



Regular Meeting Agenda

October 3, 2017

Placentia City Council

Placentia City Council as Successor to the Placentia

Redevelopment Agency

Placentia Industrial Commercial

Development Authority

Craig S. Green
Mayor

Chad P. Wanke
Mayor Pro Tem

Rhonda Shader
Councilmember

Ward Smith
Councilmember

Jeremy B. Yamaguchi
Councilmember

Patrick J. Melia
City Clerk

Kevin A. Larson
City Treasurer

Damien R. Arrula
City Administrator

Christian L. Bettenhausen
City Attorney

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870

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Mission Statement

The City Council is committed to keeping Placentia a pleasant place by providing a safe family atmosphere, superior public services and policies that promote the highest standards of community life.

Vision Statement

The City of Placentia will maintain an open, honest, responsive and innovative government that delivers quality services in a fair and equitable manner while optimizing available resources.

Copies of all agenda materials are available for public review in the Office of the City Clerk, online at www.placentia.org, and at the Placentia Library Reference Desk. Persons who have questions concerning any agenda item may call the City Clerk's Office, (714) 993-8231, to make inquiry concerning the nature of the item described on the agenda.

Procedures for Addressing the Council/Board Members

Any person who wishes to speak regarding an item on the agenda or on a subject within the City's jurisdiction during the "Oral Communications" portion of the agenda should fill out a "Speaker Request Form" and give it to the City Clerk BEFORE that portion of the agenda is called. Testimony for Public Hearings will only be taken at the time of the hearing. Any person who wishes to speak on a Public Hearing item should fill out a "Speaker Request Form" and give it to the City Clerk BEFORE the item is called.

The Council and Board members encourage free expression of all points of view. To allow all persons the opportunity to speak, please keep your remarks brief. If others have already expressed your position, you may simply indicate that you agree with a previous speaker. If appropriate, a spokesperson may present the views of an entire group. To encourage all views, the Council and Board discourage clapping, booing or shouts of approval or disagreement from the audience.

PLEASE SILENCE ALL PAGERS, CELL PHONES, AND OTHER ELECTRONIC EQUIPMENT WHILE COUNCIL AND BOARD MEMBERS ARE IN SESSION.

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 993-8231. Notification 48 hours prior to the meeting will generally enable City Staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

In compliance with California Government Code § 54957.5, any writings or documents provided to a majority of the City Council regarding any item on this agenda that are not exempt from disclosure under the Public Records Act will be made available for public inspection at the City Clerk's Office at City Hall, 401 East Chapman Avenue, Placentia, during normal business hours.

Study Sessions are open to the public and held in the City Council Chambers or City Hall Community Room. Executive Sessions are held in the Council Caucus Room. While the public may be in attendance during oral announcements preceding Executive Sessions, Executive Sessions are not open to the public.

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA- CLOSED SESSION
October 3, 2017
5:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

ROLL CALL: Councilmember/Board Member Smith
Councilmember/Board Member Shader
Councilmember/Board Member Yamaguchi
Mayor Pro Tem/Board Vice Chair Wanke
Mayor/Board Chair Green

ORAL COMMUNICATIONS:

At this time the public may address the City Council and Boards of Directors concerning any items on the Closed Session Agenda only. There is a five (5) minute time limit for each individual addressing the City Council and Boards of Directors.

The City Council and Boards of Directors will recess to the City Council Caucus Room for the purpose of conducting their Closed Session proceedings.

1. Pursuant to Government Code Section 54956.9(d)(1):
CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Name of Case: Malone, et al vs. City of Placentia; Case No. 8:16-cv-1420
2. Pursuant to Government Code Section 54956.8
CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Property: 207-209 W. Crowther Avenue APN: 339-402-05; 07; 08; 11
City Negotiator: Damien R. Arrula, City Administrator
Negotiating Parties: Placentia Mutual Properties, LLC
Under Negotiations: Price and Terms of Payment
3. Pursuant to Government Code Section 54956.9(d)(4):
CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION
Significant exposure to litigation: (1 case)

RECESS: The City Council and Boards of Directors will recess to their 7:00 p.m. Regular Meeting.

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA
October 3, 2017
7:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

ROLL CALL: Councilmember/Board Member Smith
Councilmember/Board Member Shader
Councilmember/Board Member Yamaguchi
Mayor Pro Tem/Board Vice Chair Wanke
Mayor/Board Chair Green

INVOCATION: Chaplain Kenneth Curry

PLEDGE OF ALLEGIANCE:

PRESENTATIONS:

- a. **Recognition of Police Explorers who graduated from the 2017 Orange County Law Enforcement Explorer Advisor Association Summer Explorer Academy**
Recipients: Arlin Aquilera, Yazmin De Leon, and Carla Miranda
Presenters: Mayor Green, City Administrator Arrula, and Chief of Police Lenyi

- b. **Presentation by Placentia Police Department on Explorer Program**
Presenter: Chief of Police Lenyi

- c. **Recognition of City of Placentia business owner Larry Bennett and Boy Scout Troop 93**
Recipients: Larry Bennett and Boy Scout Troop 93
Presenter: Mayor Green and City Administrator Arrula

- d. **Proclamation declaring October 8 – 14, 2017 as "Fire Prevention Week"**
Recipient: Orange County Fire Authority
Presenter: Mayor Green

CLOSED SESSION REPORT:

CITY ADMINISTRATOR REPORT:

ORAL COMMUNICATIONS:

At this time the public may address the City Council and Boards of Directors concerning any agenda item, which is not a public hearing item, or on matters within the jurisdiction of the City Council and Boards of Directors. There is a five (5) minute time limit for each individual addressing the City Council and Boards of Directors.

CITY COUNCIL/BOARD MEMBER COMMENTS:

1. CONSENT CALENDAR (Items 1.a. through 1.g.):

All items on the Consent Calendar are considered routine and are enacted by one motion approving the recommended action listed on the Agenda. Any Member of the City Council and Boards of Directors or City Administrator may request an item be removed from the Consent Calendar for discussion. All items removed shall be considered immediately following action on the remaining items.

- 1.a. **Consideration to Waive Reading in Full of all Ordinances and Resolutions**
Fiscal Impact: None
Recommended Action: Approve.
- 1.b. **City Fiscal Year 2017-18 Register for October 3, 2017**
Check Register
Fiscal Impact: \$ 1,999,686.30
Electronic Disbursement Register
Fiscal Impact: \$ 585,498.42

Recommended Action: It is recommended that the City Council:
1) Receive and file
- 1.c. **Professional Services Agreement and Refuse Fund Budget Amendment for Solid Waste Contract Auditing Services with MSW Consultants**
Fiscal Impact: Expense: \$22,420
Revenue: \$22,420 Refuse Administration Fund. Refuse Hauler may reimburse City for cost, depending on audit results.
No General Fund Dollars will be used on this project
Recommended Action: It is recommended that the City Council:
1) Approve a Professional Services Agreement with MSW Consultants to perform a performance audit of the City's Solid Waste Franchise Agreement for an amount not-to-exceed \$22,420; and
2) Authorize the City Administrator and/or his designee to execute all necessary documents, in a form approved by the City Attorney; and
3) Approve Resolution No. R-2017-XX, A Resolution of the City Council of the City of Placentia, California authorizing a Budget Amendment in Fiscal Year 2017-18 in compliance with City Charter of the City of Placentia §§ 1206 and 1209 pertaining to appropriations for actual expenditures.
- 1.d. **Agreement with the County of Orange for City Bikeways and Trails on County-Owned Property**
Fiscal Impact: There is no immediate fiscal impact associated with the approval of this proposed agreement
Recommended Action: It is recommended that the City Council:
1) Approve Agreement MA-080-18010066 with the Orange County Flood Control District for Bikeways and Trails in the City of Placentia; and
2) Authorize the City Administrator to execute the agreement, in a form approved by the City Attorney.
- 1.e. **Amendment of Fiscal Year 2017-2018 Budget for Compliance with SB 1, The Road Repair and Accountability Act of 2017**
Fiscal Impact: See Exhibit "A" Attached
Recommended Action: It is recommended that the City Council:
1) Approve Resolution R-2017-XX, A Resolution of the City Council of the City of Placentia, California, Authorizing the Amendment of the Fiscal Year 2017-18 Budget.

1.f. **Second Reading of Ordinance No. O-2017-08 Adopting Zoning Code Amendment 2017-05 Adding Chapter 23.83 to Title 23 (Zoning) of the Placentia Municipal Code to Regulate Wireless Telecommunications Facilities within the Public Right-of-Way**

Fiscal Impact: No fiscal impacts are anticipated with the review of this ordinance, however, potential revenue generated for the City would be at least \$17,500 per fiscal year for the usage of 70 light poles and/or traffic signals for public right-of-way sites.

Recommended Action: It is recommended that the City Council:

- 1) Waive full reading, by title only, and adopt Ordinance No. O-2017-08, an Ordinance of the City Council of the City of Placentia, California adding Chapter 23.83 entitled "Wireless Telecommunications Facilities within the Public Right-of-Way".

1.g. **Second Reading of Ordinance No. O-2017-06 Approving Development Agreement 2017-01 with the Placentia TOD Project, LLC C/O Ed Galigher**

Fiscal Impact: Revenue: \$2,399,000 Development Impact Fees

Additional potential catalyst development impacts associated with permanent job creation, construction job creation, retail sales (sales tax revenue), future development and new property tax revenue.

Recommended Action: It is recommended that the City Council:

- 1) Waive full reading, by title only, and adopt Ordinance No. O-2017-06, an Ordinance of the City Council of the City of Placentia, California, approving Development Agreement 2017-01 with the Placentia TOD Project Owner, LLC C/O Ed Galigher, related to the Development of the +/- 2.95 acre property located at 110 and 132 E. Crowther Avenue, Placentia, California (Development Agreement No. 2017-01).

2. PUBLIC HEARING:

2.a **Development Impact Fees for the Transit Oriented Development Packinghouse District**

Fiscal Impact: There is no immediate fiscal impact associated with the recommended actions. The adoption of new and revised development impact fees will not have an immediate impact on new or expanded revenues to the City until such time as new private development projects within the TOD Packinghouse District receive project entitlements from the City.

Recommended Action: It is recommended that the City Council:

- 1) Open the Public Hearing concerning the Transit Oriented Development Packinghouse District Development Impact Fee Schedule; and
- 2) Receive the Staff Report, consider all public testimony, ask questions of Staff; and
- 3) Close the Public Hearing; and
- 4) Adopt Resolution No. R-2017-XX, a Resolution of the City Council of the City of Placentia approving Development Impact Fees to finance mitigation of impacts to Sewer Facilities, Traffic and Transportation Infrastructure, and Streetscape Infrastructure in the Transit Oriented Development Area; and
- 5) Waive full reading, by title only, and introduce for first reading Ordinance No. O-2017-XX, an Ordinance of the City Council of the City of Placentia, California, approving a Development Impact Fee Nexus Study Report for the Transit Oriented Development Area, and amending Title 5 (Schedule of Fees) with the addition of Chapter 5.03 "TOD Development Impact Fees" to the Placentia Municipal Code to establish a Development Impact Fee Program and adopting necessary findings for the establishment of Development Impact Fees to financially mitigate impacts to Sewer Facilities, Traffic and Transportation Infrastructure, and Streetscape Infrastructure in the Transit Oriented Development Area.

2.b **Citywide Development Impact and Affordable Housing Impact Fees**

Fiscal Impact: There is no immediate fiscal impact associated with the recommended actions. The adoption of new and revised development impact and affordable housing fees will not have an immediate impact on new or expanded revenues to the City until new private development projects receive project entitlements from the City.

Recommended Action: It is recommended that the City Council:

- 1) Open the Public Hearing concerning the Citywide Development Impact Fee Schedule and adoption of Affordable Housing Linkage Fees; and
- 2) Receive the Staff Report; consider all public testimony, ask questions of Staff; and
- 3) Close the Public Hearing; and
- 4) Adopt Resolution No. R-2017-XX, a Resolution of the City Council of the City of Placentia, California approving Development Impact Fees to financially mitigate impacts to Parks and Recreational Facilities, Sewer Facilities, Transportation Infrastructure, Storm Drain Facilities, and Public Safety; and approving Quimby In-Lieu Fees; and
- 5) Waive full reading, by title only, and introduce for first reading Ordinance No. O-2017-XX, an Ordinance of the City Council of the City of Placentia, California, approving a Development Impact Fee Nexus Study Report, and amending Title 5 (Schedule of Fees) with the addition of Chapter 5.02 "Citywide Development Impact Fees" and Quimby In-Lieu Fees" to the Placentia Municipal Code to establish a Development Impact Fee Program and adopting necessary findings for the establishment of Development Impact Fees to financially mitigate impacts to Parks and Recreational Facilities, Sewer Facilities, Transportation Infrastructure, Storm Drain Facilities, and Public Safety; and
- 6) Adopt Resolution No. R-2017-XX, a Resolution of the City Council of the City of Placentia, approving Citywide Affordable Housing Fees for Residential Developments; and
- 7) Waive full reading, by title only, and introduce for first reading Ordinance No. O-2017-XX, an Ordinance of the City Council of the City of Placentia, California, adding Chapter 5.30 to the Placentia Municipal Code establishing the Residential Affordable Housing Impact Fees and the Housing Impact Fee Fund.

3. REGULAR AGENDA: None

CITY COUNCIL/BOARD MEMBERS REQUESTS:

Council/Board Members may make requests or ask questions of Staff. If a Council/Board Member would like to have formal action taken on a requested matter, it will be placed on a future Council or Board Agenda.

In Memory of

Barbara Wiley, Aunt of Senior Management Analyst Matt Reynolds

ADJOURNMENT:

The City Council/Successor Agency/ICDA Agency Board of Directors will adjourn to Tuesday, October 17, 2017 at 5:00 p.m.

TENTATIVE AGENDA FORECAST

The Tentative Agenda Forecast is subject to change up until the posting of the Agenda for the Council Meeting listed below:

- Notice of Completion for Placentia Avenue Rehabilitation Project
- Adopt Cash Basis Fund Records and Transfers Policy
- Professional Services Agreement for Systemic Safety Analysis Report Project
- Façade Improvement Program
- Summary of 2017 Legislative Session

CERTIFICATION OF POSTING

I, Rosanna Ramirez, Chief Deputy City Clerk of the City of Placentia and Assistant Secretary of the Industrial Commercial Development Authority and Successor Agency, hereby certify that the Agenda for the October 3, 2017 meetings of the City Council, Housing Successor Agency, and Industrial Commercial Development Authority was posted on September 28, 2017.

Rosanna Ramirez, Deputy Director of Administrative Services/
Chief Deputy City Clerk

City of Placentia
Check Register
For 10/03/2017

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
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Grand Total: 2,008,367.26

Check Totals by ID

AP	2,008,367.26
EP	0.00
IP	0.00
OP	0.00

<u>Fund Name</u>	<u>Check Totals by Fund</u>
101-General Fund (0010)	1,762,124.67
208-Scssr Agency Ret Oblg (0054)	222.90
210-Measure M (0018)	4,682.86
225-Asset Seizure (0021)	21,775.85
260-Street Lighting Distrct (0028)	29,924.21
265-Landscape Maintenance (0029)	7,249.78
275-Sewer Maintenance (0048)	877.87
401-City Capital Projects (0033)	137,418.27
405-Affordable Housing In-Lieu	23,766.75
501-Refuse Administration (0037)	836.28
601-Employee Health & Wlfre (0039)	560.00
605-Risk Management (0040)	676.86
701-Special Deposits (0044)	9,570.00

Void Total: 8,680.96
Check Total: 1,999,686.30

Check Total: 1,999,686.30

1.b.
October 3, 2017

**City of Placentia
Check Register
For 09/28/2017**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
RV	UNITED STATES TREASURY V010562	95-6000763 DECEMBER 31, 2014	0010-2110 Federal Income Tax W/H	AP091417	8,680.96	CP215		00095569	09/14/2017
					Check Total:	8,680.96			
					Type Total:	8,680.96			
					Void Total:	8,680.96			

City of Placentia
Check Register
For 09/28/2017

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	AT & T V008736	AUG PD YARD INTERNET CHGS	109595-6215 Telephone	AP091417	50.86	AUG PD 2017		00095551	09/14/2017
					Check Total:	50.86			
MW OH	BLAIS & ASSOCIATES V008128	GRANT APPLICATION SVS	104070-6099 Professional Services	AP091417	1,463.75	07-0217-PL2		00095552	09/14/2017
					Check Total:	1,463.75			
MW OH	CALIFORNIA FORENSIC V000232	AUGUST BLOOD DRAWS	103040-6055 Medical Services	AP091417	1,819.00	08.30.17	P11117	00095553	09/14/2017
					Check Total:	1,819.00			
MW OH	CALIFORNIA NEWSPAPER V009955	AUG NEWSPAPER PUBLICATIONS	103550-6225 Advertising/Promotional	AP091417	324.00	0000340031		00095554	09/14/2017
					Check Total:	324.00			
MW OH	CALMAT CO. V010007	ASPHALT	103652-6301 Special Department Supplies	AP091417	453.21	71559454		00095555	09/14/2017
MW OH	CALMAT CO. V010007	ASPHALT	103652-6301 Special Department Supplies	AP091417	593.58	71559455		00095555	09/14/2017
					Check Total:	1,046.79			
MW OH	CANON SOLUTIONS AMERICA V008809	AUG COPIER USAGE	109595-6175 Office Equipment Rental	AP091417	233.97	4023600620		00095556	09/14/2017
MW OH	CANON SOLUTIONS AMERICA V008809	AUG COPIER USAGE	109595-6175 Office Equipment Rental	AP091417	25.84	4023608453		00095556	09/14/2017
MW OH	CANON SOLUTIONS AMERICA V008809	SEPT COPIER BASE CHARGES	109595-6175 Office Equipment Rental	AP091417	11.00	4023615607		00095556	09/14/2017
MW OH	CANON SOLUTIONS AMERICA V008809	SEPT COPIER BASE CHARGES	109595-6175 Office Equipment Rental	AP091417	26.35	4023622749		00095556	09/14/2017
					Check Total:	297.16			
MW OH	COMMERCIAL AQUATIC V005203	JAN POOL MAINT SVS	103654-6130 Repair & Maint/Facilities	AP091417	962.50	I17-0447		00095557	09/14/2017
MW OH	COMMERCIAL AQUATIC	AUG WHITTEN POOL CHEMICALS	103654-6130	AP091417	438.00	I17-4381		00095557	09/14/2017

City of Placentia
Check Register
For 09/28/2017

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V005203		Repair & Maint/Facilities						
MW OH	COMMERCIAL AQUATIC V005203	AUGUST GOMEZ POOL MAINT	103654-6130 Repair & Maint/Facilities	AP091417	647.00	I17-4666		00095557	09/14/2017
MW OH	COMMERCIAL AQUATIC V005203	AUGUST WHITTEN POOL MAINT	103654-6130 Repair & Maint/Facilities	AP091417	663.36	I17-4667		00095557	09/14/2017
					Check Total:	2,710.86			
MW OH	CREATIVE SERVICES OF NEW V009004	PD BADGE STICKERS	213041-6301 / 50095-6301 Special Department Supplies	AP091417	286.95	D17-16260		00095558	09/14/2017
					Check Total:	286.95			
MW OH	DEPARTMENT OF V010484	ELEVATOR PERMIT	103654-6130 Repair & Maint/Facilities	AP091417	1,012.00	S 1462048 SN		00095559	09/14/2017
					Check Total:	1,012.00			
MW OH	DFS FLOORING INC V000099	AUGUST CARPET CLEANING	103654-6130 Repair & Maint/Facilities	AP091417	665.00	305857-21		00095560	09/14/2017
					Check Total:	665.00			
MW OH	EARLY, KRISTINA KAY V010466	9/5-7 PLANNING SERVICES	102531-6290 Dept. Contract Services	AP091417	1,120.00	1009	P11105	00095561	09/14/2017
					Check Total:	1,120.00			
MW OH	ENTENMANN-ROVIN CO V000342	PD BADGE REPAIRS	103042-6360 / 50040-6360 Uniforms	AP091417	57.64	0133567		00095562	09/14/2017
					Check Total:	57.64			
MW OH	FEDEX V000394	SHIPPING CHARGES	101512-6325 Postage	AP091417	117.51	5-828-55444		00095563	09/14/2017
MW OH	FEDEX V000394	SHIPPING CHARGES	484356-6099 Professional Services	AP091417	59.52	5-828-55444		00095563	09/14/2017
MW OH	FEDEX V000394	SHIPPING CHARGES	101512-6325 Postage	AP091417	27.20	5-910-10144		00095563	09/14/2017
					Check Total:	204.23			
MW OH	GOLDEN WEST COLLEGE	PD TRAINING REG - VENTURA	103043-6250	AP091417	121.00	AV10917		00095564	09/14/2017

