CITY OF HUGHSON
CITY COUNCIL MEETING
CITY HALL COUNCIL CHAMBERS
7018 Pine Street, Hughson, CA

AGENDA
MONDAY, SEPTEMBER 14, 2015 – 7:00 P.M.

CALL TO ORDER: Mayor Matt Beekman

ROLL CALL: Mayor Matt Beekman
Mayor Pro Tem Jeramy Young
Councilmember Jill Silva
Councilmember George Carr
Councilmember Harold Hill

FLAG SALUTE: Mayor Matt Beekman

INVOCATION: Hughson Ministerial Association

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1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):

Members of the audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, state their name and city of residence for the record (requirement of name and city of residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

2. PRESENTATIONS:

2.1: Certificate of Recognition: Barbara Bawanan

2.2: A Proclamation: Declaring September 20–26, 2015 as "Childhood Cancer Awareness Week"

3. CONSENT CALENDAR:

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

3.1: Approve the Minutes of the Regular Meeting of August 24, 2015.

3.2: Approve the Warrants Register.

3.3: Approval of the Treasurer's Reports – June 2015

3.4: Adopt Resolution No. 2015-25, reducing the Employer Paid Member Contributions for the Public Employees Retirement System Classic Miscellaneous Members.

3.5: Adopt Resolution No. 2015-26, clarifying Tax Deferred Member Paid Contributions to the California Public Employees' Retirement System (CalPERS) – IRC 414 (H)(2) Employer Pick-Up

3.6: Adopt Resolution No. 2015-27, amending the Salary Range for Designated Management Classifications.

3.7: Adopt Resolution No. 2015-28, to establish a Publicly Available Salary Schedule consistent with the requirement of California Code of Regulations, Title 2, Section 570.5.

3.8: Consideration of the League of California Cities 2015 Annual Conference Resolution Packet

3.9: Adopt Resolution No. 2015-29, concurring with the Consolidated Annual Performance Evaluation Report (CAPER) for Fiscal Year 2014-2015.

3.10: Adopt Resolution No. 2015-30, setting the Appropriation Limit for Fiscal Year 2015-2016.

4. UNFINISHED BUSINESS:

4.1: Award the farming lease for City property located on Leedom Road near the Waste Water Treatment Facility to Michael Noeller dba Noeller Farms and authorize the Mayor to execute the said lease.

5. PUBLIC HEARING TO CONSIDER THE FOLLOWING: None

6. NEW BUSINESS:

6.1: Approve the agreement with Neumiller and Beardslee Attorney and Counselors for legal professional services and authorize the City Manager to execute the said agreement.

7. CORRESPONDENCE: None.

8. COMMENTS:

8.1: Staff Reports and Comments: (Information Only – No Action)

City Manager:

City Clerk:

Community Development Director:

Director of Finance:

Police Services:

City Attorney:

8.2: Council Comments: (Information Only – No Action)

8.3: Mayor's Comments: (Information Only – No Action)

9. CLOSED SESSION TO DISCUSS THE FOLLOWING: None.

ADJOURNMENT:

WAIVER WARNING

If you challenge a decision/direction of the City Council in court, you may be limited to raising only those issues you or someone else raised at a public hearing(s) described in this Agenda, or in written correspondence delivered to the City of Hughson at or prior to, the public hearing(s).

UPCOMING EVENTS:

September 19	▪ Hughson Fruit and Nut Festival, 10:00 a.m-5:00 p.m.
September 20	▪ Hughson Fruit and Nut Festival, 10:00 a.m-4:00 p.m.
September 26	▪ Hughson Arboretum Fall Fest, 5:00 p.m.-7:00 p.m.
September 28	▪ City Council Meeting @ City Hall Chambers, 7:00 p.m.
October 6	▪ Dedication Ceremony Stanislaus Sheriff's Coroner Facility, 10:00 a.m.
October 12	▪ City Council Meeting @ City Hall Chambers, 7:00 p.m.
October 13	▪ Parks and Recreation Commission Meeting @ City Hall Chambers, 6:00 p.m.
October 20	▪ Planning Commission Meeting @ City Hall Chambers, 6:00 p.m.
October 24	▪ Southeast Stanislaus FRC Harvest of Promise, 6:00 p.m.
October 26	▪ City Council Meeting @ City Hall Chambers, 7:00 p.m.
October 31	▪ Hughson Tent, Trunk or Treat @ Lebright Fields, Time TBA

RULES FOR ADDRESSING CITY COUNCIL

Members of the audience who wish to address the City Council are requested to complete one of the forms located on the table at the entrance of the Council Chambers and submit it to the City Clerk. **Filling out the card is voluntary.**

AFFIDAVIT OF POSTING

DATE: September 10, 2015 **TIME:** 5:00 pm

NAME: Marilyn Castaneda **TITLE:** Management Intern

AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT NOTIFICATION FOR THE CITY OF HUGHSON

This Agenda shall be made available upon request in alternative formats to persons with a disability; as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and the Ralph M. Brown Act (California Government Code Section 54954.2).

Disabled or Special needs Accommodation: In compliance with the Americans with Disabilities Act, persons requesting a disability related modification or accommodation in order to participate in the meeting and/or if you need assistance to attend or participate in a City Council meeting, please contact the City Clerk's office at (209) 883-4054. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

Any documents produced by the City and distributed to a majority of the City Council regarding any item on this Agenda will be made available at the City Clerk's counter at City Hall located at 7018 Pine Street, Hughson, CA.

Notice Regarding Non-English Speakers:

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Hughson City Council shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

General Information: The Hughson City Council meets in the Council Chambers on the second and fourth Mondays of each month at 7:00 p.m., unless otherwise noticed.

Council Agendas: The City Council agenda is now available for public review at the City's website at www.hughson.org and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.

Questions: Contact the City Clerk at (209) 883-4054

HEREBY AWARDS A CERTIFICATE OF RECOGNITION TO

BARBARA BAWANAN

September 14, 2015

FOR HER DEDICATION AND OUTSTANDING SERVICE TO THE HUGHSON COMMUNITY AND ITS RESIDENTS THROUGH HER WORK AT UNITED SAMARITANS FOUNDATION
WITH OUR HEARTFELT THANKS FROM THE MAYOR, CITY COUNCIL AND CITIZENS OF HUGHSON

Matt Beekman, Mayor

Jeramy Young, Mayor Pro Tem

A PROCLAMATION
DECLARING SEPTEMBER 20–26, 2015 AS "CHILDHOOD CANCER AWARENESS WEEK"

WHEREAS, *the American Cancer Fund for Children and Kids Cancer Connection report cancer is the leading cause of death by disease among U.S. children between infancy and age 15. This tragic disease is detected in nearly 15,000 of our country's young people each and every year.*

WHEREAS, *one in five of our nation's children loses his or her battle with cancer. Many infants, children and teens will suffer from long-term effects of comprehensive treatment, including secondary cancers; and*

WHEREAS, *founded over twenty years ago by Steven Firestein, a member of the philanthropic Max Factor cosmetics family, the American Cancer Fund for Children, Inc. and Kids Cancer Connection, Inc. are dedicated to helping these children and their families; and*

WHEREAS, *the American Cancer Fund for Children and Kids Cancer Connection provide a variety of vital patient psychosocial services to children undergoing cancer treatment at Lucile Packard Children's Hospital at Stanford in Palo Alto, UCSF Benioff Children's Hospital, as well as participating hospitals throughout the country, thereby enhancing the quality of life for these children and their families; and*

WHEREAS, *the American Cancer Fund for Children and Kids Cancer Connection also sponsor Courageous Kid Recognition Award ceremonies, community get well cards and hospital celebrations in honor of a child's determination and bravery to fight the battle against childhood cancer.*

NOW, THEREFORE, BE IT RESOLVED *that the City Council of the City of Hughson, declare the Week of September 20-26, 2015 as "Childhood Cancer Awareness Week".*

Presented on this 14th day of September, 2015

_____
MATT BEEKMAN, Mayor

CITY OF HUGHSON AGENDA ITEM NO. 3.1
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Approval of the City Council Minutes**
Presented By: **Marilyn Castaneda, Management Intern**

Approved By: _____

Staff Recommendation:

Approve the Minutes of the Regular Meeting of August 24, 2015.

Background and Overview:

The draft minutes of the August 24, 2015 meeting are prepared for the Council's review.

CITY OF HUGHSON
CITY COUNCIL MEETING
CITY HALL COUNCIL CHAMBERS
7018 Pine Street, Hughson, CA

MINUTES
MONDAY, AUGUST 24, 2015 – 7:00 P.M.

CALL TO ORDER: Mayor Matt Beekman

ROLL CALL:

Present:
Mayor Matt Beekman
Mayor Pro Tem Jeramy Young
Councilmember Jill Silva
Councilmember George Carr
Councilmember Harold Hill

Staff Present:
Raul L. Mendez, City Manager
Monica Streeter, City Attorney
Jaylen French, Community Development Director
Shannon Esenwein, Finance Director
Lisa Whiteside, Finance Manager
Jaime Velazquez, Utilities Superintendent
Sam Rush, Public Works Superintendent
Marilyn Castaneda, Management Intern

FLAG SALUTE: Mayor Matt Beekman

INVOCATION: Hughson Ministerial Association

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1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):

Hughson Librarian, Heather Bailey, shared with City Council and public what a great success the Summer Reading Program was. With 232 adults signed up, 330 children and 448 Tween teens. Also, announced one of the local Tween teens won the Grand County prize!

Hughson resident, Doug Humphreys shared his concern with the City Council and public about a police officer sitting at one location for long periods of time.

2. PRESENTATIONS: None.

3. CONSENT CALENDAR:

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

3.1: Approve the Minutes of the Regular Meeting of August 10, 2015.

3.2: Approve the Warrants Register.

3.3: Review City of Hughson Fiscal Year 2014/2015 Community Development Block Grant (CDBG) Activity

3.4: Approve Amendment #1 to the Memorandum of Understanding Between the City of Hughson and Operating Engineers Local Union No. 3 on Behalf of the City of Hughson Employees Association

3.5: Approval to Adopt Resolution No. 2015-24 Supporting the Designation of Highway 132 as the John Muir Highway

3.6: Waive the Second Reading of Ordinance No. 2015-10, an Ordinance of the City Council of the City of Hughson Amending the Development Agreement Relating to the Development Known as Feathers Glen.

3.7: Approve Designating Mayor Pro Tem Jeramy Young as the Voting Delegate for the League of California Cities Annual Conference on September 30-October 2, 2014 in San José, California.

3.8: Accept the Quarterly City of Hughson Legislative Report.

Mayor Beekman pulled Consent Calendar item 3.2 and indicated adding additional warrants.

Beekman/Hill 5-0 motion passes to approve Consent Calendar items 3.1, 3.3, 3.4, 3.5, 3.6, 3.7 and 3.8.

Beekman/Carr 5-0 motion passed to approve Consent Calendar item 3.2.

4. UNFINISHED BUSINESS: None.

5. PUBLIC HEARING TO CONSIDER THE FOLLOWING: None.

6. NEW BUSINESS:

6.1 Approve the City of Hughson's Formal Response to the Stanislaus County Civil Grand Jury Final Report – 15-16 GJ – Local Effects of Prison Realignment (AB 109) and Proposition 47

City Manager, Raul Mendez presented the staff report on this item.

Councilmember Silva added additional background information on AB 109 and Prop 47 and made recommendations to the City Council and staff on tracking relevant information for purposes of assessing the impact moving forward.

Mayor Beekman opened the Public Hearing at 7:20 P.M. The Public Hearing was closed at 7:21 P.M.

SILVA/CARR 5-0 motion passes to Approve the City of Hughson's Formal Response to the Stanislaus County Civil Grand Jury Final Report – 15-16 GJ – Local Effects of Prison Realignment (AB 109) and Proposition 47.

6.2: Approval to Refurbish the Stadium Lighting at Lebright Fields for Evening Use

Public Works Superintendent, Sam Rush presented the staff report on this item. Mr. Rush answered all concerning questions on this item from City Council.

Mayor Beekman recommended adding more durable glass to the fixtures to prevent future vandalism incidents from occurring. Reverend Ernie Spears shared some history on the lights at Lebright Fields.

Mayor Beekman opened the Public Hearing at 7:33 P.M. The Public Hearing was closed at 7:35 P.M.

HILL/YOUNG 5-0 motion passes to Approve the Refurbish of the Stadium Lighting at Lebright Fields for Evening Use.

7. CORRESPONDENCE: None.

8. COMMENTS:

8.1: Staff Reports and Comments: (Information Only – No Action)

City Manager: **City Manager Mendez thanked Hughson community, City staff and members of the City Council for attending the Hughson Community Night at the Modesto Nuts. City Manager Mendez also reminded the City Council of the upcoming City/School 2+2 Subcommittee meeting September 14th at 5:30 p.m and the National Night Out Appreciation Dinner to be held at the Third Street Center at 5:30 p.m on August 25.**

City Clerk:

Community Development Director: **Director French updated the City Council and public that Hughson's water usage year to date amount is currently down by 31% from 2013. Director French also informed the public and the City Council the Tully Road construction should start by 8-26-15, Dollar General will start putting up the foundation by 9-7-15 and their estimated completion by Christmas 2015. Along with City Manager Mendez, Director French has been meeting up with all Hughson Downtown business owners, informing them of City initiative and sharing that the City is is a resource and there to assist with any issues that may arise.**

Director of Finance:

Police Services: **Chief Larry Seymour provided the City Council with the Crime Statistic Report from 08/15/2015 - 08/20/2015. He also generally responded to some of the public safety issues brought to his attention by residents.**

City Attorney:

8.2: Council Comments: (Information Only – No Action)

Councilmember Silva updated the Council on her attendance at the StanCOG meeting and her attendance at the Hughson Community Night at the Modesto Nuts.

Councilmember Hill updated the Council on his attendance at the 2+2 City/Fire Committee meeting and the Hughson Farmers Market. Councilmember Hill was also surprised to see Automatic Defibrillators Equipment arriving very quickly and looked forward to them being place at public facilities throughout the community.

8.3: Mayor's Comments: (Information Only – No Action)

Mayor Beekman updated Council on his attendance at Hughson Community Night at the Modesto Nuts and the Economic Development Committee meeting.

9. CLOSED SESSION TO DISCUSS THE FOLLOWING: None.

ADJOURNMENT:

CARR/BEEKMAN motion passes to adjourn the meeting at 7:40 P.M.

Matt Beekman, Mayor

Dominique Spinale Romo, City Clerk

CITY OF HUGHSON AGENDA ITEM NO. 3.2
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Approval of Warrants Register**
Enclosure: **Warrants Register**
Presented By: **Shannon Esenwein, Director of Finance**

Approved By: _____

Staff Recommendation:

Approve the Warrants Register as presented.

Background and Overview:

The warrants register presented to the City Council is a listing of all expenditures paid from 8/31/15 - 9/10/15.

Fiscal Impact:

There are reductions in various funds for payment of expenses.

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Payment Information Description
46816	8/31/2015	EMP01	STATE OF CALIFORNIA EMPLOYMENT	$ 1,901.23		PAYROLL TAXES
46817	8/31/2015	HAR02	HARTFORD	$ 429.66		DEFERRED COMPENSATION
46818	8/31/2015	PER01	P.E.R.S.	$ 6,852.79		RETIREMENT
46819	8/31/2015	STA23	CALPERS SUPPLEMENTAL INCOME 457 F	$ 685.00		DEFERRED COMPENSATION
46820	8/31/2015	UNI07	UNITED WAY	$ 29.00		UNITED WAY
46821	9/1/2015	EMP01	STATE OF CALIFORNIA EMPLOYMENT	$ 1,462.48		PAYROLL TAXES
46822	9/1/2015	HAR02	HARTFORD	$ 429.66		DEFERRED COMPENSATION
46823	9/1/2015	PER01	P.E.R.S.	$ 6,852.78		RETIREMENT
46824	9/1/2015	STA23	CALPERS SUPPLEMENTAL INCOME 457 F	$ 632.50		DEFERRED COMPENSATION
46825	9/1/2015	UNI07	UNITED WAY	$ 29.00		UNITED WAY
46826	9/3/2015	CAB01	CABRAL'S WELDING	$ 546.70	1808	METAL PLATES FOR WATER TANK
				$ 15.64	FC 220	FINANCE SERVICE
			Check Total:	$ 562.34		
46827	9/3/2015	NEU01	NEUMILLER & BEARDSLEE	$ 11,153.00	269991	LEGAL SERVICES JUNE
46828	9/3/2015	STA01	STANISLAUS COUNTY	$ 232,734.15	B50903	COUNTY PUBLIC FACILITIES FEES
46829	9/3/2015	USA03	USA WASTE OF CALIFORNIA,	$ 110,730.82	B50903	GARBAGE LESS FRANCHISE FEE APR/MAY/JUN 2015
46830	9/4/2015	A&A00	A&A PORTABLES, INC	$ 344.86	1-624977	RESTROOMS & DELIVERY FOR FOOTBALL PROGRAM @LEBRIGHT
46831	9/4/2015	ADK00	ADKINS ELECTRIC	$ 730.00	653	LABOR & MATERIAL TO INSTALL LIGHT FIXTURES FOR 7TH
46832	9/4/2015	ATT01	AT&T	$ 4,166.70	B50904	PHONE
46833	9/4/2015	AVA00	AVAYA, INC	$ 101.83	733510515	PHONE
				$ 80.02	733510613	PHONE
			Check Total:	$ 181.85		
46834	9/4/2015	BNS00	BNSF RAILWAY COMPANY	$ 19,832.90	B50904	INSTALL A PIPELINE PROJECT
46835	9/4/2015	CHA01	CHARTER COMMUNICATION	$ 166.56	B50904	IP ADDRESS- PINE ST
46836	9/4/2015	CLA03	CLARK'S PEST CONTROL	$ 102.00	17293956	PEST CONTROL
				$ 57.00	17317356	PEST CONTROL

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Payment Information Description
			Check Total:	$ 159.00		
46837	9/4/2015	DEH01	DEHART PLUMBING HEATING	$ 135.00	W80012	REPAIR & MAINT. ON OPERATIONS BLDGS COOLING UNIT
				$ 1,799.89	W80122	REPAIR & MAINTENANCE ON OPERATIONS BLDGS & COOLING
			Check Total:	$ 1,934.89		
46838	9/4/2015	ESE00	ESENWEIN, SHANNON	$ 121.08	B50904	REIMBURSEMENT-PERS TRAINING & MILEAGE
46839	9/4/2015	HUG23	HUGHSON FRUIT & NUT	$ 80.00	B50904	HUGHSON FRUIT & NUT FESTIVAL SPACE
46840	9/4/2015	HUG28	HUGHSON TIRE	$ 30.00	533429	REPAIR ONE TIRE FROM NAIL & ROTATE BOTH FRONT TIRE
46841	9/4/2015	KUB00	KUBWATER RESOURCES, INC	$ 2,448.65	5071	POLYMER
				$ 816.22	5083	POLYMER
			Check Total:	$ 3,264.87		
46842	9/4/2015	MCF01	MCFADDEN CONSTRUCTION, IN	$ 1,520.00	B50904	HUGHSON AVE IMPROVEMENTS-MOBILIZATION
46843	9/4/2015	REG00	REGIONAL GOVERNMENT SERVI	$ 688.20	5236	CONTRACT SERVICES FOR JULY
46844	9/4/2015	RIV03	V. RIVERA CONCRETE	$ 13,750.00	60	CURB CUTTER & SIDEWALK REPLACEMENT 2015 RD PROJECT
46845	9/4/2015	ROL00	ROLFE CONSTRUCTION	$ 198,734.68	1512-01FN	TULLY RD RR CROSSING
46846	9/4/2015	SHO02	SHORE CHEMICAL COMPANY	$ 1,154.28	43231	FERRIC CHLORIDE USED AT WELL #8
46847	9/4/2015	STA27	STANISLAUS COUNCIL	$ 271.00	B50904	CONTRACT SERVICES FOR JULY
46848	9/4/2015	SYN02	SYNAGRO WEST, LLC	$ 5,245.29	30-103522	SLUDGE REMOVAL
46849	9/4/2015	TID01	TURLOCK IRRIGATION DIST.	$ 19,102.05	B50904	ELECTRIC
46850	9/4/2015	USA01	USA BLUE BOOK	$ 653.55	688649	WATER DEPT. PARTS & SUPPLIES FOR WELL SITES
				$ 834.99	715270	WATER DEPT CHLORINE TRANSFER PUMP & IRON TESTING
			Check Total:	$ 1,488.54		
46851	9/10/2015	ALF01	ALFARO, JOSE	$ 210.00	B50910	DAMAGE DEPOSIT REFUND 8/2/15
46852	9/10/2015	ATT01	AT&T	$ 22.35	B50910	PHONE
46853	9/10/2015	ATT02	AT&T MOBILITY	$ 174.29	X08272015	PHONE
46854	9/10/2015	ATT03	AT&T	$ 21.99	6970997	PHONE
46855	9/10/2015	AVA00	AVAYA, INC	$ 125.16	733522720	PHONE
46856	9/10/2015	BAY02	BAY ALARM CO	$ 227.76	B50910	MONITORING OF ALARMS WWTP

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Payment Information Description
				$ 153.96	B50911	MONITORING OF ALARMS WWTP
			Check Total:	$ 381.72		
46857	9/10/2015	CEN32	CENTRAL VALLEY CHRISTIAN	$ 66.00	B50910	PARK REFUND 9/19/15
46858	9/10/2015	CER03	CERES PIPE & METAL	$ 33.90	143389	WHEEL ASSEMBLY FOR FRONT GATE REPAIRS
46859	9/10/2015	CHA01	CHARTER COMMUNICATION	$ 68.92	B50910	IP ADDRESS PW SHOP
46860	9/10/2015	DEH01	DEHART PLUMBING HEATING	$ 135.00	W80620	REPAIR & MAINT. ON OPERATIONS BLDG COOLING UNIT
				$ 745.00	W80623	REPAIR & MAINT. ON OPERATIONS BLDG COOLING UNIT
			Check Total:	$ 880.00		
46861	9/10/2015	EWI00	EWING IRRIGATION PRODUCTS	$ 114.31	103113	IRRIGATION REPAIR MATERIAL NEEDED FOR PARKS DEPT
				$ 2,283.92	191667	SPRINKLER HEADS PVC FITTINGS & VALVE SOLENOIDS
			Check Total:	$ 2,398.23		
46862	9/10/2015	EXP00	EXPRESS PERSONNEL SERVICE	$ 801.89	161291216	EXTRA HELP 8/2/15
46863	9/10/2015	EZN00	EZ NETWORK SOLUTIONS	$ 2,554.20	TS29975	IT SERVICES FOR AUG
				$ 2,554.20	TS30104	IT SERVICES FOR SEPT
			Check Total:	$ 5,108.40		
46864	9/10/2015	FIN04	FINELINE STRIPING	$ 29,995.00	1654	ANNUAL PAINTING OF CITY STREETS FOR 2015
				$ 420.00	1664	PAINT THERMOPLASTIC X-WALK AT STARN PARK
			Check Total:	$ 30,415.00		
46865	9/10/2015	FRA03	FRANTZ WHOLESALE NURSERY	$ 1,060.97	143276	CITY STREET TREE PROGRAM 2015
				$ 158.21	540694	TREE STAKES & FERTILIZER TABLETS
			Check Total:	$ 1,219.18		
46866	9/10/2015	GEO01	GEOANALYTICAL LABORATORIE	$ 55.00	B5G0701	MONITORING OF WWT PERMIT
				$ 190.00	B5G1401	MONITORING OF WASTEWATER PERMIT BY SWRCB
				$ 55.00	B5G2101	MONITORING OF WASTEWATER PERMIT BY SWRCB
				$ 55.00	B5G2801	MONITORING OF WASTEWATER PERMIT BY THE SWRCB
			Check Total:	$ 355.00		
46867	9/10/2015	GIB00	GIBBS MAINTENANCE CO	$ 1,232.00	18395	JANITOR SERVICES AUGUST
46868	9/10/2015	HOM01	THE HOME DEPOT CRC	$ 438.54	B50911	MISC SUPPLIES BLDG PARKS & WATER & WASTE WATER
46869	9/10/2015	HUG11	HUGHSON FARM SUPPLY	$ 51.63	H146998	MISC. TOOLS & SUPPLIES
				$ 311.01	H147629	BELTS FOR RIDING MOWERS
				$ 126.19	H147917	MISC TOOLS AND SUPPLIES
				$ 165.64	H148087	MISC. TOOLS AND SUPPLIES

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Payment Information Description
				$ 42.94	H148175	MISC. TOOLS AND SUPPLIES
46869	9/10/2015	HUG11	HUGHSON FARM SUPPLY	$ 129.88	H148505	MISC. TOOLS AND SUPPLIES
				$ 27.96	H148590	MISC. TOOLS AND SUPPLIES
			Check Total:	$ 855.25		
46870	9/10/2015	HUG34	VALLEY PARTS WAREHOUSE, I	$ 15.42	154351	LIQUID RUBBER TO REPAIR METER WIRES TO SEAL
46871	9/10/2015	LEG01	LEGAL SHIELD	$ 25.90	B50910	LEGAL SERVICES
46872	9/10/2015	MCF01	MCFADDEN CONSTRUCTION, IN	$ 134,714.65	B50910	HUGHSON AVE IMPROVEMENTS
46873	9/10/2015	MOD01	THE MODESTO BEE	$ 581.37	B50910	PUBLIC HEARING
46874	9/10/2015	NEU01	NEUMILLER & BEARDSLEE	$ 1,480.00	271382	LEGAL SERVICES FOR JULY
				$ 1,200.00	271383	LEGAL SERVICES FOR JULY
				$ 420.00	271384	LEGAL SERVICES FOR JULY
				$ 8,535.62	271821	LEGAL SERVICES FOR JULY
			Check Total:	$ 11,635.62		
46875	9/10/2015	OFF06	OFFICE TEAM	$ 250.49	43713004	EXTRA HELP 8/14
				$ 304.32	43784693	EXTRA HELP 8/21
				$ 402.84	43808495	EXTRA HELP 8/28
			Check Total:	$ 957.65		
46876	9/10/2015	OPE01	OPERATING ENGINEERS LOCAL	$ 329.00	B50910	LOCAL UNION #3 DUES
46877	9/10/2015	PGE01	PG & E	$ 16.68	B50910	UTILITIES
				$ 32.14	B50911	UTILTIES
				$ 88.22	B50912	UTILITIES
				$ 20.93	B50913	UTILITIES
			Check Total:	$ 157.97		
46878	9/10/2015	PIT01	PITNEY BOWES	$ 536.85	B50910	COPIER LEASE
46879	9/10/2015	QUI03	QUICK N SAVE	$ 46.01	1-4302	DIESEL
46880	9/10/2015	SOS00	SOSA, ESTELA	$ 210.00	B50910	DEPOSIT REFUND 8/22/15
46881	9/10/2015	STA00	STANISLAUS COUNTY DEPARTM	$ 214.00	B50910	FOOD ESTABLISHMENT CERTIFIED FARMERS MARKET
46882	9/10/2015	STA47	STANISLAUS COUNTY SHERIFF	$ 94,335.48	1415-009	LAW ENFORCEMENT SERVICES FOR JULY 2015
46883	9/10/2015	UNU01	UNUM LIFE INSURANCE CO.	$ 1,280.58	B50910	LIFE INSURANCE WITHHOLDING
46884	9/10/2015	WAR00	WARDEN'S OFFICE	$ 2,119.83	2119.82	OFFICE SUPPLIES FOR JULY & AUG
46885	9/10/2015	WIL01	CORBIN WILLITS SYSTEM	$ 571.40	B508151	ENHANCEMENT & SERVICE FEE
46886	9/10/2015	WIL14	WILLDAN ENGINEERING	$ 181.25	319694	ENGINEERING SERVICES FOR JULY
				$ 2,293.25	319701	ENGINEERING SERVICES FOR JULY
				$ 4,707.25	319856	ENGINEERING SERVICES FOR JULY
			Check Total:	$ 7,181.75		

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Payment Information Description
46887	9/10/2015	MOD01	THE MODESTO BEE	$ 395.95	B50911	MAINT WORKER JOB AD
				$ 530.67	B50912	PUBLIC HEARING
			Check Total:	$ 926.62		
46888	9/10/2015	SAF01	SAFETLITE	$ 32.29	314911	IMPRINT JOB TITLES ON RAINGEAR AS PER OES REQUIR.
46889	9/10/2015	USA01	USA BLUE BOOK	$ 2,076.75	677470	TWO CHLORINE PUMPS FOR WELL SITES
			Cash Account Total:	$ 950,208.12		
			Total Disbursements:	$ 950,208.12		

CITY OF HUGHSON AGENDA ITEM NO. 3.3
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Approval of the Treasurer's Reports – June 2015**
Presented By: **John Padilla, City Treasurer**

Approved By: _____

Staff Recommendation:

Review and approve the City of Hughson Treasurer's Report for June 2015.

Summary:

The City Treasurer is required to review the City's investment practices and approve the monthly Treasurer's report. Enclosed is the City of Hughson's Treasurer's Report for June 2015. As of June 2015, the City of Hughson's total cash and investment balance is $13,464,370.41 and is in compliance with the City's investment policy. The City has sufficient cash flow to meet the City's expected expenditures for the next six months.

Background and Overview:

The Treasurer report for June 2015 reflects the most current representation of the City's funds and investments and provides a necessary outlook for both past, present, and future investment and spending habits. While investments and funds differ from time to time, it is the goal of the City to maintain safety and stability with its funds, while additionally promoting prudence and growth.

Enclosed is the City of Hughson Treasurer's Report for June 2015 along with supplementary graphs depicting the percentage of the City's total funds, a breakdown of the June 2015 Developer Impact Fees, and an additional line plot graph further demonstrating the Developer Impact Fees. This graph depicts the Developer Impact Fees' actual balance for the past five years, and continues with a projection based on the average rate of change for each fund over the next few years. After review and evaluation of the report, City staff has researched funds with a significant deficit balance and submit the following detailed explanation:

Public Facilities Development Streets Fund:

The Public Facilities Development Streets Fund currently reflects a negative balance of ($214,718.63), reflecting a positive difference of $309,489.42 or a 59.04% increase from the previous year. The deficit is a result of the Euclid Bridge Project, which was constructed in Fiscal Year 2006/2007, for approximately $1.3 million. The project was completed in anticipation of funding from Developer Impact Fees collected from new development. Unfortunately, the housing market declined significantly and the new development never materialized. Once the economy strengthens and new building starts again, the City can recognize additional developer impact fees and reduce the deficit more quickly.

Water Developer Impact Fee Fund:

The Water Developer Impact Fee Fund currently reflects a negative balance of ($528,788.23), reflecting a positive difference of $224,465.41 or a 42.45% increase from the previous year. After extensive review, City staff discovered that the remaining deficit is attributable to settlement arrangements that were made in Fiscal Year 2008/2009 and Fiscal Year 2009/2010 for the Water Tank on Fox Road near Charles Street. The Project Cost of the Water Tower Project was $2,400,000. During that period, the City paid out $650,000 in settlements. This account will be in a deficit position until additional development occurs and developer impact fees are collected to cover those unanticipated settlement costs.

Based on a staff review of 2012 Water Development and Street funds, the City would need development in the Feathers Glen (42 units) and Euclid South (69 units) subdivisions, or about 110 units to be built to see a positive balance in the Water and Street Development funds. These units reflect the areas that are most likely to see development. Currently, 19 units have been developed in the remaining lots of the Fontana Ranch North subdivision, 10 of which are pending final status.

Transportation Capital Project and CDBG Public Works Street Projects Fund:

The Transportation Capital Project Fund currently reflects a negative balance of ($313,002.10), reflecting a negative difference of $22,737.75 or a 7.83% decrease from the previous year. The CDBG Public Works Street Project Fund currently reflects a negative balance of ($51,320.56) reflecting a positive difference of ($4,948.68) or a 8.79% increase from the previous year. The City currently has 4th and 5th Street projects that are complete. While the 4th Street project has been reimbursed, 5th Street project's reimbursement remains pendant. Reimbursement for both infill projects are from CMAQ (Congestion Mitigation Air Quality) and CDBG (Community Development Block Grant) funds.

Fiscal Impact:

As of June 2015, the total cash and investments balance for the City of Hughson is $13,464,370.41. This compares to June 2014's total cash and investments balance of $10,922,291.07, demonstrating a $2,542,079.34 or a 23.27% increase.

City of Hughson
Treasurer's Report
June 2015

	MONEY MARKET	GENERAL	REDEVELOPMENT**	TOTAL
Bank Statement Totals	$ 10,371,938.98	$ 658,328.64	$ 206,387.20	$ 11,236,654.82
Adjustment-Direct Deposit Payroll	$ -			$ -
Outstanding Deposits +		$ -	$ -	$ -
Outstanding Checks/transfers -	$ 33,690.77	$ (363,918.25)	$ -	$ (330,227.48)
ADJUSTED TOTAL	$ 10,405,629.75	$ 294,410.39	$ 206,387.20	$ 10,906,427.34
Investments: Various				$ 1,034,850.74
Multi-Bank WWTP				$ 1,444,375.12
Investments: L.A.I.F.		$ 39,421.29	$ 39,295.92	$ 78,717.21
TOTAL CASH & INVESTMENTS				**$ 13,464,370.41**

	Books - All Funds	**June 2014**	**June 2015**	**Difference**
2	Water/Sewer Deposit	38,866.95	54,965.51	16,098.56
8	Vehicle Abatement	14,806.24	13,874.55	-931.69
11	Traffic Congestion Fund	103,896.58	138,338.96	34,442.38
13	Redevelopment - Debt Service	151,202.58	336,819.42	185,616.84
17	Federal Officer Grant	6,620.00	6,620.00	0.00
18	Public Safety Realignment	17,871.85	28,476.76	10,604.91
19	Asset Forfeiture	6,995.43	6,995.43	0.00
25	Gas Tax 2106	-5,600.75	-10,023.56	-4,422.81
30	Gas Tax 2107	11,694.16	14,977.43	3,283.27
31	Gas Tax 2105	3,282.21	33,989.13	30,706.92
35	Gas Tax 2107.5	1,672.14	1,672.14	0.00
40	General Fund	1,149,310.22	1,687,407.53	538,097.31
401	General Fund Contingency Reserve	671,997.46	674,217.74	2,220.28
43	Trench Cut	75,465.40	75,728.20	262.80
48	Senior Community Center	13,569.93	9,726.67	-3,843.26
49	IT Reserve	54,476.41	77,192.31	22,715.90
50	U.S.F. Resource Com. Center	-966.15	-350.45	615.70
51	Self-Insurance	73,703.49	73,703.49	0.00
53	SLESF (Supplemental Law Enforceme	40,932.64	11,277.65	-29,654.99
54	Park Project	441,871.86	554,097.58	112,225.72
60	Sewer O & M	2,302,583.90	2,317,155.35	14,571.45
61	Sewer Fixed Asset Replacement	2,332,561.07	2,785,518.46	452,957.39
66	WWTP Expansion 2008	51,444.64	8,144.71	-43,299.93
69	LTF Non Motoriz	0.00	5,208.00	5,208.00
70	Local Transportation	200,190.17	180,837.54	-19,352.63
71	Transportation	-290,264.35	-313,002.10	-22,737.75
100/200	LLD's and BAD's	129,383.01	174,669.38	45,286.37
80	Water O & M	253,608.10	266,377.53	12,769.43
82	Water Fixed Asset Replacement	518,483.91	729,899.98	211,416.07
88	PW CDBG Street Project	-56,269.24	-51,320.56	4,948.68
80	Water Reserve-USDA GRANT	21,524.50	21,524.50	0.00
90	Garbage/Refuse	101,809.36	149,652.37	47,843.01
92	98-EDBG-605 Small Bus. Loans	93,595.60	93,595.60	0.00
94	96-EDBG-438 Grant	403.43	403.43	0.00
95	94-STBG-799 Grant	158,641.49	159,991.00	1,349.51
96	HOME Program Grant (FTHB)	35,041.19	35,041.19	0.00
97	96-STBG-1013 Grant	136,762.60	195,525.10	58,762.50
98	HOME Rehabilitation Fund	0.00	40,000.00	40,000.00
	Developer Impact Fees ***	2,061,123.04	2,875,442.44	814,319.40
	TOTAL ALL FUNDS:	**10,922,291.07**	**13,464,370.41**	**2,542,079.34**

I hereby certify that the investment activity for this reporting period conforms with the Investment Policy adopted by the Hughson City Council, and the California Government Code Section 53601. I also certify that there are adequate funds available to meet the City of Hughson's budgeted and actual expenditures for the next six months.

	Break Down of Impact Fees * **			
10	Storm Drain	236,917.03	363,216.34	126,299.31
20	Community Enhancement	57,696.91	94,789.16	37,092.25
41	Public Facilities Development	1,552,323.15	1,441,382.76	-110,940.39
42	Public Facilities Development-Streets	-524,208.05	-214,718.63	309,489.42
55	Parks DIF	336,160.08	417,921.40	81,761.32
62	Sewer Developer Impact Fees	931,022.15	1,077,174.23	146,152.08
81	Water Developer Impact Fees	-528,788.23	-304,322.82	224,465.41
	Break Down of Impact Fees * **	**2,061,123.04**	**2,875,442.44**	**814,319.40**

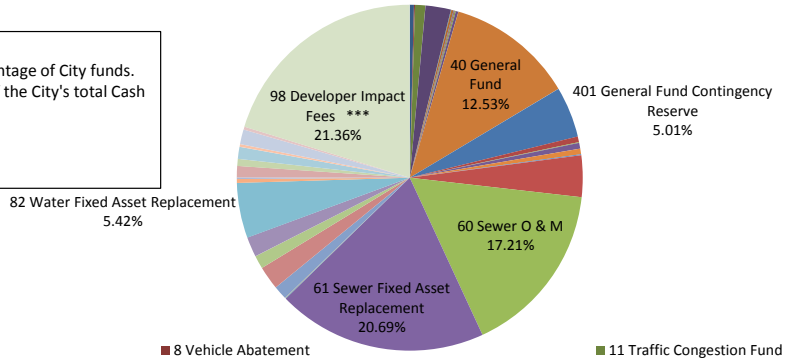
John Padilla, Treasurer

Date

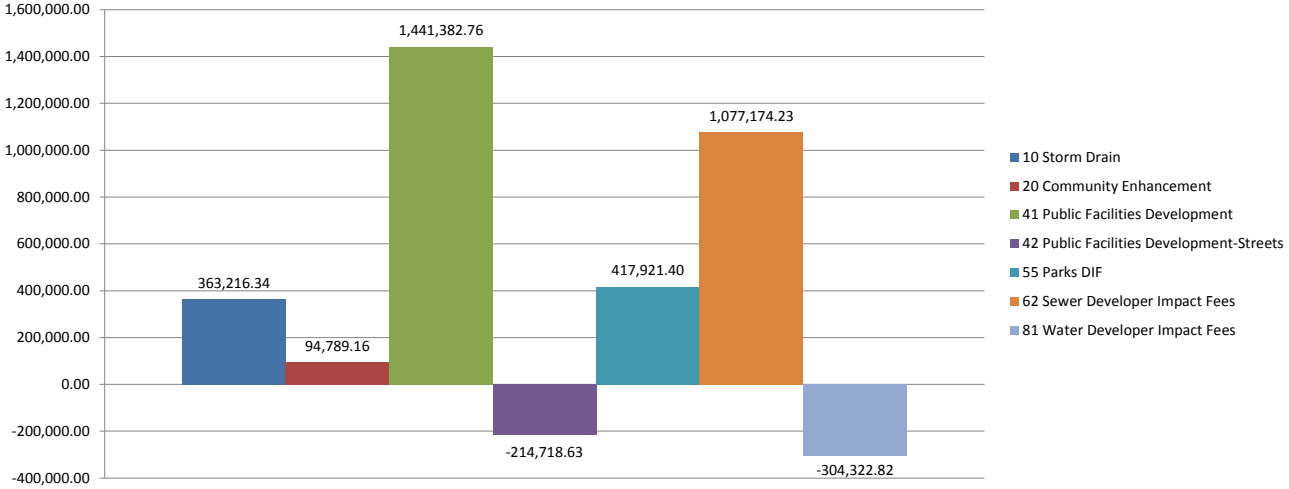
Treasurer's Report - Charts and Graphs
June 2015

Percentage of all Funds for June 2015

Note:
Data displayed represents largest percentage of City funds. All other funds represent less than 5% of the City's total Cash and Investments.

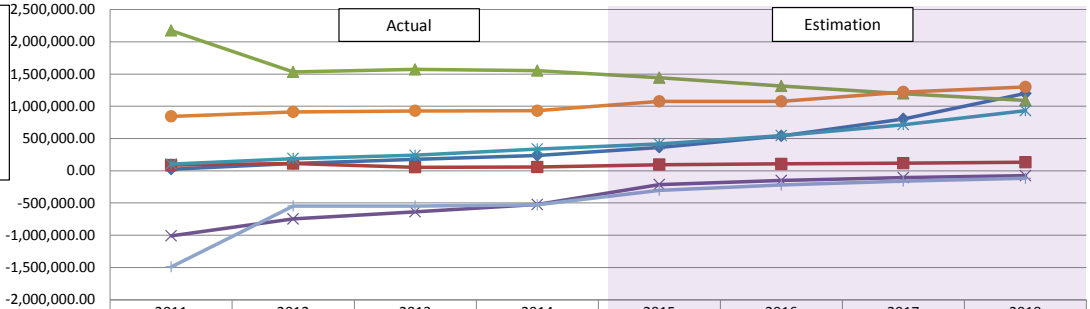


June 2015 Breakdown of Developer Impact Fees



5 Year Trend & Estimate for Developer Impact Fees for the Month of June

Note:
Calculated estimations are based on each fund's average annual rate of change.



	2011	2012	2013	2014	2015	2016	2017	2018
Storm Drain	25,083.62	110,879.29	176,708.77	236,917.03	363,216.34	540,892.01	805,481.86	1,199,501.94
Community Enhancement	86,761.35	111,036.53	55,639.77	57,696.91	94,789.16	105,707.46	117,883.38	131,461.79
Public Facilities Development	2,174,998.09	1,532,758.43	1,570,725.84	1,552,323.15	1,441,382.76	1,313,930.08	1,197,747.26	1,091,837.78
Public Facilities Development-Streets	-1,009,891.43	-748,441.33	-636,331.33	-524,208.05	-214,718.63	(151,630.13)	(107,078.26)	(75,616.59)
Parks DIF	102,886.04	187,715.09	240,090.60	336,160.08	417,921.40	546,414.93	714,414.90	934,067.91
Sewer Developer Impact Fees	843,604.46	912,679.31	929,146.42	931,022.15	1,077,174.23	1,077,175.29	1,221,139.81	1,300,184.87
Water Developer Impact Fees	-1,489,601.75	-546,618.38	-548,418.40	-528,788.23	-304,322.82	(221,392.17)	(161,060.85)	(117,170.35)

CITY OF HUGHSON AGENDA ITEM NO. 3.4
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Adoption of Resolution No. 2015-25, Reducing the Employer Paid Member Contributions for the Public Employees Retirement System Classic Members**
Presented By: **Shannon Esenwein, Director of Finance**

Approved By: _____

Staff Recommendation:

1. Adopt Resolution No. 2015-25, reducing the Employer Paid Member Contributions for the Public Employees Retirement System (CalPERS) Classic Miscellaneous Members
2. Authorize the City Manager to execute any required contract amendments with CalPERS.

Background and Overview:

The City of Hughson contracts with the California Public Employees' Retirement System (CalPERS) for retirement benefits for its eligible employees. Employees are covered under the 2.7% at 55 CalPERS retirement plan, unless the employees fall under the 2% at 62 retirement plan as required by the Public Employee's Pension Reform Act of 2013.

On an annual basis, CalPERS notified the City of the required employer contribution rate to use when calculating contributions to CalPERS. In addition to the employer rate for the 2.7% at 55 plan, there is a 8% contribution rate required by CalPERS that is designated as employee contributions.

Per Government code Section 20691, agencies contracting with CalPERS may pay all or a portion of the employee contributions. When an agency pays for any portion of the employee contributions, CalPERS refers to the employer paid portion as Employer Paid Member Contributions (EPMC). CalPERS requires the governing body of the City of Hughson to adopt a resolution when amending the payment of EPMC.

The attached resolution will provide the necessary document that reflects the City's current EPMC per the Memorandum of Understanding (MOU) with Operating Engineers Local Union No. 3 effective July 1, 2014. Per the negotiated MOU, the City will reduce its portion of the EPMC as follows:

Fiscal Year 2014-2015	2% decrease in EPMC to 6%
Fiscal Year 2015-2016	2% decrease in EPMC to 4%
Fiscal Year 2016-2017	2% decrease in EPMC to 2%
Fiscal Year 2017-2018	2% decrease in EPMC to 0%

Fiscal Impact:

The resulting savings from the reduction in EPMC is already reflected in the current budget and will be included in subsequent budgets.

CITY OF HUGHSON
CITY COUNCIL
RESOLUTION NO. 2015-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON TO REDUCE EMPLOYER PAID MEMBER CONTRIBUTIONS TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS)

WHEREAS, the governing body of the City of Hughson has the authority to implement Government Code Section 20691; and

WHEREAS, the governing body of the City of Hughson has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer; and

WHEREAS, the City of Hughson has negotiated said policy or agreement and now has a written agreement that provides for a reduction in the amount of the normal member contributions to be paid by the employer; and

WHEREAS, one of the steps in the procedures to make said change is the adoption by the governing body of the City of Hughson of a Resolution relative to said Employer Paid Member Contributions (EPMC); and

WHEREAS, the governing body of the City of Hughson has identified the following conditions for the purpose of revising its election to pay EPMC:

- This revised benefit shall apply to all Classic Miscellaneous Members.
- This revised benefit shall consist of a reduction in the current EPMC as follows:
  6% of the normal member contributions as EPMC in Fiscal Year 2014-2015
  4% of the normal member contributions as EPMC in Fiscal Year 2015-2016
  2% of the normal member contributions as EPMC in Fiscal Year 2016-2017
  0% of the normal member contributions as EPMC in Fiscal Year 2017-2018 forward
- The effective date of this Resolution shall be July 1, 2014.

WHEREAS, the governing body of the City of Hughson adopted on June 23, 2014 a Memorandum of Understanding with represented employees and through a technical oversight, did not include the CalPERS resolution within the agenda packet.

NOW THEREFORE, BE IT RESOLVED that the governing body of the City of Hughson:

1. Elects to pay EPMC, as set forth above.

2. Authorizes the City Manager to execute any contract amendment deemed necessary by CalPERS to implement the reduction in EPMC.

PASSED AND ADOPTED by the City Council of the City of Hughson at its regular meeting held on this 14th day of September, 2015 by the following roll call votes:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

_____
MATT BEEKMAN, Mayor

ATTEST:

_____
DOMINIQUE SPINALE ROMO, City Clerk

CITY OF HUGHSON AGENDA ITEM NO. 3.5
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Adoption of Resolution No. 2015-26, Clarifying Tax Deferred Member Paid Contributions for the California Public Employees' Retirement System**
Presented By: **Shannon Esenwein, Director of Finance**

Approved By: _____

Staff Recommendation:

Adopt Resolution No. 2015-26, clarifying Tax Deferred Member Paid Contributions to the California Public Employees' Retirement System (CalPERS) – IRC 414 (H)(2) Employer Pick-Up.

Background and Overview:

The City of Hughson provides retirement benefits to eligible employees under the California Public Employees' Retirement System (CalPERS). Historically, the City of Hughson has paid both the employer and employee share of contributions to the CalPERS System. On June 23, 2014, the City Council adopted Resolution No. 2014-21 which adopted a new Memorandum of Understanding (MOU) with Operating Engineers Local Union No. 3 effective for the period between Fiscal Year 2014-2015 and Fiscal Year 2017-2018. The MOU provides that Classic Members as defined by the California Public Employees' Pension Reform Act of 2013 to pay a 2% increase per year of employee share contribution.

Annual CalPERS employee share contribution (Classic Members):

Fiscal Year 2014-2015	2% increase from prior year
Fiscal Year 2015-2016	2% increase from prior year
Fiscal Year 2016-2017	2% increase from prior year
Fiscal Year 2017-2018	2% increase from prior year

The City needs to ensure the proper IRS resolution is in place to enable employees to contribute to their retirement benefits on a pre-tax basis. Internal Revenue Code 414(h)(2) provides that for any plan established by a governmental unit, where the contributions of employing units are designated employee contributions, but the employer "picks up" the contributions, the contributions are treated as employer contributions.

Under this provision, employees pay some or all of their own member contributions from reportable compensation and defer state and federal income taxes on the member contributions. The Employer Pick-Up, allows employees' contributions to be treated as employer contributions for federal and state tax purposes, thus lowering the employees' taxable gross income. This benefit, pursuant to Internal Revenue Code Section 414 (h)(2), Employer Pick-Up, is at no cost to the city.

Beginning July 1, 2014, Classic PERS Member Employees contribute via paycheck deductions called "pick-ups". Under section 414(h)(2) of the Internal Revenue Code, these deductions, or pick-ups, qualify for pre-tax status. In order to further clarify the nature and status of employee pick-ups, the attached resolution would specify the following:

- Deductions for regular member contributions under CalPERS are designated as "employee contributions".

- Although designated as employee contributions and deducted from employees' compensation, the contributions will, for tax purposes, be characterized as "picked up" by the City in accordance with section 414(h)(2) of the Code and will be treated as paid by the City in lieu of contributions by the employee.

- Employees will not have the option of choosing, directly or indirectly, to receive the contributions instead of having them paid by the City to CalPERS.

- The City will pay to CalPERS the contributions designated as employee contributions from the same source of funds as used in paying salary.

- Contributions picked up under this resolution will be tax deferred to the extent provided under the Internal Revenue Code 414(h)(2).

Employees that are considered "New Members" as the term is defined under Code Section 7522.04(f) pay 6.25% of their own compensation towards their CalPERS retirement benefits as required by the California Public Employees' Pension Reform Act of 2013 (PEPRA). Currently, these employee contributions are not tax deferred. By adopting the attached resolution the Council would offer the same benefit of having tax deferred employee contributions to New Members as it does to Classic Members.

Fiscal Impact:

There is no fiscal impact to the City associated with this item.

CITY OF HUGHSON
CITY COUNCIL
RESOLUTION NO. 2015-26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON TO TAX DEFER MEMBER PAID CONTRIBUTIONS – IRC 414(h)(2) EMPLOYER PICK-UP

WHEREAS, the governing body of the City of Hughson provides retirement benefits to eligible employees under the California Public Employees' Retirement System (CalPERS); and

WHEREAS, amounts are deducted at various times from City employees' compensation in order to fund benefits under CalPERS; and

WHEREAS, the governing body of the City of Hughson has the authority to implement the provisions of section 414(h)(2) of the Internal Revenue Code (IRC); and

WHEREAS, the governing body of the City of Hughson has determined that even though the implementation of the provisions of section 414(h)(2) IRS is not required by law, the tax benefit offered by section 414(h)(2) IRC should be provided to all Employees who are members of the California Public Employees' Retirement System; and

WHEREAS, the governing body of the City of Hughson adopted on June 23, 2014 a Memorandum of Understanding with represented employees and through a technical oversight, did not include the CalPERS resolution within the agenda packet:

NOW THEREFORE, BE IT RESOLVED:

I. That the City of Hughson will implement the provisions of section 414(h)(2) Internal Revenue Code by making employee contributions pursuant to California Government Code Section 20691 to the California Public Employees'' Retirement System on behalf of all its employees who are members of the California Public Employees Retirement System. "Employee contributions" shall mean those contributions to the Public Employees' Retirement System which are deducted from the salary of employees and are credit to individual employee's accounts pursuant to California Government Code section 20691.

II. That the contributions made by the City of Hughson to the California Public Employees' Retirement System, although designated as employee

contributions, are being paid by the City of Hughson in lieu of contributions by the employees who are members of the California Public Employees' Retirement System.

III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the City of Hughson to the California Public Employees' Retirement System.

IV. That the City of Hughson shall pay the California Public Employees' Retirement System the contributions designated as employee contributions from the same source of funds as used in paying salary.

V. That the amount of the contributions designated as employees contributions and paid by the City of Hughson to the California Public Employees' Retirement System on behalf of an employee shall be the entire contribution required of the employee by the California Public Employees' Retirement Law (California Government Code Sections 20000, et seq.).

VI. That the contributions designated as employee contributions made by the City of Hughson to the California Public Employees' Retirement System shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by the California Public Employees' Retirement System.

PASSED AND ADOPTED by the City Council of the City of Hughson at its regular meeting held on this 14th day of September, 2015 by the following roll call votes:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

_____

MATT BEEKMAN, Mayor

ATTEST:

_____

DOMINIQUE SPINALE ROMO, City Clerk

CITY OF HUGHSON AGENDA ITEM NO. 3.6
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Adoption of Resolution No. 2015-27, Amending the Salary Range for Designated Management Classifications**
Presented By: **Shannon Esenwein, Director of Finance**

Approved By: _____

Staff Recommendation:

Adopt Resolution No. 2015-27, amending the Salary Range for Designated Management Classifications.

Background and Overview:

As part of the City of Hughson's Fiscal Year 2015-2016 Preliminary Budget, a new mid management position was created, a Utilities Superintendent, to add structure and support in the Public Works Department and established a salary range appropriate for the management responsibilities and duties. During the update to the salary range schedule the position of the Community Development Director was inadvertently mislabeled as Building and Planning Director and a typographical error occurred in the Director of Administrative Services salary range. These items are corrected and shown as *Exhibit A*.

City staff recommends adopting the attached resolution and *Exhibit* A, Salary Range Schedule for Designated Management Employees to amend the Salary Range Schedule adopted on June 8, 2015.

Fiscal Impact:

There is no fiscal impact to the City associated with this item.

CITY OF HUGHSON
CITY COUNCIL
RESOLUTION NO. 2015-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON AMENDING THE SALARY RANGE FOR DESIGNATED MANAGEMENT CLASSIFICATIONS

WHEREAS, City Council establishes the salary range for designated management classifications; and

WHEREAS, City management has negotiated for consideration and adoption of a new Memorandum of Understanding for the period between Fiscal Year 2014-2015 and Fiscal Year 2017-2018; and

WHEREAS, the City's practice has been to apply any items negotiated with represented employees to all City employees including management classifications; and

WHEREAS, the salary range for designated management classifications as amended and as shown in the attached *Exhibit A,* Salary Range Schedule for designated management employees provides consistency for the entire organization based on the recent labor negotiations; and

WHEREAS, as part of the City of Hughson's Fiscal Year 2015-2016 Preliminary Budget, it was recommended that a new mid management position be created, a Utilities Superintendent, to add structure and support in the Public Works Department and established at a salary range appropriate for the management responsibilities and duties; and

WHEREAS, during the last update to the salary range schedule, the position of the Community Development Director was inadvertedly mislabeled and a typographical error occurred in the Director of Administrative Services salary range.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Hughson does hereby amend the salary range schedule for designated management employees as shown in Exhibit A.

PASSED AND ADOPTED by the Hughson City Council at a regular meeting thereof held on September 14, 2015, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

_____
MATT BEEKMAN, Mayor

ATTEST:

_____
DOMINIQUE SPINALE ROMO, City Clerk

Exhibit A

Salary Range Schedule for Designated Management Employees

Job Title	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018
City Manager	182	185	188
City Clerk/Assistant to the City Manager	116	119	122
Director of Administrative Services	136	139	142
Management Analyst	101	104	107
Community Development Director	138	141	144
Finance Director	136	139	142
Accounting Manager	111	114	117
Director of Public Works	136	139	142
Utilities Superintendent	118	121	124
Public Works Superintendent	101	104	107
Director of Parks and Recreation	136	139	142
Parks and Recreation Manager	101	104	107

CITY OF HUGHSON AGENDA ITEM NO. 3.7
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Adoption of Resolution No. 2015-28, Establish a Publicly Available Salary Schedule Consistent with the Requirement of California Code of Regulations Title 2 Section 570.5**
Presented By: **Shannon Esenwein, Director of Finance**

Approved By: _____

Staff Recommendation:

Adopt Resolution No. 2015-28, to establish a Publicly Available Salary Schedule consistent with the requirement of California Code of Regulations, Title 2, Section 570.5.

Background and Overview:

On August 19, 2011, the California Public Employees' Retirement System (CalPERS) distributed Circular Letter 200-056-11 to inform all CalPERS Employers of the newly enacted California Code of Regulations (CCR) Title 2, Section 570.5. The addition of Section 570.5 would ensure consistency between CalPERS employers and enhance the disclosure and transparently of public employee compensation by requiring that the pay rate be listed on a pay schedule or in a document meeting criteria set for in the regulations. This regulation applies to all employers reporting compensation to CalPERS.

CCR Section 570.5 requires that a salary schedule, among other things, must:

1. Be duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws.
2. Identify the position title for every employee position.
3. Show the pay rate as a single amount or multiple amounts within a range for each identified position.
4. Indicate the time base such as hourly, daily, bi-weekly, monthly, bi-monthly, or annually.
5. Be posted at the office of the employer or immediately accessible and

available for public review from the employer during normal business hours or posted on the employer's internet website.

6. Indicate an effective date and date of any revisions.
7. Be retained by the employer and available for public inspection for not less than five years.
8. Not reference another document in lieu of disclosing the pay rate.

Historically, the City of Hughson has not adopted a stand-alone salary schedule but rather as part of the budget or upon approval of a new Memorandum of Understanding between the City of Hughson and the Operating Engineers Local Union No. 3 on behalf of the City of Hughson Employees Association. However, the previously adopted salary schedules do not meet all of the requirements listed above. The Publicly Available Salary Schedule has a central role in determining compensation earnable and pension benefits. It is important that the City of Hughson ensures that the requirements of CCR 570.5 are met.

CalPERS has indicated that each time a salary increase is approved, the Salary Schedule must be updated and approved by Council. In order to meet the requirements, Resolution 2015-28 has been prepared to formally approve the Salary Schedules for Fiscal Year 2015-2016.

