City Attorney; Curt Haven, Economic Development Department; Jeff Beiswenger, Planning Department
Advances Goals: 1, 5, 8, 9, 11, and 13

GROWING STRONG NEIGHBORHOODS

9. CONSENT PUBLIC HEARING ITEMS

NONE

10. PUBLIC HEARING ITEMS

- 10.1 **Subject:** Direction to Staff Regarding the Draft 2010-11 Community Development Block Grant Action Plan
Recommendation: Review Draft 2010-11 Community Development Block Grant Action Plan, including funding allocation recommendations, and authorize the release of the Action Plan for public review and comment.
Result of Recommended Action: Council to direct staff for funding allocations and authorize release of draft action plan for public review and comment.
Staff Report: Reed Flory, Housing Services Administration
Advances Goals: 1, 4, 7, 8, and 11
- 10.2 **Subject:** Ordinances Extending Temporary Suspension of Annual Program Fee Adjustments for Certain Developer Impact Fees
Recommendation: Waive first readings and introduce Ordinance No. 3-2010, Ordinance No. 4-2010, and Ordinance No. 5-2010. **(Roll Call Vote)**
Result of Recommended Action: Adoption of these ordinances will extend the temporary suspension of automatic annual program fee inflationary adjustments for an additional period of one year for the following developer impact fee programs:
a) City Transportation Impact Fee;
b) Sunrise Douglas Community Plan Fee; and
c) Villages of Zinfandel Development Impact Fee
Staff Report: Donna Silva and Rebecca Santini, Finance Department
Advances Goal: 11

11. REGULAR CALENDAR ITEMS

- 11.1 **Subject:** Resolution Increasing Franchise Fee Rates Paid by Commercial Solid Waste Haulers in Rancho Cordova from the Current 8% to 10% of Gross Collection Revenues
Recommendation: Adopt Resolution No. 17-2010.
Result of Recommended Action: Adoption of this resolution will generate additional revenue to the City of an approximate range of \$60,000 to \$80,000 annually to fund street sweeping, illegal dumping, road maintenance, and administration of solid waste programs.
Staff Report: Steve Harriman, Public Works Department
Advances Goals: 1, 4, 5, 6, 8, and 13

12. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

13. CITY MANAGER'S REPORT

14. CLOSED SESSION

Council may adjourn to Closed Session to discuss the following item(s):

Conference with Legal Counsel – Anticipated Litigation Government Code 54956.9(b) (one potential case).

15. OPEN SESSION – REPORT FROM CLOSED SESSION

The City Attorney will report on action taken in Closed Session.

16. ADJOURNMENT

ADDITIONAL INFORMATION

Rancho Cordova Great Health Challenge - Rancho Cordova has launched a program intended to promote a healthier community by building awareness for those who live, work, play, or pray here. You are encouraged to join our commitment to get healthy, stay fit, and have fun! Go to <http://www.20tonsin2010.com/> to register.

UNLESS THE COUNCIL ADOPTS A MOTION TO EXTEND THE MEETING, ANY ITEM THAT IS NOT INITIATED BEFORE 11 P.M. WILL BE CONTINUED TO THE NEXT DAY AT 5:30 P.M. OR SCHEDULED ON THE NEXT REGULAR MEETING AGENDA OF THE COUNCIL.

Public documents related to items on the open session portion of this agenda, which are distributed to the City Council less than 72 hours prior to the meeting, shall be available for public inspection at the time the documents are distributed to the Council. Documents are available for inspection at the City Clerk's office located in Rancho Cordova City Hall.

The agenda items are accessible on the City's website at www.cityofranhocordova.org on Thursdays or Fridays prior to the Regular City Council Meeting.

CITYWIDE GOALS - (Adopted March 20, 2006)	
1.	Foster a Positive Image of Rancho Cordova
2.	Improve Transportation & Connectivity
3.	Champion Employee Development & High Performance Work Environment
4.	Ensure the Availability of the Best Public Services in the Region
5.	Establish a Vibrant Downtown
6.	Ensure a Safe Community
7.	Improve the Quality of Housing In Rancho Cordova
8.	Sustain a Livable Community
9.	Drive Diverse Economic Opportunities
10.	Foster Responsible Citizenship
11.	Practice Sound Fiscal Management
12.	Establish Logical (City) Boundaries
13.	Continue To Provide Regional Leadership

UPCOMING MEETINGS	
<i>Tuesday, April 13, 2010</i>	<i>5:30 p.m. Work Session on SMUD Proposal to Install Solar Panels on Hwy 50; and Rancho at Sunridge Project Discussion</i>
<i>Monday, April 19, 2010</i>	REGULAR COUNCIL MEETING CANCELLED
<i>Monday, May 3, 2010</i>	<i>5:30 p.m. Regular City Council Meeting</i>
<i>Tuesday, May 11, 2010</i>	<i>5:30 p.m. Work Session on Priorities/Forced Choice - TENTATIVE</i>
<i>Monday, May 17, 2010</i>	12:00 p.m. to 5:00 p.m. Budget Study Session; and <i>5:30 P.M. Regular City Council Meeting</i>
<i>Friday, May 28, 2010</i>	FURLOUGH DAY – City Hall Closed
<i>Monday, May 31, 2010</i>	Memorial Day Holiday – City Hall Closed

If you have any technical questions related to the agenda items, please contact the appropriate department as follows:

DEPARTMENTAL GENERAL TELEPHONE NUMBERS	
Building Department	(916) 851-8760
City Attorney's Office	(916) 556-1531
City Clerk's Department	(916) 851-8720
City Manager's Office	(916) 851-8800
Communications Department	(916) 851-8791
Economic Development Department	(916) 851-8780
Finance Department	(916) 851-8730
Human Resources Department	(916) 851-8740
IT Department	(916) 851-8700
Neighborhood Services – Animal Services	(916) 851-8770
Parks & Recreation (Cordova Recreation & Park District)	(916) 362-9602
Planning Department	(916) 851-8750
Public Works Department	(916) 851-8710
Rancho Cordova Police Department	(916) 875-9600
Redevelopment Department	(916) 851-8780
Sac Metro Fire District	(916) 566-4000

The Rancho Cordova City Council/CRA/RCFC will be videotaped in its entirety and will be cablecast without interruption on Metro Cable 14, the Government Affairs Channel on the Comcast and SureWest Cable Systems. Closed Captioning will be available on the playback cablecast. Tune to Metro Cable Channel 14, for playback times. A VHS copy is available for check out from any library branch, a DVD copy is available from the City Clerk's Department, and a webcast of this meeting will be available for viewing via video streaming from the City's website within 48 hours of adjournment of this meeting. The City does not control scheduling of this telecast and persons interested in watching the televised meeting should confirm this schedule with Metro Cable TV, Channel 14.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's Office at (916) 851-8720 at least 48 hours prior to the meeting.

CERTIFICATION OF POSTING OF AGENDA

I, Mindy Cuppy, City Clerk for the City of Rancho Cordova, declare that the foregoing agenda for the April 5, 2010 Regular Meeting of the Rancho Cordova City Council/CRA/RCFC was posted and available for review on April 1, 2010 at City Hall of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California, 95670. The agenda is also available on the city web site at www.cityofranhocordova.org.

Signed this 1st day of April 2010 at Rancho Cordova, California.

Mindy Cuppy, City Clerk



**CONCURRENT MEETING
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY (CRA)/
RANCHO CORDOVA FINANCING CORPORATION (RCFC)**

**City Hall
2729 Prospect Park Drive, Rancho Cordova**

Monday, March 1, 2010

**4:00 P.M. – Joint Study Session with City Council and Planning Commission
American River Community Room - North**

**5:30 P.M. – Regular Meeting
David B. Roberts Council Chambers**

MINUTES

A. STUDY SESSION – CALL TO ORDER / ROLL CALL

Vice Mayor McGarvey called the special meeting to order in the American River North room at 4:10 p.m.

Council Members Present: Budge, Sander (arrived at 4:15), Skoglund, McGarvey, and Mayor Cooley (arrived at 4:34)

Council Members Absent: NONE

Planning Commissioners Present: Burke, Cummings (arrived at 4:22), Johnson, Konarski, Savorn, Vance and Chair Moe

Planning Commissioners Absent: NONE

Staff Members Present: Gaebler, Lindgren, Cuppy, Campbell, Junker, Abhar, Silva, Runner, and Chinn

B. PUBLIC COMMENT

Vice Mayor McGarvey opened the public comment period. There were no speakers. Mayor Cooley closed the public comment period.

C. STUDY SESSION ITEM

Subject: Discussion and Report on Status of the Sunridge 530 Project

Recommendation: That council receives applicant and staff information and provides future direction.

Result of Recommended Action: Applicant and staff are interested in receiving Council input on the progress of the current plan as it relates to adopted policy and future development expectations.

Staff Report: Paul Junker and William Campbell, Planning Department

ACTION: Discussion item only; no action taken.

D. ADJOURNMENT OF STUDY SESSION

Mayor Cooley adjourned the special meeting to regular meeting in the David B. Roberts Council Chambers at 5:35.

1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

Mayor Cooley called the regular meeting to order in the David B. Roberts Council Chambers at 6:02 p.m.

Council Members Present: Budge, Sander, Skoglund, McGarvey, and Mayor Cooley

Council Members Absent: NONE

Staff Members Present: Gaebler, Lindgren, Chinn, Cuppy, Lehr, Snyder, Miller, Abhar, Cervantez, Samuelson, Sparkman, Harriman, Meeks, Blair, Holt, Silva, Chan, and Flory

2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The City Clerk announced the meetings video recording and playback schedules.

3. PLEDGE OF ALLEGIANCE

The Mayor called on Clayton "Buzz" Berrisford to lead the Pledge.

4. INVOCATION

Alexandra Miller, gave the invocation.

5. PRESENTATIONS

- 5.1 Council Member Budge presented a proclamation to Clayton "Buzz" Berrisford in honor of his countless hours removing litter from Rancho Cordova streets, and a brief New10 Video reporting on his efforts from Dale Shornack was played to the Council, staff, and public.

- 5.2 Police Activities League Director Zach Hatch presented a plaque to the City Council of the City of Rancho Cordova for their support of Police Activities League (PAL) Program and a few members of the PAL Program spoke to the Council thanking them for their support.
- 5.3 Council Members, staff, and the public sang a birthday wish to Mayor Ken Cooley in Recognition of his Birthday on March 18.

BREAK

Mayor Cooley called for a break to enjoy refreshments in the lobby in recognition of his birthday.

6. PUBLIC COMMENT

Mayor Cooley opened the public comment period. There were no speakers. Mayor Cooley closed the public comment period.

7. COUNCIL REPORTS

Council Members reported on events since the last meeting.

8. CONSENT CALENDAR ITEMS – ROLL CALL VOTE

ACTION: Motion by Budge second by McGarvey and carried by a 5:0 roll call vote; Council approved the Consent Calendar.

8.1 **Subject:** Meeting Minutes:

- a) Special Meeting of February 9-10, 2010;
- b) Regular Meeting Minutes of February 16, 2010;
- c) Special Meeting Minutes of February 23, 2010; and
- d) Special Meeting Minutes of February 25, 2010

Recommendation: Adopt Minutes.

8.2 **Subject:** Resolution Approving the Restated Subdivision Improvement Agreement for Subdivision No. RC-03-001.05A Sunridge Park Village 5A; Approving a Performance Deed of Trust as Security for the Public Improvements for Subdivision No. RC-03-001.05A Sunridge Park Village 5A Pursuant to the Restated Subdivision Improvement Agreement, and Authorizing the City Manager to Execute These Documents

Recommendation: Adopt Resolution No. 11-2010.

Result of Recommended Action: Adoption of this resolution will result in the Council approving the following:

- a) The Restated Subdivision Improvement Agreement for Subdivision No. RC-03-001.05A Sunridge Park Village 5A
- b) The Performance Deed of Trust to serve as security for the public improvements for Subdivision No. RC-03-001.05A Sunridge Park Village 5A

Approval and subsequent execution of these documents by the owner of the subdivision and the City Manager will (1) extend the time for completion of the public improvements by an additional 48 months; and (2) provide adequate security and warranty in the form of a Performance Deed of Trust for completion of the public improvements required under the Restated Subdivision Improvement Agreement.

Staff Report: Cyrus Abhar, Public Works Department

- 8.3 **Subject:** Resolution Authorizing the City Manager to Execute an Amended Contract with Simon and Company for Federal Legislative Representation

Recommendation: Adopt Resolution No. 13-2010.

Result of Recommended Action: Adoption of this resolution will allow continued stability in the City's representation with members of Congress.

Staff Report: Stephanie Snyder, City Manager's Office

GROWING STRONG NEIGHBORHOODS

- 8.4 **Subject:** Resolution Authorizing the City Manager to Execute a Construction Contract to North West Surfacing in an Amount not to Exceed \$161,205 for the Horn Road Sidewalk Improvements Project

Recommendation: Adoption of Resolution No. 14-2010.

Result of Recommended Action: Adoption of this resolution will allow work be performed under the construction contract and includes furnishing of all labor, materials, and equipment for construction of a new sidewalk, and pedestrian and ADA improvements on Horn Road from Old Winery Place to Routier Road. Construction improvements include: installation of new sidewalk and replacing the sidewalk ramps at the intersections of Old Winery Place, Business Park Drive, and Fite Circle; Replacement of storm drainage inlets and laterals to be removed from their current location in the middle of the sidewalk ramps and relocated as to not impact sidewalk ramps at the intersections.

Staff Report: Cyrus Abhar, Public Works Department

GROWING STRONG NEIGHBORHOODS

9. CONSENT PUBLIC HEARING ITEMS – ROLL CALL VOTE

Mayor Cooley opened the public comment period. The following individuals addressed the Council:

- Sacramento Municipal Utility District (SMUD) Director Nancy Bui spoke to Council in support of Agenda Item 9.1 relating to solar programs and AB811. Mayor Cooley suggested SMUD Director Bui collaborate with a "20 tons in 2010" walking team to speak on SMUD energy efficient opportunities. Director Bui agreed and suggested that the walk would also be a good opportunity to hand out free compact florescent light (CFL) bulbs to residents.

Mayor Cooley closed the public comment period.

ACTION: Motion by Budge second by McGarvey and carried by a 5:0 roll call vote; Council approved the Consent Public Hearing Items.

- 9.1 **Subject:** Ordinance Temporarily Suspending Residential Photovoltaic Solar System Permit Fees as Found in Section 16.90.030 of the Rancho Cordova Municipal Code

Recommendation: Waive first reading and introduce Ordinance No. 2-2010. **(Roll Call Vote)**

Result of Recommended Action: Adoption of this ordinance will authorize an additional one-year suspension of permit fees for retrofit photovoltaic solar panels in residential buildings.

Staff Report: Cyrus Abhar, Public Works Department

- 9.2 **Subject:** The Planning Commission Recommends the Adoption of Resolution Approving Design Review for First Armenian Pentecostal Church – Project No. DD6442 – Located at 10432 Investment Circle

Recommendation: That Council:

- a) Determine the project is exempt from the provisions of the California Environmental Quality Act under Section 15332, In-Fill Development; and
- b) Adopt Resolution No. 12-2010.

Result of Recommended Action: Adoption of this resolution will allow First Armenian Pentecostal Church to expand and improve the character of Investment Circle by developing a currently unimproved parcel, and installing new landscaping along Investment Circle.

Staff Report: Shannan Loveless, Planning Department

PLANNING COMMISSION RECOMMENDATION

10. PUBLIC HEARING ITEMS

NONE

11. REGULAR CALENDAR ITEMS

NONE

12. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

NONE

13. CITY MANAGER'S REPORT

City Manager Ted Gaebler reported on the following items:

- City of Rancho Cordova Executive Assistant Stacy Leitner was honored and presented with an Educator of the Year Award at the Cordova Community Council Dinner on February 28, 2010
- Thanked Finance Director Donna Silva and staff on a successful Corporate Report presented to Council, staff, and the public on February 25, 2010

14. ADJOURNMENT

Mayor Cooley adjourned the regular meeting in the David B. Roberts Council Chambers to closed session in the Community Board Room at 7:32 p.m.

15. CLOSED SESSION

Mayor Cooley called the closed session to order in the Community Board Room at 7:40 p.m.

Council Members Present: Budge, Sander, Skoglund, McGarvey, and Mayor Cooley

Council Members Absent: NONE

Staff Members Present: Lindgren, Gaebler, Chinn, Junker, and Abhar

Council met in closed session to discuss the following item:

Conference with Legal Counsel – Anticipated Litigation Government Code 54956.9(b)
(one potential case).

16. OPEN SESSION – REPORT FROM CLOSED SESSION

City Attorney Adam Lindgren reported there was no reportable action taken in closed session.

17. ADJOURNMENT

Mayor Cooley adjourned the closed session at 8:05 p.m.

Mindy Cuppy, City Clerk



**CONCURRENT MEETING
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY (CRA)/
RANCHO CORDOVA FINANCING CORPORATION (RCFC)**

**City Hall
2729 Prospect Park Drive, Rancho Cordova
American River Community Room - North**

Tuesday, March 23, 2010

5:30 P.M. – Special Meeting

MINUTES

1. SPECIAL MEETING – CALL TO ORDER / ROLL CALL

Mayor Cooley called the special meeting to order in the American River North Room at 5:44 p.m.

Council Members Present: Budge, Sander, Skoglund, McGarvey, and Mayor Cooley

Staff Present: Gaebler, Lindgren, Cuppy, Haven, Chinn, Abhar, Behrends, Junker, Silva, Santini, Harriman, Flory, Cuffe, Sparkman, Simpson, Holt, Snyder, James, and DeShon

2. PUBLIC COMMENT

NONE

3. CONSENT CALENDAR ITEM

3.1 **Subject:** Community Redevelopment Agency Resolution Authorizing the Agency Director to Execute an Owner Participation Agreement (OPA) for the Crossing at New Rancho

Recommendation: Adopt Agency Resolution No. CRA-4-2010.

Result of Recommended Action: Adoption of this agency resolution will allow the City to enter into an Owner Participation Agreement for the purpose of redeveloping six parcels comprising the Stagger Inn project area.

Staff Report: Reed Flory, Housing Administration

Advances Goals: 1, 6, 7, and 8

GROWING STRONG NEIGHBORHOODS

COUNCIL ACTING AS COMMUNITY REDEVELOPMENT AGENCY

ACTION: Motion by Budge, Second by Skoglund carried by a 5:0 roll call vote; Council approved the Consent Calendar.

4. CONSENT PUBLIC HEARING ITEM

- 4.1 **Subject:** Resolution Approving the Crossing at New Rancho, Project No. DD6835, Density Bonus for Phases One and Two

Recommendation: Adopt Resolution No. 15-2010.

Result of Recommended Action: Adoption of this resolution will grant a 20% density bonus for each project, consisting of an 18 unit family housing development on approximately 0.81 acres located at 2700 Woodbury Way, and a 48 unit senior housing development on approximately 1.08 acres, located at 10447 Folsom Boulevard, within the Folsom Boulevard Specific Plan.

Staff Report: Jeffrey S. Beiswenger, Planning Department

Advances Goals: 1, 5, and 7

Mayor Cooley opened the public comment period. There were no speakers. Mayor Cooley closed the public comment period.

ACTION: Motion by Skoglund, Second by Budge carried by a 5:0 roll call vote; Council approved the Consent Public Hearing Item.

ADJOURNMENT OF SPECIAL MEETING

Mayor Cooley adjourned the special meeting at 5:47 p.m.

Mindy Cuppy, City Clerk



**CONCURRENT MEETING
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY (CRA)/
RANCHO CORDOVA FINANCING CORPORATION (RCFC)**

**City Hall
2729 Prospect Park Drive, Rancho Cordova
American River Community Room - North**

Tuesday, March 23, 2010

5:31 P.M. – Special Meeting/Work Session

MINUTES

SPECIAL MEETING/WORK SESSION – CALL TO ORDER / ROLL CALL

Mayor Cooley called the special meeting to order in the American River North Room at 5:48 p.m.

Council Members Present: Budge, Sander, Skoglund, McGarvey, and Mayor Cooley

Staff Present: Gaebler, Lindgren, Cuppy, Haven, Chinn, Abhar, Behrends, Junker, Silva, Santini, Harriman, Flory, Cuffe, Sparkman, Simpson, Holt, Snyder, James, DeShon, and Chan

WORK SESSION AGENDA ITEMS

A. Discussion of User Fee Updates

ACTION: Discussion item only; no action taken.

ADJOURNMENT OF SPECIAL MEETING

Mayor Cooley adjourned the special meeting at 7:50 p.m.

Mindy Cuppy, City Clerk

CITY OF RANCHO CORDOVA

ORDINANCE NO. 2-2010

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
TEMPORARILY SUSPENDING RESIDENTIAL PHOTOVOLTAIC
SOLAR SYSTEM PERMIT FEES AS FOUND IN SECTION 16.90.030
OF THE RANCHO CORDOVA MUNICIPAL CODE**

WHEREAS, on February 5, 2007, Sacramento Municipal Utility District (SMUD) representatives requested that the City Council waive permit fees for residential retrofit photovoltaic solar panels for three years and presented the Council with an outline of SMUD's residential solar rebate programs; and

WHEREAS, on April 2, 2007, the City Council adopted Ordinance No. 7-2007 temporarily suspending the application of building permit fees related to the construction of residential photovoltaic solar systems for a period of three years; and

WHEREAS, the suspension of such permit fees will end on May 2, 2010; and

WHEREAS, the City wishes to extend the suspension of fees for one more year.

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Section 16.90.030(N) of Chapter 16.90, "Construction Permit Fees," of Title 16 of the Rancho Cordova Municipal Code is hereby amended to read as follows:

16.90.030 Fee Schedule

N. All permit fees applicable to the construction of residential photovoltaic solar systems as found in this section are temporarily suspended until May 2, 2011.

Section 2. Severability.

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

Section 3. Effective Date and Publication.

Within fifteen (15) days from and after adoption, this Ordinance shall be published once in the Grapevine Independent, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with Government Code Section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its inception.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Ken Cooley, Mayor

Mindy Cuppy, City Clerk

MEMORANDUM



DATE: April 5, 2010

TO: Honorable Mayor and Council Members

FROM: Donna Silva, Finance Director

SUBJECT: RESOLUTION AUTHORIZING THE ESTABLISHMENT OF THE CALIFORNIA EMPLOYERS RETIREE BENEFITS TRUST, TO PREFUND THE TRUST FOR THE ACTUARIALLY DETERMINED LIABILITY, AND DELEGATION OF AUTHORITY TO WITHDRAW FROM THE TRUST

RECOMMENDATION

Adopt Resolution No. 16-2010.

RESULT OF RECOMMENDED ACTION

After the City establishes the trust fund, and remits its liability, the City will have fully funded its annual required contribution for the future costs of allowing its employees to purchase their own health insurance through CalPERS, at their own expense. Adoption of this resolution will establish a trust with CalPERS and fully fund it for the actuarially required contribution (ARC) calculated as of June 30, 2010 of \$266,493. Authority to request disbursements from the trust will be delegated to the finance director and the manager of human resources.

BACKGROUND

Governmental Accounting Standard No. 45 requires the City to record the actuarially determined liability for Other Post Employment Benefit (OPEB) by June 30, 2010. The City's benefits consist of a minimum contribution for retirees' medical insurance using the unequal contribution method. Simply stated, the city pays a small premium in order for our retired employees to be eligible to purchase health care benefits through CalPERS. Once retired, our employees will be able to purchase health care from CalPERS, at their own expense. However, we will continue to pay the small premium throughout their retirement. Prefunding of the future liability results in a lower annual required contribution, contributes to a positive credit rating, and enhances the financial security for retirees. By joining a trust fund, the City can help finance future costs in large part from investment earnings. As of June 30, 2009, the City reserved sufficient monies to fully fund the liability; however, the funds must be deposited in a qualified trust to be classified as fully funded in the 2010 Comprehensive Annual Financial Report.

The California Employers Retiree Benefits Trust (CERBT) through CalPERS is a public sector, not-for-profit OPEB service provider. CalPERS has over 75 years of experience

in administering employer-sponsored plans and has a history of exceptional risk-adjusted investment performance. CERBT will provide trust administration and investment management for a lower cost than a for-profit provider.

ATTACHMENTS

1. Actuarial Valuation Report dated July 1, 2009.
2. Resolution No. 16-2010.
3. CalPERS Delegation of Authority to Request Disbursements.
4. Agreement and Election to Prefund Other Post Employment Benefits Through CalPERS.



Bickmore Risk Services & Consulting

ATTACHMENT 1

March 11, 2010

Ms. Patricia L. Lohse, CPA, CFE
Senior Accountant
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

Dear Patty:

We are pleased to enclose our report providing the results of the July 1, 2009 actuarial valuation of "other post-employment benefits" (OPEB) liabilities for the City of Rancho Cordova (the City). The report's text describes our analysis and assumptions in detail.

One of the key results of the OPEB valuation is the calculation of the annual required contribution (ARC). This amount is technically neither "required" nor must it be contributed, so this term alone can lead to some confusion. It is, however, the primary component of the annual OPEB expense. This expense, and the liabilities from which it is derived, will vary depending on whether the City elects to prefund liabilities or continue on a pay-as-you-go basis. Related decisions involve how rapidly the unfunded accrued liability is amortized and whether the payments are determined as level dollar amounts or as a level percent of payroll. These subjects are discussed further in the report.

The liabilities shown in the report reflect assumptions regarding continued future employment, rates of retirement and survival, and elections by future retirees to retain coverage for themselves and their dependents. We also made assumptions about periodic increases in the amount of the City's contribution toward active and retiree medical plan premiums consistent with the resolution with CalPERS and expected increases in this benefit. To the extent that actual experience is not what we assumed, future results will be different. We also note that this valuation has been prepared on a closed group basis; no provision is made for new employees.

We appreciate the opportunity to work with you on this analysis. Please let us know if we can be of further assistance.

Sincerely,

A handwritten signature in cursive script that reads "Catherine L. MacLeod".

Catherine L. MacLeod, FSA, EA, MAAA
Manager, Health and Benefit Actuarial Services

Enclosure

www.BRSrisk.com
800.541.4591
f. 916.244.1199

CORPORATE
1750 Creekside Oaks Drive
Suite 200
Sacramento, CA 95833
d. 916.244.1100

3780 Kilroy Airport Way
Suite 470
Long Beach, CA 90806
d. 562.508.4400

5320 SW MacAdam Avenue
Suite 100
Portland, OR 97239
d. 503.419.0450

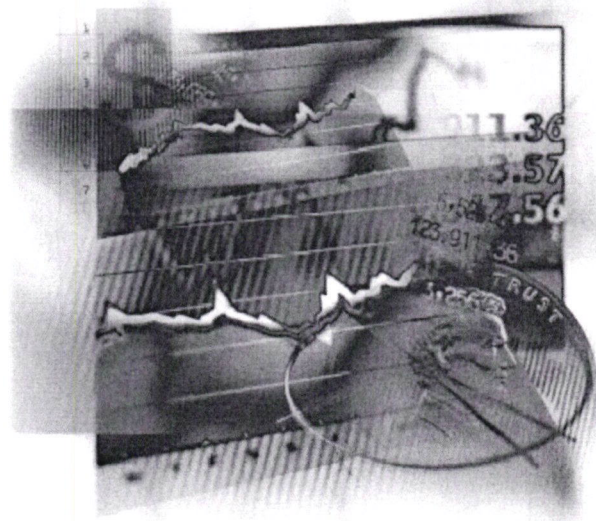


Bickmore Risk Services & Consulting

City of Rancho Cordova

Actuarial Valuation of Other Post-Employment Benefit Programs

As of July 1, 2009



March 2010



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A. Executive Summary

This report presents the results of the July 1, 2009 actuarial valuation of the City of Rancho Cordova (the City) "other post-employment benefit" (OPEB) programs. The purpose of this valuation was to assess the OPEB liabilities and provide disclosure information as required by Statement No. 45 of the Governmental Accounting Standards Board (GASB 45).