**City of Placentia
Check Register
For 09/28/2017**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V010550		Staff Training						
				Check Total:	121.00				
MW OH	HALO CONFIDENTIAL V008544	AUG PD BACKGROUND SCREENINGS	03040-6290 Dept. Contract Services	AP091417	4,300.00	0089	P11127	00095565	09/14/2017
				Check Total:	4,300.00				
MW OH	HOLTSCRAW, KATHERINE V002626	NAT'L NIGHT OUT REIMBURSEMENT	213041-6301 / 50095-6301 Special Department Supplies	AP091417	90.49	00330728		00095566	09/14/2017
MW OH	HOLTSCRAW, KATHERINE V002626	BANNER REIMBURSEMENT	213041-6301 / 50095-6301 Special Department Supplies	AP091417	75.43	47403		00095566	09/14/2017
				Check Total:	165.92				
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6130 Repair & Maint/Facilities	AP091417	73.92	3041717-01		00095567	09/14/2017
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6130 Repair & Maint/Facilities	AP091417	45.34	3047707-01		00095567	09/14/2017
				Check Total:	119.26				
MW OH	INTERNAL CONTROL V000504	AUG EMPLOYMENT POLYGRAPHS	103040-6099 Professional Services	AP091417	840.00	11024		00095568	09/14/2017
				Check Total:	840.00				
MW OH	JOHN L HUNTER & V009056	JULY NPDES CONSULTING SVS	103550-6015 Engineering Services	AP091417	3,310.00	PLANP0717	P11107	00095570	09/14/2017
				Check Total:	3,310.00				
MW OH	KEYSER MARSTON V010468	JUL PROFESSIONAL SVS	0044-2048 / 45059-2048 Engineering Plan Check Deposit	AP091417	6,040.00	17627.003	P11139	00095571	09/14/2017
MW OH	KEYSER MARSTON V010468	JULY REAL ESTATE ADVISOR SVS	340000-6017 Special Studies	AP091417	20,217.50	0031233-17627.0P	P11149	00095571	09/14/2017
				Check Total:	26,257.50				
MW OH	KRIZO, DENISE V010563	PD SUPPLIES REIMBURSEMENT	103040-6245 Meetings & Conferences	AP091417	115.10	DK9/7/17		00095572	09/14/2017
				Check Total:	115.10				

**City of Placentia
Check Register
For 09/28/2017**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	MAKE IT PERSONAL V000646	NAME BADGE	101511-6315 Office Supplies	AP091417	10.67	9102-39		00095573	09/14/2017
					Check Total:	10.67			
MW OH	MC FADDEN-DALE V000635	POLE PLUG	103652-6301 Special Department Supplies	AP091417	17.24	295599/5		00095574	09/14/2017
MW OH	MC FADDEN-DALE V000635	PW SUPPLIES	103652-6301 Special Department Supplies	AP091417	50.43	296270/5		00095574	09/14/2017
MW OH	MC FADDEN-DALE V000635	CABLE TIE, KNEELING MAT	103652-6301 Special Department Supplies	AP091417	48.27	296626/5		00095574	09/14/2017
MW OH	MC FADDEN-DALE V000635	PRIMER, COAT SPRAY	103652-6301 Special Department Supplies	AP091417	33.08	297153/5		00095574	09/14/2017
MW OH	MC FADDEN-DALE V000635	SPRAY ADHESIVE	103652-6301 Special Department Supplies	AP091417	22.62	297277/5		00095574	09/14/2017
MW OH	MC FADDEN-DALE V000635	PW SUPPLIES	103652-6301 Special Department Supplies	AP091417	45.58	297573/5		00095574	09/14/2017
MW OH	MC FADDEN-DALE V000635	BRISTLE DISC KIT	103652-6301 Special Department Supplies	AP091417	93.79	297619/5		00095574	09/14/2017
MW OH	MC FADDEN-DALE V000635	CHAIN WRENCH	103652-6301 Special Department Supplies	AP091417	104.19	298144/5		00095574	09/14/2017
MW OH	MC FADDEN-DALE V000635	PW SUPPLIES	103652-6301 Special Department Supplies	AP091417	0.67	298163/5		00095574	09/14/2017
					Check Total:	415.87			
MW OH	MONJARAS & WISMEYER V009860	AUG ERGONOMIC EVALUATIONS	404580-5165 Workers' Compensation Claims	AP091417	676.86	15806		00095575	09/14/2017
					Check Total:	676.86			
MW OH	MUNITEMPS V009595	8/9-17 CODE ENFORCEMENT SVS	103046-6099 Professional Services	AP091417	1,792.00	127545		00095576	09/14/2017
					Check Total:	1,792.00			
MW OH	NELSON/NYGAARD	JUL PARKING MGMT PLAN SVS	333531-6017 / 62010-6017	AP091417	1,675.00	69917	P11138	00095577	09/14/2017

**City of Placentia
Check Register
For 09/28/2017**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
	V009556		Special Studies					
				Check Total:	1,675.00			
MW OH	NICKEY PETROLEUM V000696	MOTOR OIL	103658-6345 Gasoline & Diesel Fuel	AP091417	1,547.94 332177		00095578	09/14/2017
MW OH	NICKEY PETROLEUM V000696	GASOLINE	103658-6345 Gasoline & Diesel Fuel	AP091417	21,911.80 331446	P11153	00095578	09/14/2017
MW OH	NICKEY PETROLEUM V000696	GASOLINE	103658-6345 Gasoline & Diesel Fuel	AP091417	24,079.21 332475	P11153	00095578	09/14/2017
				Check Total:	47,538.95			
MW OH	OCCOG V009079	OCCOG MEMBERSHIP	101001-6255 Dues & Memberships	AP091417	4,504.81 2018-224		00095579	09/14/2017
MW OH	OCCOG V009079	DEMOGRAPHIC RESEARCH FEES	101001-6255 Dues & Memberships	AP091417	1,853.79 2018-224		00095579	09/14/2017
				Check Total:	6,358.60			
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	103550-6315 Office Supplies	AP091417	35.56 60532		00095580	09/14/2017
				Check Total:	35.56			
MW OH	OFFICE SOLUTIONS V008864	COFFEE SUPPLIES	101511-6301 Special Department Supplies	AP091417	70.46 I-01215038		00095581	09/14/2017
MW OH	OFFICE SOLUTIONS V008864	FACILITY SUPPLIES	103654-6301 Special Department Supplies	AP091417	85.02 I-01215038		00095581	09/14/2017
MW OH	OFFICE SOLUTIONS V008864	OFFICE SUPPLIES	101511-6315 Office Supplies	AP091417	9.79 I-01215038		00095581	09/14/2017
				Check Total:	165.27			
MW OH	PACIFIC COMPLIANCE V009292	SERVICE CALL FOR PUMP #2	103658-6301 Special Department Supplies	AP091417	180.00 3168		00095582	09/14/2017
				Check Total:	180.00			
MW OH	PARS V006999	ONE TIME SET UP FEES	109595-6295 City Admin Services	AP091417	1,500.00 38065		00095583	09/14/2017

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				Check Total:	1,500.00			
MW OH	PLACENTIA YORBA LINDA V000794	NCR REC FORMS	104070-6315 Office Supplies	AP091417	366.88 810083		00095584	09/14/2017
MW OH	PLACENTIA YORBA LINDA V000794	ENVELOPES	109595-6315 Office Supplies	AP091417	742.82 810083		00095584	09/14/2017
				Check Total:	1,109.70			
MW OH	POWERSTRIDE BATTERY COBATTERY V000785		103658-6134 Vehicle Repair & Maintenance	AP091417	185.68 C 64561		00095585	09/14/2017
MW OH	POWERSTRIDE BATTERY COBATTERY V000785		103658-6134 Vehicle Repair & Maintenance	AP091417	95.51 C 64648		00095585	09/14/2017
MW OH	POWERSTRIDE BATTERY COBATTERY V000785		103658-6134 Vehicle Repair & Maintenance	AP091417	95.51 C 64669		00095585	09/14/2017
MW OH	POWERSTRIDE BATTERY COBATTERY V000785		103658-6134 Vehicle Repair & Maintenance	AP091417	168.41 C 64708		00095585	09/14/2017
				Check Total:	545.11			
MW OH	SECO ELECTRIC & LIGHTINLIGHT FIXTURES V010182		103654-6301 Special Department Supplies	AP091417	354.69 4093		00095586	09/14/2017
				Check Total:	354.69			
MW OH	SOUND PRODUCTIONS V010132	JBL SPEAKER BAGS	104071-6301 Special Department Supplies	AP091417	145.01 0112963-IN		00095587	09/14/2017
MW OH	SOUND PRODUCTIONS V010132	MICROPHONE	104071-6301 Special Department Supplies	AP091417	286.25 0113084-IN		00095587	09/14/2017
				Check Total:	431.26			
MW OH	SPARKLETTS V000967	SR CENTER WATER DELIVERY	104071-6301 Special Department Supplies	AP091417	91.05 14974536 082317		00095588	09/14/2017
MW OH	SPARKLETTS V000967	WHITTEN WATER DELIVERY	104071-6301 Special Department Supplies	AP091417	109.03 15169979 082617		00095588	09/14/2017
MW OH	SPARKLETTS V000967	AUG COFFEE, WATER SERVICE	109595-6301 Special Department Supplies	AP091417	2,123.42 4106122 081717		00095588	09/14/2017

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				Check Total:	2,323.50				
MW OH	ST JOSEPH HERITAGE V001728	SEPT EMPLOYEE PHYSICALS	101512-6099 Professional Services	AP091417	900.00	71270		00095589	09/14/2017
				Check Total:	900.00				
MW OH	T-MOBILE V004339	AUG CELL PHONE CHARGES	109595-6215 Telephone	AP091417	970.70	AUGUST 17		00095590	09/14/2017
MW OH	T-MOBILE V004339	NEW CELL PHONES FOR PD	109595-6215 Telephone	AP091417	1,185.22	AUGUST PD 17		00095590	09/14/2017
MW OH	T-MOBILE V004339	AUG PD CELL PHONE CHARGES	109595-6215 Telephone	AP091417	709.20	AUGUST PD 17		00095590	09/14/2017
				Check Total:	2,865.12				
MW OH	TRAFFIC MANAGEMENT V008463	PAINT FOR CROSSWALKS	103652-6301 Special Department Supplies	AP091417	359.36	369332		00095591	09/14/2017
				Check Total:	359.36				
MW OH	TRANSUNION RISK & V009317	AUG DATABASE TRANSACTIONS	103042-6290 Dept. Contract Services	AP091417	111.50	090117		00095592	09/14/2017
				Check Total:	111.50				
MW OH	TRILLIUM CNG (1720) V007952	AUGUST CNG CHARGES	103658-6345 Gasoline & Diesel Fuel	AP091417	82.96	1709062022		00095593	09/14/2017
				Check Total:	82.96				
MW OH	VENTURA, ASHLEY V009717	PD TRAINING MEALS & MILEAGE	103043-6250 Staff Training	AP091417	148.09	AV10917		00095594	09/14/2017
				Check Total:	148.09				
MW OH	WEST COAST ARBORISTS INC/ V001124	1-8/15 PARK TREE MAINT	103652-6116 Tree Maintenance	AP091417	450.00	128600	P11106	00095595	09/14/2017
				Check Total:	450.00				
MW OH	WM CURBSIDE INC V000230	AUGUST USED OIL PICK UP	374386-6285 Hazardous Materials Disposal	AP091417	300.00	0002361-2960-7		00095596	09/14/2017
				Check Total:	300.00				

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MW OH	YORBA LINDA WATER V001148	AUGUST WATER CHARGES	109595-6335 Water	AP091417	3,135.47	090417		00095597	09/14/2017
					Check Total:	3,135.47			
MW OH	ZAMBRANO, ALEXANDER V010564	8/18 DD DANCE DJ SVS	104071-6301 Special Department Supplies	AP091417	100.00	83117		00095598	09/14/2017
					Check Total:	100.00			
MW OH	CALIFORNIA STATE V004813	P/E 9/9/17 PD DATE 9/15/17	0029-2196 Garnishments W/H	PY17019	59.79	2700/1701019		00095599	09/15/2017
MW OH	CALIFORNIA STATE V004813	P/E 9/9/17 PD DATE 9/15/17	0037-2196 Garnishments W/H	PY17019	62.68	2700/1701019		00095599	09/15/2017
MW OH	CALIFORNIA STATE V004813	P/E 9/9/17 PD DATE 9/15/17	0048-2196 Garnishments W/H	PY17019	143.36	2700/1701019		00095599	09/15/2017
MW OH	CALIFORNIA STATE V004813	P/E 9/9/17 PD DATE 9/15/17	0010-2196 Garnishments W/H	PY17019	375.70	2700/1701019		00095599	09/15/2017
					Check Total:	641.53			
MW OH	FRANCHISE TAX BOARD V000404	P/E 9/9/17 PD DATE 9/15/17	0048-2196 Garnishments W/H	PY17019	5.32	2710/1701019		00095600	09/15/2017
MW OH	FRANCHISE TAX BOARD V000404	P/E 9/9/17 PD DATE 9/15/17	0029-2196 Garnishments W/H	PY17019	5.32	2710/1701019		00095600	09/15/2017
MW OH	FRANCHISE TAX BOARD V000404	P/E 9/9/17 PD DATE 9/15/17	0010-2196 Garnishments W/H	PY17019	49.36	2710/1701019		00095600	09/15/2017
					Check Total:	60.00			
MW OH	ORANGE COUNTY V000699	P/E 9/9/17 PD DATE 9/15/17	0048-2176 PCEA/OCEA Assoc Dues	PY17019	23.45	2610/1701019		00095601	09/15/2017
MW OH	ORANGE COUNTY V000699	P/E 9/9/17 PD DATE 9/15/17	0010-2176 PCEA/OCEA Assoc Dues	PY17019	284.26	2610/1701019		00095601	09/15/2017
MW OH	ORANGE COUNTY V000699	P/E 9/9/17 PD DATE 9/15/17	0037-2176 PCEA/OCEA Assoc Dues	PY17019	2.40	2610/1701019		00095601	09/15/2017
MW OH	ORANGE COUNTY	P/E 9/9/17 PD DATE 9/15/17	0029-2176	PY17019	7.35	2610/1701019		00095601	09/15/2017

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	V000699		PCEA/OCEA Assoc Dues						
				Check Total:	317.46				
MW OH	PCEA C/O NORTH ORANGE V000679	COE 9/9/17 PD DATE 9/15/17	0037-2176 PCEA/OCEA Assoc Dues	PY17019	0.25	2615/1701019		00095602	09/15/2017
MW OH	PCEA C/O NORTH ORANGE V000679	COE 9/9/17 PD DATE 9/15/17	0029-2176 PCEA/OCEA Assoc Dues	PY17019	0.76	2615/1701019		00095602	09/15/2017
MW OH	PCEA C/O NORTH ORANGE V000679	COE 9/9/17 PD DATE 9/15/17	0010-2176 PCEA/OCEA Assoc Dues	PY17019	29.55	2615/1701019		00095602	09/15/2017
MW OH	PCEA C/O NORTH ORANGE V000679	COE 9/9/17 PD DATE 9/15/17	0048-2176 PCEA/OCEA Assoc Dues	PY17019	2.44	2615/1701019		00095602	09/15/2017
				Check Total:	33.00				
MW OH	PLACENTIA POLICE V000839	P/E 9/9/17 PD DATE 9/15/17	0010-2180 Police Mgmt Assn Dues	PY17019	804.14	2625/1701019		00095603	09/15/2017
				Check Total:	804.14				
MW OH	PLACENTIA POLICE V003519	P/E 9/9/17 PD DATE 9/15/17	0010-2178 Placentia Police Assoc Dues	PY17019	2,576.57	2620/1701019		00095604	09/15/2017
				Check Total:	2,576.57				
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 9/9/17 PD DATE 9/15/17	0029-2170 Deferred Comp Payable - ICMA	PY17019	35.03	2606/1701019		00095605	09/15/2017
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 9/9/17 PD DATE 9/15/17	0054-2170 Deferred Comp Payable - ICMA	PY17019	34.20	2606/1701019		00095605	09/15/2017
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 9/9/17 PD DATE 9/15/17	0010-2170 Deferred Comp Payable - ICMA	PY17019	2,668.01	2606/1701019		00095605	09/15/2017
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 9/9/17 PD DATE 9/15/17	0037-2170 Deferred Comp Payable - ICMA	PY17019	30.21	2606/1701019		00095605	09/15/2017
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 9/9/17 PD DATE 9/15/17	0048-2170 Deferred Comp Payable - ICMA	PY17019	113.03	2606/1701019		00095605	09/15/2017
				Check Total:	2,880.48				
MW OH	AARDVARK	PD HELMETS,FACE SHIELDS, BAGS	213041-6840	AP092117	21,322.98	ISTD-16550	P11133	00095606	09/21/2017

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	V000002		Machinery & Equipment						
				Check Total:	21,322.98				
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	185.00	182990	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	185.00	182994	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	101.75	183096	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	185.00	183100	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	185.00	183859	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	185.00	183873	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	101.75	184206	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	185.00	184359	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	185.00	184375	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	185.00	184387	P11131	00095607	09/21/2017
MW OH	ANAHEIM FULLERTON V006631	MAY TOWING SVS	103047-6181 Towing Services	AP092117	185.00	184399	P11131	00095607	09/21/2017
				Check Total:	1,868.50				
MW OH	ARAMARK UNIFORM V004232	PW UNIFORMS	103650-6360 Uniforms	AP092117	248.37	532666572		00095608	09/21/2017
MW OH	ARAMARK UNIFORM V004232	FACILITY MAT CLEANING	103654-6301 Special Department Supplies	AP092117	274.13	532666573		00095608	09/21/2017
MW OH	ARAMARK UNIFORM	PW UNIFORMS	103650-6360	AP092117	423.78	532717406		00095608	09/21/2017