Fiscal Impact:

There is no significant fiscal impact to the City associated with this item.

CITY OF HUGHSON
CITY COUNCIL
RESOLUTION NO. 2015-28

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON TO ESTABLISH A PUBLICLY AVAILABLE SALARY SCHEDULE CONSISTENT WITH THE REQUIREMENT OF CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 570.5

WHEREAS, the governing body of the City of Hughson contracts with the California Public Employees Retirement System (CalPERS) to provide retirement benefits for its employees; and

WHEREAS, CalPERS uses the City of Hughson's salary schedule to calculate retirement benefits earned by the City's employees; and

WHEREAS, the City of Hughson as a contracting public employer is required to adhere to the requirements of the California Code of Regulations (CCR), Title 2, Section 570.5 for a publicly available pay schedule; and

WHEREAS, the City of Hughson has determined that the Salary Range Schedule for Designated Management Employees and the Memorandum of Understanding between the City of Hughson and Operating Engineers Local Union No. on behalf of the City of Hughson Employees Association Exhibit "A" did not meet all of the requirements for CCR, Title 2, Section 570.5; and

WHEREAS, the City of Hughson wishes to comply with CCR, Title 2, Section 570.5 to ensure no adverse effect to its employees; and

WHEREAS, the City of Hughson certifies that this resolution does not require any budget augmentation; and

WHEREAS, it is necessary for the City Council to adopt the Salary Schedule at a publicly noticed meeting.

NOW THEREFORE, BE IT RESOLVED by the governing body of the City of Hughson as follows:

1. Salary Schedule for Fiscal Year 2015-2016 has been updated to meet all of the requirements of California Code of Regulations Section 570.5.

2. The updated Salary Schedule is included as an attachment to this Resolution as Exhibit A.

3. That any future salary increases will result in an update to the Salary Schedule, which will be adopted by Resolution by the City Council.

4. Exhibit A will become a publicly available document with an effective date of July 1, 2015.

PASSED AND ADOPTED by the City Council of the City of Hughson at its regular meeting held on this 14th day of September, 2015 by the following roll call votes:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

_____
MATT BEEKMAN, Mayor

ATTEST:

_____
DOMINIQUE SPINALE ROMO, City Clerk

City of Hughson
Monthly Salary Schedule

Range	Step A	Step B	Step C	Step D	Step E
47	2,370.69	2,489.22	2,613.68	2,744.37	2,881.59
46	2,347.22	2,464.58	2,587.81	2,717.20	2,853.06
45	2,323.98	2,440.18	2,562.18	2,690.29	2,824.81
44	2,300.97	2,416.02	2,536.82	2,663.66	2,796.84
43	2,278.18	2,392.09	2,511.70	2,637.28	2,769.15
42	2,255.63	2,368.41	2,486.83	2,611.17	2,741.73
41	2,233.30	2,344.96	2,462.21	2,585.32	2,714.58
40	2,211.18	2,321.74	2,437.83	2,559.72	2,687.71
39	2,189.29	2,298.76	2,413.69	2,534.38	2,661.10
38	2,167.61	2,276.00	2,389.80	2,509.28	2,634.75
37	2,146.15	2,253.46	2,366.13	2,484.44	2,608.66
36	2,124.90	2,231.15	2,342.71	2,459.84	2,582.83
35	2,103.87	2,209.06	2,319.51	2,435.49	2,557.26
34	2,083.04	2,187.19	2,296.55	2,411.37	2,531.94
33	2,062.41	2,165.53	2,273.81	2,387.50	2,506.87
32	2,041.99	2,144.09	2,251.30	2,363.86	2,482.05
31	2,021.77	2,122.86	2,229.01	2,340.46	2,457.48
30	2,001.76	2,101.84	2,206.94	2,317.28	2,433.15
29	1,981.94	2,081.03	2,185.08	2,294.34	2,409.06
28	1,962.31	2,060.43	2,163.45	2,271.62	2,385.20
27	1,942.88	2,040.03	2,142.03	2,249.13	2,361.59
26	1,923.65	2,019.83	2,120.82	2,226.86	2,338.21
25	1,904.60	1,999.83	2,099.82	2,204.81	2,315.06
24	1,885.74	1,980.03	2,079.03	2,182.99	2,292.13
23	1,867.07	1,960.43	2,058.45	2,161.37	2,269.44
22	1,848.59	1,941.02	2,038.07	2,139.97	2,246.97
21	1,830.29	1,921.80	2,017.89	2,118.78	2,224.72
20	1,812.16	1,902.77	1,997.91	2,097.81	2,202.70
19	1,794.22	1,883.93	1,978.13	2,077.04	2,180.89
18	1,776.46	1,865.28	1,958.54	2,056.47	2,159.29
17	1,758.87	1,846.81	1,939.15	2,036.11	2,137.92
16	1,741.45	1,828.53	1,919.95	2,015.95	2,116.75
15	1,724.21	1,810.42	1,900.94	1,995.99	2,095.79
14	1,707.14	1,792.50	1,882.12	1,976.23	2,075.04
13	1,690.24	1,774.75	1,863.49	1,956.66	2,054.49
12	1,673.50	1,757.18	1,845.04	1,937.29	2,034.15
11	1,656.93	1,739.78	1,826.77	1,918.11	2,014.01
10	1,640.53	1,722.55	1,808.68	1,899.12	1,994.07
9	1,624.29	1,705.50	1,790.77	1,880.31	1,974.33
8	1,608.20	1,688.61	1,773.04	1,861.70	1,954.78
7	1,592.28	1,671.89	1,755.49	1,843.26	1,935.43
6	1,576.52	1,655.34	1,738.11	1,825.01	1,916.26
5	1,560.91	1,638.95	1,720.90	1,806.94	1,897.29
4	1,545.45	1,622.72	1,703.86	1,789.05	1,878.51
3	1,530.15	1,606.66	1,686.99	1,771.34	1,859.91
2	1,515.00	1,590.75	1,670.29	1,753.80	1,841.49
1	1,500.00	1,575.00	1,653.75	1,736.44	1,823.26

Adopted April 26, 2004

City of Hughson
Monthly Salary Schedule

Range	Step A	Step B	Step C	Step D	Step E
98	3,937.90	4,134.79	4,341.53	4,558.61	4,786.54
97	3,898.91	4,093.85	4,298.55	4,513.47	4,739.15
96	3,860.31	4,053.32	4,255.99	4,468.79	4,692.23
95	3,822.09	4,013.19	4,213.85	4,424.54	4,645.77
94	3,784.24	3,973.46	4,172.13	4,380.73	4,599.77
93	3,746.78	3,934.11	4,130.82	4,337.36	4,554.23
92	3,709.68	3,895.16	4,089.92	4,294.42	4,509.14
91	3,672.95	3,856.60	4,049.43	4,251.90	4,464.49
90	3,636.58	3,818.41	4,009.33	4,209.80	4,420.29
89	3,600.58	3,780.61	3,969.64	4,168.12	4,376.52
88	3,564.93	3,743.17	3,930.33	4,126.85	4,333.19
87	3,529.63	3,706.11	3,891.42	4,085.99	4,290.29
86	3,494.68	3,669.42	3,852.89	4,045.53	4,247.81
85	3,460.08	3,633.09	3,814.74	4,005.48	4,205.75
84	3,425.83	3,597.12	3,776.97	3,965.82	4,164.11
83	3,391.91	3,561.50	3,739.58	3,926.56	4,122.88
82	3,358.32	3,526.24	3,702.55	3,887.68	4,082.06
81	3,325.07	3,491.33	3,665.89	3,849.19	4,041.65
80	3,292.15	3,456.76	3,629.60	3,811.08	4,001.63
79	3,259.56	3,422.53	3,593.66	3,773.34	3,962.01
78	3,227.28	3,388.65	3,558.08	3,735.98	3,922.78
77	3,195.33	3,355.10	3,522.85	3,698.99	3,883.94
76	3,163.69	3,321.88	3,487.97	3,662.37	3,845.49
75	3,132.37	3,288.99	3,453.44	3,626.11	3,807.41
74	3,101.36	3,256.42	3,419.24	3,590.21	3,769.72
73	3,070.65	3,224.18	3,385.39	3,554.66	3,732.39
72	3,040.25	3,192.26	3,351.87	3,519.47	3,695.44
71	3,010.15	3,160.65	3,318.68	3,484.62	3,658.85
70	2,980.34	3,129.36	3,285.83	3,450.12	3,622.62
69	2,950.83	3,098.37	3,253.29	3,415.96	3,586.76
68	2,921.62	3,067.70	3,221.08	3,382.14	3,551.24
67	2,892.69	3,037.32	3,189.19	3,348.65	3,516.08
66	2,864.05	3,007.25	3,157.61	3,315.50	3,481.27
65	2,835.69	2,977.48	3,126.35	3,282.67	3,446.80
64	2,807.62	2,948.00	3,095.40	3,250.17	3,412.68
63	2,779.82	2,918.81	3,064.75	3,217.99	3,378.89
62	2,752.30	2,889.91	3,034.41	3,186.13	3,345.43
61	2,725.05	2,861.30	3,004.36	3,154.58	3,312.31
60	2,698.06	2,832.97	2,974.62	3,123.35	3,279.51
59	2,671.35	2,804.92	2,945.16	3,092.42	3,247.04
58	2,644.90	2,777.15	2,916.00	3,061.80	3,214.89
57	2,618.71	2,749.65	2,887.13	3,031.49	3,183.06
56	2,592.79	2,722.43	2,858.55	3,001.47	3,151.55
55	2,567.12	2,695.47	2,830.25	2,971.76	3,120.35
54	2,541.70	2,668.78	2,802.22	2,942.33	3,089.45
53	2,516.53	2,642.36	2,774.48	2,913.20	3,058.86
52	2,491.62	2,616.20	2,747.01	2,884.36	3,028.58
51	2,466.95	2,590.30	2,719.81	2,855.80	2,998.59
50	2,442.52	2,564.65	2,692.88	2,827.53	2,968.90
49	2,418.34	2,539.26	2,666.22	2,799.53	2,939.51
48	2,394.40	2,514.11	2,639.82	2,771.81	2,910.40

Adopted April 26, 2004

City of Hughson
Monthly Salary Schedule

Range	Step A	Step B	Step C	Step D	Step E
149	6,541.16	6,868.21	7,211.63	7,572.21	7,950.82
148	6,476.39	6,800.21	7,140.22	7,497.23	7,872.10
147	6,412.27	6,732.88	7,069.53	7,423.00	7,794.15
146	6,348.78	6,666.22	6,999.53	7,349.51	7,716.98
145	6,285.92	6,600.22	6,930.23	7,276.74	7,640.58
144	6,223.69	6,534.87	6,861.61	7,204.70	7,564.93
143	6,162.07	6,470.17	6,793.68	7,133.36	7,490.03
142	6,101.06	6,406.11	6,726.41	7,062.73	7,415.87
141	6,040.65	6,342.68	6,659.82	6,992.81	7,342.45
140	5,980.84	6,279.88	6,593.88	6,923.57	7,269.75
139	5,921.62	6,217.71	6,528.59	6,855.02	7,197.77
138	5,862.99	6,156.14	6,463.95	6,787.15	7,126.51
137	5,804.94	6,095.19	6,399.95	6,719.95	7,055.95
136	5,747.47	6,034.84	6,336.59	6,653.42	6,986.09
135	5,690.56	5,975.09	6,273.85	6,587.54	6,916.92
134	5,634.22	5,915.93	6,211.73	6,522.32	6,848.43
133	5,578.44	5,857.36	6,150.23	6,457.74	6,780.63
132	5,523.21	5,799.37	6,089.33	6,393.80	6,713.49
131	5,468.52	5,741.95	6,029.04	6,330.50	6,647.02
130	5,414.38	5,685.10	5,969.35	6,267.82	6,581.21
129	5,360.77	5,628.81	5,910.25	6,205.76	6,516.05
128	5,307.69	5,573.08	5,851.73	6,144.32	6,451.53
127	5,255.14	5,517.90	5,793.79	6,083.48	6,387.66
126	5,203.11	5,463.27	5,736.43	6,023.25	6,324.41
125	5,151.59	5,409.17	5,679.63	5,963.61	6,261.79
124	5,100.59	5,355.62	5,623.40	5,904.57	6,199.80
123	5,050.09	5,302.59	5,567.72	5,846.11	6,138.41
122	5,000.09	5,250.09	5,512.59	5,788.22	6,077.64
121	4,950.58	5,198.11	5,458.01	5,730.92	6,017.46
120	4,901.56	5,146.64	5,403.98	5,674.17	5,957.88
119	4,853.03	5,095.69	5,350.47	5,617.99	5,898.89
118	4,804.98	5,045.23	5,297.50	5,562.37	5,840.49
117	4,757.41	4,995.28	5,245.04	5,507.30	5,782.66
116	4,710.31	4,945.82	5,193.11	5,452.77	5,725.41
115	4,663.67	4,896.85	5,141.70	5,398.78	5,668.72
114	4,617.50	4,848.37	5,090.79	5,345.33	5,612.59
113	4,571.78	4,800.37	5,040.39	5,292.40	5,557.02
112	4,526.51	4,752.84	4,990.48	5,240.00	5,502.00
111	4,481.70	4,705.78	4,941.07	5,188.12	5,447.53
110	4,437.32	4,659.19	4,892.15	5,136.76	5,393.59
109	4,393.39	4,613.06	4,843.71	5,085.90	5,340.19
108	4,349.89	4,567.38	4,795.75	5,035.54	5,287.32
107	4,306.82	4,522.16	4,748.27	4,985.68	5,234.97
106	4,264.18	4,477.39	4,701.26	4,936.32	5,183.14
105	4,221.96	4,433.06	4,654.71	4,887.45	5,131.82
104	4,180.16	4,389.17	4,608.62	4,839.06	5,081.01
103	4,138.77	4,345.71	4,562.99	4,791.14	5,030.70
102	4,097.79	4,302.68	4,517.82	4,743.71	4,980.89
101	4,057.22	4,260.08	4,473.09	4,696.74	4,931.58
100	4,017.05	4,217.90	4,428.80	4,650.24	4,882.75
99	3,977.28	4,176.14	4,384.95	4,604.20	4,834.41

Adopted April 26, 2004

City of Hughson
Monthly Salary Schedule

Range	Step A	Step B	Step C	Step D	Step E
200	10,865.37	11,408.64	11,979.07	12,578.03	13,206.93
199	10,757.80	11,295.68	11,860.47	12,453.49	13,076.17
198	10,651.28	11,183.85	11,743.04	12,330.19	12,946.70
197	10,545.82	11,073.12	11,626.77	12,208.11	12,818.52
196	10,441.41	10,963.48	11,511.65	12,087.24	12,691.60
195	10,338.03	10,854.93	11,397.68	11,967.56	12,565.94
194	10,235.67	10,747.46	11,284.83	11,849.07	12,441.52
193	10,134.33	10,641.05	11,173.10	11,731.75	12,318.34
192	10,033.99	10,535.69	11,062.47	11,615.60	12,196.38
191	9,934.64	10,431.38	10,952.94	11,500.59	12,075.62
190	9,836.28	10,328.09	10,844.50	11,386.72	11,956.06
189	9,738.89	10,225.84	10,737.13	11,273.98	11,837.68
188	9,642.47	10,124.59	10,630.82	11,162.36	11,720.48
187	9,547.00	10,024.35	10,525.56	11,051.84	11,604.43
186	9,452.47	9,925.10	10,421.35	10,942.42	11,489.54
185	9,358.88	9,826.83	10,318.17	10,834.08	11,375.78
184	9,266.22	9,729.53	10,216.01	10,726.81	11,263.15
183	9,174.48	9,633.20	10,114.86	10,620.60	11,151.63
182	9,083.64	9,537.82	10,014.71	10,515.45	11,041.22
181	8,993.70	9,443.39	9,915.56	10,411.34	10,931.90
180	8,904.66	9,349.89	9,817.38	10,308.25	10,823.67
179	8,816.49	9,257.32	9,720.18	10,206.19	10,716.50
178	8,729.20	9,165.66	9,623.94	10,105.14	10,610.40
177	8,642.77	9,074.91	9,528.66	10,005.09	10,505.34
176	8,557.20	8,985.06	9,434.31	9,906.03	10,401.33
175	8,472.48	8,896.10	9,340.90	9,807.95	10,298.35
174	8,388.59	8,808.02	9,248.42	9,710.84	10,196.38
173	8,305.53	8,720.81	9,156.85	9,614.69	10,095.43
172	8,223.30	8,634.47	9,066.19	9,519.50	9,995.47
171	8,141.88	8,548.98	8,976.42	9,425.25	9,896.51
170	8,061.27	8,464.33	8,887.55	9,331.93	9,798.52
169	7,981.45	8,380.53	8,799.55	9,239.53	9,701.51
168	7,902.43	8,297.55	8,712.43	9,148.05	9,605.45
167	7,824.19	8,215.40	8,626.17	9,057.48	9,510.35
166	7,746.72	8,134.06	8,540.76	8,967.80	9,416.19
165	7,670.02	8,053.52	8,456.20	8,879.01	9,322.96
164	7,594.08	7,973.78	8,372.47	8,791.10	9,230.65
163	7,518.89	7,894.84	8,289.58	8,704.06	9,139.26
162	7,444.45	7,816.67	8,207.50	8,617.88	9,048.77
161	7,370.74	7,739.28	8,126.24	8,532.55	8,959.18
160	7,297.76	7,662.65	8,045.78	8,448.07	8,870.48
159	7,225.51	7,586.78	7,966.12	8,364.43	8,782.65
158	7,153.97	7,511.67	7,887.25	8,281.61	8,695.69
157	7,083.14	7,437.29	7,809.16	8,199.62	8,609.60
156	7,013.01	7,363.66	7,731.84	8,118.43	8,524.35
155	6,943.57	7,290.75	7,655.29	8,038.05	8,439.95
154	6,874.82	7,218.56	7,579.49	7,958.47	8,356.39
153	6,806.75	7,147.09	7,504.45	7,879.67	8,273.65
152	6,739.36	7,076.33	7,430.15	7,801.65	8,191.74
151	6,672.63	7,006.27	7,356.58	7,724.41	8,110.63
150	6,606.57	6,936.90	7,283.74	7,647.93	8,030.33

Adopted April 26, 2004

City of Hughson
Salary Schedule
Fiscal Year 2015-2016

City of Hughson Employee Association Members		Salary Range									
		A		B		C		D		E	
Position	Range	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly
Accounting Technician I	50	14.09	2,442.52	14.80	2,564.65	15.54	2,692.88	16.31	2,827.53	17.13	2,968.90
Accounting Technician II	69	17.02	2,950.83	17.88	3,098.37	18.77	3,253.29	19.71	3,415.96	20.69	3,586.76
Building Inspector	96	22.27	3,860.31	23.38	4,053.32	24.55	4,255.99	26.36	4,568.79	27.07	4,692.23
Code Enforcement Officer	71	17.37	3,010.15	18.23	3,160.65	19.15	3,318.68	20.10	3,484.62	21.11	3,658.85
Maintenance Worker I	48	13.81	2,394.40	14.50	2,514.11	15.23	2,639.82	15.99	2,771.81	16.79	2,910.40
Maintenance Worker II	66	16.52	2,864.05	17.35	3,007.25	18.22	3,157.61	19.13	3,315.50	20.08	3,481.27
Mechanic/Maintenance Worker II	74	17.89	3,101.36	18.79	3,256.42	19.73	3,419.24	20.71	3,590.21	21.75	3,769.72
Park and Recreation Coordinator	26	11.10	1,923.65	11.65	2,019.83	12.24	2,120.82	12.85	2,226.86	13.49	2,338.21
Park Maintenance Worker	66	16.52	2,864.05	17.35	3,007.25	18.22	3,157.61	19.13	3,315.50	20.08	3,481.27
Planning and Building Assistant	96	22.27	3,860.31	23.38	4,053.32	24.55	4,255.99	26.36	4,568.79	27.07	4,692.23
Public Works Supervisor	91	21.19	3,672.95	22.25	3,856.60	23.36	4,049.43	24.53	4,251.90	25.76	4,464.49
Redevelopment and Housing Program Analyst	96	22.27	3,860.31	23.38	4,053.32	24.55	4,255.99	26.36	4,568.79	27.07	4,692.23
Senior Accounting Technician	81	19.18	3,325.07	20.14	3,491.33	21.15	3,665.89	22.21	3,849.19	23.32	4,041.65
Senior Maintenance Worker	74	17.89	3,101.36	18.79	3,256.42	19.73	3,419.24	20.71	3,590.21	21.75	3,769.72
Senior Parks Maintenance Worker	74	17.89	3,101.36	18.79	3,256.42	19.73	3,419.24	20.71	3,590.21	21.75	3,769.72
Senior Water Distribution System Operator	86	20.16	3,494.68	21.17	3,669.42	22.23	3,852.89	23.34	4,045.53	24.51	4,247.81
Senior Water Distribution/Treatment System Operator	94	21.83	3,784.24	22.92	3,973.46	24.07	4,172.13	25.27	4,380.73	26.54	4,599.77
Wastewater Chief Plant Operator	94	21.83	3,784.24	22.92	3,973.46	24.07	4,172.13	25.27	4,380.73	26.54	4,599.77
Wastewater Treatment Plant Operator I	78	18.62	3,227.28	19.55	3,388.65	20.53	3,558.08	21.55	3,735.98	22.63	3,922.78
Wastewater Treatment Plant Operator II	86	20.16	3,494.68	21.17	3,669.42	22.23	3,852.89	23.34	4,045.53	24.51	4,247.81
Wastewater Treatment Plant Operator-In-Training	57	15.11	2,618.71	15.86	2,749.65	16.66	2,887.13	17.49	3,031.49	18.36	3,183.06
Water Distribution System Operator	78	18.62	3,227.28	19.55	3,388.65	20.53	3,558.08	21.55	3,735.98	22.63	3,922.78

Designated Management Employees		Salary Range									
		A		B		C		D		E	
Position	Range	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly
Accounting Manager	111		4,481.70		4,705.78		4,941.07		5,188.12		5,447.53
City Clerk/Assistant to the City Manager	116		4,710.31		4,945.82		5,193.11		5,452.77		5,725.41
City Manager	182		9,083.64		9,537.82		10,014.71		10,515.45		11,041.22
Community Development Director	138		5,862.99		6,156.14		6,463.95		6,787.15		7,126.51
Director of Administrative Services	136		5,747.47		6,034.84		6,336.59		6,653.42		6,986.09
Director of Parks and Recreation	136		5,747.47		6,034.84		6,336.59		6,653.42		6,986.09
Finance Director	136		5,747.47		6,034.84		6,336.59		6,653.42		6,986.09
Management Analyst	101		4,057.22		4,260.08		4,473.09		4,696.74		4,931.58
Parks and Recreation Manager	101		4,057.22		4,260.08		4,473.09		4,696.74		4,931.58
Public Works Superintendent	101		4,057.22		4,260.08		4,473.09		4,696.74		4,931.58
Utilities Superintendent	118		4,804.98		5,045.23		5,297.50		5,562.37		5,840.49

City of Hughson
Salary Schedule
Fiscal Year 2015-2016

		Salary Range									
Part time/Temporary		**A**		**B**		**C**		**D**		**E**	
Position	**Range**	**Hourly**	**Monthly**	**Hourly**	**Monthly**	**Hourly**	**Monthly**	**Hourly**	**Monthly**	**Hourly**	**Monthly**
Office Assistant I	28	11.32	1,962.31	11.89	2,060.43	12.48	2,163.45	13.11	2,271.62	13.76	2,385.20

		Salary Range									
Elected/Appointed				**B**		**C**		**D**		**E**	
Position	**Range**	**Per Meeting**	**Monthly**	**Hourly**	**Monthly**	**Hourly**	**Monthly**	**Hourly**	**Monthly**	**Hourly**	**Monthly**
City Treasurer			100.00								
Council Member			250.00								
Mayor			300.00								
Planning Commission		50.00									

CITY OF HUGHSON AGENDA ITEM NO. 3.8
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Consideration of the League of California Cities 2015 Annual Conference Resolution Packet**
Presented By: **Raul L. Mendez, City Manager**

Approved By: _____

Staff Recommendation:

Consider and support the League of California Cities 2015 Annual Conference Resolution Packet pertaining to the League bylaws, the preservation of therapeutic environments for group homes, flexibility for cities as they address impacts of temporary rentals of residential units, and compensation of Southern California Edison to compensate customers affected by prolonged outages.

Background:

The League of California Cities (LOCC) is an association of California city officials who work together to enhance their knowledge and skills, exchange information, and combine resources so that they may influence policy decisions that affect cities. The Vision of the LOCC is to be recognized and respected as the leading advocate for the common interests of California's cities. Its Mission is to expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

The League of California Cities is the state leader in local government education – with a focus on networking, legal, legislative, new technologies, best practices and organizational improvement. The LOCC offers innovative and integrated approaches to education conferences and alternative forms of learning that addresses the needs of local elected officials, city department heads, city staff and partners alike. The Annual Conference and Expo, scheduled to be held in San José on September 30-October 2, 2015 is an opportunity for such education, training and policy discussions.

The LOCC bylaws provide that resolutions submitted by a member shall be referred by the president to an appropriate policy committee for review and recommendation. Resolutions with committee recommendations shall then be

considered by the General Resolutions Committee at the Annual Conference. Respective cities are encouraged to consider the resolutions and to determine a position so that the voting delegate can represent the city's position on each resolution. Resolutions submitted to the General Assembly must be concurred in by five cities or by city officials from at least five or more cities.

On August 24, 2015, the Hughson City Council designated Mayor Pro Tem Jeramy Young as the voting delegate for the 2015 Annual Conference and Expo. The City of Hughson has received the Annual Conference Resolutions Packet which includes four resolutions that were introduced by the required deadline. The following is a summary of the resolutions with the actual packet attached for reference.

Summary of Analysis:

Resolution 1 – League Bylaws Amendments Regarding Succession of League Offices to Fill Vacancies

This resolution seeks to streamline the succession process when filling a vacancy for the office of President of the Board of Directors. It would allow the league bylaws to be amended, allowing the Immediate Past President to fill an unexpected vacancy in the office of President for the remainder of the vacating President's term. Changes to League bylaws require a 2/3 vote of the General Assembly. The nature of this resolution is to ensure that there is a smooth succession process in place and that current Vice Presidents (First and Second) have ample time to prepare for their role as President.

Resolution 2 – Calling for Legislation to Preserve Therapeutic Environments for Group Homes and Avoid Impacts of Overconcentration of Alcohol and Drug Abuse Recovery and Treatment Facilities in Residential Neighborhoods

This resolution calls for the Governor and Legislature to work with the League and other stakeholders to explore options to address overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods while respecting important legal rights of patients and legal obligations of public entities, avoid the creation of institutional settings when multiple facilities are concentrated in a single location, and determine the appropriate balance between not-for-profit (including county) facilities and for-profit facilities in residential neighborhoods. The League has significant existing policy in this area.

Resolution 3 – Supporting SB 593 (McGuire) and Continued Local Flexibility for Cities as they Address Neighborhood and Fiscal Impacts of Temporary Rentals of Residential Units

This resolution seeks to highlight and increase support for SB 593 (McGuire), which is pending in the Legislature. SB 593 seeks to bolster local efforts to regulate and collect transient occupancy taxes from temporary rental of residential houses, condominiums, rooms, and apartments for tourists and transient use. The League is currently in support of this legislation and has existing policy in this area.

Resolution 4 – Enact Legislation or Compel Southern California Edison to Create a Program to Automatically Provide Direct Compensation to its Customers Affected by Prolonged Electrical Power Outages Under Specified Circumstances

This resolution calls upon the Governor and the Legislature to work with the League of California Cities to enact legislation or to otherwise compel Southern California Edison (SCE) to create a program to automatically provide direct compensation to its customers affected by a prolonged electrical power outage under specified circumstances. The League has extensive policy and guiding principles related to the electric industry although no policy specific to this issue.

Fiscal Impact:

There are minimal fiscal impacts associated with the proposed resolutions. In regards to temporary rentals of residential units, many cities and counties are encountering challenges identifying units in their community that are being used as vacation rentals and collecting associated revenue. Where vacation rentals are permitted by local ordinance, the passage of SB 593 can assist local efforts, thereby increasing local revenues (Transient Occupancy Taxes) to support local services.

LEAGUE® OF CALIFORNIA CITIES

1400 K Street, Suite 400 • Sacramento, California 95814
Phone: 916.658.8200 Fax: 916.658.8240
www.cacities.org

August 17, 2015

CITY OF HUGHSON
RECEIVED

TO: Mayors, City Managers and City Clerks
League Board of Directors

RE: Annual Conference Resolutions Packet
Notice of League Annual Meeting

Enclosed please find the 2015 Annual Conference Resolutions Packet.

Annual Conference in San Jose. This year's League Annual Conference will be held September 30 – October 2 in San Jose. The conference announcement has previously been sent to all cities and we hope that you and your colleagues will be able to join us. More information about the conference is available on the League's Web site at www.cacities.org/ac. We look forward to welcoming city officials to the conference.

Closing Luncheon/General Assembly - Friday, October 2, 12:00 p.m. The League's General Assembly Meeting will be held at the San Jose Convention Center.

Resolutions Packet. At the Annual Conference, the League will consider four resolutions introduced by the deadline, Saturday, August 1, 2015, midnight. These resolutions are included in this packet. Resolutions submitted to the General Assembly must be concurred in by five cities or by city officials from at least five or more cities. These letters of concurrence are included with this packet. We request that you distribute this packet to your city council.

We encourage each city council to consider these resolutions and to determine a city position so that your voting delegate can represent your city's position on each resolution. A copy of the resolution packet is posted on the League's website for your convenience: www.cacities.org/resolutions.

The resolutions packet contains additional information related to consideration of the resolution at the Annual Conference. This includes the date, time and location of the meetings at which the resolution will be considered.

Voting Delegates. Each city council is encouraged to designate a voting delegate and two alternates to represent their city at the General Assembly Meeting. A letter asking city councils to designate their voting delegate and two alternates has already been sent to each city. If your city has not yet appointed a voting delegate, please contact Meg Desmond at (916) 658-8224 or email: mdesmond@cacities.org.

Please Bring This Packet to the Annual Conference
September 30 – October 2, San Jose

Annual Conference Resolutions Packet

2015 Annual Conference Resolutions

San Jose

September 30 – October 2

INFORMATION AND PROCEDURES

RESOLUTIONS CONTAINED IN THIS PACKET: The League bylaws provide that resolutions shall be referred by the president to an appropriate policy committee for review and recommendation. Resolutions with committee recommendations shall then be considered by the General Resolutions Committee at the Annual Conference.

This year, four resolutions have been introduced for consideration by the Annual Conference and referred to the League policy committees.

POLICY COMMITTEES: Four policy committees will meet at the Annual Conference to consider and take action on the resolution referred to them. The committees are Administrative Services; Environmental Quality; Housing, Community and Economic Development; and Revenue and Taxation. These committees will meet on Wednesday, September 30, 2015, at the Hilton San Jose. The sponsors of the resolutions have been notified of the time and location of the meetings.

GENERAL RESOLUTIONS COMMITTEE: This committee will meet at 1:00 p.m. on Thursday, October 1, at the San Jose Convention Center, to consider the reports of the four policy committees regarding the resolutions. This committee includes one representative from each of the League's regional divisions, functional departments and standing policy committees, as well as other individuals appointed by the League president. Please check in at the registration desk for room location.

ANNUAL LUNCHEON/BUSINESS MEETING/GENERAL ASSEMBLY: This meeting will be held at 12:00 p.m. on Friday, October 2, at the San Jose Convention Center.

PETITIONED RESOLUTIONS: For those issues that develop after the normal 60-day deadline, a resolution may be introduced at the Annual Conference with a petition signed by designated voting delegates of 10 percent of all member cities (47 valid signatures required) and presented to the Voting Delegates Desk at least 24 hours prior to the time set for convening the Annual Business Meeting of the General Assembly. This year, that deadline is 12:00 p.m., Thursday, October 1. Resolutions can be viewed on the League's Web site: www.cacities.org/resolutions.

Any questions concerning the resolutions procedures may be directed to Meg Desmond at the League office: mdesmond@cacities.org or (916) 658-8224

GUIDELINES FOR ANNUAL CONFERENCE RESOLUTIONS

Policy development is a vital and ongoing process within the League. The principal means for deciding policy on the important issues facing cities is through the League's eight standing policy committees and the board of directors. The process allows for timely consideration of issues in a changing environment and assures city officials the opportunity to both initiate and influence policy decisions.

Annual conference resolutions constitute an additional way to develop League policy. Resolutions should adhere to the following criteria.

Guidelines for Annual Conference Resolutions

1. Only issues that have a direct bearing on municipal affairs should be considered or adopted at the Annual Conference.

2. The issue is not of a purely local or regional concern.

3. The recommended policy should not simply restate existing League policy.

4. The resolution should be directed at achieving one of the following objectives:

   (a) Focus public or media attention on an issue of major importance to cities.

   (b) Establish a new direction for League policy by establishing general principals around which more detailed policies may be developed by policy committees and the board of directors.

   (c) Consider important issues not adequately addressed by the policy committees and board of directors.

   (d) Amend the League bylaws (requires 2/3 vote at General Assembly).

LOCATION OF MEETINGS

Policy Committee Meetings
Wednesday, September 30
Hilton San Jose
300 Almaden Boulevard, San Jose

9:00 a.m. – 10:30 a.m.:	Environmental Quality Housing, Community & Economic Development
10:30 a.m. – Noon:	Administrative Services Revenue and Taxation

General Resolutions Committee
Thursday, October 1, 1:00 p.m.
San Jose Convention Center
150 West San Carlos Street, San Jose

Annual Business Meeting and General Assembly Luncheon
Friday, October 2, 12:00 p.m.
San Jose Convention Center
150 West San Carlos Street, San Jose

KEY TO ACTIONS TAKEN ON RESOLUTIONS

Resolutions have been grouped by policy committees to which they have been assigned.

Number	Key Word Index	Reviewing Body Action		
		1	2	3

1 - Policy Committee Recommendation to General Resolutions Committee
2 - General Resolutions Committee
3 - General Assembly

ADMINISTRATIVE SERVICES POLICY COMMITTEE

		1	2	3
1	League Bylaw Amendment			

ENVIRONMENTAL QUALITY POLICY COMMITTEE

		1	2	3
4	Compensation for Prolonged Electrical Power Outages			

HOUSING, COMMUNITY & ECONOMIC DEVELOPMENT POLICY COMMITTEE

		1	2	3
2	Overconcentration of Alcohol & Drug Treatment Facilities			
3	Residential Rentals, Support for SB 593 (McGuire)			

REVENUE AND TAXATION POLICY COMMITTEE

		1	2	3
3	Residential Rentals, Support for SB 593 (McGuire)			

Information pertaining to the Annual Conference Resolutions will also be posted on each committee's page on the League website: www.cacities.org. The entire Resolutions Packet will be posted at: www.cacities.org/resolutions.

KEY TO ACTIONS TAKEN ON RESOLUTIONS *(Continued)*

Resolutions have been grouped by policy committees to which they have been assigned.

KEY TO REVIEWING BODIES

1. Policy Committee
2. General Resolutions Committee
3. General Assembly

ACTION FOOTNOTES

* Subject matter covered in another resolution

** Existing League policy

*** Local authority presently exists

KEY TO ACTIONS TAKEN

A	Approve
D	Disapprove
N	No Action
R	Refer to appropriate policy committee for study
a	Amend+
Aa	Approve as amended+
Aaa	Approve with additional amendment(s)+
Ra	Refer as amended to appropriate policy committee for study+
Raa	Additional amendments and refer+
Da	Amend (for clarity or brevity) and Disapprove+
Na	Amend (for clarity or brevity) and take No Action+
W	Withdrawn by Sponsor

Procedural Note:
The League of California Cities resolution process at the Annual Conference is guided by the League Bylaws. A helpful explanation of this process can be found on the League's website by clicking on this link: Resolution Process.

2015 ANNUAL CONFERENCE RESOLUTIONS

RESOLUTION REFERRED TO ADMINISTRATIVE SERVICES POLICY COMMITTEE

1. RESOLUTION RELATING TO LEAGUE BYLAWS AMENDMENTS REGARDING SUCCESSION OF LEAGUE OFFICES TO FILL VACANCIES

Source: League Board of Directors
Referred to: Administrative Services Policy Committee
Recommendation to General Resolutions Committee:

WHEREAS, the League of California Cities® is a nonprofit mutual benefit corporation under California law and, as such, is governed by corporate bylaws; and

WHEREAS, the League's Board of Directors periodically reviews the League's bylaws for issues of clarity, practicality, compliance with current laws, and responsiveness to membership interests; and

WHEREAS, on two occasions in recent years when vacancies arose in office of President of the Board of Directors after disappointing reelection results, the vacancy was filled in accordance with the League Bylaws by the First Vice President becoming President at the next Board meeting. This left a vacancy in the office of First Vice President that was filled by the Board by advancing the Second Vice President. This required recruiting a new Second Vice President that the Board chose, as provided in the Bylaws, from the ranks of the Board itself; and

WHEREAS, in September 2014 the Board chose a new Second Vice President as usual and also a new First Vice President who had not previously served as Second Vice President because the prior Second Vice President was elected to county office and was no longer eligible. When the President was not reelected in November 2014, the First Vice President advanced to the office of President with only two months of experience as a League officer. Additionally, the Second Vice President was advanced to First Vice President; and

WHEREAS, the Board of Directors believe this confluence of events twice in recent years demonstrates a weakness in the succession of League offices required by the League Bylaws because the accelerated advancement of officers in the event of a vacancy in the office of President may deprive the junior officers and the League of adequate time to serve and develop expertise and relationships in the offices of Second and First Vice President; and

WHEREAS, it is the unanimous recommendation of the League Board that the League membership amend article VIII, section 4, of the League bylaws to allow the Immediate Past President to fill an unexpected vacancy in the office of President for the unexpired term if the Immediate Past President agrees. If not, the current succession process would occur; and now, therefore, be it,

RESOLVED, by the General Assembly of the League of California Cities assembled in Annual Conference in San Jose, October 2, 2015, that article VIII, section 4 of the League bylaws be amended to read as follows:

Article VIII: Officers

Section 1: Identity.

The officers of the League are a President, a First Vice-President, a Second Vice-President/Treasurer, an Immediate Past President, and an Executive Director.

Section 2: Duties of League Officers.

(a) President. The President presides at all League Board meetings and all General Assemblies. The President has such other powers and duties as may be prescribed by these bylaws or the League Board.

(b) First Vice-President. The First Vice-President carries on the duties of the President in the President's temporary absence or incapacity. The First Vice-President has such other powers and duties as may be prescribed by these bylaws or the League Board.

(c) Second Vice-President/Treasurer. The Second Vice-President/Treasurer carries on the duties of the President in the President's and First Vice-President's temporary absence or incapacity. The Second Vice-President/Treasurer has such other powers and duties as may be prescribed by these bylaws or the League Board.

Section 3: Election.

The League Board elects the League's President, First Vice-President and Second Vice-President for terms of one year. The election occurs at the League Board's meeting at the Annual Conference.

Section 4: Vacancies.

A vacancy in the office of President is filled ~~at the next meeting of the League Board~~ by the *Immediate Past President who shall serve for the unexpired term of office and, upon election of a new President at the next Annual Conference, shall subsequently serve a full term as Immediate Past President. In the event the Immediate Past President is not available to fill the vacancy in the office of the President, or declines in writing, it shall be filled by the* succession of the First Vice-President to that office. A vacancy in the office of First Vice-President, or Second Vice-President/Treasurer, is filled for the un-expired term by appointment *by the League Board* of a member of the League Board. A vacancy in the office of the Immediate Past President is filled for the un-expired term by the last Past President continuing to hold a city office.

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Background Information on Resolution No. 1

Source: League Board of Directors

Background:
In 2010 and again recently in 2014 the city official elected League President at the Annual Conference in September was not returned to office by the voters of their city. This development triggered a series of steps laid out in the order of succession in the League Bylaws that mandates that the First Vice President advance to the office of President at the next Board meeting and that the Board fill the vacancy in the office of First Vice President for the remainder of the term.

When the Board filled the League offices in September 2014, the Second Vice President could not advance to First Vice President since she had been elected to the office of county supervisor and was ineligible to serve. Consequently the Board selected two directors to fill both the offices of First Vice President and Second Vice President. Neither had previously served as a League officer.

When the vacancy in the office of President occurred after the November general election, the First Vice President advanced to the office of President after having served only two months as a League officer in contrast to the normal advancement process of twenty-four months. The Second Vice President was advanced to the office of First Vice President after having served only two months as a League officer. The Board also chose a new Second Vice President.

At the February, 2015 meeting of the League Board of Directors, the Executive Committee recommended unanimously an amendment to the order of succession in Art. VIII, Sec. 4 of the League Bylaws. The proposed amendment would allow the most experienced member of the Executive Committee, the Immediate Past President, to fill out the remainder of the term of office of a President who leaves the office before its term is completed if the Immediate Past President is willing and able to do so. This arrangement would allow the First Vice President to continue serving and to advance to the office of President on the schedule envisioned by the League Bylaws. If the Immediate Past President were unable or unwilling to serve, the existing order of succession would occur.

//////////

League of California Cities Staff Analysis on Resolution No. 1

Staff: Alicia Lewis
Committee: Administrative Services Policy Committee

Summary:
This resolution seeks to streamline the succession process when filling a vacancy for the office of President of the Board of Directors. It would allow for the League bylaws to be amended, allowing the Immediate Past President to fill an unexpected vacancy in the office of President for the remainder of the vacating President's term. Changes to League bylaws require a 2/3 vote of the General Assembly.

Background:
The past few years have yielded several occasions where the succession line for Board of Directors leadership was disrupted due to disappointing election results and officers taking office outside of city government.

In September 2014 the Board chose a new First and Second Vice President. The First Vice President had not previously served as Second Vice President because the prior member was elected to county office and therefore no longer eligible. When the President was not reelected in the November 2014, the First Vice President advanced to the office of President with only two months of experience as a League officer. Additionally, the Second Vice President was advanced to First Vice President. This transition far outpaced the normal process for advancing as an officer on the Board of Directors.

Fiscal Impact:
This impact of this resolution would have no fiscal impact.

Comments:
The nature of this resolution is to ensure that there is a smooth succession process in place and that current Vice-Presidents (First and Second) have ample time to prepare for their role as President. By

allowing the Immediate Past President to finish out the term of a vacated presidency the Board would ensure there is minimal disruption to the workflow and goals of the association.

RESOLUTION REFERRED TO HOUSING, COMMUNITY & ECONOMIC DEVELOPMENT POLICY COMMITTEE

2. A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES CALLING FOR LEGISLATION TO PRESERVE THERAPEUTIC ENVIRONMENTS FOR GROUP HOMES AND AVOID IMPACTS OF OVERCONCENTRATION OF ALCOHOL AND DRUG ABUSE RECOVERY AND TREATMENT FACILITIES IN RESIDENTIAL NEIGHBORHOODS

Source: City of Malibu
Concurrence of five or more cities/city officials: Cities: Artesia; Duarte; La Canada Flintridge; Lakewood; Lomita; and Pico Rivera. City Officials: Los Angeles Council Member Mitchell Englander
Referred to: Housing, Community and Economic Development Policy Committee
Recommendation to General Resolutions Committee:

WHEREAS, residential group home facilities provide valuable rehabilitation and support services for those who live in them, which benefits the greater society; and

WHEREAS, state departments license these facilities through several state agencies, and operators are required to meet various state statutory requirements; and

WHEREAS, in addition to residents, these facilities often include live-in managers and other staff, who provide a variety of services to residents which may include meals, workshops, training, counseling and other services. These uses and services may also require frequent deliveries to be made to the facility, shuttle van service provided to residents, and additional automobile traffic due to shift changes, visiting hours, and other activities. Collectively, these uses often generate more noise and activity than expected from a traditional single-family home; and

WHEREAS, the overconcentration of residential group homes changes the character of neighborhoods as they become centers for the delivery of various services. This environment not only creates a disruption to long-time residents, it can also diminish the quality of the residential treatment experience for group home residents as the neighborhood assumes a more institutional setting; and

WHEREAS, the State and local governments operate in partnership regarding the location of these residential care facilities in residential neighborhoods in order to carry out the policy of the State to prevent overconcentration of such facilities in these neighborhoods; and

WHEREAS, the state has adopted a 300 foot separation requirement between facilities licensed by the Department of Social Services, [1] but these siting standards have not been extended to apply to facilities licensed by other state agencies such as the Department of Health Care Services or other licensed or unlicensed facilities; and

WHEREAS, it is the policy of the State that each county and city permit and encourage development of sufficient numbers and types of alcoholism or drug abuse recovery or treatment facilities as are commensurate with local need;[2] and

---

[1] Health & Safety Code Section 1520.5
[2] Health & Safety Code Section 11834.20

WHEREAS, the California Fair Employment and Housing Act includes legal protection against discrimination against persons with disabilities through zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law;[3] and

WHEREAS, the Americans with Disabilities Act requires public entities to make reasonable accommodations in policies, practices, or procedures to avoid discrimination on the basis of a disability;[4] and

WHEREAS, there is no provision in State law that allows for the consideration of the impact of alcoholism or drug abuse recovery or treatment facilities on single-family neighborhoods or the overconcentration of these facilities as there is for residential group home facilities; and

WHEREAS, many community concerns could be addressed if State agencies communicated and collaborated more with local governments; and

WHEREAS, the League of California Cities is committed to working in partnership with the Legislature and Administration to address overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods while respecting important legal rights of patients and legal obligations established by State and federal law.

RESOLVED, at the League of California Cities General Assembly, assembled at the League Annual Conference on October 2, 2015 in San Jose, that the League calls for the Governor and the Legislature to work with the League and other stakeholders to address the following issues:

1. Explore options to address overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods while respecting important legal rights of patients and legal obligations of public entities.
2. Avoid the creation of institutional settings when multiple facilities are concentrated in a single location, while also reducing noise, congestion and other concerns often raised by residents in residential neighborhoods.
3. Determine the appropriate balance between not-for-profit (including county) facilities and for-profit facilities in residential neighborhoods.

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Background Information on Resolution No. 2

Source: City of Malibu

Background:
State law preempts local zoning regulation for licensed drug and alcohol treatment facilities. State and federal anti-discrimination laws require cities to treat facilities that function as single housekeeping units the same as any other "family." In many areas of the state, these facilities are impacting residential neighborhoods because their concentration in certain neighborhoods tends to change the character of the area from a residential neighborhood to more like a hospital and institutional zone in terms of the land use impacts.

In order to avoid overconcentration in residential neighborhoods, most state-licensed group homes are required by state law to meet certain distancing requirements from other licensed group homes. Alcohol

[3] Government Code 12955(l)
[4] 42 U.S.C. Section 12134

and drug programs are treated differently under state law in this respect and no distancing requirements apply. In fact, the state licensing agency does not impose any restrictions on the number of facilities in the vicinity of one another and have been allowing licensees to obtain two licenses on one lot and to operate integrated multi-structure facilities under the guise of multiple single-family residential licenses. Similarly, state law currently requires private foster family agencies operating in residential zones to be organized and operated on a nonprofit basis, while drug and alcohol programs and sober living homes are permitted to operate as a for-profit business in residential zones. The addiction recovery industry has become big business. There are now thousands of treatment facilities and sober living homes in California and the number is rapidly increasing.

State policy sought integration of group homes into residential neighborhoods, not disintegration of the residential character of the neighborhoods. A course correction is required to advance state policy. Through zoning authority, cities can preserve the very neighborhoods that the community-care model depends on to provide the therapeutic environment of a residential neighborhood. Distancing requirements both respond to the biggest concern of local government (over concentration that impairs neighborhood character) and advances state policy. In addition, limiting the zoning preemption to non-profit programs will also assist in preserving the integrity of residential neighborhoods.

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League of California Cities Staff Analysis on Resolution No. 2

Staff: Dan Carrigg
Committee: Housing, Community and Economic Development

Summary:
This Resolution calls for the Governor and the Legislature to work with the League and other stakeholders to explore options to address overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods while respecting important legal rights of patients and legal obligations of public entities, avoid the creation of institutional settings when multiple facilities are concentrated in a single location, and determine the appropriate balance between not-for-profit (including county) facilities and for-profit facilities in residential neighborhoods.

Background:
The City of Malibu is sponsoring this resolution as a way of highlighting an issue that continues to create zoning and land use problems in single-family neighborhoods. While this is not a new issue for the League and its cities, and the League has existing policy in this area, the sponsors view the passage of this resolution as helpful in restarting conversations with the Legislature and the Governor's Administration that can hopefully lead to productive solutions.

HCED Committee member and Malibu Council Member Lou La Monte raised this issue at the Committee's June meeting, where he presented a resolution that had recently been adopted by the California Contract Cities Association on May 15. The Committee encouraged him to work with League staff in his effort to draft a measure to be presented at the League's annual conference. League staff worked with Mr. La Monte in this regard, mostly in helping ensure that the various "whereas clauses" appropriately reflect the important legal rights of patients and obligations of public entities that Legislators will expect to be balanced in any solutions to local land use issues.

Resolved Clauses from Recent CCCA Resolution:

NOW THEREFORE, *the Members of the California Contract Cities Association hereby re-affirms its commitment to cooperation among units of government that serve the people of California and urges the*

California state legislature to enact legislation that empowers local government to preserve the residential character of neighborhoods necessary to effect state policy regarding group homes as follows:

1. *Amend the state law to provide the same distancing and notice requirements for ADP facilities as it does for Community Care Act facilities;*
2. *Enact legislation providing standards that prevent overconcentration of unlicensed sober living homes to maintain residential character of neighborhoods which has therapeutic benefit for the occupants; and*
3. *Restrict the zoning preemption for licensed ADP facilities to those owned and operated by non-profit organizations.*

Fiscal Impact:
Minor, if any.

Comment:

1) The League has significant existing policy in this area. In the past the League has had internal task forces and sponsored and supported various legislative proposals.

2) Making significant progress in this area has been difficult in the Capitol. Federal and state fair housing and anti-discrimination laws and various court decisions have bearing on local authority in this area. Patient advocacy groups and sympathetic legislators have been suspicious of any solutions that they see as limiting patient access. Thus, any effort to develop solutions to address local land use concerns must also remain sensitive to these issues and the perspective of legislators that sit on committees with jurisdiction in these areas.

Existing League Policy:
Related to this Resolution, existing policy provides:

- The League supports permitting cities to exercise review and land use regulation of group home facilities and residential care facilities in residential neighborhoods including the application of zoning, building and safety standards. State and county licensing agencies should be required to confer with the city's planning agency in determining whether to grant a license to a community care facility. The League recognizes that better review and regulation of residential care facilities will protect both the community surrounding a facility and the residents within a facility from a poorly managed facility or the absence of state oversight.
- The League supports state legislation to require a minimum distance of 300 feet between all new and existing residential care facilities. The League supports notification of cities about conditional release participants residing in group homes.

RESOLUTION REFERRED TO HOUSING, COMMUNITY & ECONOMIC DEVELOPMENT AND REVENUE & TAXATION POLICY COMMITTEES

3. A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES SUPPORTING SB 593 (MCGUIRE) AND CONTINUED LOCAL FLEXIBILITY FOR CITIES AS THEY ADDRESS NEIGHBORHOOD AND FISCAL IMPACTS OF TEMPORARY RENTALS OF RESIDENTIAL UNITS

Source: City of West Hollywood
Concurrence of five or more cities/city officials: Cities of Healdsburg, Mammoth Lakes, Napa, Piedmont, Santa Cruz, Santa Monica, Sonoma
Referred to: Housing, Community & Economic Development; Revenue & Taxation Policy Committees
Recommendation to General Resolutions Committee:

WHEREAS, the temporary rental of residential houses, condominiums, rooms, and apartments for tourist or transient use is a developing part of the sharing economy; and

WHEREAS, while these rentals provide additional options to the traveling public, and income to affected property owners or tenants, it is also important that such rentals comply with local laws, regulations and ordinances; and

WHEREAS, the temporary rental of residential houses, condominiums, rooms, and apartments for tourist or transient use can present numerous challenges to neighborhoods and adjacent property owners and create additional noise, traffic, parking, privacy and public safety issues, subvert local rent-control laws, decrease available housing stock and in some cases turn residential neighborhoods into de-facto hotel rows; and

WHEREAS, where temporary rental of residential units for tourist or transient use is allowed in conformance with local laws, regulations and ordinances, the applicable transient occupancy tax (TOT) should also be collected. The temporary rental of residential units for tourist or transient use is in direct competition with hotels, motels and other accommodations where guests pay the local TOT, so all such uses should be subject to the same tax. The revenues generated support local streets, roads, fire, police, lifeguards, trash pick-up, park maintenance and other local public services which directly affect local quality of life and the attraction of the community for a visitor; and

WHEREAS, the Thriving Communities and Sharing Economy Act, introduced as SB 593 by Senator Mike McGuire (D-2, Healdsburg), prohibits the operators of transient residential hosting platforms from advertising residential units for tourist or transient use if such use will violate any ordinance, regulation, or law within the applicable city or county that opts into its provisions, and requires the confidential quarterly reporting to the city or county of the following information (if the City or County adopts an ordinance requiring the reporting of the data):

1. The address of each residential unit that was occupied for tourist or transient use during the quarterly period.
2. The total number of nights the residential unit was occupied for tourist or transient use.
3. The amounts paid for the occupancy of the residential unit for tourist or transient use.

WHEREAS, the provisions of SB 593 bolster existing local authority to enforce local ordinances and collect revenue associated with the temporary rental of residential units by allowing local agencies access to the data necessary to enforce their ordinances and requiring short-term rental hosting platforms to collect local TOT and remit it to the appropriate jurisdiction if short-term rentals are allowed in that jurisdiction; and

WHEREAS, the provisions of SB 593 provide a helpful regulatory framework that cities and counties may choose in lieu of exercising their existing authority; and

WHEREAS, the League of California Cities supports SB 593 because it recognizes and preserves local flexibility to address the temporary rental of residential units in the manner that best fits with the unique issues and conditions found in each local jurisdiction; and

WHEREAS, SB 593 provides local jurisdictions with the data and framework necessary to collect TOT revenues from short-term rentals, to pay for vital local services; and

WHEREAS, SB 593 provides local jurisdictions with the data and framework necessary to enforce local regulations designed to ensure the safety of the public and residents living adjacent to short-term rentals; and

WHEREAS, despite any existing challenges faced by cities in regulating or collecting revenue from the temporary rental of residential units, cities would oppose any effort to undermine their existing local authority to regulate land use or collect local TOT revenue.

RESOLVED, at the League of California Cities General Assembly, assembled at the League Annual Conference on October 2, 2015 in San Jose, as follows:

1. Land use regulation and local tax collection are best overseen and implemented locally.

2. While temporary rental of residential units can offer innovative opportunities for travelers and property owners within the developing sharing economy, cities must retain flexibility to address any problems raised by such uses in a manner that reflects the unique issues and conditions in their communities.

3. Cities have existing legal authority and tools to regulate and collect revenue from the temporary rental of residential units, and SB 593 provides the data and framework that supports and bolsters such local efforts.

4. The League encourages cities to support SB 593.

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Background Information on Resolution No. 3

Source: City of West Hollywood

Background:
The sharing economy has quickly become common place in the everyday life of many individuals, whether they participate in ride-sharing, have rented a short-term residential unit, or live in a community were either is prevalent. The sharing economy has provided benefits to many, but also includes many issues that must be addressed in order to allow these sharing practices to effectively incorporate into our communities. Specifically, the short-term rental of residential units has grown exponentially within the last several years throughout the State, and its impacts need to be addressed.

Presently, many cities and counties prohibit the renting of residences for less than 30 days. However, these prohibitions are frequently ignored by Online Vacation Rental Businesses ("OVRBs"), causing unwanted burdens on cities while reducing TOT collection from sanctioned hotels. The short-term rental of residential properties presents numerous challenges within neighborhoods and to adjacent property owners. They may create additional noise, traffic, parking, privacy and public safety issues, subvert local rent-control laws, decrease available housing stock and in some cases turn residential neighborhoods into de-facto hotel rows. The rentals facilitated by OVRB's in these cities and counties go against the expressed wishes of the residents.

For the cities and counties that do allow short-term residential rentals, most require hosts to register and that transient occupancy taxes be paid. However, registration and payment of TOT in these cities and counties are based on the owners of the short terms residential units voluntarily reporting their rental activity. However, there has been a severe under-registration of hosts and underpayment of TOT. Only 10% of hosts in San Francisco have followed the city ordinance to register. Sonoma County has had to spend in excess of $200,000 in an attempt to track down those rentals that are not paying the required TOT under the ordinance. And Los Angeles is currently experiencing a rental housing shortage due in part to the recent popularity of OVRBs.

Cities and counties have been unable to obtain this information due to the fact that OVRB's pass their responsibility to individual homeowners. This lack of oversight and enforcement presents a gap in accountability, and as a result, local laws and regulations are not being followed.

Sen. Mike McGuire's Thriving Communities and Sharing Economy Act (SB 593) will provide local jurisdictions with the data and framework necessary to collect TOT revenues from short-term rentals, to pay for vital local services; or conversely, the data necessary to help cities enforce local regulations designed to ensure the safety of the public and residents living adjacent to short-term rentals, if those rental are not allowed.

Specifically, SB 593 would: 1) Prohibit the operators of short-term residential hosting platforms from advertising residential units for tourist or transient use if such use will violate any ordinance, regulation, or law, within the applicable city that opts into the bill's provisions; 2) Require short-term rental housing platforms to collect and remit applicable transient occupancy tax (if short-term rentals are allowed in the city and the collection of TOT is required by the city); and 3) Require the confidential quarterly reporting of the address of each residential unit that was occupied for tourist or transient use during the quarterly period, the total number of nights the residential unit was occupied for tourist or transient use, and the amounts paid for the occupancy of the residential unit for tourist or transient use.