Prefunding the plan supports use of a higher interest rate and generally produces substantially lower liabilities than a pay-as-you-go funding policy which requires a lower interest rate, such as the 7.75% and 4.5% interest rates used, respectively, in this valuation. Neither rate is a guarantee of future investment performance, but rather an assumption about the long term rate of return.

Under the actuarial methods and assumptions described later in this report, the liabilities of this program for the fiscal year beginning July 1, 2009 are estimated as follows:

- *If the City continues on a pay-as-you-go basis, i.e., no prefunding is adopted,*
 - We calculate the GASB 45 actuarial accrued liability (AAL) to be \$408,235. With no assets set aside in an irrevocable trust to offset these liabilities, the funded status of the plan as of this date would be (\$408,235).
 - We calculate the annual required contribution for the plan to be \$87,907 for the fiscal year ending June 30, 2010.
 - Contributions for the fiscal year ending June 30, 2010 are estimated to be \$513, equal to the estimated benefit payments made during the period.
- *If a prefunding policy is adopted on the minimum basis permitted by GASB 45,*
 - We calculate the actuarial accrued liability to be \$215,433 and the annual required contribution (ARC) to be \$47,793.
 - The marginal difference in contributions required to satisfy the minimum prefunding requirement is estimated to be \$47,280 (47,793 less \$513). This additional amount would enable the City to reduce the net OPEB obligation at year end by \$87,394.
- *More rapid prefunding is permitted and several options are illustrated in this report.* For example, if the City elects to fully fund the plan through June 30, 2010, we estimate the total cash outlay for the program to be \$266,493. Other options exist between the minimum prefunding and the full funding amounts shown above. These include application of earmarked funds set aside in reserve to be applied toward the funding of OPEB liabilities.

The decision whether or not to prefund, and at what level, is at the discretion of the City, as are the manner and term for paying down the unfunded actuarial accrued liability. Details of our valuation process and the various disclosures required by GASB 45 are provided on the succeeding pages.



B. Requirements of GASB 45

The Government Accounting Standards Board has mandated disclosure of OPEB liabilities for U.S. public employers for fiscal years beginning in 2007 through 2009, depending on the size of the employer's revenue base for the fiscal year ending in 1999 (see GASB Statement No. 34 for complete details). As the City maintains a fiscal year beginning July 1, the required implementation date of GASB 45 depends on the City's revenue for the fiscal year which began July 1, 1998. If revenue for that year was less than \$10 million, the City must comply no later than the fiscal year beginning July 1, 2009; for revenues between \$10 million and \$100 million, July 1, 2008; and for revenues exceeding \$100 million, July 1, 2007. Early compliance is encouraged by GASB, and may have financial advantages to the City.

The actuarial assumptions used in this report for GASB 45 analysis are intended to comply with the requirements of CalPERS for participation in its prefunding vehicle for OPEB liabilities, the California Employers Retiree Benefit Trust (CERBT). While this report does not take a position either on whether the City should prefund or the appropriate investment vehicle for doing so, assuming our application of methods and assumptions is acceptable to CalPERS, the option of using CERBT is available to the City using the analysis in this report.

Finally, we note that various issues in this report may involve legal analysis of applicable law or regulations. The City should consult counsel on these matters; Bickmore Risk Services (BRS) does not practice law and does not intend anything in this report to constitute legal advice. In addition, we recommend the City consult with their internal accounting staff or external auditor or accounting firm about the accounting treatment of OPEB liabilities.



C. Valuation Process

The valuation has been based on employee census data initially submitted to us by the City in July 2009 and clarified in various related communications. Summaries of that data are provided in Table 2. While the individual employee records have been reviewed to verify that it is reasonable in various respects, the data has not been audited and we have otherwise relied on the City as to its accuracy.

A summary of the benefits provided under the Plan is provided in Table 3A, based on information supplied to BRS by the City. Additionally, we have modified the plan summary provided in the State of California OPEB Valuation as of July 1, 2007, dated May 7, 2007, for reference and included in this report as Table 3B. The valuation described below has been performed in accordance with the actuarial methods and assumptions described in Table 4.

Because prefunding is at the discretion of the City, we have provided disclosure figures (and projected cash outlays) on both the non-funded and pre-funded bases and have provided a number of options for amortizing the actuarial accrued liability (defined below).

As to the specific development of the figures shown in Tables 1A and 1B, which use the entry age normal cost method, we first developed an estimated total liability at retirement for each active employee. We applied the applicable trend assumption to develop an expected premium and/or benefit stream over the employee's future retirement, calculated a present value of these premiums at retirement, and allocated this present value by year over the employee's career. Amounts attributed to fiscal years beginning before 2009 form the "actuarial accrued liability" (AAL). The amount allocated to the current year is referred to as the "normal cost". Amounts may be allocated by year over the employee's career as a level dollar amount or as a level percentage of payroll. In this valuation, costs are allocated as a level percentage of payroll. Subtracting the assets from the AAL produces the unfunded actuarial Accrued Liability (UAAL). Amortization of the UAAL together with amounts attributed to the fiscal year beginning July 1, 2009 form the "annual required contribution" (ARC).

An important issue in these calculations is treatment of implicit subsidies as defined in GASB 45. Where active employees and pre-Medicare retirees pay the same premium rates, because retirees are on average older than actives, there is an implicit subsidy of retiree coverage by active employee costs, which GASB 45 generally requires be attributed to the retiree liability (see paragraph 13.a. of GASB 45). However, there is a conditional exception to this rule where the employer plan is "community-rated", "in which premium rates reflect the projected health claims experience of all participating employers rather than that of any single participating employer, and the insurer or provider organization charges the same unadjusted premiums for both active employees and retirees". CalPERS has taken the position that PEMHCA plans are community-rated, while the plan for California State employees and most non-PEMHCA plans are not ("OPEB Assumption Model", 11/14/2006). As the City's program is a PEMHCA program, this report follows the CalPERS position and does not make age-related premium adjustments or compute an implicit rate subsidy.



D. Choice of Actuarial Funding Method and Assumptions

GASB 45 allows the use of any of six actuarial funding methods. The "ultimate real cost" of an employee benefit plan is the present value of all benefits and other expenses of the plan over its lifetime. These expenditures are dependent only on the terms of the plan and the administrative arrangements adopted, and as such are not affected by the actuarial funding method. The actuarial funding method attempts to spread recognition of these expected costs on a level basis over the life of the plan, and as such sets the "incidence of cost". From this, it can be seen that methods that produce higher initial annual (prefunding) costs will produce lower annual costs later. Conversely, methods that produce lower initial costs will produce higher annual costs later relative to the other methods. A brief description of the six permissible funding methods can be found in the glossary.

Factors Impacting the Selection of Funding Method

The funding methods differ because they focus on different financial measures in attempting to level the incidence of cost. We believe it is most appropriate for the plan sponsor to adopt a theory of funding and consistently apply the funding method representing that theory.

The aggregate method will tend to produce the highest initial contributions. This theory would be appropriate if the City wished to aggressively prefund the plan. This is commonly done by employers who wish to cover any unfunded liability as quickly as possible, or who wish to build up an investment fund quickly because they anticipate positive investment results.

The unit credit cost method tends to produce the lowest initial contributions to the plan, with relatively higher contributions in later years. Under the City's retiree medical plan design, the method is equivalent to the projected unit credit method (PUC). This theory could be justified in several ways. First, the financial circumstance of being forced to immediately recognize this liability could justify limited initial recognition, especially for the City as an early adopter. Second, there are aspects of the allowed actuarial funding methods which can overstate initial liabilities. For example, all of the approved methods are closed-group, recognizing only current employees. As new employees enter the plan in the future, they are generally younger and therefore less expensive than the average current employees. Third, the City may believe that plan experience will be more favorable than that assumed in this report; for example, that medical trend will be less than predicted, or that favorable investment experience will occur, as described above. While we do not believe that the open-group approach would substantially lower the contributions computed by the entry age normal cost method (EANC), if the City believes that any of the special circumstances cited above apply here, adoption of the unit credit cost method may be justified in the initial years of disclosure.

The entry age normal cost method generally produces initial contributions between the two methods described above, and is generally regarded by pension actuaries as the most stable of the funding methods. The goal of GASB 45 is to match recognition of retiree medical expense with the periods during which the benefit is earned, and this funding



Choice of Actuarial Funding Method and Assumptions (Continued)

method effectively meets that goal in most circumstances. While we believe this approach is quite effective in creating intergenerational equity between generations of taxpayers, it is also fair to say that the method is most effective at doing that when it is implemented at the adoption of the benefit plan. Where, as here, funding is delayed, by definition, earlier generations have not paid their fair share. This could be an argument for either accelerated funding now (aggregate method) to more rapidly move to the true annual current service cost or transitional recognition (lower initial contributions) through use of the unit credit method. However, application of the entry age normal cost method as a percentage of payroll in the GASB 45 environment tends to produce lower initial contributions than unit credit while still keeping contributions level as a percentage of payroll, and so it is becoming the most commonly used method for GASB 45 compliance.

CalPERS Implications

Special considerations apply to the selection of actuarial funding methods and assumptions for the City. In particular, CalPERS has issued a set of standardized actuarial methods and assumptions to be used by entities participating in the CalPERS GASB 45 prefunding vehicle, CERBT. As the vast majority of public entities in California wish to at least consider joining CERBT, these assumptions can be expected to be in wide use throughout the state. This approach also places the City on as much of an "apples to apples" basis with other California government agencies as is currently possible, which should be appreciated by the users of your financial statements.

Choice in Amortization Period and Adoption Date

The period and method for amortizing the AAL can significantly affect the ARC in current and future years. CalPERS indicates that the allowable range is the range prescribed by GASB 45. GASB 45 prescribes a maximum amortization period of 30 years and uses a minimum amortization period of 10 years for certain gains and losses; for simplicity of presentation, this report uses 10 year amortization as the minimum amortization period in order to define a "maximum contribution". Amounts allocated as a level percentage of payroll can be expected to increase over time as payroll increases. An alternative is to amortize the unfunded AAL as a level dollar amount, so that this component of the ARC does not increase over time; only the normal cost would increase in concert with payroll increases in the future. The unfunded AAL would be extinguished by level dollar annual payments, much like a conventional mortgage.

When an organization adopts GASB 45, the statement generally anticipates amortization of the unfunded actuarial accrued liability will take place over a number of years. However, immediate full funding of the accrued liability is permitted. We have followed this approach in the final column of Table 1B; this is why the expected employer contribution is shown as the interest-adjusted sum of the normal cost and the accrued liability. While this approach requires a very high first year contribution to fund the entire AAL, expected contributions in future years are then reduced to the expected normal cost



Choice of Actuarial Funding Method and Assumptions (Concluded)

(as a percentage of payroll). This method is most often adopted in one of the following circumstances:

1. The employer wishes to provide funding security for current and future retirees by accelerating funding;
2. The employer has substantial reserves or other assets invested in the Local Agency Investment Fund (LAIF) and prefers to access the higher expected rates of return through equity-based investments in a qualified trust; or
3. The employer believes the payment of past service liability is associated with previous ratepayers/taxpayers and believes payment of future normal costs only creates the fairest "intergenerational equity" for current and future ratepayers/taxpayers while stabilizing this element of the rate base (this concept is most commonly found with utilities or enterprise funds).

It would certainly be possible to fund most but not all of the AAL in the first year; calculations supplementing this report can be provided to the City if such an approach becomes of interest here.

Contribution Timing

Contributions in Tables 1A and 1B reflect the assumption that the full annual contribution will be made on the last day of the fiscal year. To the extent that contributions are made earlier and/or ratably throughout the year, an interest discount would apply. We are available to provide interest adjusted contributions in accordance with your intended contribution pattern at your request.

Active Employees Currently Waiving Medical Coverage

Active employees often decline coverage because other coverage is currently available to them (for example, through their spouse's employment); however, the extension of benefits into retirement is a different issue on which some percentage of retiring employees may reach a different conclusion and accept coverage. The percentage of employees waiving coverage is commonly under 10% of the total workforce; because 43% of the City's active employees currently waive coverage, this assumption is more significant in this valuation than is typical. As noted in Table 4, we have assumed that 35% of active employees currently waiving coverage will elect coverage before retiring, thus gaining access to retiree medical benefits.



E. Certification

We certify that this report has been prepared in accordance with our understanding of GASB 45, and that the figures in Tables 1A, 1B and 1C accurately present our analysis of the actuarial calculations for this plan required by GASB 45. Each signing individual is a Manager in the Health & Benefits Actuarial Unit at Bickmore Risk Services and a Member of the American Academy of Actuaries who satisfies the qualification requirements for rendering this opinion.

Signed: March 11, 2010

Catherine L. MacLeod

Catherine L. MacLeod, FSA, EA, MAAA

Francis M. Schauer, Jr.

Francis M. Schauer Jr., FSA, FCA, EA, MAAA



Table 1A
Summary of Results
Minimum Contribution Alternatives

Funding Policy				
Approach	Pay-As-You-Go	Prefunding	Prefunding	
Interest Rate	4.50%	7.75%	7.75%	
Amortization method	Level % of pay	Level % of pay	Level dollar	
Amortization period (in years)	30	30	30	
Number of Covered Employees				
Actives (participating)	41	41	41	
Actives (not currently participating)	31	31	31	
Retirees	1	1	1	
Total Participants	73	73	73	
Actuarial Present Value of Projected Benefits (APVPB)				
Actives (participating)	\$ 743,653	\$ 307,426	\$ 307,426	
Actives (not currently participating)	306,298	135,838	135,838	
Retirees	40,973	22,927	22,927	
Total APVPB	1,090,924	466,191	466,191	
Actuarial Accrued Liability (AAL)				
Actives (participating)	249,319	128,621	128,621	
Actives (not currently participating)	117,943	63,885	63,885	
Retirees	40,973	22,927	22,927	
Total AAL	408,235	215,433	215,433	
Actuarial Value of Assets	0	0	0	
Unfunded AAL (UAAL)	408,235	215,433	215,433	
Annual Required Contribution (ARC)				
Normal Cost	68,008	31,892	31,892	
Amortization of UAAL	16,114	12,463	17,343	
Interest to 06/30/10	3,785	3,438	3,816	
Total ARC (and Annual OPEB Cost)				
for FYE 06/30/10 at 06/30/10	87,907	47,793	53,050	
Additional payment expected toward UAAL	0	0	0	
Expected Net Employer Contribution				
for FYE 06/30/10 at 06/30/10	513	47,793	53,050	
Net OPEB Obligation at 07/01/09¹	0	0	0	
Expected Net OPEB Obligation (Asset)				
at 06/30/10	87,394	0	0	
Normal Cost as a percent of payroll	1.3%	0.6%	0.6%	
ARC as a percent of payroll	1.7%	0.9%	1.0%	
ARC per Active Ee	\$ 1,221	\$ 664	\$ 737	

¹ Assumes adoption of GASB 45 for fiscal year ending 06/30/10. Net OPEB Obligation is \$0 at start of first fiscal year in which GASB 45 adopted with prospective application.



Table 1B
Summary of Results
Other Contribution Alternatives

Funding Policy			
Approach	Prefunding	Prefunding	Prefunding
Interest Rate	7.75%	7.75%	7.75%
Amortization method	Level % of pay	Level dollar	Level dollar
Amortization period (in years)	10	10	1
Number of Covered Employees			
Actives (participating)	41	41	41
Actives (not currently participating)	31	31	31
Retirees	1	1	1
Total Participants	73	73	73
Actuarial Present Value of Projected Benefits (APVPB)			
Actives (participating)	\$ 307,426	\$ 307,426	\$ 307,426
Actives (not currently participating)	135,838	135,838	135,838
Retirees	22,927	22,927	22,927
Total APVPB	466,191	466,191	466,191
Actuarial Accrued Liability (AAL)			
Actives (participating)	128,621	128,621	128,621
Actives (not currently participating)	63,885	63,885	63,885
Retirees	22,927	22,927	22,927
Total AAL	215,433	215,433	215,433
Actuarial Value of Assets	0	0	0
Unfunded AAL (UAAL)	215,433	215,433	215,433
Annual Required Contribution (ARC)			
Normal Cost	31,892	31,892	31,892
Amortization of UAAL	25,908	29,462	215,433
Interest to 06/30/10	4,479	4,755	19,168
Total ARC (and Annual OPEB Cost) for FYE 06/30/10 at 06/30/10	62,279	66,108	266,493
Additional payment expected toward UAAL	0	0	0
Expected Net Employer Contribution for FYE 06/30/10 at 06/30/10	62,279	66,108	266,493
Net OPEB Obligation at 07/01/09	0	0	0
Expected Net OPEB Obligation (Asset) at 06/30/10	0	0	0
Normal Cost as a percent of payroll	0.6%	0.6%	0.6%
ARC as a percent of payroll	1.2%	1.3%	5.2%
ARC per Active Ee	\$ 865	\$ 918	\$ 3,701



Bickmore Risk Services & Consulting

Actuarial Valuation of the Other Post-Employment Benefit Programs as of July 1, 2009 for the City of Rancho Cordova

Table 2
Summary of Employee Data

The City reported 72 active employees. Of these, 41 currently participating in the City's medical plans and 31 are waiving coverage at the present time, but retain the right to elect coverage prior to retirement. Their age and service information is provided below:

Distribution of Benefits-Eligible Active Employees Participating								
Current Age	Years of Service						Total	Percent
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 & Up		
Under 25							0	0%
25 to 29	1	3	1				5	12%
30 to 34		5					5	12%
35 to 39		8					8	20%
40 to 44		5	3	1			9	22%
45 to 49		3			1		4	10%
50 to 54		4	1				5	12%
55 to 59			2			1	3	7%
60 to 64		1	1				2	5%
65 to 69							0	0%
70 & Up							0	0%
Total	1	29	8	1	1	1	41	100%
Percent	2%	71%	20%	2%	2%	2%	100%	

(Percentages adjusted to total 100%)

Annual Covered Payroll \$2,926,152
Average Age For Actives with Coverage 42.2
Average Years of Service 3.1

Distribution of Benefits-Eligible Active Employees Not Currently Participating								
Current Age	Years of Service						Total	Percent
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 & Up		
Under 25							0	0%
25 to 29			1				1	3%
30 to 34	1		1				2	6%
35 to 39	1	3	2	1			7	23%
40 to 44		4	1				5	16%
45 to 49		4	2				6	19%
50 to 54		1	2		1		4	13%
55 to 59				1	1		2	6%
60 to 64	1		1				2	6%
65 to 69			1		1		2	6%
70 & Up							0	0%
Total	3	12	11	2	3	0	31	100%
Percent	10%	39%	35%	6%	10%	0%	100%	

(Percentages adjusted to total 100%)

Annual Covered Payroll \$2,247,240
Average Age For Actives without Coverage 46.3
Average Years of Service 3.1



Table 2
(Concluded)

The City reported that 4 employees have retired from the City. Of these, only 1 (age 58) has elected to continue coverage in the medical program.

Retirees by Age		
Current Age	Number	Percent
Below 50	0	0%
50 to 54	0	0%
55 to 59	1	100%
60 to 64	0	0%
65 to 69	0	0%
70 to 74	0	0%
75 to 79	0	0%
80 & up	0	0%
Total	1	100%
Average Attained Age for Retirees:		57.9



Table 3A Summary of Retiree Benefit Provisions

The City has indicated that the only OPEB provided is medical plan coverage. This coverage is available for all employees and board members who satisfy the requirements for retirement under CalPERS (attained age 50 with 5 years of State or public agency service). An employee cannot terminate employment before meeting the age condition and be entitled to receive benefits.

As provided by the Public Employees' Medical and Hospital and Care Act (PEMHCA), the City has been under contract with CalPERS for medical plan coverage since 2004 and has chosen to satisfy its retiree medical benefit commitment using the unequal contribution method. Under this method, the employer's contribution towards retiree medical benefits is determined by multiplying together the following three items:

- 5% times
- The number of prior years the employer has been contracted with PEMHCA times
- The contribution the employer makes towards active employee health benefits, but not less than the Minimum (required) Employer Contribution (MEC).

The (direct) contribution provided by the City on behalf of active employees and Council members is the minimum required amount (e.g., \$101 for 2009).¹ Thus the City's 2009 contribution toward health plan benefits for retired employees is 5% times 5 (years in CalPERS medical) times \$101 or \$25.25. This amount will increase for 15 more years when is expected to equal the amount contributed to CalPERS for active employees.

Retirees may cover their spouse and other eligible dependents at their expense. If a covered spouse survives the retiree, the City will continue its contribution toward the spouse's coverage until his or her death.

CalPERS provides medical benefits to California State employees and local agency (PEMHCA) employees. While benefits are essentially identical, monthly rates for coverage of covered active and retired employees are computed separately under the two programs. The CalPERS 2009 rates applicable to covered employees are as follows:

Sacramento / Bay Area 2009 Health Plan Rates						
	Actives and Pre-Med Retirees			Medicare Eligible		
Plan	Ee Only	Ee & 1	Ee & 2+	Ee Only	Ee & 1	Ee & 2+
Blue Shield HMO	\$560.57	\$1,121.14	\$1,457.48	\$341.44	\$682.88	\$1,019.22
Blue Shield NetValue HMO	\$495.50	\$991.00	\$1,288.30	\$304.66	\$609.32	\$906.62
Kaiser HMO	\$508.30	\$1,016.60	\$1,321.58	\$280.16	\$560.32	\$865.30
PERS Choice PPO	\$482.48	\$964.96	\$1,254.45	\$349.11	\$698.22	\$987.71
PERS Select PPO	\$453.16	\$906.32	\$1,178.22	\$349.11	\$698.22	\$970.12
PERS Care PPO	\$749.83	\$1,499.66	\$1,949.56	\$404.60	\$809.20	\$1,259.10
PORAC Association Plan	\$484.00	\$906.00	\$1,151.00	\$330.00	\$657.00	\$902.00

¹ It is our understanding that there is a flexible benefit plan in place for active employees which provides benefits in excess of the MEC and that such additional payments are not required to be provided to retired employees to meet PEMHCA requirements.



Table 3A
(Concluded)

A different rate may apply for the same coverage where the member resides outside of this area. These variances, if any, are reflected in the valuation, but not listed here. Note that these rates vary by county of residence, while the rates given in the valuation of State employees are statewide rates.

Additionally, CalPERS charges an administrative fee most recently set at .27% of total premiums (FY 2006/7); a special assessment of .17% of total premiums was charged for FY2006/7 only. These expenses are not separately analyzed in this valuation.



Table 3B

General CalPERS Annuitant Eligibility Provisions

The content of this section has been drawn from Section C, Summary of Plan Provisions, of the State of California OPEB Valuation as of July 1, 2007, issued May 7, 2007, to the State Controller from Gabriel Roeder & Smith. It is provided here as a brief summary of general eligibility requirements for annuitant and survivor healthcare coverage.

Retired Employees

A member is eligible to enroll in a CalPERS health plan if he or she retires within 120 days of separation from employment and receives a monthly retirement allowance. If the member meets this requirement, he or she may continue his or her enrollment at retirement, enroll within 60 days of retirement, or enroll during any Open Enrollment period. If a member is currently enrolled in a CalPERS health plan and wants to continue enrollment into retirement, the employer will notify CalPERS and the member's coverage will continue into retirement.

Eligibility Exceptions: Certain family members are not eligible for CalPERS health benefits:

- Children age 23 or older
 - Children who have been married
 - Children's spouses
 - Former spouses
 - Grandparents
 - Parents
 - Children of former spouses
 - Other relatives
- Never enrolled or deleted disabled children over age 23

Coordination with Medicare

CalPERS retired members who qualify for premium-free Part A, either on their own or through a spouse (current, former, or deceased), must sign up for Part B as soon as they qualify for Part A. A member must then enroll in a CalPERS sponsored Medicare plan. The CalPERS-sponsored Medicare plan will pay for costs not paid by Medicare, by coordinating benefits.

Survivors of an Annuitant

If a CalPERS annuitant satisfied the requirement to retire within 120 days of separation, the survivor may be eligible to enroll within 60 days of the annuitant's death or during any future Open Enrollment period. Note: A survivor cannot add any new dependents; only dependents that were enrolled or eligible to enroll at the time of the member's death qualify for benefits.

Surviving registered domestic partners who are receiving a monthly annuity as a surviving beneficiary of a deceased employee or annuitant on or after January 1, 2002, are eligible to continue coverage if currently enrolled, enroll within 60 days of the domestic partner's death, or enroll during any future Open Enrollment period.

Surviving enrolled family members who do not qualify to continue their current coverage are eligible for continuation coverage under COBRA.



Table 4 OPEB Valuation Actuarial Methods and Assumptions

Valuation Date	July 1, 2009
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets (\$0; plan has not yet been funded)
Discount Rate	4.5% if unfunded; 7.75% if funded
Salary Increase	3.25% per year
Assumed Increase for Amortization Payments	3.25% per year where determined on a percent of pay basis
Mortality	Illustrative rates:

Before Retirement

CalPERS Public Agency Miscellaneous Non-Industrial Deaths only		
Age	Male	Female
15	0.00013	0.00006
20	0.00019	0.00009
30	0.00038	0.00021
40	0.00077	0.00046
50	0.00156	0.00102
60	0.00314	0.00226
70	0.00634	0.00500
80	0.01277	0.01108

After Retirement

CalPERS Public Agency Miscellaneous Post Retirement Mortality				
Age	Male		Female	
	Regular	Disabled	Regular	Disabled
40	0.0010	0.0087	0.0007	0.0064
50	0.0025	0.0146	0.0014	0.0113
60	0.0072	0.0287	0.0044	0.0188
70	0.0214	0.0467	0.0128	0.0302
80	0.0626	0.0948	0.0388	0.0651
90	0.1738	0.2079	0.1259	0.1619
100	0.3472	0.4560	0.3204	0.4024
110	1.0000	1.0000	1.0000	1.0000



**Table 4 - Actuarial Methods and Assumptions
(Continued)**

Turnover

CalPERS Public Agency Miscellaneous: sum of Terminated
Refund and Terminated Vested rates – Illustrative rates

Age Hire	Years of Service						
	0	5	10	15	20	25	30
15	0.1830	0.0834	0.0643	0.0515	0.0387	0.0259	0.0131
20	0.1760	0.0765	0.0574	0.0446	0.0318	0.0190	0.0010
30	0.1622	0.0627	0.0435	0.0307	0.0041	0.0009	0.0002
40	0.1483	0.0488	0.0095	0.0046	0.0009	0.0002	0.0002
50	0.1345	0.0129	0.0051	0.0008	0.0002	0.0002	0.0002

Retirement Rates

CalPERS Public Agency Miscellaneous
2.7% @ 55 – Illustrative rates

Age	Male	Female	Age	Male	Female
50	0.0500	0.0700	62	0.2800	0.2300
53	0.0300	0.0600	65	0.2700	0.2700
55	0.0900	0.1000	66	0.1500	0.1600
58	0.0800	0.1000	68	0.1300	0.1200
60	0.1700	0.1300	70 +	1.0000	1.0000

Healthcare Trend Rate

Medical plan premiums and the CalPERS
minimum employer contribution under PEMHCA
are assumed to increase at rates shown in the
table below:

Year	Rate	Year	Rate
2009	9.50%	2014	7.00%
2010	9.00%	2015	6.50%
2011	8.50%	2016	5.50%
2012	8.00%	2017	4.50%
2013	7.50%	& later	

Medicare Eligibility

Absent contrary data, all individuals assumed
eligible for Medicare Parts A and B at 65. Those
who are not currently eligible assumed to remain
ineligible.