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	V004232		Uniforms						
MW OH	ARAMARK UNIFORM V004232	FACILITY MAT CLEANING	103654-6301 Special Department Supplies	AP092117	147.19	532717407		00095608	09/21/2017
MW OH	ARAMARK UNIFORM V004232	PW UNIFORMS	103650-6360 Uniforms	AP092117	365.31	532734377		00095608	09/21/2017
MW OH	ARAMARK UNIFORM V004232	FACILITY MAT CLEANING	103654-6301 Special Department Supplies	AP092117	274.13	532734378		00095608	09/21/2017
MW OH	ARAMARK UNIFORM V004232	PW UNIFORMS	103650-6360 Uniforms	AP092117	395.77	532751366		00095608	09/21/2017
MW OH	ARAMARK UNIFORM V004232	FACILITY MAT CLEANING	103654-6301 Special Department Supplies	AP092117	147.19	532751367		00095608	09/21/2017
				Check Total:	2,275.87				
MW OH	AT & T V008736	9/7-10/6 TEEN CNTR INTERNET	109595-6215 Telephone	AP092117	50.86	SEPT T/C 17		00095609	09/21/2017
				Check Total:	50.86				
MW OH	AT & T MOBILITY V008709	8/8-9/7 IPAD CHARGES	109595-6215 Telephone	AP092117	525.89	X09152017		00095610	09/21/2017
				Check Total:	525.89				
MW OH	AYRES HOTEL-MORENO V010571	PD TRAINING HOTEL-GARZA	103041-6250 Staff Training	AP092117	457.32	FG092517		00095611	09/21/2017
				Check Total:	457.32				
MW OH	B & M LAWN & GARDEN V000127	FILTER CAP	103655-6301 Special Department Supplies	AP092117	84.02	354528		00095612	09/21/2017
MW OH	B & M LAWN & GARDEN V000127	FILTER ASSEMBLY	103655-6301 Special Department Supplies	AP092117	37.46	356508		00095612	09/21/2017
				Check Total:	121.48				
MW OH	BEACHAMP, BOB V007720	HERITAGE CAR SHOW PRIZES	104076-6301 / 79392-6301 Special Department Supplies	AP092117	500.00	091217		00095613	09/21/2017
				Check Total:	500.00				

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MW OH	BIGGS CARDOSA V010461	JUNE ENG. DESIGN & PLANN. SVS	333552-6185 / 61116-6185 Construction Services	AP092117	4,252.57	72009	P11141	00095614	09/21/2017
MW OH	BIGGS CARDOSA V010461	JULY ENG. DESIGN & PLAN. SVS	333552-6185 / 61116-6185 Construction Services	AP092117	35,919.95	72172	P11141	00095614	09/21/2017
Check Total:					40,172.52				
MW OH	CALMAT CO. V010007	ASPHALT	103652-6301 Special Department Supplies	AP092117	378.32	71564741		00095615	09/21/2017
MW OH	CALMAT CO. V010007	ASPHALT	103652-6301 Special Department Supplies	AP092117	382.07	71572872		00095615	09/21/2017
Check Total:					760.39				
MW OH	CAPTURE TECHNOLOGIES V004390	SOFTWARE MAINT.	103043-6099 Professional Services	AP092117	1,355.52	48246		00095616	09/21/2017
Check Total:					1,355.52				
MW OH	CARO, JACQUIE V010573	FACILITY RENTAL REFUND	100000-4385 Facility Rental	AP092117	240.00	2001815.002		00095617	09/21/2017
Check Total:					240.00				
MW OH	CARTER, CARLOS V006511	HERITAGE DJ SVS	104076-6099 / 79392-6099 Professional Services	AP092117	500.00	1701		00095618	09/21/2017
Check Total:					500.00				
MW OH	CHEMEX INDUSTRIES INC. V004683	GRAFFITI REMOVER	103652-6301 Special Department Supplies	AP092117	169.37	29403		00095619	09/21/2017
Check Total:					169.37				
MW OH	CITY OF BREA V000125	17/18 ILJAO AGENCY FEES	103043-6099 Professional Services	AP092117	11,095.00	LAW000086	P11158	00095620	09/21/2017
MW OH	CITY OF BREA V000125	17/18 CAPITAL REPLACEMENT FEES	103043-6099 Professional Services	AP092117	3,801.00	LAW000086	P11158	00095620	09/21/2017
Check Total:					14,896.00				
MW OH	COMMERCIAL AQUATIC V005203	AUG WHITTEN POOL CHEMICALS	103654-6130 Repair & Maint/Facilities	AP092117	648.66	I17-4706		00095621	09/21/2017

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MW OH	COMMERCIAL AQUATIC V005203	AUG GOMEZ POOL CHEMICALS	103654-6130 Repair & Maint/Facilities	AP092117	438.00	I17-4707		00095621	09/21/2017
					Check Total:	1,086.66			
MW OH	COUNTY OF ORANGE V008881	AUG OCATS TELEPHONE SVS	103043-6137 Repair Maint/Equipment	AP092117	784.00	SH 47442	P11124	00095622	09/21/2017
					Check Total:	784.00			
MW OH	CPS HR CONSULTING V008464	HR CLERICAL EXAMS	101512-6099 Professional Services	AP092117	462.00	SOP44812		00095623	09/21/2017
					Check Total:	462.00			
MW OH	DALE CARLSON V002156	HERITAGE BALLOON ARTIST	104076-6099 / 79392-6099 Professional Services	AP092117	300.00	9132017		00095624	09/21/2017
					Check Total:	300.00			
MW OH	DARDEN SISTERS V010083	HERITAGE FESTIVAL BAND	104076-6099 / 79392-6099 Professional Services	AP092117	500.00	9122017		00095625	09/21/2017
					Check Total:	500.00			
MW OH	DEPARTMENT OF JUSTICE V000213	AUG LIVESCAN PROCESSING	101512-6099 Professional Services	AP092117	224.00	254534		00095626	09/21/2017
MW OH	DEPARTMENT OF JUSTICE V000213	AUG LIVESCAN PROCESSING	0044-2054 FBI Livescan	AP092117	51.00	254534		00095626	09/21/2017
MW OH	DEPARTMENT OF JUSTICE V000213	AUG LIVESCAN PROCESSING	0044-2053 DOJ Livescan	AP092117	119.00	254534		00095626	09/21/2017
					Check Total:	394.00			
MW OH	DISTINGUISHED PEST V003466	QUARTELY PEST CONTROL SVS	103554-6290 Dept. Contract Services	AP092117	1,235.00	14461		00095627	09/21/2017
					Check Total:	1,235.00			
MW OH	FAIRWAY FORD V000376	VEHICLE MIRROR	103658-6301 Special Department Supplies	AP092117	54.26	231759		00095628	09/21/2017
MW OH	FAIRWAY FORD V000376	PD VEHICLE REPAIRS	103658-6134 Vehicle Repair & Maintenance	AP092117	1,112.97	C19835		00095628	09/21/2017

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				Check Total:	1,167.23				
MW OH	FEDEX V000394	SHIPPING CHARGES	104070-6325 Postage	AP092117	26.79	5-922-84059		00095629	09/21/2017
				Check Total:	26.79				
MW OH	GOLDEN STATE WATER V000928	JULY-SEPT WATER CHARGES	296561-6335 Water	AP092117	5,518.65	091217		00095630	09/21/2017
MW OH	GOLDEN STATE WATER V000928	JULY-SEPT WATER CHARGES	109595-6335 Water	AP092117	2,694.89	091217		00095630	09/21/2017
				Check Total:	8,213.54				
MW OH	GREEN, CRAIG V007523	LEAGUE CONF REIMBURSEMENT	101001-6245 Meetings & Conferences	AP092117	110.58	091917		00095631	09/21/2017
				Check Total:	110.58				
MW OH	GST V009410	AUGUST IT SERVICES	101523-6290 Dept. Contract Services	AP092117	8,278.00	INV10356	P11159	00095632	09/21/2017
MW OH	GST V009410	AUG IT PROJECT MANAGEMENT	101523-6290 Dept. Contract Services	AP092117	7,500.00	INV10356	P11159	00095632	09/21/2017
MW OH	GST V009410	JULY IT SERVICES	101523-6290 Dept. Contract Services	AP092117	8,278.00	INV9344	P11159	00095632	09/21/2017
MW OH	GST V009410	JULY IT PROJECT MANAGEMENT	101523-6290 Dept. Contract Services	AP092117	7,500.00	INV9344	P11159	00095632	09/21/2017
				Check Total:	31,556.00				
MW OH	HALO CONFIDENTIAL V008544	JULY HR BACKGROUND SCREENINGS	01512-6099 Professional Services	AP092117	648.94	0007 HR	P11148	00095633	09/21/2017
MW OH	HALO CONFIDENTIAL V008544	AUG HR BACKGROUND SCREENINGS	01512-6099 Professional Services	AP092117	1,813.50	0008 HR	P11148	00095633	09/21/2017
				Check Total:	2,462.44				
MW OH	HALVERSON, JOY V007235	HERITAGE ENTERTAINMENT	104076-6099 / 79392-6099 Professional Services	AP092117	495.00	9142017		00095634	09/21/2017
				Check Total:	495.00				

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MW OH	HIRSCH PIPE AND SUPPLY V004494	FOUR WAY KEY	103654-6130 Repair & Maint/Facilities	AP092117	4.68 5542788		00095635	09/21/2017
					Check Total:	4.68		
MW OH	HONEYWELL V001388	A/C REPAIRS	103654-6130 Repair & Maint/Facilities	AP092117	968.51 5240781788		00095636	09/21/2017
MW OH	HONEYWELL V001388	A/C REPAIRS	103654-6130 Repair & Maint/Facilities	AP092117	2,119.68 5240863306		00095636	09/21/2017
MW OH	HONEYWELL V001388	A/C REPAIRS	103654-6130 Repair & Maint/Facilities	AP092117	356.38 5241028007		00095636	09/21/2017
					Check Total:	3,444.57		
MW OH	ICMA RETIREMENT TRUST V010029	DEFERRED P/E 9/9 PD 9/15	0029-2170 Deferred Comp Payable - ICMA	AP092117	52.56 91517I		00095637	09/21/2017
MW OH	ICMA RETIREMENT TRUST V010029	DEFERRED P/E 9/9 PD 9/15	0010-2170 Deferred Comp Payable - ICMA	AP092117	1,284.05 91517I		00095637	09/21/2017
MW OH	ICMA RETIREMENT TRUST V010029	DEFERRED P/E 9/9 PD 9/15	0054-2170 Deferred Comp Payable - ICMA	AP092117	74.40 91517I		00095637	09/21/2017
MW OH	ICMA RETIREMENT TRUST V010029	DEFERRED P/E 9/9 PD 9/15	0037-2170 Deferred Comp Payable - ICMA	AP092117	18.84 91517I		00095637	09/21/2017
MW OH	ICMA RETIREMENT TRUST V010029	DEFERRED P/E 9/9 PD 9/15	0048-2170 Deferred Comp Payable - ICMA	AP092117	77.69 91517I		00095637	09/21/2017
					Check Total:	1,507.54		
MW OH	IMPERIAL SPRINKLER V006506	GASKET	296561-6130 Repair & Maint/Facilities	AP092117	16.17 3046600-01		00095638	09/21/2017
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6130 Repair & Maint/Facilities	AP092117	193.57 3055875-01		00095638	09/21/2017
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6130 Repair & Maint/Facilities	AP092117	287.41 3067959-00		00095638	09/21/2017
MW OH	IMPERIAL SPRINKLER V006506	FLOOD BUBBLER	103655-6130 / 61147-6130 Repair & Maint/Facilities	AP092117	22.43 3068173-00		00095638	09/21/2017
MW OH	IMPERIAL SPRINKLER	IRRIGATION SUPPLIES	103655-6130	AP092117	103.16 3070149-00		00095638	09/21/2017

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	V006506		Repair & Maint/Facilities					
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6130 Repair & Maint/Facilities	AP092117	121.29 3071678-00		00095638	09/21/2017
				Check Total:	744.03			
MW OH	INTERNAL CONTROL V000504	SEPT EMPLOYMENT POLYGRAPHS	103040-6099 Professional Services	AP092117	280.00 11030		00095639	09/21/2017
				Check Total:	280.00			
MW OH	KENEHAN, KELLY V010421	8/13 DISABILITY PMT	103041-5001 Salaries/Full-Time Regular	AP092117	1,968.37 018		00095640	09/21/2017
MW OH	KENEHAN, KELLY V010421	9/9 DISABILITY PMT	103041-5001 Salaries/Full-Time Regular	AP092117	1,968.37 019		00095640	09/21/2017
				Check Total:	3,936.74			
MW OH	KEYSER MARSTON V010468	AUG KMA PRO FORMA ANALYSIS	0044-2048 / 45059-2048 Engineering Plan Check Deposit	AP092117	3,285.00 0031329	P11139	00095641	09/21/2017
MW OH	KEYSER MARSTON V010468	AUG RESIDENT NEXUS STUDY SVS	340000-6017 Special Studies	AP092117	3,549.25 0031397	P11149	00095641	09/21/2017
MW OH	KEYSER MARSTON V010468	JULY REAL ESTATE ADVISORY SVS	102534-6099 Professional Services	AP092117	1,350.00 0031272	P11156	00095641	09/21/2017
MW OH	KEYSER MARSTON V010468	AUG REAL ESTATE ADVISORY SVS	102534-6099 Professional Services	AP092117	768.75 0031319	P11156	00095641	09/21/2017
				Check Total:	8,953.00			
MW OH	KEYSTONE UNIFORMS V009178	PD UNIFORMS	103041-6360 / 50040-6360 Uniforms	AP092117	169.16 700003309		00095642	09/21/2017
MW OH	KEYSTONE UNIFORMS V009178	PD UNIFORMS	103040-6360 / 50080-6360 Uniforms	AP092117	53.86 700003794		00095642	09/21/2017
MW OH	KEYSTONE UNIFORMS V009178	PD UNIFORMS	103041-6360 / 50040-6360 Uniforms	AP092117	279.04 700003797		00095642	09/21/2017
MW OH	KEYSTONE UNIFORMS V009178	PD UNIFORMS	103043-6360 / 50080-6360 Uniforms	AP092117	58.17 700003810		00095642	09/21/2017

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				Check Total:	560.23			
MW OH	LEGAL SHIELD V008104	SEPT LEGAL SERVICES	0029-2192 Police Legal Services	AP092117	6.25 090517		00095643	09/21/2017
MW OH	LEGAL SHIELD V008104	SEPT LEGAL SERVICES	0048-2192 Police Legal Services	AP092117	31.80 090517		00095643	09/21/2017
MW OH	LEGAL SHIELD V008104	SEPT LEGAL SERVICES	0010-2192 Police Legal Services	AP092117	212.52 090517		00095643	09/21/2017
MW OH	LEGAL SHIELD V008104	SEPT LEGAL SERVICES	0037-2192 Police Legal Services	AP092117	2.48 090517		00095643	09/21/2017
				Check Total:	253.05			
MW OH	LIEBERT CASSIDY V000597	EVALUATION TRAINING	101512-6250 Staff Training	AP092117	1,750.00 1446542		00095644	09/21/2017
MW OH	LIEBERT CASSIDY V000597	AUG LEGAL SERVICES	101005-6005 Legal Services	AP092117	105.00 1446911		00095644	09/21/2017
				Check Total:	1,855.00			
MW OH	MARK43 INC V010565	CAD/RMS SYSTEM INSTALLATION	333523-6899 / 51001-6899 Other Capital Outlay	AP092117	29,610.00 1021	P11160	00095645	09/21/2017
				Check Total:	29,610.00			
MW OH	MIDAMERICA V008972	3RD QTR 2016 401A ADMIN FEES	395083-6025 Third Party Administration	AP092117	160.00 2604		00095646	09/21/2017
MW OH	MIDAMERICA V008972	4TH QTR 2016 401A ADMIN FEES	395083-6025 Third Party Administration	AP092117	200.00 2735		00095646	09/21/2017
MW OH	MIDAMERICA V008972	1ST QTR 2017 401A ADMIN FEES	395083-6025 Third Party Administration	AP092117	200.00 4407		00095646	09/21/2017
				Check Total:	560.00			
MW OH	MINNESOTA LIFE INSURANCE V000627	SEPT INSURANCE PREMIUMS	101511-5163 Life Insurance Premiums	AP092117	644.40 SEPTEMBER		00095647	09/21/2017
				Check Total:	644.40			
MW OH	MOORE, JORDAN	HERITAGE VENDOR REFUND	0044-2067 / 79392-2067	AP092117	75.00 09172017		00095648	09/21/2017

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	V010569		Heritage Committee						
				Check Total:	75.00				
MW OH	MOTO UNITED V009743	POLICE UNIT REPAIRS	103658-6134 Vehicle Repair & Maintenance	AP092117	657.85	6512		00095649	09/21/2017
				Check Total:	657.85				
MW OH	MTL CONSTRUCTION V010077	REFINISH COUNCIL CHAMBERS	333554-6185 / 61124-6185 Construction Services	AP092117	16,850.00	17-COP-01	P11099	00095650	09/21/2017
				Check Total:	16,850.00				
MW OH	NELSON/NYGAARD V009556	AUG CIRCULATOR STUDY SVS	333531-6017 / 62016-6017 Special Studies	AP092117	6,913.75	70197	P11137	00095651	09/21/2017
				Check Total:	6,913.75				
MW OH	NOGALES, OLIVIER V008301	DEPOSIT REFUND	100000-4385 Facility Rental	AP092117	100.00	2001814.002		00095652	09/21/2017
				Check Total:	100.00				
MW OH	OFFICE DEPOT V010447	FILE CABINET	101512-6855 Furniture & Fixtures	AP092117	483.80	92594865001		00095653	09/21/2017
				Check Total:	483.80				
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	103550-6315 Office Supplies	AP092117	32.31	60290		00095654	09/21/2017
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	103040-6315 Office Supplies	AP092117	907.84	60555		00095654	09/21/2017
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	103040-6315 Office Supplies	AP092117	120.92	60589		00095654	09/21/2017
				Check Total:	1,061.07				
MW OH	ORANGE COUNTY FIRE V000704	1ST QTR FACILITIES MAINT	103044-6130 Repair & Maint/Facilities	AP092117	6,784.50	S0339376	P11097	00095655	09/21/2017
MW OH	ORANGE COUNTY FIRE V000704	1ST QTR VEHICLE REPLACEMENT	333558-6842 / 61113-6842 Vehicles	AP092117	36,297.00	S0339376	P11097	00095655	09/21/2017
MW OH	ORANGE COUNTY FIRE	1ST QTR FIRE/PARAMEDIC FEES	103044-6190	AP092117	1,478,571.75	S0339376	P11097	00095655	09/21/2017

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	V000704		Fire Authority Services						
				Check Total:	1,521,653.25				
MW OH	PACIFIC EMBROIDERY V008348	STAFF SHIRTS	101511-6245 Meetings & Conferences	AP092117	32.30	61319		00095656	09/21/2017
MW OH	PACIFIC EMBROIDERY V008348	STAFF SHIRTS	102534-6245 Meetings & Conferences	AP092117	37.69	61588		00095656	09/21/2017
MW OH	PACIFIC EMBROIDERY V008348	STAFF SHIRTS	101512-6301 Special Department Supplies	AP092117	37.69	61588		00095656	09/21/2017
MW OH	PACIFIC EMBROIDERY V008348	STAFF SHIRTS	103550-6245 Meetings & Conferences	AP092117	37.69	61588		00095656	09/21/2017
MW OH	PACIFIC EMBROIDERY V008348	STAFF SHIRTS	102532-6245 Meetings & Conferences	AP092117	37.69	61588		00095656	09/21/2017
MW OH	PACIFIC EMBROIDERY V008348	STAFF SHIRTS	101001-6301 Special Department Supplies	AP092117	149.82	61588		00095656	09/21/2017
				Check Total:	332.88				
MW OH	PARS V006999	JULY PARS ARS FEES	109595-6295 City Admin Services	AP092117	600.44	38245		00095657	09/21/2017
				Check Total:	600.44				
MW OH	PLACENTIA POLICE V001973	PD EXPLORERS SUPPLIES	104076-6301 / 79392-6301 Special Department Supplies	AP092117	800.00	91217		00095658	09/21/2017
				Check Total:	800.00				
MW OH	PLACENTIA, CITY OF V002877	HERITAGE FESTIVAL PETTY CASH	104076-6301 / 79392-6301 Special Department Supplies	AP092117	1,100.00	91817		00095659	09/21/2017
				Check Total:	1,100.00				
MW OH	POWERSTRIDE BATTERY COBATTERY V000785		103658-6134 Vehicle Repair & Maintenance	AP092117	190.22	C 64749		00095660	09/21/2017
MW OH	POWERSTRIDE BATTERY COBATTERY V000785		103658-6134 Vehicle Repair & Maintenance	AP092117	95.51	C 64818		00095660	09/21/2017
				Check Total:	285.73				