The premise of SB 593 is simple: reinforce local laws already on the books. Where vacation rentals are legal, the bill will assist local jurisdictions in their regulation and collection of Transient Occupancy Taxes, (TOT) as more than 430 cities and 56 counties impose a TOT. Where vacation rentals are illegal by local ordinance, the bill will prohibit online vacation rental businesses from making a rental.

The Thriving Communities and Sharing Economies Act will empower local control, provide desperately needed funding for parks, local roads, fire and police services, and promote safe neighborhoods. SB 593 will require online vacation rental businesses to disclose information to cities and counties and/or collect and disperse Transient Occupancy Tax dollars – projected to be in the hundreds of millions of dollars statewide.

The emerging short term rental industry is an important segment of the state economic fabric and an issue of statewide importance. SB 593 would assist in facilitating a shared economy that will be beneficial to California's cities and their residents.

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League of California Cities Staff Analysis on Resolution No. 3

Staff: Dan Carrigg
Committees: Housing, Community & Economic Development; Revenue & Taxation

Summary:
This Resolution seeks to highlight and increase support for SB 593 (McGuire), which is pending in the Legislature. SB 593, titled the Thriving Communities and Sharing Economy Act, seeks to bolster local efforts to regulate and collect transient occupancy taxes from the temporary rental of residential houses, condominiums, rooms, and apartments for tourists and transient use. The League is currently in support of this legislation.

Background:
The City of West Hollywood and other cities are sponsoring the resolution in an effort to expand awareness of the issue among cities and encourage additional support for SB 593. They view the

legislation as helpful in bolstering local efforts to appropriately regulate a growing vacation rental industry.

The author introduced SB 593 based upon his past experience as both former Mayor of Healdsburg and a Sonoma County Supervisor. These areas are popular with tourists, and the affected communities are facing increasing land use and revenue collection issues. SB 593 is currently on the Senate Floor and is considered a "two-year bill," meaning that it cannot move until January 2016.

In addition to the League, SB 593 has a broad range of support:

Support: American Federation of State, County, and Municipal Employees, AFL-CIO; American Hotel and Lodging Association; Asian American Hotel Owners Association; American Insurance Association; Association of California Insurance Companies; Andaz West Hollywood General Manager Lin Schatz; Association for Los Angeles Deputy Sheriffs; City of Big Bear Lake; Borrego Springs Chamber of Commerce & Visitors Bureau; California Apartment Association; California Association of Boutique and Breakfast Inns; California Association of County Treasurers and Tax Collectors; California Apartment Association; California Association of Code Enforcement Officers; California College and University Police Chiefs Association; California Narcotics Officers Association; California Police Chiefs Association; California Hotel and Lodging Association; California Labor Federation; California Professional Firefighters; California State Association of Counties; California Teamsters Public Affairs Council; Contra Cost County Treasurer-Tax Collector Russell Watts; Paul Desterman, Mindy Desterman; El Dorado County Treasurer-Tax Collector C.L. Raffety; Douglas Engmann; Fairmont San Jose General Manager Kelley Cosgrove; Hilton Los Angeles/Universal City General Manager Mark Davis; Hotel Association of Los Angeles; Hotel Council of San Francisco; Humboldt County Convention and Visitors Bureau; International Faith Based Coalition; League of California Cities; Long Beach Firefighter Association; Los Angeles Alliance for a New Economy; Los Angeles Police Protective League; Town of Mammoth Lakes; Marin County Council of Mayors and Councilmembers; Marriot Courtyard in Larkspur General Manager Sam Pahlavan; Denise McNicol; Mendocino County Board of Supervisors; Mendocino County Treasurer-Tax Collector Shari Schapmire; Mono County Board of Supervisors; Ashok Mukherje; National Association of Mutual Insurance Companies; Neighbors for Overnight Oversight; Jenny Oaks; Pacific Association of Domestic Insurance Companies; Riverside Sheriffs Association; Rural County Representatives of California; Sacramento Hotel Association; San Diego County Hotel-Motel Association; San Franciscans for Reasonable Growth; San Luis Obispo County Auditor-Controller-Treasurer-Tax Collector James Erb; San Mateo County Central Labor Council; Santa Cruz County Convention and Visitors Council; Service Employees International Union; ShareBetter San Francisco; Sierra County Auditor-Treasurer-Tax Collector Van Maddox; Siskiyou County Treasurer-Tax Collector Wayne Hammar; Sonoma County Auditor-Controller-Tax Collector David Sundstrom; Sonoma County Board of Supervisors; City of Thousand Oaks; Tulare County Auditor-Controller-Treasurer-Tax Collector Rita Woodard; Tuolumne County Treasurer-Tax Collector Shelley Piech; UNITE-HERE, AFL-CIO; United Firefighter of Los Angeles City, Local #112; Natasha Yankoffski.

Opposition: Airbnb; Consumer Watchdog; Internet Association, TechNet.

Fiscal Impact:
Transient Occupancy Taxes are a significant source of local revenue. Many cities and counties are encountering challenges identifying units in their community that are being used as vacation rentals and collecting associated revenue. Where vacation rentals are permitted by local ordinance, the passage of SB 593 can assist local efforts, thereby increasing local revenues to support local services.

Comment:

3) Earlier this year the League's Housing Community and Economic Development Committee and Revenue and Taxation Committee reviewed an earlier version of SB 593 and initially adopted a

Support, If Amended position, which was concurred with by the League board. The author later incorporated the League's amendments into the bill and the League issued a support letter on the current version of the bill.

4) Local governments already have extensive authority to regulate land use and collect local taxes. While vacation rentals may be an increasingly popular option for the traveling public, local ordinances are beginning to adjust. The League supports SB 593 because it is crafted in a way that supports local authority in dealing with this emerging issue. Local agencies can either opt in to its provisions or continue to address issues differently under their existing local authority.

Existing League Policy:
Related to this Resolution, existing policy provides:

HCED Policy: The League believes that local zoning is a primary function of cities and is an essential component of home rule.

Rev. & Tax Policy: Additional revenue is required in the state/local revenue structure. There is not enough money generated by the current system or allocated to the local level by the current system to meet the requirements of a growing population and deteriorating services and facilities.

RESOLUTION REFERRED TO ENVIRONMENTAL QUALITY POLICY COMMITTEE

4. RESOLUTION CALLING UPON THE GOVERNOR AND THE LEGISLATURE TO WORK WITH THE LEAGUE OF CALIFORNIA CITIES TO ENACT LEGISLATION OR TO OTHERWISE COMPEL SOUTHERN CALIFORNIA EDISON TO CREATE A PROGRAM TO AUTOMATICALLY PROVIDE DIRECT COMPENSATION TO ITS CUSTOMERS AFFECTED BY PROLONGED ELECTRICAL POWER OUTAGES UNDER SPECIFIED CIRCUMSTANCES.

Source: City of Rancho Palos Verdes
Concurrence of five or more cities/city officials: Cities of Hermosa Beach, Lomita, Palos Verdes Estates, Rolling Hills and Rolling Hills Estates
Referred to: Environmental Quality Policy Committee
Recommendations to General Resolutions Committee:

WHEREAS, local governments in California are often reliant upon investor-owned private utility companies for the provision of electrical power to their citizens, businesses and institutions; and,

WHEREAS, the reliability and consistency of electrical supply and transmission is critically important to local governments to ensure the protection of the public safety, health and general welfare of communities; and,

WHEREAS, prolonged disruptions in electrical service can jeopardize the health of citizens who have a variety of physical challenges and rely on a constant source of power for medical devices; the safety of senior citizens who are particularly susceptible to injury if power outages persist for long periods of time into evening hours; and the financial well-being of citizens, businesses and institutions that suffer from the loss of food, medication and other perishable items during prolonged power outages; and,

WHEREAS, Southern California Edison (SCE), an investor-owned utility serving 15 million customers in Southern and Central California, experiences frequent and prolonged service disruptions due to both planned and unplanned outages, equipment failures and weather-related events, which adversely affect local governments within its service area; and,

WHEREAS, SCE has been fined by the California Public Utilities Commission in the past due to prolonged service disruptions, most recently being levied a $24.5 million penalty as a result of a prolonged outage that resulted from a wind storm in 2011; and,

WHEREAS, although SCE provides a claim process by which its customers may seek compensation for financial losses incurred as a result of prolonged service disruptions, SCE appears to reject most such claims; which places an unreasonable burden upon its customers and creates a false impression that customers will be compensated for their losses; and,

WHEREAS, at least one other investor-owned utility in California, Pacific Gas and Electric (PG&E) in Northern and Central California, has existing programs and procedures in place ("Safety Net" and "Service Guarantee") that automatically and directly compensate its customers when they are affected by prolonged service disruptions, including disruptions due to weather events and other causes, without the need for customers to seek compensation through a claim process; and,

WHEREAS, these PG&E programs provide for "Storm Inconvenience Payments" of $25 to $100 for weather-related service disruptions of forty-eight (48) hours or more; as well as $30 service credits in instances of where the customer's electrical service is not restored within four (4) hours, or the customer is not provided with a time for service restoration within four (4) hours; the customer is without electrical service for twenty-four (24) hours or more in the event of unplanned service disruptions (unless the cause of the disruption is completely beyond the utility's control); and the customer is without electrical service as a result of a planned service interruption where less than seventy-two (72) hours' notice is provided to the customer; and,

WHEREAS, local governments within SCE's service area believe that requiring SCE to implement automatic and direct compensation programs for prolonged service disruptions, similar to those implemented by PG&E, will provide tangible relief to citizens, businesses and institutions that are adversely affected by prolonged outages, and will incentivize SCE to improve the reliability of its equipment and service; and now therefore let it be,

RESOLVED by the General Assembly of the League of California Cities, assembled in San Jose on October 2, 2015, that the League calls for the Governor and the Legislature to work with the League of California Cities to enact legislation or to otherwise compel SCE to create a program to automatically provide direct compensation to its customers affected by prolonged electrical power outages under specified circumstances; and let it be,

FURTHER RESOLVED that such program shall be modeled upon PG&E's "Safety Net" and "Service Guarantee" programs, and shall cover weather-related events and planned and unplanned service disruptions.

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Background Information on Resolution No. 4

Source: City of Rancho Palos Verdes

Background:
The City of Rancho Palos Verdes and other cities in the South Bay region of Los Angeles County have longstanding concerns regarding the ineffective process by which Southern California Edison (SCE) addresses residents' claims, and desires to obtain the League's assistance in correcting that process. On the Palos Verdes Peninsula, SCE's aged infrastructure has caused fires and repeated, prolonged power

outages. The prolonged power outages are the focus of this request, because they adversely affect residents in a variety of ways, particularly:

- Residents who have a variety of physical challenges and rely on a constant source of power for medical devices;
- Residents who are senior citizens and are particularly susceptible to injury if power outages persist for a long period of time into the evening hours; and,
- Residents who suffer financial burdens as a result of losing food, medication and other perishable items during prolonged power outages.

The California Public Utilities Commission (CPUC) has the authority to impose penalties on utilities, including for prolonged power outages, and did so in connection with an extreme wind event that occurred in the Los Angeles area in 2011. However, the CPUC is not authorized to award claims to residents for prolonged electrical power outages. If a resident has a claim he or she wishes to pursue, the resident must file a claim with SCE, along with documentation of the financial loss that was incurred. If the claim is rejected, the resident then must file a lawsuit against SCE (probably in small claims court). Most residents will not want to spend the time and effort to pursue small claims for monetary damages arising from extended power outages.

SCE only awards claims for damages caused by its own negligence. This means that if an extended power outage is caused by a weather-related event, the claim will be denied. The SCE website also states that it will not cover claims for power surges. Since SCE often moves power from one line to another to enable repairs and maintenance, SCE can be the cause of the power surge, but residents still will not receive compensation for those claims.

Proposed Legislation

The proposed resolution calls upon the Governor and Legislature to enact legislation (or take other action) that will provide rebates in flat amounts to SCE customers for extended power outages under specified conditions. The proposed legislation could be modeled on the "Safety Net" and "Service Guarantee" programs offered by Pacific Gas and Electric (PG&E), another California-based investor-owned utility, which provides specific rebates to its customers based upon the type, cause and duration of service interruptions. These penalties are designed to provide direct compensation to SCE's customers who are adversely affected by prolonged power outages, and to incentivize SCE to restore the power as quickly as possible. They also will eliminate the frustration that SCE's customers experience as a result of SCE's existing claim process.

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League of California Cities Staff Analysis on Resolution No. 4

Staff: Jason Rhine
Committee: Environmental Quality

Summary:

Resolution No. 4 calls upon the Governor and the Legislature to work with the League of California Cities to enact legislation or to otherwise compel Southern California Edison (SCE) to create a program to automatically provide direct compensation to its customers affected by a prolonged electrical power outage under specified circumstances.

Background:

City of Rancho Palos Verdes asserts that the South Bay region of Los Angeles County has longstanding concern regarding the ineffective process by which SCE addresses residents' claims associated with

prolonged electrical power outages. The City believes that SCE's aged infrastructure has caused fires and repeated, prolonged electrical power outages. Prolonged electrical power outages can adversely affect residents who have physical challenges and rely on a constant source of power for medical devices; residents who are senior citizens and are particularly susceptible to injury if electrical power outages persist for a long period of time into the evening hours; and, residents who suffer financial burdens as a result of losing food, medication and other perishable items during prolonged electrical power outages.

According to information provided by SCE, SCE has the following customer compensation program:

Service Guarantee Program
SCE shall provide the following four service guarantees to its electric customers and provide a $30 credit when these service guarantees are not met. Unless otherwise stated below, the four service standards apply only to active service accounts served under the Residential, General Service and Industrial, or Agricultural and Pumping rate schedules.

- **Restoration of Service Within 24 Hours:** SCE will restore electrical service within 24 hours of when SCE first becomes aware of a power outage. The first credit will be applied if the outage exceeds 24 hours. Additional credits will be applied for each succeeding 24-hour period that the customer is without service. Partial credits will not be paid for outage periods less than a full 24-hour increment. ***Power outages associated with a moderate, severe, or catastrophic storm condition are exempt from the program.***
- **Missed Appointments:** When an appointment for a field service visit is made with a customer for a specific appointment time, and the customer's presence is required for establishing new service, a billing inquiry, or meter installation, SCE will arrive at the agreed upon appointment within 30 minutes before or after the scheduled time.
- **Notification of Planned Outages:** SCE will provide customers with notification of a planned outage at least three calendar days prior to the event. SCE will notify customers either by US Postal Service mail, by phone, in-person or door-to-door through door hangers, or by e-mail if SCE has the customer's e-mail address on file. If a planned outage is rescheduled to a new date not specified in the original notice to the customer, SCE will provide a new notice at least three calendar days in advance of the rescheduled planned outage.
- **Timely and Accurate First Bill:** SCE will issue an accurate first bill to a new customer of record within 60 days of establishing service. The bill and bill accuracy is defined according to the terms and conditions of SCE's Rule 9 (Rendering and Payment of Bills) and Rule 17 Section A (Adjustment of Bills and Meter Tests Usage) and Section D (Adjustment of Bills for Billing Error). The service guarantee credit process will be initiated once SCE is aware that the first bill was either inaccurate or issued beyond sixty days of establishing service. The first bill for any given customer account is eligible for only one service guarantee credit regardless of whether the bill is late, inaccurate, or both.

According to PG&E's website, PG&E offers the following customer compensation programs:

Compensation for Extended Outages
STORMS MESSAGE: If you are a residential customer and have gone without power for at least 48 hours due to severe storm conditions, you may qualify for a payment under PG&E's Safety Net Program. This program provides for the automatic payment of $25 - $100, which is paid about 60 days following the storm outage. In some cases, processing may take 90-120 days (heavy storm season).

Safety Net Program
We understand how inconvenient it is for customers who go without power for 48 hours or longer due to severe events, such as a storm. That is why PG&E created the following:

- PG&E will provide payments to residential customers we determine were without power for more than 48 hours due to a severe storm.
- The payments will range from $25 up to $100, depending on the length of the outage.

Eligibility

- The Storm Inconvenience Payment provision of the Safety Net Program applies to residential customers only (rate schedules E-1, E-6, E-7, E-8, E-9, EM, ES, ESR, ET, and EV); customers also may be enrolled in programs such as CARE and medical baseline.
- Businesses, agricultural accounts, multi-family building common areas, streetlights, and all other customers other than residential customers are ineligible for Storm Inconvenience Payments.
- Storm Inconvenience Payments will not be issued to customers in areas where access to PG&E's electric facilities was blocked (mud slides, road closures or other access issues). Also, if customer equipment prevented restoral or extended customer outage (ex. weatherhead, service drop, etc.).
- The outage must have occurred during a major weather-related event that caused significant damage to PG&E's electric distribution system.
- The outage must have lasted more than 48 hours.
- Storm Inconvenience Payments are in increments of $25 ($100 maximum per event). Payment levels are based on the length of the customer's outage:
  - 48 to 72 hours $25
  - 72 to 96 hours $50
  - 96 to 120 hours $75
  - 120 hours or more $100
- Both bundled-service and direct-access residential customers qualify for Storm Inconvenience Payments.
- Storm Inconvenience Payments will be issued to the customer of record.
- A customer with multiple residential services such as a primary residence and a vacation home is eligible for Storm Inconvenience Payments at each location where there was a storm-related outage of more than 48 hours.
- Customers must have an open account (service agreement) in good standing at the time of the outage and at the time payment is issued (generally 45 to 60 days after the event).
- For master-metered accounts such as mobile home parks, the customer of record will receive the Storm Inconvenience Payment for the master meter only.

Service Guarantee Program

Gas and electricity are essential to keep your life running smoothly, safely and efficiently. When your service is interrupted or in need of repair, you expect a reasonable and timely response. To ensure that we provide this to you, PG&E has implemented service guarantees, which spell out our commitment to prompt customer service for our customers:

- **Guarantee 1: Missed Appointments:** PG&E will meet the agreed upon appointment time set with our customer during contact with our Call Center or automatically credit your account $30.
- **Guarantee 2: Non-Emergency Investigations:** PG&E will investigate non-emergency situations (check meter) and communicate results to a customer within seven days of a customer's request. Check-meter appointments between October 15 and December 15 of each year will be scheduled within 10 workdays. If an off-site meter test is required, PG&E will communicate the results to the customer within 30 days. If access is required to the customer's premises, then an appointment is necessary. Failure to meet the service guarantee will result in a $30 credit to the customer's account. An automatic credit to the customer's account would apply only if PG&E misses a scheduled appointment date. If

the appointment is scheduled beyond five workdays, the customer must notify PG&E to receive the credit. If PG&E's records show that such scheduling was at the customer's request, the credit does not apply.

- **Guarantee 3: Emergency:** The Emergency Service Guarantee is not currently in effect.
- **Guarantee 4: Complaint Resolution:** PG&E will decide on a course of action to resolve a complaint and communicate it to the customer within three working days. PG&E will communicate the complaints resolution to the customer within 10 working days, or 30 working days when an off-site meter test is required or an on-site home audit is requested. Failure to meet the service guarantee will result in a $30 credit to the customer's account.
- **Guarantee 5: New Meter Installations:** PG&E will meet the agreed upon date for new service meter installations and service turn-ons or automatically credit your account $50.
- **Guarantee 6: Electric Service Disruptions:** PG&E will respond to customer calls reporting electric service interruptions within four hours by restoring service; or by informing the customer, upon request, when service restoration is expected; or automatically credit your account $30.
- **Guarantee 7: Electric Service Restoration:** PG&E will restore electric service within 24 hours, unless the cause is absolutely beyond our control, or we will automatically credit your account $30 for each 24-hour period you are without service.
- **Guarantee 8: Commencing Bills:** PG&E will issue an accurate commencing bill to a new customer account within 60 days of service initiation, or we will automatically credit your account $30.
- **Guarantee 9: Planned Interruptions:** PG&E shall provide at least three days' notice of a planned interruption in service. Failure to meet the service guarantee will result in a $30 credit to the customer's account. This guarantee will require a customer call and PG&E investigation to determine if PG&E's commitment to notify customers 72 hours in advance of planned interruptions was missed. Customers notified of planned service interruptions 72 hours in advance may have their service interrupted on multiple occasions on the date(s).
- **Guarantee 10: Service Termination in Error:** Impacted customers will be eligible for a $100 credit adjustment if PG&E terminates service in error.

Fiscal Impact:

No Impact on City Funds. Compelling SCE to create automatic direct compensation programs modeled on PG&E's "Safety Net" and "Service Guarantee" programs would have no direct fiscal impact on cities because the "Safety Net" program is limited to residential customers and the "Service Guarantee" program is very similar to SCE's existing program. However, residential customers would receive direct payments in specified circumstances for prolonged electrical power outages.

Comment:

- The City of Rancho Palos Verdes, in sponsoring this resolution, does not believe that SCE has an effective process to address customer damage claims associated with prolonged electrical power outages. According to the resolution, the City of Rancho Palos Verdes would like to compel SCE to create a program to automatically provide direct compensation to its customers affected by prolonged electrical power outages under specified circumstances. Additionally, the program would be modeled upon PG&E "Safety Net" and "Service Guarantee" programs, and shall cover weather-related events and planned and unplanned service disruptions.
- *What is SCE's process to provide relief to customers that have experienced a prolonged electrical power outage?* As part of SCE's four point service guarantee program, customers experiencing an electrical power outages exceeding 24 hours, may qualify for a $30 credit under specific conditions. <u>However, prolonged electrical power outages</u>

caused by a moderate, severe, or catastrophic storm condition are exempt from the program.

- *How does PG&E provide relief to customers that have experienced a prolonged electrical power outage?* Like SCE, PG&E has a multi-point service guarantee program that provides customer credits that range from $30 -$100 for a wide range of activities. In addition, PG&E has a specific, weather related program, the "Safety Net" program, which provides automatic, direct payment to customers experiencing electrical power outages, in excess of 48 hours.
- *What type of customer compensation program does the Resolution call for?* The Resolution calls for a customer compensation program that expands beyond PG&E's two existing programs. Under the Resolution, the City of Rancho Palos Verdes would like to compel SCE to adopt a program based on PG&E's "Safety Net" and "Service Guarantee" programs, and also cover weather-related events and planned and unplanned service disruptions.
- *Do these programs really provide funds to residential customers?* While the Resolution holds PG&E's programs in high esteem, after hearing from a number of city officials in PG&E's service territory, it seems that there is a great deal of skepticism around the effectiveness and utilization of their residential compensation programs. Is PG&E's program really working as described?
- *What about California's other Investor Owned Utilities (IOU) and municipal utilities?* The Resolution is directed at SCE. However, the committee may want to consider the implications of the Resolution on the other investor owned utilities and municipal utilities.
- *Is legislation the best approach?* The Resolution calls upon the Governor and the Legislature to work with the League of California Cities to enact legislation or to otherwise compel SCE to create a program to automatically provide direct compensation to its customers affected by a prolonged electrical power outage. Given that the California Public Utilities Commission regulates all of the investor owned utilities, it may be more appropriate to seek a regulatory change rather than a legislative proposal.
- *More information to come.* The Resolution could have broader implications beyond SCE and PG&E. Prior to the Environmental Quality Policy Committee and General Resolutions Committee meeting at Annual Conference, League staff will provide additional background information on the following:
    - Other IOU electrical power outage compensation programs.
    - Municipal utility electrical power outage compensation programs.
    - Role of the California Public Utilities Commission.

Existing League Policy:

In response to the energy crisis of 2001, the League of California Cities established extensive policy and guiding principles related to the electric industry. However, there is no existing policy that pertains to prolonged power outages or compensating customers for damages incurred during a prolonged power outage.

LETTERS OF CONCURRENCE

Resolution No. 2

Overconcentration of Alcohol & Drug Treatment Facilities

"Service Builds Tomorrow's Progress"

THE CITY OF ARTESIA, CALIFORNIA

18747 CLARKDALE AVENUE, ARTESIA, CALIFORNIA 90701
Telephone 562 / 865-6262
FAX 562 / 865-6240

July 15, 2015

President Stephany Aguilar
League of California Cities
1400 K Street Suite 400
Sacramento, CA 95814
Fax: (916) 658-8240

Re: A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES CALLING FOR LEGISLATION TO PRESERVE THERAPEUTIC ENVIRONMENTS FOR GROUP HOMES AND AVOID IMPACTS OF OVERCONCENTRATION OF ALCOHOL AND DRUG ABUSE RECOVERY AND TREATMENT FACILITIES IN RESIDENTIALNEIGHBORHOODS

Dear President Aguilar,

I, Mayor Pro Tem Victor Manalo, City of Artesia wish to support the League of California Cities resolution for legislation to preserve therapeutic environments for group homes and avoid impacts of overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods to be adopted on October 2, 2015 at the Annual League of California Cities Conference in San Jose, California.

In the interest of continuing local control, land use and planning and home rule, we believe the Governor and Legislature should respect the individuals' legal rights. The California Fair Employment and Housing Act includes legal protection against discrimination against persons with disabilities through zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law; and the Americans with Disabilities Act requires public entities to make reasonable accommodations in policies, practices, or procedures to avoid discrimination on the basis of a disability. There is no provision in State law that allows for the consideration of the impact of alcoholism or drug abuse recovery or treatment facilities on single-family neighborhoods or the overconcentration of these facilities as there is for residential group home facilities.

This resolution respectfully points out that community concern could be addressed if state agencies communicated and collaborated more with local government. Thank you in advance for considering, supporting and adopting the resolution at the annual conference on October 2, 2015.

Sincerely,

Victor Manalo
Mayor Pro Tem
City of Artesia

City of Duarte

City of Duarte

Sixteen Hundred Huntington Drive, Duarte, California 91010-2592
Tel 626-357-7931 FAX 626-358-0018 www.accessduarte.com

Mayor
Tzeitel Paras-Caracci
Mayor Pro Tem
Samuel Kang
Councilmembers
John Fasana
Margaret E. Finlay
Liz Reilly
City Manager
Darrell George

July 22, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street, Suite 400
Sacramento, CA 95814
Fax: (916) 658-8240

Re: A Resolution of the League of California Cities calling for legislation to preserve therapeutic environments for group homes, and avoid impacts of overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods

The City of Duarte wishes to support the League of California Cities' resolution for legislation to preserve therapeutic environments for group homes and avoid impacts of overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods, to be adopted on October 2, 2015, at the Annual League of California Cities Conference in San Jose, California.

In the interest of continuing local control, land use and planning, and home rule, we believe the Governor and Legislature should respect the individuals' legal rights. The California Fair Employment and Housing Act includes legal protection against discrimination against persons with disabilities through zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law. The Americans with Disabilities Act requires public entities to make reasonable accommodations in policies, practices, or procedures to avoid discrimination on the basis of a disability. There is no provision in State law that allows for the consideration of the impact of alcoholism or drug abuse recovery or treatment facilities on single-family neighborhoods, or the overconcentration of these facilities, as there is for residential group home facilities.

This resolution respectfully points out that community concern could be addressed if State agencies communicated and collaborated more with local government. Thank you in advance for considering, supporting, and adopting the resolution at the annual conference on October 2, 2015.

Sincerely,

Tzeitel Paras-Caracci
Mayor

City Council
David A. Spence, Mayor
Jonathan C. Curtis, Mayor Pro Tem
Michael T. Davitt
Leonard Pieroni
Terry Walker

July 15, 2015

President Stephany Aguilar
League of California Cities
1400 K Street Suite 400
Sacramento, CA 95814
Fax: (916) 658-8240

RE: A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES CALLING FOR LEGISLATION TO PRESERVE THERAPEUTIC ENVIRONMENTS FOR GROUP HOMES AND AVOID IMPACTS OF OVERCONCENTRATION OF ALCOHOL AND DRUG ABUSE RECOVERY AND TREATMENT FACILITIES IN RESIDENTIAL NEIGHBORHOODS

Dear President Aguilar:

I am a City Council member of the City of La Cañada Flintridge and wish to express my support of the League of California Cities' resolution for legislation to preserve therapeutic environments for group homes and avoid impacts of overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods. Said resolution is scheduled for consideration on October 2, 2015 at the Annual League of California Cities Conference in San Jose, California.

In the interest of continuing local control, land use and planning and home rule, I believe the Governor and Legislature should respect individuals' legal rights. The California Fair Employment and Housing Act includes legal protection against discrimination against persons with disabilities through zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law; and the Americans with Disabilities Act requires public entities to make reasonable accommodations in policies, practices, or procedures to avoid discrimination on the basis of a disability. There is no provision in State law that allows for the consideration of the impact of alcoholism or drug abuse recovery or treatment facilities on single-family neighborhoods or the overconcentration of these facilities as there is for residential group home facilities.

This resolution respectfully points out that community concern could be addressed if state agencies communicated and collaborated more with local government.

Thank you in advance for considering, supporting and adopting the resolution at the annual conference on October 2, 2015.

Sincerely,

Michael T. Davitt
Council Member
CCCA Executive Board Member

Ron Piazza
Vice Mayor

Steve Croft
Council Member

Todd Rogers
Council Member

Diane Dillon
Council Member

Jeff Wood
Mayor

July 21, 2015

President Stephany Aguilar
League of California Cities
1400 K Street Suite 400
Sacramento, California 95814

Re: Resolution for Legislation to Preserve Therapeutic Environments for Group Homes and Avoid Impacts of Overconcentration of Alcohol and Drug Abuse Recovery and Treatment Facilities in Residential Neighborhoods

Dear President Aguilar:

The City of Lakewood supports the League of California Cities' resolution for legislation to preserve therapeutic environments for group homes and avoid impacts of overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods. We support that this resolution be adopted at the Annual League of California Cities Conference on October 2, 2015 in San Jose, California.

Lakewood recognizes that residential group home facilities provide valuable services for those who live in them. However, we also recognize that these facilities often generate more noise and activity than expected from a traditional single-family home, and that overconcentration of these homes can change the character of the neighborhoods where they are situated. Overconcentration can occur because state agencies that oversee these homes have different siting standards (facilities licensed by the state Department of Social Services require a 300 foot separation between facilities, but those facilities licensed by other state agencies, such as the Department of Alcohol and Drugs Programs, do not have such a requirement). This resolution will seek to address, via legislation, overconcentration of alcohol and drug treatment prevention facilities in residential neighborhoods while respecting important legal rights of patients and legal obligations of public entities.

Thank you for your consideration, support and adoption of this important resolution at the League Annual Conference.

Sincerely,

Jeff Wood
Mayor

Lakewood

5050 Clark Avenue, Lakewood, CA 90712 • (562) 866-9771 • Fax (562) 866-0505 • www.lakewoodcity.org • Email: service1@lakewoodcity.org

MITCHELL ENGLANDER
LOS ANGELES CITY COUNCILMEMBER, TWELFTH DISTRICT

July 24, 2015

President Stephany Aguilar
League of California Cities
1400 K Street Suite 400
Sacramento, CA 95814
Fax: (916) 658-8240

Re: A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES CALLING FOR LEGISLATION TO PRESERVE THERAPEUTIC ENVIRONMENTS FOR GROUP HOMES AND AVOID IMPACTS OF OVERCONCENTRATION OF ALCOHOL AND DRUG ABUSE RECOVERY AND TREATMENT FACILITIES IN RESIDENTIAL NEIGHBORHOODS

Dear President Aguilar,

I, Los Angeles City Councilmember Mitchell Englander, wish to support the League of California Cities resolution for legislation to preserve therapeutic environments for group homes and avoid impacts of overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods to be adopted on October 2, 2015 at the Annual League of California Cities Conference in San Jose, California.

In the interest of continuing local control, land use and planning and home rule, we believe the Governor and Legislature should respect the individuals' legal rights. The California Fair Employment and Housing Act includes legal protection against discrimination against persons with disabilities through zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law; and the Americans with Disabilities Act requires public entities to make reasonable accommodations in policies, practices, or procedures to avoid discrimination on the basis of a disability. There is no provision in State law that allows for the consideration of the impact of alcoholism or drug abuse recovery or treatment facilities on single-family neighborhoods or the overconcentration of these facilities as there is for residential group home facilities.

This resolution respectfully points out that community concern could be addressed if state agencies communicated and collaborated more with local government. Thank you in advance for considering, supporting and adopting the resolution at the annual conference on October 2, 2015.

Sincerely,

MITCHELL ENGLANDER
President Pro Tempore,
Chair, City of Los Angeles Public Safety Committee

City Hall Office • 200 N. Spring Street, Room 405 • Los Angeles, CA 90012 • Phone (213) 473-7012 • Fax (213) 473-6925
Chatsworth Office • 9207 Oakdale Ave. • Chatsworth, CA 91311 • Phone (818) 882-1212 • Fax (818) 701-5254
www.CD12.org

CITY COUNCIL

HENRY SANCHEZ JR.
JIM GAZELEY
MICHAEL G. SAVIDAN
BEN TRAINA
MARK WARONEK

ADMINISTRATION

MICHAEL ROCK
CITY MANAGER

CITY OF LOMITA

July 23, 2015

President Stephany Aguilar
League of California Cities
1400 K Street Suite 400
Sacramento, CA 95814
Fax: (916) 658-8240

RE: A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES CALLING FOR LEGISLATION TO PRESERVE THERAPEUTIC ENVIRONMENTS FOR GROUP HOMES AND AVOID IMPACTS OF OVERCONCENTRATION OF ALCOHOL AND DRUG ABUSE RECOVERY AND TREATMENT FACILITIES IN RESIDENTIAL NEIGHBORHOODS

Dear President Aguilar:

I, Mayor Henry Sanchez, Jr., City of Lomita, wish to support the League of California Cities resolution for legislation to preserve therapeutic environments for group homes and avoid impacts of overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods to be adopted on October 2, 2015 at the Annual League of California Cities Conference in San Jose, California.

In the interest of continuing local control, land use and planning and home rule, we believe the Governor and Legislature should respect the individuals' legal rights. The California Fair Employment and Housing Act includes legal protection against discrimination against persons with disabilities through zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law; and the Americans with Disabilities Act requires public entities to make reasonable accommodations in policies, practices, or procedures to avoid discrimination on the basis of a disability. There is no provision in State law that allows for the consideration of the impact of alcoholism or drug abuse recovery or treatment facilities on single-family neighborhoods or the overconcentration of these facilities as there is for residential group home facilities.

This resolution respectfully points out that community concern could be addressed if state agencies communicated and collaborated more with local government. Thank you in advance for considering, supporting and adopting the resolution at the annual conference on October 2, 2015.

Sincerely,

Henry Sanchez Jr

Henry Sanchez, Jr.
Mayor, City of Lomita

cc: Kelli Lofing, California Contract Cities Association, kelli@contractcities.org

City of Pico Rivera
OFFICE OF THE CITY COUNCIL

6615 Passons Boulevard · Pico Rivera, California 90660 · (562) 801-4371
web: www.pico-rivera.org · e-mail: spena@pico-rivera.org

GREGORY SALCIDO
Mayor

July 15, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street Suite 400
Sacramento, CA 95814
Fax: (916) 658-8240

Re: A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES CALLING FOR LEGISLATION TO PRESERVE THERAPEUTIC ENVIRONMENTS FOR GROUP HOMES AND AVOID IMPACTS OF OVERCONCENTRATION OF ALCOHOL AND DRUG ABUSE RECOVERY AND TREATMENT FACILITIES IN RESIDENTIAL NEIGHBORHOODS

Dear President Aguilar,

I, Gregory Salcido, Mayor of the City of Pico Rivera wish to support the League of California Cities resolution for legislation to preserve therapeutic environments for group homes and avoid impacts of overconcentration of alcohol and drug abuse recovery and treatment facilities in residential neighborhoods to be adopted on October 2, 2015 at the Annual League of California Cities Conference in San Jose, California.

In the interest of continuing local control, land use and planning and home rule, we believe the Governor and Legislature should respect the individuals' legal rights. The California Fair Employment and Housing Act includes legal protection against discrimination against persons with disabilities through zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law; and the Americans with Disabilities Act requires public entities to make reasonable accommodations in policies, practices, or procedures to avoid discrimination on the basis of a disability. There is no provision in State law that allows for the consideration of the impact of alcoholism or drug abuse recovery or treatment facilities on single-family neighborhoods or the overconcentration of these facilities as there is for residential group home facilities.

This resolution respectfully points out that community concern could be addressed if state agencies communicated and collaborated more with local government. Thank you in advance for considering, supporting and adopting the resolution at the annual conference on October 2, 2015.

Sincerely,

Gregory Salcido
Mayor

GS:BC:sp

LETTERS OF CONCURRENCE

Resolution No. 3

Residential Rentals, Support for SB 593 (McGuire)

CITY OF HEALDSBURG
ADMINISTRATION

401 Grove Street
Healdsburg, CA 95448-4723

Phone: (707) 431-3317
Fax: (707) 431-3321

Visit us at ***www.ci.healdsburg.ca.us***

July 29, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street
Sacramento, CA 95814

RE: RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES SUPPORTING SB 593 (MCGUIRE) AND CONTINUED LOCAL FLEXIBILITY FOR CITIES AS THEY ADDRESS NEIGHBORHOOD AND FISCAL IMPACTS OF TEMPORARY RENTALS OF RESIDENTIAL UNITS FOR TOURIST OR TRANSIENT USES

Dear President Aguilar:

The City of Healdsburg supports the proposed resolution related to the Sharing Economy and concurs in the submission of the resolution for consideration by the League of Cities General Assembly at its annual meeting on October 2, 2015.

The resolution reaffirms and acknowledges local efforts to effectively regulate land use impacts and collect applicable taxes from transient residential rentals as part of the emerging "shared economy".

The short-term rental of residential houses, rooms, condominiums, and apartments present numerous challenges within neighborhoods and to adjacent property owners. They may create additional noise, traffic, parking, privacy and public safety issues, subvert local rent-control laws, decrease available housing stock and in some cases turn residential neighborhoods into de-facto hotel rows.

Where the temporary rental of residential units is allowed by local regulation, the associated transient occupancy tax (TOT) should also be collected. These units are in direct competition with hotels, motels and other accommodations where guests pay the local transient occupancy tax, so all such uses should be subject to the same tax. The revenues generated support local streets, roads, fire, police, lifeguards, trash pick-up, park maintenance and other local public services which directly affect local quality of life and the attraction of the community for a visitor.

The City of Healdsburg believes SB 593, as referenced in the proposed resolution, acknowledges existing local authority in this area and provides the necessary data for local jurisdictions to enforce their regulations regarding short-term residential rentals and a helpful regulatory framework that local governments may choose in lieu of exercising their existing authority.

For these reasons, the City of Healdsburg supports the League's Resolution.

Sincerely,

Shaun F. McCaffery, Mayor
City of Healdsburg

cc: Meg Desmond, League of California Cities, mdesmond@cacities.org
John Leonard, City of West Hollywood, jleonard@weho.org

Mammoth Lakes Town Council
P.O. Box 1609, Mammoth Lakes, CA, 93546
(760) 934-8989
www.townofmammothlakes.ca.gov

July 30, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street
Sacramento, CA 95814

RE: LETTER IN SUPPORT OF A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES SUPPORTING SB 593 (MCGUIRE)

Dear President Aguilar:

The Town of Mammoth Lakes supports the proposed resolution related to the Sharing Economy and concurs in the submission of the resolution for consideration by the League of Cities General Assembly at its annual meeting on October 2, 2015. The Town of Mammoth Lakes is a small, rural community in the Eastern Sierra Region of about 8,000 full-time residents. Mammoth Lakes is a tourist destination, servicing hundreds of thousands of visitors each year. We are geographically isolated from populated areas by several hundred miles and are supported by our one primary industry – tourism.

The League's proposed resolution reaffirms and acknowledges local efforts to effectively regulate land use impacts and collect applicable taxes from transient residential rentals as part of the emerging "shared economy".

The short-term rental of residential houses, rooms, condominiums, and apartments present numerous challenges within neighborhoods and to adjacent property owners. They may create additional noise, traffic, parking, privacy and public safety issues, subvert local rent-control laws, and decrease available housing stock. In Mammoth Lakes, with a limited police force that is not staffed 24-hours a day and a code enforcement staff of one, enforcement of these types of issues can be very challenging.

Where the temporary rental of residential units is allowed by local regulation, the associated transient occupancy tax (TOT) should also be collected. These units are in direct competition with hotels, motels and other accommodations where guests pay the local transient occupancy tax, so all transient rentals should be subject to the same tax. The revenues generated support local services, including but not limited to, public safety, snow removal, maintenance of public parks and facilities, road maintenance, and recreation programs, which directly affect local quality of life and the attraction of the community for a visitor.

This proposal will make it much easier for communities such as Mammoth Lakes that depend on revenue from TOT to enforce existing rules and regulations and collect TOT as specified in our Municipal Code. Mammoth Lakes relies heavily on TOT collection to operate the Town government; nearly 65% of the Town's operating budget is funded by the collection of TOT.

Collection of TOT is so important to the Town that we have three full-time employees dedicated its enforcement. This includes making sure that people remit their taxes on time, but more importantly it is tracking down violators who are renting their units without an approved permit, renting units in locations where the zoning does not permit it, and/or not remitting their taxes to the Town. Enforcement is made much more difficult by the use of online vacation rental business (OVRB) websites where unit numbers and addresses are typically not listed and often owners do not require the payment of TOT. The data proposed to be collected and provided to us by OVRBs will be of great value as we manage transient rentals in our community.

The Town of Mammoth Lakes believes SB 593, as referenced in the proposed resolution, acknowledges existing local authority in this area and provides the necessary data for local jurisdictions to enforce their regulations regarding short-term residential rentals and a helpful regulatory framework that local governments may choose in lieu of exercising their existing authority.

For all of these reasons, the Town of Mammoth Lakes supports the League California Cities' Resolution.

Sincerely,

John Wentworth
Councilmember
Town of Mammoth Lakes

cc: Meg Desmond, League of California Cities, mdesmond@cacities.org
John Leonard, City of West Hollywood, jleonard@weho.org

MAYOR AND CITY COUNCIL

July 27, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street
Sacramento, CA 95814

Dear President Aguilar:

RE: **A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES SUPPORTING SB 593 (MCGUIRE)** AND CONTINUED LOCAL FLEXIBILITY FOR CITIES AS THEY ADDRESS NEIGHBORHOOD AND FISCAL IMPACTS OF TEMPORARY RENTALS OF RESIDENTIAL UNITS FOR TOURIST OR TRANSIENT USES

The City of Napa supports the proposed resolution related to the Sharing Economy and concurs in the submission of the resolution for consideration by the League of Cities General Assembly at its annual meeting on October 2, 2015.

The resolution reaffirms and acknowledges local efforts to effectively regulate land use impacts and collect applicable taxes from transient residential rentals as part of the emerging "shared economy".

The short-term rental of residential houses, rooms, condominiums, and apartments present numerous challenges within neighborhoods and to adjacent property owners. They may create additional noise, traffic, parking, privacy and public safety issues, subvert local rent-control laws, decrease available housing stock and in some cases turn residential neighborhoods into de-facto hotel rows.

The City of Napa's zoning ordinance defines a "Rental Housing Shortage" as a vacancy rate less than 5%. A vacancy rate of less than 2% is defined as "Severe". We are currently at severe levels. The City's vacancy rates have continued to decline from 4% in 2009 to less than 2% today. Our Housing Element recognizes the issue of rising housing costs in Napa and its impact on the goal of maintaining Napa's quality of life by balancing the availability of housing with other environmental considerations. Maintaining and protecting our housing stock is of utmost importance to the City of Napa.

Where the temporary rental of residential units is allowed by local regulation, the associated transient occupancy tax (TOT) should also be collected. These units are in direct competition with hotels, motels and other accommodations where guests pay the local transient occupancy tax, so all such uses should be subject to the same tax. The revenues generated support local streets, roads, fire, police, lifeguards, trash pick-up, park maintenance and other local public services which directly affect local quality of life and the attraction of the community for a visitor.

The City of Napa believes SB 593, as referenced in the proposed resolution, acknowledges existing local authority in this area and provides the necessary data for local jurisdictions to enforce their regulations

regarding short-term residential rentals and a helpful regulatory framework that local governments may choose in lieu of exercising their existing authority.

For the reasons as stated above, the City of Napa supports the proposed Resolution.

Sincerely,

Jill Techel

Jill Techel
Mayor
CITY OF NAPA

JT/dr

cc: City of Napa City Councilmembers
Meg Desmond, League of California Cities, mdesmond@cacities.org
John Leonard, City of West Hollywood, jleonard@weho.org
City Manager Mike Parness
Community Development Director Rick Tooker

CITY OF PIEDMONT

CALIFORNIA

July 30, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street
Sacramento, CA 95814

RE: **A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES SUPPORTING SB 593 (MCGUIRE)** AND CONTINUED LOCAL FLEXIBILITY FOR CITIES AS THEY ADDRESS NEIGHBORHOOD AND FISCAL IMPACTS OF TEMPORARY RENTALS OF RESIDENTIAL UNITS FOR TOURIST OR TRANSIENT USES

Dear President Aguilar:

The City of Piedmont supports the proposed resolution related to the Sharing Economy and concurs in the submission of the resolution for consideration by the League of Cities General Assembly at its annual meeting on October 2, 2015.

The resolution reaffirms and acknowledges local efforts to effectively regulate land use impacts and collect applicable taxes from transient residential rentals as part of the emerging "shared economy".

The short-term rental of residential houses, rooms, condominiums, and apartments present numerous challenges within neighborhoods and to adjacent property owners. They may create additional noise, traffic, parking, privacy and public safety issues, subvert local rent-control laws, decrease available housing stock and in some cases turn residential neighborhoods into de-facto hotel rows.

Where the temporary rental of residential units is allowed by local regulation, the associated transient occupancy tax (TOT) should also be collected. These units are in direct competition with hotels, motels and other accommodations where guests pay the local transient occupancy tax, so all such uses should be subject to the same tax. The revenues generated support local streets, roads, fire, police, lifeguards, trash pick-up, park maintenance and other local public services which directly affect local quality of life and the attraction of the community for a visitor.

The City of Piedmont believes SB 593, as referenced in the proposed resolution, acknowledges existing local authority in this area and provides the necessary data for local jurisdictions to enforce their regulations regarding short-term residential rentals and

a helpful regulatory framework that local governments may choose in lieu of exercising their existing authority.

For these reasons, the City of Piedmont supports the Resolution.

Sincerely,

Paul Benoit
City Administrator
City of Piedmont

cc: Meg Desmond, League of California Cities, mdesmond@cacities.org
John Leonard, City of West Hollywood, jleonard@weho.org

CITY OF
SANTA CRUZ

MAYOR AND CITY COUNCIL

809 Center Street, Room 10, Santa Cruz, CA 95060 • (831) 420-5020 • Fax: (831) 420-5011 • citycouncil@cityofsantacruz.com

July 27, 2015

Ms. Stephany Aguilar, President
League of California Cities
1400 K Street, Suite 400
Sacramento, CA 95814

RE: A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES SUPPORTING SB 593 (McGUIRE) AND CONTINUED LOCAL FLEXIBILITY FOR CITIES AS THEY ADDRESS NEIGHBORHOOD AND FISCAL IMPACTS OF TEMPORARY RENTALS OF RESIDENTIAL UNITS FOR TOURIST OR TRANSIENT USES

Dear President Aguilar:

As Mayor of the City of Santa Cruz, I am writing in support of the proposed resolution related to the Thriving Communities and Sharing Economy Act and concur in the submission of the resolution for consideration by the League of California Cities (LOCC) General Assembly at its annual meeting on October 2, 2015.

The resolution reaffirms and acknowledges local efforts to effectively regulate land use impacts and collect applicable taxes from transient residential rentals as part of the emerging "shared economy."

The short-term rental of residential houses, rooms, condominiums, and apartments present numerous challenges within neighborhoods and to adjacent property owners. Such rental situations may create additional noise, traffic, parking, and privacy and public safety issues; subvert local rent control laws; decrease available housing stock; and, in some cases, turn residential neighborhoods into de facto hotel rows.

Where the temporary rental of residential units is allowed by local regulation, the associated Transient Occupancy Tax (TOT) should also be collected. These units are in direct competition with hotels, motels, and other accommodations where guests pay the local TOT, so all such uses should be subject

to the same tax. The revenues generated support local streets, roads, fire, police, lifeguards, trash collection, park maintenance, and other local public services which directly affect local quality of life and make the community attractive to a visitor.

I believe SB 593, as referenced in the proposed resolution, acknowledges existing local authority in this area and provides the necessary data for local jurisdictions to enforce their regulations regarding short-term residential rentals and a helpful regulatory framework that local governments may choose in lieu of exercising their existing authority.

For these reasons, I support the proposed resolution and hope that the LOCC will consider adoption of this resolution at its October conference.

Sincerely,

Don Lane
Mayor

cc: Meg Desmond, League of California Cities, mdesmond@cacities.org
John Leonard, City of West Hollywood, jleonard@weho.org

City of
Santa Monica®

Mayor **Kevin McKeown**
Mayor Pro Tempore **Tony Vazquez**

Councilmembers
Gleam Davis
Sue Himmelrich
Pam O'Connor
Terry O'Day
Ted Winterer

July 24, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street
Sacramento, CA 95814

Dear President Aguilar:

RE: **A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES SUPPORTING SB 593 (MCGUIRE)** AND CONTINUED LOCAL FLEXIBILITY FOR CITIES AS THEY ADDRESS NEIGHBORHOOD AND FISCAL IMPACTS OF TEMPORARY RENTALS OF RESIDENTIAL UNITS FOR TOURIST OR TRANSIENT USES

The City of Santa Monica supports the proposed resolution related to the Sharing Economy and concurs in the submission of the resolution for consideration by the League of Cities General Assembly at its annual meeting on October 2, 2015.

The resolution reaffirms and acknowledges local efforts to effectively regulate land use impacts and collect applicable taxes from transient residential rentals as part of the emerging "shared economy".

The short-term rental of residential houses, rooms, condominiums, and apartments present numerous challenges within neighborhoods and to adjacent property owners. They may create additional noise, traffic, parking, privacy and public safety issues, subvert local rent-control laws, decrease available housing stock and in some cases turn residential neighborhoods into de-facto hotel rows.

Where the temporary rental of residential units is allowed by local regulation, the associated transient occupancy tax (TOT) should also be collected. These units are in direct competition with hotels, motels and other accommodations where guests pay the local transient occupancy tax, so all such uses should be subject to the same tax. The revenues generated support local streets, roads, fire, police, lifeguards, trash pick-up, park maintenance and other local public services which directly affect local quality of life and the attraction of the community for a visitor.

The City of Santa Monica believes SB 593, as referenced in the proposed resolution, acknowledges existing local authority in this area and provides the necessary data for local jurisdictions to enforce their regulations regarding short-term residential rentals and a helpful regulatory framework that local governments may choose in lieu of exercising their existing authority.

In Santa Monica, a city of just over 90,000 residents, passage of SB 593 in concurrence with our local ordinance, will generate estimated annual revenues of approximately $138,500 in Transient Occupancy Tax and would return approximately 1,000 units to the housing market.

For these reasons, the City of Santa Monica supports the City's Resolution.

Sincerely,

Kevin McKeown
Mayor

cc: Meg Desmond, League of California Cities, mdesmond@cacities.org
John Leonard, City of West Hollywood, jleonard@weho.org

1685 Main Street • PO Box 2200 • Santa Monica • CA 90407-2200
tel: 310 458-8201 • fax: 310 458-1621 • e-mail: council@smgov.net

City of Sonoma

No. 1 The Plaza
Sonoma California 95476-6690
Phone (707) 938-3681 Fax (707) 938-8775
E-Mail: cityhall@sonomacity.org

July 27, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street
Sacramento, CA 95814

Dear President Aguilar:

RE: **A RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES SUPPORTING SB 593 (MCGUIRE)** AND CONTINUED LOCAL FLEXIBILITY FOR CITIES AS THEY ADDRESS NEIGHBORHOOD AND FISCAL IMPACTS OF TEMPORARY RENTALS OF RESIDENTIAL UNITS FOR TOURIST OR TRANSIENT USES

The City of Sonoma supports the proposed resolution related to the Sharing Economy and concurs in the submission of the resolution for consideration by the League of Cities General Assembly at its annual meeting on October 2, 2015.

The resolution reaffirms and acknowledges local efforts to effectively regulate land use impacts and collect applicable taxes from transient residential rentals as part of the emerging "shared economy".

The short-term rental of residential houses, rooms, condominiums, and apartments present numerous challenges within neighborhoods and to adjacent property owners. They may create additional noise, traffic, parking, privacy and public safety issues, subvert local rent-control laws, decrease available housing stock and in some cases turn residential neighborhoods into de-facto hotel rows.

Where the temporary rental of residential units is allowed by local regulation, the associated transient occupancy tax (TOT) should also be collected. These units are in direct competition with hotels, motels and other accommodations where guests pay the local transient occupancy tax, so all such uses should be subject to the same tax. The revenues generated support local streets, roads, fire, police, lifeguards, trash pick-up, park maintenance and other local public services which directly affect local quality of life and the attraction of the community for a visitor.

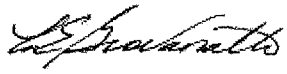
The City of Sonoma believes SB 593, as referenced in the proposed resolution, acknowledges existing local authority in this area and provides the necessary data for local jurisdictions to enforce their regulations regarding short-term residential rentals and a helpful regulatory framework that local governments may choose in lieu of exercising their existing authority.

The City of Sonoma is a tourist destination and the proliferation of vacation rentals is a top priority for City staff. The workload in monitoring and attempting to ensure compliance with local

regulations is over-burdening our small staff. In addition, the sale of available housing has become a market for out of town investors to purchase and create new vacation rentals. Without legislative intervention, vacation rentals become an epidemic in a desirable destination location and the local residents "pay the price".

For these reasons, the City of Sonoma supports the League's Resolution.

Sincerely,



Carol E. Giovanatto
City Manager
For and on behalf of the City of Sonoma

cc: Meg Desmond, League of California Cities, mdesmond@cacities.org
John Leonard, City of West Hollywood, jleonard@weho.org

LETTERS OF CONCURRENCE

Resolution No. 4

Compensation for Prolonged Electrical Power Outages

City of Hermosa Beach

Civic Center, 1315 Valley Drive, Hermosa Beach, CA 90254-3885

July 30, 2015

Stephany Aguilar, President
League of California Cities
1400 K St., Ste. 400
Sacramento, CA 95814

Dear President Aguilar:

The City of Hermosa Beach supports the City of Rancho Palos Verdes' effort to submit a resolution for consideration by the General Assembly at the League's 2015 Annual Conference in San José.

The City of Rancho Palos Verdes' resolution seeks to address the failure of Southern California Edison (SCE) to reasonably compensate its customers for losses incurred due to prolonged service disruptions. Prolonged electrical outages jeopardize the public safety, health and general welfare of the communities within SCE's service area. Among the populations that are most at risk as a result of outages are:

- Customers with physical challenges who rely on a constant source of power for medical devices;
- Customers who are senior citizens and are particularly susceptible to injury if power outages persist for long periods of time into evening hours; and,
- Customers who suffer financial burdens as a result of losing food, medication and other perishable items during prolonged power outages.

At least one other California utility, Pacific Gas and Electric (PG&E), provides automatic, direct rebates to its customers in the event of prolonged power outages for a variety of causes, including severe weather and other planned and unplanned outages. Rebates are provided automatically to PG&E's customers without filing a claim, which we believe demonstrates that such a program is feasible for SCE as well.

As a member of the League, our city values the policy development opportunity provided by the Annual Conference Resolution process. We appreciate your time and consideration of this important issue. Please feel free to contact Andrew Brozyna at (310) 318-0238 or abrozyna@hermosabch.org if you have any questions.

Sincerely,

Tom Bakaly
City Manager

CITY COUNCIL

HENRY SANCHEZ JR.
JIM GAZELEY
MICHAEL G. SAVIDAN
BEN TRAINA
MARK WARONEK

CITY OF LOMITA

July 28, 2015

Stephany Aguilar, President
League of California Cities
1400 K St., Ste. 400
Sacramento, CA 95814

Dear President Aguilar:

The City of Lomita supports the City of Rancho Palos Verdes' effort to submit a resolution for consideration by the General Assembly at the League's 2015 Annual Conference in San José.

The City of Rancho Palos Verdes' resolution seeks to address the failure of Southern California Edison (SCE) to reasonably compensate its customers for losses incurred due to prolonged service disruptions. Prolonged electrical outages jeopardize the public safety, health and general welfare of the communities within SCE's service area. Among the populations that are most at risk as a result of outages are:

- Customers with physical challenges who rely on a constant source of power for medical devices;
- Customers who are senior citizens and are particularly susceptible to injury if power outages persist for long periods of time into evening hours; and,
- Customers who suffer financial burdens as a result of losing food, medication and other perishable items during prolonged power outages.

At least one other California utility, Pacific Gas and Electric (PG&E), provides automatic, direct rebates to its customers in the event of prolonged power outages for a variety of causes, including severe weather and other planned and unplanned outages. Rebates are provided automatically to PG&E's customers without filing a claim, which we believe demonstrates that such a program is feasible for SCE as well.

As a member of the League, our city values the policy development opportunity provided by the Annual Conference Resolution process. We appreciate your time and consideration of this important issue. Please feel free to contact Laura Vander Neut, Management Analyst at (310) 325-7110, ext. 151 or l.vanderneut@lomitacity.com if you have any questions.

Sincerely,

Henry Sanchez Jr.

Henry Sanchez, Jr.
Mayor, City of Lomita

cc: Kit Fox, Senior Administrative Analyst, City of Rancho Palos Verdes, KitF@rpvca.gov

CITY OF PALOS VERDES ESTATES
INCORPORATED 1939
CALIFORNIA

CITY OF
Palos Verdes Estates

OFFICE OF
THE MAYOR

July 29, 2015

Stephany Aguilar, President
League of California Cities
1400 K St., Ste. 400
Sacramento, CA 95814

Dear President Aguilar:

The City of Palos Verdes Estates supports the City of Rancho Palos Verdes' effort to submit a resolution for consideration by the General Assembly at the League's 2015 Annual Conference in San José.