**Table 4 - Actuarial Methods and Assumptions
(Concluded)**

Participation Rate

Currently participating actives: 70% are assumed to continue their current plan election in retirement.

Non-participating actives are assigned a 35% probability of electing coverage at retirement in the most commonly selected plan (currently Kaiser HMO)

Currently retired participants: Existing medical plan elections are assumed to be maintained through retirement until death.

Spouse Coverage

Current active employees: 85% are assumed to be married and of these, 75% of those electing coverage in retirement are assumed to also elect coverage for their spouse. Surviving spouses are assumed to retain coverage until their death. Husbands are assumed to be 3 years older than their wives.

Currently retired participants: Existing elections for spouse coverage are assumed to be maintained through retirement until earlier of the spouse's or retiree's death.



Table 5
Projected Benefit Payments

Fiscal Year Ending June 30	Current Retirees	Future Retirees	Total
2009	303	210	513
2010	398	521	919
2011	506	1,170	1,676
2012	628	1,989	2,617
2013	763	3,244	4,007
2014	911	4,665	5,576
2015	1,071	6,493	7,564
2016	1,244	8,815	10,059
2017	1,421	11,491	12,912
2018	1,598	14,651	16,249



Glossary

Actuarial Accrued Liability (AAL) – Total dollars required to fund all plan benefits attributable to service rendered as of the valuation date for current plan members and vested prior plan members; see “Actuarial Present Value”

Actuarial Funding Method – A procedure which calculates the actuarial present value of plan benefits and expenses, and allocates these expenses to time periods, typically as a normal cost and an actuarial accrued liability

Actuarial Present Value (APV) – The amount presently required to fund a payment or series of payments in the future, it is determined by discounting the future payments by an appropriate interest rate and the probability of nonpayment.

Aggregate – An actuarial funding method under which the excess of the actuarial present value of projected benefits over the actuarial accrued liability is levelly spread over the earnings or service of the group forward from the valuation date to the assumed exit date, based not on individual characteristics but rather on the characteristics of the group as a whole

Annual Required Contribution (ARC) – The amount the employer would contribute to a defined benefit OPEB plan for a given year, it is the sum of the normal cost and some amortization (typically 30 years) of the unfunded actuarial accrued liability

Attained Age Normal Cost (AANC) – An actuarial funding method where, for each plan member, the excess of the actuarial present value of benefits over the actuarial accrued liability (determined under the unit credit method) is levelly spread over the individual's projected earnings or service forward from the valuation date to the assumed exit date

CalPERS – Many state governments maintain a public employee retirement system; CalPERS is the California program, covering all eligible state government employees as well as other employees of other governments within California who have elected to join the system

Defined Benefit (DB) – A pension or OPEB plan which defines the monthly income or other benefit which the plan member receives at or after separation from employment

Defined Contribution (DC) – A pension or OPEB plan which establishes an individual account for each member and specifies how contributions to each active member's account are determined and the terms of distribution of the account after separation from employment

Entry Age Normal Cost (EANC) – An actuarial funding method where, for each individual, the actuarial present value of benefits is levelly spread over the individual's projected earnings or service from entry age to assumed exit age



Glossary (Continued)

Frozen Attained Age Normal Cost (FAANC) – An actuarial funding method under which the excess of the actuarial present value of projected benefits over the actuarial accrued liability (determined under the unit credit method) is levelly spread over the earnings or service of the group forward from the valuation date to the assumed exit date, based not on individual characteristics but rather on the characteristics of the group as a whole

Frozen Entry Age Normal Cost (FEANC) – An actuarial funding method under which the excess of the actuarial present value of projected benefits over the actuarial accrued liability (determined under the entry age normal cost method) is levelly spread over the earnings or service of the group forward from the valuation date to the assumed exit date, based not on individual characteristics but rather on the characteristics of the group as a whole

Financial Accounting Standards Board (FASB) – A private, not-for-profit organization designated by the Securities and Exchange Commission (SEC) to develop generally accepted accounting principles (GAAP) for U.S. public corporations

Government Accounting Standards Board (GASB) – A private, not-for-profit organization which develops generally accepted accounting principles (GAAP) for U.S. state and local governments; like FASB, it is part of the Financial Accounting Foundation (FAF), which funds each organization and selects the members of each board

Non-Industrial Disability (NID) – Unless specifically contracted by the individual agency, PAM employees are assumed to be subject to only non-industrial disabilities.

Normal Cost – Total dollar value of benefits expected to be earned by plan members in the current year, as assigned by the chosen funding method; also called current service cost

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pension benefits, most commonly healthcare benefits but also including life insurance if provided separately from a pension plan

Pay-As-You-Go (PAYGO) – Contributions to the plan are made at about the same time and in about the same amount as benefit payments and expenses coming due

PEMHCA – The Public Employees' Medical and Hospital Care Act, established by the California legislature in 1961, provides community-rated medical benefits to participating public employers. Among its extensive regulations are the requirements that medical insurance contributions for retired annuitants and paid for by a contracting agency be equal to the medical insurance contributions paid for its active employees, and that a contracting agency file a resolution, adopted by its governing body, with the CalPERS Board establishing any new contribution.



Glossary (Concluded)

Projected Unit Credit (PUC) – An actuarial funding method where, for each individual, the projected plan benefit is allocated by a consistent formula from entry date to assumed exit date

Public Agency Miscellaneous (PAM) – Actuarial assumptions used by CalPERS for most non-safety public employees.

Select and Ultimate – Actuarial assumptions which contemplate rates which differ by year initially (the select period) and then stabilize at a constant long-term rate (the ultimate rate)

Trend – The healthcare cost trend rate, defined as the rate of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments

Unfunded Actuarial Accrued Liability (UAAL) – The excess of the actuarial accrued liability over the actuarial value of plan assets

Unit Credit (UC) -- An actuarial funding method where, for each individual, the unprojected plan benefit is allocated by a consistent formula from entry date to assumed exit date

Vesting – As defined by the plan, requirements which when met make a plan benefit nonforfeitable on separation of service before retirement eligibility

CITY OF RANCHO CORDOVA

RESOLUTION NO. 16-2010

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE ESTABLISHMENT OF THE CALIFORNIA EMPLOYERS RETIREE
BENEFITS TRUST, TO PREFUND THE TRUST FOR THE ACTUARIALLY DETERMINED
LIABILITY, AND DELEGATION OF AUTHORITY TO WITHDRAW FROM THE TRUST**

WHEREAS, Government Accounting Standard No. 45 requires the City to recognize the future liability for other post employment medical benefits by June 30, 2010; and

WHEREAS, Prefunding provides several benefits to the City, including a lower annual required contribution, contributes to a positive credit rating, and enhances the financial security for retirees; and

WHEREAS, Joining a trust fund will help finance future costs from investment earnings; and

WHEREAS, California Employers Retiree Benefits Trust (CERBT) though CalPERS is a public sector, not-for-profit service provider of other post employment benefits; and

WHEREAS, CalPERS has over 75 years of experience in administering employer-sponsored plans and has a history of exceptional risk-adjusted investment performance; and

WHEREAS, CERBT will provide trust administration and investment management at a lower cost than a for-profit provider.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY
OF RANCHO CORDOVA:**

- I. That the City of Rancho Cordova will establish a California Employers Retiree Benefits Trust with CalPERS.
- II. That the trust will be fully fund for the actuarial liability of \$266,493 calculated as of June 10, 2010.
- III. That the City of Rancho Cordova delegates the finance director and the manager of human resources the authority to request disbursements from the trust.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 5th day of April, 2010 by the following vote:

AYES:

NOES:

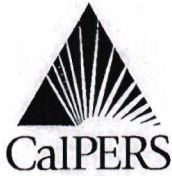
ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk



DELEGATION OF AUTHORITY TO REQUEST DISBURSEMENTS

RESOLUTION
OF THE

City Council
(GOVERNING BODY)

OF THE

City of Rancho Cordova
(NAME OF EMPLOYER)

The City Council
(GOVERNING BODY) delegates to the incumbents in

the positions of Finance Director
(TITLE) and

Manager of Human Resources
(TITLE) authority to request on behalf

of the Employer disbursements from the Other Post Employment Prefunding

Plan and to certify as to the purpose for which the disbursed funds will be used.

By _____

Title _____

Witness _____

Date _____

CALIFORNIA EMPLOYER'S RETIREE BENEFIT TRUST PROGRAM ("CERBT")

AGREEMENT AND ELECTION
OFCity of Rancho Cordova
(NAME OF EMPLOYER)TO PREFUND OTHER POST EMPLOYMENT
BENEFITS THROUGH CalPERS

WHEREAS (1) Government Code Section 22940 establishes in the State Treasury the Annuitants' Health Care Coverage Fund for the prefunding of health care coverage for annuitants (Prefunding Plan); and

WHEREAS (2) The California Public Employees' Retirement System (CalPERS) Board of Administration (Board) has sole and exclusive control and power over the administration and investment of the Prefunding Plan (sometimes also referred to as CERBT), the purposes of which include, but are not limited to (i) receiving contributions from participating employers and establishing separate Employer Prefunding Accounts in the Prefunding Plan for the performance of an essential governmental function (ii) investing contributed amounts and income thereon, if any, in order to receive yield on the funds and (iii) disbursing contributed amounts and income thereon, if any, to pay for costs of administration of the Prefunding Plan and to pay for health care costs or other post employment benefits in accordance with the terms of participating employers' plans; and

WHEREAS (3) City of Rancho Cordova
(NAME OF EMPLOYER)

(Employer) desires to participate in the Prefunding Plan upon the terms and conditions set by the Board and as set forth herein; and

WHEREAS (4) Employer may participate in the Prefunding Plan upon (i) approval by the Board and (ii) filing a duly adopted and executed Agreement and Election to Prefund Other Post Employment Benefits (Agreement) as provided in the terms and conditions of the Agreement; and

WHEREAS (5) The Prefunding Plan is a trust fund that is intended to perform an essential governmental function within the meaning of Section 115 of the Internal Revenue Code as an agent multiple-employer plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 43 consisting of an aggregation of single-employer plans, with pooled administrative and investment functions;

NOW, THEREFORE, BE IT RESOLVED THAT EMPLOYER HEREBY MAKES THE FOLLOWING REPRESENTATION AND WARRANTY AND THAT THE BOARD AND EMPLOYER AGREE TO THE FOLLOWING TERMS AND CONDITIONS:

A. Representation and Warranty

Employer represents and warrants that it is a political subdivision of the State of California or an entity whose income is excluded from gross income under Section 115 (1) of the Internal Revenue Code.

B. Adoption and Approval of the Agreement; Effective Date; Amendment

(1) Employer's governing body shall elect to participate in the Prefunding Plan by adopting this Agreement and filing with the CalPERS Board a true and correct original or certified copy of this Agreement as follows:

Filing by mail, send to: CalPERS
Constituent Relations Office
CERBT (OPEB)
P.O. Box 942709
Sacramento, CA 94229-2709

Filing in person, deliver to: CalPERS Mailroom
Attn: Employer Services Division
400 Q Street
Sacramento, CA 95814

(2) Upon receipt of the executed Agreement, and after approval by the Board, the Board shall fix an effective date and shall promptly notify Employer of the effective date of the Agreement.

(3) The terms of this Agreement may be amended only in writing upon the agreement of both CalPERS and Employer, except as otherwise provided herein. Any such amendment or modification to this Agreement shall be adopted and executed in the same manner as required for the Agreement. Upon receipt of the executed amendment or modification, the Board shall fix the effective date of the amendment or modification.

(4) The Board shall institute such procedures and processes as it deems necessary to administer the Prefunding Plan, to carry out the purposes of this Agreement, and to maintain the tax exempt status of the Prefunding Plan. Employer agrees to follow such procedures and processes.

C. Actuarial Valuation and Employer Contributions

(1) Employer shall provide to the Board an actuarial valuation report on the basis of the actuarial assumptions and methods prescribed by the Board. Such report shall be for the Board's use in financial reporting, shall be prepared at least as often as the minimum frequency required by GASB Statement No. 43, and shall be:

- (a) prepared and signed by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries or a person with equivalent qualifications acceptable to the Board;
- (b) prepared in accordance with generally accepted actuarial practice and GASB Statement Nos. 43 and 45; and,
- (c) provided to the Board prior to the Board's acceptance of contributions for the valuation period or as otherwise required by the Board.

(2) The Board may reject any actuarial valuation report submitted to it, but shall not unreasonably do so. In the event that the Board determines, in its sole discretion, that the actuarial valuation report is not suitable for use in the Board's financial statements or if Employer fails to provide a required actuarial valuation, the Board may obtain, at Employer's expense, an actuarial valuation that meets the Board's financial reporting needs. The Board may recover from Employer the cost of obtaining such actuarial valuation by billing and collecting from Employer or by deducting the amount from Employer's account in the Prefunding Plan.

(3) Employer shall notify the Board of the amount and time of contributions which contributions shall be made in the manner established by the Board.

(4) Employer contributions to the Prefunding Plan may be limited to the amount necessary to fully fund Employer's actuarial present value of total projected benefits, as supported by the actuarial valuation acceptable to the Board. As used throughout this document, the meaning of the term "actuarial present value of total projected benefits" is as defined in GASB Statement No. 45. If Employer's contribution causes its assets in the Prefunding Plan to exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board may refuse to accept the contribution.

(5) The minimum Employer contribution will be at least \$5000 or be equal to Employer's Annual Required Contribution, whichever is less, as that term is defined in GASB Statement No. 45. Contributions can be made at any time following the seventh day after the effective date of the Agreement provided that Employer has first complied with the requirements of Paragraph C.

D. Administration of Accounts, Investments, Allocation of Income

- (1) The Board has established the Prefunding Plan as an agent plan consisting of an aggregation of single-employer plans, with pooled administrative and investment functions, under the terms of which separate accounts will be maintained for each employer so that Employer's assets will provide benefits only under employer's plan.
- (2) All Employer contributions and assets attributable to Employer contributions shall be separately accounted for in the Prefunding Plan (Employer's Prefunding Account).
- (3) Employer's Prefunding Account assets may be aggregated with prefunding account assets of other employers and may be co-invested by the Board in any asset classes appropriate for a Section 115 Trust.
- (4) The Board may deduct the costs of administration of the Prefunding Plan from the investment income or Employer's Prefunding Account in a manner determined by the Board.
- (5) Investment income shall be allocated among employers and posted to Employer's Prefunding Account as determined by the Board but no less frequently than annually.
- (6) If Employer's assets in the Prefunding Plan exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board, in compliance with applicable accounting and legal requirements, may return such excess to Employer.

E. Reports and Statements

- (1) Employer shall submit with each contribution a contribution report in the form and containing the information prescribed by the Board.
- (2) The Board shall prepare and provide a statement of Employer's Prefunding Account at least annually reflecting the balance in Employer's Prefunding Account, contributions made during the period and income allocated during the period, and such other information as the Board determines.

F. Disbursements

- (1) Employer may receive disbursements not to exceed the annual premium and other costs of post employment healthcare benefits and other post employment benefits as defined in GASB 43.
- (2) Employer shall notify CalPERS in writing in the manner specified by CalPERS of the persons authorized to request disbursements from the Prefunding Plan on behalf of Employer.

(3) Employer's request for disbursement shall be in writing signed by Employer's authorized representative, in accordance with procedures established by the Board. The Board may require that Employer certify or otherwise establish that the monies will be used for the purposes of the Prefunding Plan.

(4) Requests for disbursements that satisfy the requirements of paragraphs (2) and (3) that are received on or after the first of a month will be processed by the 15th of the following month. (For example, a disbursement request received on or between March 1st and March 31st will be processed by April 15th; and a disbursement request received on or between April 1st and April 30th will be processed by May 15th.)

(5) CalPERS shall not be liable for amounts disbursed in error if it has acted upon the written instruction of an individual authorized by Employer to request disbursements. In the event of any other erroneous disbursement, the extent of CalPERS' liability shall be the actual dollar amount of the disbursement, plus interest at the actual earnings rate but not less than zero.

(6) No disbursement shall be made from the Prefunding Plan which exceeds the balance in Employer's Prefunding Account.

G. Costs of Administration

Employer shall pay its share of the costs of administration of the Prefunding Plan, as determined by the Board.

H. Termination of Employer Participation in Prefunding Plan

(1) The Board may terminate Employer's participation in the Prefunding Plan if:

- (a) Employer gives written notice to the Board of its election to terminate;
- (b) The Board finds that Employer fails to satisfy the terms and conditions of this Agreement or of the Board's rules or regulations.

(2) If Employer's participation in the Prefunding Plan terminates for any of the foregoing reasons, all assets in Employer's Prefunding Account shall remain in the Prefunding Plan, except as otherwise provided below, and shall continue to be invested and accrue income as provided in Paragraph D.

(3) After Employer's participation in the Prefunding Plan terminates, Employer may not make contributions to the Prefunding Plan.

(4) After Employer's participation in the Prefunding Plan terminates, disbursements from Employer's Prefunding Account may continue upon Employer's instruction or otherwise in accordance with the terms of this Agreement.

(5) After thirty-six (36) months have elapsed from the effective date of this Agreement or at such earlier date as may be approved by the Board in its sole discretion:

- (a) Employer may request a trustee to trustee transfer of the assets in Employer's Prefunding Account. Upon satisfactory showing to the Board that the transfer will satisfy applicable requirements of the Internal Revenue Code and the Board's fiduciary duties, then the Board shall effect the transfer within one hundred twenty (120) days. The amount to be transferred shall be the amount in the Employer's Prefunding Account as of the disbursement date and shall include investment earnings up to the investment earnings allocation date immediately preceding the disbursement date. In no event shall the investment earnings allocation date precede the transfer by more than 120 days.
- (b) Employer may request a disbursement of the assets in Employer's Prefunding Account. Upon satisfactory showing to the Board that all of Employer's obligations for payment of post employment health care benefits and other post employment benefits and reasonable administrative costs of the Board have been satisfied, then the Board shall effect the disbursement within one hundred twenty (120) days. The amount to be disbursed shall be the amount in the Employer's Prefunding Account as of the disbursement date and shall include investment earnings up to the investment earnings allocation date immediately preceding the disbursement date. In no event shall the investment earnings allocation date precede the disbursement by more than 120 days.

(6) After Employer's participation in the Prefunding Plan terminates and at such time that no assets remain in Employer's Prefunding Account, this Agreement shall terminate.

(7) If, for any reason, the Board terminates the Prefunding Plan, the assets in Employer's Prefunding Account shall be paid to Employer after retention of (i) amounts sufficient to pay post employment health care benefits and other post employment benefits to annuitants for current and future annuitants described by the employer's current substantive plan (as defined in GASB 43), and (ii) amounts sufficient to pay reasonable administrative costs of the Board.

(8) If Employer ceases to exist but Employer's Prefunding Plan continues to exist and if no provision has been made by Employer for ongoing payments to pay post employment health care benefits and other post employment benefits to annuitants for current and future annuitants, the Board is authorized to and shall appoint a third party

administrator to carry out Employer's Prefunding Plan. Any and all costs associated with such appointment shall be paid from the assets attributable to contributions by Employer.

(9) If Employer should breach the representation and warranty set forth in Paragraph A., the Board shall take whatever action it deems necessary to preserve the tax-exempt status of the Prefunding Plan.

I. General Provisions

(1) Books and Records.

Employer shall keep accurate books and records connected with the performance of this Agreement. Employer shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location at the Employer's office(s) and shall be available for inspection and copying by CalPERS and its representatives.

(2) Audit.

(a) During and for three years after the term of this Agreement, Employer shall permit the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, at all reasonable times during normal business hours to inspect and copy, at the expense of CalPERS, books and records of Employer relating to its performance of this Agreement.

(b) Employer shall be subject to examination and audit by the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, during the term of this Agreement and for three years after final payment under this Agreement. Any examination or audit shall be confined to those matters connected with the performance of this Agreement, including, but not limited to, the costs of administering this Agreement. Employer shall cooperate fully with the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, in connection with any examination or audit. All adjustments, payments, and/or reimbursements determined to be necessary by any examination or audit shall be made promptly by the appropriate party.

(3) Notice.

(a) Any notice, approval, or other communication required or permitted under this Agreement will be given in the English language and will be deemed received as follows:

1. Personal delivery. When personally delivered to the recipient. Notice is effective on delivery.
2. First Class Mail. When mailed first class to the last address of the recipient known to the party giving notice. Notice is effective three delivery days after deposit in a United States Postal Service office or mailbox.
3. Certified mail. When mailed certified mail, return receipt requested. Notice is effective on receipt, if delivery is confirmed by a return receipt.
4. Overnight Delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, Notice is effective on delivery, if delivery is confirmed by the delivery service.
5. Telex or Facsimile Transmission. When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice. Notice is effective on receipt, provided that (i) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (ii) the receiving party delivers a written confirmation of receipt. Any notice given by telex or fax shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a nonbusiness day.
6. E-mail transmission. When sent by e-mail using software that provides unmodifiable proof (i) that the message was sent, (ii) that the message was delivered to the recipient's information processing system, and (iii) of the time and date the message was delivered to the recipient along with a verifiable electronic record of the exact content of the message sent.

Addresses for the purpose of giving notice are as shown in Paragraph B.(1) of this Agreement.

- (b) Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- (c) Any party may change its address, telex, fax number, or e-mail address by giving the other party notice of the change in any manner permitted by this Agreement.

- (d) All notices, requests, demands, amendments, modifications or other communications under this Agreement shall be in writing. Notice shall be sufficient for all such purposes if personally delivered, sent by first class, registered or certified mail, return receipt requested, delivery by courier with receipt of delivery, facsimile transmission with written confirmation of receipt by recipient, or e-mail delivery with verifiable and unmodifiable proof of content and time and date of sending by sender and delivery to recipient. Notice is effective on confirmed receipt by recipient or 3 business days after sending, whichever is sooner.

(4) Modification

This Agreement may be supplemented, amended, or modified only by the mutual agreement of the parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by the party to be charged.

(5) Survival

All representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of their Agreement shall survive the termination of this Agreement until such time as all amounts in Employer's Prefunding Account have been disbursed.

(6) Waiver

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

(7) Necessary Acts, Further Assurances

The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

A majority vote of Employer's Governing Body at a public meeting held on the _____ day of the month of _____ in the year _____, authorized entering into this Agreement.

Signature of the Presiding Officer: _____

Printed Name of the Presiding Officer: _____

Name of Governing Body: _____

Name of Employer: _____

Date: _____

BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
RONALD L. SEELING
ACTUARIAL AND EMPLOYER SERVICES BRANCH
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

To be completed by CalPERS

The effective date of this Agreement is: _____

MEMORANDUM



DATE: April 5, 2010

TO: Honorable Mayor and Council Members

FROM: Adam U. Lindgren, City Attorney

SUBJECT: RESOLUTION OF THE CITY COUNCIL RESCINDING RESOLUTION NO. 113-2004 AND AMENDING RESOLUTION NO. 31-2003 RELATING TO THE TIME AND PLACE OF REGULAR CITY COUNCIL MEETINGS

RECOMMENDATION

Adopt Resolution No. 18-2010.

RESULT OF RECOMMENDED ACTION

Adoption of this resolution will establish the Council Chambers located at 2729 Prospect Drive as the location of the regular meeting of the City Council; additionally, adoption of this resolution will rescind Resolution No. 113-2004 and amend Section 1 of Resolution No. 31-2003.

BACKGROUND

On July 19, 2004, the City Council adopted Resolution No. 113-2004 which established the time and place of regular meetings of the City Council. Subsequent to the adoption of Resolution No. 113-2004, the location of regular meetings of the City Council changed from 3121 Gold Canal Drive in Rancho Cordova, California to 2729 Prospect Drive in Rancho Cordova, California.

Resolution No. 18-2010 would make an administrative update by rescinding Resolution No. 113-2004 and establishing the location of regular meetings of the City Council as the Council Chambers located at 2729 Prospect Drive in Rancho Cordova, California. Resolution No. 18-2010 would also retain the time and place of regular meetings established in Resolution No. 113-2004. In addition, Resolution No. 18-2010 would amend Section 1 of Resolution No. 31-2003 relating to the rules of conduct for meetings of the City Council in order to conform the place and time for regular meetings to that established by Resolution No. 18-2010.

ATTACHMENTS

1. Resolution No. 31-2003.
2. Resolution No. 113-2004.
3. Resolution No. 18-2010.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 31-2003

**A RESOLUTION OF THE CITY OF RANCHO CORDOVA
ESTABLISHING RULES FOR THE CONDUCT OF MEETINGS
OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA**

WHEREAS, Government Code § 36813, authorizes a City Council to establish rules for the conduct of its meetings.

NOW, THEREFORE, the City Council of the City of Rancho Cordova resolves as follows:

1. REGULAR MEETINGS

- a. Time. Regular meetings of the City Council shall be held on the first and third Monday of each month at the hour of 6:30 p.m., except that Closed Session Items shall be held at 6:00 p.m. Whenever the day fixed for any regular meeting of the Council falls upon a day designated as a holiday, such meeting will be held at the same hour on the next succeeding day not a holiday.
- b. Place. All regular meetings of the Council shall be held at the City Council Chambers, as designated by Ordinance.
- c. Public. All meetings of the Council shall be open to the public; provided, however, the City Council may hold closed sessions as provided by the laws of the State of California.

2. SPECIAL MEETINGS

A special meeting may be ordered at any time by the Mayor whenever in his/her opinion the public business may require it or upon the written request of any three members of the Council. Whenever a special meeting shall be called, written notice of such meeting shall be delivered personally or by any other means by the City Clerk to each member of the Council and to each local newspaper of general circulation and radio/television station requesting notice in writing. Such notice must be delivered at least twenty-four (24) hours before the time of such meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at such meetings by the Council.

The agenda for special meetings shall contain the information set forth in Section 3(a)-(d). below. At least twenty-four (24) hours before each special meeting, the City Clerk shall post a copy of the agenda, including the call and notice of the special meeting, at the same location identified in Section 3 below.

3. AGENDA

In order to facilitate the orderly conduct of the business of the Council, the City Clerk shall be notified no later than 11:00 a.m., on the Monday one week preceding a regular Council meeting of all reports, communications, ordinances, resolutions, contract documents or other matters to be submitted to the Council at such meeting. Immediately thereafter, the City Clerk shall arrange an agenda of such matters according to the order of business and furnish each member of the Council, the City Manager, City Attorney, City Department Heads and Staff with a copy of the agenda packet prior to the Council meeting and as far in advance of the meeting as time for preparation will permit.