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MW OH	PURE WATER TECHNOLOGY V009593	SEPT PD WATER SERVICE	103041-6301 Special Department Supplies	AP092117	149.78 115984		00095661	09/21/2017
					Check Total:	149.78		
MW OH	REYNOLDS, MATT V002521	CALPERS CONF MILEAGE-REYNOLD	801512-6245 Meetings & Conferences	AP092117	112.35 SEPT2017		00095662	09/21/2017
					Check Total:	112.35		
MW OH	SCSBOA V009538	HERITAGE BAND REVIEW JUDGES	104076-6099 / 79392-6099 Professional Services	AP092117	3,080.00 9192017		00095663	09/21/2017
					Check Total:	3,080.00		
MW OH	SECOND HARVEST FOOD V005571	SEPT COMMODITIES DELIVERY	104071-6301 Special Department Supplies	AP092117	30.00 430786		00095664	09/21/2017
					Check Total:	30.00		
MW OH	SHRED-IT USA V000905	JUL-AUG DOCUMENT SHRED SVS	374386-6299 Other Purchased Services	AP092117	233.58 8122906322		00095665	09/21/2017
					Check Total:	233.58		
MW OH	SOUTHERN CALIFORNIA V000910	AUGUST ELECTRICAL SVS	296561-6330 Electricity	AP092117	1,389.38 090717		00095666	09/21/2017
MW OH	SOUTHERN CALIFORNIA V000910	AUGUST ELECTRICAL SVS	286560-6330 Electricity	AP092117	29,924.21 090717		00095666	09/21/2017
MW OH	SOUTHERN CALIFORNIA V000910	AUGUST ELECTRICAL SVS	0010-1228 AR/County of Orange	AP092117	16.14 090717		00095666	09/21/2017
MW OH	SOUTHERN CALIFORNIA V000910	AUGUST ELECTRICAL SVS	0010-1232 Accts Rec/City of Anaheim	AP092117	51.20 090717		00095666	09/21/2017
MW OH	SOUTHERN CALIFORNIA V000910	AUGUST ELECTRICAL SVS	109595-6330 / 61140-6330 Electricity	AP092117	51.19 090717		00095666	09/21/2017
MW OH	SOUTHERN CALIFORNIA V000910	AUGUST ELECTRICAL SVS	109595-6330 Electricity	AP092117	36,955.93 090717		00095666	09/21/2017
MW OH	SOUTHERN CALIFORNIA V000910	AUGUST ELECTRICAL SVS	0010-1220 Accts Rec/Plac Library Dist	AP092117	8,558.53 090717		00095666	09/21/2017

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MW OH	SOUTHERN CALIFORNIA V000910	AUGUST ELECTRICAL SVS	0010-1226 AR/City of Yorba Linda	AP092117	109.74	090717		00095666	09/21/2017
				Check Total:	77,056.32				
MW OH	TARGET SUPPLIES V010567	HERBICIDE	103655-6301 Special Department Supplies	AP092117	135.05	T13267		00095667	09/21/2017
				Check Total:	135.05				
MW OH	TEAM ONE MANAGEMENT V010070	AUG PARK JANITORIAL SERVICES	103655-6290 Dept. Contract Services	AP092117	4,337.50	16	P11145	00095668	09/21/2017
				Check Total:	4,337.50				
MW OH	THE PUN GROUP LLP V010156	FINANCIAL AUDITING SERVICES	102020-6010 Accounting & Auditing Service	AP092117	15,000.00	111282	P11087	00095669	09/21/2017
				Check Total:	15,000.00				
MW OH	THE SAUCE CREATIVE V007476	HERITAGE STREET BANNER	104076-6230 / 79392-6230 Printing & Binding	AP092117	748.44	1900		00095670	09/21/2017
				Check Total:	748.44				
MW OH	TIME WARNER CABLE V004450	9/22-10/21 FRIENDLY CNT CABLE	109595-6215 Telephone	AP092117	79.99	31975 OCT 17		00095671	09/21/2017
MW OH	TIME WARNER CABLE V004450	9/22-10/21 CABLE CHARGES	109595-6215 Telephone	AP092117	317.74	52862 OCT 17		00095671	09/21/2017
MW OH	TIME WARNER CABLE V004450	9/22-10/21 PW YARD CABLE	109595-6215 Telephone	AP092117	109.08	71383 OCT 17		00095671	09/21/2017
				Check Total:	506.81				
MW OH	TOTUM CORP V010229	JULY CONSTRUCTION ADMIN SVS	333554-6185 / 61125-6185 Construction Services	AP092117	5,900.00	204321	P11150	00095672	09/21/2017
				Check Total:	5,900.00				
MW OH	TYLER LIGHTING SERVICES V008707	LED LAMPS	103654-6301 Special Department Supplies	AP092117	242.44	09731		00095673	09/21/2017
				Check Total:	242.44				
MW OH	UNITED STATES TREASURY	DEC 2014 PENALTY CHARGE	0010-2110	AP092117	8,680.96	CP215A		00095674	09/21/2017

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	V010562		Federal Income Tax W/H					
				Check Total:	8,680.96			
MW OH	US BANK PARS #6746022400 V008781	PARS/ARS P/E 9/9 PD 9/15	0010-2131 Employer PARS/ARS Payable	AP092117	1,855.61 91517J		00095675	09/21/2017
MW OH	US BANK PARS #6746022400 V008781	PARS/ARS P/E 9/9 PD 9/15	0010-2126 Employee PARS/ARS W/H	AP092117	943.55 91517J		00095675	09/21/2017
MW OH	US BANK PARS #6746022400 V008781	PARS/ARS P/E 9/9 PD 9/15	0048-2131 Employer PARS/ARS Payable	AP092117	119.45 91517J		00095675	09/21/2017
MW OH	US BANK PARS #6746022400 V008781	PARS/ARS P/E 9/9 PD 9/15	0054-2131 Employer PARS/ARS Payable	AP092117	80.10 91517J		00095675	09/21/2017
MW OH	US BANK PARS #6746022400 V008781	PARS/ARS P/E 9/9 PD 9/15	0029-2131 Employer PARS/ARS Payable	AP092117	44.27 91517J		00095675	09/21/2017
MW OH	US BANK PARS #6746022400 V008781	PARS/ARS P/E 9/9 PD 9/15	0037-2131 Employer PARS/ARS Payable	AP092117	83.75 91517J		00095675	09/21/2017
				Check Total:	3,126.73			
MW OH	VALENZUELA, CESAR V010568	DEPOSIT REFUND	100000-4385 Facility Rental	AP092117	150.00 2001812.002		00095676	09/21/2017
				Check Total:	150.00			
MW OH	VAN NGUYEN, KHANH V009542	HERITAGE BALLOON ARTIST	104076-6099 / 79392-6099 Professional Services	AP092117	350.00 9122017		00095677	09/21/2017
				Check Total:	350.00			
MW OH	VERA, SANDRA V009293	TUITION REIMBURSEMENT	109595-5150 Tuition Reimbursement	AP092117	1,697.21 SU091417		00095678	09/21/2017
				Check Total:	1,697.21			
MW OH	VIVINT SOLAR V009771	BLDG PERMIT 80% REFUND	100000-4160 Building Permits	AP092117	197.47 B17-0636		00095679	09/21/2017
MW OH	VIVINT SOLAR V009771	BLDG PERMIT 80% REFUND	100000-4164 Electrical Permits	AP092117	47.90 B17-0636		00095679	09/21/2017
				Check Total:	245.37			

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MW OH	WESTERN TRANSIT V008280	AUG SR. TRANSPORTATION	184071-6401 / 79538-6401 Community Programs	AP092117	4,682.86 2.2776	P11120	00095680	09/21/2017
					Check Total:	4,682.86		
MW OH	WEX BANK V007269	PD FUEL CHARGES	103658-6345 Gasoline & Diesel Fuel	AP092117	637.20 50995134		00095681	09/21/2017
					Check Total:	637.20		
MW OH	YORBA REGIONAL ANIMAL K9 CARE FOR ACE V008472		103041-6301 Special Department Supplies	AP092117	351.37 1301161		00095682	09/21/2017
MW OH	YORBA REGIONAL ANIMAL K9 CARE FOR KYRA V008472		103041-6301 Special Department Supplies	AP092117	476.46 1302320		00095682	09/21/2017
					Check Total:	827.83		
MW OH	CALIFORNIA STATE V004813	P/E 9/23/17 PD DATE 9/29/17	0048-2196 Garnishments W/H	PY17920	156.46 2700/1701020		00095683	09/29/2017
MW OH	CALIFORNIA STATE V004813	P/E 9/23/17 PD DATE 9/29/17	0029-2196 Garnishments W/H	PY17920	64.15 2700/1701020		00095683	09/29/2017
MW OH	CALIFORNIA STATE V004813	P/E 9/23/17 PD DATE 9/29/17	0010-2196 Garnishments W/H	PY17920	351.69 2700/1701020		00095683	09/29/2017
MW OH	CALIFORNIA STATE V004813	P/E 9/23/17 PD DATE 9/29/17	0037-2196 Garnishments W/H	PY17920	69.23 2700/1701020		00095683	09/29/2017
					Check Total:	641.53		
MW OH	FRANCHISE TAX BOARD V000404	P/E 9/23/17 PD DATE 9/29/17	0048-2196 Garnishments W/H	PY17920	6.00 2710/1701020		00095684	09/29/2017
MW OH	FRANCHISE TAX BOARD V000404	P/E 9/23/17 PD DATE 9/29/17	0029-2196 Garnishments W/H	PY17920	6.00 2710/1701020		00095684	09/29/2017
MW OH	FRANCHISE TAX BOARD V000404	P/E 9/23/17 PD DATE 9/29/17	0010-2196 Garnishments W/H	PY17920	48.00 2710/1701020		00095684	09/29/2017
					Check Total:	60.00		
MW OH	ORANGE COUNTY V000699	P/E 9/23/17 PD DATE 9/29/17	0029-2176 PCEA/OCEA Assoc Dues	PY17920	7.68 2610/1701020		00095685	09/29/2017

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MW OH	ORANGE COUNTY V000699	P/E 9/23/17 PD DATE 9/29/17	0037-2176 PCEA/OCEA Assoc Dues	PY17920	2.40	2610/1701020		00095685	09/29/2017
MW OH	ORANGE COUNTY V000699	P/E 9/23/17 PD DATE 9/29/17	0048-2176 PCEA/OCEA Assoc Dues	PY17920	24.05	2610/1701020		00095685	09/29/2017
MW OH	ORANGE COUNTY V000699	P/E 9/23/17 PD DATE 9/29/17	0010-2176 PCEA/OCEA Assoc Dues	PY17920	283.33	2610/1701020		00095685	09/29/2017
Check Total:					317.46				
MW OH	PCEA C/O NORTH ORANGE V000679	P/E 9/23/17 PD DATE 9/29/17	0048-2176 PCEA/OCEA Assoc Dues	PY17920	2.50	2615/1701020		00095686	09/29/2017
MW OH	PCEA C/O NORTH ORANGE V000679	P/E 9/23/17 PD DATE 9/29/17	0037-2176 PCEA/OCEA Assoc Dues	PY17920	0.25	2615/1701020		00095686	09/29/2017
MW OH	PCEA C/O NORTH ORANGE V000679	P/E 9/23/17 PD DATE 9/29/17	0010-2176 PCEA/OCEA Assoc Dues	PY17920	29.45	2615/1701020		00095686	09/29/2017
MW OH	PCEA C/O NORTH ORANGE V000679	P/E 9/23/17 PD DATE 9/29/17	0029-2176 PCEA/OCEA Assoc Dues	PY17920	0.80	2615/1701020		00095686	09/29/2017
Check Total:					33.00				
MW OH	PLACENTIA POLICE V000839	P/E 9/23/17 PD DATE 9/29/17	0010-2180 Police Mgmt Assn Dues	PY17920	804.14	2625/1701020		00095687	09/29/2017
Check Total:					804.14				
MW OH	PLACENTIA POLICE V003519	P/E 9/23/17 PD DATE 9/29/17	0010-2178 Placentia Police Assoc Dues	PY17920	2,576.57	2620/1701020		00095688	09/29/2017
Check Total:					2,576.57				
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 9/23/17 PD DATE 9/29/17	0010-2170 Deferred Comp Payable - ICMA	PY17920	2,667.65	2606/1701020		00095689	09/29/2017
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 9/23/17 PD DATE 9/29/17	0054-2170 Deferred Comp Payable - ICMA	PY17920	34.20	2606/1701020		00095689	09/29/2017
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 9/23/17 PD DATE 9/29/17	0029-2170 Deferred Comp Payable - ICMA	PY17920	35.62	2606/1701020		00095689	09/29/2017
MW OH	VANTAGEPOINT TRANSFER	P/E 9/23/17 PD DATE 9/29/17	0037-2170	PY17920	30.21	2606/1701020		00095689	09/29/2017

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V007191		Deferred Comp Payable - ICMA						
MW OH	VANTAGEPOINT TRANSFER P/E 9/23/17 PD DATE 9/29/17 V007191		0048-2170 Deferred Comp Payable - ICMA	PY17920	112.80	2606/1701020		00095689	09/29/2017
				Check Total:	2,880.48				
				Type Total:	1,999,686.30				
				Check Total:	1,999,686.30				

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Electronic Disbursement Register
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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
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Grand Total: 297,726.96

EDR Totals by ID

AP	0.00
EP	297,726.96
IP	0.00
OP	0.00

Fund Name	<u>EDR Totals by Fund</u>
101-General Fund (0010)	307,528.48
208-Sccssr Agency Ret Oblg (0054)	1,158.67
211-PEG Fund (0058)	221.76
265-Landscape Maintenance (0029)	1,713.80
275-Sewer Maintenance (0048)	7,666.52
501-Refuse Administration (0037)	2,101.06
601-Employee Health & Wlfre (0039)	-24,165.61
701-Special Deposits (0044)	1,502.28

Void Total: 0.00
EDR Total: 297,726.96

Electronic Disbursement Sub Totals: 297,726.96

ACH Payroll Direct Deposit for 09/29/17: 287,771.46

Electronic Disbursement Total: 585,498.42

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Ref #	Ref Date
EP	ICMA RETIREMENT TRUST V000496	P/E 9/9/17 PD DATE 9/15/17	0029-2170 Deferred Comp Payable - ICMA	PY17019	110.06 2995/1701019		00009749	09/15/2017
EP	ICMA RETIREMENT TRUST V000496	P/E 9/9/17 PD DATE 9/15/17	0010-2170 Deferred Comp Payable - ICMA	PY17019	12,560.04 2995/1701019		00009749	09/15/2017
EP	ICMA RETIREMENT TRUST V000496	P/E 9/9/17 PD DATE 9/15/17	0037-2170 Deferred Comp Payable - ICMA	PY17019	91.59 2995/1701019		00009749	09/15/2017
EP	ICMA RETIREMENT TRUST V000496	P/E 9/9/17 PD DATE 9/15/17	0054-2170 Deferred Comp Payable - ICMA	PY17019	74.40 2995/1701019		00009749	09/15/2017
EP	ICMA RETIREMENT TRUST V000496	P/E 9/9/17 PD DATE 9/15/17	0048-2170 Deferred Comp Payable - ICMA	PY17019	570.75 2995/1701019		00009749	09/15/2017
Check Total:					13,406.84			
EP	AMERICAN FIDELITY V010011	P/E 9/9 PD 9/15	0010-2155 Per Sec Plan - Opt. Life	ACH091819	35.10 91517N		00009750	09/15/2017
EP	AMERICAN FIDELITY V010011	P/E 9/9 PD 9/15	395000-2187 Voluntary Plan Life	ACH091819	399.66 91517N		00009750	09/15/2017
EP	AMERICAN FIDELITY V010011	P/E 9/9 PD 9/15	0010-2188 Health Care SSA	ACH091819	1,195.78 91517N		00009750	09/15/2017
EP	AMERICAN FIDELITY V010011	P/E 9/9 PD 9/15	0029-2188 Health Care SSA	ACH091819	5.16 91517N		00009750	09/15/2017
EP	AMERICAN FIDELITY V010011	P/E 9/9 PD 9/15	0037-2188 Health Care SSA	ACH091819	13.36 91517N		00009750	09/15/2017
EP	AMERICAN FIDELITY V010011	P/E 9/9 PD 9/15	0048-2188 Health Care SSA	ACH091819	8.89 91517N		00009750	09/15/2017
EP	AMERICAN FIDELITY V010011	P/E 9/9 PD 9/15	0054-2188 Health Care SSA	ACH091819	15.94 91517N		00009750	09/15/2017
Check Total:					1,673.89			
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0010-2145 Employee PERS Payback W/H	ACH091819	227.21 91517O		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0010-2150 Survivor Benefit Package	ACH091819	104.28 91517O		00009751	09/15/2017

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0010-2165 PERS Employer Payable	ACH091819	34.66	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0010-2195 PERS Uniform	ACH091819	23.41	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0029-2140 Employee PERS W/H	ACH091819	854.92	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0029-2145 Employee PERS Payback W/H	ACH091819	7.30	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0029-2150 Survivor Benefit Package	ACH091819	1.17	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0029-2195 PERS Uniform	ACH091819	0.35	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0037-2140 Employee PERS W/H	ACH091819	1,030.87	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0037-2145 Employee PERS Payback W/H	ACH091819	4.13	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0037-2150 Survivor Benefit Package	ACH091819	1.08	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0048-2140 Employee PERS W/H	ACH091819	3,948.97	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0010-2140 Employee PERS W/H	ACH091819	153,650.94	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0048-2145 Employee PERS Payback W/H	ACH091819	7.30	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	395083-5145 Retirement PERS	ACH091819	-89,350.55	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0048-2150 Survivor Benefit Package	ACH091819	4.65	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0048-2165 PERS Employer Payable	ACH091819	4.08	915170		00009751	09/15/2017

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0048-2195 PERS Uniform	ACH091819	1.59	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0054-2140 Employee PERS W/H	ACH091819	350.04	915170		00009751	09/15/2017
EP	CALIFORNIA PUBLIC V010053	DEDUCTIONS P/E 9/9 PD 9/15	0054-2150 Survivor Benefit Package	ACH091819	0.42	915170		00009751	09/15/2017
Check Total:					70,906.82				
EP	EMPLOYMENT V010052	STATE TAXES P/E 9/9 PD 9/15	0029-2135 Calif Income Tax W/H	ACH091819	121.76	91517M		00009752	09/15/2017
EP	EMPLOYMENT V010052	STATE TAXES P/E 9/9 PD 9/15	0010-2135 Calif Income Tax W/H	ACH091819	14,580.09	91517M		00009752	09/15/2017
EP	EMPLOYMENT V010052	STATE TAXES P/E 9/9 PD 9/15	0037-2135 Calif Income Tax W/H	ACH091819	181.45	91517M		00009752	09/15/2017
EP	EMPLOYMENT V010052	STATE TAXES P/E 9/9 PD 9/15	0054-2135 Calif Income Tax W/H	ACH091819	153.76	91517M		00009752	09/15/2017
EP	EMPLOYMENT V010052	STATE TAXES P/E 9/9 PD 9/15	0048-2135 Calif Income Tax W/H	ACH091819	530.38	91517M		00009752	09/15/2017
Check Total:					15,567.44				
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0010-2115 Employee Medicare W/H	ACH091819	5,598.05	9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0010-2120 Employer Medicare Payable	ACH091819	5,598.05	9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0029-2110 Federal Income Tax W/H	ACH091819	398.69	9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0010-2110 Federal Income Tax W/H	ACH091819	44,963.12	9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0029-2115 Employee Medicare W/H	ACH091819	51.57	9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0054-2120 Employer Medicare Payable	ACH091819	38.64	9151L		00009753	09/15/2017