The City of Rancho Palos Verdes' proposed resolution seeks to address the failure of Southern California Edison (SCE) to reasonably compensate its customers for losses incurred due to prolonged service disruptions. Prolonged electrical outages jeopardize the public safety, health and general welfare of the communities within SCE's service area. Among the populations that are most at risk as a result of outages are:

- Customers with physical challenges who rely on a constant source of power for medical devices;
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- Customers who suffer financial burdens as a result of losing food, medication and other perishable items during prolonged power outages.

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As a member of the League, our City values the policy development opportunity provided by the Annual Conference Resolution process. We appreciate your time and consideration of this important issue. Please feel free to contact City Manager Anton Dahlerbruch at 310.378.0383 or adahlerbruch@pvestates.org if you have any questions.

Sincerely,

James F. Goodhart
Mayor

Enclosure: Rancho Palos Verdes Proposed League Resolution

c: Palos Verdes Estates City Council
Rancho Palos Verdes City Council
Doug Willmore, Rancho Palos Verdes City Manager
Jeff Kiernan, League of California Cities Regional Public Affairs Manager (via email)

Post Office Box 1086, Palos Verdes Estates, California 90274-0283
340 Palos Verdes Drive West, Palos Verdes Estates, California. 310-378-0383

City of Rolling Hills INCORPORATED JANUARY 24, 1957

NO. 2 PORTUGUESE BEND ROAD
ROLLING HILLS, CALIF. 90274
(310) 377-1521
FAX: (310) 377-7288

July 30, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street, Suite 400
Sacramento, CA 95814

Dear President Aguilar,

The City of Rolling Hills supports the City of Rancho Palos Verdes' effort to submit a resolution for consideration by the General Assembly at the League's 2015 Annual Conference in San Jose.

The City of Rancho Palos Verdes' resolution seeks to address the failure of Southern California Edison (SCE) to reasonably compensate its customers for losses incurred due to prolonged service disruptions. Prolonged electrical outages jeopardize the public safety, health and general welfare of the communities within SCE's service area. Among the populations that are most at risk as a result of outages are:

- Customers with physical challenges who rely on a constant source of power for medical devices;
- Customers who are senior citizens and are particularly susceptible to injury if power outages persist for long periods of time into evening hours; and,
- Customers who suffer financial burdens as a result of losing food, medication and other perishable items during prolonged power outages.

At least one other California utility, Pacific Gas and Electric (PG&E), provides automatic, direct rebates to its customers in the event of prolonged power outages for a variety of causes, including severe weather and other planned and unplanned outages. Rebates are provided automatically to PG&E's customers without filing a claim, which we believe demonstrates that such a program is feasible for SCE as well.

As a member of the League, our city values the policy development opportunity provided by the Annual Conference Resolution process. We appreciate your time and consideration of this important issue. Please feel free to me at (310) 377-1521 or rcruz@cityofrh.net if you have any questions.

Sincerely,

Raymond R. Cruz
City Manager

RC:hl *07-30-15RPV_League_ResolutionConcurrence_SCE*

c: Mayor and City Council

Printed on Recycled Paper

JOHN C. ADDLEMAN
Mayor
STEVEN ZUCKERMAN
Mayor Pro Tem
BRITT HUFF
Council Member
JUDY MITCHELL
Council Member
FRANK ZERUNYAN
Council Member
DOUGLAS R. PRICHARD
City Manager

CITY OF
ROLLING HILLS ESTATES
4045 PALOS VERDES DRIVE NORTH • ROLLING HILLS ESTATES, CA 90274
TELEPHONE 310.377.1577 FAX 310.377.4468
www.ci.Rolling-Hills-Estates.ca.us

July 29, 2015

Stephany Aguilar, President
League of California Cities
1400 K Street, Suite 400
Sacramento, CA 95814

Dear President Aguilar:

As Mayor of the City of Rolling Hills Estates, I support the City of Rancho Palos Verdes' effort to submit a resolution for consideration by the General Assembly at the League's 2015 Annual Conference in San Jose.

The proposed resolution seeks to require reasonable compensation to Southern California Edison (SCE) customers for losses incurred due to prolonged service disruptions which jeopardize the safety, health and general welfare of the communities within SCE's service area. Among the populations that are most at risk as a result of these outages are:

- Customers with physical challenges who rely on a constant source of power for medical devices;
- Customers who are senior citizens and are particularly susceptible to injury if power outages persist for long periods of time into evening hours; and
- Customers who suffer financial burdens as a result of losing food, medication and other perishable items during prolonged power outages.

I urge the League to place this matter before the General Assembly for consideration. Please feel free to contact me if you have any questions.

Sincerely,

John C. Addleman
Mayor

JCA:hn

CITY OF HUGHSON AGENDA ITEM NO. 3.9
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Resolution of Concurrence with the Consolidated Annual Performance Evaluation Report (CAPER) for Fiscal Year 2014-2015**
Enclosures: **Resolution No. 2015-29**
Draft Fiscal Year 2014-2015 Consolidated Annual Performance Evaluation Report (CAPER)
Presented By: **Jaylen French, Community Development Director**

Approved By: _____

Staff Recommendation:

Adopt Resolution No. 2015-29, concurring with the Consolidated Annual Performance Evaluation Report (CAPER) for Fiscal Year 2014-2015.

Background and Overview:

Stanislaus County is recognized as an eligible Urban County by the Federal Department of Housing and Urban Development (HUD) and thus receives Community Development Block Grant (CDBG) funds. In 2002, Stanislaus County formed the Stanislaus County CDBG Consortium, which includes the unincorporated communities of the County and the cities of Ceres, Hughson, Newman, Oakdale, Patterson and Waterford.

A requirement of the CDBG program is for the administering jurisdiction—Stanislaus County—to prepare a Consolidated Annual Performance Evaluation Report (CAPER) for submittal to the Department of Housing and Urban Development (HUD) for review.

The Fiscal Year 2014-15 CAPER outlines the projects that were undertaken by the Consortium members, as well as various public service agencies that were funded to assist additional persons and households. A 15-day public review period of the Fiscal Year 2014-2015 CAPER opened on August 25, 2015 and a Public Hearing has been set for September 25, 2015 in front of the County Board of Supervisors. Comments received during the 15-day public review and comment period will be incorporated into the final documents prior to submittal to HUD.

As a consortium member, the City of Hughson receives a proportional share of the total funds available to the County, which for Fiscal Year 2014-2015 was $1,497,346. The City of Hughson's share is $134,068.

The City of Hughson expended a total of $140,548 for the 5th Street project. This included CDBG funds from Fiscal Years 2011-2012, 2012-2013 and 2013-2014. The County uses first available dollars first. The remainder of Fiscal Year 2013-2014 funds and a portion of 2014-2015 funds will be used on the Hughson Avenue Improvements Project and eligible administration costs.

Discussion:

In the past, the Consortium members were required to hold community meetings and approve a CAPER or Consolidated Annual Performance and Evaluation Report to help the Federal government ensure funds were being used appropriately. For Fiscal Year 2014-2015, the Consortium members are required to 1) report to their respective Councils the CDBG accomplishments from the prior fiscal year, which is included in the CAPER and 2) Adopt a Resolution of Concurrence with the CAPER and support submittal to HUD.

Fiscal Impact:

There is no fiscal impact with adoption a Resolution of Concurrence with the CAPER for Fiscal Year 2014-2015.

CITY COUNCIL
CITY OF HUGHSON
RESOLUTION NO. 2015-29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON OF CONCURRENCE WITH THE 2014-2015 CONSOLIDATED ANNUAL PERFORMANCE REPORT (CAPER)

WHEREAS, Stanislaus County, recognized as an eligible Urban County by the federal Department of Housing and Urban Development (HUD), annually receives Community Development Block Grant (CDBG) funds; and

WHEREAS, in 2002, Stanislaus County formed the Stanislaus County CDBG Consortium, which includes Stanislaus County unincorporated communities and the Cities of Ceres, Hughson, Newman, Oakdale, Patterson and Waterford; and

WHEREAS, as an application for these funds, HUD requires Stanislaus County, the administering jurisdiction, to prepare and submit a Consolidated Plan and Annual Action Plan, as well as a Consolidated Annual Performance and Evaluation Report (CAPER) to report the progress made in accomplishing the goals set forth in the Consolidated Plan and Annual Action Plan; and

WHEREAS, Stanislaus County has prepared the CAPER for Fiscal Year 2014-2015 and a 15-day public review period opened on August 25, 2015. Comments received during the 15-day public review and comment period will be incorporated into the final documents prior to submittal to HUD. A public hearing will be held before the County Board of Supervisors on September 25, 2015; and

WHEREAS, as a consortium member, the City of Hughson received a proportional share of the Fiscal Year 2014-2015 funds totaling $134,068. This fiscal year, the City of Hughson expended a total of $140,548, which included Fiscal Year 2011-2012, 2012-2013 and 2013-2014 dollars on the 5th Street Sidewalk Infill Project. The City will expend its Fiscal Year 2014-2015 CDBG funds on the Hughson Avenue Improvement Project and eligible administrative costs.

NOW, THEREFORE, BE IT RESOLVED that the Hughson City Council does hereby concur with the CAPER for Fiscal Year 2014-2015 and supports submittal to HUD.

PASSED AND ADOPTED by the City Council of the City of Hughson at its regularly scheduled meeting on this 14th day of September 2015 by the following roll call vote:

AYES: .

NOES: .

ABSTENTIONS: .

ABSENT:

_____
MATT BEEKMAN, Chair

ATTEST:

_____
DOMINIQUE SPINALE, ROMO City Clerk

FISCAL YEAR 2014-2015

CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT (CAPER)

DRAFT

Stanislaus Urban County

CDBG ▪ HOME ▪ NSP ▪ ESG

Prepared By:

STANISLAUS COUNTY

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT

1010 10th Street Suite 3400 ▪ Modesto, CA 95354

SEPTEMBER 2015

STANISLAUS COUNTY
BOARD OF SUPERVISORS
District 1 William O'Brien
District 2 Vito Chiesa
District 3 Terry Withrow, Chairman
District 4 Dick Monteith, Vice Chairman
District 5 Jim De Martini

CITY OF CERES
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Councilmember Dennis McCord

CITY OF WATERFORD
Mayor Michael Van Winkle
Vice Mayor Jose Aldaco
Councilmember Joshua Whitfield
Councilmember John Gothan
Councilmember Ken Krause

ATTACHMENT 1

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Second Program Year 2014-2015 Consolidated Annual Performance Evaluation Report

GENERAL

Executive Summary

Stanislaus County, recognized as an eligible Urban County by the U.S. Department of Housing and Urban Development (HUD), annually receives Community Development Block Grant (CDBG) funds and Emergency Solutions Grant (ESG) funds. In 2002, Stanislaus County formed the Stanislaus County Community Development Block Grant Consortium, which includes Stanislaus County unincorporated communities and the Cities of Ceres, Hughson, Newman, Oakdale, Patterson, and Waterford, collectively hereafter referred to as the "Stanislaus Urban County.

As an application for these funds, HUD requires Stanislaus County to prepare and submit either a three or five-year Consolidated Plan (Con Plan) and Annual Action Plans. At the end of each fiscal year, Stanislaus County is also required to annually prepare the Consolidated Annual Performance and Evaluation Report (CAPER) to report the progress made in accomplishing the goals set forth in the Con Plan and Annual Action Plan (AAP) for the CDBG and the ESG Programs. This CAPER is for Fiscal Year 2014-2015, beginning July 1, 2014, and ending June 30, 2015.

In Fiscal Year 2014-2015, the Stanislaus Urban County continued its focus on effectively administering and implementing CDBG and ESG programs as well as the Neighborhood Stabilization Program (NSP) programs.

The Fiscal Year 2014-2015 grant allocation amounts for each respective entitlement program were:

CDBG	$ 2,139,064
ESG	$ 171,581
Total:	**$2,310,645**

The Stanislaus Urban County members are also members in the City of Turlock/Stanislaus County HOME Investment Partnerships Program (HOME) Consortium (hereafter referred to as the "HOME Consortium"). The Fiscal Year 2014-2015 HOME allocation amount for the Urban County members was $524,272.

As the lead agency, the City of Turlock administers the HOME program for the Stanislaus Urban County and reports comprehensive HOME activity for the partnering jurisdictions in the HOME Consortium CAPER. The HOME Consortium CAPER may be accessed by contacting the City of Turlock's Housing Program Services Division. Although the City of Turlock is responsible for reporting HOME activity to HUD, this document includes some of Stanislaus Urban County members' HOME housing activity accomplishments.

CDBG, ESG, and HOME funds are designed to primarily serve the low-income community as defined by the Area Median Income (AMI) limits for Stanislaus County, determined by the U.S. Department of Housing and Urban Development (HUD). The

AMI's are broken down into the following categories (AMI limits in place during Fiscal Year 2014-2015):

Median Income	Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
$52,700	Extremely Low (30%)	$11,800	$13,450	$15,150	$16,800	$18,150	$19,500	$20,850	$22,200
	Very Low (50%)	$19,600	$22,400	$25,200	$28,000	$30,250	$32,500	$34,750	$37,000
	Low (80%)	$31,400	$35,850	$40,350	$44,800	$48,400	$52,000	$55,600	$59,150

Source: HUD December 2013

The above listed funding sources assisted the Stanislaus Urban County address the challenges within the Stanislaus Urban County communities, including but not limited to continuing the efforts to stabilize the troubled housing market through acquisition, rehabilitation, down payment assistance, energy efficiency improvements, homeless prevention, and rapid re-housing opportunities, as well as essential public services for the low-income community.

These programs have also had an impact on the local workforce and economy as they have created job opportunities for those in the construction, real estate, and social service industries.

Specific Fiscal Year 2014-2015 projects and their accomplishments are identified in the respective program sections (CDBG, ESG, and NSP) of this document.

The format of this document is designed after a HUD document template that includes a series of questions in relation to specific funding programs (CDBG, ESG,, HOME, and NSP). Responses to those questions are provided directly below each question.

PERFORMANCE & EXPERIENCE

Consolidated Plan Progress Summary

1. **Assessment of the one-year goals and objectives:**
   a. **Describe the accomplishments in attaining the goals and objectives for the reporting period.**
   b. **Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.**

A summary of the accomplishments per jurisdiction for the Stanislaus Urban County is contained in the Community Development Summary section of this CAPER. The referenced section includes a breakdown of grant funds spent on grant activities.

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

Based on past experience, Stanislaus County staff utilizes an infrastructure timeline that provides a timeliness framework for Stanislaus Urban County members to follow. This timeline helps outline a process that will ensure timely use of funds and increase project efficiency. Without this in place, CDBG funded infrastructure

projects may not be prioritized to meet the CDBG timeliness deadline every fiscal year.

With the elimination of Redevelopment Agencies in California, Stanislaus Urban County members have been constrained in accomplishing the revitalization, economic development, and community development needs of low-income communities and neighborhoods. As a result, Stanislaus Urban County members have had to adjust their activities and undertake only what their CDBG allocation allows them to complete. Most Urban County infrastructure projects had to be scaled back substantially, which affected project completion timeframes. As a result, completion of these projects has been extended over several years.

In general, Stanislaus County staff follows firm timelines for the administration of HUD programs which in turn results in timely expenditure of funds as required by HUD.

3. Affirmatively Furthering Fair Housing:

a. Provide a summary of impediments to fair housing choice.

The prevalent impediments to fair housing choice identified within the 2012 Analysis of Impediments to Fair Housing (AI) included high foreclosure rates, high unemployment rates, and distressed economic circumstances within our County.

With regard to foreclosures, the issue is still a problem in Stanislaus County but not to the same extent as years before. According to RealtyTrac's market trends figures released June 2015, 1 out of every 878 homes in Stanislaus County was at some point in the foreclosure process. The top 5 areas were Westley 1:210, Keyes 1:301, La Grange 1:359, Newman 1:475, and Waterford 1:502. The reported numbers indicate an overall decrease of 8% of homes in the foreclosure process that includes a decrease of 15.2% in homes in pre-foreclosure and a decrease of 9.2% of homes being auctioned from this time last year.

Overall, economic conditions in Stanislaus County have improved over the past fiscal year, following state and national trends.

While housing affordability levels improved during the past several years, home prices continued to rise in 2014 and 2015. With the increase of home prices, however, home affordability has gone down. According to Stanislaus County's 2015-2020 Consolidated Plan, while approximately 38% of the Stanislaus Planning Area households, which includes the Stanislaus Urban County and City of Turlock (both renter and owner) are low income, only 29% of housing units are affordable to these households compared to August 2014 figures which reported about 53% of the homes sold from April through June 2014, were affordable families earning the County's median income of $52,700. In contrast 2012, nearly 93% of Stanislaus homes sold were considered affordable. During that time period most homes sold for less than $140,000 but prices have been climbing since. Median home prices in Stanislaus County hit $200,000 in March 2014 and are now at $235,000 in June 2015.

Given the way the market is trending, it is likely that affordability will continue to be a challenge for both renters and owners. The market has become increasingly difficult for low-income buyers due to a variety of factors, including a shrinking inventory of affordably priced homes, fierce competition from cash investors bidding on the same homes, and the more restrictive credit market.

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

The Stanislaus Urban County members have continued to provide and/or acquire funding to continue the provision of affordable housing programs and/or projects such as Housing Rehabilitation Programs (HRP) and Down Payment Assistance (DPA) programs.

Funding from the Neighborhood Stabilization Program (NSP), CDBG, ESG, and HOME programs have provided the Stanislaus Urban County resources for the provision of affordable housing opportunities for low and moderate income families and individuals. Without these programs, many of those assisted would otherwise not have been able to realize homeownership, maintain affordable housing, and/or become housed after being homeless. These programs have positively impacted the lives of those served and are directly contributing toward healthier and more stable communities.

Successor Housing Agency
Stanislaus Urban County members have undertaken the dissolution process of their former redevelopment agencies. All seven (7) Stanislaus Urban County members are acting as Successor Housing Agencies for their respective former Redevelopment Agency.

Multi-Family Housing Development
To address the need for multi-family affordable housing, the City of Waterford recently completed a five unit multifamily housing project to serve low income seniors. The project was completed Fall 2014 with an approximate cost of $750,000.

The cities of Newman and Patterson, have also completed multi-family affordable housing projects within the last 10 years. These projects continue to provide affordable housing opportunities for low income families and are currently at full capacity.

In March 2014, the City of Turlock celebrated the grand opening of Avena Bella, an 80-unit multi-family housing project with green building improvements. The 80-unit, $17 million facility was developed by EAH Housing, a non-profit housing developer based out of San Rafael, California.

City of Modesto: Although not part of the Stanislaus Urban County or the HOME Consortium, the City of Modesto, as its own HUD entitlement community, has undertaken several important multi-family housing development projects that have contributed to the affordable housing stock within Stanislaus County. The City of Modesto's most recent projects include but are not limited to:

Archway Commons: A 76 unit multifamily project providing affordable rental housing to low and very low income households. This project was completed in 2013 with a development cost of approximately $21 million.

Meadow Glen: The City of Modesto recently completed a 31 unit affordable housing complex designed to provide housing opportunities to youth between the ages of 18 to 28 that are emancipated from the foster care system and/or are homeless. Supportive services to these youth will be provided by Stanislaus County Behavioral Health and Recovery Services, Aspiranet, Community Housing Shelter Services and others. This project was also completed in 2013.

Hope Village: In Fiscal Year 2012-2013, Habitat for Humanity, Stanislaus completed Phase II of the Hope Village Project. The Hope Village subdivision provided the City with 20 homeownership units for very low and low-income households in Modesto.

Downey Terrace: The City of Modesto recently completed a 12 unit affordable housing project designed to serve low income seniors.

Bennett Place: The City of Modesto recently partnered with Stanislaus County Affordable Housing Corp to develop an 18 unit affordable housing complex for individuals with mental disabilities.

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

FUNDING

One of the biggest challenges in meeting the needs of the underserved is the lack of sufficient funding for services provided by local governments, non-profits and other agencies. Service providers who face this challenge are expected to provide more and more services with the same, if not smaller, budgets every year. Many non-profits and agencies struggle to operate and provide services in the face of limited funding. The elimination of redevelopment agencies has greatly reduced available local funding source match opportunities for both HOME and CDBG. Without this source of funding, the longevity of programs such as HOME may become limited as they have programmatic match requirements.

INDEPENDENT DECISION-MAKING

Each jurisdiction makes their funding decisions independently. This may not have the benefit of having a wider perspective of the surrounding communities, or the planning area. However, each Stanislaus Urban County member is remote and separate from the other. In all cases, each jurisdiction opts to conduct infrastructure construction/rehabilitation that is specific in nature and does not negatively impact its Stanislaus Urban County partners.

INFORMATION SHARING

Some non-profits and community organizations are not familiar with the HUD grant process or other funding resources that may be available to them. As a result, many organizations and non-profits have not used HUD funds and other types of financial assistance. Stanislaus County staff and those agencies familiar with the HUD process share information with others. The Continuum of Care (CoC) disseminates information effectively on a monthly basis throughout Stanislaus County.

TECHNICAL ASSISTANCE

Technical assistance is provided at every opportunity. Stanislaus County staff responds to inquiries made by community organizations with both answers and suggestions relative to the inquiry. Educational and support materials are provided upon request, either via access at our local office, or via the internet.

PARTNERSHIPS

More ways need to be identified in order to encourage public and private partnerships and joint ventures between non-profit and profit housing developers. Partnerships offer more of a variety of services than individual agencies acting on their own and at times at a more affordable cost.

In Fiscal Year 2014-2015, Stanislaus County launched a program called "Focus on Prevention". The program consists of a strategy for community transformation in four areas (Homelessness, Strengthening Families, Youth Early Intervention and Reducing Recidivism) critical to the quality of life in Stanislaus County. The goal of Focus on Prevention 2015 is to create partnerships among all sectors of the community to provide an opportunity for cross-sector development of community wide prevention strategies.

AFFORDABLE HOUSING

There is a limited number of non-profit and for profit developers of affordable housing in Stanislaus County. Additional incentives for affordable housing in order to attract more development require consideration (please refer to the current Analysis of Impediments available at the following location: http://www.stancounty.com/planning/cdbg/archive/Other/Analysis-impediments-2012-2013.pdf).

Leveraging

5. Leveraging Resources

a. Identify progress in obtaining "other" public and private resources to address needs.

The Stanislaus Urban County members make continued efforts to further affordable housing by offering a first time homebuyer DPA and housing rehabilitation programs. These programs have proven to be effective tools for leveraging other public resources to address affordable housing needs within the Stanislaus Urban County member service areas. Leveraging includes the following sources:

CALHOME FUNDS – Down Payment Assistance (DPA)

Stanislaus County continues to provide first time home buyers down payment assistance with its CalHome grant obtained in Fiscal Year 2011-2012 through the California Department of Housing and Community Development. Stanislaus County continues to leverage HUD funds with CalHome funds to provide DPA to first time homebuyers.

CALHOME FUNDS – Housing Rehabilitation

Stanislaus County continues to provide owner occupied housing rehabilitation assistance with its CalHome grant obtained in Fiscal Year 2008-2009 through the State of California Department of Housing and Community Development. Stanislaus County continues to leverage HUD funds with CalHome funds to provide housing rehabilitation assistance.

PUBLIC FACILITY FEES

Whenever possible, Stanislaus County partners with affordable housing developers by deferring the collection of Public Facilities Fees. If affordability agreements are violated, payment is due immediately and enforced via the utilization of recorded deeds of trust and promissory notes.

CALIFORNIA WATER RESOURCES CONTROL BOARD

In Fiscal Year 2011-2012, Stanislaus County was able to secure two grant awards by the State of California Water Resources Board (WRB), for a combined total of $744,559, to fund the planning, engineering, specifications and design work for shelf ready plans of the sanitary sewer infrastructure improvements for much needed sewer infrastructure improvement projects in the Airport and Parklawn Neighborhoods of Modesto.

In Fiscal Year 2013-2014 Stanislaus County secured a State of California Clean Water State Revolving Fund (CWSRF) $5 million grant to complete construction of the remaining phase of the Parklawn Sewer Infrastructure Project. Stanislaus County completed the first phase of this project during Fiscal Year 2012-2013 using CDBG funds. Construction of the final stage of this project began in August 2014 and was completed in June 2015.

Stanislaus County is currently seeking additional CWSRF funds to complete the remaining phase(s) of the Airport Neighborhood Sewer project.

NEIGHBORHOOD STABILIZATION PROGRAM

In Fiscal Year 2007-2008, the Stanislaus Urban County was allocated a total of $9,744,482 million, under the Housing and Economic Recovery Act (HERA) of 2008. This first allotment of NSP funds was referred to as NSP1 funding and was allocated to Stanislaus County for the purchase of foreclosed or abandoned homes to rehabilitate, redevelop, and resell to first time home buyers with incomes up to 120% of the Area Median Income (AMI).

In Fiscal Year 2011-2012, the Stanislaus Urban County was allocated a total of $4,175,947 under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. This additional allotment of funds was referred to NSP3 funding and was allocated for the purchase of foreclosed or abandoned homes to rehabilitate, redevelop, and resell to first time home buyers with incomes up to 120% of the Area Median Income (AMI). NSP3 funds can be used in 23 different target areas. The objective of the NSP program is to mitigate the negative effects of high foreclosure rates. The program design takes foreclosed, vacant homes that are deteriorating due to neglect, and in turn rehabilitates the homes utilizing local workers and material suppliers. The homes are then resold to qualified first time homebuyers. The program benefits the local economy by providing work for local workers, the first time homebuyer by providing the opportunity to buy an affordable, move in ready home, and the neighborhood by installing motivated homeowners into previously vacant homes to help stabilize the community.

As a result of the decline in foreclosures and program income resulting from the NSP Program, a substantial amendment was conducted in May of 2014. The substantial amendment allows the use of NSP funds for the demolition of vacant and abandoned dangerous buildings (ADB). The program income available for this program consists of a total of $3,009,983.31 from NSP 1 activities and $94,536.68 from NSP 3 activities. To date, no ADB program activity has occurred. Program activity is scheduled to begin in Fiscal Year 2015-2016.

b. How Federal resources from HUD leveraged other public and private resources.

Collectively, these resources assist the Stanislaus Urban County in addressing its affordable housing needs and to provide services to the most vulnerable of our community.

When other resources are available, Stanislaus Urban County members undertake public infrastructure projects by leveraging CDBG funds with other local, state or federal funds. The elimination of redevelopment forced jurisdictions to re-strategize the implementation of infrastructure projects which include carrying out smaller scale projects as well as conducting projects in several phases which have affected project duration.

Federal resources also leveraged other state and local resources in the provision of affordable housing programs such as DPA, housing rehabilitation, homeless prevention, and rapid re-housing. Without the availability of these funds, individuals may not have been able to purchase their first home, maintain a decent living environment, or keep a roof over their head.

c. How matching requirements were satisfied.

Under the Emergency Solutions Grant (ESG) Program, 50% of the costs related to the projects are reimbursed as the remainder of the costs are paid by non-ESG match funding sources (i.e. - local unrestricted donations). In this manner, the sub-recipient in turn commits their dollar-to-dollar match by paying the remainder of the expenses from non-ESG sources. Stanislaus County staff reviews quarterly ESG statistical tables, narratives, Request for Funds forms, and budget printouts which identify the total funds used/requested by each grantee during that reporting period. Stanislaus County staff verifies and cross-references the information on the quarterly budget activity reports. Monitoring visits are also scheduled quarterly by Stanislaus County staff for each grantee to ensure appropriate expenditure of funds. As part of the ESG monitoring process, invoices and accompanying receipts were reviewed for reimbursement eligibility.

Managing the Process

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

Stanislaus County staff conducts program and project monitoring on a quarterly basis to ensure statutory and regulatory requirements are met and that information submitted to the County is accurate and complete.

Agreements are executed with all sub-recipients which clearly state the project scope of work, performance measurement standards, reporting requirements, draw-down requirements, and all applicable federal requirements. The monitoring process consists of on-site monitoring visits, desk audits, open communication and assistance to sub-recipients to develop an acceptable data collection and reporting system.

Specifically, the objective of the County's monitoring program is to:

- Ensure that sub-recipient implements its program and its individual activities, as described in the application and the sub-recipient Agreement.
- Ensure that sub-recipient conducts its activities in a timely manner, and in accordance with the schedule included in the Agreement.

- Ensure that sub-recipient charges costs to the project, which are eligible under applicable laws and CDBG regulations, and reasonable in light of the services or products delivered.
- Ensure that sub-recipient conducts activities with adequate control over program and financial performance, and reasonable in light of the services or products delivered.
- Ensure that sub-recipient has continuing capacity to carry out the approved project, as well as other grants for which it may apply.
- Identify potential problem areas and assist the sub-recipient with applicable laws and regulations compliance.
- Assist sub-recipients in resolving compliance problems through discussion, negotiation, and the provision of technical assistance and training.
- Provide adequate follow-up measures to ensure that performance and compliance deficiencies are corrected and not repeated.
- Comply with the federal regulations per the OMB Super Circular and monitoring requirements of 24 CFR 570.501(b) and 24 CFR 85.40.
- Determine if any conflicts of interest exist in the operation of the CDBG program per 24 CFR 570.611.
- Ensure that required records are maintained to demonstrate compliance with applicable regulations.
- Verify that the outputs and outcomes are realized in a timely manner.
- Track grantee's progress in fulfilling its goals and objectives set forth in The Con Plan measured with established guidelines to assure that the program remains on task. Additionally, with data collected by the grantee during monitoring visits is entered into the IDIS system; this program is capable of presenting the data to defend its progression towards accomplishment of its goals and objectives set forth in The Con Plan. On a semi-annual basis this information is compiled and compared with the goals and objectives in The Con Plan. If this information reflects the accomplishments set forth in The Con Plan, the programs will proceed as planned. If this information falls short of the goals set forth, appropriate adjustments will be made and notification sent to the respective sub-recipients to be made aware of their need to meet certain milestones and timeliness requirements to ensure receipt of expected funds for their respective programs. The coordinated monitoring process has been established to verify and confirm that grant funds have been used in an eligible and appropriate manner for each and every program funded with CDBG, HOME, and ESG funds.
- Under the Emergency Solutions Grant (ESG) Program, Stanislaus County staff reviews quarterly ESG statistical tables, narratives, Request for Funds forms and budget printouts, which identify the total funds used/requested by each grantee during that reporting period. Stanislaus County staff verifies and cross-references the information on the quarterly budget activity reports. Monitoring visits are also scheduled quarterly by Stanislaus County staff for each grantee to ensure appropriate expenditure of funds. As part of the ESG monitoring process invoices and accompanying receipts were reviewed for reimbursement eligibility. Once eligibility was confirmed, 50% of the costs related to the project are reimbursed, as the remainder of the costs is paid by a non-ESG match funding sources (i.e. - local unrestricted donations). In this manner, the sub-recipient in turn commits their dollar-to-dollar match by paying the remainder of the expenses from non-Federal sources.

Citizen Participation

1. Provide a summary of citizen comments.

The Stanislaus Urban County will follow its citizen participation plan by releasing the Draft CAPER on August 25, 2015 with a review period ending on September 9, 2015. An English and Spanish public hearing notice will be published in The Modesto Bee on August 25, 2015 announcing the release of the Draft CAPER and opening of the public comment period (meeting the 15 day requirement).

Also, the Draft CAPER will be made available on August 25, 2015 for public review and input, via the internet, on the County's Planning and Community Development Department website and copies of the Draft CAPER will also be made available for review at the Planning Departments of all the Stanislaus Urban County participants and the Stanislaus County Main Library. A final public hearing to consider approval of the CAPER will be held September 22, 2015 before the Stanislaus County Board of Supervisors.

As part of the approval process, the County's Board of Supervisors considers any oral and written public comments. A summary of responses to public comments on the review of the Draft CAPER is located in the section entitled "Summary of Citizen Comments" below.

SUMMARY OF CITIZEN COMMENTS

Comments During the Public Comment Period (oral/written)
Comments pending.

(save area for pending comments)

Stanislaus County- Final Public Hearing
A public hearing is scheduled for September 22, 2015. Comments pending.

(save area for pending comments)

Institutional Structure

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

One of the strategies of the Con Plan is to take actions to overcome any gaps that may exist in the institutional structures and enhance coordination within Stanislaus County network of public service providers as well as other public agencies that deliver essential public and social services.

For instance, during the program's monitoring reviews, agency-to-agency referrals are reviewed to verify that participants receiving services do not experience any gaps as they strive to reach their goal of independence from the need of public services within the community. Thus, the development of the Stanislaus Homeless Management Information System (HMIS) also has the potential to actively refer consumers of homeless services in a way that greatly reduces, if not eliminates, the needs of those transitioning from the streets towards permanent housing. Formal approval for agency-to-agency referral information via the HMIS system has been approved through the CoC's HMIS/ESG Sub-committee. County staff also began working on a coordinated entry form that could be used among service providers to track and better respond to the needs of individuals that seek services but are unable to be helped through the existing continuum of care/service providers.

Throughout this fiscal year, considerable on-going work in Stanislaus County continues to bring together governmental agencies, non-profit service providers, and consumers of services to identify where there are gaps and how they can be best filled. Stanislaus County is actively involved throughout the year with different service networks in the community. One of these is the Stanislaus Housing and Support Services Collaborative (SHSSC), hereafter referred to as the Continuum of Care (CoC), a strong network of County-wide service providers, through which any identified institutional gaps may be addressed. Another network is the Stanislaus County Mental Health Services Act (MHSA) collaborative whose purpose is to expand and develop innovative, integrated services for children, adults and older adults. California's voters passed MHSA in November 2004.

Building the capacity of local non-profits continues to be an important issue for the Stanislaus Urban County and other entitlement cities. The Stanislaus Urban County also has an excellent working relationship with both the cities of Turlock and Modesto, which are separate CDBG entitlement jurisdictions, to strategically prioritize projects and programs more efficiently and effectively for the region. The Stanislaus Urban County is able to: a) effectively strategize to fill in institutional gaps; b) continue to work and build cooperatively and collaboratively; c) provide technical assistance to the non-profit community; and, d) provided seed funds via the public service cycle to expand their capacity to provide a greater variety of housing related services for the population they directly serve.

Monitoring

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

A coordinated monitoring process has been established to verify and confirm that grant funds have been used in an eligible and appropriate manner for each of the following programs:

STANISLAUS URBAN COUNTY INFRASTRUCTURE PROJECTS

Stanislaus County staff reviews quarterly project progress reports, Request for Funds reports and Oracle budget printouts, which identify the total funds used by all jurisdictions during a given month. Stanislaus County staff verify and cross-references the information on monthly departmental budget Oracle reports. Monitoring visits are also held quarterly by Stanislaus County staff for each jurisdiction to track expenditure of funds as well as to ensure compliance with applicable federal requirements such as labor standards enforcement (i.e. certified payroll and worker interviews), Section 3 requirements and any other applicable federal requirements. Section 3 is a provisionary requirement of the Housing and Urban Development (HUD) Act of 1968 that is intended to ensure that when a public project utilizing HUD funds has a contracting opportunity, and if the awarded contractor requires additional workers or sub-contractors, the awarded contractor must give preference to qualified low- and very low-income persons or businesses residing in the project site's community for hiring consideration.

STANISLAUS URBAN COUNTY PUBLIC SERVICE GRANT PROGRAM

Stanislaus County staff reviews quarterly CDBG statistical data, narratives, Requests for Funds forms and Oracle budget printouts which identify the total funds used/requested by each grantee during that reporting period. Stanislaus County staff verifies and cross-references the information on the quarterly budget activity reports and data tables. Quarterly monitoring visits are also scheduled by Stanislaus County program staff for each grantee to ensure appropriate expenditure of funds. Non-profits that reach a certain performance threshold become eligible for bi-annual monitoring reviews in place of the quarterly visits.

STANISLAUS URBAN COUNTY EMERGENCY SOLUTIONS GRANT PROGRAM

Under the Emergency Solutions Grant (ESG) Program, Stanislaus County staff reviews quarterly ESG statistical tables, narratives, Request for Funds forms and budget printouts, which identify the total funds used/requested by each grantee during that reporting period. Stanislaus County staff verifies and cross-references the information on the quarterly budget Oracle reports. Monitoring visits are also scheduled quarterly by Stanislaus County staff for each grantee to ensure appropriate expenditure of funds. As part of the ESG monitoring process invoices and accompanying receipts are reviewed for reimbursement eligibility. Once eligibility is confirmed, 50% of the costs related to the project are reimbursed, as the remainder of the costs is paid by non-ESG match funding sources (i.e. - local unrestricted donations). In this manner, the sub-recipient in turn ensures that dollar to dollar matching requirements are satisfied by paying the remainder of the expenses from non-ESG sources.

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Stanislaus Urban County members meet with the City of Turlock as the HOME Consortium every other month to track activity and expenditure progress. The HOME Consortium collaboratively works to ensure timeliness deadlines are met. Improvements to the HOME Program have been implemented over the past two fiscal years as the Consortium continuously works together to administer the program more effectively and as the City of Turlock has requested technical

assistance from HUD to improve their policies and procedures to undertake the various housing activities.

The Housing Authority of the County of Stanislaus (HACS) administers the Housing Rehabilitation Program on behalf of the County, which is funded by HOME, and CalHome. The HACS provides reports to Stanislaus County program staff during monitoring visits. Progress on current loans and funding availability are provided, as well as any other issues that may arise from projects, upon request.

There are monitoring procedures tailored to the above-mentioned programs. Stanislaus County staff is continually working on improving program oversight by attending training on compliance topics, keeping up to date with amendments to regulations and/or Office of Management and Budget (OMB) circulars, and developing written procedures and forms.

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

The monitoring process in place has proven to be effective. Conducting monitoring visits quarterly has allowed Stanislaus County staff to be informed of the programs and projects' activity and status. It also allows for sub-recipients to be on track with timeliness requirements and deadlines. In the event of a shortfall in any of the projects/programs, Stanislaus County staff provides technical assistance as needed. The process also allows for an open line of communication among Stanislaus Urban County staff throughout the year.

Self-Evaluation

3. Self-Evaluation

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

All CDBG, HOME, ESG, and NSP funded programs contribute to the improvement of neighborhoods & communities and address community problems. CDBG, HOME, and ESG funded programs and projects address the objective of benefiting low and moderate income persons. Without the assistance, many individuals and families would lack access to valuable services that address some of their basic needs. As a result, these services provide them with a safer and more suitable living environment. The improved living environment via the provision of public services, infrastructure improvements in low income neighborhoods, and housing programs have the potential to provide improved educational and economic opportunities that in the long term, may lead to improving the lives of individuals and the community as a whole.

As the lead agency, Stanislaus County staff supports Stanislaus Urban County members on their path towards the goals identified by the community during the Con Plan process. Those goals included infrastructure improvements, public services, and affordable housing programs considered the most important for the community as a whole. With that framework in mind, the Stanislaus Urban County and the public service review panel (made up of representatives of the Stanislaus Urban County) assures that the Con Plan priorities become a reality for the community.

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

The Stanislaus Urban County provides decent affordable housing through partnerships with local non-profits such as Habitat for Humanity and government agencies such as the HACS. Examples of these projects include a combination of programs through Habitat for Humanity to provide first time home buyers their first home. Whenever possible, the HACS partners with the Stanislaus Urban County to provide rehabilitation programs to improve existing income eligible homeowners a suitable living environment free from health and safety concerns within their home.

c. Indicate any activities falling behind schedule.

In general, most activities are on schedule. Activities that span more than one fiscal year may fall behind schedule for reasons out of Stanislaus Urban County staff's control such as staffing reductions, general fund limitations, or third party delays (i.e. utility companies' delays). Infrastructure projects can experience periodic delays due to weather conditions beyond the control of Stanislaus Urban County staff. If this occurs it will be reflected in the respective project's summary section of this CAPER.

Some of the goals identified within the Neighborhood Revitalization Strategy Area plan are a little behind schedule. In previous years staff worked with organizations and residents within the Airport and Parklawn neighborhoods to determine the best course of action in terms of neighborhood improvement. A number of organizations expressed interest in becoming a designated Community Based Development Organization (CBDO) for the Parklawn and Airport neighborhoods but lack the capacity to take on that role. During Fiscal Year 2014-2015, two organizations in the Airport Neighborhood (Healthy Start FRC and the Parent Resource Center) received Public Services funding to provide parent educations classes, resource and referral services, and case management for Airport residents. Staff also coordinated with the Parklawn Neighborhood organization Parklawn United Neighbors (PUN) to develop a public services program implemented in Fiscal Year 2014-2015. Staff will continue to work with the three non-profits located in the Airport and Parklawn NRSA's to work toward the development of a CBDO. See Appendix A for NRSA accomplishments.

Stanislaus County developed an economic development program which was included as part of the Fiscal Year 2012-2013 CDBG Annual Action Plan (AAP) approved by the Board of Supervisors on April 17, 2012. The plan proposed to create a partnership between Stanislaus County and the Alliance Worknet that would result in a job creation program. While the program was developed in accordance with guidance provided by HUD, the Stanislaus Urban County's local HUD representative did not believe the program qualifies as an eligible activity. The program was subsequently put on hold. None of the allocated funds for the Economic Development program have been spent. A revised economic development program was included for in the Fiscal Year 2015-2020 Consolidated Plan. Stanislaus County anticipates being able to implement economic development activities as proposed during the 2015-2020 Consolidated Plan period.

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

The Stanislaus Urban County allocates approximately 10% of its annual allocation for public service grants; this funding was made available to non-profit organizations to provide services to low income individuals. In Fiscal Year 2014-2015, a total of fifteen (15) public service programs were awarded $213,906 and eight (8) homeless

service programs were awarded $171,581 in ESG funds. Over 21,000 individuals received a form of service through the funded organizations. Services ranged from meals and shelter for low income children, senior wellness program to emergency food assistance programs. The services provided through the funded programs positively impact the lives of the individuals served. Without the assistance to non-profit service providers, low income individuals may not otherwise have access to the services.

Activities of this nature, combined with fair housing, workforce development, and various infrastructure projects that serve extremely low to low-income individuals within the community, have a potential to improve the living conditions of the underprivileged.

e. Identify indicators that would best describe the results.

The goals set within the Consolidated Plan for Fiscal Year 2014-2015 include a variety of indicators, depending on the program. These indicators include the following:

- **Housing Programs** – Number of affordable homes purchased or rehabbed
- **Down Payment Assistance** – Number of low-income persons assisted with becoming first-time homeowners
- **Infrastructure** – The number of low-income persons whose neighborhoods are improved through the construction of infrastructure such as sewer, water connections, curb, gutter, sidewalk, lighting, or storm drain.
- **Public Services** – Number of low to moderate income persons who receive needed public services such as emergency food, counseling, education, shelter, or connections to needed services.
- **Homeless Services** – Number of homeless persons provided with shelter, services, or housing.
- **Homeless Prevention Services** – Number of extremely low-income persons who are at-risk of losing their housing that receive rental assistance to prevent them from becoming homeless.

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

Generally, the lack of sufficient funding at all levels, pose great challenges in meeting community needs.

The elimination of redevelopment in California posed a challenge to all Stanislaus Urban County participants' ability to carry out important projects and community development programs. In the year 2011, the California Supreme Court's decision to eliminate Redevelopment via ABx1 26 (Redevelopment Agency Dissolution Act), greatly reduced available local funding source match opportunities for both HOME and CDBG. Without this source of funding, the longevity of programs such as HOME may become limited as they have programmatic match requirements.

County staff has also encountered barriers in attempting to fulfill the goals set forth within the Neighborhood Revitalization Strategy Area (NRSA) Plan.

Within the two designated NRSAs it has been difficult to qualify any organization as a CBDO. Although existing organizations are dedicated to improving the Airport and Parklawn areas and have strong community ties, they also lack the capacity for meeting the requirements of a CBDO.

Five Year Consolidated Plan Objectives Assessed

The Fiscal Year 2012-2015 Stanislaus County Con Plan was adopted by the Board of Supervisors, on April 17, 2012. As part of the Con Plan there were several goals and housing objectives. The following are the objectives and assessments of accomplishments listed by participating members of Stanislaus Urban County:

STANISLAUS COUNTY OBJECTIVES

INFRASTRUCTURE: To address the need for infrastructure improvements in low-income neighborhoods and communities.

Analysis and Actions

Empire Infrastructure Project:
The Empire Storm Drain Infrastructure Project is a multi-phased project which consists of installation of a storm drain system. The construction phase of the Empire Infrastructure Project, Phase IA, began in Fiscal Year 2009-2010 and was completed in Fiscal Year 2011-2012. The project consisted of the installation of a storm-water management system in the area bounded by E St. to the west, Hwy. 132 (Yosemite Blvd.) to the South, I St. and G St. to the East, and Center Ave. to the North. The underground work, including the installation of the storm-water collection lines and a horizontal drain system were completed in Fiscal Year 2009-2010. Construction of the topside improvements including grinding and re-grading of roads, installation of catch basins, pouring of the concrete curb and gutter, forming of ADA accessible ramps and installation of signage and striping was completed Fiscal Year 2011-2012.

The Empire Infrastructure Project Phase IA has directly benefited 69 properties (approximately 242 individuals) and indirectly benefited the entire community of Empire by improving road conditions and eliminated flooding concerns within the target neighborhood. The project has eliminated many of the problems caused by inadequate drainage of storm water including traffic problems and health concerns caused by standing water.

Because of the substantial cost to complete the remaining phases of this project, CDBG funds alone are not adequate to continue the project. In an effort to identify a lower-cost effort, staff explored the possible alternative of a lower-cost Low Impact Development (LID) swale storm water drainage system.

After conducting a series of community meetings during Fiscal Year 2014-2015, Empire residents expressed opposition to the implementation of an LID swale storm drain system. Instead, Empire residents expressed they would likely favor a targeted storm drain project that includes sidewalks for safe routes to school for children and general pedestrian use, and other traffic safety improvements.

Based on the feedback received, during Fiscal Year 2014-2015 Stanislaus County developed a conceptual plan for a targeted storm drain system that includes sidewalks as part of the project scope. In Fiscal Year 2015-2016, Stanislaus County staff will conduct additional community meetings to present the Empire residents the conceptual plan and financing options. Finance options for this project may include CDBG grant funds, USDA loan and/or grant funds, and local funds. If supported, Stanislaus County will then conduct a Prop 218 process to develop a County Service Area (CSA) for project assessment purposes (for operation and, if necessary, maintenance and loan repayment). Proposition 218 was a statewide initiative approved by the voters in November 1996. It requires that property owners, through a ballot procedure, approve certain assessments and increases in those assessment districts. The project is projected to benefit once completed a total of 1,353 households (4,100 residents).

Parklawn Infrastructure Project:

Stanislaus County completed the first phase of this project during Fiscal Year 2012-2013 using CDBG funds. Construction of the final stage of this project was completed in June 2015. A total of 319 households (1,500 residents) benefitted from this project.

Airport Infrastructure Projects:

Fiscal Year 2014-2015 CDBG funds were used to fund construction of the first phase of the Airport Neighborhood Sewer system. Stanislaus County installed sewer infrastructure to 48 residential lots in the Airport Neighborhood along Kerr Avenue. Individual sewer laterals to each of the 48 parcels were also installed. This will allow property owners along the project area to connect to the City of Modesto's sewer system. This project will assist in the elimination of health and safety issues caused by failing septic tanks.

Similar to the Parklawn Sewer Infrastructure Project, Stanislaus County will also seek State Water Board funds to finance the remaining phases of the Airport project. Once completed the Airport Infrastructure project is estimated to benefit 511 households (2,000 residents).

ECONOMIC DEVELOPMENT/WORKFORCE DEVELOPMENT: To encourage economic development activities to create and retain jobs.

Analysis and Actions

Economic Development Pilot Program – Stanislaus County developed an economic development program which was included as part of the Fiscal Year 2012-2013 CDBG Annual Action Plan (AAP) approved by the Board of Supervisors on April 17, 2012. The plan proposed to create a partnership between Stanislaus County and the Alliance Worknet that would result in a job creation program. While the program was developed in accordance with guidance provided by HUD, the Stanislaus Urban County's local HUD representative did not believe the program qualifies as an eligible activity. The program was subsequently put on hold. None of the allocated funds for the Economic Development program have been spent. A revised economic development program was included for in the Fiscal Year 2015-2020 Consolidated Plan. Stanislaus County anticipates being able to implement

economic development activities as proposed during the 2015-2020 Consolidated Plan period.

Agencies providing case management services, funded through CDBG Public Services and ESG grants, were able to connect 121 clients to employment throughout the 2014-2015 Fiscal Year.

AFFORDABLE HOUSING: To increase and maintain the supply of affordable housing.

Analysis and Actions

One of the Stanislaus Urban County's partners in affordable housing development is the Housing Authority of the County of Stanislaus (HACS), the largest affordable housing property manager in Stanislaus County. In Fiscal Year 2014-2015, the HACS continued to partner with Stanislaus County in the operation of the housing rehabilitation program. In Fiscal Year 2014-2015, Stanislaus County funded three owner occupied housing rehabilitation projects.

Stanislaus County also funds a Down Payment Assistance (DPA) Program for first time homebuyers. The program provides up to $50,000 to qualified low-income households to purchase a home in County unincorporated communities. Further partnerships with cities within Stanislaus County such as Public Facility Fee deferrals also allow the increase in supply of affordable housing.

Neighborhood Stabilization Program (NSP) funds have further allowed members of the Stanislaus Urban County to increase the supply of affordable housing. During Fiscal Year 2014-2015 two NSP homes were sold in Fiscal Year 2014-2015 to low and moderate income households. A total of 108 foreclosed units have been acquired via the NSP Program and 80 of those have been purchased by local first time home buyers since the start of the program. In addition twenty-one (21) properties were converted into rental units assisting households with incomes below 50 % of area median income; there are seven units currently in inventory which will be sold and/or converted to rental units. The HACS serves as the owners and property manager of these units.

Stanislaus County continues to partner with Habitat for Humanity whenever possible for the provision of affordable housing within unincorporated areas of the County.

PUBLIC SERVICES: To provide activities, programs, and essential social services to low-income seniors, youth, and special needs populations.

Senior Services: Analysis and Actions

The Stanislaus Urban County has been able to achieve progress through the CDBG Public Service Grant program. Several grants have been awarded throughout multiple Fiscal Years, dating back to 2002 to service providers such as the Healthy Aging Association, the Howard Training Center and Catholic Charities, which offer services countywide. These services include, but are not limited to, senior meals, fall prevention, and transportation services. In Fiscal Year 2014-2015, two (2) out of 15 CDBG public service programs offered programs that primarily served seniors 62 years and older in the community throughout the Stanislaus Urban County. A total of 3,279 seniors were served by the Public Service and Emergency Solutions programs funded by the Urban County during Fiscal Year 2014-2015.

Youth Programs: Analysis and Actions

The Stanislaus Urban County has been able to achieve progress through the CDBG Public Service Grant program. Several grants have been awarded throughout multiple Fiscal Years, dating back to 2002 to youth programs such as those provided by the Children's Crisis Center and the Center for Human Services. These services include, but are not limited to providing health screenings, case management for the family, domestic violence prevention, and homeless prevention. In Fiscal Year 2014-2015, 8 out of 18 CDBG public service programs offered services that targeted youth and their families throughout the Stanislaus Urban County. Of the 8 ESG programs, 3 offered programs that served families with at-risk infants, toddlers, and youth. These programs assisted a total of 1,981 low-income families with children throughout the Fiscal Year 2014-2015.

Special Needs Populations: Analysis and Actions (Non-homeless Special Needs)

Through CDBG Public Service funds the Howard Training Center provided meals to 1,670 low-income seniors. The Howard Training Center offers a variety of programs for disabled adults. One such program is the Senior Meals program, which provides employment for adults with disabilities. Another resource for seniors is the Salvation Army that was funded with CDBG funds to provide meals to the homeless. A total of 478 seniors were served by this program through the Salvation Army during this fiscal year. In addition, 3,802 low to moderate income Urban County residents with disabilities received public services funded with CDBG and ESG grant funds.

Analysis and Actions (Homeless and Special Needs)

During Fiscal Year 2014-2015, the Stanislaus Urban County utilized both CDBG Public Services funds and ESG funds to offer Stanislaus Urban County residents overnight emergency winter shelter for the months of December-April at the We Care Program and the Salvation Army. The shelters provided a safe and clean environment, provided meals, and referrals for social services. Family Promise received ESG funding for their transitional shelter, which provided longer term shelter in conjunction with case management to homeless families who are committed to moving towards self-sufficiency and permanent housing. The transitional program provided homeless individuals and families with a place where they can learn skills, gain employment, and receive assistance that will enable them to transition from homelessness to obtaining and remaining in permanent housing with case management and skills training. Community Housing and Shelter Services was also originally awarded funding for a transitional shelter but the lease agreement was terminated by the property owner and instead CHSS utilized their funds to provide a homeless prevention/rapid re-housing program. The Children's Crisis Center also received funding to provide respite overnight shelter when needed, to homeless children and children who were at-risk of becoming homeless. In addition to respite care, the Children's Crisis Center also provides case management to the parents of children who are in their care, and work to assist each family in becoming self-sufficient and enter stable housing.

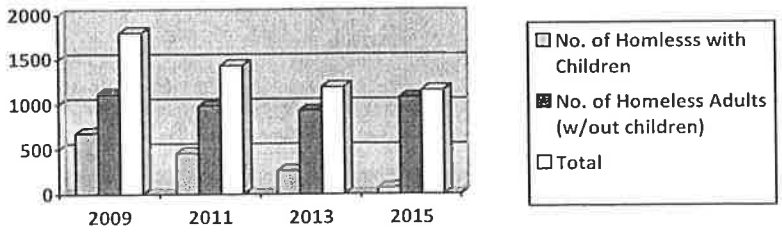
In addition to emergency or transitional shelter, the Children's Crisis Center, Family Promise, We Care Program, and the Community Housing and Shelter Services provided case management services in conjunction with rental and utility assistance which assist clients in obtaining and maintaining permanent housing. Throughout the Fiscal Year 2014-2015, agencies providing case management services, funded through CDBG Public Services and ESG grants, prevented 23 clients (made up of 5

households) from becoming homeless and provided rapid re-housing services to 87 homeless individuals (made up of 35 households).

Homeless Management Information System (HMIS) Project: This software system allows homeless service providers to enter basic information about persons receiving homeless services throughout the County. Ultimately, the system will allow the Stanislaus County CoC to track patterns of individuals and households into and out of homelessness. However, getting to this point will require a great deal of work on the system itself, and on data entry. Data input for the Stanislaus County CoC began during the Fiscal Year 2005-2006 for all Stanislaus Urban County ESG Grantees, and HACS Homeless Related Programs (CoC awarded grants such as Shelter Plus Care). In 2008, the City of Modesto ESG grantees began participating in HMIS data entry and continue to do so, making it a more comprehensive homeless data collection system. During the Fiscal Year 2011-2012, extensive efforts were made by the HPRP Sub-committee and CoC to upgrade the system to allow for increased capacity to meet ESG reporting and monitoring requirements. The HMIS Administrator continually works to improve the HMIS software for both homeless service providers and grant administrators. As part of this effort, the HMIS Administrator provides trainings (both in groups and one-one-one) to HMIS users. Throughout Fiscal Year 2014-2015 ESG funded the training and employment of a part-time HMIS data entry assistant who has been entering client data for ESG recipients as well as for shelters who do not receive federal funds. This data entry assistance allows the CoC and ESG grant administrators to work with a more complete set of homeless service provider data which will ultimately inform decisions on how future homeless funding should be targeted. ESG HMIS funds provided data entry assistance to the Community Housing and Shelter Services, the Children's Crisis Center, the Gospel Mission, and other local homeless services providers as needed.

The Continuum of Care (CoC) collectively developed a 10 Year Plan to End Long-Term Homelessness, which was adopted by the Board of Supervisors on June 26, 2007. This Plan, also adopted by the cities of Modesto, Ceres, Hughson, Newman, Oakdale, Patterson, and Waterford. The CoC continues to make progress toward the ultimate goal of reducing the homeless population through a combination of efforts including emergency shelters, case management, supportive services, permanent supportive housing, rental assistance and transitional housing programs. The 2015 Homeless Count showed a 17% increase in the total number of homeless persons from 2013 to 2015 an almost complete reversal from the 16% decrease from 2011 to 2013. The 2015 Homeless Count did reflect a decrease of children and homeless families with children; a total 6% of the families surveyed had children living with them and less than 1% of the individuals participating in the homeless count were under 18 years of age. In comparison a total of 12% of the individuals included in the 2013 Homeless Count were children under the age of 18.

Homeless Count Point In Time Survey



CITY OF CERES OBJECTIVES

INFRASTRUCTURE: To address the need for infrastructure improvements in low-income neighborhoods and communities.

Analysis and Actions

During Fiscal Year 2014-2015 the City of Ceres completed the Morrow Tract/San Ramon Infill Project. The project addressed areas that had no handicap ramps and in some areas the existing ramps were very old and did not meet the current ADA requirements. The project consisted of the installation of accessible curb cuts and related improvements. A total of 245 households (877 residents) benefitted from this project.

AFFORDABLE HOUSING: To increase and maintain the supply of affordable housing.

Analysis and Actions

The City of Ceres continued to provide to their residents a down payment assistance program for first time homebuyers. The program provided eligible residents with a maximum amount of up to 20% of the purchase price of a home. In Fiscal Year 2014-2015 a total of 3 families were assisted with down payment assistance to purchase their home.

Due to the State of California's elimination of Redevelopment Agencies, the City of Ceres no longer has the capacity to fully fund a housing programs coordinator position. Through the HOME Consortium partnership, City of Turlock staff has assisted in processing and implementing housing activities using HOME funds within the City of Ceres.

CITY OF HUGHSON OBJECTIVES

INFRASTRUCTURE: To address the need for infrastructure improvements in low-income neighborhoods and communities.

Analysis and Actions

During Fiscal Year 2014-2015 the City of Hughson completed the Fifth Street Infrastructure Project. The project included sidewalk infill and storm drain improvements along Fifth Street, from Hughson Avenue to Locust Street. The project consisted of curb, gutter, storm drain, sidewalks, and ADA curb cuts as needed. A total of 71 households (877 residents) benefitted from this project.

AFFORDABLE HOUSING: To increase and maintain the supply of affordable housing.