The agenda prepared by the City Clerk shall, at a minimum, include:

- a. The date of the meeting;
- b. The time of the meeting;
- c. The location of the meeting;
- d. A brief general description of each item of business to be transacted or discussed at the meeting;
- e. Specified period of time for members of the public to address the Council on items of interest to the public that are within the jurisdiction of the Council, including a provision that no person may speak longer than five (5) minutes, and including language that the Council can only briefly respond with questions, refer to Staff, or place on a future agenda; and
- f. A specified section under which Councilmembers and Staff may present informational only reports.

At least seventy-two (72) hours before each regular meeting, the City Clerk shall post a copy of the agenda at City Hall (3121 Gold Canal Drive).

The City Clerk shall execute a declaration of posting which shall be filed in the Office of the City Clerk.

The City Clerk shall so mark or denote "Consent Calendar" items on the agenda to identify those items on the agenda which can reasonably be expected to generate no discussion by members of the City Council, City Staff or interested persons in the audience. The Council shall consider all of the items on the Consent Calendar portion of the agenda at one time by a vote after a motion has been duly made and seconded. If any member of the City Council, City Staff or interested person in the audience requests that a consent item be removed from the list, such item shall be taken up for consideration and disposition in the order listed on the agenda.

4. PRESIDING OFFICER

The Mayor shall preside at all City Council meetings and perform such other duties consistent with his/her office as may be imposed by the Council. The Mayor shall be entitled to vote, but shall possess no veto power. The Mayor shall be recognized as the official head of the City for all ceremonial purposes, by the courts for the purpose of serving civil process and by the Governor for military purposes. In the time of public danger or emergency, the Mayor, with the consent of the Council, shall cause order to be maintained and enforce laws.

The Mayor shall preserve strict order and decorum at all regular and special meetings of the Council. The Mayor shall state every question coming before the Council, call for the vote, announce the decision of the Council on all subjects and decide all questions of order, subject however, to an appeal of the Council, in which event a majority vote of the Council shall govern and conclusively determine such question of order. The Mayor shall sign all Ordinances adopted by the Council during his/her presence. In the event of the absence of the Mayor, the Mayor Pro Tempore shall sign Ordinances as then adopted.

5. CALL TO ORDER

The Mayor, or in his/her absence, the Mayor Pro Tempore, shall take the chair precisely at the hour appointed for the meeting, and shall immediately call the Council to order. In the absence of the Mayor or Mayor Pro Tempore, the City Clerk shall call the Council to order, whereupon a temporary chair shall be elected by the members of the Council present. Upon the arrival of the Mayor or Mayor Pro Tempore, the temporary chair shall immediately relinquish the chair upon the conclusion of the business immediately before the Council.

6. ATTENDANCE

Before proceeding with the business of the Council, the City Clerk shall enter into the minutes the names of the members present or absent. No formal roll call need be taken.

7. QUORUM

A majority of the members of the Council shall constitute a quorum for the transaction of business, but a lesser number than a quorum may adjourn from time to time. The Council may adjourn ~~any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the~~ order of adjournment. If all members are absent from any regular or adjourned regular meeting, the City Clerk may declare the meeting adjourned to a stated time and place. If he/she does, he/she shall cause written notice of the adjournment to be given in the same manner as provided for special meetings. A copy of the order or notice of adjournment shall be posted in the same location identified in Section 3 above and other places designated by the Council within twenty-four (24) hours after the time of adjournment. Whenever a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjournment meeting shall be held, it shall be held at the hour specified for regular meetings.

8. ORDER OF BUSINESS

Promptly at the hour set on the day of each regular meeting, the members of the Council, City Clerk (or Designee) and City Manager (or Designee) shall take their regular stations in the Council Chambers, and the business of the Council shall be taken up for consideration and disposition in the following order, except, with the unanimous consent of the Council, matters may be taken up out of order:

- Call to Order (Closed Session)
- Call to Order & Pledge of Allegiance to the Flag

- Report on Closed Session Action
- Oral Communications
- Consent Calendar
- Written Communications
- Public Hearings
- Unfinished Business
- New Business
- Other Business (Council/Staff Informational Only Reports/Matters Too Late for the Agenda)
- Adjournment

9. MATTERS TOO LATE FOR THE AGENDA

- a. No action or discussion shall take place on any item not appearing on the agenda for a regular meeting as posted, unless
 - (1) The City Council determines by majority vote that an emergency situation exists, as defined in Government Code §54956.5;
 - (2) The City Council determines by vote of four (4) out of five (5) members (or by a unanimous vote of the members of the Council if only 4 or only 3 members are present) that there is a need to take immediate action and that the need for action came to the Council's attention after the agenda was posted;
 - (3) The item was included in a posted agenda for a prior meeting held not more than five (5) calendar days prior to the meeting at which the item is acted upon.
- b. When an item not on an agenda is raised by a member of the public, the City Council may briefly respond, may ask questions for clarification, provide a reference to Staff or other resources, or request Staff to report back at a subsequent meeting. Furthermore, a member of the City Council may take action to place a matter of business on a future agenda.

10. READING OF MINUTES

Unless the reading of the minutes of a Council meeting is requested by a member of the Council, such minutes may be approved without reading if the City Clerk has previously furnished each member with a copy thereof.

11. RULES OF DEBATE

- a. Presiding Officer may debate. The Mayor or such other member of the Council as may be presiding may move, second and debate from the chair, subject only to such limitations of debate as are by these rules imposed upon all members. He/she shall not be deprived of any of the rights and privileges of a Councilmember by reason of his/her acting as the Presiding Officer.
- b. Getting the floor. Every member desiring to speak shall address the Mayor, and

upon recognition by the Mayor, shall confine himself/herself to the question under debate.

- c. Interruptions. A member once recognized, shall not be interrupted when speaking unless it be to call him/her to order, or as herein otherwise provided. If a member, while speaking, be called to order, he/she shall cease speaking until the question of order be determined, and if in order, he/she shall be permitted to proceed.
- d. Privilege of closing debate. The Councilmember moving the adoption of an Ordinance or Resolution shall have the privilege of closing the debate.
- e. Motion to reconsider. A motion to reconsider any action taken by the Council may be made at any time. Such a motion must be made by one of the prevailing side, but may be seconded by any member, and may be made at any time and have precedence over all other motions or while a member has the floor; it shall be debatable. Nothing herein shall be construed to prevent any member of the Council from making or remaking the same or other motion at a subsequent meeting of the Council.
- f. Remarks of Councilmember. A Councilmember may request through the Mayor, the privilege of having an abstract of his/her statement on any subject under consideration by the Council entered in the minutes. If the Council consents thereto, such statement shall be entered in the minutes.
- g. Synopsis of Debate. The City Clerk may be directed by the Mayor with the consent of the Council, to enter in the minutes a synopsis of the discussion of any question coming regularly before the Council.
- h. Rules of Order. Except as otherwise provided in this Resolution, the current edition of "Roberts Rules of Order" shall govern the conduct of the meetings of the City Council.

12. ADDRESSING THE COUNCIL

Any person desiring to address the Council at a meeting shall first secure the permission of the Mayor to do so; provided, however, that under the following headings of business, any qualified and interested person shall have the right to address the Council upon obtaining recognition by the Mayor.

- a. Written Communications. Interested persons or their authorized representative may address the Council by written communication on any matters concerning the City's business, or any matters over which the Council has control. Such written communication shall be delivered to the City Clerk no later than 11:00 a.m., of the Monday immediately preceding the regular Council meeting for which such written communication is intended.
- b. Oral Communications. Interested persons in the audience or their authorized representatives may address the Council by oral communications on any matters over which the Council has control; provided, however, that preference shall be given to those persons who have notified the City Clerk in advance of their desire to speak in order that the same may appear on the agenda of the Council.

13. ADDRESSING THE COUNCIL AFTER MOTION IS MADE

After a motion is made by the Council, no person shall address the Council without first

securing the permission of the Mayor to do so.

14. MANNER OF ADDRESSING COUNCIL

Each person addressing the Council shall stand at the podium and give his/her name and address in an audible tone of voice for the record. A Speaker Slip shall be completed in order to facilitate preparation of the minutes. All remarks shall be addressed to the Council as a body and not to any member thereof. No person, other than the Council and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the Council, without the permission of the Mayor. No question shall be asked of a Councilmember except through the Mayor.

15. VOTING

- a. Members of the Council shall vote by a "voice vote" on all Ordinances, Resolutions and other matters, unless a roll call vote is required by law or is requested by a Councilmember. Silence shall be recorded as an affirmative vote. The Mayor shall announce the result of the vote. The City Clerk shall show on Ordinances and Resolutions the names of Councilmembers voting "Aye" and "No."
 - b. The vote on any matter being considered by the Council may be delayed by the Mayor until all members of the Council present for a meeting, and not excused as herein provided, are actually present at the Council dais.
 - c. A member of the Council who has a conflict of interest regarding any matter being considered by the Council shall declare the conflict and excuse himself/herself from participating in the Council's deliberations and decisions regarding that matter.
-

16. ORDER AND DECORUM

- a. By Councilmembers. While the Council is in session, the members must preserve order and decorum. A member shall not, by conversation or otherwise, delay or interrupt the proceedings or the peace of the Council or disturb any member while speaking or refuse to obey the orders of the Council or Mayor, except as otherwise herein provided.
- b. By Persons. Any person making personal, impertinent, or slanderous remarks or who shall become boisterous while addressing the Council or who shall, by conversation or otherwise, delay or interrupt the proceedings or the peace of the Council or disturb any member while speaking or refuse to obey the orders of the Council or the Mayor shall be forthwith, by the Mayor, barred from further audience before the council, unless permission to continue is granted by a majority vote of the Council.
- c. Enforcement of Order and Decorum. A law enforcement officer shall be designated as Sergeant-at-Arms of the Council meetings when requested by the Mayor. He/she shall carry out all orders and instructions given at the Council meeting. Upon instruction of the Mayor, it shall be the duty of the Sergeant-at-Arms, as to any person who violates the order and decorum of the meeting, to

remove and bar such person from the Council meeting. Violations of the order and decorum of a Council meeting is a misdemeanor.

- d. Smoking. Smoking is prohibited at all times in all City-owned facilities.

17. SPECIAL COMMITTEES/TASK FORCES

All special committees/task forces shall be appointed by the Mayor, subject to approval of the City Council.

18. COUNCILMEMBER VACANCIES

When a vacancy occurs on the City Council, in the office of Councilmember or Mayor, and the Council determines to consider filling the vacancy by appointment, the Council will make such appointment only at a meeting at which all remaining Councilmembers (including the Mayor) are present. This rule shall not preclude the Council from calling a special election to fill the vacancy or from adopting an ordinance to fill the vacancy pursuant to Government Code §36512 at a meeting at which one of the remaining Councilmembers (including the Mayor) is absent.

19. PROTESTS

Any Councilmember shall have the right to have the reasons for his/her dissent from, or protest against, any action of the council entered in the minutes.

20. ADJOURNMENT

~~A motion to adjourn shall always be in order and decided without debate.~~

21. RULES AVAILABLE FOR PUBLIC REVIEW

A copy of this Resolution shall be available at all meetings of the Council for review by the public.

ADOPTED, THIS 1st day of July, 2003 by the following vote:

AYES: Council Members: McGarvey, Budge, Sander, Cooley, Roberts

NOES: None

ABSTAIN: None

APPROVED:


MAYOR

ATTEST:

Charo Balle
CITY CLERK

627537

CITY OF RANCHO CORDOVA

RESOLUTION NO. 113-2004

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF RANCHO CORDOVA RESCINDING RESOLUTION 02-2003 AND
CHANGING THE TIME FOR REGULAR CITY COUNCIL MEETINGS**

Whereas, the City Council of the City of Rancho Cordova desires to encourage and maximize participation of the public in the proceedings and discussions of the City Council.

NOW, THEREFORE, the City Council of the City of Rancho Cordova does hereby resolve as follows:

1. The Regular Meeting days for the City Council of the City of Rancho Cordova shall remain the first and third Monday of the month, provided that if a regular meeting date is an official holiday, the meeting will be held on the following day.
2. The Regular Meeting time of the City Council of the City of Rancho Cordova shall be changed to 5:30 p.m.
3. During a Regular Meeting of the City Council, no new item of business will be considered after 11:00 p.m.
4. The Regular Meeting place of the City Council of the City of Rancho Cordova shall be the City Council Chambers at 3121 Gold Canal Drive, Rancho Cordova, California.
5. Resolution 02-2003 is hereby rescinded.

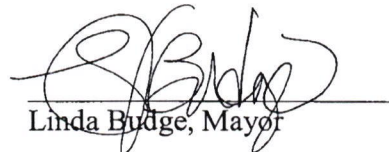
PASSED AND ADOPTED this 19th day of July, 2004, by the following vote:

AYES: Skoglund, Sander, McGarvey, Cooley, Budge

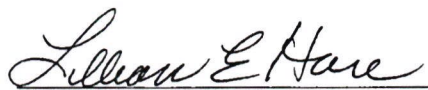
NOES: None

ABSENT: None

ABSTAIN: None


Linda Budge, Mayor

ATTEST:


Lillian Hare, City Clerk

CITY OF RANCHO CORDOVA

RESOLUTION NO. 18-2010

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
RESCINDING RESOLUTION NO. 113-2004 AND AMENDING RESOLUTION NO. 31-2003
RELATING TO THE TIME AND PLACE OF REGULAR CITY COUNCIL MEETINGS**

WHEREAS, Government Code Section 54954 provides that the legislative body of a local agency may establish the time and place for regular meetings by resolution; and

WHEREAS, the City Council of the City of Rancho Cordova previously adopted Resolution No. 113-2004 establishing the time and place for regular meetings of the City Council; and

WHEREAS, subsequent to the adoption of Resolution No. 113-2004, the location of the regular meetings of the City Council changed from 3121 Gold Canal Drive in Rancho Cordova, California to 2729 Prospect Park in Rancho Cordova, California; and

WHEREAS, the City Council now desires to rescind Resolution No. 113-2004 and amend Section 1 of Resolution No. 31-2003, regarding rules of conduct for City Council meetings, to change the location of regular meetings of the City Council to the Council Chambers located at 2729 Prospect Drive in Rancho Cordova, California; and

WHEREAS, the date and time of regular meetings will remain unchanged from that established in Resolution No. 113-2004.

NOW, THEREFORE, BE IT RESOLVED THAT:

- 1. Time and Place for Regular Meetings:**
 - a. The Regular Meeting days for the City Council of the City of Rancho Cordova shall remain the first and third Monday of the month, provided that if a regular meeting date is an official holiday, the meeting will be held on the following day.
 - b. The Regular Meeting time of the City Council of the City of Rancho Cordova shall remain 5:30 p.m.
 - c. The practice of the City Council shall remain that during a Regular Meeting of the City Council, no new item of business will be considered after 11:00 p.m., without approval of the City Council.
 - d. The Regular Meeting place of the City Council of the City of Rancho Cordova shall be changed from 3121 Gold Canal Drive in Rancho Cordova, California, to the City Council Chambers at 2729 Prospect Drive in Rancho Cordova, California.
- 2. Resolution Rescinded:** Resolution No. 113-2004 is hereby rescinded.
- 3. Amendment:** Section 1 of Resolution No. 31-2003 is hereby amended to read as provided for in Section 1 of this Resolution.

ATTACHMENT 3

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____ 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk

MEMORANDUM



DATE: April 5, 2010

TO: Honorable Mayor and Council Members

FROM: Cyrus Abhar, Public Works Director

SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH COAST LANDSCAPE MANAGEMENT NOT TO EXCEED THE AMOUNT OF \$601,464 FOR CITYWIDE LANDSCAPE MAINTENANCE SERVICES

RECOMMENDATION

Adopt Resolution No. 20-2010.

RESULT OF RECOMMENDED ACTION

Adoption of this resolution will allow Public Works to consolidate all the various City landscape contracts and the remaining Sacramento County maintained areas into one contract. This will allow City staff to have one point of contact for all landscape issues as well as reduced costs due to the increased quantity of work.

BACKGROUND

The Public Works Department currently manages five different landscape management contracts including the County of Sacramento. Public Works decided to solicit proposals to take over the maintenance of all landscaping in the City limits to reduce staff time managing these contracts and to take over the last remaining locations still under the management of the County of Sacramento.

Request for proposals were solicited to the Sacramento County, El Dorado County, Placer County, and Alameda County Builders Exchange beginning February 10, 2010. The project was advertised in The Grapevine Independent on February 19, 26, and March 5, 2010. Proposals were received on March 8, 2010 from 18 landscape maintenance companies. The engineer's estimate was \$1,290,000. The low proposal was \$601,464, the average proposal was \$908,680, and the high proposal was \$1,407,088. The Proposal Summary Sheet is provided as **Attachment 2**.

The Public Works staff interviewed the three companies with the lowest proposals. All three companies had experience with similar types of maintenance contracts. Public Works determined that the City should award the contract to the company with the lowest proposal, Coast Landscape Management, based on their proposed price and the quality of their work on current City contracts. This contract will be funded through special districts and Measure A maintenance funds.

ATTACHMENTS

1. Resolution No. 20-2010 including Exhibit 1A – Contract No. 35-2010.
2. Proposal Summary Sheet.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 20-2010

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH COAST
LANDSCAPE MANAGEMENT FOR CITYWIDE LANDSCAPE MAINTENANCE SERVICES**

WHEREAS, proposals were solicited to the Sacramento County, El Dorado County, Placer County, and Alameda County Builders Exchange beginning February 10, 2010. The project was advertised in The Grapevine Independent on February 19, 26 and March 5, 2010; and

WHEREAS, proposals were received on March 8, 2010 from 18 landscape maintenance companies, and

WHEREAS, the City recommends awarding the Citywide Landscape maintenance Services to the lowest proposal, Coast Landscape Management, in the amount of \$601,464; and

WHEREAS, those services will exceed the maximum amount the City Manager has authorization to approve.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA authorizes the City Manager to execute a maintenance contract (Contract No. 35-2010) with Coast Landscape Management (**Exhibit A1**), in a form approved by the City Attorney. This resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk

Landscape Maintenance Services			Coast Landscape Maintenance		California Landscape Associates		Terracare Associates		Huppe Landscape Maintenance		Dominguez Landscape Services		Moodey Incorporated		Fallen Leaf Landscape		Sunworld		360 Landscape	
	Location	Months	Unit Price		Unit Price		Unit Price		Unit Price		Unit Price		Unit Price		Unit Price		Unit Price		Unit Price	
1	California Jazz	36	\$ 529.00		\$ 435.00		\$ 480.00		\$ 286.00		\$ 857.34		\$ 730.00		\$ 500.00		\$ 550.00		\$ 395.00	
2	Capital Center II	36	\$ 1,836.00		\$ 1,186.00		\$ 1,800.00		\$ 1,348.00		\$ 1,143.12		\$ 1,720.00		\$ 900.00		\$ 2,675.00		\$ 2,080.00	
3	Capital Center II (Zinfandel)	36	\$ 272.00		\$ 181.00		\$ 286.00		\$ 1,200.00		\$ 285.78		\$ 350.00		\$ 275.00		\$ 380.00		\$ 310.00	
4	Capital Village-I	20	\$ 814.00		\$ 742.00		\$ 930.00		\$ 525.00		\$ 1,357.45		\$ 1,670.00		\$ 2,400.00		\$ 4,765.00		\$ 810.00	
5	Citrus Rd	26	\$ 168.00		\$ 180.00		\$ 164.00		\$ 425.00		\$ 259.80		\$ 120.00		\$ 500.00		\$ 270.00		\$ 1,170.00	
6	Coloma Rd (Dolecetto to Malaga)	36	\$ 55.00		\$ 44.00		\$ 112.00		\$ 517.00		\$ 136.39		\$ 250.00		\$ 125.00		\$ 250.00		\$ 40.00	
7	Coloma Rd (Sunrise to Truckee River)	36	\$ 345.00		\$ 496.00		\$ 629.00		\$ 275.00		\$ 571.56		\$ 760.00		\$ 450.00		\$ 900.00		\$ 800.00	
8	Coloma Rd Frontages	36	\$ 336.00		\$ 940.00		\$ 830.00		\$ 1,400.00		\$ 779.40		\$ 450.00		\$ 1,700.00		\$ 600.00		\$ 500.00	
9	Coloma / Chase	36	\$ 25.00		\$ 25.00		\$ 72.00		\$ 57.00		\$ 34.02		\$ 115.00		\$ 50.00		\$ 120.00		\$ 15.00	
10	Ellenwood	36	\$ 120.00		\$ 175.00		\$ 151.00		\$ 130.00		\$ 68.19		\$ 115.00		\$ 275.00		\$ 200.00		\$ 95.00	
11	Folsom Blvd (Coloma to Cordova)	26	\$ 124.00		\$ 264.00		\$ 307.00		\$ 300.00		\$ 409.18		\$ 540.00		\$ 400.00		\$ 315.00		\$ 195.00	
12	Folsom Blvd (Mather Field to La Loma)	36	\$ 41.00		\$ 50.00		\$ 157.00		\$ 954.00		\$ 68.19		\$ 250.00		\$ 75.00		\$ 95.00		\$ 55.00	
13	Folsom Blvd South Frontages	36	\$ 217.00		\$ 453.00		\$ 344.00		\$ 517.00		\$ 909.30		\$ 160.00		\$ 1,000.00		\$ 740.00		\$ 1,095.00	
14	Hogarth Dr	01	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
15	International Dr./ Mather	36	\$ 576.00		\$ 789.00		\$ 737.00		\$ 160.00		\$ 909.30		\$ 880.00		\$ 1,200.00		\$ 525.00		\$ 800.00	
16	Mather Field Interchange	36	\$ 2,213.00		\$ 2,534.00		\$ 935.00		\$ 1,000.00		\$ 1,091.16		\$ 2,400.00		\$ 800.00		\$ 1,650.00		\$ 5,470.00	
17	Mather Field Rd	26	\$ 51.00		\$ 68.00		\$ 170.00		\$ 160.00		\$ 136.39		\$ 140.00		\$ 200.00		\$ 125.00		\$ 75.00	
18	Sunrise Blvd (Gold Country to Hwy 50)	36	\$ 269.00		\$ 315.00		\$ 550.00		\$ 168.00		\$ 500.11		\$ 650.00		\$ 500.00		\$ 925.00		\$ 570.00	
19	Old Placerville Rd Frontage	36	\$ 67.00		\$ 192.00		\$ 159.00		\$ 100.00		\$ 194.85		\$ 160.00		\$ 250.00		\$ 260.00		\$ 260.00	
20	Routier Rd Frontage	36	\$ 70.00		\$ 117.00		\$ 145.00		\$ 100.00		\$ 64.95		\$ 125.00		\$ 225.00		\$ 110.00		\$ 240.00	
21	Routier Rd Over Crossing	26	\$ 241.00		\$ 225.00		\$ 166.00		\$ 500.00		\$ 259.80		\$ 235.00		\$ 275.00		\$ 400.00		\$ 1,190.00	
22	Sunrise Blvd. (Folsom to Douglas)	36	\$ 126.00		\$ 305.00		\$ 600.00		\$ 500.00		\$ 818.37		\$ 880.00		\$ 1,500.00		\$ 850.00		\$ 200.00	
23	White Rock Rd.	36	\$ 114.00		\$ 175.00		\$ 243.00		\$ 500.00		\$ 204.59		\$ 535.00		\$ 300.00		\$ 350.00		\$ 185.00	
24	Zinfandel Dr at Mitchell School	36	\$ 41.00		\$ 50.00		\$ 172.00		\$ 119.00		\$ 97.35		\$ 75.00		\$ 200.00		\$ 65.00		\$ 150.00	
25	Folsom Blvd (Sunrise to Hazel)	36	\$ 248.00		\$ 350.00		\$ 295.00		\$ 94.00		\$ 477.38		\$ 740.00		\$ 700.00		\$ 800.00		\$ 425.00	
	Unscheduled (Extra Work)	1	\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00	
		\$	\$ 601,464.00		\$ 651,234.00		\$ 652,674.00		\$ 685,810.00		\$ 686,452.02		\$ 768,730.00		\$ 779,350.00		\$ 857,780.00		\$ 877,240.00	

ATTACHMENT 2

ATTACHMENT 2

**CONSTRUCTION SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND COAST LANDSCAPE MANAGEMENT**

THIS AGREEMENT made and entered between the City of Rancho Cordova ("City") and Coast Landscape Management ("Contractor") as of April 5, 2010.

WITNESSETH:

WHEREAS, the City Council for the City heretofore caused plans and specifications for the work hereinafter mentioned to be prepared, and therefore did approve and adopt said plans and specifications; and

WHEREAS, the City Council for the City did cause to be published for the time and in the manner required by law, a Notice inviting sealed proposals for the performance of said work; and

WHEREAS, the Contractor, in response to such Notice, submitted to the City Council for the City within the time specified in said Notice, and in the manner provided for therein, a sealed proposal for the performance of the work specified in said plans and specifications, which said proposal, and other proposals submitted in response to said Notice, the City Council of public opened and canvassed in the manner provided by law; and

WHEREAS, the Contractor was the lowest responsible proposal for the performance of said work, and said City Council for the City as a result of the canvass of said proposals, did determine and declare Contractor to be the preferred proposal for said work and award to a contract therefore.

NOW THEREFORE, in consideration of the promises herein, it is mutually agreed between the parties hereto as follows:

Section 1. CONTRACT DOCUMENTS. The following documents are by this reference incorporated in and made a part of this Agreement: The County of Sacramento, Standard Construction Specifications dated January 2008; the Special Provisions; the contract drawings, all addenda; the Notice to Contractors; the Proposal; all required bonds; and all supplemental Agreements covering alterations, amendments, or extensions to the contract. The documents which describe the work to be performed are sometimes collectively referred to herein as the Plans and Specifications.

Section 2. SCOPE OF WORK. That the Contractor will furnish all labor, materials, services, transportation, appliances, and mechanical workmanship required for Contract No. 35-2010, as provided for and set forth in said plans and specifications, or in either of them, which said plans and specifications are hereby referred and by such reference incorporated herein and made a part of this Agreement. All of the said work done under this Agreement shall be under the supervision of and performed to the satisfaction of Public Works Director of The City of Rancho Cordova who shall have the right to reject any and all materials and supplies furnished by the Contractor which do not comply with said plans and specifications, together with the right to require the Contractor to replace any and all work furnished by the Contractor which shall not either in workmanship or material be in strict accordance with said plans and specifications.

Section 3. COMPLETION. Said work shall be completed and ready for acceptance.

Section 4. PAYMENT. Attached hereto as Exhibit "A" and by reference made a part hereof, is the bid and proposal of Contractor. Said bid and proposal will contain, as required by the terms of said specifications, the full and complete schedule of the different items with the lump sums or unit prices as so specified. The City agrees in consideration of the work to be performed herein and subject to the terms and conditions thereof, to pay Contractor all sums of money which may become due to Contractor in accordance with the terms of the aforesaid bid and proposal, and this Agreement, to wit: six hundred and one thousand and four hundred sixty-four dollars (\$601,464). Said sum shall be paid in accordance with Section 8 of the Standard Specifications. With respect to that portion of the above sum as is based upon the estimated quantities specified for the general scope of the work to be performed herein, actual payment will be based upon the quantities as measured upon completion. No payment made under this Agreement shall be construed to be an acceptance of defective work or improper materials.