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Ref #	Ref Date
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0029-2120 Employer Medicare Payable	ACH091819	51.57 9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0037-2110 Federal Income Tax W/H	ACH091819	544.42 9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0037-2115 Employee Medicare W/H	ACH091819	60.04 9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0037-2120 Employer Medicare Payable	ACH091819	60.04 9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0048-2110 Federal Income Tax W/H	ACH091819	1,636.83 9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0048-2115 Employee Medicare W/H	ACH091819	196.34 9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0048-2120 Employer Medicare Payable	ACH091819	196.34 9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0054-2110 Federal Income Tax W/H	ACH091819	412.43 9151L		00009753	09/15/2017
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 9/9 PD 9/15	0054-2115 Employee Medicare W/H	ACH091819	38.64 9151L		00009753	09/15/2017
Check Total:					59,844.77			
EP	BANK OF AMERICA V008741	CONCERT IN THE PARK GIVEAWAYS	0044-2057 Cultural Arts	ACH082517	135.00 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CONCERT IN THE PARK GIVAWAYS	0044-2057 Cultural Arts	ACH082517	130.00 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CONCERT IN THE PARK GIVAWAYS	0044-2057 Cultural Arts	ACH082517	125.00 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	EXCURSION TICKETS	0044-2059 Community Services Deposits	ACH082517	50.00 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	EXCURSION FACILITY DEPOSIT	0044-2059 Community Services Deposits	ACH082517	50.00 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	CTLC EXCURSION TICKETS	0044-2059	ACH082517	445.20 JULY 17		00009754	08/25/2017

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
	V008741		Community Services Deposits						
EP	BANK OF AMERICA V008741	P.A.R.K.S EXCURSION TICKET	0044-2059 Community Services Deposits	ACH082517	147.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CREDIT FOR EXCURSION	0044-2059 Community Services Deposits	ACH082517	-50.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S EXCURSION TICKETS	0044-2059 Community Services Deposits	ACH082517	149.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S EXCURSION TICKETS	0044-2059 Community Services Deposits	ACH082517	116.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S PROGRAM SUPPLIES	0044-2059 Community Services Deposits	ACH082517	2.51	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	HOTEL - LEAGUE CONFERENCE	101001-6245 Meetings & Conferences	ACH082517	677.04	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	HOTEL - LEAGUE CONFERENCE	101001-6245 Meetings & Conferences	ACH082517	617.04	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	ICSC WESTERN CONF REG	101001-6245 Meetings & Conferences	ACH082517	350.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	COUNCIL SUPPLIES	101001-6245 Meetings & Conferences	ACH082517	132.08	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CREDIT - ICSC CONFERENCE	101001-6245 Meetings & Conferences	ACH082517	-225.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	COUNCIL SUPPLIES	101001-6245 Meetings & Conferences	ACH082517	123.77	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	LEAGUE CONF REG - WANKE	101001-6245 Meetings & Conferences	ACH082517	525.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	COUNCIL SUPPLIES	101001-6245 Meetings & Conferences	ACH082517	97.74	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	COUNCIL SUPPLIES	101001-6245 Meetings & Conferences	ACH082517	18.83	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	COUNCIL SUPPLIES	101001-6245	ACH082517	78.05	JULY 17		00009754	08/25/2017

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
	V008741		Meetings & Conferences						
EP	BANK OF AMERICA V008741	AIRFARE PROCESSING FEE	101001-6245 Meetings & Conferences	ACH082517	25.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	DC TRIP AIRFARE - SHADER	101001-6245 Meetings & Conferences	ACH082517	610.41	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	ICSC MEMBERSHIP - WANKE	101001-6255 Dues & Memberships	ACH082517	50.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FLOWERS	101001-6301 Special Department Supplies	ACH082517	63.88	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	ICSC WESTERN CONF REG	101511-6245 Meetings & Conferences	ACH082517	350.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	WORKING LUNCH MEALS	101511-6245 Meetings & Conferences	ACH082517	58.59	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BUSINESS MEETING LUNCH	101511-6245 Meetings & Conferences	ACH082517	54.39	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BUSINESS MEETING LUNCH	101511-6245 Meetings & Conferences	ACH082517	94.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BUSINESS MEETING LUNCH	101511-6245 Meetings & Conferences	ACH082517	86.73	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	HOTEL - LEAGUE CONFERENCE	101511-6245 Meetings & Conferences	ACH082517	1,176.52	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BUSINESS MEETING LUNCH	101511-6245 Meetings & Conferences	ACH082517	42.37	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	AIRFARE - LEAGUE CONFERENCE	101511-6245 Meetings & Conferences	ACH082517	517.95	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BUSINESS MEETING LUNCH	101511-6245 Meetings & Conferences	ACH082517	87.34	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	DC TRIP AIRFARE - ARRULA	101511-6245 Meetings & Conferences	ACH082517	546.40	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	BUSINESS MEETING LUNCH	101511-6245	ACH082517	90.46	JULY 17		00009754	08/25/2017

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
	V008741		Meetings & Conferences						
EP	BANK OF AMERICA V008741	DC ADVOCACY TRIP REG - ARRULA	101511-6245 Meetings & Conferences	ACH082517	1,115.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	DC TRIP AIRFARE - ARRULA	101511-6245 Meetings & Conferences	ACH082517	208.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CREDIT - LEAGUE CONF HOTEL	101511-6245 Meetings & Conferences	ACH082517	-1,176.52	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SHIPPING CHARGES	101511-6325 Postage	ACH082517	20.85	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	JOB ADVERTISEMENT ON GOVJOBS	101512-6225 Advertising/Promotional	ACH082517	175.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	STAFF TRAINING SUPPLIES	101512-6250 Staff Training	ACH082517	20.18	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	INTERVIEW PANEL MEALS	101512-6301 Special Department Supplies	ACH082517	60.92	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	INTERVIEW PANEL SUPPLIES	101512-6301 Special Department Supplies	ACH082517	55.43	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	INTERVIEW PANEL MEALS	101512-6301 Special Department Supplies	ACH082517	64.80	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	INTERVIEW PANEL MEALS	101512-6301 Special Department Supplies	ACH082517	86.46	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	INTERVIEW PANEL MEALS	101512-6301 Special Department Supplies	ACH082517	99.56	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	INTERVIEW PANEL SUPPLIES	101512-6301 Special Department Supplies	ACH082517	11.24	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	INTERVIEW PANEL SUPPLIES	101512-6301 Special Department Supplies	ACH082517	14.35	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	INTERVIEW PANEL MEALS	101512-6301 Special Department Supplies	ACH082517	48.30	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	OFFICE SUPPLIES	101512-6315	ACH082517	62.85	JULY 17		00009754	08/25/2017

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Ref #	Ref Date
	V008741		Office Supplies					
EP	BANK OF AMERICA V008741	OFFICE SUPPLIES	101512-6315 Office Supplies	ACH082517	221.99 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	OFFICE SUPPLIES	101512-6315 Office Supplies	ACH082517	69.92 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	OFFICE SUPPLIES	101513-6315 Office Supplies	ACH082517	10.33 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	OFFICE SUPPLIES	101513-6315 Office Supplies	ACH082517	77.56 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CHAIR & TABLE FOR LOBBY	101513-6855 Furniture & Fixtures	ACH082517	479.44 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	ITUNES AUTOMATIC RENEWAL	101523-6136 Software Maintenance	ACH082517	6.99 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	JULY TERAMIND MAINT FEE	101523-6136 Software Maintenance	ACH082517	50.00 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	AUTO CAD FOR ENGINEERING	101523-6136 Software Maintenance	ACH082517	185.00 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	LCD MONITOR DESK MOUNT	101523-6301 Special Department Supplies	ACH082517	116.09 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MEDIA PRODUCTION EQUIPMENT	101523-6301 Special Department Supplies	ACH082517	457.20 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	ADAPTER CABLE	101523-6301 Special Department Supplies	ACH082517	42.98 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MEDIA PRODUCTION EQUIPMENT	101523-6301 Special Department Supplies	ACH082517	60.23 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	WEBSITE DOMAIN NAME RENEWAL	101523-6301 Special Department Supplies	ACH082517	593.82 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	APPROVAL STAMP	102531-6315 Office Supplies	ACH082517	103.80 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	DRY ERASER BOARD	102531-6315	ACH082517	103.52 JULY 17		00009754	08/25/2017

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	V008741		Office Supplies						
EP	BANK OF AMERICA V008741	OFFICE SUPPLIES	102532-6315 Office Supplies	ACH082517	156.60	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BUSINESS MEETING LUNCH	103040-6245 Meetings & Conferences	ACH082517	55.41	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD WORKING LUNCH MEALS	103040-6245 Meetings & Conferences	ACH082517	25.83	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD TRAINING MEALS	103040-6245 Meetings & Conferences	ACH082517	87.44	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CREDIT	103040-6250 Staff Training	ACH082517	-99.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD TRAINING REG - KENNICUTT	103040-6250 Staff Training	ACH082517	49.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD TRAINING CAR RENTAL	103040-6250 Staff Training	ACH082517	0.41	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD TRAINING AIRFARE - KENNICUT	103040-6250 Staff Training	ACH082517	173.95	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD TRAINING CAR RENTAL	103040-6250 Staff Training	ACH082517	51.72	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD WORKING LUNCH MEALS	103040-6301 Special Department Supplies	ACH082517	30.78	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	COURT PARKING	103040-6301 Special Department Supplies	ACH082517	6.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD SUPPLIES	103040-6301 Special Department Supplies	ACH082517	265.50	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	DESK KEY	103040-6301 Special Department Supplies	ACH082517	8.08	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD SUPPLIES	103040-6301 Special Department Supplies	ACH082517	30.99	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	PD SUPPLIES	103040-6301	ACH082517	98.57	JULY 17		00009754	08/25/2017

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	V008741		Special Department Supplies						
EP	BANK OF AMERICA V008741	OFFICE SUPPLIES	103040-6315 Office Supplies	ACH082517	47.67	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SHIPPING CHARGES - PSSI PMT	103040-6325 Postage	ACH082517	6.59	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SHIPPING CHARGES - OTS GRANT	103040-6325 Postage	ACH082517	24.55	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD TRAINING HOTEL - GLOE	103041-6250 Staff Training	ACH082517	374.32	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD TRAINING PARKING - GLOE	103041-6250 Staff Training	ACH082517	20.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD TRAINING HOTEL - GLOE	103041-6250 Staff Training	ACH082517	394.32	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD VOLUNTEER MEALS	103041-6301 Special Department Supplies	ACH082517	94.80	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MCV CABLE SERVICES	103041-6301 Special Department Supplies	ACH082517	64.99	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	RECORDS SUPPLIES	103043-6301 Special Department Supplies	ACH082517	99.13	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD SUPPLIES	103043-6301 / 50100-6301 Special Department Supplies	ACH082517	119.77	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD SUPPLIES	103043-6301 / 50100-6301 Special Department Supplies	ACH082517	901.68	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	LABEL MAKER TAPE, USB DRIVES	103043-6301 / 50100-6301 Special Department Supplies	ACH082517	127.09	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CEAOC LUNCHEON - ESTEVEZ	103550-6245 Meetings & Conferences	ACH082517	30.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	APWA MEMBERSHIP	103550-6255 Dues & Memberships	ACH082517	237.50	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	PW MEETING SUPPLIES	103652-6301	ACH082517	109.11	JULY 17		00009754	08/25/2017

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	V008741		Special Department Supplies						
EP	BANK OF AMERICA V008741	PD FACILITY REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	120.68	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	KEYS	103654-6130 Repair & Maint/Facilities	ACH082517	80.17	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FACILITY REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	73.27	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FACILITY REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	4.30	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CITY HALL REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	73.27	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	IMPOUND YARD REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	14.57	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	IMPOUND YARD REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	43.69	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FACILITY REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	151.27	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CITY HALL REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	53.96	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CITY HALL REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	160.55	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BRADFORD PARK LIGHT SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	144.44	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FACILITY REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	68.64	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FACILITY REPAIR SUPPLIES	103654-6130 Repair & Maint/Facilities	ACH082517	55.19	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PLUMBING PARTS	103654-6130 Repair & Maint/Facilities	ACH082517	104.71	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	FACILITY REPAIR SUPPLIES	103654-6130	ACH082517	11.28	JULY 17		00009754	08/25/2017

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	V008741		Repair & Maint/Facilities						
EP	BANK OF AMERICA V008741	JANITORIAL SUPPLIES	103654-6301 Special Department Supplies	ACH082517	40.80	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MAGAZINE HOLDERS FOR LOBBY	103654-6301 Special Department Supplies	ACH082517	523.63	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FACILITY REPAIR SUPPLIES	103654-6301 Special Department Supplies	ACH082517	57.71	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FACILITY REPAIR SUPPLIES	103654-6301 Special Department Supplies	ACH082517	69.85	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	TRASH BAGS, PAINT	103654-6301 Special Department Supplies	ACH082517	173.41	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	TRASH BAGS FOR DOWNTOWN	103655-6301 Special Department Supplies	ACH082517	53.81	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PESTICIDE SEMINAR REG - NAJERA	103655-6301 Special Department Supplies	ACH082517	80.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PW SUPPLIES	103655-6301 Special Department Supplies	ACH082517	52.32	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CONCRETE MIX	103655-6301 Special Department Supplies	ACH082517	12.36	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S EXCURSION MEALS	0044-2057 Cultural Arts	ACH082517	202.57	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PD VEHICLE REPAIRS	103658-6134 Vehicle Repair & Maintenance	ACH082517	180.19	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CD PLAYER	581573-6301 Special Department Supplies	ACH082517	261.14	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	13 SMOG CHECKS	103658-6134 Vehicle Repair & Maintenance	ACH082517	585.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	A/C MACHINE	103658-6301 Special Department Supplies	ACH082517	3,525.99	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	TOOLS FOR A/C MACHINE	103658-6301	ACH082517	154.49	JULY 17		00009754	08/25/2017

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	V008741		Special Department Supplies						
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104070-6301 Special Department Supplies	ACH082517	2.72	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SWIM PROGRAM SUPPLIES	104071-6301 Special Department Supplies	ACH082517	156.93	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	ACCIDENTAL PURCHASE	104071-6301 Special Department Supplies	ACH082517	1.08	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	COMMUNITY WALK SUPPLIES	104071-6301 Special Department Supplies	ACH082517	38.23	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CREDIT - ACCIDENTAL PURCHASE	104071-6301 Special Department Supplies	ACH082517	-1.08	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	PHOTO BACK DROP	104071-6301 Special Department Supplies	ACH082517	296.43	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SWIM STAFF INCENTIVES	104071-6301 Special Department Supplies	ACH082517	86.70	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SWIM STAFF INCENTIVES	104071-6301 Special Department Supplies	ACH082517	54.79	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	REC WORKING LUNCH MEALS	104071-6301 Special Department Supplies	ACH082517	151.25	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	WATER TEST KITS	104071-6301 Special Department Supplies	ACH082517	76.47	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SWIM PROGRAM SUPPLIES	104071-6301 Special Department Supplies	ACH082517	75.44	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MOVIES IN THE PARK SUPPLIES	104071-6301 Special Department Supplies	ACH082517	27.07	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SR CENTER SUPPLIES	104071-6301 Special Department Supplies	ACH082517	172.39	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	DD DANCE SUPPLIES	104071-6301 Special Department Supplies	ACH082517	158.35	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	CONCERT IN THE PARK SUPPLIES	104071-6301	ACH082517	384.70	JULY 17		00009754	08/25/2017

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	V008741		Special Department Supplies						
EP	BANK OF AMERICA V008741	P.A.R.K.S MEETING SUPPLIES	104071-6301 Special Department Supplies	ACH082517	31.80	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SPECIAL EVENT SUPPLIES	104071-6301 Special Department Supplies	ACH082517	27.95	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S MEETING SUPPLIES	104071-6301 Special Department Supplies	ACH082517	27.75	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	DD DANCE SUPPLIES	104071-6301 Special Department Supplies	ACH082517	43.99	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	RIBBON CUTTING SUPPLIES	104071-6301 Special Department Supplies	ACH082517	81.87	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	REC EMPLOYEE OF THE WEEK PRIZE	104071-6301 Special Department Supplies	ACH082517	63.65	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BALLOONS FOR RIBBON CUTTING	104071-6301 Special Department Supplies	ACH082517	19.37	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	RIBBON CUTTING SUPPLIES	104071-6301 Special Department Supplies	ACH082517	76.46	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SWIM PROGRAM SUPPLIES	104071-6301 Special Department Supplies	ACH082517	149.50	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	2.89	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	11.95	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BARK WALK SUPPLIES	104071-6301 Special Department Supplies	ACH082517	51.06	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	8.67	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BARK WALK SUPPLIES	104071-6301 Special Department Supplies	ACH082517	35.54	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	P.A.R.K.S SUPPLIES	104071-6301	ACH082517	2.51	JULY 17		00009754	08/25/2017

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	V008741		Special Department Supplies					
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	2.51 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	100.76 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	49.58 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BARK WALK SUPPLIES	104071-6301 Special Department Supplies	ACH082517	39.60 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	48.62 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	2.51 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	WHITTEN CENTER SUPPLIES	104071-6301 Special Department Supplies	ACH082517	35.47 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	104.72 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	4.03 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	4.94 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BARK WALK SUPPLIES	104071-6301 Special Department Supplies	ACH082517	34.30 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	134.99 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	12.67 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	2.95 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	P.A.R.K.S SUPPLIES	104071-6301	ACH082517	9.58 JULY 17		00009754	08/25/2017

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	V008741		Special Department Supplies					
EP	BANK OF AMERICA V008741	SOUND MIXER & WARRANTY	104071-6301 Special Department Supplies	ACH082517	497.10 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	228.61 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SR CENTER EXCURSION TICKETS	104071-6301 Special Department Supplies	ACH082517	48.00 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	SR CENTER SUPPLIES	104071-6301 / 79278-6301 Special Department Supplies	ACH082517	133.41 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CONCERT IN THE PARK SUPPLIES	104071-6301 / 79386-6301 Special Department Supplies	ACH082517	32.29 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BLU RAY AND CDS	104071-6301 / 79397-6301 Special Department Supplies	ACH082517	154.61 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MOVIES IN THE PARK SUPPLIES	104071-6301 / 79397-6301 Special Department Supplies	ACH082517	39.09 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MOVIES IN THE PARK SUPPLIES	104071-6301 / 79397-6301 Special Department Supplies	ACH082517	118.78 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MOVIES IN THE PARK SUPPLIES	104071-6301 / 79397-6301 Special Department Supplies	ACH082517	17.54 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MOVIES IN THE PARK SUPPLIES	104071-6301 / 79397-6301 Special Department Supplies	ACH082517	51.27 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MOVIES IN THE PARK SUPPLIES	104071-6301 / 79397-6301 Special Department Supplies	ACH082517	18.44 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FIRST AID SUPPLIES	104071-6301 / 79510-6301 Special Department Supplies	ACH082517	442.62 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	P.A.R.K.S SUPPLIES	104071-6301 Special Department Supplies	ACH082517	26.08 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	BARK WALK SUPPLIES	104071-6301 Special Department Supplies	ACH082517	5.22 JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	OFFICE SUPPLIES	104072-6315	ACH082517	197.41 JULY 17		00009754	08/25/2017