Analysis and Actions

The City of Hughson was unable to offer housing programs during Fiscal Year 2014-2015 as it no longer has staff capacity to operate housing programs. Discussion with the City of Turlock staff as the HOME Consortium lead was initiated in Fiscal Year 2014-2015 for assistance in operating housing programs.

CITY OF NEWMAN OBJECTIVES

INFRASTRUCTURE: To address the need for infrastructure improvements in low-income neighborhoods and communities.

Analysis and Actions

In Fiscal Year 2014-2015, the City completed construction of its Water Line Infrastructure Project. The project consisted of the replacement of existing water lines and outdated hydrants in various sections of the CDBG eligible project areas. Prior to the project the lines and hydrant were non-complaint and posed a potential health and safety issue. A total of 90 households (500 residents) benefitted from this project.

In Fiscal Year 2014-2015, the City of Newman lost its Low-Mod Area (LMA) due to the updated HUD Census Block Group data released in 2014. This will impose a direct constraint to the City of Newman on its ability to effectively and efficiently undertake and deliver much needed infrastructure improvements. Because of this, the city must now turn to conducting project area income surveys in order to conduct infrastructure improvement activities. The Urban County sees this as a constraint due to the administrative burden the survey process imposes on already limited staff levels both at the County and City level, not to mention lengthy survey approval process at the HUD level.

AFFORDABLE HOUSING: To increase and maintain the supply of affordable housing.

Analysis and Actions

During Fiscal Year 2014-2015 the City of Newman offered a Down Payment Assistance program for first time homebuyers. Due to the rising home prices and lack of qualified applicants the program had no activity during this last year.

CITY OF OAKDALE OBJECTIVES

INFRASTRUCTURE: To address the need for infrastructure improvements in low-income neighborhoods and communities.

Analysis and Actions

The City of Oakdale continued construction of the Davitt Avenue Phase II project. Due to higher project costs than anticipated costs, the City of Oakdale was forced to split the project into several phases. The Phase I has been completed and Phase II was started in Fiscal Year 2014-2015. The project consists of the construction of water and sewer line replacement and installation of curb, gutter and sidewalks along Davitt Road from West J Street to the north and ends at the Burlington Northern Santa Fe Railroad right-of-way to the south. Once completed the project is estimated to benefit a total of 48 households and (200 residents).

AFFORDABLE HOUSING: To increase and maintain the supply of affordable housing.

Analysis and Actions
The City of Oakdale continues to provide a Down Payment Assistance program to eligible homebuyers. A maximum amount of $50,000 in down payment assistance is available to help residents buy their first home. During Fiscal Year four first time home buyers were assisted to buy their first home.

CITY OF PATTERSON OBJECTIVES

INFRASTRUCTURE: To address the need for infrastructure improvements in low-income neighborhoods and communities.

Analysis and Actions
In Fiscal Year 2014-2015 the City of Patterson continued to plan their 5th Street Infrastructure project. City staff requested the CDBG funds they had allocated during Fiscal Year 2014-2015 be shifted to the Fourth Street Infrastructure Project Phase II to assist in the completion of that project. The city anticipates construction of the 5th Street Project will not begin until Fiscal Year 2017-2018, therefore this project will be canceled in IDIS for now. Once completed the project is estimated to benefit a total of an estimated 90 households (500 residents).

In Fiscal Year 2014-2015, the City of Patterson lost its Low-Mod Area (LMA) due to the updated HUD Census Block Group data released in 2014. This will impose a direct constraint to the City of Patterson on its ability to effectively and efficiently undertake and deliver much needed infrastructure improvements. Because of this, the city must now turn to conducting project area income surveys in order to conduct infrastructure improvement activities. The Urban County sees this as a constraint due to the administrative burden the survey process imposes on already limited staff levels both at the County and City level, not to mention lengthy survey approval process at the HUD level.

AFFORDABLE HOUSING: To increase and maintain the supply of affordable housing.

Analysis and Actions
The City of Patterson continued to provide a down payment assistance program with their HOME funds. The program provides a maximum of $100,000 to eligible first time homebuyers and was able to assist one household during Fiscal Year 2014-2015.

The City of Patterson also administers a housing rehabilitation program. However, due to a lack of qualified applicants and staffing constraints there was no activity this last fiscal year.

CITY OF WATERFORD OBJECTIVES

INFRASTRUCTURE: To address the need for infrastructure improvements in low-income neighborhoods and communities.

Analysis and Actions
In Fiscal Year 2014-2015 the City of Waterford was able to complete Phase I of the construction of the La Gallina Avenue Infrastructure Project. The project will include installation of curb, gutter, sidewalk, ADA accessible ramps, and storm drain,

infrastructure improvements along La Gallina Avenue from F Street on the West to C Street on the east. This is planned as a multi-phased project due to the loss of redevelopment funds and the extensive work required in completing the project. Once completed a total of 63 households and (217 residents) will benefit from the project.

In addition during Fiscal Year 2014-2015, per the release of updated 2010 Census Data, the City of Waterford gained one Census eligible block group area that will allow Waterford to conduct LMA based projects without having to conduct income eligibility surveys as was done in past fiscal years.

Lead-based Paint

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

The Health Services Agency of Stanislaus County is the lead agency for Stanislaus County in the identification, documentation and prevention of lead poisoning. The Childhood Lead Poisoning Prevention Program of Stanislaus County, administered through the Health Services Agency, becomes involved with childhood lead-based poisoning when notification of an elevated screening blood level is received either from the laboratory or physician. If the blood level is 10ug/dL (micrograms per deciliter), notification is made to the family. Once a child meets the case definition, an environmental investigation is performed by a Registered Environmental Health Specialist to determine, if possible, the source of lead exposure. The Stanislaus County Health Services Agency in partnership with the Department of Environmental Resources conducts the investigation of residences where children with elevated levels of lead reside.

During the Fiscal Year 2014-2015, the Stanislaus Urban County continued to partner with the Childhood Lead Poisoning Prevention Program to distribute information in the unincorporated areas and the participating jurisdictions. If the source of lead exposure is related to the residential physical environment (e.g. peeling paint that indicates the presence of lead) then the Housing Rehabilitation Program may participate in source eradication.

The lead-based paint regulation that became effective April 22, 2010 added a requirement that requires contractors bidding on rehabilitation of homes built prior to 1978 provide documentation of EPA Lead Renovation and Repair and Painting certification. During the implementation of local housing rehabilitation programs, appropriate steps are taken when the presence of lead-based paint is detected. Steps include full encapsulation, complete abatement (removal), painting or spot-repair (as per HUD-sponsored abatement course protocol). These actions are part of the overall strategy of the Con Plan and will continue in funded housing activities.

HOUSING

Housing Actions

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

Many of the participating Stanislaus Urban County jurisdictions have limited themselves in providing and/or acquire funding to continue the provision of affordable housing programs and/or projects such as housing rehabilitation programs, and Down Payment Assistance (DPA) programs. Currently only Stanislaus County provides public facility fee deferrals to assist with providing affordable housing. The elimination of Redevelopment Agencies by the State of California impacted the ability of all jurisdictions to maintain housing programs. The Cities of Ceres and Hughson currently do not have staff on hand to administer housing assistance programs. This may change in the future if resources and partnerships within the HOME Consortium become available and are implemented.

Funding through the Neighborhood Stabilization Program (NSP) continued to provide affordable housing opportunities to first time homebuyers. The Emergency Solutions Grant (ESG) program assisted those at risk of losing their rental housing and allowed others to obtain stable affordable rental housing where otherwise they would have ended up homeless. These programs assisted in the stabilization of neighborhoods that were severely impacted by the recent economic recession.

Progress of Specific Housing Objectives

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

During this reporting period, Stanislaus Urban County's affordable housing programs were able to assist families in acquiring their first home or enable a family/individual to maintain their affordable home, through the assistance of rehabilitation grants or low interest deferred loans, or loans with payments.

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

All families assisted under the various Stanislaus Urban County first time homebuyer DPA programs met the Section 215 definitions of affordable housing. All related program goals were met.

Available Resources/Use of Funds

The following are the actions taken during Fiscal Year 2014-2015 in the area of affordable housing:

NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

In an effort to maximize the overabundance of vacant single-family properties as a potential resource for affordable housing for moderate, low and very-low income households, The Stanislaus Urban County has been participating in the Neighborhood Stabilization Program (NSP). NSP connects first time homebuyers to DPA and affordable single family homes within the Stanislaus Urban County cities and unincorporated areas of the county. Stanislaus Urban County was awarded a total of $9,744,482 million, under the Housing and Economic Recovery Act (HERA) of 2008,

for the purchase of foreclosed or abandoned homes to rehabilitate, redevelop, and resell to first time home buyers with incomes up to 120% of the Area Median Income (AMI). In Fiscal Year 2011-2012, the Stanislaus Urban County was awarded a total of $4,175,947 under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 to expand its Neighborhood Stabilization Program.

At the end of Fiscal Year 2014-2015, the Stanislaus Urban County had drawn $9,741,277.24 of NSP funds, or approximately 99.9% of the grant. In addition, the Stanislaus Urban County has drawn $3,946,517.52 of PI for a combined amount of $13,687,794.76.

As a result of the decline in foreclosures and program income resulting from the NSP Program, a substantial amendment was conducted in May of 2014. The substantial amendment allows the use of NSP funds for the demolition of vacant and abandoned dangerous buildings (ADB). The program income available for this program consists of a total of $3,009,983.31 from NSP 1 activities and $94,536.68 from NSP 3 activities. During Fiscal Year 2014-2015, 2 NSP homes were sold to eligible first time home buyers. Of those 2 home buyers only one received down payment assistance with CalHOME funding.

EMERGENCY SOLUTIONS GRANT

The Stanislaus Urban County was awarded $171,581 in Fiscal Year 2014-2015 ESG program funds. Of those funds $3,797 was utilized to stabilize housing for 19 individuals who were at-risk of becoming homeless and $37,006 was utilized to re-house 38 homeless persons. All funds include the cost of case management which is provided in conjunction with rental assistance.

DOWN PAYMENT ASSISTANCE (DPA) PROGRAM

Stanislaus County provides a DPA Program for first time home-buyers which provides assistance of up to $50,000. The County utilizes HOME and CalHome funds to provide assistance to eligible buyers in the form of low interest silent second loans. During the Fiscal Year 2014-2015, one DPA loan was funded to an eligible household. The program is designed for low-income households to purchase a home in County unincorporated communities.

The City of Ceres funds a DPA Program for income eligible households. The City of Ceres provided DPA to five homebuyers during Fiscal Year 2013-2014.

The City of Newman funds a DPA Program for income eligible households. The City provides up to $40,000 in assistance to first time homebuyers for homes in the City of Newman. The City of Newman did not provide any DPA loans in Fiscal Year 2014-2015.

The City of Oakdale funds a DPA Program for income eligible households. The City provides up to $50,000 in assistance to first time homebuyers for homes in the City of Oakdale. This program was able to assist four families during Fiscal Year 2014-2015.

The City of Patterson funds a DPA Program for income eligible households. The City provides up to $50,000 in assistance to first time homebuyers for homes in the City of Patterson. The City of Patterson provided one DPA loan in Fiscal Year 2014-2015.

HOUSING REHABILITATION PROGRAM

Several Stanislaus Urban County members fund their own Housing Rehabilitation Program. This program is available to homeowners who need assistance with the costs of repairing emergency health and safety issues into their homes. Repairs and improvements may include but are not limited to items such as handicap ramps, restroom grab bars, plumbing repairs, new roofs, and HVAC repairs. The amount of assistance varies depending on the health and safety repairs needed. In cases where the cost to rehabilitate the home exceeds 75% of the value of the home, a rebuild of the home is recommended.

This program only assists owner-occupied housing units and is available to residents of Stanislaus Urban County communities that have an active program (Stanislaus Unincorporated Areas, Waterford, and Patterson). This fiscal year three households, Stanislaus Urban County-wide, were approved for assistance to conduct health and safety home repairs through this program.

MULTI-FAMILY HOUSING DEVELOPMENT

The City of Waterford completed construction of a five unit multi-family housing project in Fiscal Year 2014-2015. These units will be leased to low income seniors and the management of this complex will be conducted by the HACS.

The Stanislaus Urban County also acquired a 3 acre vacant lot in the City of Oakdale through the Neighborhood Stabilization Program. The City of Oakdale is considering various options for development of this site.

Efforts to Address "Worst-case" Housing Needs

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

In efforts to address "worst-case" housing needs and housing needs of persons with disabilities, the Stanislaus Urban County partners with organizations such as the HACS and Disability Resource Agency for Independent Living (DRAIL). Project Sentinel, the County's Fair Housing service provider, and DRAIL, a non-profit who assists individuals with disabilities in obtaining needed assistive technology and housing accessibility, work closely with one another through client referral to ensure individuals with disabilities are not suffering from discrimination related to housing. In addition, Catholic Charities Senior Assisted Transportation program and the Howard Training Center's Senior Meals program provide food delivery services and transportation services to home bound seniors and persons with disabilities who would otherwise be unable to access services. Throughout the Fiscal Year 2014-2015, 3,802 individuals with disabilities received food assistance, shelter, housing or case management services through agencies that received CDBG Public Services or ESG funds from Stanislaus County.

Public Housing Strategy

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

The Stanislaus Urban County actively partners with the CoC in all activities related to improving public housing and resident initiatives.

The HACS is the largest landlord of multi-family and single household public housing units for the lower income population of Stanislaus County. The HACS is committed to provide decent affordable housing to its residents and in doing so; the HACS keeps public housing units in favorable conditions so that its residents have a safe and healthy living environment.

In Fiscal Year 2014-2015, the HACS completed the following public housing improvement projects:

1. Comprehensive rehab of a 6 unit senior complex in Ceres was completed. Work included installation of dual pane windows, abatement of Asbestos Containing Materials (ACM's) and replacement of flooring throughout the units, gutted kitchen and bathrooms, new electrical service panels and installation of energy efficient lighting and appliances throughout, hard wired & interconnected smoke/CO detectors, install of local call for aid system, new water saving plumbing fixtures, painting inside and out with low Volatile Organic Compound (VOC) paints, new security fencing, added accessibility features to units and site, new landscaping, courtyard hardscaping, and irrigation system.

2. Replacement of entry doors in 141 scattered site units in Modesto is underway. Existing hollow metal doors are being replaced with pre-hung insulated fiberglass doors for increased energy efficiency and improved weather resistance. New hardware is also included to replace aging original units.

Other projects for replacement of HVAC are in the planning phase. Work is expected to take place in the upcoming fiscal year.

Barriers to Affordable Housing

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

The 2015 Analysis of impediments (AI) cites that the changed economic circumstances confronting the Stanislaus Urban County, especially those affecting homeownership and rental housing markets, must be viewed as potential threats to fair housing choice.

Improvements in the economy, resulting in the improvement in prices of the housing experienced over the past year, have impacted home affordability. While housing affordability levels improved during the past several years, home prices continued to rise during this period. With the increase of home prices, however, home affordability has gone down. According to Stanislaus County's 2015-2020 Consolidated Plan, while approximately 38% of the Stanislaus Planning Area households, which includes the Stanislaus Urban County and City of Turlock (both renter and owner) are low income, only 29% of housing units are affordable to these households compared to August 2014 figures which reported about 53% of the homes sold in 2012 from April through June 2014, were affordable families earning the County's median income of $52,700. In contrast nearly 93% of Stanislaus homes sold were considered affordable. During that time period most homes sold for less than $140,000 but prices have been climbing since. Stanislaus County home prices continued to outpace the rest of California through January 2015. The

estimated median home sales price in Stanislaus County was $237,500 in July 2015 a 9.4% increase from 2014. The median rent price in Stanislaus County is $1,095. Therefore, it is safe to say that home affordability will continue to be a barrier in the coming years for lower-income individuals and families as the economy continues to improve.

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

Stanislaus Urban County participating jurisdictions are members in the City of Turlock/Stanislaus County HOME Consortium. As the lead agency, the City of Turlock administers the HOME program and reports the partnering jurisdictions' activities in the HOME Consortium's CAPER.

ADDRESSING HOMELESSNESS

1. **Identify actions taken to prevent homelessness.**
   Throughout Fiscal Year 2014-2015, Stanislaus Urban County continued to implement the Emergency Solutions Grant program, as amended by the HEARTH Act, which combines previously eligible Emergency Shelter Grant activities with Homeless Prevention and Rapid Re-Housing activities. This Fiscal Year the Community Housing and Shelter Services Agency (CHSS), the Children's Crisis Center, and We Care of Turlock all received ESG funding to provide homeless prevention and rapid re-housing services. These funds are targeted to homeless individuals and families or individuals and families at-risk of losing their housing and provide a combination of intensive case management and rental assistance with the ultimate goal of securing clients in permanent housing.

Overall, these programs provided rental assistance and case management to 15 households, made up of 52 individuals, throughout the county. Each of these homeless prevention and rapid re-housing programs connects clients to case managers who work with each household to develop a goal oriented housing action plan, which centers on identifying and connecting clients with any needed services such as TANF, Food Stamps, Veteran's Benefits, budgeting, job training, employment opportunities, etc.

In addition to rental assistance, the Center for Human Services provided utility assistance payments, case management, and resource and referral services to 1,754 unduplicated individuals residing in the communities of Oakdale, Patterson, Newman, and Ceres. This emergency assistance allowed households struggling with the decision to either pay rent or utilities, to stabilize their housing situations and remain in their current housing.

The Children's Crisis Center's Marsha's, Guardian and Cricket's House facilities utilized ESG and CDBG Public Service funds to operate a daycare and shelter facility for infants, toddlers and children at-risk of homelessness. The facility provided parents case management services, allowing them to find and maintain jobs, housing and other necessary services. Throughout Fiscal Year 2014-2015, the Guardian House shelter facility served 44 adults and youth, the Cricket's House shelter facility served 81 children and adults.

The Stanislaus Urban County partnered with five homeless service providers through the Emergency Solutions Grant Program. A more detailed description of what each ESG funded program accomplished is provided under ESG Program Performance section of this document.

Additionally, Stanislaus Urban County staff worked closely with the ESG/HMIS/SHP Sub-committee of the CoC, made up of representatives from the City of Modesto, Stanislaus County, the Housing Authority, and homeless service providers, to improve the Homeless Management Information System (HMIS) and to being the process of developing of a coordinated intake and assessment process which will ultimately be implemented CoC wide. Through ESG funds, the Stanislaus Urban County provided funding to the CoC to assist with HMIS data entry. This effort allowed client data from non-HUD funded homeless service providers to enter into HMIS, which will allow the CoC's homeless data collection to act as a much more valuable tool for tracking individuals patterns into and out of homelessness. Overall, the sub-committee made great strides toward improving data quality and the consistency of the intake process for shelter, homeless prevention, and rapid re-housing activities.

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

The Stanislaus Urban County partnered with CHSS, Family Promise, We Care Program, and the Children's Crisis Center in efforts to help homeless persons and families make a transition to permanent housing and independent living. With the use of ESG grant funds, both the chronically homeless populations and temporarily homeless households were provided the opportunity to be placed into permanent housing. While enrolled in these programs, case managers work with each household to set goals and work on a housing action plan in order to identify and connect with any needed services such as Temporary Assistance for Needy Families (TANF), Food Stamps, Veteran's Benefits, future employment opportunities, etc. Throughout Fiscal Year 2014-2015 ESG homeless prevention and rapid re-housing funds placed 38 homeless individuals, made up of 10 households, into rental housing. At the end of the Fiscal Year, 34 of those individuals (9 households) were stably housed.

The Salvation Army, the Children's Crisis Center, Family Promise, and the We Care Program also utilized ESG funds to provide emergency and transitional shelter to homeless individuals and households. Clients that showed progress and motivation toward self-sufficiency receive extended case management in conjunction with Rapid Re-Housing assistance funds to assist in the placement of job and permanent housing placement.

3. Identify new Federal resources obtained from Homeless SuperNOFA.

The following chart indicates the resources acquired through the CoC (also referred to as the Continuum of Care) through from the HUD 2014 Continuum of Care Program SuperNOFA to assist those individuals/families directly suffering from homelessness along with those in jeopardy of becoming homeless.

Turlock/Modesto/Stanislaus CoC - 510

Permanent Supportive Housing		
Halo 4 (9) (CICV)	CoCR	$165,721
Halo 7 (14) (CICV)	CoCR	$92,650
Halo Apartments (5) (CICV)	CoCR	$231,426
Halo Homes (3) (CICV)	CoCR	$201,289
Halo Housing (1) (CICV)	CoCR	$124,894
HOPE Stanislaus (TP)	CoCR	$136,873
Households in Recovery (CHSS)	CoCR	$184,559
Permanent Housing #1 (STANCO)	CoCR	$96,573
Shelter Plus Care 1-4, 6 & 7 (HASC)	CoCR	$958,258
Shelter Plus Care 5 (MP) (HASC)	CoCR	$138,546
Turning Point Affordable Housing Project (TP)	CoCR	$99,149
Turning Point Supportive Housing Program (TP)	CoCR	$167,137
Turning Point Affordable Housing Project (TP)	CoCR	$100,078
Supportive Housing Outreach Project (STANCO)	CoCR	$67,284
Permanent Affordable Housing Program (TP)	CoCR	$58,577
Transitional Housing		
Pathways (CHS)	CoCR	$78,976
Pathways-Support Services Only (CHS)	CoCR	$43,241
Berberian Transitional Housing (SA)	CoCR	$101,905
Turlock Supportive Housing Project (WC)	CoCR	$46,798
Supportive Services Only		
Homes for Homeless (CHSS)	CoCR	$90,011
Families in Transition (CHSS)	CoCR	$69,643
HMIS		
Stanislaus HMIS Renewal A & E (HASC)	HMIS	$173,533
	Total:	**$3,327,972**

CoCR: Continuum of Care Renewal; HMIS: Homeless Management Information System, CICV: Community Impact Central Valley, TP: Turning Point, CHS: center for Human Services, CHSS: Community Housing & Shelter Services, SA: Salvation Army, HASC: Housing Authority for Stanislaus County, STANCO: Stanislaus County Affordable Housing Corporation, WC: We Care Program-Turlock

4. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).

As described above, the Stanislaus Urban County partnered with the We Care Program, the Children's Crisis Center, Family Promise and the Salvation Army's Emergency Shelter Facility to address emergency and transitional housing needs of homeless individuals and families. A number of these clients subsequently received rapid re-housing assistance and became stably housed.

The Homeless Management Information System (HMIS) Sub-committee, of the CoC, has worked diligently throughout the Fiscal Year to improve the data quality of the current HMIS system. Commitments have been made for non-HUD funded homeless service providers to enter into HMIS, which will allow the CoC's homeless data collection to act as a much more valuable tool for tracking individuals patterns into and out of homelessness. Improving data quality will allow funding to be prioritized based on trends of homeless populations within Stanislaus County.

5. Assessment of Relationship of ESG Funds to Goals and Objectives

a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Con Plan.

Needs, goals, and specific objectives established in the Con Plan include: Education and Outreach, Partnerships, Prevention and Supportive Services. The following is a summary of activity in each area:

EDUCATION AND OUTREACH

In order to better serve the homeless population outreach is strongly encouraged to service providers funded through the CDBG Public Services and ESG programs. The Stanislaus Urban County awarded grants to non-profit homeless service providers that among other services, provided education and outreach to the general public, homeless population, and public agencies.

PARTNERSHIPS

The Stanislaus Urban County is involved with service providers, community groups, and partnerships throughout the County. By creating and retaining partnerships, the Stanislaus Urban County has been better able to provide services to communities and agencies.

The County and other local jurisdictions coordinate with local service providers in the area to improve homeless services by communicating upcoming events and available services at a number of local collaborative meetings; including the Stanislaus County Housing and Supportive Services Collaborative (SHSSC), the Airport Neighborhood Collaborative and the Turlock Collaborative. By allowing a regular open forum for networking, providers and administrators of ESG funds are able to identify homeless service gaps and to discuss solutions to homeless service issues in the area.

Stanislaus County staff continually collaborates with the City of Modesto and the City of Turlock staff on the ESG & CDBG Public Services application process, as well as on common data collection and reporting forms. The HMIS/ESG Sub-committee also provides a forum to communicate issues and identify shared solutions regarding the implementation of the County, and the City of Modesto's ESG programs.

On October 28, 2014 the Board of Supervisors adopted a plan called Focus on Prevention 2015, which is a strategy for community transformation in four areas (Homelessness, Strengthening Families, Youth Early Intervention and Reducing Recidivism) critical to the quality of life in Stanislaus County. The goal of Focus on Prevention 2015 is to bring all sectors of the community together to provide an opportunity for cross-sector development of community wide prevention strategies. Through its CDBG and ESG programs assistance has been committed to the implementation of the Focus on Prevention 2015 platform and staff will work to integrate the work that comes out of this effort into future funding decisions. This year as a first step to assist in the Focus on Prevention 2015 effort into the Community Development Block Grant and Emergency Solutions Grant programs Stanislaus Urban County set aside one $40,000 grant for prevention focused CDBG Public Service grant applications. CDBG and ESG funds will be incorporating to the extent possible more Focus on Prevention 2015 strategies as the process unfolds.

On a regional level, Stanislaus County staff attends quarterly Northern California/Central Valley Homeless Roundtable meetings where issues of the implementation, state and federal regulations and strategic planning for homeless programs are shared and discussed.

PREVENTION AND SUPPORTIVE SERVICES

The Stanislaus Urban County awarded ESG grants to several service providers such as Community Housing and Shelter Services (CHSS), We Care Program and Children's Crisis Center, all of which provide prevention and supportive services. The agencies provided services such as case management, housing search and placement services, employment training and placement, financial planning, resource and referral services, and mental health referrals. With experience in providing homeless prevention services through the Homeless Prevention and Rapid Re-Housing Program (HPRP), these agencies have made great improvements in their outreach, intake & resource & referral processes to help persons at risk of becoming homeless and who were homeless to find and maintain permanent housing.

Homeless prevention activities are provided by various non-profits within the community. These non-profits accept referrals from publicly funded institutions that would otherwise have to release very-low income individuals onto the streets, with nowhere to reside upon release. Several non-profits who participate in the Housing Collaborative, such as the Center for Human Services, regularly attend P.A.C.T. meetings to assist those leaving incarceration in their quest to find stable housing.

b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.

Stanislaus Urban County requires their ESG funded non-profits to actively participate in the CoC (also known as the Housing and Supportive Services Collaborative of Stanislaus County). At the local level, this collaborative provides the most comprehensive analysis of the homeless population and service availability in Stanislaus County. This collaborative is comprised of the HACS, Community Housing and Shelter Services, Behavioral Health and Recovery Services, Center for Human Services, We Care Program, Children's Crisis Center, the City of Turlock, the City of Modesto, faith-based organizations, and over a dozen service providers.

One purpose of the CoC Collaborative is to fund projects that assist homeless persons in self-sufficiency and permanent housing. Funds may be allocated through a competitive process and used for the Supportive Housing Program (SHP) and Shelter Plus Care.

The CoC System consists of three components. They are:

1) Emergency shelter/assessment effort which provides immediate shelter and can identify an individual's needs; or,
2) Offering transitional housing and necessary social services. Such services include substance abuse treatment, short-term mental health services, independent living skills, job training; or,
3) Providing permanent supportive housing arrangements. ESG funded projects are related to the CoC System as they provided emergency shelter while working on identifying needs of the homeless (We Care

Program), offered transitional housing and necessary social services (Redwood Family Center), and provided permanent supportive housing arrangements (Community Housing & Shelter Services – Homeless Prevention Program).

The non-profit providers that received ESG funds from Stanislaus County during Fiscal Year 2014-2015 are experienced partners in the CoC that provide emergency shelter, transition housing and supportive services. The number and type of individuals and families served is explained in Appendix B.

6. Matching Resources

a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.

Under the Emergency Solutions Grant (ESG) Program, match funding is required to be provided for all ESG grant amounts paid out. The following is a breakdown of the match funding by type provided for ESG activities funded during the 2011, 2012, 2013 and 2014 Fiscal Years:

11f. Match Source

	FY 2011	FY 2012	FY 2013	FY 2014
Other Non-ESG HUD Funds	48,129	42,871	0	52,882
Other Federal Funds	35,000	44,140	0	86,945
State Government	24,057	27,563	0	0
Local Government	14,245	0	0	0
Private Funds	50,914	84,358	58,052	33,318
Other	0	0	34,144	38,493
Fees	0	0	0	0
Program Income	0	0	0	0
Total Match Amount	**172,345**	**198,932**	**92,196**	**211,638**

7. State Method of Distribution

a. States must describe their method of distribution and how it rated and selected its local government agencies and private non-profit organizations acting as sub recipients.

Not Applicable.

ESG PROGRAM PERFORMANCE

8. Activity and Beneficiary Data

A. Completion of attached Emergency Solutions Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.

The HEARTH Act, which took effect mid-Fiscal Year 2011-2012, eliminated the current program caps and replaced them with a 60% maximum (or Hold Harmless Need "HHN" maximum) of grant funds to be spent on shelter and street outreach activities. A total of 7.5% of the total grant amount is set aside for Administration costs and approximately 8% is set aside for HMIS. The remaining grant funds have been split 50/50 between Shelter activities and Homeless Prevention/Rapid Re-Housing activities.

ESG Program Eligibility

To be eligible for ESG assistance, an ESG project must serve extremely low income households. These income categories are defined as those at or below 30% of the area median income.

Area Median Income (AMI) Levels:

Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Extremely Low (30%)	$11,800	$13,450	$15,150	***$16,800***	$18,150	$19,500	$20,850	$22,200

Source: HUD December 18, 2013

The following costs are listed as eligible under the ESG Program's Final rule:

STREET OUTREACH AND EMERGENCY SHELTER ACTIVITIES

(Up to 60% of FISCAL YEAR 2014-2015 ESG allocation)

- **Street Outreach** – Essential Services assisting ***unsheltered*** homeless persons to meet emergency needs including:
  - Engagement
  - Case Management
  - Emergency Health Services (*if otherwise unavailable to the client*)
  - Emergency Mental Health Care (*if otherwise unavailable to the client*)
  - Transportation (*to and from another eligible Street Outreach service for both staff and clients, includes public transportation costs*)
  - Services for Special Populations (*homeless youth, victim services, persons living with HIV/AIDS provided the services are one of those listed above*)

- **Emergency Shelter**– Funds for facilities providing overnight shelter to homeless families and individuals including:
  - **Operational Costs**
  - **Renovation of Buildings used as emergency shelters for homeless**
  - **Assistance Required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)**
  - **Essential Services**
    - Case Management
    - Child Care
    - Education Services
    - Employment Assistance and Job Skills Training
    - Outpatient Health Services
    - Legal Services
    - Life Skills Training
    - Mental Health Services (*if otherwise unavailable to the client*)
    - Substance Abuse Treatment Services (*if otherwise unavailable to the client*)
    - Transportation (for client *to and from medical care, employment, child care, or other eligible essential services, includes public transportation costs, or for staff for client home visits, for facility vehicle leasing costs when used specifically for transporting clients to and from medical care, employment,*

child care, or other eligible essential services)

- Services for Special Populations (*homeless youth, victim services, persons living with HIV/AIDS provided the services are one of those listed above*)

HOMELESS PREVENTION AND RAPID RE-HOUSING ACTIVITIES (*No Cap*)

- **Homeless Prevention –** Services that provide housing relocation and stabilization and short- and/or medium-term rental assistance necessary to prevent an individual or family who fits under the "at-risk of homelessness" definition from becoming homeless; including:
- **Housing Relocation and Stabilization Services**
  - Financial Assistance Costs *(includes rental application fees, security deposits, last month's rent, utility deposits, utility payments, moving costs, services costs)*
  - Housing Search and Placement (*staff time spent assisting clients in locating, obtaining and retaining housing*)
  - Housing Stability Case Management (*Staff time spent assessing, arranging, coordinating, and monitoring the client's progress towards achieving housing stability)*
  - Mediation (*between the client and landlord)*
  - Legal Services *(necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides)*
  - Credit Repair (*cannot be used to pay down client debt*)
  - Short-term Rental Assistance (*up to 3 months*)
  - Medium-term Rental Assistance (*4 – 24 months)*
  - Payment of Rental Arrears *(one-time payment for up to 6 months of rental arrears, including any applicable late fees)*

- **Rapid Re-Housing –** Services that provide housing relocation and stabilization and short- and/or medium-term rental assistance necessary to move an individual or family who fits under the "homeless" definition into permanent housing; including
  - Housing Relocation and Stabilization Services
    - Financial Assistance Costs *(includes rental application fees, security deposits, last month's rent, utility deposits, utility payments, moving costs, services costs)*
    - Housing Search and Placement (*staff time spent assisting clients in locating, obtaining and retaining housing*)
    - Housing Stability Case Management (*Staff time spent assessing, arranging, coordinating, and monitoring the client's progress towards achieving housing stability)*
    - Mediation (*between the client and landlord)*
    - Legal Services *(necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides)*
    - Credit Repair (*cannot be used to pay down client debt*)
  - Short-term Rental Assistance (*up to 3 months*)
  - Medium-term Rental Assistance (*4 – 24 months)*

- Payment of Rental Arrears *(one-time payment for up to 6 months of rental arrears, including any applicable late fees)*

- **Homeless Management Information Systems (HMIS)** – Participation in HMIS is required. HMIS eligible expenses include:
  - Administering
  - Monitoring
  - Reporting
  - Training
  - Technical Support
  - Participation Fees/Software

- **Administration (*Up to 7.5% of total ESG allocation*)**

During the Fiscal Year 2014-2015, Stanislaus Urban County was awarded $171,581 for the Emergency Solutions Grant program.

Funds were set aside to allow non-profits and service providers to apply through a competitive grant process for ESG grants. Funds must be utilized to assist eligible Stanislaus Urban County residents within the framework of HUD approved ESG activities. Grant applications were made available in a CDBG/ESG Technical Workshop, which was held on November 13, 2013. Applications received were reviewed and scored by a committee consisting of representatives from the Stanislaus Urban County five participating cities, a representative from the County's CEO office, and a representative from the County's Behavioral Health and Recovery Services office. The top scoring applications were then presented to the County Board of Supervisors for final approval.

Three (3) emergency homeless shelter facilities, one (1) transitional shelter facilities, and four (5) homeless prevention and rapid re-housing assistance providers, received funds during the Fiscal Year to provide ESG services throughout the County. Fiscal Year 2014-2015 ESG recipients utilized approximately $211,638.25 in matching funds from other public and/or private sources to ensure successful programs. Out of the total 1,178 individuals served by the eight (8) programs funded with ESG funding during the Fiscal Year 2014-2015 the following were served within each Stanislaus Urban County area:

Ceres	37
Hughson	1
Newman	7
Oakdale	49
Patterson	8
South Modesto	811
Keyes	3
Denair	1
Other unincorporated areas	261
Total	**1,178**

The following is a summary of ESG program grantees, including their grant funds awarded and expended, their HUD issued IDIS activity number, and a brief description of what they accomplished throughout the 2014-2015 Fiscal Year:

STANISLAUS COUNTY

ESG Administration Activity #537

$12,868.00 Amount Awarded
$12,868.00 Amount Expended

TOTAL BUDGETED **$12,868.00**

ESG funds were used to pay for administration costs for Stanislaus County staff involved with the program. This includes, but is not limited to time that is devoted to the coordination and administration of the ESG program, preparation for implementation of the revised Emergency Solutions Grant program, and Homeless Management Information System (HMIS).

CHILDREN'S CRISIS CENTER

Housing for Families with Children Activity #501/502/503
Fiscal Years 2013-2015 (Year 2)

Homeless Prevention/Rapid Re-Housing Funds Awarded	***$31,536.00***
Homeless Prevention/Rapid Re-Housing Funds Expended	***$31,448.81***
Emergency Shelter Funds Awarded	***$ 6,480.00***
Emergency Shelter Funds Expended	***$ 6,480.00***
TOTAL BUDGETED	**$38,016.00***

This project provided rental assistance and homeless prevention services aimed at moving homeless families into safe and affordable housing, and helping families at imminent risk of losing their housing avoid eviction. Case Managers worked with high risk homeless families with children to determine family eligibility, assess housing barriers, develop a Housing Plan, offer rental assistance, provide life skills training, connect participants to potential employers, and track family progress towards goals outlined in their Housing Plan. Case managers also work with families who need temporary emergency shelter or respite daytime care for children to place at-risk children in one of the Children's Crisis Center's homes.

Throughout Fiscal Year 2013-2014 this program placed 2 homeless families, made up of 8 individuals, into permanent housing and prevented 4 families, made up of 14 individuals, at risk of becoming homeless from losing their housing. The program provided temporary emergency shelter to 9 at-risk children throughout Fiscal Year 2013-2014.

During Fiscal Year 2014-2015 the agency provided assistance to 10 families, made up of 27 individuals into permanent housing and prevented 1 family made up of 3 individuals at risk of becoming homeless from losing their housing.

* A total of $12,250.00 of ESG funds was spent down for the same activities throughout Fiscal Year 2013-2014.

CHILDREN'S CRISIS CENTER

Oakdale Respite Shelter Program
Fiscal Years 2014-2016 (Year 1)
Activity #540

Emergency Shelter Funds Awarded	***$20,000.00***
Emergency Shelter Funds Expended	***$ 4,924.75***
TOTAL BUDGETED	**$20,000.00**

Throughout Fiscal Year 2014-2015 the Children's Crisis Center provided 19 households with high risk children, a total of 44 individuals, shelter, case management and protective care at their Oakdale Shelter. Families served were struggling with issues of homelessness, drug abuse, and/or domestic violence. Experienced staff focused on early childhood intervention. Behavioral and medical screenings as well as development assessments were administered on site by a licensed professional. Case managers also worked with parents to address any health related issues that were identified.

* The remainder of the ESG funds will be spent down for the same activity throughout Fiscal Year 2015-2016. This agency has a 2 year ESG agreement that extends their services until June 2016.

COMMUNITY HOUSING AND SHELTER SERVICES

Santa Fe Program Activity #501/502/503
Fiscal Years 2013-2015 (Year 2)

Homeless Prevention Funds Awarded	***$ 6,013.00***
Homeless Prevention Funds Expended	***$ 6,013.00***
Rapid Re-Housing Funds Awarded	***$12,000.00***
Rapid Re-Housing Funds Expended	***$12,000.00****
Emergency Shelter Funds Awarded	***$ 9,513.00***
Emergency Shelter Funds Expended	***$ 9,513.00***
TOTAL BUDGETED	**$27,526.00**

Santa Fe Program Activity #539/540
Fiscal Years 2014-2016 (Year 1)

Homeless Prevention/Rapid Re-Housing Funds Awarded	***$25,749.00***
Homeless Prevention/Rapid Re-Housing Funds Expended	***$13,162.76****
TOTAL BUDGETED	**$25,749.00**

Community Housing and Shelter Services (CHSS) received 2 two year ESG grants for their Santa Fe program. Originally the Santa Fe program consisted of 6 leased units of a Migrant Camp in Empire, called Santa Fe House, from the Housing Authority of the County of Stanislaus, to allow Transitional Shelter for homeless families during the inclement winter months. In addition to shelter, this program provided counseling and related public services the households in obtaining permanent

housing and new employment. After families exited Santa Fe House, rental assistance was provided to assist the families to becoming stably housed.

Throughout Fiscal Year 2013-2014 the Santa Fe program provided temporary emergency housing to 6 homeless families, made up of 28 individuals, throughout the winter. Of those, five of the households (24 individuals) were placed into permanent rental housing and are now in stable housing.

During Fiscal Year 2014-2015 the Santa Fe program became only a Rapid Re-Housing and Homeless Prevention program that partnered with local homeless shelters, domestic violence assistance providers and the HASC to provide housing counseling and assistance in obtaining permanent housing or stabilizing their housing situation. A total of 16 households that consisted of 32 individuals participated in the Santa Fe program and 7 households received homeless prevention services and 9 households were rapid re-housing participants of the program.

*A total of $1,376 in emergency shelter activities and $17,496.63 in Rapid Re-Housing activities was carried over from Fiscal Year 2013-2014
** The remainder of the ESG funds will be spent down for the same activity throughout Fiscal Year 2015-2016.

COMMUNITY HOUSING AND SHELTER SERVICES

Homeless Prevention Program	Activity #538
Fiscal Years 2014-2016 (Year 1)	
Homeless Prevention Funds Awarded	***$ 4,261.00***
Homeless Prevention Funds Expended	***$ 3,797.00***
Rapid Re-Housing Funds Awarded	***$12,783.00***
Rapid Re-Housing Funds Expended	***$ 0.00***
TOTAL BUDGETED	**$17,044.00**

Community Housing and Shelter Services (CHSS) provided rental assistance and homeless prevention services aimed at helping families at imminent risk of losing their housing avoid eviction to 2 households that included 4 individuals. Utilizing ESG funding, case managers worked with families who were lacking resources and support networks and who were at high risk for becoming homeless to maintain and stabilize housing. All HPRP participants are monitored by case managers who determined family eligibility, assessed housing barriers, developed a Housing Plan, offered rental assistance, provided life skills training, connected participants to potential employers, and tracked family progress towards goals outlined in their Housing Plan.

* The remainder of the ESG funds will be spent down for the same activity throughout Fiscal Year 2015-2016. This agency has a 2 year ESG agreement that extends their services until June 2016.

COMMUNITY HOUSING AND SHELTER SERVICES

HMIS Data Entry Program Activity #541

HMIS Funds Awarded	***$15,000.00***
HMIS Funds Expended	***$15,000.00***
TOTAL BUDGETED	**$15,000.00**

This project provided data entry assistance to homeless service providers throughout Stanislaus County by providing data entry assistance for the HMIS system. This overall goal of this HMIS program is to improve HMIS data quality and participation within the Stanislaus Urban County. Funding was used to pay for the partial salary of a person dedicated to work on inputting data to the HMIS system as an employee of the agency. The staff placed in this position rotates sites, performing data entry and other various HMIS tasks as needed.

FAMILY PROMISE OF GREATER MODESTO

Shelter Services for Homeless Families Activity #539/540

Emergency Shelter Funds Awarded	***$17,000.00***
Emergency Shelter Funds Expended	***$17,000.00***
TOTAL BUDGETED	**$17,000.00**

Family Promise of Greater Modesto provided transitional shelter to 21 homeless families, made up of 65 individuals, with the support of a network of multi-denominational churches. Participants received food, overnight accommodations, case management, and access to a Day Center which included showers and laundry facilities, phone and internet access and transportation to and from the shelter location. Weekly group meetings provided participants crucial Life Skills training to assist them in moving out of homelessness. Out of the 21 families served, 13 successfully found permanent housing. 18% of the households served were female headed households and 17% of the households had a member of their household with disabilities.

THE SALVATION ARMY

Berberian Emergency Shelter Facility Activity #540

Emergency Shelter Funds Awarded	***$18,000.00***
Emergency Shelter Funds Expended	***$18,000.00***
TOTAL BUDGETED	**$18,000.00**

The Berberian Emergency Shelter Facility provided 19,227 shelter nights to 764 homeless adult individuals throughout the winter months of Fiscal Year 2014-2015. Out of the total number served 83 were 62 years or older, 74 were veterans, and 493 (over half) had some form of disability.

WE CARE PROGRAM- TURLOCK

Emergency Cold Weather Shelter Activity #540

Emergency Shelter Funds Awarded	***$16,500.00***
Emergency Shelter Funds Expended	***$16,500.00***
TOTAL BUDGETED	**$16,500.00**

Throughout Fiscal Year 2014-2015, the We Care Program (WCP) program provided emergency shelter during the coldest months of the winter to 214 homeless men over the age of 18, 138 of the men served were chronically homeless. The WCP's Cold Weather Shelter operated from December 2014 to April 2015; seven days a week from 6:30 p.m. to 8:00 a.m. Volunteers provided participants nutritious meals each evening. Out of the total number served, 14 were elderly, 10 were veterans, 35 were persons with severe mental illness, and 4 was successfully re-housed through We Care's Rapid Re-Housing program.

WE CARE PROGRAM- TURLOCK

Rapid Re-Housing Program Activity #502
Fiscal Years 2013-2015 (Year 2)

Rapid Re-Housing Funds Awarded	***$10,591.00***
Rapid Re-Housing Funds Expended	***$10,591.00****
TOTAL BUDGETED	**$10,591.00**

Rapid Re-Housing Program Activity #539
Fiscal Year 2014-2016 (Year 1)

Rapid Re-Housing Funds Awarded	***$29,420.00***
Rapid Re-Housing Funds Expended	***$17,440.01*****
TOTAL BUDGETED	**$29,420.00**

The We Care Rapid Re-Housing Program provides services for homeless individuals and families without children over the age of 18 who fall at or below 30% of the area median income. This project assisted 18 homeless individuals with housing search and placement, rental application fees, rental and utility assistance, rental and utility deposits, case management, referrals, and support services. Project participants received a housing plan created specifically to meet their individual housing needs and goals. Their case manager met with each program participant at least once a month to assess their housing plan progress. The goal of the program is to move individuals that are homeless through the transition into a permanent, sustainable, housing situation.

* A total of $6,522.00 of the ESG funds was spent down for the same activity throughout Fiscal Year 2013-2014.
** The remainder of the ESG funds will be spent down for the same activity throughout Fiscal Year 2015-2016.

The following chart shows the breakdown of how ESG funds were spent in terms of eligible activities:

FISCAL YEAR 2014-2015 ESG FUNDS

Organization Name	Shelter Services	Rapid Re-Housing	Homeless Prevention	HMIS	Total
Children's Crisis Center	$4,924.75	$0.00	$0.00	$0.00	**$ 4,924.75**
Community Housing and Shelter Services	$0.00	$13,162.76	$3,797.88	$15,000	**$31,960.64**
Family Promise	$10,596.03	$6,403.97	$0.00	$0.00	**$17,000.00**
Salvation Army	$18,000.00	$0.00	$0.00	$0.00	**$18,000.00**
We Care Program	$16,500.00	$17,440.01	$0.00	$0.00	**$33,940.01**
Stanislaus County/Admin	$0.00	$0.00	$0.00	$0.00	**$12,868.00**
Total	**$50,020.78**	**$37,006.74**	**$3,797.88**	**$15,000.00**	**$118,693.34**

FISCAL YEAR 2013-2014 (YEAR 2) ESG FUNDS

Organization Name	Shelter Services	Rapid Re-Housing	Homeless Prevention	Total
Children's Crisis Center	$0.00	$14,517.31	$4,681.50	**$19,198.81**
Community Housing and Shelter Services	$1,376.00	$11,483.63	$6,013.00	**$18,872.63**
We Care Program	$0.00	$4,068.64	$0.00	**$4,068.64**
Total	**$1,376.00**	**$30,069.58**	**$10,694.50**	**$42,140.08**

The following charts show a breakdown of individuals served with ESG funds throughout the 2014-2015 Fiscal Year by family status, activity type, gender, age, and special populations

PERSONS SERVED (CR-65)

Homelessness Prevention Activities

Number of Persons in Households	Total
Adults	18
Children	22
Don't Know/Refused	0
Missing Information	0
Total	**40**

Rapid Re-Housing Activities

Number of Persons in Households	Total
Adults	33
Children	39
Don't Know/Refused	0
Missing Information	0
Total	**72**

Shelter Services

Number of Persons in Households	Total
Adults	921
Children	81
Don't Know/Refused	32
Missing Information	0
Total	**2,847**

Totals for all Persons Served with ESG

Number of Persons in Households	Total
Adults	946
Children	110
Don't Know/Refused	32
Missing Information	0
Total	**1,088**

Gender—All Activities

	Total
Male	746
Female	314
Transgendered	1
Unknown	27
Total	**1,088**

Age—All Activities

	Total
Under 18	110
18-24	92
Over 24	854
Don't Know/Refused	32
Missing Information	0
Total	**1,088**

Special Populations Served—All Activities *(Number of Persons in Households)*

Subpopulation	Total Persons Served – Prevention	Total Persons Served – RRH	Total Persons Served in Emergency Shelters	Total
Veterans	0	2	90	92
Victims of Domestic Violence	0	11	156	164
Elderly	0	4	66	69
HIV/AIDS	0	0	9	9
Chronically Homeless	0	4	254	257
Persons with Disabilities:				
Severely Mentally Ill	0	7	260	267
Chronic Substance Abuse	0	0	138	138
Other Disability	0	13	368	380
Total (unduplicated if possible)				542

The following chart shows the number of beds available for shelter facilities who utilized ESG grant funds, the number of beds that were provided and imputed in to the HMIS system throughout Fiscal Year 2014-2015, and the percentage of ESG facility bed utilization rates.

ASSISTANCE PROVIDED (CR-70)

Shelter Utilization

Number of New Units - Rehabbed	0
Number of New Units - Conversion	0
Total Number of bed-nights available	87,278
Total Number of bed-nights provided	77,408
Capacity Utilization	85%

The following tables provide a comparison of ESG funding by activity type and by match funding type over the last four (4) fiscal years:

EXPENDITURES (CR-75)

ESG Expenditures for Homelessness Prevention

	Dollar Amount of Expenditures in Program Year			
	FY 2011	FY 2012	FY 2013	FY 2014
Expenditures for Rental Assistance	9,005	22,152	6,540	7,437
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	770	0	0	11,141
Expenditures for Housing Relocation & Stabilization Services - Services	897	4,465	1,240	2,273
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	40,563	0	0	0
Subtotal Homelessness Prevention	**51,235**	**26,617**	**7,780**	**20,851**

ESG Expenditures for Rapid Re-Housing

	Dollar Amount of Expenditures in Program Year			
	FY 2011	FY 2012	FY 2013	FY 2014
Expenditures for Rental Assistance	7,827	9,812	5,775	12,890
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	2,660	3,760	2,682	49,285
Expenditures for Housing Relocation & Stabilization Services - Services	1,504	4,466	3,051	760
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	0	0	0	0
Subtotal Rapid Re-Housing	**11,991**	**18,038**	**11,508**	**62,935.80**

ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year			
	FY 2011	FY 2012	FY 2013	FY 2014
Essential Services	46,363	102,859	53,454	51,551
Operations	38,439	16,500	5,309	7,453
Renovation	9,577	0	0	0
Major Rehab	0	0	0	0
Conversion	0	0	0	0
Subtotal	**94,379**	**119,359**	**58,727**	**59,004**

ESG Expenditures Administration and HMIS

	Dollar Amount of Expenditures in Program Year			
	FY 2011	FY 2012	FY 2013	FY 2014
HMIS	0	$20,000	$12,845	$15,000
Administration	$12,779	$14,919	$10,793	$12,868
Street Outreach	0	0	0	0

Other Grant Expenditures

Total ESG Grant Funds

Total ESG Funds Expended	FY 2011	FY 2012	FY 2013	FY 2014
	170,384	198,932	101,689	118,693

Total ESG Grant Funds (Activities only)

Total Amount of Funds Expended on ESG Activities	FY 2011	FY 2012	FY 2013	FY 2014
	157,605	184,013	90,896	105,825

Homeless Discharge Coordination

a. **As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.**

   Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

Representatives from Behavioral Health and Recovery Services (BHRS) and the Community Services Agency (CSA) regularly attend the monthly CoC Housing Collaborative meetings and are active participants in program planning for homeless fund utilization throughout Stanislaus County. The Health Services Agency (HSA) has been contacted in regard to recent and upcoming health care reform legislation, some of which encourages incorporating rental assistance and case management into discharge planning. Because Stanislaus County does not have a public hospital, private hospitals will ultimately need to be consulted in the future as to which health care reform measures they will be implementing. On October 1, 2011 California passed a corrections realignment plan, which shifts responsibility from the state to counties for the custody, treatment, and supervision of individuals convicted of specified nonviolent, non-serious, non-sex crimes. Stanislaus County Urban County and the CoC collaborate with Stanislaus County Sherriff's and the Probation Department to discuss services available for recently discharged parolees to help prevent homelessness among that population.

COMMUNITY DEVELOPMENT

1. Assessment of Relationship of CDBG Funds to Goals and Objectives

a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan (Con Plan), particularly the highest priority activities.

The priorities identified in the Con Plan are public infrastructure, economic development, affordable housing and public services.

In many neighborhoods and communities of the planning area, public infrastructure is minimal or non-existent, causing this to be a high priority need. Infrastructure such as sewer, water, curb, gutter, sidewalk, and storm drainage are typical development standards in newer neighborhoods, but are non-existent in older neighborhoods. The cities of Ceres, Hughson, Newman, Oakdale, Patterson, Waterford, as well as Stanislaus County utilized CDBG funds for infrastructure improvement related projects. As a result of these improvements, residents of the surrounding project area enjoy an improved quality of life.

Stanislaus County developed an economic development program which was included as part of the Fiscal Year 2012-2013 CDBG Annual Action Plan (AAP). However, after plan approval, HUD did not believe the program qualified as an eligible activity. The program was subsequently put on hold. None of the allocated funds for the Economic Development program have been spent. A revised economic development program was included for in the Fiscal Year 2015-2020 Consolidated Plan. Stanislaus County anticipates being able to implement economic development activities as proposed during the 2015-2020 Consolidated Plan period.

Through the Public Services Program, the Stanislaus Urban County sets aside approximately 10% of its annual CDBG allocation for programs that provide services to low to moderate-income families or individuals. In Fiscal Year 2014-2015, a total of fifteen (15) public service programs were awarded $213,906. Over 21,000 individuals received a form of service through the funded agencies. Funded services ranged from meal and shelter for low-income children to emergency food assistance programs. The services provided through the funded programs positively impact the lives of the individuals served.

b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.

The loss of redevelopment agencies has imposed constraints on the progress of infrastructure activities originally planned for. Most activities had originally been planned to be funded with RDA as the primary source and CDBG as leverage funds. However, the loss of redevelopment caused the scale-back of most Urban County activities with CDBG being the only financing source. Nonetheless, activities continue to move forward in order to meet or exceeded the goals set by the community and Stanislaus County staff within the Stanislaus Urban County Entitlement area.

The funds used to provide affordable housing, were non-CDBG funds. The funding sources used to further the Stanislaus Urban County's affordable housing goals included but were not limited to HOME, CalHome, and NSP.

c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

All Entitlement funds utilized in projects and programs served those of extremely low, low, or moderate-income. In particular, CDBG Public Service Program funds served over 21,000 persons within these income groups.

2. Changes in Program Objectives

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

Stanislaus County is in the process of revising its economic development program included in the Fiscal Year 2012-2013 Annual Action Plan (AAP). Although the program was initially approved by HUD via the approval of the Fiscal Year 2012-2013 AAP, HUD notified Stanislaus County during the fiscal year that the program did not qualify as an economic development program. Therefore, the program has been on hold throughout the 2014-2015 Fiscal Year due to discussions with HUD regarding the eligibility of identified activities. Stanislaus County is continuing to work with HUD staff and Stanislaus Alliance to adapt the program to include eligible activities that will ensure business growth and job creation throughout the Urban County.

3. Assessment of Efforts in Carrying Out Planned Actions

a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.

The Stanislaus Urban County actively pursues state and federal funding sources for all programs that are offered as well as offering incentives for public service programs to provide local leverage to help sustain their program as demand for services grow. In addition during the past five Fiscal Years Stanislaus County staff was successful in securing $2,350,000 in CalHome funds to use in combination with HOME funds.

Stanislaus County staff was also successful in securing $1,000,000 in Prop 84 Planning Incentive Grant funds to complete a Stanislaus County Regional Sustainability Toolkit, in collaboration with the County and all nine (9) incorporated cities. The grant funds will allow all jurisdictions within the County to collaboratively develop planning documents that layout greenhouse gas reduction strategies and create a nexus with the Neighborhood Revitalization Strategy Area (RS) in the Airport Neighborhood (reference Fiscal Year 2012-2013 Annual Action Plan for additional information: http://www.stancounty.com/planning/cdbg/archive/Other/Neighborhood-revitalization-2012-2017.pdf).

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

All certification requests submitted to Stanislaus County staff for consideration and acknowledgement that their program is consistent with the Con Plan were reviewed and compared with the Con Plan document and reviewed again by a second Stanislaus County staff person for consensus. To date all requests for certifications have met consistency standards and have been approved by the Stanislaus Urban County.

Stanislaus Urban County staff meet and exceed all public noticing requirements and also attend many community meetings (that include but are not limited to the following: Housing & Support Services Collaborative, various Municipal Advisory Committee meetings, community meetings throughout Stanislaus Urban County jurisdictions, City Council meetings, Board of Supervisor meetings, Services to Older Adults Advisory Council (STOAAC) meetings, Mental Health Services Act (MHSA) Stakeholder Committee meetings, and other various community meetings) throughout Stanislaus Urban County.

Summary of CDBG Program Accomplishments

A summary of the accomplishments by jurisdiction for the Stanislaus Urban County is contained in this section of the CAPER. All projects included in the 2014-2015 Annual Action Plan were scheduled for implementation during that fiscal year. However, there were some projects (e.g. extensive infrastructure) that require funding from multiple years in order to complete.

STANISLAUS COUNTY

Planning and Project Administration *Activity # 505*

$313,988.00 Fiscal Year 2014-2015 Funds Budgeted
$313,988.00 Funds Expended

CDBG funds were used to pay for administration costs for Stanislaus County staff engaged in the administration and implementation of Fiscal Year 2014-2015 program activities. Time that is devoted to the implementation or project planning by the jurisdictions and public agencies on behalf of the CDBG program are eligible for reimbursement.

Airport Neighborhood Sewer Project - Project Phase 1 *Activity # 474*

$595,270.00 Fiscal Year 2014-2015 Funds Budgeted
$281,006.86 Funds Expended*

Allocated Fiscal Year 2014-2015 infrastructure funds, in combination with prior fiscal year funds, were expended on the first phase of the Airport Neighborhood Sewer Project. Construction began in summer of 2014 and was completed in spring of 2015.

This project consisted of the installation of a public sewer system in the unincorporated area of the Airport Neighborhood. This project was conducted in response to health and safety concerns associated with failing septic systems. This first phase of the project installed approximately 3,000 linear feet of sewer main along with other project related improvements.