Section 5. PREVAILING WAGES. Pursuant to the provisions of Articles 1 and 2 of Chapter 1, Part 7, Division II, of the Labor Code of the State of California, not less than the general prevailing rate of per diem wages, and not less than the general prevailing rate of per diem wages for holidays and overtime work, for each craft, classification or type of worker needed to execute the work contemplated under this Agreement shall be paid to all workers, laborers and mechanics employed in the execution of said work by Contractor, or by any subcontractor doing or contracting to do any part of said work. The appropriate determination of the Director of the California Department of Industrial Relations is filed with, and available for inspection at 2729 Prospect Park Drive, Rancho Cordova, CA 95670, the office of the Clerk of the City. Contractor shall post, at each job site, a copy of such prevailing rate of per diem wages as determined by the Director for the California Department of Industrial Relations.

Section 6. INSURANCE. The Contractor shall carry and maintain during the life of this Agreement, such public liability, property damage and contractual liability, auto, worker's compensation and builders' risk insurance as required by the specifications.

Section 7. WORKERS' COMPENSATION CERTIFICATION. By execution of this Agreement, the Contractor certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

Section 8. PERFORMANCE AND PAYMENT BONDS. Not required.

Section 9. INDEMNIFICATION. The Contractor shall defend, indemnify the City and save harmless the (including their officers, agents, members, employees, affiliates, and representatives) as set forth in Section 6-2 of the Standard Specifications.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1** This Agreement shall bind and inure to the heirs, devisees, assignees, and successors in interest of Contractor and to the successors in interest of in the same manner as if such parties had been expressly named herein. All times states herein or in the contract documents are of the essence hereof. As used in this instrument the singular includes the plural, and the masculine includes the feminine and the neuter. This Agreement may create a possessory interest

subject to property taxation, and Contractor may be subject to the payment of property taxes levied on such interest.

10.2 Contract Administration. This Agreement shall be administered by Public Works Director ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

10.3 Notices. Any written notice to Consultant shall be sent to:

Fairlight Beard
Coast Landscape Management
7400 Folsom Boulevard
Sacramento, CA 95826

Any written notice to City shall be sent to:

John Samuelson
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

10.4 IRS Form W-9. Contractor shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

IN WITNESS WHEREOF, the City Council and Contractor have caused this Agreement to be executed as of the day and year first above written.

CITY OF RANCHO CORDOVA:

CONTRACTOR:

Ted A. Gaebler, City Manager

Fairlight Beard, Branch Manager

Date

Date

Attest:

Mindy Cuppy, City Clerk

Date

Approved as to Form:

Adam U. Lindgren, City Attorney

Date

MEMORANDUM



DATE: April 5, 2010
TO: Honorable Mayor and Council Members
FROM: Paul Junker, Planning Director
Christopher Jordan, Senior Planner
SUBJECT: 2009 GENERAL PLAN ANNUAL REPORT

RECOMMENDATION

The Planning Commission recommends that the City Council receive and file the 2009 General Plan Annual Report (**Attachment 1**).

RESULT OF RECOMMENDED ACTION

The Council will receive the 2009 General Plan Annual Report.

BACKGROUND

State law requires that the City complete an annual review of the General Plan by April 1 of each year, covering the previous calendar year. The purpose of the review is to:

- Identify compliance with the State General Plan Guidelines;
- Identify status of the General Plan and the process towards its implementation;
- Describe the City's progress in meeting its Regional Housing Needs Allocation; and
- Describe progress in addressing/removing governmental constraints to the maintenance, improvement, and development of housing.

Further, State law requires that the City submit the report to the Office of Planning and Research (OPR) and the department of Housing and Community Development (HCD). Completion of the report may make the City eligible for various State grants and other programs.

As the City Council is aware, the City adopted its first General Plan on June 26, 2006. The annual report for 2010 covers the calendar year (Planning Year) 2009 (January 1 to December 31). As in the 2008 report, staff has included a summary outlining the major accomplishments of the City in 2009 related to General Plan implementation. The Report also includes information on the status of residential construction compared to the City's obligation under the current Regional Housing Needs Plan/Regional Housing Needs Assessment. The tables used to collect and report this data are required by HCD.

The annual report will be a guide for development of the 2010-2011 fiscal budget for the City, helping departments plan their budgets with General Plan implementation in mind.

The Planning Commission reviewed the 2009 Annual Report at its March 25, 2010 meeting and voted 7-0 to direct staff to file the report with OPR and HCD and submit it to the City Council.

ANALYSIS

As part of the 2008 Annual Report last year, staff identified a concern that the actions of the General Plan may not be accurately programmed. Since completion of the General Plan in 2006, the City has increased its staffing resources and reprioritized some projects. In an effort to keep the General Plan current and ensure it remains a useful document that sets the policy direction for the City, staff had recommended that, during the 2009 Planning Year, a more detailed analysis of the General Plan actions be undertaken. This analysis would re-program, as appropriate, some of the General Plan action items to (1) departments that are more appropriate for leading the work effort and (2) realign the timing of the actions in keeping with Council-identified priorities. This effort could also serve as an opportunity to drop actions that are no longer necessary/appropriate for Rancho Cordova and create new ones that are. Completion of this task would result in a General Plan amendment of the Implementation Chapter and possibly specific elements of the General Plan. This effort was not programmed into the 2009-2010 work plan for budget reasons. Staff is again recommending that this effort be undertaken.

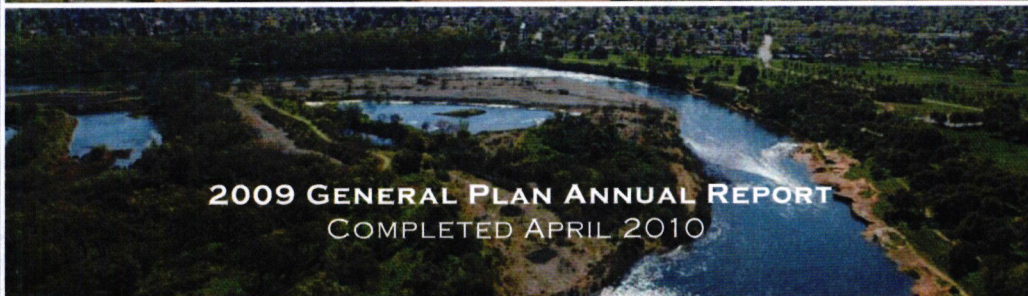
ATTACHMENT

1. 2009 General Plan Annual Report.



GENERAL PLAN

R A N C H O C O R D O V A G E N E R A L P L A N



2009 GENERAL PLAN ANNUAL REPORT
COMPLETED APRIL 2010

BUILDING OUR CITY
GUIDING OUR FUTURE

2009 GENERAL PLAN ANNUAL REPORT

CITY OF RANCHO CORDOVA 2009 GENERAL PLAN ANNUAL REPORT

PREPARED BY THE PLANNING DEPARTMENT
COMPLETED MARCH 2010

CITY COUNCIL

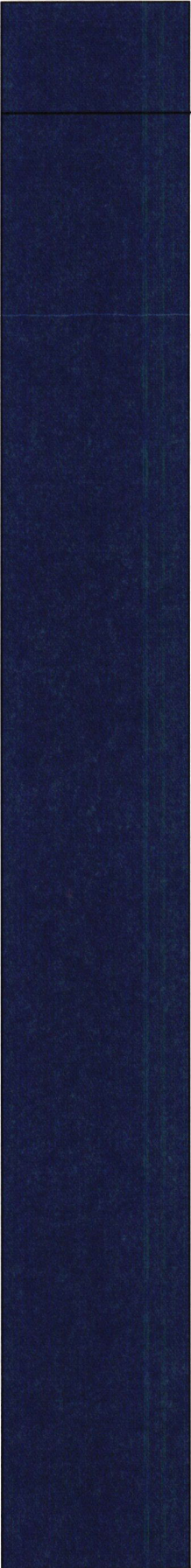
Ken Cooley, Mayor
Robert McGarvey, Vice-Mayor
Linda Budge, Council Member
David Sander, Council Member
Dan Skoglund, Council Member

PLANNING COMMISSION

Tom Moe, Chair
Ray Savorn, Vice-Chair
Therese Burke, Commissioner
Matthew Cummings, Commissioner
Ross Johnson, Commissioner
Troy Konarski, Commissioner
Ernest Vance, Commissioner

CITY STAFF

Ted Gaebler, City Manager
Joe Chinn, Assistant City Manager
Adam Lindgren, City Attorney
Ruben Meeks, Police Chief
Paul Junker, Planning Director
Cyrus Abhar, Public Works Director
Curt Haven, Economic Development Director
Donna Silva, Finance Director
Nancy Pearl, Communications Director
Mindy Cuppy, City Clerk
Kerry Simpson, Neighborhood Services Supervisor
Reed Flory, Housing Services Administrator



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2009 GENERAL PLAN ANNUAL REPORT

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2009 GENERAL PLAN ANNUAL REPORT

INTRODUCTION

PURPOSE OF THE ANNUAL REPORT

California law requires each city to adopt a comprehensive, long-term General Plan to guide the physical development of the incorporated city and land outside city boundaries that bears a relationship to its planning activities. The General Plan serves as a blueprint for future growth and development; the blueprint to “Build a City.” As such, the plan contains policies and programs designed to provide decision makers with a solid foundation for land use and development decisions.

State law further requires the City to complete an Annual Report by April of each calendar year and submit the report to the Office of Planning and Research and the Department of Housing and Community Development. This report must:

- Identify compliance with the State General Plan Guidelines;
- Identify status of the General Plan and the process towards its implementation;
- Describe the City’s progress in meeting its Regional Housings Needs Allocation; and
- Describe progress in addressing/removing governmental constraints to the maintenance, improvement, and development of housing.

State law requires that the General Plan Annual Report be complete and submitted to the State by April of each year. The report covers the previous calendar year for which it is being completed. This Annual Report looks at the City’s progress towards implementing its General Plan during the 2009 planning year and is completed for the April 2010 deadline.

RECOMMENDATIONS

It is recommended that the City update the Implementation Matrix in the General Plan by adjusting timing, responsible parties, and establishing new action items, as appropriate, during the 2010 Planning Year. This action will require amendment of the General Plan and will help ensure that the goals and policies of the Plan are being achieved by keeping the Plan current. Funding for this task should be included in the 2010-2011 fiscal year budget for all departments.

Tracking the implementation of the General Plan is paramount in achieving the vision of the City that the General Plan establishes, and providing this information in a



2009 GENERAL PLAN ANNUAL REPORT

transparent report holds the City accountable to the public for the promises and goals it has set.

2009 GENERAL PLAN ANNUAL REPORT

ADMINISTRATION AND STATUS OF THE GENERAL PLAN

Upon incorporation in July 2003, the City adopted the Sacramento County General Plan. Soon thereafter, the City embarked on an intensive process of crafting the first General Plan for the City. The resulting plan was adopted on June 26, 2006. More than 50 workshops, stakeholder meetings, study sessions, and public hearings were held to understand the vision and desires for Rancho Cordova and to develop the blueprint to build the future City.

The General Plan for Rancho Cordova includes not only the seven mandated elements of a General Plan as required by State law (land use, circulation, housing, noise, safety, conservation, and open space) but additional topics of special and unique concern to the community, including urban design, economic development, air quality, historic and cultural resources, and infrastructure, services, and finance. As the basis for local government decision-making, the plan includes goals and policies by which projects are analyzed against and actions to be taken by the City necessary to achieving the overall vision for the community.

DEPARTMENTAL RESPONSIBILITIES

Implementation of the General Plan is the responsibility of the numerous departments and teams in the City. Each action item identified in the General Plan has been tasked to one or more City departments. The General Plan includes an Implementation Matrix that lists each of the action items in the plan and identifies the responsible agency, timing, and funding source for each action. City departments responsible for implementation of the General Plan include the:

- City Manager's Office;
- Planning Department;
- Building Department;
- Public Works Department;
- Finance Department;
- Economic Development Department;
- Redevelopment Agency;
- Housing and Neighborhood Services Department;
- City Public Information Officer; and
- Police Department.

2009 GENERAL PLAN ANNUAL REPORT

There are other several other governmental agencies that provide services within the City's corporate boundary. While these agencies are not part of the City's operational structure and not directly responsible for implementation of the General Plan, the City does coordinate its activities with these other agencies and relies upon their assistance for full implementation of the General Plan. These additional agencies include, but are not limited to, the:

- Sacramento Metropolitan Fire District;
- Cordova Recreation and Parks District;
- Folsom-Cordova Unified School District; and
- Elk Grove Unified School District.

AMENDMENTS TO THE GENERAL PLAN

State law allows the City to amend its General Plan no more than four times per year. Amendments may be proposed and acted upon at any time during the year and one action may include multiple amendments. Any changes to the General Plan require public hearings by the Planning Commission and City Council and evaluation of the environmental impacts as required by the California Environmental Quality Act.

As of April 2010, there are no pending amendments to the General Plan. The Housing Element was updated in 2009 to reflect the 2006-2013 Regional Housing Needs Allocation. Map amendments to the General Plan were completed in February 2009 as part of the Zoning Code update. General Plan designations were updated to better reflect development potential and to work effectively with rezones to achieve the vision established by the General Plan.

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GENERAL PLAN ELEMENTS AND IMPLEMENTATION PROGRESS

ELEMENT SUMMARY

The General Plan for Rancho Cordova includes twelve elements that cover a variety of topics as provided for in State law. Table 1 lists these elements and shows how they relate to the State requirements (State General Plan Guidelines). The contents of these elements are summarized below. The contents of the General Plan are consistent with the latest edition of the State General Plan Guidelines (2003) for content and scope.

2008 GENERAL PLAN ANNUAL REPORT

TABLE 1
ELEMENTS OF THE GENERAL PLAN AND RELATIONSHIP TO STATE LAW

Elements of the Rancho Cordova General Plan		Topics Required by State Law						Optional Topic
Land Use		Circulation	Housing	Conservation	Open Space	Noise	Safety	
Land Use	X			O	O			
Urban Design	O							X
Economic Development	O							X
Housing			X					
Circulation		X						
Open Space, Parks, and Trails		O			X			
Infrastructure, Services, and Finance		O						X
Natural Resources	O			X				
Cultural and Historic Resources	O							X
Safety	O						X	
Air Quality	O	O						X
Noise	O	O				X		

Notes:

X - Indicates that this element directly addresses the State required topic

O - Indicates that information in this element is related to the State required topic

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Land Use Element

The Land Use Element provides the central framework for the General Plan and serves as a compass to guide planners, the general public, and decision makers on the desired pattern of development in Rancho Cordova. It describes both existing and future land use activity, the latter of which was designed to achieve the City's long-range goals for physical development. This Element also identifies the distribution, location, and intensity of all land uses types throughout the City. Text, maps, and diagrams establish the blueprint for future land uses within the City and describe how these uses are integrated with the other General Plan elements and policies.

Urban Design Element

The Urban Design Element provides policies and design concepts relating to the form and character of new private development and public improvements, along with focused plans for areas of the City in need of special design attention. The Element also includes policies and implementation programs aimed at creating Rancho Cordova as a unique place with a strong, memorable character.

Economic Development Element

The Economic Development Element attempts to identify the City's strengths and weaknesses as it seeks to provide a full range of employment, housing, retail/service, and entertainment option to residents. The Element establishes goals, policies, and actions to improve the City's prosperity, maintain regional competitiveness, ensure accessibility to assets, market the City, and, perhaps most importantly, set fair and equitable rules for development. This Element is also intended to create wealth for the citizens of Rancho Cordova by providing opportunities to increase property values, fully utilize their properties, offer continuing education opportunities, and support entrepreneurship.

Housing Element

The purpose of the Housing Element is to identify housing solutions that solve local housing problems and to meet or exceed the regional housing needs allocation. The City recognizes that housing is a need that is met through many resources and interest groups. This Element establishes the local goals, policies, and actions (programs) the City will implement and/or facilitate to solve our identified housing issues.

Circulation Element

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The Circulation Element describes existing and future transportation conditions and systems. The Element establishes goals, policies, and actions that will guide the City's circulation system, including the roadway network, transit facilities and services, and bicycle and pedestrian facilities. The text, maps, and diagrams are a basis for the development of the City's transportation network.

Open Space, Parks, and Trails Element

The Open Space, Parks, and Trails Element identifies the need to maintain existing open space and natural recreational areas, as well as to create additional areas for the enjoyment of residents and the protection of the environment. The goals, policies, and actions provided are intended to achieve the City's vision of open spaces that are accessible to all members of the community. This Element establishes a policy framework and action program for the improvement, expansion, and maintenance of the City's open space.

Infrastructure, Services, and Finance Element

This Element seeks to identify the ideal level and type of infrastructure and service provision necessary to achieving the goal of becoming a first-rate city. It also explores possible mechanisms to finance infrastructure and service improvements. The goals, policies, and actions contained in the Element set forth methods for ensuring that Rancho Cordova provide the highest service levels possible.

Natural Resources Element

The Natural Resources Element identifies the ways in which Rancho Cordova will protect, maintain, and enhance its natural resources for the betterment of current residents and future generations. It also attempts to balance the present needs of resource users with the need for resource conservation for the common good. The goals, policies, and actions in this Element will foster the preservation of Rancho Cordova's many valuable natural resources, including wildlife, habitat, water resources, soils, and mineral resources.

Cultural and Historic Resources Element

The Cultural and Historic Resources Element seeks to identify and protect locally important sites, buildings, and memorabilia that reflect the history of the community. It also seeks to honor the people of Rancho Cordova by promoting the inclusion of cultural arts into the fabric of the community as a component that contributes to the overall quality of life for residents, workers, and visitors. The Element provides goals,

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policies, and actions designed recognize and preserve the history of the area and celebrate the diversity of the City's population.

Safety Element

The Safety Element seeks to recognize and remedy both present and anticipated concerns about the on-going well being of City residents, employees, and visitors. The goals, policies, and actions identify viable solutions to minimize the potential risk of death, injuries, property damage, and economic hardship and social displacement resulting from fires, floods, earthquakes, landslides, and other hazards. Additionally, this Element addresses safety and hazards related to airport land use, groundwater contamination, traffic and pedestrian accidents at interfaces with rail lines, the potential release of hazardous materials into the community, and general issues related to police and fire protection services.

Air Quality Element

The Air Quality Element establishes a framework for how the City will improve air quality in the Planning Area and work with other communities in the region and the Sacramento Metropolitan Air Quality Management District (SMAQMD) to improve air quality in the Sacramento Valley Air Basin. This Element also underscores the effects that land use patterns and the resulting transportation behavior have on air quality. The goals, policies, and actions outlined in this Element focus on improving air quality through embracing regional coordination, "smart growth" land use concepts, transportation demand management, energy conservation, cleaner industries and vehicles, and public education.

Noise Element

The goal of the Noise Element is to identify the major sources of noise within the City and discuss the City's role in ensuring comfortable and safe noise levels throughout the community. The goals, policies, and actions provided will, when implemented, improve the noise environment in the Planning Area.

STATUS OF IMPLEMENTATION ACTIONS OF THE GENERAL PLAN

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Major Milestones and Projects

The City undertook and/or completed several major milestones and projects during the 2009 planning year, including:

- **Programs and Activities:**

- Annexation of the “finger,” effective July 1, 2010
- Biannual Public Opinion Survey, a citywide public opinion survey completed in 2009 contained general questions to measure customer service satisfaction overall.
- The Building & Safety Division has made significant progress in an effort to remove the backlog of building code violations. Of the original 887 open violations, 300 have been closed, 246 have been identified to be minor in nature, and the remaining 341 are being evaluated for appropriate action.
- Adoption of three ordinances on: (1) foreclosed property maintenance; (2) panhandling; and (3) vicious dog/pet overpopulation. The foreclosed property maintenance ordinance assisted the City in dealing with the negative impacts of foreclosures by implementing a procedure in order to hold financial institutions responsible for their neglect of foreclosed/vacant properties. The panhandling ordinance provided additional tools for the police department’s handling of aggressive panhandling. The Vicious Dog Ordinance/Pet Overpopulation Ordinance has two components. The first establishes procedures for dealing with vicious dogs, including appropriate due process procedures. This assisted Animal Services in removing many vicious dogs from the community. The second component of the ordinance encourages pet owners to alter and license their animals.
- Preparation of Folsom Boulevard Specific Plan business regulations for undesirable or sensitive uses (check cashing, adult businesses, tattoo parlors, massage parlors) to be consistent with previously adopted comprehensive Zoning Code update.
- Participation in the development of the South Sacramento HCP
- Los Rios CCD expansion project, property acquisition and agreements
- Location of Sacramento Children’s Museum in Rancho Cordova
- Acquisition of the Kilgore Police Facility
- Developed of handouts to inform and educate the public on participation in City Council meetings and on the services the City offers.
- Working on creation of an Enterprise Zone

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- Creation of a new Economic Development newsletter, distributed on a quarterly basis to over 1800 individuals
- Working with the owners/operators of Certified Farmers Markets to open a Saturday farmers market in the City
- Secured \$20,000 in grant funds for environmental analysis and remediation through the Brownfield's TSI grant to supported the Mills Station Crossing Project
- Development of a business "Welcome Packet" between Economic Development, Finance, Building and Safety, Planning and Rancho Cordova Police Departments.
- Working with banks to rehabilitated dilapidated apartment complexes in the Mills Tower and Croetto area. Several of these severely substandard housing complexes have been placed into receivership by the banks due to poor performance and lack of maintenance. Code Enforcement staff are actively working with the receivers to improve the living conditions for the current tenants.
- Set up a task force with the State Department of Housing and Community Development (HCD) and Rancho Cordova Police Department to combat the lack of maintenance and crime in Park Royal Mobile Home Park on Routier Road. The property owner who had not invested any time or money to maintain the premises allowed the property to go into receivership rather than abate the issues. The property has been sold and ongoing improvements are in progress.
- Closed the Knights Inn (formerly First Value) due to the owners lack or abating substandard conditions.
- An ordinance amendment was processed in July 2009 to allow Code Enforcement to enforce the provisions of the Business License ordinance in line with their existing practices and systems.
- New Housing Element adopted and certified by HCD
- Three applications were submitted and the City was awarded two grants totaling \$4.7 million dollars. Funds were used in part to acquire and demolish distressed properties
- Affordable Housing - One site (18 rental units for families) whose budget anticipates LEEDs certification, photovoltaic electric augmentation and green construction has achieved its total financing. A construction start is expected in September. A second site (48 rental

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units for the elderly) is in its design stage and requires additional grant funding to ensure financial viability

- Planning is working with the Public Works department in developing designs for gateways along Folsom Boulevard. Community representatives have been organized to provide design input on these first two gateways and will assist with preparing guidelines for Sunrise Boulevard gateways

- Implementation of a red light enforcement program for City
- Implementation of a pilot shuttle program in the business park area
- Continued work on the Bicycle Master Plan and Pedestrian Master

Plan.

- **Roadway Projects:**

- 2009 Road Rehabilitation – Complete design and environmental clearance for various streets within the City of Rancho Cordova to a project ready status. Project may also include cape seal of various residential streets. (Estimated Cost: \$900,000)

- 2010 Road Rehabilitation – Begin design and environmental clearance for additional streets within the City of Rancho Cordova. (Estimated Cost: \$100,000)

- Award construction contracts for the following Capital Improvement Projects:

- Folsom Boulevard Enhancements - Phase II (Estimated Cost: \$5,325,000).

- Begin construction of Folsom Boulevard Water Line Improvement. This project will be coordinated with the Golden State Water Company with funding from Redevelopment Agency bonds. (Estimated Cost: \$1,035,000)

- Kilgore Cemetery Phase 2 – complete site renovations to provide for casket burials and to allow services to begin at the site. (Estimated Cost: \$212,000)

- International Drive Extension – project groundbreaking

- Highway 50 HOV Lanes – project groundbreaking

- **Funding:**

- \$3.5 million for the White Road Improvement project. This project will improve White Rock Road, from Sunrise Boulevard to the eastern city limit. This important project will eliminate the bottleneck between the existing 6-lane road at Sunrise Boulevard to the eastern city limit of Rancho Cordova where Sacramento County is constructing additional lanes. White Rock Road has regional significance, as it will provide parallel, relief capacity for U.S. Highway 50. This project will provide

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an enhanced connection from the core location of jobs in the Rancho Cordova community to growing developments located east of Sunrise Boulevard, including areas in Sacramento County, the City of Folsom, and El Dorado County. The project will also improve mobility and relieve congestion on Sunrise Boulevard at U.S. 50 by providing a bypass to U.S. 50 and complete a proposed Class II Bikeway from Sunrise Boulevard to El Dorado County. State of the art construction processes and materials will be used to minimize construction air quality impacts and the City will encourage the use of renewable construction materials. This project was identified by the 50 Mobility Partnership as a “Near Term Priority Roadway Improvement”.

- \$2 million for Street Rehabilitation Projects. This project will include the rehabilitation of several streets in Rancho Cordova, including but not limited to: Folsom Boulevard, Zinfandel Drive, Kilgore Road, International Drive, Horn Road, and Rossmoor Drive.
- \$580,000 for the Mather Railroad Spur, Rails to Trails Project. This project will provide a more desirable connection across Highway 50 and will encourage choice riders to use light rail for trip making. It will also turn existing railroad property into a Class I bicycle trail, allowing access for bicyclists and pedestrians, including VA Hospital Patients who currently cross Highway 50 at the Mather Field Road interchange. This project will reduce the stress and improve the safety of that crossing. This project will provide a connection between Folsom Boulevard Commercial and Light Rail and the Mather Commerce Center and the Mather Sports Complex.
- \$204,000 for the Douglas Road Bike Trail Connection to the Folsom South Canal (part of the larger Douglas Road enhancement project). This project will provide a Class I connection from the Folsom South Canal Bicycle Trail to Douglas Road. This will connect the new and planned residential areas east of the Folsom South Canal with the business and commercial centers west of the Folsom South Canal. Bicyclists and pedestrians currently must navigate a formidable barrier to access the Folsom South Canal Bicycle Trail. There are no good alternatives. Sunrise Boulevard does not have bike lanes north of Douglas Road.

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ANALYSIS OF GENERAL PLAN EFFICIENCY

The General Plan includes several actions related to annual review of the efficiency and effectiveness of the Plan, principally the Land Use Map and the mix of uses around the City. These include:

- **Action LU.1.1.1:** Regularly evaluate the mix of land uses as the City grows to analyze build out conditions, market conditions, etc.
- **Action LU.1.1.2:** Utilize the PLACE³S land use model to track General Plan implementation with respect to Land Use and analyze the impact of new development on existing uses and the City roadway network. Update the model on a quarterly basis with newly constructed development projects to maintain accuracy of the model.
- **Action LU.1.2.1:** Designate adequate commercial, office, and industrial land uses throughout the City during project review and as part of annual review of the General Plan.
- **Action H.4.1.2:** Promote development of affordable housing by ensuring adequate sites are available in the City (Policy H.1.2, Actions H.1.2.1. and H.1.2.2), providing resources for developers of affordable housing (Policies H.7.1 through H.7.5 and associated actions), and reviewing amendments and updates to the Zoning Ordinance, Design Guidelines, and other development standards that may increase the cost of providing affordable housing to ensure that development of affordable housing remains feasible.
- **Action ISF.1.1.3:** Periodically evaluate the City's office and retail demand based on changing demographics and market conditions to ensure an adequate supply of land for non-residential use.

During the 2009 planning year, the City has initiated and/or completed the following tasks associated with analyzing the efficiency and effectiveness of the General Plan:

- Review of the pending Specific Plans for the Rio del Oro, Westborough, and Suncreek projects.
- Completion of the comprehensive update to the Citywide Zoning Code.