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	V008741		Office Supplies						
EP	BANK OF AMERICA V008741	DISPLAY BOARD SUPPLIES	104074-6301 Special Department Supplies	ACH082517	70.08	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	WHITTEN INTERNET SVS	104077-6215 Telephone	ACH082517	79.99	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FACILITY SUPPLIES	109595-6301 Special Department Supplies	ACH082517	26.71	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	FLOWERS	109595-6301 Special Department Supplies	ACH082517	68.88	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MEETING SUPPLIES	109595-6301 Special Department Supplies	ACH082517	96.47	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	MEETING SUPPLIES	109595-6301 Special Department Supplies	ACH082517	42.54	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	EMPLOYEE LUNCHEON MEALS	109595-6999 Other Expenditure	ACH082517	606.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	OFFICE CONSTRUCTION SUPPLIES	109595-6999 Other Expenditure	ACH082517	18.74	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	EMPLOYEE LUNCHEON MEALS	109595-6999 Other Expenditure	ACH082517	600.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	EMPLOYEE LUNCHEON SUPPLIES	109595-6999 Other Expenditure	ACH082517	43.06	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	EMPLOYEE LUNCHEON SUPPLIES	109595-6999 Other Expenditure	ACH082517	62.67	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	EMPLOYEE LUNCHEON SUPPLIES	109595-6999 Other Expenditure	ACH082517	26.93	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	EMPLOYEE LUNCHEON SUPPLIES	109595-6999 Other Expenditure	ACH082517	209.91	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	EMPLOYEE LUNCHEON SUPPLIES	109595-6999 Other Expenditure	ACH082517	31.98	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA	EMPLOYEE LUNCHEON SUPPLIES	109595-6999	ACH082517	18.83	JULY 17		00009754	08/25/2017

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	V008741		Other Expenditure						
EP	BANK OF AMERICA V008741	IT EQUIPMENT	581573-6301 Special Department Supplies	ACH082517	239.00	JULY 17		00009754	08/25/2017
EP	BANK OF AMERICA V008741	CREDIT - IT EQUIPMENT	581573-6301 Special Department Supplies	ACH082517	-278.38	JULY 17		00009754	08/25/2017
Check Total:					28,597.19				
EP	EMPLOYMENT V010052	STATE TAX - SEPT PTO BUYBACK	0010-2135 Calif Income Tax W/H	ACH092117	5,578.40	92117B		00009755	09/21/2017
EP	EMPLOYMENT V010052	STATE TAX - SEPT PTO BUYBACK	0037-2135 Calif Income Tax W/H	ACH092117	9.35	92117B		00009755	09/21/2017
Check Total:					5,587.75				
EP	INTERNAL REVENUE V010054	FED/MED TAX SEPT PTO BUYBACK	0010-2115 Employee Medicare W/H	ACH092117	1,562.53	92117A		00009756	09/21/2017
EP	INTERNAL REVENUE V010054	FED/MED TAX SEPT PTO BUYBACK	0010-2110 Federal Income Tax W/H	ACH092117	21,085.60	92117A		00009756	09/21/2017
EP	INTERNAL REVENUE V010054	FED/MED TAX SEPT PTO BUYBACK	0010-2120 Employer Medicare Payable	ACH092117	1,562.53	92117A		00009756	09/21/2017
EP	INTERNAL REVENUE V010054	FED/MED TAX SEPT PTO BUYBACK	0037-2120 Employer Medicare Payable	ACH092117	2.05	92117A		00009756	09/21/2017
EP	INTERNAL REVENUE V010054	FED/MED TAX SEPT PTO BUYBACK	0037-2110 Federal Income Tax W/H	ACH092117	35.38	92117A		00009756	09/21/2017
EP	INTERNAL REVENUE V010054	FED/MED TAX SEPT PTO BUYBACK	0037-2115 Employee Medicare W/H	ACH092117	2.05	92117A		00009756	09/21/2017
Check Total:					24,250.14				
EP	ACOSTA, JOAQUIN E000017	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009757	10/01/2017
Check Total:					220.00				
EP	ALDWIR, MAMOUN E000113	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,268.72	OCTOBER 17		00009758	10/01/2017

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				Check Total:	1,268.72				
EP	ANDERSON, MARLA E000071	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009759	10/01/2017
				Check Total:	569.00				
EP	ARMSTRONG, JOHN T E000046	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,628.59	OCTOBER 17		00009760	10/01/2017
				Check Total:	1,628.59				
EP	AUDISS, JAY SCOTT E000125	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,654.00	OCTOBER 17		00009761	10/01/2017
				Check Total:	1,654.00				
EP	BABCOCK, CHARLES A E000015	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	313.00	OCTOBER 17		00009762	10/01/2017
				Check Total:	313.00				
EP	BEALS, SHARLENE E000076	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009763	10/01/2017
				Check Total:	220.00				
EP	BERMUDEZ, ALBERT E000124	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	547.98	OCTOBER 17		00009764	10/01/2017
				Check Total:	547.98				
EP	BONESCHANS, DENNIS E000020	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009765	10/01/2017
				Check Total:	220.00				
EP	BUNNELL, DONALD E000062	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009766	10/01/2017
				Check Total:	569.00				
EP	BURGNER, ARTHUR E000074	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009767	10/01/2017
				Check Total:	569.00				
EP	CHANDLER, JOHN P	OCT MEDICAL REIMBURSEMENT	395083-5161	ACH100117	1,266.00	OCTOBER 17		00009768	10/01/2017

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	E000109		Health Insurance Premiums						
				Check Total:	1,266.00				
EP	CHANG, ROBERT E000107	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,729.52	OCTOBER 17		00009769	10/01/2017
				Check Total:	1,729.52				
EP	COBBETT, GEOFFREY E000007	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009770	10/01/2017
				Check Total:	569.00				
EP	COOK, ARLENE M E000018	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009771	10/01/2017
				Check Total:	569.00				
EP	D'AMATO, ROBERT E000056	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009772	10/01/2017
				Check Total:	220.00				
EP	DAVID, PRESTON E000112	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	745.97	OCTOBER 17		00009773	10/01/2017
				Check Total:	745.97				
EP	DAVIS, CAROLYN E000005	NOV MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009774	10/01/2017
				Check Total:	569.00				
EP	DELOS SANTOS, JAMIE E000045	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,300.86	OCTOBER 17		00009775	10/01/2017
				Check Total:	1,300.86				
EP	DICKSON, ROBERTA JO E000011	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009776	10/01/2017
				Check Total:	220.00				
EP	DOWNEY, CAROL E000082	NOV MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009777	10/01/2017

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				Check Total:	569.00				
EP	ECKENRODE, NORMAN E000029	NOV MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009778	10/01/2017
				Check Total:	569.00				
EP	ELSTRO, ANN M E000027	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009779	10/01/2017
				Check Total:	569.00				
EP	ESCOBOSA, LILLIAN E000055	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009780	10/01/2017
				Check Total:	569.00				
EP	ESPINOZA, ROSALINDA E000016	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	586.43	OCTOBER 17		00009781	10/01/2017
				Check Total:	586.43				
EP	FRICKE, JUERGEN E000075	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	750.00	OCTOBER 17		00009782	10/01/2017
				Check Total:	750.00				
EP	FULLER, GLENN H E000081	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	750.00	OCTOBER 17		00009783	10/01/2017
				Check Total:	750.00				
EP	GALLANT, KAREN E000008	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009784	10/01/2017
				Check Total:	569.00				
EP	GARNER, JO ANN E000047	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009785	10/01/2017
				Check Total:	569.00				
EP	GARNER, KITTY E000080	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	870.00	OCTOBER 17		00009786	10/01/2017
				Check Total:	870.00				
EP	GOMEZ, DANIEL	OCT MEDICAL REIMBURSEMENT	395083-5161	ACH100117	569.00	OCTOBER 17		00009787	10/01/2017

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	E000049		Health Insurance Premiums						
				Check Total:	569.00				
EP	GRIMM, DENNIS L E000042	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	536.00	OCTOBER 17		00009788	10/01/2017
				Check Total:	536.00				
EP	HOCH, ELEANOR M E000078	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009789	10/01/2017
				Check Total:	220.00				
EP	HOLTSCRAW, KATHERINE E000121	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	471.54	OCTOBER 17		00009790	10/01/2017
				Check Total:	471.54				
EP	IRVINE, SUZETTE E000019	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009791	10/01/2017
				Check Total:	569.00				
EP	JENKINS, ROBERT E000084	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	579.26	OCTOBER 17		00009792	10/01/2017
				Check Total:	579.26				
EP	JOHNSON, SHARON E000099	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009793	10/01/2017
				Check Total:	569.00				
EP	JONES, ROBERT E000053	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	196.21	OCTOBER 17		00009794	10/01/2017
				Check Total:	196.21				
EP	JUDD, TERRELL E000115	NOV MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,795.00	OCTOBER 17		00009795	10/01/2017
				Check Total:	1,795.00				
EP	KIRKLAND, RICHARD L E000110	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	196.21	OCTOBER 17		00009796	10/01/2017

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				Check Total:	196.21				
EP	LITTLE, DIANE M E000098	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	536.00	OCTOBER 17		00009797	10/01/2017
				Check Total:	536.00				
EP	LOOMIS, CORINNE E000122	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	612.00	OCTOBER 17		00009798	10/01/2017
				Check Total:	612.00				
EP	LOWREY, B J E000041	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	313.00	OCTOBER 17		00009799	10/01/2017
				Check Total:	313.00				
EP	MAERTZWEILER, MICHAEL E000032	NOV MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009800	10/01/2017
				Check Total:	569.00				
EP	MANNING, VEDA M E000063	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009801	10/01/2017
				Check Total:	220.00				
EP	MILANO, JAMES E000054	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009802	10/01/2017
				Check Total:	569.00				
EP	MILLER, RICHARD E000106	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,266.00	OCTOBER 17		00009803	10/01/2017
				Check Total:	1,266.00				
EP	MOORE, LARRY W E000044	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009804	10/01/2017
				Check Total:	220.00				
EP	OLEA, ARLENE J E000014	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,351.00	OCTOBER 17		00009805	10/01/2017
				Check Total:	1,351.00				
EP	ORTEGA, MANUEL E	OCT MEDICAL REIMBURSEMENT	395083-5161	ACH100117	697.00	OCTOBER 17		00009806	10/01/2017

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	E000100		Health Insurance Premiums						
				Check Total:	697.00				
EP	PALMER, GEORGE E000094	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,042.00	OCTOBER 17		00009807	10/01/2017
				Check Total:	1,042.00				
EP	PASCARELLA, RICHARD E000129	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,654.00	OCTOBER 17		00009808	10/01/2017
				Check Total:	1,654.00				
EP	PASCUA, RAYNALD E000114	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,729.52	OCTOBER 17		00009809	10/01/2017
				Check Total:	1,729.52				
EP	PASPALL, MIHAJLO E000085	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	520.42	OCTOBER 17		00009810	10/01/2017
				Check Total:	520.42				
EP	PEREZ, ROBERT E000111	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	196.21	OCTOBER 17		00009811	10/01/2017
				Check Total:	196.21				
EP	PICHON, WALTER E000103	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	261.76	OCTOBER 17		00009812	10/01/2017
				Check Total:	261.76				
EP	PINEDA, MATEO E000127	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	772.02	OCTOBER 17		00009813	10/01/2017
				Check Total:	772.02				
EP	REDIFER, KIM R E000022	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	750.00	OCTOBER 17		00009814	10/01/2017
				Check Total:	750.00				
EP	RENDEN, BRIAN E000083	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	741.92	OCTOBER 17		00009815	10/01/2017

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				Check Total:	741.92				
EP	REYES, ROGER T E000024	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009816	10/01/2017
				Check Total:	569.00				
EP	RICE, RUSSELL J E000059	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,339.00	OCTOBER 17		00009817	10/01/2017
				Check Total:	1,339.00				
EP	RISHER, THOMAS A E000013	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009818	10/01/2017
				Check Total:	569.00				
EP	RIVERA, AIDA E000026	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009819	10/01/2017
				Check Total:	220.00				
EP	ROACH, MICHAEL E000105	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,266.00	OCTOBER 17		00009820	10/01/2017
				Check Total:	1,266.00				
EP	ROBB, SANDRA E000043	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009821	10/01/2017
				Check Total:	569.00				
EP	ROKOSZ, KEN A E000035	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	612.00	OCTOBER 17		00009822	10/01/2017
				Check Total:	612.00				
EP	ROSE, RICHARD D E000050	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	917.00	OCTOBER 17		00009823	10/01/2017
				Check Total:	917.00				
EP	SALE, LEE R E000031	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009824	10/01/2017
				Check Total:	569.00				
EP	SANCHEZ, LAURA	OCT MEDICAL REIMBURSEMENT	395083-5161	ACH100117	220.00	OCTOBER 17		00009825	10/01/2017

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	E000058		Health Insurance Premiums						
				Check Total:	220.00				
EP	SANGOLUISA, ZORA G E000048	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009826	10/01/2017
				Check Total:	220.00				
EP	SCHLIEDER, BEVERLY E000120	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,529.58	OCTOBER 17		00009827	10/01/2017
				Check Total:	1,529.58				
EP	SMITH, WARD E000128	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,748.00	OCTOBER 17		00009828	10/01/2017
				Check Total:	1,748.00				
EP	SOMOYA, JOHN P E000089	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	750.00	OCTOBER 17		00009829	10/01/2017
				Check Total:	750.00				
EP	SOTO, PHILIP J E000052	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009830	10/01/2017
				Check Total:	569.00				
EP	SPRAGUE, GARY A E000064	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,654.00	OCTOBER 17		00009831	10/01/2017
				Check Total:	1,654.00				
EP	STEPHEN, JEFFREY E000119	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,430.80	OCTOBER 17		00009832	10/01/2017
				Check Total:	1,430.80				
EP	TAYLOR, DAVID M E000088	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	536.00	OCTOBER 17		00009833	10/01/2017
				Check Total:	536.00				
EP	TAYLOR, LINDA E000126	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	509.53	OCTOBER 17		00009834	10/01/2017

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				Check Total:	509.53				
EP	THOMANN, DARYLL L E000101	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	579.26	OCTOBER 17		00009835	10/01/2017
				Check Total:	579.26				
EP	TRIFOS, WILLIAM E000104	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,513.00	OCTOBER 17		00009836	10/01/2017
				Check Total:	1,513.00				
EP	VALENTINE, THOMAS E000118	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,266.00	OCTOBER 17		00009837	10/01/2017
				Check Total:	1,266.00				
EP	VERSTYNEN, WILLIAM E000092	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	196.21	OCTOBER 17		00009838	10/01/2017
				Check Total:	196.21				
EP	WAHL, KATHLEEN A E000030	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	220.00	OCTOBER 17		00009839	10/01/2017
				Check Total:	220.00				
EP	WIEST, STEPHEN E000079	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	569.00	OCTOBER 17		00009840	10/01/2017
				Check Total:	569.00				
EP	WORDEN, LARRY M E000116	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	547.98	OCTOBER 17		00009841	10/01/2017
				Check Total:	547.98				
EP	YAMAGUCHI, BRIAN E000123	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	1,266.00	OCTOBER 17		00009842	10/01/2017
				Check Total:	1,266.00				
EP	ZAMORA, JERRY E000037	OCT MEDICAL REIMBURSEMENT	395083-5161 Health Insurance Premiums	ACH100117	750.00	OCTOBER 17		00009843	10/01/2017
				Check Total:	750.00				
EP	ZINN, JOHN	OCT MEDICAL REIMBURSEMENT	395083-5161	ACH100117	1,019.78	OCTOBER 17		00009844	10/01/2017

**City of Placentia
Electronic Disbursement Register
For 09/28/2017**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
	E000009		Health Insurance Premiums						
				Check Total:	1,019.78				
EP	ICMA RETIREMENT TRUST V000496	P/E 9/23/17 PD DATE 9/29/17	0010-2170 Deferred Comp Payable - ICMA	PY17920	12,295.54	2995/1701020		00009845	09/29/2017
EP	ICMA RETIREMENT TRUST V000496	P/E 9/23/17 PD DATE 9/29/17	0054-2170 Deferred Comp Payable - ICMA	PY17920	74.40	2995/1701020		00009845	09/29/2017
EP	ICMA RETIREMENT TRUST V000496	P/E 9/23/17 PD DATE 9/29/17	0029-2170 Deferred Comp Payable - ICMA	PY17920	111.25	2995/1701020		00009845	09/29/2017
EP	ICMA RETIREMENT TRUST V000496	P/E 9/23/17 PD DATE 9/29/17	0037-2170 Deferred Comp Payable - ICMA	PY17920	65.25	2995/1701020		00009845	09/29/2017
EP	ICMA RETIREMENT TRUST V000496	P/E 9/23/17 PD DATE 9/29/17	0048-2170 Deferred Comp Payable - ICMA	PY17920	560.40	2995/1701020		00009845	09/29/2017
				Check Total:	13,106.84				
				Type Total:	297,726.96				
				Check Total:	297,726.96				



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF PUBLIC WORKS

DATE: OCTOBER 3, 2017

SUBJECT: **PROFESSIONAL SERVICES AGREEMENT AND REFUSE FUND BUDGET AMENDMENT FOR SOLID WASTE CONTRACT AUDITING SERVICES WITH MSW CONSULTANTS**

FISCAL IMPACT: EXPENSE: \$22,420
REVENUE: \$22,420 REFUSE ADMINISTRATION FUND. REFUSE HAULER MAY REIMBURSE CITY FOR COST, DEPENDING ON AUDIT RESULTS.

No General Fund dollars will be used on this project.

SUMMARY:

The City contracts with Republic Services, Inc. (Republic) to provide solid waste and recycling services to residential and commercial customers through a Solid Waste Franchise Agreement approved by the City on July 20, 2010. Per the agreement, the City has the right to perform a performance audit of Republic once every five (5) years. The City has not audited Republic since the inception of this Franchise Agreement. It is the intent of the City to contract for a one-time performance audit of Republic's commercial and residential services.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve a Professional Services Agreement with MSW Consultants to perform a performance audit of the City's Solid Waste Franchise Agreement for an amount not-to-exceed \$22,420; and
2. Authorize the City Administrator and/or his designee to execute all necessary documents, in a form approved by the City Attorney; and
3. Approve Resolution No. R-2017-XX, A Resolution of the City Council of the City of Placentia, California authorizing a Budget Amendment in Fiscal Year 2017-18 in compliance with City Charter of the City of Placentia §§ 1206 and 1209 pertaining to appropriations for actual expenditures.

1.c.
October 3, 2017

DISCUSSION:

The City's Recycling Committee (Committee) met with Staff and representatives from Republic Services (Republic) on May 9, 2017, to discuss the proposed schedule of refuse rates for Fiscal Year 2017-18 and reviewed the current franchise agreement. During this meeting, the termination of the evergreen period in the agreement and performance audit of Republic was discussed. The Committee recommended to the City Council that Staff proceed with issuing a Notice of Termination to Republic, and solicit a proposal to conduct a performance audit of Republic. On July 18, 2017, the City Council approved a Notice of Termination of the evergreen period and established an agreement termination date of November 19, 2037. Staff is now recommending the City Council approve a Professional Services Agreement for auditing services, and amend the Fiscal Year (FY) 2017-18 Operating Budget to allocate funds for this purpose. The proposed agreement and budget amendment allows the City to exercise its right to conduct a discretionary audit of Republic's performance under Section 28.21.1 of the Agreement. The section provides as follows:

Section 28.21.1 Audit Examinations

From time to time, anticipated to be at least once every five (5) years, City may request Contactors to make available any or all of its records related to performance hereunder available to an independent auditor or examiner, to be selected by the City, for auditing and examination purposes (a "Discretionary Audit"). City shall bear the cost of any Discretionary Audit except as otherwise provided herein. Should any Discretionary Audit reveal an underpayment of any Franchise Fee required pursuant to this Agreement, the amount of such underpayment shall become due and payable to the City not later than fifteen (15) days after written notice of such underpayment is sent to Contractor by City, complete with any additional late charges as set forth herein. If a Discretionary Audit reveals inaccuracies or inconsistencies in more than five percent (5%) of all Customer accounts, either with the Contractor's operations or billing systems, or an underpayment of Franchise Fees of more than five percent (5%), Contractor shall bear the entire cost of such Discretionary Audit.