Stanislaus County is currently seeking California State Water Resources Board (CSWRB) grant funds to fund the remaining portions of the project that would

provide sewer service to the rest of the Airport Neighborhood. Once completed the Airport Infrastructure project is estimated to benefit 511 households (2,000 residents).

* Unexpended funds will be allocated to a Stanislaus County infrastructure project.

Fair Housing Program *Activity # 506*

$25,000.00 Fiscal Year 2014-2015 Funds Budgeted
$25,000.00 Funds Expended

Stanislaus County contracted with Project Sentinel to provide fair housing services that allowed residents to be aware of housing rights, be informed of housing opportunities, and overcome housing discrimination. This is accomplished by in-depth conciliation/mediation, and when necessary, litigation. The main objective of the agency is to raise the level of awareness of fair housing rights and responsibilities among home seekers, owners, property managers, and the general public.

During this fiscal year, Project Sentinel provided information and referral services to 407 individuals, made up of 407 households. The agency's fair housing consultation and investigation services processed 8 fair housing cases and 33 tenant/landlord cases throughout Fiscal Year 2014-2015. Services provided for these cases included testing, canvassing, statistical analysis, witness interviews and counseling. Of the eight (8) cases that were opened, three (3) were handicap/disability related; two (2) were race related; two (2) were related to familial status; and one (1) was related to intimidation and harassment. Twenty-five (25) of the thirty-three (33) tenant/landlord cases were successfully counseled and educated in fair housing and/or reached conciliatory agreements. The Fair Housing hotline received a total of 407 tenant-landlord and fair housing calls during the year. In addition, sixteen (16) Fair Housing presentations were conducted to client groups or other agencies. Tester training and recruitment was conducted throughout the year as needed. Also, throughout the year, the agency attended and participated in numerous community activities, meetings, and presentations where educational materials, fair housing literature, agency flyers, or business cards were distributed to the attendees or left at sites for public display. Out of the total individuals served by Project Sentinel's Fair Housing services during the Fiscal Year 2014-2015 the following were served within each Urban County area:

Ceres	92
Hughson	12
Newman	30
Oakdale	16
Patterson	98
Waterford	25
Keyes	13
Empire	10
Salida	11
Denair	8
La Grange	5
Hickman	1
Other unincorporated areas	86
Total	**407**

Empire Storm Drain Infrastructure Project Activity # 385

$0 Fiscal Year 2014-2015 Funds Budgeted
$9,835.36 Funds Expended (previous years funds)

In Fiscal Year 2014-2015 staff explored alternative designs for the storm drain project that would provide a more reasonable cost to the community. Stanislaus County Public Works completed a feasibility study for a lower-cost Low Impact Development (LID) swale storm water drainage system.

After conducting a series of community meetings during Fiscal Year 2014-2015, Empire residents did not support the LID swale storm drain system concept. Instead, Empire residents expressed they would likely favor a targeted storm drain project that includes sidewalks for safe routes to school for children and general pedestrian use, and other traffic safety improvements.

Based on the feedback received, during Fiscal Year 2014-2015 Stanislaus County developed a conceptual plan for a targeted storm drain system that includes sidewalks as part of the project scope. In Fiscal Year 2015-2016, Stanislaus County staff will conduct additional community meetings to present the Empire residents the conceptual plan and financing options. Finance options for this project may include CDBG grant funds, USDA loan and/or grant funds, and local funds. If supported, Stanislaus County will then conduct a Prop 218 process to develop a County Service Area (CSA) for project assessment purposes (for operation and, if necessary, maintenance and loan repayment).

Parklawn Sewer Infrastructure Project *Activity #438*

$0 Fiscal Year 2014-2015 Funds Budgeted
$3,000.00 Funds Expended (previous years funds)

During Fiscal Year 2014-2015, Stanislaus County completed the construction of the remaining phase and final phase (Phase II) of the Parklawn Neighborhood Sewer Project. This project was funded with a $5 million Clean Water State Revolving Fund (CWSRF) grant.

Phase II of this project consisted of installation of public sewer system along Hatch Road, Atlantic Avenue, Dover Avenue, Watson Avenue, Parklawn Avenue, and Morgan Road. Project improvements consisted of the installation of over 10,000 linear feet of sewer main, over 13,000 tons of street overlay, one sewer pump, along with other project related improvements.

The primary purpose of this project was to provide a sewer system to this disadvantaged low income neighborhood that allows property owners to abandon their failing septic tanks and connect to a public sewer system.

This has been a highly anticipated project by neighborhood residents as it will assist them in eliminating health and safety threats posed by failing septic systems. Stanislaus County has made a "Sewer Connection" program available that will assist neighborhood residents with low interest deferred loans to cover the costs of physical sewer connections from the home to the street. These loans will be funded with CalHome Owner Occupied Housing Rehabilitation funds. A total of 319 households (1,500 residents) benefitted from this project.

Stanislaus County Economic Development Program

Activity #440

$0.00 ***Fiscal Year 2014-2015 Funds Budgeted***
$0.00 ***Funds Expended***

Stanislaus County developed an economic development program which was included as part of the Fiscal Year 2012-2013 CDBG Annual Action Plan (AAP). However, after plan approval, HUD did not believe the program qualified as an eligible activity. The program was subsequently put on hold. None of the allocated funds for the Economic Development program have been spent. A revised economic development program was included for in the Fiscal Year 2015-2020 Consolidated Plan. Stanislaus County anticipates being able to implement economic development activities as proposed during the 2015-2020 Consolidated Plan period.

CITY OF CERES

Project Administration *Activity #510*

$14,804.00 ***Fiscal Year 2014-2015 Funds Budgeted***
$0.00 ***Funds Expended****

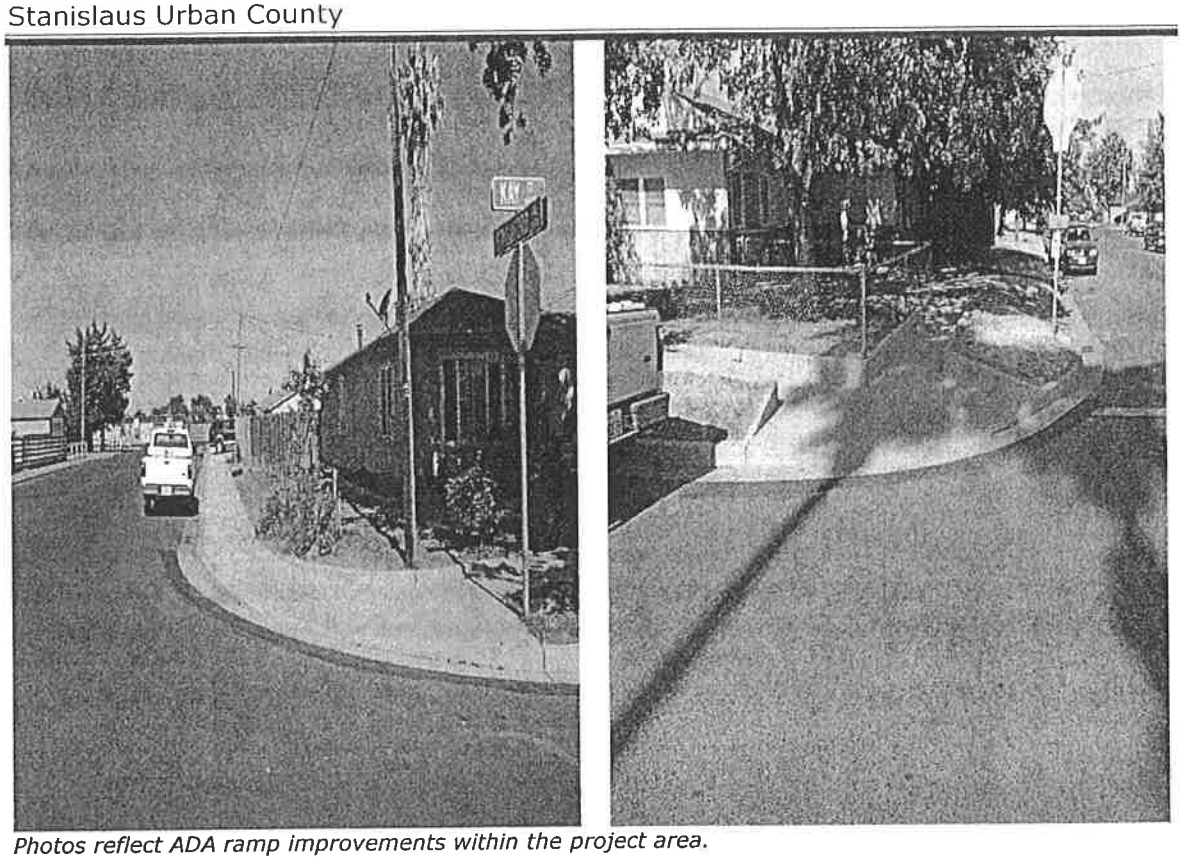
This expenditure includes costs associated with general management, oversight, and coordination of the CDBG program. City staff track the time spent for project administration and submits to Stanislaus County staff for verification and processing.

The City of Ceres did not expend any Project Administration funds during Fiscal Year 2014-2015.
* Unexpended funds will be allocated to a City of Ceres infrastructure project.

Infill Infrastructure Project – Morrow Tract/San Ramon *Activity #511*

$238,452.00 ***Fiscal Year 2014-2015 Funds Budgeted***
$288,638.25 ***Funds Expended (includes previous years funds)***

The City of Ceres completed construction of the Morrow Tract/San Ramon Infill Project. The project consisted of the installation of ADA accessible curb cuts and related improvements. A total of 55 ADA accessible ramps were installed along with other related project improvements. A total of 245 households (877 residents) benefitted from this project.



Photos reflect ADA ramp improvements within the project area.

CITY OF HUGHSON

Project Administration *Activity #512*

$14,804.00 Fiscal Year 2014-2015 Funds Budgeted
$ 2,403.95 Funds Expended*

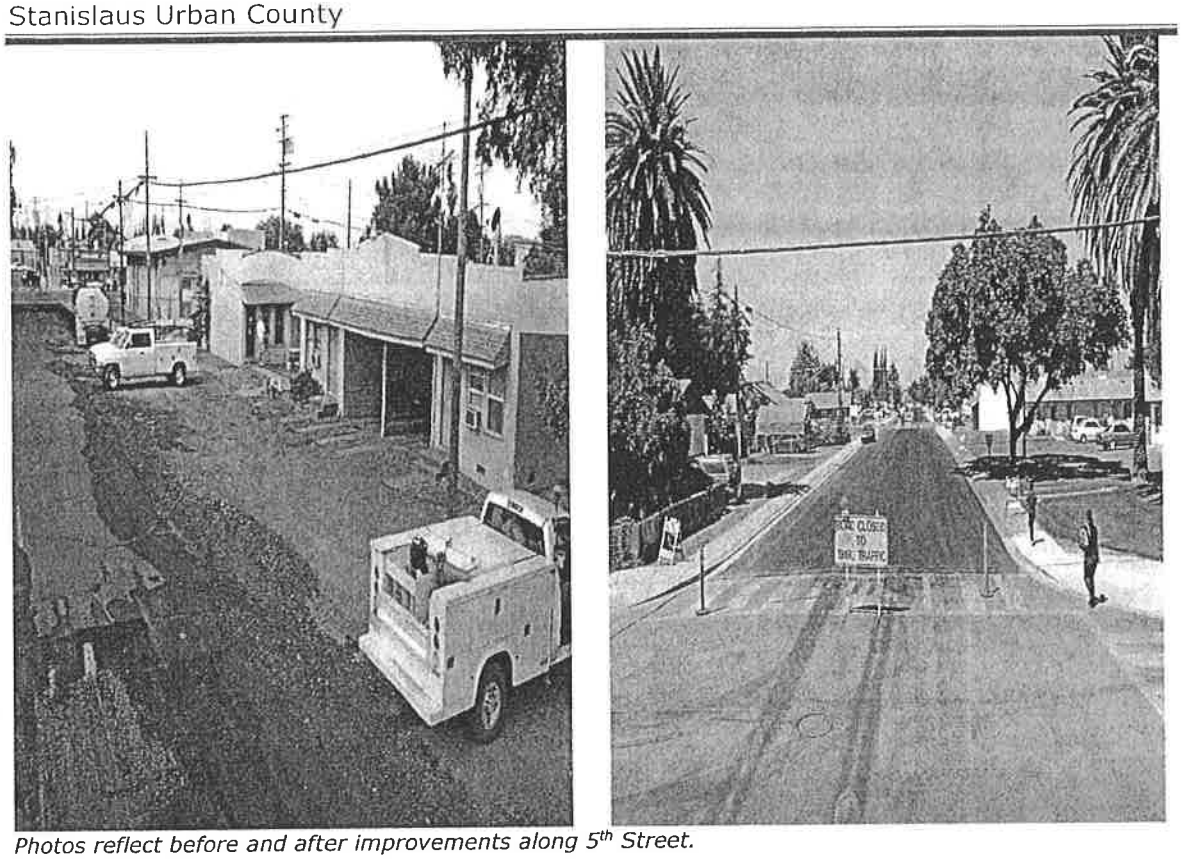
This expenditure includes costs associated with general management, oversight, and coordination of the CDBG program. City staff track the time spent for project administration and submits to Stanislaus County staff for verification and processing.

The City of Hughson did not expend any Project Administration funds during Fiscal Year 2014-2015.
* Unexpended funds will be allocated to a City of Hughson infrastructure project.

5th Street Infrastructure Project *Activity #443*

$0.00 Fiscal Year 2014-2015 Funds Budgeted
$165,250.71 Funds Expended (Previous year's funds)

The City of Hughson completed the 5th Street Sidewalk Infrastructure Project in Fiscal Year 2014-2015. The project consisted of installation of approximately 926 linear feet of curb, gutter, and sidewalk along 5th Street from Hughson Avenue to Fox Road as well as 25 street trees, and pavement overlay. Aside from CDBG funds, this project was also funded with Congestion Mitigation and Air Quality Improvement (CMAQ) funds. A total of 71 households (877 residents) benefitted from this project.



Photos reflect before and after improvements along 5th Street.

Hughson Avenue Sidewalk Infill Project *Activity #513*

$100,000.00 Fiscal Year 2014-2015 Funds Budgeted
$0.00 Funds Expended

The City of Hughson held a bid opening for the Hughson Avenue Infrastructure project on June 18, 2015. The city anticipates construction to begin in August 2015 with construction taking approximately 2 weeks to complete. The project will consist of the installation of curb, gutter and sidewalks along Hughson Avenue from 7th Street to the west, to the Hughson High School property line to the east. A total of 71 households (877 residents) benefitted from this project.

Photos reflect current conditions of Hughson Ave and need for improvements.

Fox Road Sidewalk Infill Project *Activity #514*

$19,264.00 Fiscal Year 2014-2015 Funds Budgeted
$ Funds Expended

To determine Low/Mod Area (LMA) project eligibility, the City of Hughson and County staff conducted an income survey of project area residents in Fiscal Year 2014-2015. Because several residents were not home during the survey, not enough households were interviewed to determine project eligibility. The City of Hughson has decided to conduct the survey again with expectations that survey results constitute project eligibility. If found eligible, this project will begin construction in Fiscal Year 2015-2016. The project is estimated to benefit 71 households (300 residents).

CITY OF NEWMAN

Project Administration *Activity # 515*

$14,804.00 Fiscal Year 2014-2015 Funds Budgeted
$ 7,879.15 Funds Expended*

This expenditure includes costs associated with general management, oversight, and coordination of the CDBG program. City staff track the time spent for project administration and submits to Stanislaus County CDBG staff for verification and processing. Remaining funds will be rolled over into Newman's Fiscal Year 2014-2015 infrastructure project(s).

* Unexpended funds will be allocated to a City of Newman infrastructure project.

Water Line Project *Activity #479*

$115,000.00 Fiscal Year 2014-2015 Funds Budgeted
$120.585.37 Funds Expended (includes funding from previous fiscal years)

The City of Newman completed construction of its Water Line Infrastructure Project. The project consisted of replacing water lines and outdated hydrants in various sections of the CDBG project area as old lines and hydrants were non-compliant, and posed health and safety issues. The project included the installation of 340 linear feet of Water line along West Avenue, installation of 6 fire hydrants along with incidental project repairs. A total of 90 households (500 residents) benefitted from this project.

Inyo Avenue Infrastructure Project *Activity #516*

$20,435.00 Fiscal Year 2014-2015 Funds Budgeted
$ 6,056.00 Funds Expended

Initial engineering and design was initiated during Fiscal Year 2014-2015, but given the HUD Census Data determinations regarding CDBG Census Block Groups (LMA areas), the project was placed on hold until an income survey of the project area can be completed. Once completed a total of 35 (200 residents) are estimated to benefit from the project

CITY OF OAKDALE

Project Administration *Activity #517*

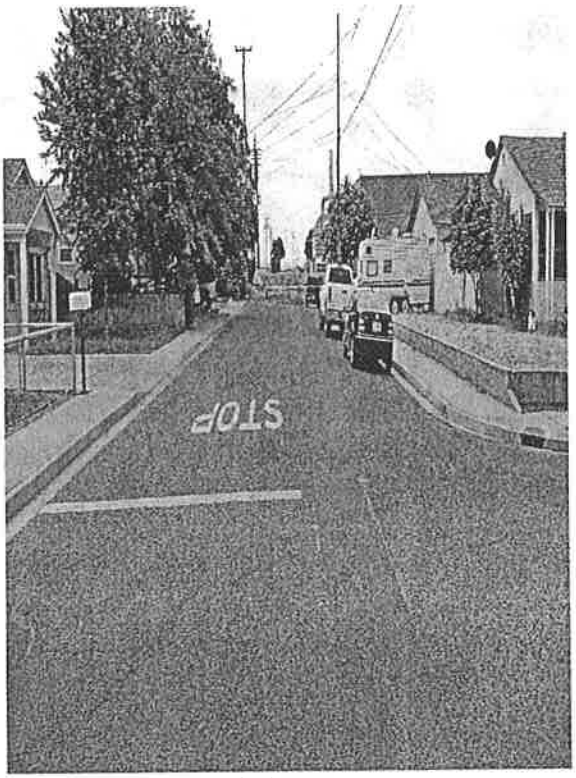
$14,804.00 Fiscal Year 2014-2015 Funds Budgeted
$ 6,420.96 Funds Expended*

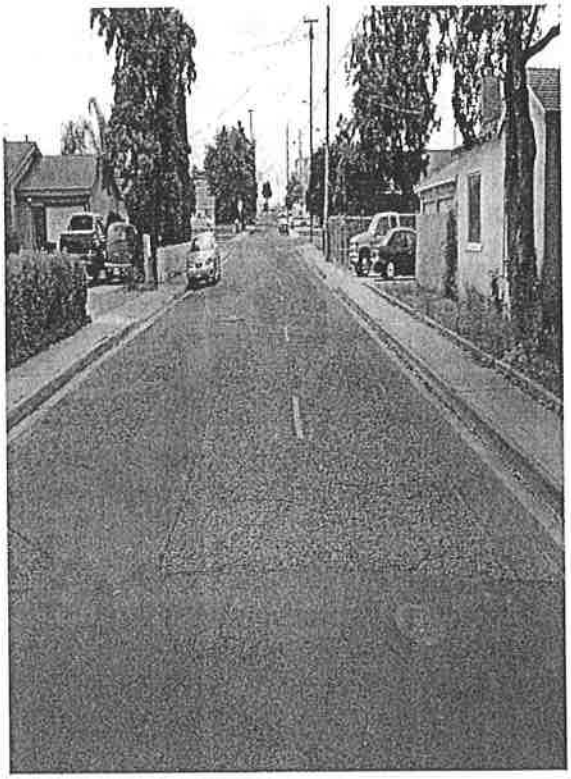
This expenditure includes costs associated with general management, oversight, and coordination of the CDBG program. City staff track the time spent for project administration and submits to Stanislaus County staff for verification and processing.
* Unexpended funds will be allocated to a City of Oakdale infrastructure project.

Davitt Avenue Infrastructure Project – Phase II *Activity # 344*

$147,548.00 Fiscal Year 2014-2015 Funds Budgeted
$174,162.44 Funds Expended (includes funding from previous fiscal years)
This project initiated in Fiscal Year 2010-2011 and was originally planned to be leveraged with redevelopment and CDBG funds. However, due to the loss of redevelopment, the project was scaled back and construction was delayed. Consequently, the project was split into two construction phases combining funds from four fiscal years (Phase I: Fiscal Years 2011-2012 and 2012-2013; Phase II Fiscal Years 2013-2014 and 2014-2015). Due to higher project costs than anticipated, the City of Oakdale was forced to split Phase I into two parts utilizing funds from three fiscal years, including Fiscal Year 2013-2014 funds, pushing back the remaining Phase II to utilize Fiscal Year 2014-2015 and 2015-2016 funds.

Phase I was completed in August 2013. Phase II of this project had no activity in Fiscal Year 2014-2015 as the City delayed construction until Fiscal Year 2015-2016 in order to combine Fiscal Year 2014-2015 and 2015-2016 funds to complete the project. Once completed the project is estimated to benefit a total of 48 households and (200 residents).





Photos represent project area.

CITY OF PATTERSON

Project Administration *Activity #519*

$14,804.00 Fiscal Year 2014-2015 Funds Budgeted
$ 7,748.84 Funds Expended*

This expenditure includes costs associated with general management, oversight, and coordination of the CDBG program. City staff track the time spent for project administration and submits to Stanislaus County staff for verification and processing.
* Unexpended funds will be allocated to a City of Patterson infrastructure project.

5th Street Infrastructure Project *Activity #520*

$135,285.00 Fiscal Year 2014-2015 Funds Budgeted
$0.00 Funds Expended

In Fiscal Year 2014-2015 the City of Patterson continued to plan their 5th Street Infrastructure project. City staff requested the CDBG funds they had allocated during Fiscal Year 2014-2015 be shifted to the Fourth Street Infrastructure Project Phase II to assist in the completion of that project. The city anticipates construction of the 5th Street Project until Fiscal Year 2017-2018, therefore this project will be canceled in IDIS for now. Once completed the project is estimated to benefit a total of an estimated 90 households (500 residents).

4th Street Infrastructure Project *Activity #402*

$0.00 ***Fiscal Year 2014-2015 Funds Transferred from (5th Street Project)***

$18,432.24 ***Funds Expended (previous fiscal year funds)***

The City of Patterson completed Phase I construction of the Fourth Street Infrastructure Project in July, 2014. Phase I included the removal of 1,006 linear feet of pipe, 2,704 linear feet of water line installation, and 4,200 cubic feet of asphalt concrete. Phase II of the project will include the installation of approximately 2,000 linear feet of water line and replacement of 81 service connections. Phase two is anticipated to be completed in Fiscal Year 2015-2016. Once completed a total of 53 households (200 residents) are estimated to benefit from this project.

CITY OF WATERFORD

Project Administration *Activity #521*

$14,804.00 Fiscal Year 2014-2015 Funds Budgeted
$ 9,938.17 Funds Expended*

This expenditure includes costs associated with general management, oversight, and coordination of the CDBG program. City staff track the time spent for project administration and submits to Stanislaus County CDBG staff for verification and processing. Remaining funds will be rolled over into one of Waterford's infrastructure projects.
* Unexpended funds will be allocated to a City of Waterford infrastructure project.

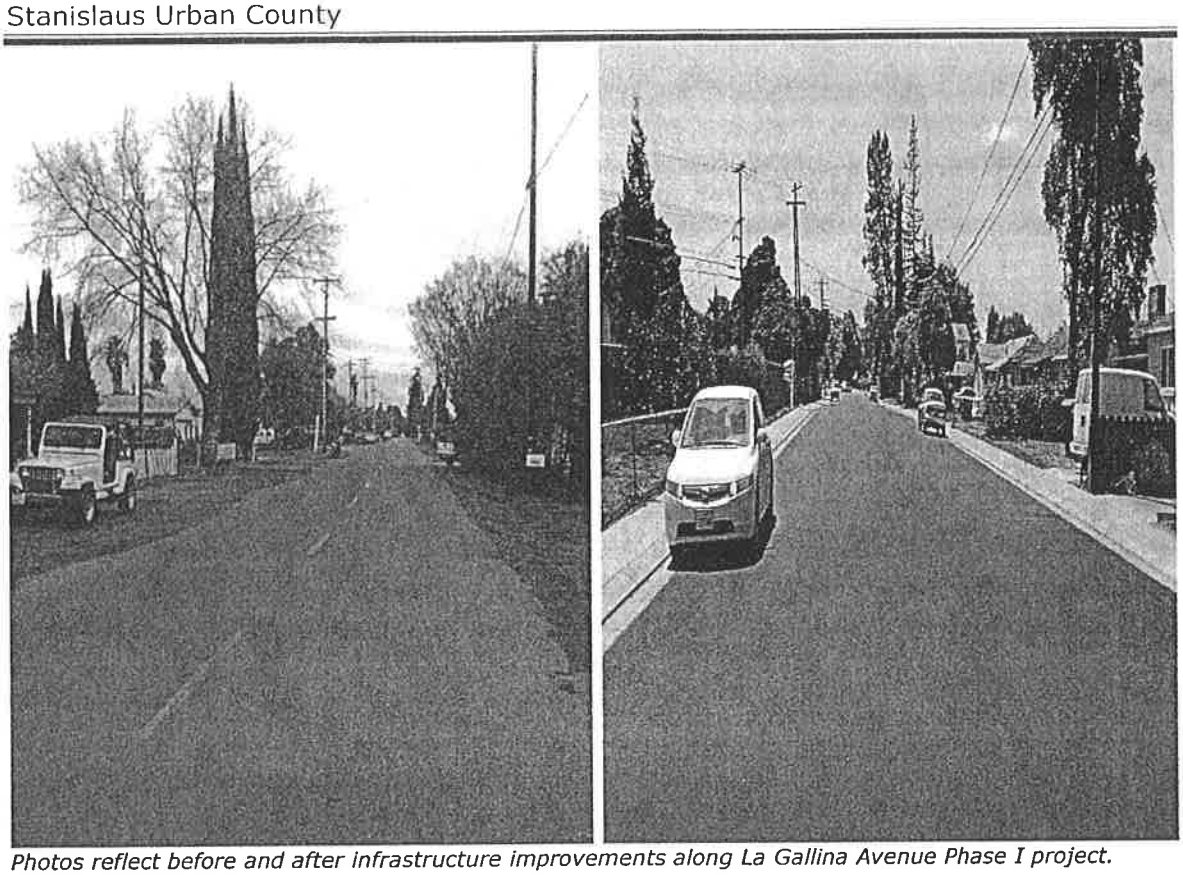
La Gallina Avenue Infrastructure Project

Activity # 436

$124,205.00 Funds Budgeted
$297,670.68 Funds Expended (includes previous years funds)

The City of Waterford began construction on Phase I of the La Gallina Avenue Infrastructure project in May 2015 and was completed in July 2015. Phase I and Phase II of this project includes the installation of curb, gutter, sidewalk, ADA accessible ramps, and storm drain infrastructure improvements along La Gallina Avenue from F Street to C Street. Phase I improvements included the installation of 6,000 square feet of sidewalk, 1,200 linear feet of curb and gutter, and 30,000 square feet of pavement overlay. Phase II of the project will begin construction in Fiscal Year 2015-2016. Once completed a total of 63 households and (217 residents) will benefit from the project.

* Unexpended funds will be allocated to a City of Waterford infrastructure project.



Photos reflect before and after infrastructure improvements along La Gallina Avenue Phase I project.

Economic Development Program *Activity #450*

$0.00 Fiscal Year 2014-2015 Funds Budgeted
$0.00 Funds Expended (previous years funds)

The City of Waterford's Economic Development program was designed to provide small grants to businesses located within the City of Waterford's City Council adopted commercial blight areas. Each business applicant provided a business plan and proposed budget to the City of Waterford, which went through thorough underwriting reviews. Throughout Fiscal Years 2012-2014, five businesses were provided grant funding to allow for business improvements and expansion. As a result of the Economic Development funding, these businesses were able to make needed upgrades to their operations, including the ability to hire new employees.

This activity has been on hold since June 2014, until the City of Waterford updates its Economic Development Plan. This program has a balance of $46,290 The City of Waterford anticipates the plan to be completed in September 2015.

PUBLIC SERVICE GRANTEES

The Stanislaus Urban County set-aside $213,906, or approximately 10% of its CDBG Entitlement funds, for the Public Service Grant Program. Under the program, Stanislaus Urban County public service grants are awarded to non-profit organizations that provide new or expanded services to eligible Stanislaus Urban County area residents. The activities funded must be targeted for one of the following CDBG national objectives: directly benefit low income individuals; elimination of blighting conditions; or, response to economic distress and dislocation. During Fiscal Year 2014-2015, the Stanislaus Urban County provided funding to 15

non-profit service providers for 15 different programs. Non-profits and service providers applied for the grants through a competitive process, with a maximum grant amount award of $20,000. Grant applications were made available in a CDBG/ESG Technical Workshop, which was held on November 13, 2013. Applications received were reviewed and scored by a committee consisting of representatives from each Stanislaus Urban County member, the Stanislaus County Chief Executive Office, and from the Stanislaus County Continuum of Care. The recommendation for funding was approved by the Board of Supervisors on April 8, 2014 at a public hearing. Out of the total 21,566 individuals served by the 11 agencies funded with CDBG Public Services during Fiscal Year 2014-2015, the following were served within each Stanislaus Urban County area:

Ceres	4,285
Hughson	362
Newman	846
Oakdale	3,639
Patterson	3,705
Waterford	571
Salida	170
Empire	751
South Modesto	2,324
Keyes	817
Knight Ferry	3
Denair	101
Hickman	207
La Grange	31
Other unincorporated areas	3,754
Total	**21,566**

The following is a summary of CDBG Public Service program grantees, including their grant funds awarded and expended, their HUD issued IDIS activity number, and a brief description of what they accomplished throughout the Fiscal Year 2014-2015:

AMERICAN RED CROSS

Emergency Services

Activity #522

$9,072.00 Funds Awarded
$9,072.00 Funds Expended

Throughout Fiscal Year 2014-2015, the American Red Cross provided emergency services and shelter to 68 unduplicated individuals (made up of 13 households) who had just experienced an unforeseen disaster which left them without shelter. Families also received care packages and social service referrals to assist them in getting back on their feet.

COURT APPOINTED SPECIAL ADVOCATES

Direct Services

Activity #523

$9,607.00 Funds Awarded
$9,607.00 Funds Expended

CASA is a prevention and intervention program that works to prevent future incidences of abuse and protect siblings from similar experiences by assisting child welfare professionals and acting as the eyes and ears of the juvenile Court Judge. Staff investigates, makes recommendations on the client's behalf and advocates for services that will directly impact and benefit them. During the fiscal year CASA advocated for 33 youth in foster care. Of the total 33 cases, 16 children were victims of domestic violence, and 6 children were disabled. All cases are referred through the Juvenile Dependency Court. The agency had 7 advocates gain educational rights of their clients and 17 new advocates were trained in December and an additional training took place in February 2015. A total of 17 presentations were made to the community about the CASA program.

CENTER FOR HUMAN SERVICES

Ceres Partnership for Healthy Children FHC-Parklawn (NRSA) *Activity #507*

$20,000.00 Funds Awarded
$16,568.96 Funds Expended*

Center for Human Services was funded to provide recreational/sports scholarships for children and case management to families in the Parklawn neighborhood through the Ceres Partnership for Healthy Children (CPHC). CPHC received referrals from Westport Elementary, Blaker Kinser Junior High School, Central Valley High School, the Parklawn United Neighbors leadership group, and sign ups at the fall community festival. CPHC continues to attend Parklawn resident meetings to work with the Parklawn leadership to provide the services their residents have requested. CPHC met with families who requested services and completed intake process, purchased all backpacks and school supplies, contacted families, completed tracking sheets, made all purchases and supplied equipment for the community festival, worked with TID and City of Ceres for the utility assistance and sports scholarships and conducted outreach for the festival. During the fiscal year, 100 families were served with a total of 429 individuals of which 180 were children under 18 years old. Of the 429 program participants 310 individuals were in the extremely low income category and 91 individuals were in the very low income category.

* Unexpended funds will be allocated to similar activities in Fiscal Year 2015-2016.

CENTER FOR HUMAN SERVICES

Ceres Partnership for Healthy Children Family Resource Center *Activity #524*

$16,000.00 Funds Awarded
$15,996.92 Funds Expended

Ceres Partnership for Healthy Children was funded to provide Utility Assistance and Financial Education. During the fiscal year 263 individuals, made up of 66 families received case management, utility assistance, financial management education, and resource and referral services. In addition, 22 Ceres families and 7 Keyes families who were unable to pay their utility bills were assisted and twenty Ceres families also received emergency food assistance. All families enrolled in the program are being case managed, have completed a Strength Based Assessment and are receiving ongoing assistance in accessing a variety of community resources.

CENTER FOR HUMAN SERVICES

Oakdale Family Resource Center *Activity #525*

$14,000.00 Funds Awarded
$14,000.00 Funds Expended

Center for Human Services provided families with utility bill assistance, food, temporary shelter, mental health and alcohol and drug counseling to individuals in the communities of Oakdale, Knights Ferry and Valley Home. During the Fiscal Year 2014- 2015, 697 individuals, made up of 243 families, received case management and resource and referral assistance. A total of 18% of the participants were female head of households, 11% were individuals with disabilities, 11% received a connection to employment and 60% received emergency food assistance.

CENTER FOR HUMAN SERVICES

Westside Family Resource Center *Activity #526*

$14,000.00 Funds Awarded
$13,998.84 Funds Expended*

The purpose of the Westside Family Resource's program is to provide utility assistance, brief case management, crisis intervention, AOD services, resource and referral to moderate to very low and low income families of all ages. 156 families, totaling 628 individuals, were served during the fiscal year. Families receiving water bill assistance also received financial education and set goals to become financially stable. Other services that families were assisted with are: PG&E assistance, emergency food assistance, employment assistance, translation services, and linking to other services available in the community. Of the program participants 79% of the individuals assisted had extremely low incomes, 76% of the participants were Hispanic, 24% received emergency food assistance and 14% were female head of households.

* Unexpended funds will be allocated to similar activities in Fiscal Year 2015-2016.

CHILDREN'S CRISIS CENTER

Ceres Respite Shelter *Activity #527*

$15,000.00 Funds Awarded
$15,000.00 Funds Expended

This program provided parents with valuable insight into the health and development needs of their children. Clients are also educated about other professional services that will benefit their child. Staff makes referrals for specialized care for the children and tailors activities to promote each child's optimal growth and progress. During the fiscal year 81 families requested respite child care services in order to seek or maintain employment, attend counseling, apply for permanent housing and for therapeutic relief. A total of 14 were female headed households and 9 were victims of domestic violence. 95% of the individuals were Hispanic, 63% were from extremely low income households and 17 were female headed households.

HEALTHY AGING ASSOCIATION

Young at Heart Program *Activity #528*

$16,000.00 Amount Awarded
$16,000.00 Amount Expended

The Young At Heart Program provided strength training and exercise, fall prevention and health education outreach to seniors 62 and over. The program is designed to improve the prevention, early intervention, treatment and management of chronic conditions by providing community based health and wellness resources for Stanislaus County's low income and at risk seniors and disabled individuals at no cost. Classes are provided 2-3 times a week. During the fiscal year 375 individuals participated in the program. Among the participating seniors 81 were Hispanic, 8 were disabled, and 8 were Veterans.

Healthy Start Orville Wright

Airport Family Resource Center- NRSA *Activity #508*

$10,000.00 Amount Awarded
$ 7,063.06 Amount Expended

This Family Resource Center provided supportive services for low-income at-risk children/youth and their families in the unincorporated portions of the Airport Neighborhood. Case managers worked with Orville Wright Elementary School students and their families to provide access and referrals to needed resources revolving around issues such as crisis intervention, job and education training, food insecurity, access to transportation, crime prevention, health insurance enrollment assistance, or mental health services. A total of 299 Airport residents (made up of 75 families) have received case management and resource and referral services throughout fiscal year. 30% of the households were female headed households.

* Unexpended funds will be allocated to similar activities in Fiscal Year 2015-2016.

HOWARD TRAINING CENTER

Senior Meals Program *Activity #529*

$14,000.00 Amount Awarded
$14,000.00 Amount Expended

The Senior Meals program served seniors in need of a nutritious meal and provides nutrition information and promotes healthy eating at the congregate sites and through home delivered meals. During the fiscal year the program served 1,670 unduplicated individuals (1,417 of which were 62 years and over) a total of 188,627 meals throughout the County. As of July 15, 2014 the program added a 5th day to 8 of the congregate site locations and a 4th day to the other 3 congregate sites based on location availability. Of the program participants 30% of the clients served had a disability, 10% were veterans, 23% were Hispanic, and 35% were female headed households.

PARENT RESOURCE CENTER

Airport Family Resource Center Program-NRSA *Activity #509*

$10,000.00 Amount Awarded
$ 9,958.30 Amount Expended

The Parent Resource Center provided parent education to the residents of the Airport neighborhood along with supportive services and resource and referral information. Located at 530 S. Santa Cruz the agency is currently providing parenting education

to adults and providing childcare to their children during class and case management sessions. A total of 99 Airport residents (made up of 21 families) have received case management and resource and referral services throughout fiscal year. A total of 24% of the households enrolled in the program were female headed households.

THE SALVATION ARMY

Child Development Program *Activity #530*

$14,000.00 Amount Awarded
$14,000.00 Amount Expended

The Salvation Army Child Development Center in Modesto provided early childhood education and care for at-risk low-income children ages 2 to 6 years of age. The program can serve up to 60 children per day and operates year-round from 6:45 am to 5:30 pm Monday thru Friday. Children are guided through group and individual learning. Indoor and outdoor activities help the children to develop physically, emotionally, academically, and socially. During the fiscal year 119 children attended the center's program. 46% of the children that participated in the program were Hispanic. Of the participants enrolled 97% of the children served were from very low and low income households.

THE SALVATION ARMY

Homeless Meals Program *Activity #531*

$12,805.00 Amount Awarded
$12,805.00 Amount Expended

The Salvation Army's Homeless Meals Program provided hot meals to Stanislaus County's low-income families, seniors, and homeless individuals on a daily basis. Each morning, Monday through Friday, the kitchen manager/cook and staff begin preparing the Noon Meals Program designed to feed the homeless and low income individuals who are in need of a meal. During the preparation of this program, the Cook also prepares 25 noon meals for clients who are at home and are unable physically to go to the facility. More than 30,000 meals are served yearly. During the fiscal year 930 clients were served with 97% from South Modesto, 16% of the clients served are Veterans and 30% from female headed households.

THE SALVATION ARMY MODESTO RED SHIELD

Tutoring and Mentoring Program *Activity #532*

$19,812.00 Amount Awarded
$19,812.00 Amount Expended

The Red Shield Tutoring and Mentoring Program served 167 unduplicated low-income at-risk youth from the South Modesto area throughout Fiscal Year 2014-2015. The Salvation Army Red Shield operates the tutoring program for K-6th grade at their Youth Center in South Modesto. The program helps children in subjects and areas they need to focus on; for example math, reading, spelling and science. The tutoring coordinator also keeps in contact with parents and teachers. A total of 83% of those participating in the program were Hispanic, 68% of those enrolled are from extremely low income households and 24% were from households who had female heads of households.

SECOND HARVEST FOOD BANK

Emergency Food Assistance Program *Activity #533*

$12,805.00 Amount Awarded
$12,805.00 Amount Expended

The Second Harvest program provided emergency food assistance to 13,319 unduplicated low-income persons (made up of 3,329 households) residing in Stanislaus Urban County areas throughout Fiscal Year 2014-2015. Food is distributed to charitable organizations throughout the County, who are members of Second Harvest. Those organizations then distribute the food to food insecure households as needed. Out of the total individuals served 1,468 were female heads of households, 2,061 were 62 years old and over, and 1,174 were persons with disabilities. A total of 482,193 pounds of nutritious supplemental groceries were distributed throughout the fiscal year.

SECOND HARVEST FOOD BANK

Food 4 Thought Program *Activity #534*

$18,000.00 Amount Awarded
$18,000.00 Amount Expended

In collaboration with school sites within the unincorporated areas of Stanislaus County Second Harvest's Food 4 Thought program provided a bag of nutritional groceries twice a month to extremely low to low-income children enrolled in after-school tutoring programs. During the fiscal year 37,336 pounds of food was distributed to 370 students enrolled in the program at Empire, Franklin and Orville elementary schools.

UNITED SAMARITANS FOUNDATION

Daily Bread Mobile Lunch Program (Hughson/Keyes Truck) *Activity #535*

$12,805.00 Amount Awarded
$12,805.00 Amount Expended

The United Samaritans Foundation's Daily Bread Mobile Lunch Truck provided a total of 53,574 lunches to 433 unduplicated individuals throughout Fiscal Year 2014-2015. Of those served 39 were homeless, 30 were elderly, 8 were persons with disabilities, and 5 were veterans. Every Friday the lunch truck also provides an extra bag of food containing items such as eggs, potatoes, bread, fresh vegetables, fresh fruits, and milk. Throughout Fiscal Year 2014-2015 the lunch truck gave out 3,091 grocery bags to food insecure individuals.

WE CARE OF TURLOCK

Emergency Food Program *Activity #536*

$16,000.00 Amount Awarded
$16,000.00 Amount Expended

The We Care Emergency Shelter opened on November 8, 2014 and stayed open until April 15, 2015. The program provided emergency overnight shelter (from 6:15 p.m. to 8 a.m.) and meals to 214 homeless single males throughout the southeast area of the county throughout Fiscal Year 2014-2015. A total of 5,854 duplicated shelter nights were provided throughout the operation of the shelter. The respite from the

streets provides these individuals the opportunity to enjoy improved health and safety, to receive referrals to services, to enroll in essential services, to receive case management, attend AA/NA meetings, use the computer lab for job and housing searches, and to be screened and potentially enrolled in We Care's Rapid Re-Housing program. Four individuals were assisted with the Rapid Rehousing program and placed in permanent housing. Ten of the participants enrolled in the program were veterans, 35 were disabled, and 14 were over 62 years of age. The shelter has the capacity to serve 49 men each night. This season 170 men were unable to receive a bed because the shelter was at full capacity.

4. For Funds Not Used for National Objectives
   a. Indicate how use of CDBG funds did not meet national objectives.
   b. Indicate how did not comply with overall benefit certification.

All CDBG funds utilized by the Stanislaus Urban County met the national objectives primarily servicing individuals/households of low or moderate incomes.

5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property
   a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.

The Stanislaus Urban County includes regulatory language in all of its program documents addressing the anti-displacement and relocation laws. Per program guidelines, Stanislaus Urban County members will not provide assistance through any of its programs if the assistance will cause the displacement of a family or individual.

6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons

Not applicable.

7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit

All CDBG activities fell within limited clientele or low and moderate area benefit.

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

The Stanislaus Urban County ended the fiscal year with a total of $3,009,983.31 of NSP1 program income and $94,536.68 on NSP3 program income and $129,363.98 of CDBG-R program income.

HOUSING REHABILITATION

9. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year
   a. Identify the type of program and number of projects/units completed for each program.

Nine households were assisted by Stanislaus Urban County members via their respective Housing Rehabilitation Program (not all Stanislaus Urban County members operate a housing rehabilitation program). These households received assistance addressing health and safety related home repairs.

Antipoverty Strategy

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

To reduce the number of persons living under poverty level, Stanislaus County has continued its partnership with the CoC in support of activities such as "point in time counts" as well as assist with applications for HUD's Super NOFA funding opportunities to offset the outstanding need for homeless shelter and services within the community. As well as, provide a portion of CDBG and ESG funding through a competitive process to eligible non-profits that have a proven track record of assisting the homeless on their path towards toward work and full time housing.

Coordination Efforts

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

The Stanislaus Urban County recognizes it cannot work alone in achieving the goals outlined in the Con Plan. Therefore the Stanislaus Urban County is a member of and participates with various collaborative throughout the County. Stanislaus Urban County participates in the following in order to better serve and coordinate the needs of the community:

AIRPORT NEIGHBORHOOD COLLABORATIVE

Stanislaus County is a member of the Airport Neighborhood Collaborative. Created by community organizers and residents, the Airport Neighborhood Collaborative is a monthly forum for local agencies, elected officials, non-governmental organizations, and non-profits to share resources and work towards the common goal of making the Airport Neighborhood a healthier place. The Collaborative allows organizational stakeholders, both public and private, to coordinate and potentially leverage resources to more effectively deliver their respective services to residents.

TURLOCK COMMUNITY COLLABORATIVE

Stanislaus County is a member of the Turlock Community Collaborative. This collaborative was formed initially to deal with homeless issues facing Turlock. A group of concerned community members, faith-based groups, and government agencies developed the collaborative to effectively deal with current and future issues concerning the homeless and the community.

HOUSING AND SUPPORTIVE SERVICES

Stanislaus Urban County jurisdictions are members of the Housing and Supportive Services Collaborative (CoC), which is the governing body of the Continuum of Care plan for the area. The Collaborative consists of homeless and public service providers, law enforcement, affordable housing developers, government agencies, and community advocates. This collaborative has developed a homeless and consumer survey that is distributed by member agencies on an annual basis. The information is then collected and shared among the agencies for efficient service

delivery, as well as for purposes of resource identification and development. During Fiscal Year 2014-2015 Stanislaus County staff has played a key role in improving the functionality of the countywide Homeless Management Information System (HMIS) that was implemented in October 2004. The Planning Department along with other county departments, and HACS have worked throughout the fiscal year to ensure the operation of a Homeless Management Information System (HMIS) for the Collaborative in order to meet HUD's mandate that all ESG program participants are part of, and actively enter the pertinent universal data elements into the Homeless Management Information System (HMIS). In addition to the monthly Collaborative meetings, Stanislaus County staff serves on several subcommittees of the Collaborative such as the Homeless Management Information System (HMIS), Grant Review, and the ESG Sub-committee.

HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS (HACS)

The Housing Authority of the County of Stanislaus and Stanislaus County have a strong relationship and continue to work towards furthering decent, safe, and affordable housing throughout the County. The County funds several programs such as the Housing Rehabilitation Program and Emergency Sewer Lateral Connection program that HACS administers. HACS also serves on several housing and community development related committees for the County.

Appendix - A

1. **Neighborhood Revitalization Strategy Areas (NRSA) FY 2014-2015 Report**

NEIGHBORHOOD REVITALIZATION STRATEGY AREAS (NRSA) SUMMARY OF FISCAL YEAR 2014-2015 NRSA ACCOMPLISHMENTS AIRPORT AND PARKLAWN NEIGHBORHOODS

Stanislaus County identified the following Fiscal Year 2014-2015 NRSA annual benchmarks for the Airport and Parklawn Neighborhood Revitalization Strategy Areas (NRSA). The following is an assessment of the annual benchmarks and accomplishments, by category as follows:

Affordable Housing Production/Retention: Major Rehabilitation and/or Unit Replacement

Goal: 4 units – Below 50% AMI

FY 2014-2015 Accomplishments: Stanislaus County acquired two vacant lots in the Parklawn Neighborhood in prior fiscal years. Stanislaus County will build affordable housing units for low-income families utilizing NSP Program funds. In this FY, construction plans for single family dwellings were developed for each of the lots. One unit was acquired in the Airport Neighborhood and will be rehabilitated to provide an affordable housing opportunity.

Challenges: Stanislaus County has identified eligible buyers for the two Parklawn Neighborhood units, however construction of the housing units was held off until the completion of the Parklawn Sewer Project. The project was completed June 2015, therefore units will be constructed in Fiscal Year 2015-2016.

Action Plan: Continue marketing Housing Rehabilitation Program and continue to Partner with non-profit housing developers such as Habitat for Humanity, STANCO, and Housing Authority of the County of Stanislaus.

Job Creation/Economic Development

Goal: Create 4 jobs.

FY 2014-2015 Accomplishments: None

Challenges: Stanislaus County developed an economic development program which was included as part of the Fiscal Year 2012-2013 CDBG Annual Action Plan (AAP) approved by the Board of Supervisors on April 17, 2012. The plan proposed to create a partnership between Stanislaus County and The Alliance Worknet that would result in a job creation program. While the program was developed in accordance with guidance provided by HUD, the Stanislaus Urban County's local HUD representative did not believe the program qualified as an eligible activity. The program was subsequently put on hold due to discussions with HUD regarding the eligibility of proposed activities. None of the allocated funds for the Economic Development program have been spent. A revised economic development program has been developed as part of the 2015-2020 Consolidated Plan.

Action Plan: Implement the revised economic development program with a focus on assisting persons and business within the NRSA areas.

Infrastructure

Goal: Complete the construction of sewer main line infrastructure project for the Parklawn Neighborhood.

FY 2014-2015 Accomplishments: The completion of Phase I of the Parklawn Sewer Infrastructure Project took place in Fiscal Year 2013-2014 (fully funded with CDBG funds). Phase II of this project began August 2014 and was completed June 2015. Completion of the project was made possible with the support from a $5 million California State Water Board grant. This allowed Stanislaus County to allocate Fiscal Year Fiscal Year 2014-2015 CDBG funds to the Airport Neighborhood Sewer Project.

Stanislaus County also completed Phase I of the Airport Sewer Infrastructure project during Fiscal

Year 2014-2015. This first phase of the project installed approximately 3,000 linear feet of sewer main along with other project related improvements.

Challenges: None. Stanislaus County is on target in this category.

Action Plan: Stanislaus County will pursue additional State Clean Water State Revolving Funds (CWSRF) to fully construct the remaining phases of the Airport Sewer Project.

Public Services

Goal:

- Job education training (workforce development).
- Provide rapid rehousing services.
- Secure a non-profit to provide senior services.
- Secure a non-profit to provide at risk youth services/programs.

FY 2014-2015 Accomplishments: Stanislaus County funded three non-profit organizations to provide direct services to Airport and Parklawn Neighborhood residents: Orville Wright Elementary –Healthy Start and the Parent Resource Center were awarded funding to serve the Airport Neighborhood and Center for Human Services (CHS) was funded to provide services to the Parklawn Neighborhood residents. These organizations provided much needed services to Airport and Parklawn residents such as crisis intervention, job and education training, food assistance, and childcare services.

Orville Wright Elementary had 299 residents participate in their programs at their family resource center. Activities included ESL classes, job fairs, life skills classes, budgeting and emergency food assistance. Parent Resource Center had 99 participants in their education/training classes for parents and their children. Childcare was also provided to the program participants. CHS had 429 residents participated in their programs that included

24 children enrolled in recreational sports. Activities included case management, emergency food assistance, utility assistance and held events to prepare kids for school with school supplies.

Challenges:

In previous years county staff encountered barriers in attempting to fulfill the goal of designating an organization within the Airport and Parklawn Neighborhoods to become a Community Based Development Organization (CBDO). Although existing organizations are dedicated to improving the Airport and Parklawn areas and have strong community ties, they did not meet the requirements of a CBDO.

During Fiscal Year 2014-2015, the non-profits awarded to provide public services to the NRSA areas were unable to fully expend their funds. Both Orville Wright Elementary- Healthy Start and Center for Human Services were unable to expend their grant funding but they exceeded their goals for their program. Center for Human Services was successful in engaging and empowering residents in the Parklawn Neighborhood despite a transition in staff. Orville Wright Elementary-Healthy Start had difficulty engaging residents in the Airport Neighborhood until 6 months into the fiscal year. The Parent Resource Center expended all their funds in a timely manner and exceeded their goal of the numbers they targeted to serve in the Airport Neighborhood. County staff plans to continue to work with residents, community groups and non-profits in the designated areas to improve access to public services.

Action Plan:

County staff will continue to work with agencies serving the Airport and Parklawn Neighborhoods to: (1) create a plan of action for their communities; (2)

determine if that plan of action fits within the eligible CBDO activities; and (3) if appropriate, assist the neighborhood organizations in building their capacity with the objective of qualifying them as CBDO.

Appendix - B

1. Table 2C - Fiscal Year 2014-2015 Summary of Specific Housing/Community Development Objectives

2. Table 3B Annual Affordable Housing Completion Goals

3. Urban County Summary of Specific Annual Objectives for FY 2014-2015

4. Summary of Specific Annual Objectives for FY 2014-2015 CDBG Public Service Program Grantees

5. Summary of Specific Annual Objectives for FY 2014-2015 ESG Grantees

Table 2C
Fiscal Year 2014-2015 (YEAR 3)
Summary of Specific Housing/Community Development Objectives

Obj #	Specific Objectives	Sources of Funds	Performance Indicators	Expected Number	Actual Number	Outcome/ Objective*
1	**Infrastructure**					
a.	Address the need for infrastructure improvements (i.e. storm drainage, sewer, water, curb, sidewalks) to retrofit communities and neighborhoods throughout unincorporated areas of the County and within the Urban County Cities.	CDBG	1. Number of of Projects 2. Number of people served	6	5 3,687*	SL-3
2	**Economic Development**					
a.	Partner with a local non-profit organization with expertise in affordable housing to carry out Revitalization Strategy (RS) within the Airport/Parklawn neighborhoods. The plan's objective is to employ one person to be the liaison between target area residents, businesses, government agencies, and other RS participants.	CDBG	Jobs	1	0	EO-1
3 & 4	**Housing Assistance / Housing Programs**					
a.	Address the need for affordable housing by providing down payment assistance to low and moderate-income households.	HOME CalHome	Households	5	6 (80% AMI)	DH-2
b.	Address the need for decent affordable housing by offering owner occupied rehabilitation assistance to low and moderate-income households.	HOME CalHome	Households	6	3 (80% AMI)	DH-2
5	**Public Services**					
a.	Continue to address the needs of low to moderate-income households/individuals through public service programs by providing grants to non-profit organizations that will deliver such services.	CDBG	People	24,015	21,566	SL-1
b.	Homeless Services					
	Address the need for homeless services including emergency shelter, Rapid Rehousing, homeless prevention, and comprehensive case management.	ESG	People	578	1,178	
7	**Neighborhood Revitalization/Other**					
1	Deliver a Revitalization Strategy	CDBG		1	1	SL-3

* Airport project (200); Parklawn (1,500); Ceres Morrow Tract (1020); Hughson 5th St (250); Newman Water Line (500); Waterford La Gallina Phase I (217)

***Outcome/Objective Codes**

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

U.S. Department of Housing
and Urban Development

OMB Approval No. 2506-0117
(Exp. 8/31/2014)

Table 3B
ANNUAL AFFORDABLE HOUSING COMPLETION GOALS
FY 2014-2015

Grantee Name: Stanislaus Urban County Program Year: 2012-2013	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			NSP	HOME	ESG	HOPWA
A. BENEFICIARY GOALS (Sec. 215 Only)						
1. Homeless households			☐	☐	☐	☐
2. Non-homeless households	13	9	☐	☐	☐	☐
3. Special needs households			☐	☐	☐	☐
4. Total Sec. 215 Beneficiaries*			☐	☐	☐	☐
B. RENTAL GOALS (Sec. 215 Only)						
1. Acquisition of existing units	0	0	☐	☐		☐
2. Production of new units	0	0	☐	☐		☐
3. Rehabilitation of existing units	0	0	☐	☐	☐	☐
4. Rental Assistance	0	0	☐	☐		☐
5. Total Sec. 215 Affordable Rental	**0**	**0**	☐	☐	☐	☐
C. HOME OWNER GOALS (Sec. 215 Only)						
1. Acquisition of existing units	2	0	☒	☐		
2. Production of new units	0	0	☒	☐		
3. Rehabilitation of existing units	6	3	☒	☒		
4. Homebuyer Assistance	5	6	☒	☒		☐
5. Total Sec. 215 Affordable Owner = C5	**13**	**9**	☒	☒	☐	☐
D. COMBINED RENTAL AND OWNER GOALS (Sec. 215 Only)						
1. Acquisition of existing units (B.1.+C.1.)	2	0	☒	☐		☐
2. Production of new units (B.2.+C.2.)	0	0	☒	☐		☐
3. Rehabilitation of existing units (B.3.+C.3)	6	3	☒	☒	☐	☐
4. Rental Assistance = B.4.	0	0	☐	☐		☐
5. Homebuyer Assistance = C.4.	5	6	☒	☒		☐
6. Combined Total Sec. 215 Goals* (D.2+D5)	**13**	**9**	☒	☒	☐	☐
E. OVERALL HOUSING GOALS (Sec. 215 + Other Affordable Housing)						
1. Annual Rental Housing Goal = B.5.	0	0	☒	☒	☐	☐
2. Annual Owner Housing Goal = C.5.	13	9	☒	☒	☐	☐
3. Total Overall Housing Goal (E.1+E.2)	**13**	**9**	☒	☒	☐	☐

* The total amounts for "Combined Total Sec. 215 Goals" and "Total Sec. 215 Beneficiary Goals" should be the same number.