REGIONAL HOUSING NEEDS AND REMOVAL OF GOVERNMENTAL CONSTRAINTS TO HOUSING

In an effort to address state-wide housing needs, the State of California requires regions to address housing issues and need based on future growth projections for the area. The Department of Housing and Community Development (HCD) allocates regional housing needs numbers to regional councils of governments throughout the state. The Regional Housing Needs Plan (RHNP) for the Sacramento area is developed by the Sacramento Area Council of Governments (SACOG), and allocates to cities and the unincorporated counties their “fair share” of the region’s projected housing needs, or the Regional Housing Needs Allocation (RHNA). The needs plan allocates the needs allocation based on household income groupings over the planning period.

The intent of the RHNP is to ensure that local jurisdictions address not only the needs of their immediate areas but also fill the housing needs for the entire region. Additionally, a major goal of the RHNP is to assure that every community provides an opportunity for a mix of affordable housing to all economic segments of its population.

State law requires the City to identify its progress in meeting its share of the regional housing needs allocation and to identify local efforts to remove governmental constraints to housing. The City’s General Plan Housing Element identifies solutions to meeting these objectives and reflects the 2007-2013 Regional Needs Plan and Regional Housing Needs Allocation for the Sacramento region.

2007-2013 REGIONAL HOUSING NEEDS PLAN

The Sacramento Area Council of Governments (SACOG), along with the City and the other jurisdictions in the region, has prepared a new Regional Housing Needs Plan (RHNP) for the 2007-2013 planning period. The plan was adopted on February 21, 2008. The 2007-2013 RHNP for the Sacramento region identified a total of dwelling units as the City’s “fair share” of the regional needs total. Table 2 identifies the breakdown of this number for each of the four income categories covered by the RHNP for the City..

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TABLE 2
CITY OF RANCHO CORDOVA
SHARE OF THE REGIONAL NEEDS ALLOCATION
FOR 2007-2013

Income Category	Number of Units	Percent of Total
Very Low	2,107	20.3%
Low	1,595	15.3%
Moderate	1,991	19.2%
Above Moderate	4,702	45.2%
TOTAL	10,395	100%

The RHNP and RHNA only require the City to provide a suitable amount of land needed to build the number of units allocated to the City under the RHNA. The Housing Element is being updated to reflect the 2007-2013 RHNA. The draft Housing Element has been submitted to the HCD for review, and once comments from the HCD are received, the City will respond and update the Housing Element accordingly. As part of the Housing Element update, the City is conducting the process of identifying appropriate areas of land and housing types to accommodate the 2007-2013 RHNA. Meeting the 2007-2013 RHNA will be designated as a City action item or completed as part of the Housing Element update and rezones.

Table 3 summarizes the number of units permitted in the City in 2009 by income category and dwelling type. Table 4 summarizes the cumulative total number of units permitted in the City during the current RHNP planning period. All numbers are based on issuance of building permits from January 1 to December 31 of the given year.

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TABLE 3
ANNUAL BUILDING ACTIVITY REPORT SUMMARY
NEW CONSTRUCTION
VERY LOW-, LOW-, AND MIXED-INCOME MULTIFAMILY PROJECTS

Project Identifier	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income			Assistance Programs for Each Development	Deed Restricted Units	
West La Loma Apartment Rehab	Rehab	R		34			34	34	Tax Credit Regulatory Agreement	Yes	

Total of Moderate and Above Moderate from Table 5

Total by income

34

Total Extremely Low-Income Units

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TABLE 4
ANNUAL BUILDING ACTIVITY REPORT SUMMARY - UNITS REHABILITATED,
PRESERVED AND ACQUIRED PURSUANT TO GC §65583.1(c)(1)

Activity Type	Affordability by Household Incomes			Total Units	Description of Activity Including Housing Element Program Reference
	Extremely Low Income	Very Low Income	Low Income		
Rehabilitation Activity	0	0	34	34	Rehab of West La Loma Apartments, H.2.2.4 and H2.2.5
Preservation of Units At-Risk	0	0	0	0	
Acquisition	0	0	0	0	
Total Units by Income	0	0	34	34	

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TABLE 5
ANNUAL BUILDING ACTIVITY REPORT SUMMARY FOR ABOVE MODERATE-
INCOME UNITS (NOT INCLUDING THOSE REPORTED IN TABLE 3)

	Single Family	2-4 Units	5+ Units	Second Unit	Mobile Homes	Total	Number of Infill Units
No. of Units Permitted for Moderate	62 ¹	0	0	0	0	62	62 ²
No. of Units Permitted for Above Moderate	299	0	0	0	0	299	39 ²

Notes:

1. Capital Village Townhome units
2. Capital Village

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TABLE 6
REGIONAL HOUSING NEEDS ALLOCATION PROGRESS

Income Level	RHNA Allocation by Income Level	2006 Year 1	2007 Year 2	2008 Year 3	2009 Year 4	2010 Year 5	2011 Year 6	2012 Year 7	2013 Year 8	2014 Year 9	Total Units to Date (All Years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted Non-Deed Restricted Deed Restricted Non-Deed Restricted Deed Restricted Non-Deed Restricted Deed Restricted Non-Deed	2,107			32						32	2,075
Low	Deed Restricted Non-Deed Restricted Deed Restricted Non-Deed Restricted Deed Restricted Non-Deed	1,595										1,595
Moderate	Deed Restricted Non-Deed Restricted Deed Restricted Non-Deed	1,991	203	36	62						301	1,690
Above Moderate	Deed Restricted											
Total RHNA by COG		4,702	482	326	299						1,649	3,053
Total Units Remaining Need for RHNA Period		685	542	362	393						1,982	8,413

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REMOVAL OF GOVERNMENTAL CONSTRAINTS TO HOUSING

The Housing Needs Assessment of the General Plan states that the development standards for residential development in the City do not constrain the development of new housing or affordable housing. It identifies significant constraints as generally being non-governmental, including high land and construction costs, lack of gap funding for affordable projects, and a variety of other market factors. Further, the Citywide Design Guidelines, adopted in 2005, do not pose a constraint on the development of housing, as they represent the City's guiding policies and expectations for quality development.

The City recently adopted a comprehensively updated Zoning Code, which went into effect on February 20, 2009. The updated Zoning Code was made to ensure compliance with State law and establish consistency with the new General Plan. It significantly reduces barriers to development of housing. Through new land use districts, regulations, and standards, it allows for alternative housing products at higher densities, assisting in the attainment of profitable developments. New land use districts facilitate the provision of live-work units and mixed use developments that.

Table 7 identifies all of the General Plan Housing Element programs (or Actions) and the City's progress in implementing them.

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TABLE 7
HOUSING PROGRAM IMPLEMENTATION STATUS

Program Description (By Housing Element Program Names)		Housing Programs Progress Report (GC §65583)		
Name of Program	Objective (Summary)	Timeline in H.E.	Status of Program Implementation	
Action H.1.1.1	The City will work with the Economic Development Department to survey the larger employers in the community to determine actual salary information	December 2010	Pending	
Action H.1.1.2	Analyze the results from the employer survey to determine employee preferences regarding housing type (e.g., if employees were to live in the community what type of home would they want and be able to afford).	June 2009	The information collected was completed by an outside consultant and was returned to the City in June 2009. The City is in the process of reviewing the results and determining the next steps.	
Action H.1.1.3	Create a local housing foundation/trust to work with the Redevelopment Agency and private for-profit and nonprofit developers/home builders to receive land dedications and broker deals for the development of new housing for all income levels	June 2010	Pending	

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Action H.1.1.2.1	Inclusionary housing policy	Ongoing	Ongoing, as residential applications are received
Action H.1.1.2.2	Annually review the amount of land zoned for various residential uses in conjunction with the amount and type of housing produced in the previous year to determine if changes in zoning may be needed to meet City housing needs. Such zoning changes will be adopted annually, if needed.	Annually	No changes necessary at this time.
Action H.1.1.3.1	Development of executive housing options	Ongoing	Ongoing, as projects are possessed
Action H.1.1.4.1	Transit Oriented Development	As NOFAs are released	Ongoing
Action H.1.5.1	Affordable Housing Ordinance	June 2010	Pending
Action H.1.6.1	Affordable Housing Plan	June 2010	Pending
Action H.1.6.2	Affordable Housing Plan, contents	June 2010	Pending
Action H.1.6.3	Affordable Housing Plan, land credit	June 2010	Pending
Action H.1.6.4	Preservation of housing affordable to the City's workforce	June 2010	Pending
Action H.1.6.5	Affordable Housing Plan, relief from current market conditions	June 2010	Pending
Action H.1.6.6	Maximum efforts to seek available resources to support the	June 2010	Pending

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Action H.1.6.7	construction of affordable housing production	June 2010	Pending
Action H.2.1.1.1	"Mid-term" review and update of the Housing Element	June 2010	Pending
Action H.2.1.1.2	Design tools and pattern book	June 2010	Pending
Action H.2.2.1	Blight Busters	June 2010	Pending
Action H.2.2.2	Apply for Federal and State funds to develop housing rehab program	Annually	Ongoing
Action H.2.2.3	Emergency Repair Program	Ongoing	Ongoing
Action H.2.2.4	Support churches and service clubs	Ongoing	Ongoing
Action H.2.2.5	Identify the most troubled multi-family projects	Ongoing	Ongoing
Action H.2.3.1	Facilitate the rehabilitation and reuse of current single-family and two- to four-plex units	Ongoing	Ongoing
Action H.2.3.2	Attempt to establish a healthy balance of housing that is more in keeping with current statewide averages	Ongoing	Ongoing
Action H.2.4.1	Actively pursue programs to increase homeownership in areas of Rancho Cordova developed prior to the City's incorporation in 2003	Ongoing	Ongoing
Action H.2.4.2	Continue to implement the Crime Prevention Through Environmental Design (CPTED) standards through the design review process	Ongoing	Ongoing
Action H.2.4.2	Require developers of affordable	Ongoing	Ongoing

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Action H.2.4.3 Action H.2.5.1	rental housing projects to submit a management and maintenance plan showing how such projects will be managed to ensure safety of residents, a decent living environment, and maintenance of units in sound condition.	June 2010	Pending
	Rental Unit Code Enforcement Identify opportunities in the Redevelopment Area for use of redevelopment tools and tax-increment funding that will improve the Folsom Boulevard corridor	November 2006	Completed as part of Folsom Boulevard Specific Plan
Action H.2.6.1	Continue implementing the Housing Stock Conservation Fee	Annually	Ongoing
Action H.2.7.1	Establish a biennial monitoring program to identify assisted housing units at risk of losing their affordability subsidies or requirements	Ongoing	Ongoing
Action H.2.7.2	Implement the City's Affordable Housing Conservation Ordinance	June 2010	Pending
Action H.2.7.3	Programs that Implement the Housing Element	Annually	Ongoing
Action H.2.8.1	Meet with mobile home park owners to determine their needs in providing a quality living environment in their mobile home	Ongoing	Ongoing

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Action H.2.8.2	parks			
	Provide financial assistance for infrastructure and other park improvements when available through local, state, and federal funds to property owners who wish to improve and maintain their parks	Ongoing	Ongoing	
Action H.2.8.3	state and federal funding to assist residents in purchasing, improving, and managing their mobile home parks	As Necessary	Pending	
	Placement of manufactured housing	October 2009	Ongoing	
Action H.2.9.1	Require minimum energy efficiency standards in manufactured housing.	Ongoing	Ongoing	
Action H.3.1.1	Continue to support targeted inspections by the Neighborhood Services Department to enforce higher standards for building maintenance, parking requirements, and landscaping	Ongoing	Ongoing	
	Incentives for conversion of troubled properties to condominiums, senior housing, or other similar use	Ongoing	Ongoing	
Action H.3.1.2	Acquire rental housing projects	Ongoing	Ongoing	
Action H.3.1.3	Continue to review other local jurisdictions' programs that spread	Ongoing	Ongoing	
Action H.4.1.1				

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Action H.4.1.2	a range of housing types throughout the jurisdiction	Ongoing	Ongoing
Action H.4.1.3	Promote development of affordable housing	Annually	Ongoing
Action H.4.1.4	Continue to allow secondary dwelling units by right in single-family residential zones.	Annually	Ongoing
Action H.4.1.5	Support the redevelopment of underutilized mixed-use sites to meet the City's RHNA allocation	September 2010	Pending
Action H.4.1.6	Continue to maintain a supply of vacant land within the city limits to meet the City's RHNA	Within 2 years of Element adoption	Pending
Action H.4.2.1	Specific site development	As sites and funding are available	Ongoing
Action H.4.2.2	Research feasibility of converting existing multi-family rental housing to senior housing facilities, such as a congregate care or assisted living facility	Ongoing	Ongoing
Action H.4.3.1	Require single-family developments serving seniors to provide the majority of the homes as one-story units and require multi-family developments to provide elevators	Annually	Ongoing

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Action H.4.3.2	provisions consistent with the requirements of state law Continue to allow farmworker employee housing (12 or fewer employees) by right in the AG-20 and AG-80 zones	Annually	Ongoing
Action H.4.4.1	Provide accessibility in housing for persons with disabilities	Ongoing	Ongoing
Action H.4.4.2	Provide incentives for the development of single-room occupancy (SRO) and supportive housing units	Ongoing	Ongoing
Action H.4.4.3	The City will work with housing providers to ensure that special housing needs are addressed for seniors, large families, female-headed households, single-parent households with children, persons with disabilities, homeless individuals and families, and farmworker families.	Ongoing	Ongoing
Action H.4.4.4	Participate in regional coordination for homeless services and facilities.	Annually	Ongoing
Action H.4.4.5	Transitional housing and supportive housing	Ongoing	Ongoing
Action H.4.4.6	Emergency shelters	Ongoing	Ongoing
Action H.4.4.7	Ensure development standards do not constrain the development of SROs	June 2010	Pending

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Action H.4.5.1	Continue to modify parking needs of affordable multi-family rental properties, condominiums, townhomes, and senior facilities as requested by the project	Ongoing	Ongoing
Action H.4.7.1	Direct specific fair rights inquiries to the Sacramento Center for Human Rights Law and Advocacy	Ongoing	Ongoing
Action H.4.7.2	Reasonable accommodation	Ongoing	Ongoing
Action H.4.8.1	Continue to require a richer diversity of front elevations and increased quality of housing plans through design review	Ongoing	Ongoing
Action H.4.8.2	Require that affordable housing projects be designed so that there is no discernable exterior difference in style or design between such projects and market-rate housing projects, without requiring a specific design standard that would render an affordable housing project financially infeasible	Ongoing	Ongoing
Action H.5.1.1	Collaborate with the Sacramento County Board of Realtors	Ongoing	Ongoing
Action H.5.2.1	Develop and adopt requirements for proposals requesting conversion of rental units to for-sale ownership units	Ongoing	Ongoing
Action H.6.1.1	Energy Requirements	June 2010	Pending

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Action H.6.1.2	Partner with SMUD and PG&E	Ongoing	Ongoing
Action H.6.1.3	Enforce state requirements	Ongoing	Ongoing
Action H.7.1.1	Housing Trust Fund	December 2010	Pending
Action H.7.2.1	Pursue available and appropriate state and federal funding sources to support efforts to meet new construction needs of very low-, low-, and moderate-income households.	Ongoing	Ongoing
Action H.7.2.2	Work with financial institutions	Annually	Ongoing
Action H.7.3.1	Market available incentives	June 2010	Pending
Action H.7.4.1	Update the existing Very Low Income Housing Trust Fund Fee	September 2009	Pending
Action H.7.5.1	Use Redevelopment Set-Aside Funds to support developers interested in building affordable rental and ownership housing projects	Ongoing	Ongoing

MEMORANDUM



DATE: April 5, 2010

TO: Honorable Mayor and Council Members

FROM: Adam U. Lindgren, City Attorney
Curt Haven, Economic Development Director
Jeff Beiswenger, Senior Planner

SUBJECT: REPORT DESCRIBING THE MEASURES TAKEN TO ALLEVIATE THE CONDITIONS WHICH LED TO THE ADOPTION OF A TEMPORARY MORATORIUM ON THE ESTABLISHMENT, EXPANSION OR RELOCATION OF RESALE SHOPS

RECOMMENDATION

Receive Report.

RESULT OF RECOMMENDED ACTION

This report describes the measures taken to alleviate the conditions which led to the adoption of a temporary moratorium prohibiting the establishment, expansion, or relocation of resale shops. This report complies with the requirements of Government Code section 65858(d).

BACKGROUND

On September 21, 2009, the City Council adopted Ordinance No. 20-2009 (**Attachment 1**) imposing a 45-day moratorium on the establishment, expansion or relocation of resale shops in the City. The moratorium was extended for a period of six months on October 19, 2009 by the adoption of Ordinance No. 22-2009 (**Attachment 2**).

The moratorium was adopted as a result of the duration and nature of the downturn recession which has affected the City's fiscal condition. The reduction of revenues received by the City is a threat to the public health, safety and welfare of City residents. Without adequate revenues, the City will be unable to maintain the current level of services provided to residents.

The purpose of the moratorium was to give the City time to study the possible adoption of new zoning regulations applicable to these types of businesses. Without proper regulations refining the location of uses, such as resale shops, the City will struggle to encourage economic growth and make up for revenues lost from the economic downturn. If the City is unable to make up for these revenues, it will make it difficult for the City to maintain the level of police and code enforcement services. Decreasing the level of police and code enforcement services causes a direct threat to the public health, safety and welfare.

The moratorium expired on April 19, 2010.

City Activities

Since the adoption of Ordinance Nos. 20-2009 and 22-2009, City staff continued to review and analyze possible new zoning provisions related to these businesses.

On December 21, 2009, the City Council adopted Ordinance No. 24-2009, amending the Folsom Boulevard Specific Plan, which includes provisions related to resale establishments. During the moratorium, staff has continued to analyze possible zoning provisions that could further help the City in dealing with these types of establishments.

This report constitutes the written report required by Government Code section 65858(d).

ATTACHMENTS

1. Ordinance No. 20-2009.
2. Ordinance No. 22-2009.

CITY OF RANCHO CORDOVA

ORDINANCE NO. 22-2009

**AN URGENCY ORDINANCE OF THE CITY OF RANCHO CORDOVA EXTENDING
A TEMPORARY MORATORIUM ON THE ESTABLISHMENT, EXPANSION OR
RELOCATION OF RESALE SHOPS PENDING THE REVIEW AND POSSIBLE AMENDMENT
OF ZONING REGULATIONS APPLICABLE TO SUCH BUSINESSES,
TO BECOME EFFECTIVE IMMEDIATELY**

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Findings

The Rancho Cordova City Council ("City Council") hereby finds as follows:

A. On September 21, 2009, the City Council adopted Urgency Ordinance 20-2009 imposing a 45-day moratorium on the establishment, expansion or relocation of resale shops in the City. The purpose of the moratorium was to give the City time to analyze, consider and possibly adopt updated zoning regulations to best address new imminent threats to public safety, health, and welfare resulting from the location of resale shops.

B. Urgency Ordinance 20-2009 will, unless extended, expire by its own terms on November 6, 2009.

C. Government Code Section 65858 authorizes the extension of an urgency ordinance, after a noticed public hearing, to prohibit uses of land which may conflict with a contemplated general plan, specific plan or zoning proposal which the legislative body, planning commission or the planning department is considering or studying, or intends to study within a reasonable period of time.

D. On October 19, 2009, the City Council conducted a properly noticed public hearing pursuant to Government Code Section 65090, and duly considered all written and verbal testimony presented during the hearing.

E. After consideration of all evidence on the record, including, but not limited to, testimony from the Staff Report and testimony received at both the September 21, 2009, and October 19, 2009, public hearings, the City Council finds that:

1. The current and immediate threat to the public health, safety and welfare, as described in the findings adopted pursuant to Urgency Ordinance No. 20-2009 still exists.
2. Without proper regulation, resale establishments may have serious objectionable impacts on the health, safety and welfare of the residents of the City.
3. Unless this Urgency Ordinance, extending the temporary moratorium on resale establishments until new zoning and regulation is enacted, is adopted, new resale shops may be approved and open in core retail areas, without appropriate regulation. Allowing businesses resale shops, to locate in core retail areas,

would have a direct and negative impact on the taxes the City receives to pay for police, code enforcement and other critical services. Anchor retailers are critical to the success of shopping centers. Anchor retailers also rely heavily on surrounding their stores with other major and minor retailers that complement their businesses. The right mix of retailers creates synergy that elevates sales overall. Even a few stores or businesses that do not complement other retailers can damage retail sales and tax generation in an entire shopping center and area. Unless the moratorium is extended to protect retail sales and tax generation, the City will be forced to reduce or further reduce police, code enforcement and other critical services. The extension of this Urgency Ordinance is therefore necessary to prevent a direct threat to the public health, safety and welfare.

F. City Staff is currently analyzing zoning regulations applicable to resale establishments. Staff has been working on possible regulations pertaining to the proper location of resale shops.

G. It is necessary and desirable to have the Economic Development Department, Planning Department and City Attorney's Office continue their review and consider the possible adoption of new zoning standards regulating this type of business in the City in order to ensure the protection of the public health, safety and welfare, and to ensure that the locations and regulations for this type of business are established in a manner that is consistent with the standards, goals and policies of the City's General Plan.

H. This Urgency Ordinance is in accordance with California Government Code section 65858, which justifies the adoption of an urgency ordinance extending a moratorium on specific uses in the City.

Section 2. Scope and Applicability

This moratorium shall apply to the establishment, expansion, or relocation of resale shops, or businesses offering related services. No use permit, variance, building permit, or any other applicable entitlement for use, including but not limited to the issuance of a business license, shall be approved or issued for the establishment, expansion, or relocation of resale shops or businesses offering related services.

This moratorium shall not apply to the renewal of a business license for existing businesses of this type in the City, provided the renewal seeks to maintain the business in its existing location.

Resale shops, also known as "Second Hand Stores," are defined for purposes of this Ordinance as those establishments whose primary purpose is to receive and sort clothing and/or consumer products for resale, or to resale clothing and/or consumer products, including, but not limited to, "Thrift Stores," "Salvation Army" stores, "Goodwill" stores, and consignment stores.

Section 3. Extension of Moratorium

In accordance with the authority granted to the City of Rancho Cordova under Government Code Section 65858, this Urgency Ordinance shall extend the temporary moratorium, established by Urgency Ordinance 20-2009, for a period of six (6) months.

Section 4. Compliance with California Environmental Quality Act

The City Council finds that this ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations) because it has no potential for resulting in physical change to the environment, directly or indirectly; it prevents changes in the environment pending the completion of the contemplated Zoning Code review.

Section 5. Severability

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance, including the application of such part or provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid, or unenforceable.

Section 6. Effective Immediately

This Ordinance shall become effective immediately upon adoption, if adopted by at least four-fifths vote of the City Council, and shall be in effect for six (6) months from the date of adoption unless extended by the City Council as provided for in the Government Code.

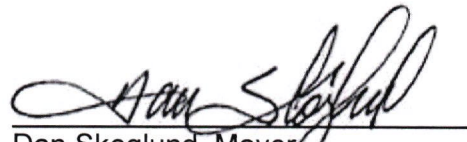
PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 19th day of October, 2009 by the following vote:

AYES: Budge, McGarvey, Sander, Cooley, and Mayor Budge

NOES: None

ABSENT: None

ABSTAIN: None


Dan Skoglund, Mayor

ATTEST:


Mindy Cuppy, City Clerk

CITY OF RANCHO CORDOVA

ORDINANCE NO. 20-2009

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA ESTABLISHING A TEMPORARY MORATORIUM ON THE ESTABLISHMENT, EXPANSION, OR RELOCATION OF RESALE SHOPS PENDING THE REVIEW AND POSSIBLE AMENDMENT OF ZONING REGULATIONS APPLICABLE TO SUCH BUSINESSES, TO BECOME EFFECTIVE IMMEDIATELY

RECITALS

WHEREAS, the City of Rancho Cordova ("City") was incorporated on July 1, 2003; and

WHEREAS, in adopting laws and regulations during the first year of incorporation, the City relied heavily upon the laws and regulations adopted by the County of Sacramento, which were applicable to the area of the City prior to incorporation; and

WHEREAS, pursuant to Ordinance No. 20-2003 and Ordinance No. 21-2003, the City adopted by reference certain provisions of the Sacramento County Code and all Titles of the Sacramento County Zoning Code; and

WHEREAS, the Rancho Cordova City Council ("City Council") finds that one problem inherent in adopting County regulations, drafted to serve the needs of the County, is that many of those regulations may prove to be inadequate to meet the needs of the City and may need to be amended in order to better reflect and serve the needs of the City; and

WHEREAS, the City recently updated its zoning laws in order to ensure that the City's zoning regulations are consistent with the goals, policies and standards set forth in the City's General Plan; and

WHEREAS, pursuant to Government Code section 65858, the City may establish a moratorium prohibiting any uses that may be in conflict with a contemplated zoning proposal that the legislative body or the Planning Department is considering, studying, or intends to study, within a reasonable time. The City may adopt a moratorium on an urgency basis provided that the City finds that there exists a threat to the public health, safety and welfare; and

WHEREAS, in preparation of the Zoning Code update, it came to the attention of Staff and the Police Department that multiple uses, including resale shops, were causing negative impacts on the public safety, health and welfare. To address these impacts, on January 16, 2007, the City Council adopted Ordinance 1-2007 imposing a 45-day moratorium on recycling businesses, check cashing businesses, pawn shops, resale shops, smoke shops, and tattoo parlors. The purpose of the moratorium was to give the City time to study the possible adoption of new zoning regulations applicable to these types of businesses; and

WHEREAS, on February 20, 2007, the City adopted Ordinance No. 6-2007 extending the 45-day moratorium for an additional period of ten (10) months and fifteen (15) days. Subsequently, on December 17, 2007, the City Council adopted Ordinance No. 27-2007 extending the moratorium for an additional year; and

WHEREAS, under Government Code section 65858(f), a city may adopt another interim ordinance on the same uses "provided that the new interim ordinance is adopted to protect the public safety, health, and welfare from an event, occurrence, or set of circumstances different from the event, occurrence, or set of circumstances that led to the adoption of the prior interim ordinance"; and

WHEREAS, on December 15, 2008, the City exercised its authority under Government Code section 65858(f) and adopted Ordinance No. 28-2008 imposing a new 45-day moratorium on recycling businesses and resale shops. Ordinance No. 28-2008 was necessary to address new impacts relating to these types of establishments. The United States suffered a dramatic economic downturn, the extent and nature of which was unexpected by the City. The downturn has become, by most accounts, a full recession which resulted in the negative impacts caused by recycling businesses and resale shops on the public safety, health and welfare to change and to intensify; and

WHEREAS, since the adoption of the December 15, 2008 moratorium, staff worked diligently to include several regulations related to these establishments into the Zoning Code update, which was adopted on January 5, 2009 pursuant to Ordinance No. 27-2008; and

WHEREAS, due to the unexpected duration and nature of the economic downturn, there are now new impacts not considered as a basis for the City Council's decision to adopt the first moratorium in 2007 or subsequent moratorium in 2008; and

WHEREAS, the dramatic economic downturn has lasted longer than the City anticipated. The ramifications of the duration and nature of the downturn have resulted in the need for the City to reevaluate its current laws in order promote economic growth. By promoting economic opportunities within the City, the City will be able to collect additional revenues in the way of taxes which in turn will help the City make up revenues that it has lost due to the downturn. This will assist the City in its efforts to avoid having to reduce the level of critical health and safety services it provides to its residents; and

WHEREAS, the long lasting economic downturn has revealed inadequate zoning regulations in the Folsom Boulevard Specific Plan which may arguably allow businesses, such as resale shops to establish within the Specific Plan area. The Specific Plan was intended to convert the Boulevard from the under-performing strip commercial land use of the old Highway 50 to a vibrant commercial/residential mixed use corridor. The need to convert the Specific Plan area into an economically productive area is more important than ever due to the unexpected extent and nature of the current downturn. As a result, a new moratorium is needed in order to address the threat to the public health, safety and welfare by improperly zoned and regulated resale shops; and

WHEREAS, the impacts associated with resale shops considered by this new moratorium are different than previously analyzed. Not only will resale shops still cause the same impacts identified in the previous moratoria if not properly regulated, but placement of this type of establishment in certain locations meant to be economic thriving areas of the City will negatively impact the City's ability to generate sales tax and other sources of revenue in its efforts to make up for revenues lost due to the Country's economic downturn. This will affect the City's ability to maintain its current level of Police Department and Code Enforcement services; and

WHEREAS, staff has received an application to place a resale shop within the Folsom Boulevard Specific Plan area. Specifically, the application proposes the resale shop be established at 10995 Olson Drive, Rancho Cordova. Placement of a resale shop at this location will hinder that area of the Boulevard's opportunities in attracting thriving businesses; and

WHEREAS, Staff must reevaluate what changes need to be made to the Zoning Code in order to address these new identified impacts; and

WHEREAS, if the City allows resale shops to be established pursuant to the City's current code, there is a danger that the negative impacts associated with this type of business can go uncontrolled due to the lack of proper regulations; and

WHEREAS, the City Council held a hearing on September 21, 2009, and received a Staff Report and comments from staff regarding the threats to the public safety, health and welfare posed by the specified uses.