Audit Consultant

MSW Consultants (MSW) provides solid waste consulting services exclusively to government agencies in the areas of finance, economics and public policy. The firm's senior professional staff have over 100 years of combined experience providing a wide range of solid waste and recycling expertise to local governments and authorities across the Country. MSW has performed solid waste agreement negotiations, contract procurements, fee audits and rate studies for numerous cities in California including the cities of Anaheim, Brea, La Habra and Orange. Staff solicited proposals from refuse auditing consultants and MSW was the lowest responsible bid to perform a performance audit of Republic on the City's behalf. Per the proposal, MSW's scope of work will include the following:

- Review customer complaints, resolutions and documentation and verify compliance per provisions of the Agreement.

- Verify that the fleet of vehicles Republic operates in the City meets the requirements of the agreement and complies with the rules and regulations of the Southern California Air Quality Management District.
- Review the waste hauler's safety metrics and compare them to industry averages.
- Review Republic's insurance policies and verify that the policies meet the requirements of the Agreement.
- Review Republic's billing history and confirm that Republic has accurately billed its customers.
- Confirm proper payment of franchise fees to the City including administrative fees and annual contribution to community programs.
- Review Republic's driver routes sheets and confirm they are using dedicated routes per the agreement.
- Review Republic's quarterly and annual reports and verify them for accuracy.
- Meeting with City Staff to discuss preliminary findings and report on outstanding issues.
- Prepare and present a final report of the findings to the City Council.

ALTERNATIVE OPTIONS:

Option 1: The City Council may elect to defer a performance audit of the Solid Waste Franchise Agreement. It is important to note that the City has not conducted an audit of its waste hauler since FY 2009-10. That audit resulted in the City recovering significant sums of money not paid by its refuse hauler at the time.

Option 2: The City Council may provide direction to Staff to bring back the next lowest bid for refuse auditing services at a future Council meeting.

FISCAL IMPACT:

Although this agreement is within the City Administrator's administrative approval limit, there is a corresponding proposed budget amendment to pay for the auditing services, which requires City Council approval. As such, it is appropriate to present the agreement to the City Council for its consideration at the same time it considers the proposed budget amendment. The agreement is for a not-to-exceed amount of \$22,420 with a term of 12-months. Since this cost was not included in the annual budget, Resolution No. R-2017-XX amending the FY 2017-18 Operating Budget is presented for the City Council's consideration to allocate unencumbered Refuse Administration Funds towards the cost of these services. No General Fund dollars will be utilized for these auditing services.

Prepared by:


Elsa Villagrana
Management Analyst

Reviewed and approved:


Luis Estevez
Director of Public Works

Reviewed and approved:

Reviewed and approved:


for Shally Lin
Interim Finance Director


for Damien R. Arrula
City Administrator

Attachments:

1. Professional Services Agreement with MSW Consultants
2. Resolution No. R-2017-XX Budget Amendment

**CITY OF PLACENTIA
PROFESSIONAL SERVICES AGREEMENT
WITH MSW CONSULTANTS**

THIS AGREEMENT is made and entered into this 3rd day of October , 2017 ("Effective Date"), by and between the CITY OF PLACENTIA, a municipal corporation ("City"), and MSW CONSULTANTS, a California corporation ("Consultant").

WITNESSETH:

A. WHEREAS, City proposes to utilize the services of Consultant as an independent contractor to provide a performance audit of Republic Services, Inc., as more fully described herein; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit "A" (the "Project") and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of City has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in the Scope of Services, attached hereto as Exhibit "A," and incorporated herein by this reference.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant's performance of this Agreement. Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. Officers and employees shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this section.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work will be done by the City Administrator or his or her designee. If the quality of work is not

satisfactory, City in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, a notice setting forth provisions of this non-discrimination clause.

Consultant shall, in all solicitations and advertisements for employees placed by, or on behalf of Consultant shall state that all qualified applicants will receive consideration for employment without regard to age, race, color, religion, sex, marital status, national origin, or mental or physical disability. Consultant shall cause the paragraphs contained in this Section to be inserted in all subcontracts for any work covered by the Agreement, provided that the foregoing provisions shall not apply to subcontracts for standard commercial supplies or raw materials.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have

access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

2.0. COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "A," attached hereto and made a part of this Agreement (the "Fee Schedule"). Consultant's total compensation shall not exceed Twenty Two Thousand Four Hundred and Twenty Dollars (\$22,420.00).

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal or which is inconsistent with or in violation of the provisions of this Agreement unless the City or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable. Should the City request in writing additional services that increase the hereinabove described "SCOPE OF SERVICES", an additional fee based upon the Consultant's standard hourly rates shall be paid to the Consultant for such additional services. Such increase in additional fees shall be limited to 25% of the total contract sum or \$25,000 whichever is more. The City Engineer is authorized to approve a Change Order for such additional services.

2.3. Method of Billing. Consultant may submit invoices to the City for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within forty-five (45) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party. If a delay beyond the control of the Consultant is encountered, a time

extension may be mutually agreed upon in writing by the City and the Consultant. The Consultant shall present documentation satisfactory to the City to substantiate any request for a time extension.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of twelve months, ending on October 3, 2018, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing at least fifteen (15) days prior written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City. If the City suspends, terminates or abandons a portion of this Agreement such suspension, termination or abandonment shall not make void or invalidate the remainder of this Agreement.

If the Consultant defaults in the performance of any of the terms or conditions of this Agreement, it shall have ten (10) days after service upon it of written notice of such default in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

The City shall have the right, notwithstanding any other provisions of this Agreement, to terminate this Agreement, at its option and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement, immediately upon service of written notice of termination on the Consultant, if the latter should:

- a. Be adjudged a bankrupt;
- b. Become insolvent or have a receiver of its assets or property appointed because of insolvency;
- c. Make a general assignment for the benefit of creditors;
- d. Default in the performance of any obligation or payment of any indebtedness under this Agreement;
- e. Suffer any judgment against it to remain unsatisfied or unbonded of record for thirty (30) days or longer; or
- f. Institute or suffer to be instituted any procedures for reorganization or rearrangement of its affairs.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination within thirty-five (35) days after service of the

notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the City or in the possession of the Consultant. City shall not be liable for any claim of lost profits.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City. Any use of uncompleted documents without specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Broad-form commercial general liability, in a form at least as broad as ISO form #CG 00 01 11 88, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California and Employers Liability Insurance with a minimum limit of \$1,000,000 per accident. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers for losses arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

Before execution of this Agreement by the City, the Consultant shall file with the Public Works Director/City Engineer the following signed certification:

I am aware of, and will comply with, Section 3700 of the Labor Code, requiring every employer to be insured against liability of Workers' Compensation or to undertake self-insurance before commencing any of the work.

The Consultant shall also comply with Section 3800 of the Labor Code by securing, paying for and maintaining in full force and effect for the duration of this Agreement, complete Workers' Compensation Insurance, and shall furnish a Certificate of Insurance to the Public Works Director/City Engineer before execution of this Agreement by the City. The City, its officers and employees shall not be responsible for any claims in law or equity occasioned by failure of the consultant to comply with this section.

- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

Neither the CITY nor any of its elected or appointed officials, officers, agents, employees, or volunteers makes any representation that the types of insurance and the limits specified to be carried by Consultant under this Agreement are adequate to protect Consultant. If Consultant believes that any such insurance coverage is insufficient, Consultant shall provide, at its own expense, such additional insurance as Consultant deems adequate.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Placentia and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."
- (b) Notice: "Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Consultant shall forthwith obtain and submit proof of substitute insurance. Should Consultant fail to immediately procure other insurance, as specified, to substitute for any canceled policy, the City may procure such insurance at Consultant's sole cost and expense."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Placentia, its officers, officials, agents,

employees, and volunteers. Any other insurance maintained by the City of Placentia shall be excess and not contributing with the insurance provided by this policy."

- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Placentia, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

5.5. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The City Administrator or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement. It shall be the Consultant's responsibility to assure that the Project Manager is kept informed of the progress of the performance of the services and the Consultant shall refer any decision, which must be made by City, to the Project Manager. Unless otherwise specified herein, any approval of City required hereunder shall

mean the approval of the Project Manager.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement and who shall not be changed by Consultant without the express written approval by the City. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or if mailed, shall be addressed as set forth below and placed in a sealed envelope, postage prepaid, and deposited in the United States Postal Service. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 72 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

MSW Consultants
27993 Ynez Road, Suite 259
Temecula, CA 92591
Tel: (951) 694-4001

Attn: David Davis

IF TO CITY:

City of Placentia
401 E. Chapman
Placentia, CA 92870
Tel: (714) 993-8189

Attn: Elsa Villagrana

6.5. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.6. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California. Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

6.7. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.8. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the City, its elected and appointed officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, demands, actions, suits or other legal proceedings arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of Consultant brought against the City, its

elected and appointed officials, officers, agents and employees arising out of the performance of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence, recklessness, or willful misconduct by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, recklessness, or willful misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected and appointed officials, officers, agents and employees based upon the negligence, recklessness, or willful misconduct of the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.9. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its or employees are in any manner agents or employees of City. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this paragraph.

6.10. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.11. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.12. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City. Consultant or Consultant's agents shall execute such documents as may be necessary from time to time to confirm City's ownership of the copyright in such documents.

6.13. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Consultant informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.14. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.15. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard

to the correction.

6.16. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.17. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.18. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.19. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.20. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.21. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.22. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.23. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.24. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith

negotiations.

6.25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.26. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF PLACENTIA,
A municipal corporation

Damien R. Arrula
City Administrator

Date: _____

ATTEST:

Patrick J. Melia
City Clerk and ex-officio Clerk
of the City of Placentia

CONSULTANT

Signature

Date: _____

Name and Title

Social Security or Taxpayer ID Number

APPROVED AS TO FORM:

Date: _____

Christian
City Attorney

APPROVED AS TO INSURANCE:

Steve D. Pischel
Risk Management

Date: _____

APPROVED AS TO CONTENT:

Elsa Villagrana
Management Analyst

Date: _____

DEPARTMENTAL APPROVAL

Luis Estevez, Director of Public Works

Date: _____

EXHIBIT A
SCOPE OF SERVICES



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- Remit to the City a Franchise Fee of fifteen percent (15%), and an Administrative Fee of five percent (5%).
- Contribute fifteen thousand dollars (\$15,000.00) each year to the City for use in community programs.
- Share one half (1/2) of net revenues from the sale of recyclable materials with residential customers.
- Undertake certain education and public awareness activities to promote the reduction, reuse, and recycling in the City.
- Cooperate with the City in any review of its performance or audit of its records.
- Submit periodic reports to the City.
- Indemnify the City against any fines or penalties that may be imposed by CalRecycle for not meeting the requirements of AB 939.

The City has requested proposals from qualified firms to conduct an audit of Placentia Disposal's performance for the most recent two years.

Objectives

The objectives of this engagement are to:

- Confirm whether Placentia Disposal has complied with key provisions of the Agreement.
- Confirm that Placentia Disposal has accurately billed its customers.
- Confirm that Placentia Disposal has properly paid its fees to the City.
- Confirm that Placentia Disposal has accurately calculated residential customers' share of recyclable material sales.

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- Confirm that Placentia Disposal has accurately reported the amount of refuse, recyclable and organics tons collected in the City, and confirm the actual level of diversion achieved by the City.

Scope of Work

To accomplish the City's objectives, we propose to perform the following tasks:

Task 1 – Initiate Project

We will conduct an initial meeting with City staff and representatives from Placentia Disposal. At this meeting, we will review the project scope, and discuss any key issues. We will provide Placentia Disposal with a list of information we will need to conduct our audit. We will also confirm the project schedule.

Task 2 – Confirm Compliance with Key Provisions of the Agreement

We will confirm Placentia Disposal's compliance with key provisions of the Agreement including customer service, vehicle operations, safety, insurance, and customer outreach.

Task 2.1 - Customer Service - Review Complaints, Resolutions and Documentation

Section 10.8.3 of the Agreement requires Placentia Disposal to record all customer complaints. We will review a representative sample of complaints from Placentia Disposal's complaint logs. The review will include the nature of the complaint, frequency of and type of complaint, timing of resolution, and customer satisfaction with resolution method. We will compare the incident rate of complaints to other waste collection companies with which we are familiar. We will obtain explanations from Placentia Disposal for any unusual levels or trends in customer complaints.



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Task 2.2 – Vehicle Operations – Vehicles Meet Minimum Contract Standards

Section 9.2 of the Agreement requires that Placentia Disposal's vehicles comply with the rules and regulations of the Southern California Air Quality Management District. Additionally, Section 9.3 of the Agreement requires that Placentia Disposal's vehicles meet certain minimum standards (clean, well-painted, properly marked, etc.). In particular, Section 9.3(N) requires that Placentia Disposal not load its vehicles in excess of the legal limit.

We will inspect the fleet of trucks that Placentia Disposal uses in the City. We will note the quantity, body type, fuel type, year, and condition of each vehicle used in the City. We will interview Placentia Disposal's maintenance staff and perform limited detail testing of the company's maintenance records. We will verify that the fleet meets the requirements of the Agreement.

We will obtain from Placentia Disposal downloads of all landfill and processing facility transactions. We will sort these by total weight and compare the total weight to each vehicle's Gross Vehicle Weight Rating (GVWR). We will prepare a list of any vehicle loads operated over the legal weight limit during the scope of the audit.

State law requires all fleet operators to undergo a Biennial Inspection of Terminals (BIT inspection) every two years. We will review Placentia Disposal's BIT inspection reports to confirm that the company has obtained a 'Satisfactory' rating. Further, we will review the CHP inspector's comments, and obtain explanations for any significant comments.

Task 2.3 – Safety Metrics and Insurance

Section 8.1.2 of the Agreement requires that Placentia Disposal conduct its operations in a safe and workmanlike manner.

We will obtain safety metrics from Placentia Disposal and compare those to industry



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averages. For example, we will obtain Placentia Disposal's Workers Comp Experience Modification Factor, its Total Recordable Incident Rate (TRIR), and its Vehicle Accident Recordable Rate (VARR). We will compare these to industry averages. We will obtain explanations for any significant variances or unusual trends.

Task 2.4 – Insurance

Section 15 of the Agreement requires the company to certain types of insurance and levels of coverage. We will obtain copies of Placentia Disposal's insurance certificates, and verify that the company's insurance policies meet the requirements of the Agreement.

Task 2.5 - Public Outreach and Education Effort

Section 10.9 requires Placentia Disposal to conduct education and public awareness activities in an effort to achieve the requirements of AB 939. We will review copies of educational and outreach materials that Placentia Disposal has developed and distributed to customers. We will evaluate them for timeliness, completeness of information, aesthetics, and ease of understanding. We will identify any areas in which Placentia Disposal is not meeting the requirements of the Agreement.

Task 3 – Confirm Accurate Billing of Customers

Task 3.1 – Billing Accuracy

Section 24 of the Agreement allows Placentia Disposal to bill its customers up to the maximum rates set forth in Exhibit A of the Agreement, which have been adjusted annually since the start of the Agreement.

We will confirm that Placentia Disposal has billed only up to the maximum rates allowed in the Agreement. We will obtain a download of the company's entire list of commercial customers with recurring charges. This list will include each customer's name, service



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address, number and sizes of containers, and type of service. We will sort and analyze this information. We will also review a representative sample of historical billing information for these customers. We will also obtain a download of historical rolloff transactions and confirm that Placentia Disposal has accurately billed its rolloff customers. We will identify any inconsistencies in the data, and obtain explanations for any billing irregularities from Placentia Disposal.

Task 3.2 - Billing Accuracy – Recyclable Revenue Sharing

Section 11.4 of the Agreement requires Placentia Disposal to share one half (1/2) of net revenues from the sale of recyclable materials with single family residential customers. The initial amount shared with each single family customer was one dollar and thirty eight cents (\$1.38) per month. The Agreement requires that the initial amount be adjusted annually based on a certified statement submitted by Placentia Disposal. If single family customers are entitled to a greater share of recycling revenues, Placentia Disposal is required to remit an additional amount to the City. If Placentia Disposal is entitled to a greater share or recycling revenues, the company may request an extraordinary rate adjustment.

We will review the certified statements submitted by Placentia Disposal for 2015 and 2016. We will vouch the amounts in the statement to the company's accounting records, and evaluate them for reasonableness. We will obtain explanations for any exceptions. If necessary, we will calculate a revised amount of the share of recycling revenues due to single family customers.

Task 3.3 - Billing Accuracy – Field Testing of Commercial Customers

We will obtain commercial driver route sheets. We will select a statistically representative sample of commercial customer locations. We will physically visit each selected location and compare the actual size and number of bins to those shown in Placentia Disposal's billing system. We will photograph the bin at each service location, and obtain an explanation for any exceptions.



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Task 4 – Confirm Proper Payment of Fees to the City

Task 4.1 – Accuracy of Franchise Fees and Administrative Fees Paid to the City

Section 11.1 of the Agreement requires that Placentia Disposal pay the City a Franchise Fee of fifteen percent (15%) and an Administrative Fee of five percent (5%). These fees are based on the percentage of gross receipts from Placentia Disposal's customers in the City (including gross receipts from residential customers collected on the property tax rolls).

We will obtain from the City copies of documents that accompanied the hauler's franchise fee payments and administrative fee payments for the period from January 2015 through December 2016. This documentation will include an accounting of the company's gross revenues collected. We will tabulate Placentia Disposal's gross revenue, franchise fees, and administrative fees. We will verify the mathematical accuracy of the company's calculations. We will visit Placentia Disposal's offices in Anaheim and compare the reported gross revenues to supporting cash receipt reports from the company's internal accounting system.

We will evaluate the company's method for segregating payments from customers in the City of Placentia from those in other jurisdictions. We will perform two false exclusion tests:

- 1) We will select a sample of customers located in the unincorporated areas from the company's billing system. Trace their payments to the cash receipts reports that support the company's gross revenues.
- 2) From an external source (Google maps, etc.), select a sample of residential and commercial customers. Ensure that those customers are included in the amounts on which the Franchise Fees and Administrative Fees are based.

We will note any discrepancies and discuss them with Placentia Disposal.



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Task 4.2 – Annual Contribution to Community Programs

Section 11.3 of the Agreement requires Placentia Disposal to make an annual payment of fifteen thousand dollars (\$15,000.00) to the City for use in community programs. We will confirm that the company made these payments for 2015 and 2106.

Task 5 – Confirm Accurate Reporting Tons Collected

Task 5.1 – Confirm Accurate Tons - Dedicated Routes

Section 8.1.6 of the Agreement requires Placentia Disposal to collect waste and recyclables in the City using dedicated routes. To confirm that Placentia Disposal has operated dedicated routes in the City, we will review all the company's driver routes sheets to ensure that none of the company's routes cross into other nearby jurisdictions.

Task 5.2 – Confirm Accurate Tons - Quarterly and Annual Reports

Section 23 of the Agreement requires Placentia Disposal to submit to the City monthly, quarterly and annual reports on the quantities and types of materials collected in the City.

We will review Placentia Disposal's quarterly and annual reports, and verify them for accuracy. We will accomplish this by performing detailed testing of Placentia Disposal's tonnage tracking system. We will also calculate standard industry ratios (lbs. per home, lbs. per cubic yard, etc.), and compare them to industry averages. We will also corroborate the tonnage amounts by comparing them to reports we independently obtain from landfill and processing facilities. We will obtain explanations for any exceptions from Placentia Disposal. If necessary, we will revise the amount of tons reported to the City. Based on our review, we will confirm the actual amount of waste diversion achieved by Placentia Disposal.