Stanislaus Urban County Summary of Specific Annual Objectives
FY 2014-2015

STANISLAUS COUNTY

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	**Availability/Accessibility of Suitable Living Environment**						
SL-1.1 **Stanislaus County** Airport Neighborhood Sewer Infrastructure	Address the need for sewer infrastructure improvements in the Airport Neighborhood.	**CDBG**	1. Number of households with access to infrastructure improvements (511) 2. Number of residents impacted by infrastructure improvements (2,000).	2012			
				2013	2,000	0	0%
				2014	**200**	**200**	**100%**
				GOAL			
SL-1.1 **Stanislaus County** Parklawn Neighborhood Sewer Infrastructure	Address the need for sewer infrastructure improvements in the Parklawn Neighborhood.	**CSWRB**	1. Number of households with access to infrastructure improvements (319). 2. Number of residents impacted by infrastructure improvements (1,500).	2012			
				2013	1,500	1,500	100%
				2014	**1,500**	**1,500**	**100%**
				GOAL			
	Sustainability/Create Economic Opportunities						
EO.2 **Stanislaus County** Economic Development	Address the need for economic development opportunities for low and moderate income individuals. Program will be conducted in conjunction with the Neighborhood Revitalization Strategy.	**CDBG**	Number of jobs created.	2012			
				2013	2	0	0%
				2014	**2**	**0**	**0%**
				GOAL			
	Fair Housing Activities (Subject to 20% Admin Cap)						
Stanislaus County Fair Housing Program	Address the need to affirmatively further fair housing through fair housing enforcement, fair housing awareness, and housing counseling.	**CDBG**	1. Number of individuals receiving information and referral services; and 2. Number of individuals benefitting from fair housing enforcement.	2012			
				2013	255	256	100%
				2014	**255**	**407**	**100%**
				GOAL			

Stanislaus Urban County Summary of Specific Annual Objectives
FY 2014-2015

CITY OF CERES

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	Availability/Accessibility of Suitable Living Environment						
SL-1.1 City of Ceres ADA Infill Infrastructure Project - Morrow Tract/San Ramon	Address the need for infrastructure improvements in the low income residential area/s of Ceres. Improvements will consist of instalation of curb, gutter, sidewalks, ADA accessible curb cuts, and storm drain improvements where these facilities do not exist or in need of replacement.	CDBG	1. Number of households with access to infrastructure improvements (245) 2. Number of residents impacted by infrastructure improvements (877).	2012			
				2013	877	877	100%
				2014	1020	1020	100%
				GOAL			

CITY OF HUGHSON

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	Availability/Accessibility of Suitable Living Environment						
City of Hughson 5th Street Infrastructure Project	Address the need for infrastructure improvements in the low income residential areas of the City of Hughson. Improvements will consist of installation of curb, gutter, storm drain, sidewalks, and ADA accessible curb cuts as needed.	CDBG	1. Number of households with access to infrastructure improvements (71) 2. Number of residents impacted by infrastructure improvements (250).	2012			
				2013	250	0	0%
				2014	250	250	100%
				GOAL			
City of Hughson Hughson Avenue Sidewalk Infill Infrastructure Project	Address the need for infrastructure improvements in the low income residential areas of the City of Hughson. Improvements will consist of installation of curb, gutter, storm drain, sidewalks, and ADA accessible curb cuts as needed.	CDBG	1. Number of households with access to infrastructure improvements (71) 2. Number of residents impacted by infrastructure improvements (250).	2012			
				2013			
				2014	100	0	0%
				GOAL			

Stanislaus Urban County Summary of Specific Annual Objectives
FY 2014-2015

CITY OF NEWMAN

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	Availability/Accessibility of Suitable Living Environment						
SL-1.1 City of Newman Water Line Infrastructure Project	Address the need for infrastructure improvements in the low income residential areas of the City of Newman. Improvements will consist of replacement of old water lines and outdated fire hydrants. The first phase will consist of engineering design for the project.	CDBG	1. Number of households with access to infrastructure improvements (90)	2012			
				2013	500	0	0%
				2014	500	500	100%
				GOAL			
City of Newman Inyo Avenue Infrastructure Project	Address the need for infrastructure improvements in the low income residential areas of the City of Newman. Improvements will consist of the installation of curb, gutter, storm drain, sidewalks, ADA accessible curb cuts, and street repaving.	CDBG	Number of residents benefitting from an improved sutiable living environment as a result of infrastructure improvements.	2012			
				2013			
				2014	200	0	0%
				GOAL			

CITY OF OAKDALE

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	Availability/Accessibility of Suitable Living Environment						
City of Oakdale Davitt Avenue Infrastructure Phase II	Address the need for infrastructure improvements in the low income residential areas of the City of Oakdale. Improvements will consist of water and sewer main replacement, and installation of curb, gutter, sidewalk, ADA accessible ramps, storm drain improvements, and street repaving.	CDBG	1. Number of households with access to infrastructure improvements (48) 2. Number of residents impacted by infrastructure improvements (200).	2012			
				2013			
				2014	200	0	0%
				GOAL			

Stanislaus Urban County Summary of Specific Annual Objectives
FY 2014-2015

CITY OF PATTERSON

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	Availability/Accessibility of Suitable Living Environment						
City of Patterson Fifth Street Infrastructure Project	Address the need for infrastructure improvements through the replacement of water main and installation of curb, gutter, and storm drainage.	CDBG	1. Number of households with access to infrastructure improvements 2. Number of residents impacted by infrastructure improvements.	2012			
				2013	500	0	0%
				2014	**500**	**0**	**0%**
				GOAL			

CITY OF WATERFORD

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	Availability/Accessibility of Suitable Living Environment						
City of Waterford La Gallina Infrastructure Project	Address the need for infrastructure improvements in the low income residential area of Waterford. Improvements will consist of instalation of curb, gutter, sidewalks, ADA accessible curb cuts, storm drain, and street construction.	CDBG	1. Number of households with access to infrastructure improvements (63) 2. Number of residents impacted by infrastructure improvements (217).	2012			
				2013	217	0	0%
				2014	**217**	**217**	**100%**
				GOAL			

Summary of Specific Annual Objectives for 2014-2015 CDBG Public Service Program Grantees

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	Availability/Accessibility of Suitable Living Environment						
SL-1.1 American Red Cross Emergency Services	Provide emergency motel shelter and resource and referral for very low, low and moderately-low income households throughout the Urban County who have lost their housing due to a unexpected event, such as fire.	CDBG Awarded: $9,072.00 Expended: $9,072.00	Number of unduplicated very-low, low, and moderately-low income individuals receiving emergency services.	Year	Goal	Met	%
				2012	116	148	128%
				2013	128	122	95%
				2014	106	68	64%
SL-1.1 Court Appointed Special Advocates (CASA) Direct Services	Provide case management, utility assistance, and support services to low-income families residing in the Westside communities of Newman, Patterson, Westley, and Grayson.	CDBG Awarded: $9,607.00 Expended: $9,607.00	Number of dependent youth provided coordinated case management.	Year	Goal	Met	%
				2012			
				2013	15	55	367%
				2014	11	33	300%
SL-1.1 Center for Human Services Ceres Partnership for Healthy Children-Parklawn	Provide case management, utility assistance, and support services to low-income families residing in the the Parklawn neighborhood.	CDBG Awarded: $20,000.00 Expended: $16,568.96	Number of unduplicated individuals and households that receive case management and support services.	Year	Goal	Met	%
				2012			
				2013			
				2014	110	429	390%
SL-1.1 Center for Human Services Ceres Partnership for Healthy Children	Provide case management, utility assistance, and support services to low-income families residing in the city of Ceres and surrounding unincoprated areas.	CDBG Awarded: $16,000.00 Expended: $15,996.92	Number of unduplicated individuals and households that receive case management and support services.	Year	Goal	Met	%
				2012			
				2013			
				2014	120	268	223%
SL-1.1 Center for Human Services Oakdale Family Resource Center	Provide case management, utility assistance, and support services to low-income families residing in the city of Oakdale and the surrounding unincorprated areas.	CDBG Awarded: $14,000.00 Expended: $14,000.00	Number of unduplicated individuals and households that receive case management and support services.	Year	Goal	Met	%
				2012			
				2013			
				2014	120	697	581%
SL-1.1 Center for Human Services Westside Family Resource Center	Provide case management, utility assistance, and support services to low-income families residing in the Westside communities of Newman, Patterson, Westley, and Grayson.	CDBG Awarded: $14,000.00 Expended: $13,998.84	Number of unduplicated individuals and households that receive case management and support services.	Year	Goal	Met	%
				2012	200	371	186%
				2013	220	522	237%
				2014	120	628	523%

Summary of Specific Annual Objectives for 2014-2015 CDBG Public Service Program Grantees

APPENDIX B. 4

SL-1.1 **Children's Crisis Center** Ceres Infant Respite Shelter	Provide essential supportive services to low and moderate-income children at risk of abuse, neglect, homelessness and exploitation by providing childcare, shelter, and meals, in the Ceres area.	**CDBG Awarded: $15,000.00 Expended: $15,000.00**	Number of unduplicated at-risk infants and pre-school aged children provided with specialized care, and support services.	**Year**	**Goal**	**Met**	**%**
				2012			
				2013	108	108	100%
				2014	**89**	**81**	**91%**
Specific Obj. #	**Outcome/Objective Specific Objectives**	**Sources of Funds**	**Performance Indicators**	**Year**	**Expected Number**	**Actual Number**	**Percent Completed**
SL-1	**Availability/Accessibility of Suitable Living Environment**						
SL-1.1 **Healthy Aging** Young at Heart Program	Will provide strength-based training and fitness programs, throughout the Urban County, designed to improve the prevention, early intervention, treatment and management of chronic conditions for seniors and disabled individuals.	**CDBG Awarded: $16,000.00 Expended: $16,000.00**	Number of unduplicated senior individuals at or below 80% of the area median income attending strength training courses.	**Year**	**Goal**	**Met**	**%**
				2012	183	301	164%
				2013	201	317	158%
				2014	**177**	**375**	**212%**
SL-1.1 **Healthy Start (Orville Wright)** Airport Family Resource Center	Provide ESL classes, information and refferal and support services to low-income families residing in the Airport neighborhood.	**CDBG Awarded: $10,000.00 Expended: $7,063.06**	Number of unduplicated individuals and households that receive case management and support services.	**Year**	**Goal**	**Met**	**%**
				2012			
				2013			
				2014	**83**	**299**	**360%**
SL-1.1 **Howard Training Center** Senior Meals Program	Will provide fresh hot or frozen meals, in conjunction with nutrition education, Monday through Friday, to Seniors at congregate sites, as well as provide meal deliveries to home-bound seniors throughout Stanislaus County.	**CDBG Awarded: $14,000.00 Expended: $14,000.00**	Number of unduplicated seniors who receive a meal.	**Year**	**Goal**	**Met**	**%**
				2012	446	911	204%
				2013	491	1211	247%
				2014	**378**	**1670**	**442%**
SL-1.1 **Parent Resource Center** Airport Family Resource Center	Provide case management, parenting education, information and refferal and support services to low-income families residing in the Airport neighborhood.	**CDBG Awarded: $10,000.00 Expended: $9,958.30**	Number of unduplicated individuals and households that receive case management and support services.	**Year**	**Goal**	**Met**	**%**
				2012			
				2013			
				2014	**39**	**99**	**254%**
SL-1.1 **The Salvation Army** Child Development Center	Will provideearlu childhood education and care for at risk low-income children ages 2-6 years of age.	**CDBG Awarded: $14,000.00 Expended: $14,000.00**	Number of unduplicated youth participating in the education and care program.	**Year**	**Goal**	**Met**	**%**
				2012			
				2013			
				2014	**53**	**119**	**226%**

Summary of Specific Annual Objectives for 2014-2015 CDBG Public Service Program Grantees

SL-1.1 **The Salvation Army** Homeless Meals Program	Will provide meals to low income families, seniors and homeless individuals at it's main facility and some meals for home bound indidividuals, Monday through Friday.	**CDBG Awarded: $12,805.00 Expended: $12,805.00**	Number of unduplicated extremely low, very low or low income individual who receives a meal.	**Year**	**Goal**	**Met**	**%**
				2012			
				2013			
				2014	**480**	**930**	**194%**
SL-1.1 **Salvation Army Red Shield** Tutoring & Mentoring Program	Will provide after school tutoring to low-income youth in south Modesto and surrounding areas who are in need of additional help with their homework.	**CDBG Awarded: $19,812.00 Expended: $19,812.00**	Number of unduplicated youth participating in the tutoring program.	**Year**	**Goal**	**Met**	**%**
				2012			
				2013	123	212	172%
				2014	**135**	**167**	**124%**
Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	Availability/Accessibility of Suitable Living Environment						
SL-1.1 **Second Harvest** Food Assistance Program	Address the demand for emergency food needs in Stanislaus County by providing different non-profit agencies throughout the county with food assistance, which in turn distribute the food to low-income families/individuals.	**CDBG Awarded: $12,805.00 Expended: $12,805.00**	Number of unduplicated individuals receiving food assitance .	**Year**	**Goal**	**Met**	**%**
				2012	18,823	7,003	37%
				2013	20,705	15,772	76%
				2014	**14,576**	**13,319**	**91%**
SL-1.1 **Second Harvest** Food 4 Thought Program	Address the demand for emergency food needs in Stanislaus County by providing different non-profit agencies throughout the county with food assistance, which in turn distribute the food to low-income	**CDBG Awarded: $18,000.00 Expended: $18,000.00**	Number of unduplicated children and households participating in the program.	**Year**	**Goal**	**Met**	**%**
				2012			
				2013			
				2014	329	370	112%
SL-1.1 **United Samaritans Foundation (USF)** Mobile Lunch Program	Address the need of very low and low-income and homeless persons by providing daily meals through the Daily Bread Mobile Lunch Program in the communities of Hughson, Empire, Waterford, Hickman and Denair.	**CDBG Awarded: $12,805.00 Expended: $12,805.00**	Number of unduplicated individuals receiving meals.	**Year**	**Goal**	**Met**	**%**
				2012	174	365	210%
				2013	191	446	234%
				2014	**134**	**433**	**323%**
SL-1.1 **We Care of Turlock** Emergency Cold Weather Shelter	Will provide emergency shelter during the worst part of the winter and assist clients in finding jobs, obtain permanent housing, and receive assistance that will allow them to overcome the barriers causing their homelessness.	**CDBG Awarded: $16,000.00 Expended: $16,000.00**	Number of unduplicated individuals receiving shelter and resource and referral services.	**Year**	**Goal**	**Met**	**%**
				2012			
				2013	131	224	171%
				2014	**115**	**214**	**186%**

Summary of Specific Annual Objectives for 2014-2015 ESG Program Grantees

APPENDIX B.5.

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-1	Availability/Accessibility of Suitable Living Environment						
SL-1.1 Children's Crisis Center Housing For Families with Children	Provide Homeless Prevention and Rapid Re-housing assistance to families with children, 30% and below the area AMI, including rental/utility assistance, utility assistance and intensive case management.	ESG FY 13-14 Year 2 Awarded: $38,016.00 Expended: $37,928.81	Number of unduplicated individuals provided with HPRP assistance.	Year	Goal	Met	%
				2012	35	50	143%
				2013	32	22	69%
				2014	N/A	30	162%
SL-1.1 Children's Crisis Center Oakdale Respite Shelter	Provide respite shelter to at -risk children and youth who have beebn abused neglected or at-risk of becoming homeless. Parents also receive case management and resoruce and refferral services.	ESG FY 14-15 Year 1 Awarded: $20,000.00 Expended: $4,924.75	Number of unduplicated at-risk children and youth who receive emergency respite care.	Year	Goal	Met	%
				2012			
				2013			
				2014	105	44	42%
SL-1.1 Community Housing and Shelter Services Homeless Prevention Program (HPRP)	Will provide homeless or households at risk of becoming homeless individuals(s) and families (below 30% of the AMI) rental assistance in conjunction with intensive case managment with the foal of obtaiing and miantianing permanent stable housing.	ESG FY 14-15 Year 1 Awarded: $17,044.00 Expended: $3,797.00	Number of unduplicated individual(s) who reeicve rental assistance and case management.	Year	Goal	Met	%
				2012			
				2013			
				2014	36	4	11%
SL-1.1 Community Housing and Shelter Services Santa Fe Project	Provide Transitional Shelter for homeless families during the inclement winter months. After families exit Santa Fe House rental assistance will be provided as needed to assist the families to becoming stably housed.	ESG FY 13-14 Year 2 Awarded: $27,526.00 Expended: $27,526.00 ESG FY 14-15 Year 1 Awarded: $25,749.00 Expended: $13,162.76	Number of unduplicated individuals in families with children who are placed in the Santa Fe Transitional Living Center and receive Rapid Re-Housing assistance.	Year	Goal	Met	%
				2012			
				2013	11	28	255%
				2014	21	32	152%

* Goal for 2014 is made up of goal for the Second Allocation of Fiscal Year 13-14 plus goal for Fiscal Year 14-15.

Summary of Specific Annual Objectives for 2014-2015 ESG Program Grantees

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
Availability/Accessibility of Suitable Living Environment							
SL-1.1 Family Promise Shelter for Homeless Families	Provide transitional shelter in conjunction with case management, job search assistance and resource and referral services, for homeless families.	**ESG FY 14-15 Year 1 Awarded: $17,000.00 Expended: $17,000.00**	Number of unduplicated individuals receiving shelter and case management.	**Year**	**Goal**	**Met**	**%**
				2012	83	270	325%
				2013	64	88	138%
				2014	**36**	**65**	**181%**
SL-1.1 Homeless Management Information System (HMIS) Data Entry	Will connect individual(s), below 30% of the AMI, with non-profits receiving ESG funding and/or the CoC lead with an opportunity to be trained on HMIS, to assist with data entry and data quality assessments.	**ESG FY 14-15 Year 1 Awarded: $15,000.00 Expended: $15,000.00**	Number of unduplicated individual(s) who receive job training for HMIS data entry and data quality assessments.	**Year**	**Goal**	**Met**	**%**
				2012	1	3	300%
				2013	1	1	100%
				2014	**1**	**1**	**100%**
SL-1.1 Salvation Army Emergency Shelter	Will provide emergency shelter to homeless adults throughout the coldest months of the winter. Shelter is open throughout the year to homeless individuals who require special accomodations.	**ESG FY 14-15 Year 1 Awarded: $18,000.00 Expended: $18,000.0**	Number of unduplicated homeless individuals who were provided emergency shelter.	**Year**	**Goal**	**Met**	**%**
				2012	550	666	121%
				2013	297	857	289%
				2014	**327**	**764**	**234%**
SL-1.1 We Care of Turlock Emergency Cold Weather Shelter	Will provide emergency shelter during the worst part of the winter and assist clients in finding jobs, obtain permanent housing, and receive assistance that will allow them to overcome the barriers causing their homelessness.	**ESG FY 14-15 Year 1 Awarded: $16,500.00 Expended: $16,500.00**	Number of unduplicated individuals receiving shelter and resource and referral services.	**Year**	**Goal**	**Met**	**%**
				2012	249	184	74%
				2013	59	224	380%
				2014	**96**	**214**	**223%**
SL-1.1 We Care of Turlock Rapid Re-Housing Program	This project will assist homeless individuals and families with housing search and placement, rental application fees, rental and utility assistance, rental and utility deposits, case management, referrals, and support services.	**ESG FY 13-14 Year 2 Awarded: $10,591.00 Expended: $10,591.00 ESG FY 14-15 Year 1 Awarded: $29,420.00 Expended: $17,440.01**	Number of unduplicated individuals receiving Rapid Re-Housing assistance.	**Year**	**Goal**	**Met**	**%**
				2012	3	9	300%
				2013	**3**	**2**	**67%**
				2014	**5**	**18**	**360%**

* Goal for 2014 is made up of goal for the Second Allocation of Fiscal Year 13-14 plus goal for Fiscal Year 14-15.

Appendix C

1. Section 3 Report Fiscal Year 2014-2015

Section 3 Summary Report

Economic Opportunities for
Low- and Very Low-Income Persons

U.S. Department of Housing and Urban Development
Office of Fair Housing
and Equal Opportunity

OMB Approval No. 2529-0043
(exp. 8/31/2007)

HUD Field Office:

See back of page for Public Reporting Burden statement

1. Recipient Name & Address: (street, city, state, zip)	2. Federal Identification: (contract/award no.)	3. Dollar Amount of Award:
Stanislaus County 1010 10th Street, Suite 3400 Modesto, CA 95354	073136772	$2,139,064
	4. Contact Person: Juan Gonzalez	5. Phone: (include area code) (209) 525-6330
	6. Reporting Period: July 1, 2014 - June 30, 2015	7. Date Report Submitted: September 2015

8. Program Code: * (Use a separate sheet for each program code)

9. Program Name: CDBG Entitlement

Part I: Employment and Training (** Include New Hires in columns E & F.)

A Job Category	B Number of New Hires	C Number of New Hires that are Sec. 3 Residents	D % of Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents	E** % of Total Staff Hours for Section 3 Employees and Trainees	F** Number of Section 3 Employees and Trainees
Professionals	0	0	0	0	0
Technicians					
Office/Clerical					
Construction by Trade (List) Trade					
Trade					
Trade					
Trade					
Trade					
Other (List)					
Total					

***Program Codes**
1 = Flexible Subsidy
2 = Section 202/811
3 = Public/Indian Housing
A = Development,
B = Operation
C = Modernization
4 = Homeless Assistance
5 = HOME
6 = HOME-State Administered
7 = CDBG-Entitlement
8 = CDBG-State Administered
9 = Other CD Programs
10 = Other Housing Programs

form **HUD-60002** (6/2001)
ref 24 CFR 135

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	$ 1,341,702
B. Total dollar amount of contracts awarded to Section 3 businesses	$ 0
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	0 %
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount of all non-construction contracts awarded on the project/activity	$
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving non-construction contracts	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

____ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contacts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.

____ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.

____ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.

____ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.

_X_ Other; describe below.

Stanislaus County requires construction contractors to sign and submit a Section 3 Affirmative Action Plan in which contractor agrees to comply with Section 3 Program requirements. Stanislaus County rejects bids from contractors not agreeing to comply with Section 3 program requirements. Stanislaus County also monitors construction contracts throughout the project to ensure compliance with Section 3 program regulations.

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u., mandates that the Department ensure that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as a self-monitoring tool. The data is entered into a data base and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on September 22, 2015 at 9:05 a.m. or as soon thereafter as the matter may be heard, the Stanislaus County Board of Supervisors will meet in the Basement Chambers, Lower Level, 1010 10th St., Modesto, CA, to consider the adoption of:

1. The Consolidated Annual Performance and Evaluation Report (CAPER) relating to the FY 2014-2015, $2,139,064 Community Development Block Grant and $171,581 Emergency Solutions Grant funds; and

NOTICE IS FURTHER GIVEN that at the said time and place, interested persons will be given the opportunity to be heard and provide oral comments.

A fifteen day public review period will be provided to the public. Public comments with regard to the CAPER and the related programs and activities will be accepted until September 14, 2015. During this time, interested persons may submit written comments to the Stanislaus County Department of Planning and Community Development at the mail or email addresses referenced below. Any materials submitted to the Board for consideration (i.e. photos, petitions, etc.) will be retained by the County.

If you have any questions, please call the Planning and Community Development Department at (209) 525-6330 between the hours of 8:30 a.m. and 4:30 p.m. or visit the offices at 1010 10th Street, Suite 3400, Modesto, CA, 95354. Email: planning@stancounty.com

BY ORDER OF THE BOARD OF SUPERVISORS

DATED: August 25, 2015

ATTEST: CHRISTINE FERRARO TALLMAN
Clerk of the Board of Supervisors
of the County of Stanislaus,
State of California.

BY: _____
Deputy Clerk

AVISO DE AUDICION PÚBLICA

SE DA AVISO POR ESTE MEDIO que el día 22 de septiembre del 2015 a las 9:05 a.m., o lo más temprano de allí en adelante en que se escuche el asunto, la mesa directiva del Condado de Stanislaus se reunirá en el despacho de juntas públicas en el 1010 10th Street, Modesto, CA para considerar la adopción de:

1. El Plan Consolidado de Evaluación y Rendimiento Anual(CAPER por sus siglas en Ingles) relacionado a los fondos del año fiscal 2014-2015 de la cantidad de $2,139,064 bajo el programa de Subsidios Globales para el Desarrollo Comunitario (CDBG) y el programa de Subsidios para Refugios de Emergencia de la cantidad de $171,581 (ESG).

SE DA AVISO MAS ALLA que a la dicha hora y lugar, se le dará la oportunidad de ser escuchadas a las personas interesadas.

Un periodo de 15 dias será disponible para reviso publico. Comentarios del publico referente al CAPER y los programas y actividades relacionados serán aceptados hasta el 14 de septiembre del 2015. Durante este periodo, las personas interesadas tendrán la oportunidad de someter comentarios en escrito referente al programa al Departamento de Planning & Community Development del Condado de Stanislaus a la dirección o correo electronico mencionado abajo.

Si usted tiene alguna pregunta, favor de llamar al Departamento de Planning & Community Development al (209) 525-6330 entre las horas de 8:30 am y 4:30 p.m. o visite las oficinas en el 1010 10th Street, Suite 3400, Modesto, CA 95354. Correo electronic: planning@stancounty.com

POR LA ORDEN DEL CONSEJO

FECHA: 25 de agosto del 2015

ATTEST: CHRISTINE FERRARO TALLMAN
Clerk of the Board of Supervisors
of the County of Stanislaus,
State of California.

BY: _____
Deputy Clerk

CITY OF HUGHSON AGENDA ITEM NO. 3.10
SECTION 3: CONSENT CALENDAR

Meeting Date: **September 14, 2015**
Subject: **Adoption of Resolution No. 2015-30, Setting the Appropriations Limit for Fiscal Year 2015-2016**
Presented By: **Shannon Esenwein, Director of Finance**

Approved By: _____

Staff Recommendation:

Adopt Resolution No. 2015-30, setting the Appropriation Limit for Fiscal Year 2015-2016.

Background and Overview:

The Appropriations Limitation imposed by Propositions 4 and 11 creates a restriction on the amount of revenue that can be appropriated in any fiscal year. The limit is based on the actual appropriations during the 1978-79 (base year established by Proposition 13) and is increased each year using the growth of population and inflation. This information is received from the California Department of Finance. The restricted revenues are those defined as "proceeds of taxes". This means that even though an agency may collect a large amount of tax, it cannot appropriate more than the established limit. Problems can arise when there is a strong flow of tax revenue and the population and/or inflation figures remain constant (or go down). In this situation, an agency will be required to return the excess tax proceeds.

Annually, the City is required to prepare a statement of Appropriations Limit in compliance with Section XIIIB of the California Constitution and Section 7910 of the California Government Code. The attached and supporting documentation provides for this annual declaration.

The Appropriations Limit is the calculation combining per-capita personal income change and population growth. It restricts the ability to receive and appropriate proceeds of taxes. Exhibit "A" shows the calculation. The 2015-2016 Fiscal Year Appropriations Limit has increased to $2,798,603. The increase can be attributed to the 1.19% population growth and the 3.82% increase in per-capita income. By comparison, the Appropriations Limits in the prior fiscal years were as follows:

Prior Years Appropriations Limit Level:

Fiscal Year 2010-2011	$2,212,854
Fiscal Year 2011-2012	$2,292,215
Fiscal Year 2012-2013	$2,418,355
Fiscal Year 2013-2014	$2,612,593
Fiscal Year 2014-2015	$2,663,929

Fiscal Impact:

The City of Hughson's Appropriation Limit is $2,798,603. This is compared to the Appropriations Subject to Limit which is $1,717,580 (the projected dollar of proceeds of taxes). Per the California government Code, the City cannot spend more than $2,798,603, although it is only planning to receive $1,717,580. Furthermore, the Appropriation Subject to Limit cannot exceed the Appropriations Limit.

CITY OF HUGHSON
CITY COUNCIL
RESOLUTION NO. 2015-30

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON SETTING THE APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2015-2016

WHEREAS, annually, the City of Hughson is required to prepare a statement of appropriations limit in compliance with Section XIIIB of the California Constitution and Section 7910 of the California Government Code; and

WHEREAS, new per capita personal income and population factors have been established for determining the City's appropriation limit.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hughson that:

1. Said appropriations limit for fiscal year 2015-2016 is $2,798,603, and the total appropriations subject to limitation are $1,717,580.
2. In the computation of such limitation, the price factor used is the percentage change in California per capita personal income over the prior year, or 3.82%.
3. In the computation of such limitation, the population factor used is the percentage change in the City of Hughson's population over the prior year, or 1.19%.

PASSED AND ADOPTED by the City Council of the City of Hughson at its regular meeting held on this 14th day of September, 2015 by the following roll call votes:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

_____
MATT BEEKMAN, Mayor

ATTEST:

_____
DOMINIQUE SPINALE ROMO, City Clerk

DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 2015

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit
The California Revenue and Taxation Code, section 2227, mandates the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2015, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2015-16. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2015-16 appropriations limit. Attachment B provides city and unincorporated county population percentage change. Attachment C provides population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts
Some special districts must establish an annual appropriations limit. Consult the Revenue and Taxation Code section 2228 for further information regarding the appropriations limit. Article XIII B, section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: http://leginfo.legislature.ca.gov/faces/codes.xhtml.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this issue should be referred to their respective county for clarification, or to their legal representation, or to the law itself. No state agency reviews the local appropriations limits.

Population Certification
The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2015.**

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

KEELY M. BOSLER
Chief Deputy Director

Attachment

May 2015

Attachment A

A. **Price Factor**: Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2015-16 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2015-16	3.82

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2015-16 appropriation limit.

2015-16:

Per Capita Cost of Living Change = 3.82 percent
Population Change = 0.93 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.82 + 100}{100} = 1.0382$

Population converted to a ratio: $\frac{0.93 + 100}{100} = 1.0093$

Calculation of factor for FY 2015-16:

$$1.0382 \times 1.0093 = 1.0479$$

Fiscal Year 2015-16

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2014 to January 1, 2015 and Total Population, January 1, 2015

County City	Percent Change 2014-2015	--- Population Minus Exclusions --- 1-1-14	 1-1-15	Total Population 1-1-2015
Stanislaus				
Ceres	0.84	46,596	46,989	46,989
Hughson	1.19	7,137	7,222	7,222
Modesto	0.63	207,878	209,186	209,186
Newman	0.54	10,695	10,753	10,753
Oakdale	1.27	21,499	21,773	21,773
Patterson	0.55	20,979	21,094	21,094
Riverbank	0.77	23,305	23,485	23,485
Turlock	0.97	70,362	71,043	71,043
Waterford	0.54	8,639	8,686	8,686
Unincorporated	0.90	111,067	112,066	112,066
County Total	0.78	528,157	532,297	532,297

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Exhibit A

City of Hughson
Appropriation Limit Calculation

Fiscal Year 2015-16

The City of Hughson, in compliance with Article XIII-B of the California Constitution (Proposition 4) and Section 7910 of the California Government Code, hereby establishes the City of Hughson's Appropriation Limit for the Fiscal Year of 2015-16:

Appropriation Limit Fiscal Year 2014-15		2,663,929
Calculation of Factor for Fiscal Year 2014-15		
Per Capita personal income percentage change:	1.0382	
(% change of Per Capita Income: 3.82%)		
Percent change in population:	1.0119	
(% change in population: 1.19%)		
Change Factor: 1.0382 x 1.0119		1.050555
Appropriation Limit Fiscal Year 2015-16		**2,798,603**
Appropriations Subject to Limit		**1,717,580**

CITY OF HUGHSON				
Exhibit B - Proceeds of Taxes				
Revenue Description	**Acct #**	**Proceeds**	**Non Proceeds**	**Total 2015-16**
CURRENT PROPERTY	4001	283,500		283,500
PRIOR YEAR	4003	1,000		1,000
PROPERTY TAX - UNSEC OTHER	4004	10,000		10,000
PROP TAX - RDA CONTR	4006	5,000		5,000
SALES TAX	4101	555,000		555,000
IN LIEU SALES TAX	4102	175,000		175,000
PROPERTY TRANSFER TAX	4103	9,000		9,000
GAS UTILITY	4201	15,000		15,000
GARBAGE FRANCHISE	4202	40,000		40,000
CABLE/PHONE T.V.	4203	31,000		31,000
BUSINESS LICENSES	4301	22,000		22,000
BUILDING PERMITS	4401		34,000	34,000
YARD SALE PERMITS	4405		740	740
ENCROACHMENT PERMITS	4407		7,000	7,000
ORDINANCE UPDATE	4408		400	400
OTHER PERMITS	4409		1,000	1,000
TRAFFIC FINES	4501		35,000	35,000
PARKING FINES	4504		7,000	7,000
INTEREST EARNED	4601		1,000	1,000
RENTS, LEASE RIGHTS, & ROYALTIES	4602		-	-
GRANTS - BEV/OTHER	4706		5,000	5,000
MOTOR VEHICLE IN LIEU TAX	4710	456,750		456,750
HOMEOWNER'S PROP. TAX RELIEF	4720	4,000		4,000
SB813 SUPPLEMENTAL TAXES	4725		1,000	1,000
STANISLAUS COUNTY FEES	4728		2,000	2,000
PLANNING APPLICATION	4735		3,000	3,000
PROP 172-PUBLIC SAFETY AUG	4737		6,000	6,000
UTILITY PENALTIES	4803		67,000	67,000
PLAN CHECK FEES	4813		35,000	35,000
ENGINEERING PLAN REVIEW	4815		-	-
BLDG CODE VIOLATIONS	4821		5,000	5,000
VEHICLE RELEASE FEES	4827		15,500	15,500
MISC. FEES & CHARGES	4829		14,000	14,000
RETURNED CHECK CHARGES	4830		2,000	2,000
BOOKING FEES	4833		475	475
SALE OF DOCUMENTS	4902		200	200
SALE OF SURPLUS PROPERTY	4909		-	-
DIRECT ASSESSMENT	4910		-	-
REFUND	4915		12,000	12,000
SB 90 REIMBURSEMENTS	4918		-	-
SUNDRY REVENUES	4919		2,000	2,000
QUASI-EXTERNAL TRANSACTION	4920		402,000	402,000
RENTAL FEE	4931		15,000	15,000
SECURITY DEPOSIT	4933		-	-
AB 939 / TIRE AMNESTY	4935		5,000	5,000
CLEANING FEES	4936		-	-
RECLASSIFIED ACCOUNTS	49XX		-	-
TRANSFERS-IN	4999	110,330		110,330
TOTAL REVENUE		**1,717,580**	**678,315**	**2,395,895**
Appropriations Subject to Limitation		**1,717,580**		

CITY OF HUGHSON AGENDA ITEM NO. 4.1
SECTION 4: UNFINISHED BUSINESS

Meeting Date: **September 14, 2015**
Subject: **Award the Farming for City Property Located on Leedom Road near the Waste Water Treatment Facility to Michael Noeller dba Noeller Farms**
Presented By: **Raul L. Mendez, City Manager**
Dan Schroeder, City Attorney

Approved By: _____

Staff Recommendation:

1. Award the farming lease for City property located on Leedom Road near the Waste Water Treatment Facility to Michael Noeller dba Noeller Farms.

2. Authorize the Mayor to execute the said lease agreement inclusive of any final edits by the City Attorney.

Background and Overview:

On December 9, 2014, the Hughson City Council approved an amendment to extend the lease between the City of Hughson and Michael Noeller for approximately twelve (12) acres of City-owned property adjacent to the Waste Water Treatment Facility along Leedom Road to October 31, 2015 or completion of the harvest of the fall 2015 almond crop, whichever occurs later. The lease extension was executed shortly thereafter.

At that time, the City Council directed staff to bring back a discussion in March and April 2015 to begin exploring future options for the 12 acres Leedom property well in advance of the agricultural lease expiration date. Subsequently, further direction was provided to take a look at all available City property adjacent to the Waste Water Treatment Facility (which includes the 40 acre Lower Ponds) to begin developing a more comprehensive plan or approach. City staff began that process during the evaluation of the Noeller agricultural lease last fall.

On two occasions, March 23, 2015 and May 26, 2015, the City Council discussed a variety of options for all City owned properties near the Waste Water Treatment Facility. At that time, City Council direction was provided to move forward with a

Request for Proposals (RFP) for the property currently farmed by Mr. Noeller. City staff was also directed to bring back a strategy for the 40 acre Lower Ponds once some additional research was conducted with the State to determine some of the limitations with the future use of the property.

Request for Proposal and Lease Agreement

On August 10, 2015, the City Council discussed and provided direction on the draft Request for Proposals and the lease agreement. Some of the elements included:

- Term – 25 years (November 1, 2015 to December 31, 2040).
- Termination Notice – Lessor has the right to terminate the Lease upon the sale of the property or determining to change the use of the property.
- Crops – Almond and other crops.
- Rent – Lessee shall pay and hold Lessor harmless from any and all of the expenses, costs and expenditures of every nature.
- Rent Percentage – 25% of the gross proceeds. No rent for new almond trees to be planted on the 1975 Block until those trees come into production.
- Crop Records – Lessee shall keep, full, complete and accurate records and Lessor shall have right to audit for purposes of verification per the lease.
- Standard of Operation – Lessee shall be entirely responsible for the management and operation of the property in accordance with horticultural standards and practices which optimize returns.
- Orchard Development – Lessee shall pay and be fully liable for all costs and expenses which may be incurred to establish and develop an almond orchard on the 1975 Block and bring such orchard into production.
- Orchard Costs – Lessee shall pay and be fully liable for all costs and expenses which may be incurred to farm the property.

The Farming Lease Request for Proposals was issued on August 14, 2015 and respondents had until August 28, 2015, 5pm. Notice of the release was provided on the City website, local newspaper (Hughson Chronicle) and the Stanislaus Farm Bureau newsletter. The City received one response to the Farming Lease RFP from Mr. Michael Noeller dba Noeller Farms by the established deadline. City staff reviewed the response and found it to be complete. Mr. Noeller has extensive experience and expertise in farming and agriculture. Noeller Farms currently develops and manages almond, peach and walnut orchards. Of the 200 acres farmed, 60 acres are owned by Mr. Noeller or family members.

Mr. Noeller was receptive to the terms of the draft agreement with some suggested reasonable amendments with one exception. These are summarized as follows.

- Crops – Although the draft agreement places emphasis on almonds, Mr. Noeller would like to discuss other options including peaches to maximize the property's revenue potential.
- Rent Percentage – Although the draft agreement specified 25% of the gross proceeds to be received by the City, Mr. Noeller proposes 20% on the basis that he will assume 100% of the expenses for operation and replanting.

- Plant Back Restriction – during the one year fallow period after removal of the 1975 portion of the orchard, Mr. Noeller would like the option to plant either wheat or beans on the property.
- Technical Edits – Mr. Noeller suggested a few amendments to the draft agreement language and would like the option to have his legal counsel review the final agreement prior to formal execution.
- Term – City has the right to terminate the Lease upcoming specified events including Sale of the Property. Mr. Noeller would like the option to buy the property. Per the California Government Code, the City must follow specific rules for the sale of public property and thus this option is not available.

Fiscal Impact:

The anticipated annual revenue of this farming lease will greatly depend on the type of orchard planted. The goal for both the Lessor and Lessee is to maximize revenue over time and it is anticipated that this will exceed prior years. City staff will provide this information once the details of the lease agreement are finalized.

ALMOND ORCHARD DEVELOPMENT AND OPERATION LEASE

SECTION I. PARTIES

Section 1.1 Parties. This Almond Orchard Development And Operation Lease ("**Lease**") is made and effective October 1, 2015 by and between CITY OF HUGHSON, a municipal California corporation, ("**Lessor** ") and Michael Noeller, dba "Noeller Farms" ("**Lessee**") who agree as follows:

SECTION II. BACKGROUND

Section 2.1 Lessor is the owner of certain real property located in Stanislaus County, California within the 6400 block of Leedom Road commonly known as Assessor's Parcel Number 018-064-026 ("**Land**"). The Land is improved with an almond orchard, consisting of two portions: (i) approximately 3.88 acres of almond trees planted in or around 1975, which are old and dying ("**1975 Block**"); and (ii) approximately 3.73 acres of almond trees planted in or around 2000, which are currently in production ("**2000 Block**"). Lessee desires to lease that portion of the Land containing the 1975 Block and the 2000 Block, replace the almond trees growing on the 1975 Block with new trees, and farm the 1975 Block and the 2000 Block as a contiguous almond orchard. The Term "**Property**" as used in this Lease shall include the Improvements (as such term is defined below) and the 1975 Block and the 2000 Block located on the Land.

Section 2.2 Lessee operates a farming business that is experienced in the development and operation of almond orchards. At its sole cost, Lessee will develop the Property as an almond orchard and thereafter farm and operate the Property.

Section 2.3 Lessor has conducted its due diligence to confirm the ability of Lessee to develop and operate an almond orchard on the Property and Lessor has selected Lessee as farmer best suited to develop an almond orchard on the Property. Lessor and Lessee now desire to enter into this Lease to set forth their respective rights and obligations regarding the development and operation of the almond orchard on the Property.

SECTION III. PROPERTY

Section 3.1 Description. Lessor hereby leases to Lessee and Lessee leases from Lessor the Property together with all appurtenances and improvements, including but not limited to all irrigation facilities, pipelines, utilities, and other improvements, now existing or located on the Property (which appurtenances and improvements are referred to generically in this Lease as the "**Improvements**").

Section 3.2 Oil, Gas and Mineral Rights. All rights in all minerals, oil, gas and other hydrocarbons located on or under the Land which have not previously been conveyed are reserved to Lessor and are excepted from the Property covered by the terms

of this Lease. In the exercise of those reserved rights, Lessor and its agents and licensees shall have a right to enter onto the surface of the Property for the purpose of exploring, drilling, extracting or mining of any minerals, oil or gas, so long as it does not inhibit the farming of more than one (1) acre on the Property. Lessor warrants and represents that there is no existing lease pertaining to those reserved rights.

Section 3.3 Use. Lessee agrees to develop and operate on the Property, as fully as soils and other physical characteristics of the Property will allow, a quality almond orchard. Lesee shall be responsible for obtaining any permits necessary for development and operation of the orchard and for complying with all governmental regulations, including any applicable wetlands or vernal pool regulations, and for satisfying any mitigation measures that may be required.

Section 3.4 Future Crops. During the term of this Lease and subject to the crop share interest of Lessor and Lessee's obligation to pay rentals, Lessee shall have a right to all almonds, cover crops and any other crops grown upon the Premise. Notwithstanding any other provisions contained herein, however, after termination of this Lease, the crops and all other improvements constructed or installed on the Property during the Lease Term will to Lessor, except to the extent that the then-current year's crop shall belong to Lessee to the extent that such crop may not have been harvested by the date of termination of this Lease. All expenses attributable to any crop grown on the Property during the Lease Term shall be paid in full by Lessee. This obligation shall survive termination of this Lease. At no time shall Lessee or any of its creditors acquire or encumber Lessor's interest in Lessor's share of the crops grown upon the Property. The legal title to that percentage of the crops grown on the Property and herein specifically reserved to Lessor as and for the source of the Percentage Rent (as defined in Section 5.3), and the proceeds therefrom, shall at all times be and remain vested in Lessor, and the Lessee shall not and cannot encumber Lessor's share of said crops. Lessor's title to and ownership of that percentage of each crop shall be vested in Lessor immediately on its set and shall remain in Lessor until it is delivered to the purchaser.

SECTION IV. TERM

Section 4.1 Term. The term of this Lease shall be for the period of twenty-five (25) years, commencing on October 1, 2015 ("**Term Commencement Date**") and shall terminate after the crops are harvested in the year 2040, but no later than December 31, 2040, unless terminated earlier as provided in this Lease ("**Lease Term**"). The final rental payments shall not terminate and shall continue to be obligations of Lessee until satisfied. Notwithstanding anything in this Lease to the contrary, during a period commencing after the harvest of the last of the crop produced on the Property in any given calendar year, and ending at 5:00 pm local time on February 1 of the following year, Lessor has the right to terminate this Lease upon the happening of either of the following events: (i) the sale of the Land (or any portion thereof), or (ii) Lessor determines to change the use of the Land (or any portion thereof). In either event, Lessor must provide Lessee with no less than ninety (90) days written notice of Lessor's decision to terminate the Lease ("**Termination Notice**"). Upon receipt of the

Termination Notice, Lessee must vacate and surrender the Property within the time specified in the Termination Notice. If the Termination Notice provides for surrender of the Property on or before December 31, 2029, Lessor will pay Lessee, within thirty (30) days of the date Lessee vacates the Property as specified in the Termination Notice, $3,500 per planted acre, or fraction thereof, of new trees planted within the 1975 Block. If the Termination Notice provides for surrender of the Property on or after January 1, 2030, Lessor will pay Lessee, within thirty (30) days of the date Lessee vacates the Property as specified in the Termination Notice, $1,500 per planted acre, or fraction thereof, of new trees planted within the 1975 Block.

SECTION V. RENTAL AND PROPERTY TAXES

Section 5.1 Rent. Rent for use and occupancy of the Property shall be the Percentage Rent (as defined in Section 5.3). This is a "net, net, net" Lease as that term is generally understood, and Lessee shall pay and hold Lessor harmless from any and all of the expenses, costs and expenditures of every nature relating to the Property. All Percentage Rent payments shall be made by the purchaser/processor of the almond and other crop grown on the Property directly to Lessor at Lessor's current address for purposes of this Lease, on or before the due date thereof, and without any offset or any right of offset for any reason whatsoever and without any billing or any other written notice or demand by Lessor. Lessee shall notify the purchaser/processor of this payment provision and Lessor may also notify the purchaser/processor of this payment provision.

Section 5.2 No Rent Until Almonds Come Into Production. There shall be no rent payable by Lessee to Lessor pertaining to the almond crop for the new almond trees to be planted in the 1975 Block until those new trees come into production, but under no event shall this waiver of rent exceed beyond January 1 of the fifth (5th) crop year following the year in which the new almond trees are planted. This rent waiver does not apply to other crops grown on the Property.

Section 5.3 Percentage Rent. Except as provided in Section 5.2 above, the percentage rent for each year during the Lease Term shall be twenty percent (20%) of the gross proceeds ("**Proceeds**") from the sale of the almonds grown (or any other crop grown on the Property while the almonds come into production) and harvested upon the Property and twenty percent (20%) of the proceeds received by Lessee from Crop Insurance under Section 5.19 below (collectively the "**Percentage Rent**"). The Proceeds of the crop shall be determined by the prices paid Lessee for the almonds or other crop grown by Lessee upon the Property without any reduction for any agricultural, packing, sales, harvesting, transportation, or other cost of any nature except for government mandated assessments such as for marketing orders and inspection fees which are payable directly from the gross proceeds.

Section 5.4 INTENTIONALLY OMITTED.

Section 5.5 Records. Lessee shall at all times during the term of this Lease and any extensions thereof, keep or cause to be kept, full, complete and accurate records and

books of account showing the total annual almond tonnage produced on the Property and the price for any other crop(s) produced on the Property. Such records and books of account shall be kept in accordance with ordinarily accepted accounting procedures and shall include, without limitation, all harvest and picking records, weight tags, test reports, all documentation from any processor reasonably necessary or convenient to verify calculation of the amount of the Percentage Rent, and all contracts for the sale of the almond crops (and all other crops) and all memoranda of agreements and correspondence relating to each sale of same ("**Crop Records**"). Lessee shall keep and maintain full and accurate books and records of the Crop Records on a cash basis in sufficient detail to allow Lessor or their representatives to audit them. Lessor shall have the right, at all reasonable times upon five (5) days' notice, to audit the Crop Records for purposes of verification under this Lease. In the event Lessee underpaid or underreported rental due for any year by three percent (3%) or more, Lessee, in addition to being in breach of this Lease, with all attendant remedies hereunder available to Lessor, shall pay Lessor all costs and expenses incurred in determining the deviation (including accountant and lawyer fees). Lessee shall provide to Lessor, on December 31 of each year during the Lease Term, or upon reasonable notice by Lessor, a copy of the books and records of account to verify the computation of that year's Percentage Rent.

Section 5.6 Sale of Crops to Processor(s). Lessee shall have the sole and exclusive right to contract with one or more third parties for the processing of the almonds and other crops grown upon the Property, including, but not limited to, such entity or entities affiliated with Lessee; provided however those entities shall pay the greater of (i) the price paid by the affiliated entities to other sellers of almonds of the same variety and comparable quality (in terms of grade); or (ii) the average of the top three highest amounts that were paid by other third party independent Buyers who purchased almonds in the Hughson area for the same variety and comparable (in terms of grade) quality.

Section 5.7 Taxes. Lessor and Lessee acknowledge the Property is owned by the City of Hughson, a municipal California corporation, which is not subject to state and local taxes. To the extent any taxes, charges, fees, or assessments arise out of or relate to Lessee's use, rental, or occupancy of the Property, including, without limitation, development of an almond orchard on the Property, Lessee must pay before delinquent all such taxes, charges, fees or assessments. Additionally, Lessee must pay before delinquent all personal property taxes and assessments levied on Lessee's personal property situated in or about the Property. On demand, Lessee must provide to Lessor satisfactory evidence of payment of all taxes, charges, fees, and assessments relating to the Property or the Improvements, or both.

Section 5.8 Crop Insurance. Lessee must maintain multi-peril crop insurance on the almond crop grown or produced on the Property.

SECTION VI. STANDARDS OF OPERATION; LIMITATION ON USE

Section 6.1 Limitations on Use. Lessee's use of the Property as provided in this Lease shall be in accordance with the following:

Section 6.1.1 Cancellation of Insurance: Increase Insurance Rate. Lessee shall maintain insurance coverage with Lessor as a named insured, as provided in Section XII below. Lessor may in its discretion and at its own expense carry additional insurance with respect to the Property. Lessee shall not do, bring, or keep anything in or about the Property that will cause either cancellation of or increased cost of Lessor's separate insurance coverage relating to the Property. If the rate of any insurance carried by Lessor relating to the Property is increased as a result of Lessee's use, Lessee will pay to Lessor within ten (10) days after Lessor delivers to Lessee a certified statement from Lessor's insurance carrier stating that the rate increase was caused by activity of Lessee on the Property as permitted in this Lease, a sum equal to the difference between the original premium and the increased premium, retroactive to the date of the increase.

Section 6.1.2 Compliance with Laws. Lessee shall, at Lessee's costs and expense, comply with all laws, rules, regulations, requirements, ordinances and orders, present or future, of any federal, state, county, or city, including the City of Hughson, concerning the Property or Lessee's use of the Property.

Section 6.1.3 Waste; Nuisance. Lessee shall not use, or permit the use of, the Property in any manner that will constitute waste, nuisance, or unreasonable annoyance. Lessee shall not use the Property for the preparation, manufacture, or processing of anything that might emit noxious odors or objectionable noises or lights onto adjacent properties. This provision shall not be construed to prohibit customary orchard operations reasonably done by Lessee in full compliance with then-existing laws.

Section 6.2 Standards of Operation. Lessee shall be entirely responsible for the management and operation of the Property in accordance with horticultural standards and practices which optimize returns from the almond orchard to be developed on the Property. Lessee shall be responsible for all pruning, frost protection, irrigating, and other proper care of the trees and harvesting of the crop, including but not limited to lawful application in accordance with high professional standards of pesticides, insecticides, fungicides, miticides, and other chemicals when and as appropriate. Lessee shall operate the almond orchard developed on the Property in a manner which complies with applicable environmental laws and regulations and will not permit the orchard or any part of the lands or facilities thereof to become contaminated with toxic or hazardous materials or with toxic waste. Lessee shall take all actions reasonably necessary to maintain and preserve the orchard, including without limitation, the planting, growing and harvesting of almonds, the proper cultivation of the land, and the maintenance and servicing of all machinery, equipment, tools and fixtures. In the event any tree declines in productivity for any reason or become infested or infected or in any other way impaired so as to make the decline of physical productivity foreseeable, Lessee agrees to

replant such tree at Lessee's sole expense promptly in order to cause the orchard on the Property to be fully productive.

Section 6.3 Hazardous Waste. Lessee covenants, warrants and represents to Lessor that except as provided below, at no time will Lessee, its employees, agents, contractors, licensees, invitees, authorized assigns or sublessees, store or use or permit the storage or use on the Property of waste materials, by-products or toxic chemicals, any substance or materials or any combination of same identified or defined as a "hazardous substance" or which is prohibited, prescribed or regulated by federal, state, county, municipal or any governmental agency under any applicable statute, regulations, rule or ordinance (hereinafter "**Toxics**"), unless written consent is attained from Lessor.

A. Lessor hereby gives consent to Lessee for the prudent use of customary agricultural chemicals and substances in connection with sound agricultural production practices. Lessor acknowledges that Lessee will be conducting agricultural and related operations on the Property and, in the course of those operations, may be storing or using hazardous materials such as, but not limited to, pesticides, insecticides, motor fuels, and motor oils. Lessor is hereby deemed to have received written notice of Lessee's storage or use of such hazardous substances for purposes of Section 25359.7 of the Health & Safety Code or any similar law, and Lessor waives his right under subparagraph (b)(1) of that Section to void this Lease due to such storage or use. However, Lessee agrees to use, store, handle and dispose of such substances in a prudent and lawful manner so as not to cause the substances to be retained in the soil of the Property or otherwise pollute the Property. Lessee is responsible to abide by federal, state, county and municipal regulations regarding the use and handling of agricultural chemicals and substances on the Property. Lessee will be responsible for proper off-site disposal of excess chemicals, substances and containers. Upon the final termination of this Lease, Lessee will remove any remaining chemicals, substances and containers from the Property.

B. Lessee will provide Lessor with a copy of its county agricultural pesticide permit.

C. In addition to the indemnification provisions contained in Section 12.2 of this Lease, Lessee hereby agrees to indemnify and hold Lessor harmless from and against:

1. All costs, including attorney's fees and court costs, incurred in the cleanup and restoration of the Property or the Land to the condition which existed at the time of Lessee's first occupancy of the Property, including, but not limited to, the costs incurred in removing any Toxics which are found on or about the Property other than Toxics present at commencement of the Lease or caused by Lessor.

2. Any and all claims for liability, loss, damage, injury, expense or costs (including attorney's fees) incurred or suffered by Lessor and affecting Lessor in conjunction with, or now or hereafter arising out of, the existence on the Property

(including the soil or ground water underlying or adjacent to the Property, and the water, sewage and drainage systems connection to and within the Property) of Toxics to the extent such Toxics were deposited, discharged or stored on or about the Property by or for the benefit of Lessee. Notwithstanding anything to the contrary contained in this Lease or provided by law, the indemnification obligation contained in this Section 6.3.C. shall survive the expiration or sooner termination of this Lease.

SECTION VII. ALMOND ORCHARD DEVELOPMENT

Section 7.1 Orchard Development. Lessee shall pay and be fully liable for all costs and expenses which may be incurred to establish and develop an almond orchard on the 1975 Block and bring such orchard into production, including but not limited to the following:

A. The cost of the almond trees to be planted within the 1975 Block;

B. The cost of deep ripping the 1975 Block;

C. The cost of fumigation the 1975 Block with Telone II or Methyl Bromide;

D. The cost of discing and preparing the ground for planting;

E. The cost of any constructing, repairing, replacing, installing or modifying an irrigation system on or about the Property for the uses contemplated in this Lease, including, without limitation, one or more wells, one or more pumps, filters, pipes, valves, and sprinklers, or drip systems;

F. The cost of leveling the 1975 Block in preparation of planting the orchard thereon;

G. The cost of planting the almond trees;

H. The costs of staking, training and pruning the new almond trees;

I. The cost of any and all labor, including but not limited to Lessee's labor costs, for providing the services and materials listed in this Section 7.1.

Section 7.2 Orchard Costs. Lessee shall pay and be fully liable for all costs and expenses which may be incurred to farm the Property, including but not limited to the following:

A. The cost of replacement trees or misses needed anywhere on the Property during the term of the Lease and the cost of planting those trees;

B. The cost of any constructing, repairing, replacing, installing or modifying an irrigation system on or about the Property for the uses contemplated in this Lease, including, without limitation, one or more wells, one or more pumps, filters, pipes, valves, and sprinklers, or drip systems;

C. The costs of training and pruning the almond trees;

D. The cost of insect and disease management;

E. The cost of any and all fertilizer;

F. The cost of any and all weed and rodent management;

G. The cost of complying with Global Gap and all county, state and federal food safety laws regarding agricultural production of crops;

H. All harvest costs, including without limitation, the costs of hauling and delivery of the almond crop; and

I. The cost of any and all labor, including but not limited to Lessee's labor costs, for providing the services and materials listed in this Section 7.2.

Section 7.3 Operation Standards/Use. Lessee, at its sole cost, will develop, operate and maintain on the Property, as fully as soils and other physical characteristics of the Property will allow, a premium almond orchard. No other uses shall be permitted without first obtaining the written consent of the Lessor. Other than: (i) the plant-back restrictions contained in Section 7.4; (ii) the requirement that the Property be deep ripped and laser leveled, and (iii) the requirement of the fumigation of the Property with Telone II or Methyl Bromide prior to the planting of the new orchard within the 1975 Block, all other determinations regarding the type of rootstock to be utilized, the spacing of the planting, the design of the irrigation systems, the specific cultural practices to be applied to the orchard and the month-by-month timing of each development step, shall be at Lessee's sole discretion and cost. Lessee shall have the right to expense, amortize and depreciate all such development expenses and assets during the term of this Lease. Lessee agrees to develop and operate an orchard on the Property which produces optimum revenues from the sales produced from the Property. Lessor shall not be obligated to pay nor shall it be liable for any costs and expenses save and except as may be otherwise specifically agreed to elsewhere within this Lease.

Section 7.4 Plant Back Restriction. Notwithstanding any other provision contained herein, Lessee further agrees that it will not plant the new almond orchard within the 1975 Block any earlier than one (1) years after the removal of the existing almond orchard, without the prior consent of Lessor. During this minimum one (1) year "fallow" period, Lessee may plant wheat or beans. The planting, growing, and harvesting of such wheat or bean crop shall be at Lessee's sole cost.

SECTION VIII. MAINTENANCE OF ALMOND ORCHARD

Section 8.1 Lessor's Operation and Maintenance. Lessor shall have no obligation to alter or maintain the Property during the Lease Term.

Section 8.2 Lessee's Maintenance. Lessee shall operate and maintain the orchard as a premium almond orchard as provided in this Agreement.

Section 8.3 Weeds and Pests. Lessee shall use its best efforts to keep the orchard free and clear of rubbish, or other growth generally considered by the Agricultural Extension Service of the University of California to be foul, noxious or objectionable to good farming. Lessee shall use reasonable efforts to keep the orchard free and clear of rats, gophers, squirrels and other pests. Lessee shall also maintain the Property, including crop areas and roadways, such that they are clear of noxious weeds, including but not limited to Puncture Vine, Yellow Star Thistle, Johnson Grass, and vermin.

Section 8.4 Cultural Practices and Replacement of Trees. Lessee's obligations hereunder include the responsibility to apply the highest standards of cultural practices in the Hughson area and to maintain the trees now planted or to be planted in the orchard in a healthy and vigorous condition and, if necessary, to replace existing trees, at Lessee's cost, in a manner planned to minimize loss of production.