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Recitals Adopted

The foregoing recitals are true and correct and made a part of this Urgency Ordinance as findings by the City Council.

Section 2. Moratorium

The temporary moratorium established by Urgency Ordinance No. 20-2009 is for 45 days.

A. Scope

This moratorium shall apply to the establishment, expansion, or relocation of resale shops, or businesses offering related services. This moratorium shall not apply to the renewal of a business license for existing businesses of this type in the City, provided the renewal seeks to maintain the business in its existing location.

B. New Event

Government Code Section 65858(f), authorizes a city to adopt a subsequent interim ordinance on the same use "provided that the new interim ordinance is adopted to protect the public safety, health, and welfare from an event, occurrence, or set of circumstances different from the event, occurrence, or set of circumstances that led to the adoption of the prior interim ordinance."

Since the adoption of the temporary moratorium on January 16, 2007, the United States has suffered an economic downturn which has resulted in the negative impacts caused by resale shops on the public safety, health and welfare to change and to intensify. The City's December 2008 moratorium was intended to give the City time to analyze the intensified impacts dealing with after hours illegal dumping outside of these businesses, mostly of items that are not in resale condition, and invites scavengers to go through the illegally dumped items.

Since the adoption of the temporary moratorium on December 15, 2008, there are new impacts that were not addressed previously which have resulted from the economic downturn lasting

longer than could have been anticipated. Although the City analyzed the impacts associated with the operation of this type of establishment, the City did not analyze the impacts on the City's revenues, which closely relate to services provided to the residents. The downturn's unanticipated duration and severity have resulted in new impacts that must now be addressed in order to protect City residents.

The extent of the downturn recession and its deep impacts on the City's economic vitality, as it relates to residents, were not considered as a basis for the City Council's decision to adopt the moratoria in 2007 and 2008. The need to amend the City's regulations in order to promote economic activity is important in order to assist the City in replacing revenue lost due to the economic downturn. Economic growth within the City is needed in order to prevent further reduction of the City's Police Department, Code Enforcement staffing and other critical services. Such reduction will result in unacceptable threats to the public safety, health and welfare of the City's residents. There was no way to properly analyze the duration or severity of the recession and its impacts at the time of the previous moratoria.

A new interim ordinance is necessary to protect the public safety, health and welfare from the negative impacts resulting from the downturn in the economy and the need to amend the City's Code to promote economic activity.

C. Applicability

This Ordinance shall apply to the establishment, relocation, and issuance of entitlements for such uses:

1. Resale Shops: Also known as "Second Hand Stores," are defined for purposes of this Ordinance as those establishments whose primary purpose is to receive and sort clothing and/or consumer products for resale, or to resale clothing and/or consumer products, including, but not limited to, "Thrift Stores," "Salvation Army" stores, "Good Will" stores, and consignment stores.

D. Findings

This Ordinance is declared to be an urgency ordinance as defined under California Government Code section 65858. This Ordinance is deemed necessary for the following reasons:

1. The purpose of this Ordinance is to protect the public safety, health and welfare from the current and immediate threats posed by the establishment of new and expansion of existing resale shops or businesses offering related services.

2. The City Council has previously found that the operating of resale shops in the City often results in after hours illegal dumping outside of these businesses, mostly of items that are not in resale condition, and invites scavengers to go through the illegally dumped items.

3. To address those impacts, in January 2007, the City Council adopted Ordinance No. 1-2007 imposing a 45-day moratorium on recycling businesses, check cashing businesses, pawn shops, resale shops, smoke shops, and tattoo parlors. The purpose of the moratorium was to give the City time to study the possible adoption of new zoning regulations

applicable to these types of businesses. The City extended the moratorium twice for the maximum allowed time of two (2) years.

4. Since the adoption of the temporary moratorium in January 2007, the United States suffered a dramatic economic downturn, the extent and nature of which was unexpected by the City. The downturn became, by most accounts, a full recession which resulted in the negative impacts caused by resale shops on the public safety, health and welfare to change and to intensify.

5. On December 15, 2008, the City exercised its authority under Government Code section 65858(f) and adopted Ordinance 28-2008 imposing a new 45-day moratorium on recycling businesses and resale shops. Ordinance No. 28-2008 was necessary to address new impacts relating to these types of establishments.

6. Since the adoption of the December 15, 2008 moratorium, Staff has recommended, and the City Council has adopted, several regulations into the adopted Zoning Code update related to resale establishments. However, the duration and nature of the downturn recession have now resulted in new and different impacts. The downturn has now affected the City's fiscal condition.

7. The impacts of the recession have been much more severe than anticipated in 2008. In February 2008, the City projected total revenues over the next three years (2008/09–2010/11) to be \$133,810,000. In February 2009, due to the unexpected deepening of the recession, the City lowered the projection for the same time period to \$118,850,000. This represents a three year decline in revenues of \$14,960,000, an average annual decline in revenues of \$4.98 million.

8. Projected declines in Property tax Revenues and Sales tax Revenues account for 23% and 28% of the declines of total revenues, respectively. In 2008, the City lost three of its top 25 sales tax generators: Target, Mervyns and Office Depot. While Target is expected to re-open in late 2009, continued economic declines are expected to continue. Property taxes are also expected to decline due to the historically high level of foreclosures in the Region and Rancho Cordova.

9. The reduction of revenues received by the City is a threat to the public health, safety and welfare of City residents. Without adequate revenues, the City will be unable to maintain the current level of critical services provided to residents.

10. Without proper regulations encouraging economic growth by refining the proper location and regulations of resale shops, the City will not be able to make up for revenues lost from the economic downturn. If the City is not able to make up for these revenues, it will make it difficult for the City to maintain the level of police and code enforcement services.

11. Staff has received an application to place a resale shop within the Folsom Boulevard Specific Plan area at 10995 Olson Drive, Rancho Cordova. Placement of a resale shop at this location will severely harm that area of the Boulevard's opportunities in attracting thriving businesses. This will have a negative impact on the City's fiscal condition.

12. The City Council finds that during this economic downturn, the City should focus on attracting highly productive businesses and helping its current businesses maintain their operations and revenues. Target will be re-opening near the proposed resale shop location

later this year. Allowing businesses, such as resale shops, to locate near Target may result in negative impacts for Target by reducing the number of customers willing to shop at that location due to the attention and impacts a resale shop attracts. This will have a direct impact on taxes received by the City from Target and the services they allow the City to provide.

13. The City finds that, absent the adoption of this urgency ordinance, the existence of such harmful conditions resulting from the extent of the downturn in the economy could cause the City to approve the establishment of a resale shop, which in turn would result in the discouragement of economic growth in the City. This would lead to the possible reduction of Police Department and Code Enforcement staff which is a direct threat to the public health, safety and welfare.

14. The City Council finds that it is necessary to ensure that this type of business is properly located within the City, both to protect the public health, safety and welfare, and to ensure that these businesses are located in a manner that does not discourage needed economic growth.

15. The City Council finds that it is necessary and desirable to have the Planning Department review and consider the possible adoption of new zoning standards regulating this type of business in the City in order to ensure the protection of the public health, safety and welfare, and to ensure that the locations and regulations for this type of business are established in a manner that is consistent with the standards, goals and policies of the City's General Plan.

16. On the basis of the foregoing recitals and findings, all evidence on the record, including, but not limited to, testimony from the Staff Report and testimony given at the public hearing, the City Council finds that the establishment of new, or the expansion or relocating of existing resale shops, or businesses offering related services, prior to the Planning Department's review, poses a current and immediate threat to the public health, safety and welfare. This moratorium is in accordance with California Government Code section 65858, which justifies the adoption of an urgency ordinance establishing a moratorium on the above-specified uses in the City.

Section 3. Compliance with California Environmental Quality Act

The City Council finds that this ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations) because it has no potential for resulting in physical change to the environment, directly or indirectly; it prevents changes in the environment pending the completion of the contemplated Zoning Code review.

Section 4. Severability

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance, including the application of such part or provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections,

subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid, or unenforceable.

Section 5. Effective Immediately

This Ordinance shall become effective immediately upon adoption, if adopted by at least four-fifths vote of the City Council, and shall be in effect for forty-five days from the date of adoption unless extended by the City Council as provided for in the Government Code.

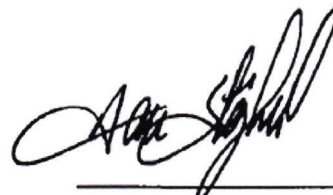
PASSED AND ADOPTED, BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA this 21st day of September 2009, by the following vote:

AYES: Budge, McGarvey, Sander, Cooley, and Mayor Skoglund

NOES: None

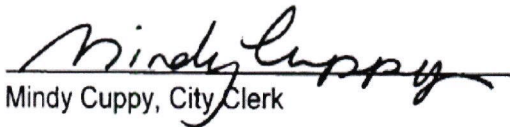
ABSENT: None

ABSTAIN: None



Dan Skoglund, Mayor

ATTEST:


Mindy Cuppy, City Clerk

MEMORANDUM



DATE: April 5, 2010
TO: Honorable Mayor and Council Members
FROM: Reed Flory, Housing Services Administrator
SUBJECT: DRAFT 2010-11 COMMUNITY DEVELOPMENT BLOCK GRANT ACTION PLAN

RECOMMENDATION

Staff requests that the City Council:

1. Review the draft 2010-11 Community Development Block Grant (CDBG) Action Plan, including recommendations on funding allocations; and
2. Authorize the release of the Action Plan for public review and comment.

RESULT OF RECOMMENDED ACTION

Council to direct staff for funding allocations and authorize release of draft action plan for public review and comment.

BACKGROUND

Each year, the City receives an entitlement allocation of CDBG funding from the US Department of Housing and Urban Development (HUD). For Fiscal Year 2010-11, the City's allocation is anticipated to be \$692,000. Final allocations should be released by HUD in early April. In addition to the CDBG funds, staff will allocate \$51,472 in program income and \$102,581 in prior-year funds from projects that did not move forward.

CDBG Program

The federal objective of the CDBG program is to develop viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for low- and moderate-income persons (below 80 percent of area median income). At least 70 percent of the City's CDBG funds must be used for activities that benefit low- and moderate-income persons.

All activities must meet one of the following national objectives for the program: 1) benefit low- and moderate-income persons, 2) prevent or eliminate slums or blight, or 3) meet a community development need having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community.

CDBG funds may be used for a variety of community development activities, including acquisition of real property, rehabilitation of residential and non-residential structures, construction of public facilities and improvements, public services, and economic development and job creation/retention activities.

Action Plan

In order to receive CDBG funds, the City is required to prepare an annual budget plan, called the Action Plan. The Action Plan is the implementing document for the Consolidated Plan, a five-year plan for the City's housing, community development, economic development, infrastructure, and community services goals. The Action Plans identifies the projects to be funded and goals to be accomplished during the CDBG fiscal year.

The 2010-2011 program year marks the fifth year the City of Rancho Cordova will receive its CDBG funding as a formula allocation directly from HUD. In the past program years, the City has funded a variety of projects that provided services to low- and moderate-income households. These projects included housing repair, homeless prevention services, fair housing services, youth programs, meal programs for seniors, and public facility improvements.

ANALYSIS

The City anticipates allocating approximately \$846,054 in CDBG funds for the 2010-2011 program year. The 2010-2011 Action Plan will outline the intended uses of these CDBG resources during that fiscal year.

Funding Process

In January 2010, the CDBG application package was released for all eligible CDBG activities. The application package was advertised in the *Grapevine*, posted on the City's website, and sent to several local and regional non-profit organizations. Applications were due on March 5, 2010. On February 23, 2010, the City held a public meeting to solicit input from local residents and service providers on the 2010-11 Action Plan. Training and technical assistance to potential applicants was also provided at the meeting.

Funding Requests

The City received proposals from non-profit organizations and City departments for a variety of activities. Project recommendations are for those projects determined most likely to be successful and maintain compliance with CDBG regulations while producing the greatest benefit to the City.

Housing

One of the primary goals of the CDBG program is to improve the quality of the housing stock for low-income households. In previous years, the City has devoted a portion of funding to the Emergency Repair Loan Program (ERLP), which offers up to \$7,500 to low-income households in order to make necessary health and safety repairs. Staff recommends re-funding ERLP in the amount of \$65,000, which has been the historic allocation amount for this program. This amount represents approximately 10 housing units to be improved.

The CDBG program allows funding code enforcement activities in deteriorating areas where the result of the efforts (along with other public and private investments) will be to arrest decline in the area. Staff recommends CDBG code enforcement funding of \$86,000, which will provide one full-time staff member devoted to proactive code enforcement in the CDBG target areas. Staff also recommends funding the Rental Housing Inspection Program at the level of \$79,248 providing the equivalent of one full-time staff to inspect each of the rental units in the target area on an annual basis. Funding for an additional half-time Rental Housing Inspection staff is anticipated to come from program income collected on fines and fees. Staff anticipates recommending an additional \$43,752 be allocated to Rental Housing Inspection from program income in December 2010, through the mid-year amendment.

Public Facilities

The City's Public Works Department requested \$350,000 for Americans with Disabilities Act (ADA) improvements in infrastructure throughout the CDBG target areas. This work will likely include the addition of wheelchair access ramps, crosswalks, sidewalk repair, and audible pedestrian signals for persons with limited vision. Staff recommends funding \$250,000 for ADA improvements throughout the CDBG target areas.

The Rancho Cordova Police Activities League (PAL) requested \$236,250 for the acquisition of 5,250 square feet of building space next door to the Rancho Cordova Neighborhood Center. A discounted 15-year gross lease has been negotiated with the property owner to fill the space which will be vacated by Sacramento County Revenue Recovery on July 1, 2010. In order to improve funding feasibility, PAL is requesting the first installment of lease payment be made from 2010-11 year funds in the amount of \$118,125 and the second installment be made from 2011-12 year funds in the amount of \$118,125. Staff recommends funding PAL in the full amount of \$118,125 from 2010-11 year and \$118,125 from 2011-12 year.

Public Services

Federal regulations allow the City to spend no more than 15 percent of its total CDBG allocation plus 15 percent of program income on public services activities. Therefore, the anticipated allocation is \$111,521. The City received public services requests totaling \$150,460. The requests came from previously-funded CDBG grant applicants and the proposed projects address a wide variety of needs of low- and moderate-income residents of Rancho Cordova. Application descriptions and funding requests are summarized in **Attachment 1**.

Consideration was given to a variety of thresholds that projects must meet to comply with CDBG objectives. The national objective that was cited in all applications was "benefit low- and moderate-income persons." The community priorities for public services, as set out in the Consolidated Plan, include youth services, senior services, and crime prevention.

HUD has not released final allocations for the 2010-11 year. Guidance on this issue is anticipated in early April. It is possible some additional funding will be available for public services, in which case the Council will be presented with the option of increasing these awards.

Administration

Up to 20 percent of the annual CDBG allocation can be used for costs of administering the grant. This includes fair housing services, which are required to meet the goal of affirmatively furthering fair housing. Staff recommends setting aside \$133,941 for planning and administration. This

amount includes \$10,000 for Public Works to update their ADA Transition Plan, which is a five-year planning document that inventories potential pedestrian improvements that remove barriers to mobility, \$10,809 for fair housing services, and \$113,132 for overall administration of CDBG grant funds.

ATTACHMENTS

1. Applications Received and Funding Recommendations.
2. Draft 2010-11 CDBG Action Plan.

2010-11 CDBG Public Service

Applications Received and Recommended Funding Levels

ATTACHMENT 1

Project Organization	Project Description	Activity Type	Fund Request	Rec. Funding	Comments
Senior Meals (Meals on Wheels) Department of Human Assistance through Asian Community Center	Provide nutritious hot meals to homebound seniors and seniors dining at the Cordova Senior Center.	Public Service	\$49,220	\$49,220	Provide meals daily to homebound seniors, five days per week at the Senior Center. Rec. funding allows five meals per week at Senior Center.
Respite CLUB Cordova Neighborhood Church	Provides affordable, senior respite day care services to seniors with severe memory loss.	Public Service	\$9,440	\$9,440	Provides senior respite day care services. Funding full amount requested results in additional \$24 from FY09/10.
Cordova Activities for Kids (CAKe) Folsom Cordova Community Partnership	Offer an after-school and summer activities program for children.	Public Service	\$47,630	\$30,000	Funding recommended is an increase from FY09/10 award. Additional amount is to help further expand programs offered to youth.
Housing Counseling Sacramento Self-Help Housing, Inc.	Provide housing services to residents of Rancho Cordova who are in danger of homelessness, or who are already homeless, to aid them in securing stable housing.	Public Service	\$13,670	\$13,670	Addresses a need for homeless services, as required by HUD. Significant increase in FY09/10 funding due to cut in County funds.
Fair Housing Counseling The Regional Human Rights/Fair Housing Commission	Offer a range of fair housing services, including a telephone hotline, landlord/tenant information, discrimination complaint investigation, and education and outreach.	Public Service	\$30,500	\$20,000	\$9,199 from Public Services and \$10,801 from Planning and Administration
TOTAL FUNDING			\$150,460	\$122,330	

2010-11 CDBG Capital Improvement/Housing Applications Received and Recommended Funding Levels

Project Organization	Project Description	Activity Type	Fund Request	Rec. Funding	Comments
Youth Crime Prevention Police Activities League	Provide educational, athletic, and recreational activities to foster trust between youth and police officers, while offering enrichment and leadership opportunities to youth.	Public Facilities	\$236,250	\$118,125	Funds to provide half of up-front payment of 15 year lease for a building. Second half of funds, if awarded, would come from City's FY11/12 CDBG allocation.
Veterans Substance Abuse Treatment D & A Detox	Funding to fill gap in financing for acquisition of 18 bed facility.	Public Facilities	\$60,000	\$0	Application lacks proof of capacity to administer grant funds. Multiple problems with application.
ADA Improvements Public Works Department	Provides funding to improve ADA accessibility to roadways, intersections, and sidewalks by eliminating barriers to travel within the CDBG target areas.	Public Facilities	\$350,000	\$250,000	Improvements necessary throughout CDBG target area. \$70,000 for White Rock Pedestrian Crossing improvements.
ADA Transitions Plan Public Works Department	Update an inventory of needs for physical pedestrian improvements that remove barriers to mobility.	Planning and Admin	\$10,000	\$10,000	Recommended funding represents portion of the Transition Plan which is within the CDBG target areas. Remainder of money will be paid from PW.
Code Enforcement Neighborhood Services Department	General code enforcement of residential properties within the CDBG target areas.	Housing	\$86,000	\$86,000	Same funding as previous 4 years.
Rental Housing Inspection Neighborhood Services Department	Pro-active health and safety code inspection of rental properties within the CDBG target areas.	Housing	\$123,000	\$79,248	Funding amount requested will be realized through income from fines and fees expected by July 2010.
Emergency Repair Loan Program Housing Division	Provides emergency repair assistance to low-income homeowners, eliminating health and safety hazards in their units.	Housing	\$65,000	\$65,000	This funding will augment the remainder of the ERLP monies from FY09/10 - approximately \$40,000
TOTAL FUNDING			\$930,250	\$608,373	

DRAFT 2010-11 ACTION PLAN

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DRAFT 2010-11 ACTION PLAN

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DRAFT 2010-11 ACTION PLAN

EXECUTIVE SUMMARY

The 2010-11 Action Plan is a one-year plan to address the community development and low- and moderate-income housing needs in the City of Rancho Cordova. It is the fifth and final Action Plan in the implementation of the five-year Consolidated Plan. Both the Consolidated Plan and the Action Plan are implemented by the City housing staff.

The City anticipates receiving \$692,012 from the federal Community Development Block Grant (CDBG) program, and will be reallocating \$102,581.08 of unspent funds from previous program years. The City will also allocate \$51,472.75 in program income. The City also plans to meet its community development and housing needs using a variety of other funding sources, including the City's Very Low Income Housing Trust Fund, the Neighborhood Stabilization Program, and redevelopment funding.

City staff encouraged citizen participation throughout the Action Plan process. This included consulting local organizations, holding public meetings, and encouraging public comment during the public review period. Using research and input from the public, City staff formulated the objectives and outcomes that are briefly described below.

OBJECTIVES

The City's key objectives for the 2010-11 funding period include the following:

- Provide housing programs that preserve the quality and affordability of ownership housing stock for target-income households;
- Arrest decline in deteriorated areas of the City by requiring rental property owners to fix code violations and improve their properties, by increasing code enforcement efforts;
- Assist community-based organizations with additional financing that allows them to provide new or expanded services to target low-income residents, especially seniors and youth; and
- Improve public facilities in target areas.

DRAFT 2010-11 ACTION PLAN

OUTCOMES

The City's housing outcomes for this planning period are primarily directed at improving affordability and accessibility of housing for target-income residents. Ten homes will be rehabilitated, and approximately 1,300 units will be inspected for code violations.

The City will fund four public services programs, which are expected to benefit approximately 900 residents:

- Senior Nutrition Services (Meals on Wheels), which provides hot meals in the local senior center as well as hot and/or frozen meals to homebound seniors;
- Cordova Activities for Kids Program, which offers recreational and pro-social activities to youth;
- Sacramento Self-Help Housing, which provides services to homeless and near-homeless persons; and
- Respite CLUB, which provides affordable, senior respite day care services to seniors with severe memory loss.

Additionally, the City will fund the acquisition of a community facility for youth crime prevention, which is expected to benefit at least 250 youth the first year of operation:

- Police Activities League (PAL), which provides low-cost or no-cost after school activities to moderate- and low-income youth.

INTRODUCTION

The U.S. Department of Housing and Urban Development (HUD) requires all government entities receiving federal Community Development Block Grant (CDBG) funds to prepare an Annual Action Plan. The Action Plan outlines funding priorities and discusses how activities will meet the community needs identified in the Consolidated Plan. The activities described in this Action Plan are proposed to be undertaken during the period between July 1, 2010 and June 30, 2011.

The major objectives of activities undertaken during the 2010-2011 funding year will be to:

- Provide housing programs that preserve the quality and affordability of ownership housing stock for target-income households;

DRAFT 2010-11 ACTION PLAN

- Arrest decline in deteriorated areas of the City by requiring rental property owners to fix code violations and improve their properties, by increasing code enforcement efforts;
- Assist community-based organizations with additional financing that allows them to provide new or expanded services to target-income residents; and
- Improve public facilities in target areas.

RESOURCES

The City of Rancho Cordova will receive \$692,000 in 2010-11 through the CDBG program, and will reallocate \$102,581 in unspent prior program year funds. The City will also allocate \$51,472 in program income received during 2009-10. In order to address the community's needs and the goals identified in the Strategic Plan, the City will also consider augmenting CDBG funds using a variety of additional funding sources. These funding sources may include the Very Low-Income Housing Trust Fund, redevelopment funding (including housing set-aside), the California Department of Housing and Community Development, other state and federal agencies, and local sources. CDBG program income is also an additional resource.

While some residents in the City may live in Section 8 properties or use Housing Choice Vouchers (formerly Section 8), these programs are managed by the local public housing authority, Sacramento Housing and Redevelopment Agency. The City supports private developers in their applications for low-income housing tax credits, when possible, but does not construct affordable housing.

ACTIVITIES TO BE UNDERTAKEN

Table 1 provides a description of the activities to be undertaken during fiscal year 2010-11 one-year objective (output) and the amount of CDBG funding allocated to each activity are identified. All activities are anticipated to be completed during the fiscal year. More detailed descriptions of activities follow the table.

The City chose to emphasize neighborhood improvement, public facilities, and public services activities with their CDBG funding, because there are relatively few other sources of funding available to finance these activities. Within public services, the City gave a high priority to activities serving seniors and youth, as well as activities which result in neighborhood revitalization.

DRAFT 2010-11 ACTION PLAN

TABLE 1
PROPOSED CDBG ACTIVITIES AND PROJECTS:
FISCAL YEAR 2009-10

Goal	Activity Name	Activity Description	Output	Funding
Housing				
HS-1	Emergency Repair Loan Program	Provide emergency repair assistance to low-income homeowners, eliminating health and safety hazards in their units.	10 homes rehabilitated.	\$65,000
HS-1, HS-2	Rental Housing Inspection Program	Inspect rental units in the redevelopment area to find and correct code violations.	1,000 homes inspected.	\$79,248
HS-1, HS-2	Code Enforcement	Provide code enforcement services in the redevelopment area.	700 homes inspected.	\$86,000
Public Facilities				
CD-2 CD-3 CD-4	Police Activities League (PAL)	Provide first half of funding for acquisition of a building to be used as an afterschool activity center.	1 public facilities acquired	\$118,125*
CD-4	Infrastructure Improvements	Provide new sidewalks, ADA ramps, and lighting within the CDBG target areas	1 public works project completed	\$250,000
Public Services				
CD-2, CD-3	Cordova Activities for Kids Program (CAKe)	Provide recreational and pro-social activities to youth after school and in the summer.	250 youth served	\$30,000
CD-1, CD-3	Senior Nutrition Program (Meals on Wheels)	Provide homebound seniors with hot meals and provide lunch to seniors at the Cordova Senior Center.	288 seniors provided meals	\$49,220
HA-1, CD-3	Sacramento Self-Help Housing Inc.	Provide housing services to residents who are in danger of homelessness, or who are already homeless, to aid them in securing stable housing.	105 persons provided counseling	\$13,670
CD-1, CD-3	Respite CLUB	Provides affordable, senior respite day care services to seniors with severe memory loss.	23 seniors provided day care services	\$9,440

DRAFT 2010-11 ACTION PLAN

Goal	Activity Name	Activity Description	Output	Funding
HS-1, HS-2	Regional Human Rights/Fair Housing Commission	Provide fair housing services to residents by responding to inquiries of illegal housing discrimination, investigating discrimination complaints, and providing tenant/landlord information.	160 households provided assistance and education	\$9,190 (plus \$10,810 from Planning and Admin)
Planning and Administration				
PA-1	Planning and Administration	Provide general administration of the CDBG program, including all planning and reporting activities	1 year of program administration.	\$125,351

* Second half of funding for acquisition of public facility space (\$118,125) for PAL is committed from FY 2011-2012 CDBG.

HOUSING ACTIVITIES

Emergency Repair Loan Program

The emergency repair loan program is intended to make minor repairs related to health and safety hazards in low-income owner-occupied housing. The program is an inexpensive and efficient way to preserve the habitability of the affordable housing stock, including mobile homes.

2010-11 Output: 12 homes rehabilitated
 Outcome Category: Affordability for the purpose of providing decent affordable housing
 Goals Addressed: HS-1
 Funding: \$65,000

Rental Housing Inspection Program

The rental housing inspection program will fund salary and benefits for a 1 FTE code enforcement officer whose duties will include inspecting rental units within the redevelopment area. The City has many rental units which are likely out of compliance with applicable codes, and this program, in coordination with public and private investment, will arrest the decline of the area by forcing rental property owners to improve their properties to a minimum standard.

2010-11 Output: 1,300 rental units inspected

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Outcome Category: Accessibility for the purpose of providing a suitable living environment

Goals Addressed: HS-1, HS-2

Funding: \$79,248

Code Enforcement

The code enforcement program will fund salary and benefits for a 1 FTE code enforcement officer whose responsibilities will include responding to code enforcement complaints and proactively enforcing code.

2010-11 Output: 700 units inspected

Outcome Category: Accessibility for the purpose of providing a suitable living environment

Goals Addressed: HS-1, HS-2

Funding: \$86,000

PUBLIC FACILITIES

Police Activities League (PAL) Facility Acquisition

The Police Activities League will be entering into a long-term lease guaranteeing 5,250 square feet of building space for a minimum of 15 years. With funding, the organization intends to pay a lump sum for the 15 year lease amount up front in two payments. The first payment is to come from 2010-2011 CDBG with the second installment of equal cost to come from 2011-2012 CDBG.

2010-11 Output: 1 public facility to be acquired through long-term lease

Outcome Category: Accessibility for the purpose of providing a suitable living environment

Goals Addressed: CD-2, CD-3, CD-4

Funding: \$118,250

Public Works Department ADA Improvements

The Public Works Department will be making accessibility improvements to pedestrian walkways throughout the CDBG target area. These improvements may include the installation of wheelchair ramps, crosswalks, audible pedestrian signals, street lights and damaged sidewalk repairs.

DRAFT 2010-11 ACTION PLAN

2010-11 Output:

Outcome Category: Accessibility for the purpose of providing a suitable living environment

Goals Addressed: CD-3, CD-4

Funding: \$250,000

PUBLIC SERVICES

Cordova Activities for Kids Program

Cordova Activities for Kids (CAKe) Program engages children in a variety of recreational and pro-social activities after-school and during the summer. Currently partially funded by other grants, CDBG funding will allow the program to fund its coordinator position.

2010-11 Output: 500 youth served

Outcome Category: Accessibility for the purpose of creating suitable living environments

Goals Addressed: CD-2, CD-3

Funding: \$30,000

Senior Nutrition Services (Meals on Wheels)

The Senior Nutrition Services program has two components: providing five hot meals per week to homebound seniors and providing lunches to seniors at the Cordova Senior Center. The program provides regular contact for homebound seniors. Funding will help pay for the personnel who prepare and deliver the meals.

2010-11 Output: 288 seniors provided with meals

Outcome Category: Accessibility for the purpose of creating suitable living environments

Goals Addressed: CD-1, CD-3

Funding: \$49,220

Sacramento Self-Help Housing

Sacramento Self-Help Housing provides counseling and housing referrals to homeless and near-homeless individuals and households. With funding, the organization plans to continue operating in the City's primary low-income service center, the Rancho Cordova Neighborhood Center.

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2010-11 Output: 105 households provided counseling
Outcome Category: Accessibility for the purpose of creating suitable living environments
Goals Addressed: HA-1, CD-3
Funding: \$13,670

Respite Club

Respite club is a service provided by the Cordova neighborhood Church. They will provide affordable, senior respite day care service to seniors with severe memory loss.

2010-11 Output: 24 seniors provided day care services
Outcome Category: Accessibility for the purpose of creating suitable living environments
Goals Addressed: CD-1, CD-3
Funding: \$9,440

Human Rights / Fair Housing Commission

The Human Rights/Fair Housing Commission provides fair housing services such as housing discrimination and tenant and landlord laws, complaint investigation, outreach and education through public forums, distribution of fair housing brochures, and newspaper articles.

2010-11 Output: 236 households assisted
Outcome Category: Accessibility for the purpose of creating suitable living environments
Goals Addressed: HS-1, HS-2
Funding: \$20,000 (\$10,801 to come from Planning and Administration)

PLANNING AND ADMINISTRATION ACTIVITIES

Public Works ADA Transition Plan

The Public Works Department will prepare an update to the 2005 ADA Transition Plan. The original plan prepared an inventory of needs for physical pedestrian improvements that remove barriers to mobility. The update will reassess progress toward removing barriers to mobility and will set new goals for implementation of physical improvements.

2010-11 Output: 1 five-year transition plan update for CDBG target areas
Outcome Category: Accessibility for the purpose of creating suitable living environments

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Goals Addressed: PA-1

Funding: \$10,000

Planning and Administration

The planning and administration funding is intended to provide funding for general staff administration of CDBG programs and activities, including Integrated Disbursement and Information System (IDIS) training, program set-up, reporting, planning, and subrecipient training and monitoring.

2009-10 Output: Quality administration of the CDBG program

Goals Addressed: PA-1

Funding: \$115,351

GEOGRAPHIC DISTRIBUTION

Geographic distribution of activities is widely varied, but most take place in or near a low- and moderate-income area. The location of an activity largely depends on the type of activity and many of the City's 2010-11 activities, such as home repair and Meals on Wheels, are able to take place across the entire City. Figure 1 (in progress) shows the location of the activities proposed to be funded in program year 2010-11. Not all of the activities funded through the CDBG program are shown in Figure 1 because some are community-wide, while the exact locations of others (e.g., housing rehabilitation) have yet to be determined. Figure 2 (in progress) displays the location of activities in relation to low-income areas.

The rental housing inspection program and code enforcement activities funded by CDBG will take place in the City's designated target areas. The investment of other public and private funds in these areas will provide a comprehensive approach to revitalization.

MINORITY DISTRIBUTION

The City of Rancho Cordova strives to make all of its programs and activities available to eligible low- and moderate-income residents regardless of sex, race, religious background, or disability. As a result, many programs, including emergency repair, senior services, and youth services, will be available to residents citywide. Programs with a specific location, such as Rancho Cordova Neighborhood Center, are located in areas with varying levels of minority concentration with an emphasis on higher concentration areas. Table 1 details the projects in the City; of these, the majority are available on a citywide basis. Projects that do have a specific, pre-determined geographic location are often located in or near areas of minority concentration, as seen in Figure 3 (in progress).

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HOMELESS AND OTHER SPECIAL NEEDS POPULATIONS

The City's strategy related to the needs of the homeless, those at risk of homelessness, and other special needs populations involves funding a variety of supportive services offered locally or regionally to Rancho Cordova residents. Currently, Rancho Cordova is home to the Mather Community Campus, a major supportive housing facility for homeless individuals, but other resources have limited capacity. As a part of the City's plan to encourage a system of supportive services located in the City to allow for accessibility for residents, the City is funding several programs and services to assist its homeless and special needs populations. In 2010-11, these include:

- Homeless and family assistance to locate temporary or permanent housing, provided by Sacramento Self-Help Housing;
- Senior services, provided by the Meals on Wheels; and
- Youth services, provided by Cordova Activities for Kids.

In addition, the City's Housing Element includes several programs that provide for the development of affordable housing. The Element also removes potential constraints to housing for persons with disabilities.

ADDRESS OBSTACLES TO MEETING UNDERSERVED NEEDS

While there are several constraints to meeting the needs of target-income residents, the primary obstacle is the lack of available services within the City's boundaries. Many services are located in the City of Sacramento; additionally, those services located locally often do not have sufficient capacity to meet needs.

The City plans to use its CDBG funds to promote the local provision of services for low- and moderate-income residents in Rancho Cordova. Furthermore, the City will also encourage area service providers to offer services in the community. In the 2010-11 program year, several organizations (including Sacramento Self-Help Housing and Folsom Cordova Community Partnership) are expected to provide services within Rancho Cordova.

FOSTER AND MAINTAIN AFFORDABLE HOUSING

The City's draft 2008-2013 Housing Element includes a number of important programs to facilitate the development of affordable housing in Rancho Cordova. Some of these programs include:

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- Developers of new residential projects within the newly developing areas of the City (generally in the large, vacant areas south of Highway 50) shall prepare an Affordable Housing Plan (Plan) for the project for City review and approval that identifies the project's plan for providing affordable housing. (Policy H.1.5)
- Provide neighborhood revitalization in existing areas through housing rehabilitation (owner- and renter-occupied units) and infill reuse/conversion. (Policy H.2.2)
- Continue to identify the most troubled multi-family projects (in terms of law enforcement, code enforcement, and blight conditions) and aggressively pursue the transformation or conversion of such properties into uses that move the community into a more balanced housing market and that will not result in the loss of existing affordable housing units subsidized with federal, state, or local funds. (Action H.2.2.4)
- Pursue potential reuse and conversion opportunities for additional housing along Folsom Boulevard. (Policy H.2.5)
- Provide a range of senior housing opportunities, including senior developments with single-story homes, independent living, assisted living, skilled nursing, and shared housing, and pursue opportunities and funding to convert existing apartment complexes to senior housing facilities. (Policy H.4.2)
- Provide housing for the special needs populations, including housing accessible for persons with disabilities (including veterans as a primary target group), large households, the homeless, and single-parent households. (Policy H.4.4)
- Pursue available and appropriate state and federal funding sources to support efforts to meet new construction needs of very low-, low-, and moderate-income households. (Action H.7.2.1)

Additional measures are identified and explained in detail in the City's Housing Element.

Remove Barriers to Affordable Housing

The City is undertaking a number of actions to reduce potential barriers and constraints to affordable housing as well as housing for special needs populations. These include creating funds in support of affordable housing development, as well as offering fee reductions, regulatory incentives, density incentives, and several other options. These are described in more detail in the City's draft 2008-2013 Housing Element.

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Develop Institutional Structure

The planned Housing and Neighborhood Services Division, within the Economic Development Department, will be responsible for the management, implementation, and monitoring of the Consolidated Plan documents, including the Action Plan.

The City will designate staff positions to administer the programs and activities funded with CDBG funds. These staff members will work with the individual City divisions, such as Public Works and Parks, to develop procedures and coordinate the administration of programs that will be carried out by these divisions. Designated staff will also work closely with the providers of CDBG-funded services and programs that are not carried out by the City.

Enhance Coordination

The City will continue its work with neighboring jurisdictions such as the County and the City of Sacramento, including Sacramento Housing and Redevelopment Agency, to address the regional issues that affect the needs of target-income persons as well as special needs populations. The City will also work with service providers and local, state, and federal agencies (e.g., HUD).

Public Housing Needs

There are ten apartment complexes that include some of the 747 affordable housing units in Rancho Cordova. Some of these units are administered by Sacramento Housing and Redevelopment Agency (SHRA), which serves as the public housing authority for Sacramento County. The City of Rancho Cordova does not have its own local housing authority. Resident initiatives are handled directly by SHRA.

Anti-Poverty Strategy

The City's anti-poverty strategy is based on revitalizing the City's existing housing stock to provide safe and decent places to live, and supporting social services agencies that provide various services that promote income and housing stability. In addition, the City's strategy is to provide supportive services for target-income residents, including senior and youth services.

DRAFT 2010-11 ACTION PLAN

In the 2010-11 program year, the City plans the following anti-poverty programs:

- Senior nutrition program, also known as Meals on Wheels;
- Housing crisis intervention services, provided by Sacramento Self-Help Housing;
- Homeless services, provided by Sacramento Self-Help Housing and other organizations; and
- Housing loans for housing rehabilitation to owner-occupied units.

Lead-Based Paint Hazards

The City will provide lead-abatement assistance for residential units through its Emergency Repair Loan Program. The program will comply with the Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) and subsequent changes in September 1999. The procedures regarding lead-based paint will include the following:

- Notification;
- Identification; and
- Treatment (if necessary).

Monitoring Plan

The City of Rancho Cordova has developed a monitoring system to ensure that the activities carried out in furtherance of the Plan are done so in a timely manner in accordance with the federal monitoring requirements of 24 CFR 570.501(V) and 24 CFR 85.40 and all other applicable laws, regulations, policies, and sound management and accounting practices. The objectives of the monitoring plan are described in more detail in the Consolidated Plan.

MEMORANDUM



DATE: April 5, 2010

TO: Honorable Mayor and Council Members

FROM: Donna Silva, Finance Director

SUBJECT: ORDINANCES TEMPORARILY EXTENDING THE SUSPENSION OF ANNUAL PROGRAM FEE INFLATIONARY ADJUSTMENTS FOR CERTAIN DEVELOPMENT IMPACT FEES

RECOMMENDATION

Waive first readings and introduce Ordinance No. 3-2010, Ordinance No. 4-2010, and Ordinance No. 5-2010, temporarily suspending the automatic annual program fee inflationary adjustments for a period of one year for the following development impact fee programs:

- City Transportation Impact Fee
- Sunrise Douglas Community Plan Fee
- Villages of Zinfandel Development Impact Fee

RESULT OF RECOMMENDED ACTION

Adoption of the ordinances will suspend the automatic annual Construction Cost Index (CCI) inflationary fee adjustments for the three development impact fees for a period of one year, beginning March 1, 2010.

BACKGROUND

The City collects and administers development impact fees, which are one-time capital recovery charges collected on new building permits. They are used to mitigate the cost of new development by funding capital improvements needed to serve new development.

On March 1 of each year, these fees are adjusted using the Construction Cost Index (CCI). The index adjustment allows the City to keep pace with construction cost increases and inflation. In past years, the index has ranged from 1.3 percent to 5.3 percent. The 2009 adjustment would have been 6.36 percent, the highest to date.

Due to the economic downturn, which has resulted in a sharp drop in development activity, the City Council adopted ordinances suspending the 2009 fee increases for a one year period. The suspended inflationary adjustments were due to be recaptured as part of the March 1, 2010 impact fee adjustments. The 2010 cost index increased 0.3 percent. Adding the previous year adjustment amount would result in per unit program fee increases of 6.7 percent for 2010.

Due to the continued severe economic downturn, applying the program fee adjustments would impose a financial hardship and an economic deterrent to development in Rancho Cordova.

PROJECTED DEVELOPMENT

The following table provides a comparison of development activity in the City from 2007 to 2009, and development projections for the current fiscal year and 2010/11.

Residential Development

	Permits Issued 06/07	Permits Issued 07/08	Permits Issued 08/09	Projected Permits Issued 09/10	Projected Permits 10/11
Single Family	698	315	323	250	150
	<i>Percent of 06/07</i>	45%	46%	36%	22%

The economic decline is predominantly affecting new single-family housing construction. Projected residential development activity for the upcoming budget year is only 22% of the 2006/07 level.

Non-residential development is also anticipated to be lower in 2010/11 than in 2009 and 2008. Due to the unexpectedly high percentage adjustment for 2009, and the ongoing severe economic downturn, staff is recommending that the City Council consider suspending the annual fee adjustments for an additional year, effective beginning March 1, 2010.

FISCAL IMPACTS

Suspending the fee adjustments will result in a revenue reduction in the funds for each of the affected fees. Based on development projections for the suspension period, the amount of foregone revenue is expected to be approximately \$355,000. This mainly impacts the Transportation and Roadway construction funds, which may result in the need for certain of the roadway projects to be scaled back.

ATTACHMENTS

1. Ordinance No. 5-2010-Villages of Zinfandel Special Plan Area
2. Ordinance No. 6-2010- Sunrise Douglas Community Plan Area
3. Ordinance No. 7-2010-Transportation Impact Fee

CITY OF RANCHO CORDOVA

ORDINANCE NO. 5-2010

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
TEMPORARILY SUSPENDING ANNUAL PROGRAM FEE ADJUSTMENT OF EACH FEE
CATEGORY WITHIN THE VILLAGES OF ZINFANDEL SPECIAL PLAN AREA**

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Section 16.81.140 of Chapter 16.81, Title 16 of the Rancho Cordova City Code is hereby amended to read as follows:

16.81.140 ANNUAL PROGRAM FEE ADJUSTMENT

Beginning March 1, 2010, annual adjustment of the Program Fee per Development Unit for each type of development in each fee category shall be suspended for a period of one (1) year.

Commencing March 1, 2011, and thereafter each year no later than March 15, the Finance Director shall authorize the adjustment of the Program Fee per Development Unit for each type of development in each fee category as follows:

- A. A "mean" index will be computed by averaging the index for 20 U.S. cities within the index for San Francisco by resort to the January issue of the Engineering News Record magazine Construction Cost Index of the year in which the calculation is being made.
- B. An adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (A) of this section by the "mean" index for the previous January, however the March 2011 adjustment factor shall be computed by dividing the "mean" index for January 2008.
- C. The adjusted Program Fee per Development Unit shall be calculated by multiplying the adjustment factor by the Program Fee per Development Unit in place prior to the annual adjustment.

Section 2. Severability.

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

Section 3. Effective Date and Publication.

Within fifteen (15) days from and after adoption, this Ordinance shall be published once in the Grapevine Independent, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with California Government Code Section 36933.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk

CITY OF RANCHO CORDOVA

ORDINANCE NO. 6-2010

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
TEMPORARILY SUSPENDING ANNUAL PROGRAM FEE ADJUSTMENT OF EACH FEE
CATEGORY WITHIN THE SUNRISE DOUGLAS COMMUNITY PLAN AREA

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Section 16.83.200 of Chapter 16.83, Title 16 of the Rancho Cordova City Code is hereby amended to read as follows:

16.83.200 ANNUAL PROGRAM FEE ADJUSTMENT

Beginning March 1, 2010, annual adjustment of the Program Fee per Development Unit for each type of development in each fee category shall be suspended for a period of one (1) year.

Commencing March 1, 2011, and thereafter each year no later than March 15, the Finance Director shall authorize the adjustment of the Program Fee per Development Unit for each type of development in each fee category as follows:

- A. A "mean" index will be computed by averaging the index for 20 U.S. cities within the index for San Francisco by resort to the January issue of the Engineering News Record magazine Construction Cost Index of the year in which the calculation is being made.
- B. An adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (A) of this section by the "mean" index for the previous January, however, the March 2011 adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (A) of this section by the "mean" index for January 2008, and if a new Program fee as been adopted after January of the previous year, the adjustment factor shall be computed by dividing the "mean" index from the month that the fee was adopted.
- C. The adjusted Program Fee per Development Unit shall be calculated by multiplying the adjustment factor, as calculated in subsection (B) of this section, by the Program Fee per Development Unit in place prior to the annual adjustment.
- D. The Estimated Cost of the Facilities used in the Capital Improvement Program and for calculating credits and reimbursements pursuant to Sections 16.83.150, 16.83.160, 16.83.170, and 16.83.180 shall be adjusted annually using the same adjustment factor pursuant to subsections (A), (B) and (C) of this section.

Section 2. Severability.

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have

adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

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PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk

CITY OF RANCHO CORDOVA

ORDINANCE NO. 7-2010

**AN ORDINANCE OF THE CITY COUNCIL
TEMPORARILY SUSPENDING ANNUAL PROGRAM FEE ADJUSTMENT OF EACH FEE
CATEGORY FOR THE CITY OF RANCHO CORDOVA TRANSPORTATION IMPACT FEE**

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Section 16.84.130 of Chapter 16.84, Title 16 of the Rancho Cordova City Code is hereby amended to read as follows:

16.84.130 ANNUAL PROGRAM FEE ADJUSTMENT

Beginning March 1, 2010, annual adjustment of the Program Fee per Development Unit for each type of development in each fee category shall be suspended for a period of one (1) year.

Commencing March 1, 2011, and thereafter each year no later than March 15, the Finance Director shall authorize the adjustment of the Program Fee per Development Unit for each type of development in each fee category shall be adjusted as follows:

- A. A "mean" index will be computed by averaging the index for 20 U.S. cities within the index for San Francisco by resort to the January issue of the Engineering News Record magazine Construction Cost Index of the year in which the calculation is being made.
- B. An adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (a) of this section by the "mean" index for the previous January, however, the March 2011 adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (A) of this section by the "mean" index for January 2008, and if a new Program fee has been adopted after January of the previous year, the adjustment factor shall be computed by dividing the "mean" index from the month that the fee was adopted.
- C. The adjusted Program Fee per Development Unit shall be calculated by multiplying the adjustment factor, as calculated in subsection (b) of this section, by the Program Fee per Development Unit in place prior to the annual adjustment.
- D. The estimated cost of the facilities used in the Transportation System Capital Improvement Program and for calculating credits and reimbursements pursuant to Sections 16.84.110 and 16.84.120 shall be adjusted annually using the same adjustment factor pursuant to subsections (A), (B) and (C) of this section.

Section 2. Severability.

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have

adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

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PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk

MEMORANDUM



DATE: April 5, 2010

TO: Honorable Mayor and Council Members

FROM: Cyrus Abhar, Public Works Director
Steve Harriman, Environmental Services Manager

**SUBJECT: RESOLUTION INCREASING FRANCHISE FEE RATES PAID BY
COMMERCIAL SOLID WASTE HAULERS IN RANCHO CORDOVA FROM
THE CURRENT 8% TO 10% OF GROSS COLLECTION REVENUES**

RECOMMENDATION

Adopt Resolution No. 17-2010.

RESULT OF RECOMMENDED ACTION

Adoption of this resolution will generate additional revenue to the City of an approximate range of \$60,000 to \$80,000 annually to fund various solid waste related programs, including street sweeping, illegal dumping mitigation, and road maintenance. The proposed increase would take effect on July 1, 2010.

BACKGROUND

On September 2, 2003, the City Council adopted Ordinance No. 15-2003 regulating commercial solid waste collection, transportation, or disposal, and establishing commercial solid waste franchise fees. Also on September 2, 2003, the City Council adopted Resolution No. 55-2003 establishing the commercial solid waste franchise fee at 8%. Ordinance No. 15-2003 has been amended three times, including the latest amendment on December 7, 2009 (Ordinance No. 23-2009).

The City currently collects the following franchise fees on solid waste revenues:

- *Residential* solid waste collection and recycling services are provided through an *exclusive* franchise by Allied Waste Services. The current residential franchise fee rate is 10% of gross collection revenues.
- *Commercial and multi-family* solid waste collection services are provided by several waste hauling companies with *non-exclusive* franchises. The current commercial and multi-family franchise fee rate is 8% of gross collection revenues.

The proposed increase will therefore result in equal residential and commercial franchise fees of 10%.

Funding Needs: The additional franchise fee revenue will be used to fund the following services related to the City's solid waste and recycling programs:

- *Street Sweeping:* the City's street sweeping program is currently funded by a \$.90 per month charge collected by Allied Waste Services on the residential solid waste bill, which is not sufficient to fund the program. In addition, commercial streets in Rancho Cordova are swept twice per month throughout the year, and residential streets are swept once per month from January through October, and twice per month in November and December. The commercial sector therefore benefits from the street sweeping program, and the franchise fee revenue will contribute to the program funding.
- *Other Programs and Services:* the solid waste franchise fees also fund a variety of other programs and services, including management and administration of the solid waste program, pavement maintenance, illegal dumping collection, public education, etc.

Business and Multifamily Recycling Ordinance: On October 20, 2008, the City Council adopted the Business and Multifamily Recycling Ordinance, which requires businesses and multifamily complexes in Rancho Cordova that subscribe to at least four cubic yards per week of solid waste service to implement recycling programs. Solid waste franchise fees are not charged on recycling revenues, which is designed to provide an economic incentive for businesses and multi-family complexes to reduce waste and increase recycling activities. The proposed franchise fee increase therefore provides an additional incentive for businesses and multi-family complexes to reduce weekly garbage service through waste reduction and on-site recycling programs.

Outreach: Public Works staff performed outreach with the following stakeholders on the proposed franchise fee increase:

- *Rancho Cordova Chamber of Commerce:* On February 18, 2010, Public Works Department staff presented the proposed commercial franchise fee increase to the Chamber of Commerce Board of Directors. The Board voted to support the proposed franchise fee increase from the current 8% to 10%.
- *Rental Housing Association of Sacramento:* On March 10, 2010, Public Works Department staff presented the proposed commercial franchise fee increase to the Government Affairs Committee of the Rental Housing Association of Sacramento. The Committee voted to oppose the proposed franchise fee increase. (See attachment 2)

ATTACHMENTS

1. Resolution No. 17-2010.
2. Comment letter from the Rental Housing Association of Sacramento.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 17-2010

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
ESTABLISHING A FRANCHISE FEE FOR COMMERCIAL SOLID WASTE COLLECTION
FRANCHISES**

WHEREAS, on September 2, 2003, the City Council of the City of Rancho Cordova adopted Ordinance No. 15-2003 regulating commercial solid waste collection, transportation, or disposal and establishing commercial solid waste collection franchises; and

WHEREAS, on September 2, 2003, the City Council also adopted Resolution No. 55-2003, which established the commercial solid waste franchise fee at 8%; and

WHEREAS, Ordinance No. 15-2003 has been amended three times since City incorporation, including the latest amendment on December 7, 2009 (Ordinance No. 23-2009); and

WHEREAS, additional franchise fee revenue is needed to fund various solid waste related programs, including street sweeping, illegal dumping mitigation, and road maintenance.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize that a franchise fee of 10% shall be established pursuant to Section 15 of Ordinance No. 23-2009.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk



Rental Housing Association of Sacramento Valley

201 Lathrop Way, Suite C • Sacramento, CA 95815
(916) 920-1120 • Fax (916) 929-0655 • www.rha.org

ATTACHMENT 2

March 25, 2010

Ken Cooley, Mayor
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

RE: Oppose Franchise Fee Increase

Dear Mayor Cooley:

The Rancho Cordova City Council will consider a proposed increase in the franchise fee at its April meeting. The Rental Housing Association of Sacramento Valley (RHA) opposes the increase at this time.

The Rental Housing Association (RHA) represents rental owners and property managers of approximately 85,000 residential rental units throughout the Sacramento Valley region, including the City of Rancho Cordova. Like most businesses, our industry is struggling with declining rents and rising vacancies.

Our association is not interested in opposing fee increases that are reasonable and justified. However, these are truly unprecedented times. Members of our association are struggling to maintain their businesses and any increase in fees only exacerbates their situation. Likewise, renters are struggling to their pay rent. Any increase in rents at this time would push many families to the brink.

On behalf of RHA members who own and operate rental properties in Rancho Cordova, we ask that you delay implementation of an increase in the franchise fee at this time.

If you have any questions about this letter please contact me at (916) 920-1120 ext. 206 or cory@rha.org.

Sincerely,

A handwritten signature in black ink that reads 'Cory Koehler'.

Cory Koehler
Senior Deputy Director