SECTION IX. WATER AND WATER SYSTEMS/REPAIRS AND MAINTENANCE

Section 9.1 Maintenance and Repairs. Water necessary for the irrigation of the crops to be grown on the Property may be used by Lessee during the term of the Lease to the extent available from time to time during the Lease Term from wells, pumps, and pipelines presently existing or later developed on the Property. Water shall be used only on the Property and in performance of Lessee's obligations under this Lease. Lessor does not warrant and shall not be liable for the quantity or quality or continuous availability of water to the Property, and Lessor shall not be responsible for any damage whatsoever caused by irrigation or drainage or lack thereof. Lessee shall, at Lessee's sole cost and expense, maintain and keep free and clear of all weeds and growth, all irrigation and drainage ditches and culverts on the Property, and maintain and repair all pumps, pipelines, siphons and appurtenances located on the Property or connected with and belonging to its irrigation and drainage systems. Lessee shall not use the water, pumps and appurtenances of the Property in order to water property other than the Property, nor shall it sell or export water from the Property. Title to water not used by Lessee in the production of crops on the Property or for other agricultural uses connected therewith, is and shall remain the sole property of Lessor. Lessee shall not use or permit to be used any water for the purpose of irrigating the Property, if the salinity of such water is or will be injurious to the Property. All power charges, including electrical energy and standby charges for the operation of pumps and siphons of the Property shall be at Lessee's expense. Lessee at its sole cost shall install all pipelines and irrigations systems necessary for the development of the almond orchards. Lessee is familiar with the

present condition of the Property, including, but not limited to the structural improvements as well as the irrigation and drainage ditches and other water facilities located thereon or used in connection therewith. Lessee accepts all improvements in their present condition (i.e., "as is") on the entire Property, and all of said irrigation and drainage ditches and other water facilities thereon. Landlord does not guarantee or warrant the present or future condition of the irrigation or drainage system and shall not be liable or responsible in any way for the failure of either or both to operate in any manner.

SECTION X. ALTERATIONS

Section 10.1 Alterations and Liens. Except as specifically provided in this Lease, Lessee shall not make or permit any other person to make any alterations to the Property or to any improvement of facilities thereon, whether or not appurtenant thereto, without the prior written consent of the Lessor. Lessee shall keep Lessor's interest in the Property and in the almond crops produced on the Property free and clear from any and all liens, claims and demands, including without limitation, those for work performed, materials furnished, or operations conducted on the Property at the instance or request of Lessee.

Section 10.2 Mechanics' Liens. Lessee shall pay all costs for construction done by it on the Property as permitted by this Lease. Lessee shall keep the Property free and clean of all mechanics' liens resulting from construction done by or for Lessee. Lessee shall have the right to contest the correctness or the validity of any such lien if, immediately on demand by Lessor, Lessee shall procure and record a lien release bond issued by a corporation authorized to issue surety bonds in California in an amount equal to one and one-half times the amount of the claim of the lien. The bond shall meet the requirements of Civil Code Section 3143 and shall provide for the payment of any sum that the claimant may recover on the claim (together with costs of suit, if it recovers in the action).

SECTION XI. UTILITIES AND SERVICES

Section 11.1 Utilities and Services. Lessee shall make all arrangement for and pay for any and all utilities and services, including but not limited to regular and standby fees, installation and hook-up fees furnished to or used by it, including, without limitation, gas, electricity, telephone service and for all connection charges. If practical, Lessee shall be billed directly for the above-mentioned utilities and services and shall pay the bills direct. If Lessor pays such charges, at its election (but without any obligation to do so), Lessor shall provide written notice of such payment to Lessee and Lessee shall reimburse Lessor for such payment within twenty (20) days of receipt of said notice.

SECTION XII. INDEMNITY AND INSURANCE

Section 12.1 Exculpation of Lessor. Except as provided herein, Lessor shall not be liable to Lessee for any damage to Lessee's property from any cause. To the

maximum extent allowed by law, Lessee waives all claims against Lessor for damage to person or property arising for any reason, except that Lessor shall be liable to Lessee for damage to Lessee caused by the gross negligence or intentional acts or omissions of Lessor or its authorized representatives.

Section 12.2 Indemnification of Lessor. Lessee hereby agrees to indemnify, defend and hold Lessor, and its employees and agents, harmless from any and all known or unknown claims, demands, causes of action, liabilities, losses, damages (including consequential and punitive damages), costs and expenses (including reasonable legal fees and costs) (collectively or individually referred to as "**Claims**" or "**Claim**") arising out of, whether directly or indirectly, or in any way connected with the use or occupation of Property by Lessee under this Lease, specifically including without limitations, any Claim arising:

(a) By reason of any injury to person or property, unless caused by the negligence or intentional acts of Lessor or any of Lessor's employees, agents, independent contractors or invitees, while in or on the Property or in any way connected with the property or with the improvements or personal property in or on the Property, including without limitation, any liability for injury to the person, any personal property or any real property of the Lessee, its agents, officers, or employees. Upon request by Lessor, Lessee shall provide reasonable proof of Lessee's insurance coverage to fund Lessee's indemnity obligations under this Section 12.2;

(b) By reason of any work performed on the Property or materials furnished to the Property at the insistence or request of the Lessee, its agents or employees;

(c) By reason of the Lessee's failure to perform any provision of this Lease or to comply with any requirement imposed on it or on the Property by any duly authorized governmental agency or political subdivision.

(d) By reason of the Lessee's failure or inability to pay as they become due any obligations incurred by Lessee in the agricultural or other operations to be conducted by it on the Property.

(e) By reason of Lessee's violation or breach of any representation warranty or covenant of Lessee hereunder.

(f) By reason of, or directly or indirectly arising out of, or in any way connected with, the use, release, generation, storage or disposal of hazardous materials, on, in, under or above the Property, including without limitations, on, in or under the ground water under the Property or the surface water on the Property, or any crop on the Property, or any crop on the Property by any person during the occupation of the Property by Lessee.

The indemnification provided in this Section 12.2 survives the termination of this Lease.

Section 12.3 Notice of Claim. In the event Lessor receives notice of any Claim or demand against which Lessor is entitled to indemnification pursuant to this Section 12, Lessor shall promptly give written notice thereof to Lessee. Lessee shall immediately take such measures as may be reasonably required to properly and effectively defend any such Claim, and may defend with counsel of its own choosing, subject to reasonable approval of Lessor, which approval shall not be unreasonably withheld or delayed. In the event Lessee fails to properly and effectively defend any such Claim, then Lessor may defend such Claim with counsel of its own choosing at the expense of Lessee.

Section 12.4 Property Insurance on Lessee's Property. Lessee, at its expense, shall carry fire and casualty insurance on Lessee's own property as Lessee deems necessary, and Landlord shall have no obligation to Lessee with respect to any loss or damages suffered by Lessee with regard to Lessee's own property.

Section 12.5 Commercial General Liability; Auto. Lessee at its cost must maintain commercial general liability with a single combined liability limit of $2,000,000.00, insuring against all liability of Lessee, its employees, and its authorized representatives arising out of and in connection with Lessee's use or occupancy of the Property. The Commercial General Liability coverage should include, but not be limited to, the following: Property/Operations, Products/Completed Operations, Owners Contractors Protective, Independent Contractors, Blanket Contractual Liability, Broad Form Property Damage, Personal Injury, Chemical Drift and Contingent Crop Dusting Liability. Lessee at its cost must maintain automobile liability insurance in an amount no less than $1,000,000. All insurance shall cover not only the liability of Lessee for bodily injury to or death of persons and property damage occurring in upon or about the Property, but also all liabilities which have been assumed by Lessee under the provisions of this Lease. Lessor must be named as an additional insured on said policies, and Lessor must receive for each such policy a currently effective certificate attesting to such insurance coverage. Notwithstanding the provisions of this Section 12.5, Lessee, in its sole discretion, may provide or obtain the required insurance under one or more blanket policies insuring Lessee in regard to all properties that Lessee may farm.

Section 12.6 Increase in the Amount of Commercial General Liability Insurance. Not more frequently than every three (3) years, if, in the judgment of the Lessor's lender or the insurance broker retained by Lessor, the amount of commercial general liability insurance coverage at the time is not adequate, Lessee shall increase the insurance coverage as requested by either Lessor's lender or Lessor.

Section 12.7 Workers' Compensation Insurance. Lessee shall procure and maintain at its own cost and expense, during the term and any extensions of this Lease, Workers' Compensation coverage required by the State of California, and Employer's Liability Insurance in an amount no less than $1,000,000. Lessee shall require any harvester, sprayer or other person hired by it as an independent contractor to perform services to the Property to procure similar workers' compensation insurance. Lessee shall require any independent contractor to procure this insurance before commencing

any services on the Property and to maintain the insurance during the performance of any such services. Lessee shall provide to Lessor a currently effective certificate attesting to such insurance coverage.

Section 12.8 Waiver of Subrogation. To the extent allowed by their respective insurance carriers, the parties release each other, and their respective authorized representatives, from any claims for damage to any person, the orchard, or the fixtures, personal property, crops, Improvements, and alterations of either Lessor or Lessee in the Property or in any of the parcels in which the Property is located, to the extent covered by any insurance policies carried by the parties and in force at the time of the damage. Whenever possible without additional cost, each party shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. Neither party shall be liable to the other for injury or damage to the extent covered by any insurance policy carried by or for the protection or other benefit of the other party. If any insurance policy cannot be obtained with a waiver of subrogation, or is obtainable only by the payment of an additional premium charge above that charged by insurance companies issuing policies without waiver of subrogation, the party in whose favor a waiver of subrogation is desired shall have a period of ten (10) days after receiving the notice either to place the insurance with a company that is reasonably satisfactory to the other party and that will carry the insurance with a waiver of subrogation, or to agree to pay the additional cost. If the insurance cannot be obtained or the party in whose favor a waiver of subrogation is desired refuses to pay the additional premium charged, the other party is relieved of the obligation to obtain a waiver of subrogation rights with respect to the particular insurance coverage involved.

SECTION XIII. DESTRUCTION

Section 13.1 Lessee's Obligation to Restore. If, during the Lease Term, all of the Property is totally destroyed by fire, flood, earthquake or other casualty (whether or not covered by insurance) rendering the Property totally inaccessible or unusable, Lessee shall within ninety (90) days of such destruction either (a) terminate the Lease or (b) commence immediately to restore the Property to substantially the same condition as it was immediately before the destruction. If Lessee terminates the Lease it shall assign to Lessor all rights it may have to insurance proceeds attributable to the destruction and shall pay to Lessor all proceeds already received less those funds necessary and paid by Lessee to restore property to original farmable condition.

Section 13.2 Abatement or Reduction of Rent. In case of partial destruction, there shall be no abatement or reduction of rent.

Section 13.3 Waiver of Civil Code Sections. Lessee waives the provision of Civil Code Section 1932(2A) and Civil Code Section 1933(4) with respect to any destruction of the Property.

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SECTION XIV. CONDEMNATION

Section 14.1 Definitions.

1. "Award" means all compensation, sums, or anything of value awarded, paid, or received on a total or partial condemnation.

2. "Condemnation" means (a) the exercise of any governmental power, whether by legal proceeding or otherwise, by a Condemnor, and (b) a voluntary sale or transfer by Lessor to any Condemnor, either under threat of condemnation or while legal proceedings for condemnation are pending.

3. "Condemnor" means any public or quasi-public authority or private corporation or individual, having the power of condemnation.

4. "Date of Taking" means the date the Condemnor has the right to possession of the property being condemned.

Section 14.2 Parties' Rights and Obligations to Be Governed By Lease. If, during the term or during the period of time between the execution of this Lease and the date the term commences, there is any taking of all or any part of the Property or any interest in this Lease by condemnation, the rights and obligations of the parties shall be determined pursuant to this Section.

Section 14.3 Total Taking. If the Property is totally taken by condemnation, this Lease shall terminate on the date of taking, and Lessee shall be entitled to that portion of the Award as set forth below in Section 14.5.

Section 14.4 Partial Taking.

Section 14.4.1 Effect on Lease. If any portion of the Property is taken by condemnation, this Lease shall remain in effect, except that Lessee can elect to terminate this Lease if fifty percent (50%) or more of the total planted acreage of the orchard is taken or rendered unsuitable for Lessee's continued use. If Lessee elects to terminate this Lease, Lessee must exercise its right to terminate pursuant to this subsection by giving notice to Lessor within thirty (30) days after the nature and the extent of the taking have been finally determined. If Lessee elects to terminate this Lease as provided in this subsection, Lessee also shall notify Lessor of the effective date of termination, which date shall not be earlier than thirty (30) days nor later than ninety (90) days after Lessee has notified Lessor of its election to terminate. However, as to the portion taken this Lease shall terminate on the date of taking if the date of taking falls on a date before the date of termination as designated by Lessee. If Lessee does not terminate this Lease within the thirty (30) day period, this Lease shall continue in full force and effect, except that the base rent shall be reduced pursuant to this section.

Section 14.4.2 Waiver of CCP Section 1265.130. Each party waives the provisions of Code of Civil Procedure Section 1265.130 allowing either party to petition the Superior Court to terminate this Lease in the event of a partial taking of the orchard.

Section 14.5 Award - Distribution. The Award shall belong to and be paid to Lessor, except that Lessee shall receive from the Award the following (which shall be paid directly to Lessee):

1. A sum representing that portion of the replacement cost of Lessee's initial investment in developing the almond orchard on the taken portion of the Property, up to the whole thereof if the entire Property is taken.

2. A sum attributable to the taking of Lessee's improvements or alterations made to the Property by Lessee in accordance with this Lease, which Lessee's improvements or alterations Lessee would have the right to remove from the Property pursuant to the provisions of this Lease but elects not to remove; or if Lessee shall elect to remove any such Lessee's improvements or alterations, a sum for reasonable removal and relocation costs not to exceed the market value of such improvements or alterations.

3. Any portion of the Award which is specified to represent the loss incurred by Lessee (other than the development costs and improvements referred to above) in the present market value of Lessee's interest in the Property and all compensation, damages and award for Lessee's trade fixtures, equipment, machinery, and growing crops, and any business interruption and relocation expenses.

Section 14.6 Temporary Taking. The taking of the Property or any part of the Property by military or other public authority shall constitute a taking thereof by condemnation only when the use and occupancy by the taking authority has continued for longer than one hundred eighty (180) consecutive days. During the one hundred eighty (180) days period, all the provisions of this Lease shall remain in full force and effect, except that the Base Rent shall be reduced during such period of taking based on the extent to which the taking interferes with Lessee's use of the Property.

SECTION XV. ASSIGNMENT

Section 15.1 Assignment and Subletting. Lessee shall not assign, transfer or encumber this Lease or any interest herein, nor sublet any portion of the Property, without the prior written consent of Lessor, which such consent by Lessor shall not be unreasonably withheld or delayed. Reasonable grounds for denying or withholding consent include the following:

(a) The proposed transferee's financial condition is inadequate to support the obligations of the Lessee under this Lease, after taking into account Lessee's continued financial liability under the Lease. For purposes of this provision, if the proposed transferee's net worth is equal or exceeds that of Lessee as of the date of the

requested assignment, the proposed transferee's financial condition will automatically be deemed sufficient for purposes of this subsection (a).

(b) The proposed assignment would cause Lessor to violate another lease or agreement to which Lessor is a party.

(c) The proposed transferee's reputation in the Hughson farming community as having farming practices not meeting or exceeding the current farming practices of Lessee.

Section 15.2 Permitted Transfers. Notwithstanding the provisions of Section 15.1 above, Lessee may assign this Lease or sublease any portion of the Property to a corporation, partnership or other entity which controls, is controlled by, or is under common control with Lessee, or any entity resulting from any merger or consolidation with Lessee (a "**Permitted Transferee**") without any consent of Lessor so long as the terms and provisions of this Lease are otherwise complied with.

Section 15.3 Lessor's Written Response. Lessee shall provide in writing to Lessor a notice at least thirty (30) days before the proposed effective date of the proposed transfer to an assignee or subtenant ("**Transfer Notice**"). The Transfer Notice shall include the following: (i) information regarding the proposed transferee (name, address and ownership information, current financial statements); and (ii) all material terms of the proposed transfer. Within twenty (20) days after receiving the Transfer Notice of the anticipated assignment or subletting of the Property, Lessor should approve or disapprove the proposed transfer pursuant to Section 15.1. If Lessor disapproves the proposed transfer pursuant to Section 15.1, Lessor shall provide a reasonable explanation. Any assignment or subleasing without the prior written consent of Lessor will be void. Any assignment or sublease with the written consent of Lessor pursuant to the terms of this Agreement does not release Lessee from its obligations and liabilities under this Agreement unless otherwise stated in the written consent given by Lessor. Lessee shall pay Lessor's, as additional rent, reasonable attorney's fees that Lessor incurs in reviewing and processing the transfer request.

SECTION XVI. DEFAULT

Section 16.1 Lessee's Default. The occurrence of any of the following shall constitute a default by Lessee:

1. Failure to pay rent, taxes, insurance, or any other specific money obligation when due pursuant to the terms of this Lease, if the failure continues for five (5) days after notice has been given to Lessee.

2. Abandonment and vacation of the Property which includes but is not limited to failing to occupy and operate the Property for thirty (30) consecutive days shall be deemed an abandonment and vacation.

3. Failure to (a) perform any other provision of this Lease (b) fully comply with any obligation of Lessee under this Lease including the timely and complete adherence to the Development Plan, or (c) correct any inaccurate warranty or failed assumption caused or permitted by Lessee (including the representations and assumptions contained in or implied by the information set forth in Section II to this Lease), if such failure is not cured within twenty (20) days after notice has been given to Lessee. If the default cannot reasonably be cured within twenty (20) days, Lessee shall not be in default of this Lease if Lessee shall commence to cure the default within the twenty (20) day period and continue diligently and in good faith to cure the default. Notices given under this section shall specify the alleged default and the applicable Lease provisions. No such notice shall be deemed a forfeiture or a termination of this Lease unless Lessor expressly so elects in the notice, and Lessee shall remain obligated hereunder as set forth below.

4. The dissolution of Lessee.

5. Any other event of default specified herein.

6. Any default of the Lease by any assignee or any sublessee.

Section 16.2 Lessor Remedies. Lessor shall have the remedies listed below if Lessee shall commit a default. These remedies are not exclusive. The remedies are cumulative in addition to any remedies now or later allowed by law:

Section 16.2.1 If Lessee's Right to Possession Is Not Terminated. Lessor can continue this Lease in full force and effect, and the Lease will continue in effect as long as Lessor does not terminate Lessee's right to possession, and Lessor shall have the right to collect rent when due. During the period Lessee is in full default, Lessor can enter the Property and relet them, or any part of them, to third parties for Lessee's account. Lessee shall be liable immediately to Lessor for all costs Lessor shall incur in reletting the Property, including, without limitation, broker's commission, expenses of rehabilitating the orchard required for reletting, and like costs. Reletting can be for a period shorter or longer than the remaining term of this Lease. Lessee shall pay to Lessor the rent due under this Lease on the dates the rent is due, less any rent Lessor actually receives from any reletting. No act by Lessor by this section shall terminate this Lease unless Lessor notifies Lessee that Lessor elects to terminate this Lease. After Lessee's default and for as long as Lessor does not terminate Lessee's right to possession of the Property, if Lessee obtains Lessor's consent as provided in Section XV of this Lease, Lessee shall have the right to assign or sublet its interest in this Lease, but Lessee shall not be released from liability for rents hereunder or from performance of any other obligation hereunder.

Section 16.2.2 If Lessee's Right to Possession is Terminated. Lessor can terminate Lessee's right to possession of the Property at any time. No act by Lessor other than giving express notice of termination to Lessee shall terminate this Lease. Acts of maintenance, efforts to relet the Property, or the appointment of a receiver on Lessor's

initiative to protect Lessor's interest under this Lease shall not constitute a termination of Lessee's right to possession. On termination, Lessor has the right to recover from Lessee:

1. The worth at the time of the award of the unpaid rent that had been earned at the time of termination of this Lease, plus

2. The worth, at the time of the award of the amount, by which the unpaid rent that would have been earned after the date of termination of this Lease until the time of award (including reasonably estimated future Percentage Rent) exceeds the amount of the loss of rent that Lessee proves by clear and convincing evidence could have been reasonably avoided by Lessor, plus

3. The worth, at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of award (including reasonably estimated future Percentage Rent) exceeds the amount of the loss of rent that Lessee proves by clear and convincing evidence could have been reasonably avoided by Lessor, plus

4. Any other amount, including attorneys' fees, expert witness fees, and costs, necessary to compensate Lessor for all detriment proximately caused by Lessee's default.

"The worth, at the time of award", as used in 1 and 2 of this subsection is to be computed by allowing interest at the rate of ten percent (10%) per annum. "The worth, at the time of award," as referred to in 3 of this subsection, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of termination, plus one percent (1%).

Section 16.2.3 Appointment of Receiver. If Lessee is in Default of this Lease, Lessor shall have the right to have a receiver appointed to conduct Lessee's business on the Property and to pay all rents accruing to Lessor for the account of Lessee. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Lessor to terminate this Lease.

Section 16.2.4 Lessor's Right to Cure Lessee's Default. Lessor, at any time after Lessee commits a default, can cure the default at Lessee's cost. If Lessor at any time, by reason of Lessee's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Lessor shall be due immediately from Lessee to Lessor at the time the sum is paid, and if paid at a later date shall bear interest at the rate of ten percent (10%) per annum from the date the sum is paid by Lessor until Lessor is reimbursed by Lessee. The sum, together with interest on it, shall be deemed additional rent.

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SECTION XVII. ENCUMBRANCE-TERMINATION OF LEASE

Any encumbrance prohibited by the provision of this Lease, including without limitation, the crop produced on the Property, or the leasehold interest of the Lessee in the Property, made, done or suffered by Lessee without Lessor's written approval, whether voluntary or involuntary, during the Term of this Lease or any extension thereof, shall terminate this Lease and shall entitle the Lessor to re-enter and regain possession of the Property. Under no circumstances shall Lessee be entitled to encumber the Property, or cause or permit any lien, judgment, trust deed or mortgage to be recorded against the title to the Property.

SECTION XVIII. LESSOR'S ENTRY ON PROPERTY

Lessor and its authorized representatives shall have full access to the Property at all reasonable times for any of the following purposes (in addition to those other purposes established or implied by other provisions of this Lease); Lessee shall supply to Lessor his agents and assigns, such keys and other implements necessary to allow entry on the Property:

1. To determine whether the Property is in good condition and whether Lessee is complying with its obligations under this Lease;

2. To do any necessary repairs and to make any restoration to the Property that Lessor has the right or obligation to perform hereunder;

3. To serve, post, or keep posted any notices required or allowed under the provisions of this Lease;

4. To show the Property to prospective lenders, appraisers, insurance professionals, brokers, agents, buyers, Lessees, or persons interested in an exchange at any time during the term; and

5. To use any facilities and personal property reserved to Lessor hereunder.

SECTION XIX. SUBORDINATION; ESTOPPEL

Section 19.1 Lease to Be Subject to Subordination. This Lease shall be prior to any encumbrance recorded after the date of this Lease affecting the Property. If, however, a lender requires that this Lease be subordinate to any such encumbrance, this Lease shall be subordinate to that encumbrance. Upon the written request of Lessor, Lessee agrees to subordinate its rights under this Lease to any mortgage or deed of trust or similar indenture ("lien") covering the Property upon the conditions set for hereafter, and Lessor agrees to obtain a non-disturbance agreement from any mortgage holder, trust deed beneficiary or similar indenture holder ("lien holder"). Such non disturbance agreement shall provide that the lien holder agrees in writing, in recordable form, that so long as Lessee shall not be in default under this Lease, or, if Lessee is in such default, as

long as Lessee's time to cure such default shall not have expired: (i) the term of this Lease shall not be terminated or modified in any material respect whatsoever, nor the rights of Lessee under this Lease or its occupancy of the Property be affected in any way should such lien be foreclosed or any other action be instituted in connection with such lien; and (ii) that in the event of default under the lien and upon enforcement by the lien holder of its remedies, said lien holder agrees to perform all of the duties and responsibilities of the Lessor under this Lease so long as Lessee is not in default beyond any applicable cure period of this Lease. In the event that any such lien is foreclosed or a conveyance in lieu of foreclosure is made, at the election of Lessor's successor in interest, Lessee agrees to attorn to and become the tenant of such successor and Lessee's right to possession of the Property shall not then be disturbed as long as Lessee is not in default under this Lease. Lessee shall attorn to any purchaser at any foreclosure sale, or to any grantee or transferee designated in any deed given in lieu of foreclosure. Lessee shall execute the written agreement and any other documents required by the lender to accomplish the purposes of this section.

Section 19.2 Right to Estoppel Certificates. Each of Lessor and Lessee, within ten (10) days after notice from the other party, shall execute and deliver to the other party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of the Base Rent, the amount or basis for determining the Percentage Rent, the dates to which the rent has been paid in advance, and the amount of any security deposit or prepaid rent. Failure to deliver the said estoppel certificate within the ten (10) days shall constitute a material default hereunder, and such failure shall be conclusive upon the party failing to deliver the certificate for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Lease is in full force and effect and has not been modified except as may be represented by the party requesting the certificate.

SECTION XX. NOTICE

Section 20.1 Notice. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, certified mail with return receipt requested. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed and mailed or hand-delivered or delivered by facsimile transmission to the other party at the address set forth in Section 26.10 of this Lease. Either party may change its address by notifying the other party in writing of the change of address. Notice shall be deemed communicated and received when actually delivered or by facsimile transmission or within seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

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SECTION XXI. WAIVER

Section 21.1 Waiver. No delay or omission in the exercise of any right or remedy of Lessor on any default by Lessee shall impair such right or remedy or be construed as a waiver. The receipt and acceptance by Lessor of delinquent rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment of the particular rent payment involved and shall not constitute a waiver of interest for the delay in payment. No act or conduct of Lessor, including without limitation, the acceptance or use or continuing use of Lessor, of any keys or other entrance controls to the Property shall constitute an acceptance of the surrender of the Property by Lessee before the expiration of the term. Only express written notice from Lessor to Lessee shall constitute acceptance of the surrender of the Property and accomplish a termination of the Lease. Lessor's consent to or approval of any act by Lessee requiring Lessor's consent or approval shall not be deemed to waive or render unnecessary Lessor's consent to or approval of any subsequent act by Lessee. Any waiver by Lessor of any default must be in writing and shall not be deemed a waiver of any other default concerning the same or any other provision of the Lease.

SECTION XXII. SURRENDER AND DEED ON TERMINATION

Section 22.1 Surrender and Deed on Termination. Lessee shall execute and deliver to Lessor, on the expiration or termination of this Lease, within five business days of Lessor's request, a surrender of lease and a quitclaim deed to all lands (including related rights) within the Property, in recordable form, to Lessor or to Lessor's designee as grantee. Lessee shall also cooperate with Lessor in executing any document or performing any other act reasonably requested by any title insurance company to clear record title to any land involved in or affected by this Lease.

SECTION XXIII. ATTORNEYS' FEES

If either Lessor or Lessee becomes a party to any third party litigation concerning this Lease, the Property, or any of the Improvements , by reason of any act or omission of the other party or its authorized representatives, the party that causes the other party to become involved in the litigation shall hold harmless and indemnify that party for reasonable attorneys' fees, expert witness fees, other litigation expenses and court costs incurred by it in the litigation. If either Lessor or Lessee commences an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to have and recover from the losing party reasonable attorneys' fees and costs of suit. The phrase "prevailing party" shall also mean the party who obtains substantially the result sought, whether by dismissal, default, summary judgment, settlement or otherwise.

SECTION XXIV. SURRENDER OF PROPERTY; HOLDING OVER

Section 24.1 Surrender of Property. On expiration of thirty (30) days after termination of the term, Lessee shall surrender to Lessor the Property and all Lessee's improvements and alterations in good condition, except for ordinary wear and tear

occurring after the last necessary maintenance made by Lessee and except for alternations that Lessee has the right to remove or is obligated to remove under the provisions of the Section dealing with alterations. Except for the almond trees and associated irrigation systems (which shall remain with the Property, including permanent set sprinklers, drip irrigation lines, pumps), Lessee shall remove all its personal property within the above-stated time. Lessee shall perform all restoration made necessary by the removal of any of Lessee's alterations or Lessee's personal property within the time periods stated in this section. Lessor can elect to retain or dispose of in any manner any alterations or any of Lessee's personal property that Lessee does not remove from the Property on expiration or termination of the term as allowed or required by this Lease by giving ten (10) days' notice to Lessee. Title to any such alterations or Lessee's personal property that Lessor elects to retain or dispose of on expiration of such ten (10) day period shall vest in Lessor. Lessee waives all claims against Lessor for any damage to Lessee resulting from Lessor's retention or disposition of any such alterations or Lessee's personal property. Except as otherwise provided in Section 3.5, if Lessee fails to surrender the Property to Lessor on expiration or ten (10) days after termination of the term as required by this section, Lessee shall hold Lessor harmless from all damages resulting from Lessee's failure to surrender the Property (including, without limitation, claims made by a successor to Lessee) resulting from failure by Lessee or a successor to Lessee to surrender the Property.

Section 24.2 Holding Over. If Lessee, with Lessor's consent, remains in possession of the Property after expiration or termination of the term, or after the date in any notice given by Lessor to Lessee terminating this Lease, such possession by Lessee shall be deemed to be a month-to-month tenancy terminable on thirty (30) days' written notice given at any time by either party. During any such month-to-month tenancy, Lessee shall pay promptly all rent required by this Lease.

SECTION XXV. LESSOR'S REPRESENTATIONS

Section 25.1 AS-IS Condition. The Property and Improvements are leased in an "AS-IS" condition, with all faults, and Lessor makes no representation or warranty whatsoever regarding the Property or the Improvements, including, without limitation, any representation or warranty as to the condition of the Property, or any Improvement, or whether the Property or the Improvements (or both) are suitable for Lessee's intended use.

Section 25.2 Prior Representations/Warranties. Neither Lessor nor any of Lessor's agents have made any representations, warranties, or promises with respect to the Property, or any improvements, structures, and facilities thereon, except as herein expressly set forth. Without limiting the generality of the foregoing, Lessee expressly acknowledges that Lessor and Lessor's agents have made no warranties or representations, express or implied, regarding the weather at or around the Property, the suitability of the Property for farming, or the quantity or quality of almonds to be grown on the Property.

SECTION XXVI. MISCELLANEOUS PROVISIONS

Section 26.1 Time of Essence. Time is of the essence of each provision of this Lease.

Section 26.2 Consent of Parties. Whenever consent or approval of either party is required, that party shall not unreasonably withhold such consent or approval.

Section 26.3 Successors and Assigns. This Lease shall be binding on and inure to the benefit of the parties and their respective permitted successors and assigns.

Section 26.4 Exhibits - Incorporation in Lease. All exhibits referred to are attached to this Lease and incorporated by reference.

Section 26.5 California Law. This Lease shall be construed and interpreted in accordance with the laws of the State of California. The venue of any action or proceeding arising out of this Lease shall be Stanislaus County, California.

Section 26.6 Integrated Agreement; Modification. This Lease contains all the agreements of the parties and cannot be amended or modified except by a written agreement.

Section 26.7 Captions; Table of Contents. The captions and the Table of Contents of this Lease shall have no effect on its interpretation.

Section 26.8 Singular and Plural. When required by the context of this Lease, the singular shall include the plural.

Section 26.9 Severability. The unenforceability, invalidity, or illegality of any provisions shall not render the other provisions unenforceable, invalid, or illegal.

Section 26.10 Address of Parties for Notice Purposes. Until and unless changed by written notice to the other party, the respective addresses of the parties are:

LESSOR :	LESSEE:
CITY OF HUGHSON PO Box 9 7018 Pine Street Hughson, CA 95326 ATTN: City Manager	Michael Noeller dba Noeller Farms 6400 Leedom Road Hughson, CA 95326

Section 26.11 Payments Are Rent. All sums of money or charges required to be paid by Lessee under this Lease shall be deemed rental for the Property and may be designated as such in any statutory notice to pay rent or quit the Property.

Section 26.12 Arbitration. Any question, dispute, controversy, or misunderstanding arising under or in connection with this Lease, other than disputes with respect to the payment of rent, taxes, or to keep the Property insured, shall be submitted to judicial arbitration in accordance with the provisions of Code of Civil Procedure Sections 1141.10 - 1141.31 and California Rules of Court 810-3.830.

Section 26.13 No Joint Venture. The relationship between Lessor and Lessee is that of Lessor and Lessee under a lease and it is not a partnership or joint venture. Hence, neither party may enter into a contract or otherwise, by act or omission, create liabilities which bind the other party. Lessee is an independent contractor and has no authority to contract or enter into any other agreement in the name of Lessor. Lessee shall be fully responsible for all matters relating to payment of its employees including compliance with taxes.

Section 26.14 Other Permanent Crop. In the event Lessee desires to plant a different permanent crop on the Property other than almonds, Lessee will give notice to Lessor of its intentions to change crops ("**Change Notice**"). Thereafter, Lessor will prepare a lease for the Property by and between Lessor and Lessee ("**New Lease**") providing to both Lessee and Lessor substantially similar economic rights and obligations set forth in this Lease. Lessor and Lessee will have no obligation to negotiate the terms and conditions of the New Lease in good faith or otherwise. If the New Lease is not signed by both Lessee and Lessor within ninety (90) days of the date of the Change Notice, this Lease will terminate.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease to be effective as of the date first set forth above.

"**LESSOR**":

CITY OF HUGHSON,
a municipal California corporation

By: _____
Its: City Manager

"**LESSEE**":

_____
Michael Noeller

CITY OF HUGHSON AGENDA ITEM NO. 6.1

SECTION 6: New Business

Meeting Date: **September 14, 2015**
Subject: **Approval of Agreement with Neumiller and Beardslee for Legal Professional Services**
Presented By: **Raul L. Mendez, City Manager**

Approved By: _____

Staff Recommendation:

1. Approve the agreement with Neumiller and Beardslee Attorney and Counselors for legal professional services.

2. Authorize the City Manager to execute the agreement with Neumiller and Beardslee Attorney and Counselors for legal professional services.

Background:

The City of Hughson has contracted with Neumiller and Beardslee since December 12, 2005 for professional legal services. These services include normal and usual duties of a City Attorney, including without limitation, those specified in the California Government Code. Neumiller and Beardslee has also served as the Chief Legal Advisor to the City of Hughson, except when it would be more appropriate to hire an outside specialist counsel, when counsel for the City is otherwise provided or when a conflict exists such that the Attorney is prohibited by laws or rules of professional conflict.

The contract commenced on that date mentioned above and has continued indefinitely. Per the contract, the City may terminate it at anytime with or without cause. In addition, the City currently pays a fee of $1,200 per month for the Attorney's attendance of three meetings per month. These are typically City Council and Planning Commission meetings. The fee is paid whether or not such meeting is held or attendance is waived. For hours worked in excess of the three meetings, the City pays Neumiller and Beardslee $200.00 per hour for time worked by Principals, $150.00 per hour for time worked by Associates and $75.00 per hour for time worked by law clerks or paralegals. The City also pays for other out-of-pocket expenses incurred by the Attorney in performing services.

Proposed Agreement:

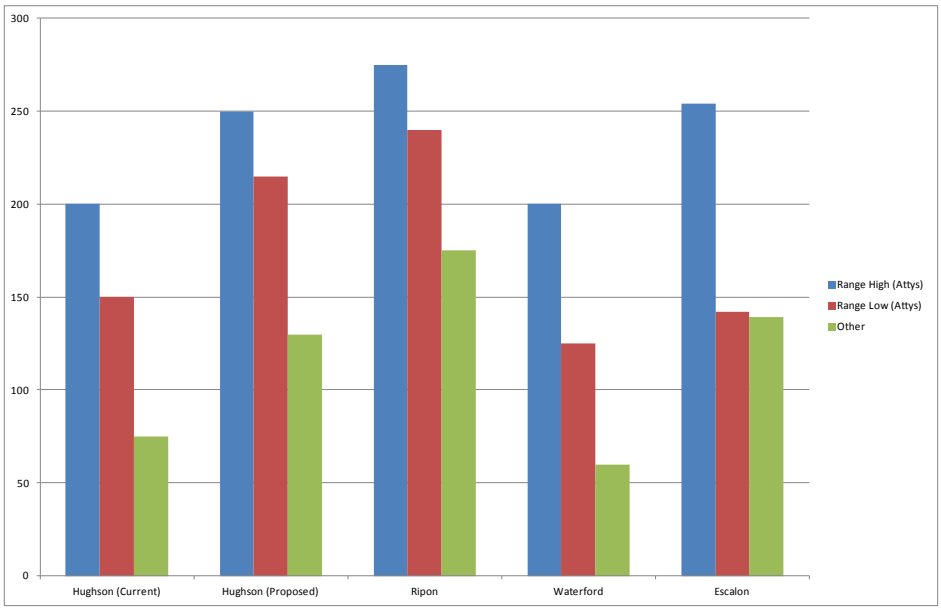
The current agreement was executed back in 2005 and earlier this summer City Attorney Dan Schroeder shared that his firm would like the City Council to consider a new agreement based on a new template being utilized by his firm. The City Attorney also requested that a new rate structure be considered that proposes some reasonable adjustments. The following are the major elements in the proposed agreement for reference. The full draft agreement is attached.

- **Term**. Effective upon execution of agreement.
- **Termination**. At any time by written notice. Attorney may terminate with good cause defined as follows: (1) if the City fails to follow the term of the agreement; (2) if the City has misrepresented or failed to disclose material facts to the Attorney; or (3) if the City has not followed the Attorney's advice.
- **Duties.** Same as current.
- **Attendance of Meetings.** Same as current.
- **Compensation.**
    - Meetings. $1,600 per month for Attorney's attendance of up to 3 meetings per month. Fee shall be paid whether or not such meetings are held or attendance is waived.
    - Hourly. For hours worked in excess of the 3 meetings set forth, City shall pay Attorney $250.00 per hour for time worked by Principals, Shareholders and Of Counsel, $215.00 per hour for time worked by Associates, and $130.00 per hour for time worked by Paralegals, Legal Interns and Legal Assistants.
    - Payment. Generally same as current with more detail on billing, invoices, payments and charges.
    - Out of Pocket. Generally same as current with more detail on general, out of town, use of experts, consultants and investigators and court action or arbitration.

At the suggestion of the Mayor, City staff conducted a brief comparison study looking at municipalities of similar size and characteristic. Information was received by the City Manager's Office from the cities of Ripon, Waterford and Escalon. Generally, it demonstrated that the proposed new rate structure was within the range of those cities benchmarked.

The following is a summary of the information received:

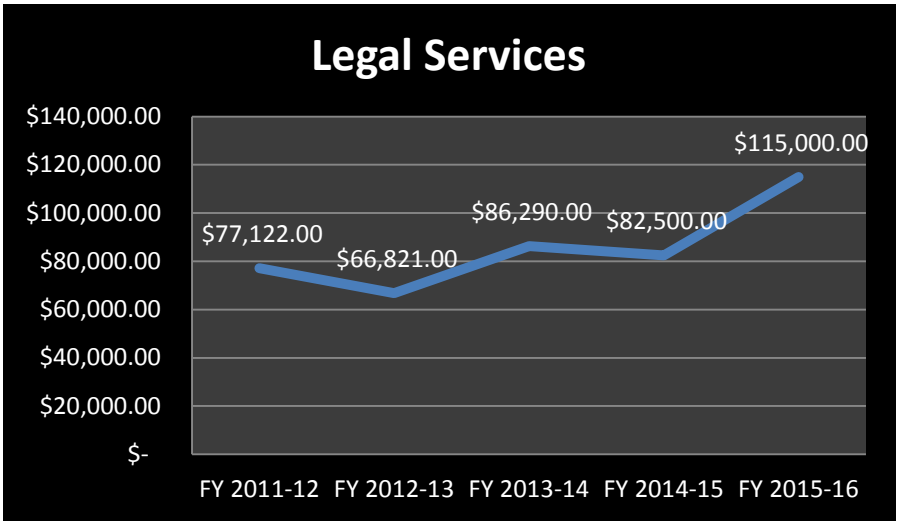
1. **Ripon – $275/Principal, $240/Associate 1, $175/Associate 2** [Last evaluated in 2007]
2. **Waterford – $200/Financing/Foreclosure, $150/Litigation, $125/General** [$2,000 retainer for 15 hours and 2 city council meetings per month; Last evaluated in 2006] – Mason, Robbins, Gnass and Browning
3. **Escalon - $225/Attorneys & Associates, $142/Paralegals** [Special projects $254/Attorneys and $139/Paralegals] – Best Best & Krieger



Per City Attorney Schroeder, his current rate is $250 per hour. He is in the process of increasing rates for clients that haven't been adjusted for 5 years or more. His lowest rate, not including Hughson, is $230 per hour. The Stanislaus Council of Government also has an agreement with Neumiller and Beardslee for legal services. The current rate is $215 per hour for the Principal supporting the local regional transportation agency.

Fiscal Impact:

The City of Hughson has expended just under $100,000 in recent years with the exception of Fiscal Year 2014-2015 where the City expended slightly above due to increased workload from various City projects/services (Land Water and Conservation Fund Grant, Dollar General Development, Grossi Fabrication, Gilton Solid Waste Management Services, and a number of necessary ordinance amendments). The following table demonstrates the annual cost for legal services.



The cost for legal services through a professional contract continues to be a very cost-effective option for the City of Hughson. During the prior five year period (Fiscal Year 2006-2007 to Fiscal Year 2010-2011) the average cost was $152,688—with costs as high of $240,789. City staff anticipates the cost for legal services for the Fiscal Year 2015-2016 to be below or at the prior fiscal year level. City staff will monitor legal expenses and utilization of services to ensure that this occurs.

Neumiller & Beardslee
ATTORNEYS AND COUNSELORS | EST. 1903
A Professional Corporation

ATTORNEY-CLIENT REPRESENTATION AGREEMENT

THIS AGREEMENT ("**Agreement**") is entered into by and between Neumiller & Beardslee, A Professional Corporation ("**Firm**") and the City of Hughson ("**Client**").

SECTION 1
CONDITION

If this Agreement accurately describes the services the Firm is to perform for you and the terms for payment of the resulting legal fees and expenses that you will incur, please countersign one of the duplicate originals of this letter and return it to us. **THIS AGREEMENT WILL TAKE EFFECT AS PROVIDED BY SECTION 18.**

SECTION 2
SCOPE AND NATURE OF SERVICES

Client hires the Firm to provide legal services and to perform all normal and usual duties of a City Attorney, including, without limitation, those specified in the California Government Code, and shall serve as chief legal advisor to Client. This Agreement also covers other legal matters which Client may refer to the Firm from time to time and which the Firm agrees to represent Client. Firm will provide those legal services reasonably required to represent Client. The Firm will take reasonable steps to keep Client informed of progress and to respond to Client's inquiries. Services in any matter not described above will require a separate written agreement.

SECTION 3
ATTORNEY-CLIENT CONFIDENTIALITY

This Agreement contains attorney work product prepared only for the confidential use of the Client and is subject to the attorney-client privilege.

SECTION 4
CLIENT'S DUTIES

Client agrees to be truthful with the Firm, to cooperate, to keep the Firm informed of any information or developments which may come to Client's attention that impact the services provided by the Firm. Client agrees to abide by this Agreement, pay the Firm's invoices on time, and to keep the Firm advised of Client's address, telephone number and whereabouts. Client will assist the Firm in providing necessary information and documents and will appear when necessary at legal proceedings.

SECTION 5
BILLING PRACTICES, INVOICES, PAYMENTS, AND LATE CHARGES

A. **Separate Files for Matters**. The Firm will typically set up separate files for each matter for which we provide service and will invoice those files to you under the assigned matter names. When the Firm's services are completed for a matter, the Firm will separately close and then store the closed files. The Firm may classify small matters that do not warrant setting up separate files as part of a "general" category and will invoice those matters under the "general" matter (although separate files will be opened for minor work if you request).

B. **Billing Factors**. The Firm takes into account a number of factors in billing for services rendered, and all invoices are reviewed before they are issued to ensure that the amount charged is appropriate. The principal factor is usually the Firm's schedule of hourly rates. Most invoices for services are simply the product of the hours worked, multiplied by the hourly rates for the attorneys and legal assistants who performed the work.

C. **Activities Billed**. The Firm will charge for all activities undertaken in providing legal services to Client under this Agreement, including but not limited to the following: **(i)** conferences (including preparation and participation); **(ii)** review and preparation of correspondence and legal documents; **(iii)** legal research and case analysis; and **(iv)** telephone and e-mail communications. The Firm will charge for the performance of work by individual matter on an hourly basis.

D. **Use of Multiple Attorneys**. Depth and diversity of experience and skill is a major asset of the Firm. From time to time, it will be reasonable and necessary for two or more attorneys to meet or confer regarding the facts, law, strategy or tactics of a situation, in order to provide services to Client in the most efficient, prudent, and cost-effective manner. When two or more of the Firm's personnel are engaged in working on a matter at the same time, such as in conferences between them, or with Client, the Firm will review and consider the subject of the work and the reasonable necessity of having multiple personnel involved in determining whether the total amount billed for such conferences, consultations or meetings should be invoiced.

E. **Monthly Statements**. The Firm will send Client monthly statements reflecting attorney fees and costs incurred and their basis, any amounts applied from Client's trust account deposits, and any current balance owed. Client will pay any balance in full upon receipt. Any balance remaining unpaid after thirty (30) days will incur late charges at the rate of seven-tenths of one percent (0.7%) per month, compounded annually, but in no event higher than the maximum interest rate permitted by law.

SECTION 6
LEGAL FEES

Client shall pay Firm for services performed as follows:

A. Client shall pay fee of $1,600.00 per month for Attorney's attendance, at up to 3 meetings per month. The fee shall be paid whether or not such meetings are held or attendance is waived.

B. For hours worked in excess of the 3 meetings set forth above, Client shall pay $250.00 per hour for time worked by principals, shareholders and of counsel; $215.00 per hour for time worked by Associates; and $130.00 per hour for Paralegals, Legal Interns and Legal Assistants.

Our time is billed in increments of not less than one-tenth of an hour for each task performed at a time and rounding up for each partial increment. In addition, we will generally bill a minimum of two-tenths of an hour for each task given administrative costs and lost productivity associated with shifting attention from task to task. All time recorded on a given day may be recorded in one entry and in certain situations may be recorded in one entry for all days spent on a matter. The rates on the schedule set out below are subject to change upon thirty (30) days' written notice to Client. If Client declines to pay increased rates, the Firm will have the right to withdraw as attorney for Client.

SECTION 7
COSTS AND OTHER CHARGES

A. **General**. The Firm will incur various costs and expenses in performing legal services under this Agreement. Client agrees to pay for all costs, disbursements and expenses in addition to the hourly fees. The costs and expenses commonly include, service of process charges, filing fees, court and deposition reporters' fees, jury fees, notary fees, deposition costs, out-of-country long distance telephone charges, messenger and other delivery fees, postage, photocopying and other reproduction costs, travel costs, including parking, mileage, transportation, meals and hotel costs, investigation expenses, consultants' fees, expert witness, professional, mediator, arbitrator and/or special master fees and other similar items. Except for the items listed below, all costs and expenses will be charged at the Firm's cost.

In-office photocopying (black/white copies)	$0.25 per page
In-office photocopying (color copies)	$1.00 per page
Facsimile charges	$1.00 per page
Mileage	IRS Allowable Rate

B. **Out of town travel.** Client agrees to pay transportation, meals, lodging and all other costs of any necessary out-of-town travel to the Firm's personnel. Client will also be charged the hourly rates for the time the Firm's personnel spend traveling.

C. **Experts, Consultants and Investigators.** To aid in the preparation or presentation of Client's case, it may become necessary to hire expert witness, consultants or investigators. Client agrees to pay such fees and charges. The Firm will select any expert witnesses, consultants or investigators to be hired, and Client will be informed of persons chosen and their charges.

D. **Court Action or Arbitration**. If the matter involves a court action or arbitration, Client understands that Client may be required to pay fees or costs, or both, to other parties in the action. Any such payment will be entirely the responsibility of Client.

SECTION 8
ESTIMATED FEES AND COSTS

From time to time, estimates of fees and costs likely to be incurred in a given matter or if a given course of action is pursued may be provided by the Firm. Any estimate provided to Client at any time is only an estimate and is not a flat fee or a not-to-exceed amount. Actual legal fees can vary widely depending upon the circumstances of the matter, including the number of meetings, the number of changes required to documents, and how much coordination with third parties is required to obtain information or for other purposes. The estimate also ***excludes*** any costs or amounts necessary to be paid

to third (3rd) parties to complete the work, unless such fees or amount are specifically noted in the estimate. The Firm does not guarantee that actual fees and costs will fall within any estimate provided.

SECTION 9
NO GUARANTY OF OUTCOME

Nothing in this Agreement and nothing in the Firm's statements to Client will be construed as a promise or guarantee about the outcome of the matter. While the Firm will make every effort to achieve favorable results for Client, the Firm makes no promise or guarantee of any result. The Firm's comments about the outcome of the matter are expressions of opinion only.

SECTION 10
LITIGATION REPRESENTATION

If this matter involves litigation, the Firm will represent Client through trial and post-trial motions. This Agreement does not cover representation on appeal or in execution proceedings after judgment unless specifically included in the scope of representation above. Separate arrangements must be agreed to between the Firm and Client for appeals or for execution proceedings after judgment.

SECTION 11
TAX ADVICE AND REPRESENTATION

The Firm will not provide tax advice or representation with or before taxing agencies or authorities, however, we will be happy to work with your tax professional or CPA to coordinate results intended to implement their advice or strategies, but not in any way that could be construed to violate matters specified in the *IRS Circular 230 Disclosure*, which provides that any U.S. tax advice contained in a communication shall not be used for and cannot be used for: **(i)** purposes of avoiding any tax related penalties that may be imposed under Federal tax laws, or **(ii)** the promotion, marketing or recommending to another party of any transaction or matter for such purposes.

SECTION 12
CONFLICTS OF INTEREST

Pursuant to *California Rules of Professional Conduct*, an attorney must avoid representation of adverse interests. Adverse interests may be in the form of actual or potential conflicts. An actual conflict of interest typically exists when the attorney is representing or has previously represented a party whose interests are adverse to Client's interests in the present matter. A potential conflict occurs where representation of Client in the current matter could develop into an actual conflict in the future. In the event of an actual or potential conflict, the Firm may, and in some cases must, withdraw from Client's representation, or in some cases the Firm may proceed with representation after fully informing Client of the actual or potential conflict and obtaining the written consent of Client and any other necessary parties. Conflicts that would cause the Firm to be in violation of any provision of the *California Rules of Professional Conduct*, *Business and Professions Code*, or any other applicable law cannot be waived by the client, and the Firm will be required to withdraw as counsel**. IF CLIENT IS AWARE OF ANY ACTUAL OR POTENTIAL CONFLICT, CLIENT MUST NOTIFY THE FIRM BEFORE SIGNING THIS AGREEMENT**.

SECTION 13
ELECTRONIC RESOURCES AND CLOUD STORAGE

To increase the Firm's efficiency for the Client, the Firm regularly makes use of email and cellular telephone communications. These technologies are not encrypted and although the Firm believes

the risk is slight, there is some possibility that confidential communications with the Client could become compromised. The Firm also makes use of off-site computer storage facilities which, although such facilities are encrypted and password protected, does expose communications and material kept at the computer storage facility or "in the cloud" to possible compromise. By agreeing to the Firm's representation, Client consents to the Firm's use of these technologies.

SECTION 14
CLIENT FILES

At the termination of services under this Agreement, or as the Firm completes individual matters for Client and closes the active files for those matters, the Firm will release promptly to Client, upon Client's request, all of Client's papers and property as to the closed matters, subject to any protective order or nondisclosure agreement. After five (5) years have passed, since the termination of services under this Agreement or from the closing date of particular client matters under this Agreement, the Firm may dispose of Client's papers and property. If Client desires to have the Firm retain Client's papers and property beyond five (5) years, after the termination of such services, Client must make separate arrangements with the Firm. "Client's papers and property" include correspondence, deposition transcripts, exhibits, experts' reports, legal documents, physical evidence, and other items reasonably necessary to Client's representation, whether Client paid for them or not, to the extent necessary to avoid prejudicing Client's interest, and including electronic versions of those documents as available.

SECTION 15
WITHDRAWAL AND TERMINATION OF REPRESENTATION

The Client has the right to terminate the Firm as Client's attorney at any time, in which case the Client will advise the Firm of that decision, in writing. The Firm reserves the right to withdraw from representing the Client, if the Client fails to follow the terms of this Agreement, if the Client has misrepresented or failed to disclose material facts to the Firm, or if the Client has not followed the Firm's advice. If the Firm is required to file a motion to withdraw as attorney, the Client agrees that any of the above will constitute good cause for withdrawal. Good cause for withdrawal will also be any circumstance that would render the Firm's continuing representation unlawful or unethical. On termination of the Firm, the Client will be responsible for obtaining new counsel and for paying the balance due to the Firm for costs and services rendered to the time of termination.

SECTION 16
INTEGRATION CLAUSE

This Agreement, when signed by Client, is the sole Agreement between the Firm and the Client with regard to the matters it addresses unless an Advance Deposit Agreement, Joint Representation Agreement or Grant of Lien Agreement have also been entered into between Firm and the Client in which case those agreements a applicable will also be a part of the overall agreement between the Firm and Client. No prior agreement, arrangement, or understandings pertaining to those matters is affective for any purpose. This Agreement may only be changed by a writing signed by both parties or an oral agreement but only to the extent that the parties perform the oral agreement.

SECTION 17
SEVERABILITY IN EVENT OF PARTIAL INVALIDITY

If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.

SECTION 18
EFFECTIVE DATE

The effective date of this Agreement will be the date on which the Firm is in receipt of a copy of this Agreement, fully signed by Client, along with any advance deposit if one was requested. The attorney-client relationship will commence on the effective date of this Agreement, except that the terms of this Agreement and the attorney-client relationship will apply to any work that the Firm may have done for Client's benefit before the date of this Agreement. **THE FIRM HAS NO OBLIGATION TO PROVIDE LEGAL SERVICES, UNTIL YOU RETURN AN EXECUTED COPY OF THIS AGREEMENT TO THE FIRM. IF YOU FAIL TO RETURN AN EXECUTED COPY OF THIS AGREEMENT TO THE FIRM, YOU ARE STILL OBLIGATED TO PAY FOR SERVICES PERFORMED AT YOUR REQUEST.**

SECTION 19
MEDIATION

If a dispute arises out of or relating to any aspect of this Agreement between Client and Law Firm, or the breach thereof, and if the dispute cannot be settled through negotiation, Law Firm and Client agree to discuss in good faith the use of mediation before resorting to arbitration, litigation, or any other dispute resolution procedure.

SECTION 20
ARBITRATION

A. **Arbitration of all Disputes Including Claims of Malpractice**. Any controversy between the parties regarding the construction, application or performance of any services under this Agreement, and any claim arising out of or relating to this Agreement or its breach, shall be submitted to binding arbitration upon the written request of either party after the service of that request on the other party. The parties shall appoint one person to hear and determine the dispute. If the parties cannot agree, then the arbitration service *Judicial Arbitration and Mediation Service* ("**JAMS**") shall be asked to choose an impartial arbitrator pursuant to their rules whose decision shall be final and conclusive on all parties. The Firm and Client shall each have the right of discovery in connection with any arbitration proceeding in accordance with *Code of Civil Procedure Section 1283.*05. The parties shall bear their own legal fees and costs for all claims. The sole and exclusive venue for the arbitration and or any legal dispute shall be San Joaquin County, California.

B. **Binding Arbitration**. If there is any disagreement between the parties concerning fees, this Agreement or any other claim, including a claim of attorney malpractice, relating to the legal matter that arises out of the Firm's legal representation, the Client agrees to submit that dispute to binding arbitration, under the rules of JAMS.

C. **Alternative State Bar Arbitration of Fees.** In any dispute subject to the jurisdiction of the State of California over attorney's fees, charges, costs or expenses, Client has the right to elect arbitration pursuant to the fee arbitration procedures of the State Bar of California, as set forth in *California Business and Professions Code Section 6200, et seq.* rather than using the procedures set out in **Subsection B** of this Section. The State Bar of California procedures permit a trial after arbitration, unless the parties agree in writing, after the dispute has arisen, to be bound by the arbitration award. If, after receiving a notice of Client's right to arbitrate, Client does not elect to proceed under the State Bar fee arbitration procedures, and file a request for fee arbitration within thirty (30) days, any dispute over

fees, charges, costs or expenses, will be resolved by binding arbitration as provided in **Subsection B** of this Section.

D. **Disclosures and Confirmation Regarding Arbitration**. Because each party is giving up a right, Client is encouraged to have independent counsel of Client's choice review these arbitration provisions and this entire Agreement before signing this Agreement. Client and the Firm confirm that they have read and understand **Subsections A through D** of this Section, and voluntarily agree to binding arbitration. In doing so, Client and the Firm voluntarily give up important constitutional rights to trial by judge or jury, as well as rights to an appeal.

Client _____/_____ The Firm _____

SECTION 21
USE OF SCANNED AND ELECTRONIC SIGNATURES

By agreeing to the Firm's representation, Client agrees that scanned counterparts of this Agreement that have been signed by and exchanged between Client and the Firm will be deemed binding and effective in the same manner as signed original documents.
AGREED AND ACCEPTED this _____ day of _____, 2015.

_____
Raul Mendez, City Manager
City of Hughson

_____ _____
Daniel J. Schroeder Date
Attorney at Law

ENCLOSED ARE TWO (2) ORIGINALS OF THIS AGREEMENT. IF THE TERMS OF THIS AGREEMENT MEET WITH YOUR APPROVAL, PLEASE SIGN ONE (1) ORIGINAL AGREEMENT AND RETURN TO ME IN THE ENCLOSED RETURN ENVELOPE. YOU MAY RETAIN THE OTHER ORIGINAL FOR YOUR FILE. IF PREFERRED, YOU MAY SEND THE SIGNED AGREEMENT TO THE FIRM BY FACSIMILE OR BY EMAIL IN PDF FORMAT.