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Mr. Davis is an active contributor in the solid waste industry, and has served on the Board of Directors of the Southern California Waste Management Forum (SCWMF) since 1999. Mr. Davis graduated from Cal State Fullerton with a B. A. in Finance. He is the founder and president of MSW Consultants. He is located in Temecula, California.

Craig D. Stroud, CPA - Senior Auditor

Craig Stroud is a Certified Public Accountant (CPA) and operational analyst with over 16 years of experience revamping the operations of companies. He is familiar with corporate internal controls and accounting flow to performing in-depth analysis and modeling extensive what-if scenarios. He has served in managerial, operational, analysis and marketing roles within the professional services, Department of Defense, healthcare and e-commerce industries.

As a revenue analyst with Science Applications International Corporation (SAIC) Mr. Stroud was responsible for executing extensive data queries and financial models to maximize program staffing revenue. He has built multiple departments within companies, from conception to operational profitability.

Mr. Stroud is a veteran of the U.S. Air Force. He graduated from California Polytechnic State University, San Luis Obispo with a BS in Business Management, with a focus on Accounting. He earned his CPA while employed as an auditor with the national CPA firm Ernst & Young.

Proposed Fees

We propose to perform these tasks for both the company's residential and commercial operations for a not-to-exceed fee of \$22,420. We have based our proposed fee on the hours and billing rates of each of our staff members shown in Table 1 on the following page.

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Table 1 – Proposed Not-to-Exceed Fee for Both Residential and Commercial

Task	Description	Davis	Stroud	Total Hours
1	Initiate project	8	8	16
2	Confirm Compliance with Key Terms of Agreement	8	16	24
3	Confirm Accurate Billing of Customers	8	12	20
4	Confirm Proper Payment of Fees to City	8	12	20
5	Confirm Accurate Reporting of Tons Collected	8	16	24
6	Conduct Closing Conference	4	4	8
7	Prepare Draft and Final Report	8	8	16
	Total Hours	52	76	128
	Hourly Rate	\$190	\$165	
	Proposed Not-to-Exceed Fees	\$9,880	\$12,540	\$22,420

If the City requests that we conduct our audit on only the company's commercial operations, we will perform that audit for a not-to-exceed amount of \$19,900.

We will only bill for the hours we work. If the City requests that we perform additional work outside the scope of work, we will do so at the same hourly rates. We will obtain the City's written approval prior to performing any additional work outside the scope of service described above. We will invoice the City monthly. Our invoices will describe the work performed by each staff member with the hours worked each day extended by the hourly billing rate. Payments will be due in 30 days.

* * *

We appreciate the opportunity to offer our services to the City. If you have any questions, please call me at (951) 704-9776.

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Sincerely,

**David L. Davis, CMA
President**

Attachment – Summary of Qualifications

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SOLID WASTE CONSULTANTS
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Summary of Qualifications

1. Firm Overview
2. Client References
 - City of Anaheim
 - City of Azusa
 - City of Bloomington, IL
 - City of Brea
 - City of Burbank
 - City of Carpinteria
 - City of Chula Vista
 - City of Goleta
 - City of Hawthorne
 - City of Hermosa Beach
 - City of Imperial Beach
 - City of La Cañada Flintridge
 - City of La Habra
 - City of La Habra Heights
 - City of Lompoc
 - Cal State Long Beach
 - County of Los Angeles
 - City of Monrovia
 - County of Monterey
 - City of Ontario
 - City of Orange
 - City of Palm Springs
 - City of Rancho Palos Verdes
 - City of Rolling Hills
 - City of San Buenaventura
 - City of San Fernando
 - City of Santa Barbara
 - City of Santa Cruz
 - City of Santa Paula
 - City of South Gate
 - City of Vernon
3. Letters of Recommendation
4. Code of Conduct



**SOLID WASTE CONSULTANTS
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Firm Overview

MSW Consultants provides solid waste consulting services exclusively to government agencies in the areas of finance, economics, and public policy. Our mission is to work with municipal managers to maximize the value of the solid waste services that are delivered to their ratepayers.

We perform the following services:

- Contract negotiation and procurement assistance
- Rates studies for collection, processing, transfer and disposal service
- Economic analysis and feasibility studies for capital projects
- Program planning and design
- Reviews of contractor's requests for rate increases
- Franchise fee audits
- Performance reviews
- Route audits and routing efficiency studies
- Design and implementation of waste diversion programs

Firm History

MSW Consultants was founded in 2000 by David L. Davis, CMA. In his over 25 years in the solid waste industry, Mr. Davis has provided a broad range of solid waste consulting service to local jurisdictions in the areas of rate setting, service procurement, regulatory compliance, waste diversion, facility feasibility analysis, and operational assessment.

Firm Personnel

David L. Davis, CMA - President

David Davis is a cost accountant and an expert in solid waste macro- and micro-economics. Mr. Davis has held executive management positions in both local government, and in the private sector. Mr. Davis has served as the chief financial officer for hauling and landfill divisions of a national waste management company, and provided solid waste consulting service to over 50 local government agencies. Mr. Davis is an active contributor in the solid waste industry, and has served on the Board of Directors of the Southern California Waste Management Forum (SCWWMF) since 1999. Mr. Davis graduated from Cal State Fullerton with a B. A. in Finance, and is a Certified Management Accountant (CMA). He is the principal of MSW Consultants, and is located in Temecula, California.

Craig D. Stroud, CPA - Senior Auditor

Craig Stroud is a Certified Public Accountant (CPA) and operational analyst with over 16 years of experience revamping the operations of companies. He is familiar with corporate internal controls and accounting flow to performing in-depth analysis and modeling extensive what-if scenarios. He has served in managerial, operational, analysis and marketing roles within the professional services, Department of Defense, healthcare and e-commerce industries.

As a revenue analyst with Science Applications International Corporation (SAIC) Mr. Stroud was responsible for executing extensive data queries and financial models to maximize program staffing revenue. He has built multiple departments within companies, from conception to operational profitability.

Mr. Stroud is a veteran of the U.S. Air Force. He graduated from California Polytechnic State University, San Luis Obispo with a BS in Business Management, with a focus on Accounting. He earned his CPA while employed as an auditor with the national CPA firm Ernst & Young.

Client: City of Anaheim, California
Orange County City Managers Association (OCCMA)

Project: Negotiation Assistance for Long Term Disposal Agreement

Project Description: In 2010 and 2015, we assisted the OCCMA, which represents all the incorporated cities in Orange County, in negotiating a long term waste disposal agreement with the County of Orange. The County owns and operates the three landfills used by the Cities. In 2010, the OCCMA and the County negotiated a new long term Waste Disposal Agreement with a value of over \$1 billion. MSW Consultants served as lead analyst. Work included reviewing the County's extensive landfill tip fee model, and evaluating the reasonableness of the County's projected tons, revenues, operating expenses, and capital expenditures. We also identified and quantified key deal points, and recommended negotiating strategies. In 2015, we again assisted the OCCMA in re-negotiating the Waste Disposal Agreement.

Results: In 2010, our analysis led to the cities in Orange County saving approximately \$250 million in tipping fees over the ten year term of the waste disposal agreement. In 2015, we assisted the OCCMA in obtaining approximately \$30 million in revenue sharing for the cities in Orange County.

Contacts: Mr. Tim O'Donnell / City of Brea – City Manager / 714.990.7710
Ms. Lisa Kim / City of Orange – Economic Development Manager / 714.744.2207
Mr. Dan DeBassio / City of Anaheim - Public Works Ops. Manager / 714.765.6860
Ms. Ayumi Takayasu/City of Anaheim - Sanitation Mgr. / 714.765.6860

Client: City of Azusa, California

Projects: Material Recovery Facility - Tonnage Review
Analysis of Incremental Cost of Using More Distant Landfill

Project Descriptions: In 2003, we tested and analyzed the amount of solid waste tons delivered to a material recovery facility (MRF) operated by the City's exclusive solid waste service provider, Athens Services. The company's compensation was based on the amount of tons it reported as collected in the City and delivered to its material recovery facility.

In 2014, we analyzed the incremental cost borne by Athens of using a more distant landfill due to the closure of the Puente Hills Landfill.

Results: We found that the tons reported to the City by the MRF operator (Athens) were reasonable. We reported our findings of Athens' incremental cost to the City.

Contact: Mr. Cary Kalscheuer / Assistant to the Director of Public Utilities / 626.812.517

Client: City of Bloomington, Illinois

Project: Solid Waste Rate Study

Project Description: In 2014, we prepared a rate model to mirror the financial performance of the City's solid waste enterprise fund. We designed new variable rates for single family customers, and projected future cash balances based on three rate adjustment scenarios. We prepared a report of our findings and recommendations.

Results: The City implemented a new variable rate structure for single family customers.

Contacts: Mr. Tom Beckley / Manager - Raftelis Financial Consultants / 816.285.9024

Client: City of Brea, California

Project: Stormwater Rate Study

Project Description: In 2005, we assisted the City in designing new customer rates to provide funding for the City's stormwater management program. Work involved developing various approaches to allocating the City's stormwater management costs among the residential, commercial, industrial and agricultural sectors. We developed a spreadsheet model that emulated the various impacts on each of the City's 30,000 utility ratepayers.

Results: City implemented new stormwater fees which generated approximately \$325,000 in annual revenue.

Contacts: Mr. Charles View / Public Works Director / 714.990.7690
Mr. Bill Gallardo / Administrative Services Director / 714.990.7600

Client: City of Burbank, California

Project: Recyclable Processing Agreement Negotiation Assistance
Hauler Fee Audits

Project Description: In 2009, we assisted the City in re-negotiating its recyclable processing agreement with Burbank Recycling, Inc. (BRI). The City owns a recyclable processing center to which it delivers the recyclable materials it collects through its curbside and commercial collection routes. The City contracts with BRI to operate and maintain the facility. Our work included gathering information about similar recyclable processing arrangements, developing a negotiation strategy, drafting an updated operating agreement, and assisting in contract discussions. In 2011, we assisted the City in negotiating an assignment of the BRI operating agreement to Burrtec Waste Industries, Inc. In 2013, MSW Consultants reviewed the franchise fees paid by the City's independent commercial waste haulers.

Results: City Council unanimously approved new operating agreement that will provide the City with over \$400,000 in new annual revenue.

Contacts: Ms. Bonnie Teaford / Public Works Director / 818.238.3921
Mr. John Molinar / Assistant Director of Public Works / 818.238.3919
Mr. Kreigh Hampel / Recycling Coordinator / 818.238.3902

Client: City of Calabasas, California

Project: Solid Waste Franchise Agreement Procurement Assistance

Project Description: We are currently assisting the City in conducting a competitive procurement of an exclusive solid waste franchise agreement. Our work includes assisting with the preparation of the RFP package and franchise agreement, evaluating proposals, interviewing finalists, and presenting the results to the City Council.

Results: Project is ongoing.

Contacts: Mr. Robert Yalda / Public Works Director / 805.224.1671
Ms. Marina Issakhani / Recycling Coordinator / 805.224.1682

Client: City of Carpinteria, California

Project: Financial Review of Waste Hauler; Solid Waste Procurement Assistance

Project Description: In 2011, we assisted the City in performing a financial review of its exclusive solid waste service provider. Our work included performing an on-site review of the waste hauler's operational and financial records. We reviewed the hauler's billing accuracy, and proper payment of fees to the City. We also reviewed the hauler's profitability, and presented our findings to the City Council. Additionally, we are assisting the City in re-negotiating the City's current franchise agreement.

Results: Financial review found that hauler was accurately billing customers and correctly paying fees to the City.

Contacts: Mr. Charlie Ebeling / Public Works Director / 805.684.5405 xt. 402
Ms. Erin Maker / Environmental Coordinator / 805.684.5405 xt. 415

Client: City of Chula Vista, California

Project: Solid Waste Fee Survey

Project Description: In 2011, we performed a solid waste fee survey for the City. We gathered information about the franchise fees, AB 939 Fees, and other solid waste-related fees charged by other jurisdictions outside San Diego County.

Results: Found that the solid waste fees charged by the City of Chula Vista were lower than the average of those charged in the jurisdiction we surveyed.

Contact: Ms. Lynn France / Conservation Coordinator / 619.585.5790

Client: City of Claremont, California

Project: Cost and Policy Analysis of Privatization of Solid Waste Collection Operations

Project Description: In 2013, we analyzed the operating costs of the City's solid waste collection operations. Our work included segregating the City's operating costs between those that would be avoided by contracting with a private hauler vs. those that would continue to be borne by the City. We also compared the City's route productivity to that of private haulers. We prepared a report, and presented our findings to the City Council's solid waste subcommittee.

Results: We found that the City's route productivity was similar to private haulers in other jurisdictions. We also found that a significant portion of the City's operating costs would continue to be borne by the City even if it were to hire a private waste hauler.

Contacts: Mr. Sam Pedroza / Councilmember / 909.399.5444
Ms. Kristin Mikula / Community Services Manager / 909.399.5433

Client: City of Goleta, California

Project: Assistance with Negotiation of Solid Waste Franchise Agreement

Project Description: In 2011, we assisted the City in negotiating a new citywide franchise agreement with MarBorg Industries, Inc. (MarBorg). Previously, the City had been served by two haulers (Allied Waste and MarBorg) that served in separate zones of

the City. Our work included gathering information from both haulers about their operations in Goleta, analyzing rate and service information, and determining the total amount of citywide waste collection revenue. We also assisted in developing a negotiation strategy, preparing counter-offers, and preparing sections of the new franchise agreement.

Results: City entered into a new franchise agreement with enhanced services and with customer rates that are among the lowest in Santa Barbara County.

Contacts: Mr. Steve Wagner / Community Services Director / 805.961.7561
Mr. Everett King / Environmental Service Coordinator / 805.961.7675

Client: City of Hawthorne, California

Projects: Solid Waste Contract Procurement Assistance
Solid Waste Franchise Fee Audit
Review of Hawthorne Airport Ground Lease Agreement

Project Description: In 2007, we assisted the City in a competitive procurement for residential and commercial solid waste service. We designed new recycling programs, specified the scope of services to be included in the new service agreement, prepared RFP documents, and evaluated proposals. In 2005, we assisted the City with franchise fee audits of its exclusive residential and non-exclusive commercial solid waste service providers.

Results: Our competitive procurement resulted in over \$2 million in annual savings to the City's residents and businesses. Our franchise fee audit resulted in the recovery of approximately \$1.5 million in undeclared franchise fees. Our review of the Hawthorne Airport Ground Lease Agreement found that Hawthorne Airport, LLC had properly paid its ground lease payments to the City.

Contact: Mr. Arnie Shadbehrr / City Manager / 310.349.2910

Client: City of Hermosa Beach, California

Projects: Solid Waste Contract Negotiation Assistance

Project Description: In 2008, we assisted the City in negotiating a three year extension to its current waste collection franchise agreement with Consolidated Disposal Service.

Our work included reviewing contract documents, identifying issues, attending meetings, and recommending negotiating strategies.

Results: The City and the company successfully extended the agreement. The City's rates continue to be among the lowest in Los Angeles County.

Contact: Mr. Stephen Burrell/City Manager/ (retired)

Client: City of Imperial Beach, California

Project: Solid Waste Contract Procurement Assistance

Project Description: In 1998, as part of another firm, we assisted the City in procuring a new solid waste services agreement. We drafted RFP and franchise agreement, and conducted pre-proposal meeting with haulers. We evaluated proposals, identified best proposal, and prepared report of findings and recommendations.

Results: Procured new automated services including single stream recycling and volume-based rates.

Contact: Mr. Hank Levien / Public Works Director / 619.423.8311

Client: City of La Canada Flintridge, California

Projects: AB 939 Compliance Assistance
Solid Waste Contract Negotiation Assistance
Program Planning
Review of Hauler Permit Application

Project Description: In 2001, we assisted the City with AB 939 compliance. Work included correcting the City's waste diversion rate and implementing waste reduction programs in accordance with a Compliance Order from the California Integrated Waste Management Board.

In 2006, we assisted the City with negotiations with its two incumbent haulers for semi-exclusive refuse collection agreements. We conducted policy workshops for the City's Public Works and Traffic Commission, prepared contract and RFP documents, and assisted with contract negotiations.

In 2009, we assisted the City in evaluating the advantages and disadvantages of exclusive vs. non-exclusive service. Our work included policy presentations to the City Council and Public Works and Traffic Commission.

Results: Successfully negotiated two non-exclusive agreements for solid waste services on terms that accomplished the City's solid waste objectives. Key terms include providing the haulers with an economic incentive to recycle through the use of a sliding scale of franchise fee rates for various diversion rates. The City has achieved a diversion rate in excess of 50% every year since 2005.

Contacts: Ms. Mary Goytia-Strauss / Sr. Management Analyst / 818.790.8882

Client: City of La Habra, California

Project: Solid Waste Contract Negotiation Assistance

Project Description: In 2010, we assisted the City in re-negotiating its exclusive franchise agreement with Waste Management of Orange County (WMOC). Our work included gathering information from WMOC about its operations in La Habra, analyzing rate and service information from surrounding communities, developing a negotiation strategy, drafting a new franchise agreement, preparing counter-offers, and presenting findings and recommendations to the City Council solid waste sub-committee.

Results: Negotiated a new agreement with increased services and rates that were approximately 15% lower than the previous rates, which saved ratepayers approximately \$6 million over the term of the new agreement.

Contacts: Mr. Don Hannah / City Manager / (retired)

Client: City of La Habra Heights, California

Project: Analysis of Solid Waste Collection System
Competitive Procurement of Exclusive Solid Waste Franchise Agreement

Project Description: In 2010, we assisted the City in analyzing its current solid waste collection system and determined the amount that ratepayers would save if the City were to move to a single exclusive hauler. At the time, the City had two independent haulers that openly competed for residential customers. We gathered operational and rate information from both haulers to determine the ratepayers aggregate cost of solid waste collection service. Based on that information, we prepared and issued a Request

for Information (RFI), which was sent to various waste hauling firms to obtain quotes for exclusive citywide service.

In 2014, we assisted the City in conducting a competitive procurement of an exclusive solid waste franchise agreement. Our work included initial sole-source negotiations with the incumbent hauler, assisting with the preparation of the RFP package and franchise agreement, evaluating proposals, interviewing finalists, and presenting the results to the City Council.

Results: As a result of the competitive procurement, monthly rates for single family cart service decreased an average of 24%.

Contact: Ms. Shauna Clark / City Manager / 562.694.6302
Ms. Gabriella Yap / Assistant City Manager / 562.694.6302

Client: LA Metro

Project: Preparation of Bid Rate Sheets for Solid Waste Collection Bid

Project Description: In 2012, under subcontract to Constance Hornig, Esq., we assisted LA Metro by preparing bid rates sheets for its solid waste collection bid. Our work included preparing an Excel workbook in which bidders are to enter their bid rates for various services at over 50 collection locations throughout LA Metro's transit system. Based on the bid rates from all the locations, the workbook calculates a single annual revenue amount upon which the winning bid is determined. We also prepared written instructions for bidders.

Results: LA Metro successfully procured new solid waste collection service for the transit system.

Contact: Mr. Steve Jaffe / Finance Manager / 562.694.6302

Client: City of Lompoc, California

Project: Solid Waste Routing Efficiency; Solid Waste Rate Study

Project Description: From 2001 through 2014, we developed and updated a rate model to allocate costs between the City's landfill and collection operations, and among single family, multi-family, and commercial customers. Our work has included developing new landfill and collection service rates based on allocated costs. We presented our findings

to the City Council. In 2008, we re-designed and re-balanced the City's routes to create greater route density.

Results: We developed a rate model and designed new volume-based rates to provide customers with an incentive to divert waste. The City uses our rate model as a tool to project revenues, expenditures, and cash balances for its solid waste enterprise fund. Our re-balance of the City's routes resulted in the elimination of two route-days and capacity to accommodate new growth.

Contact: Ms. Claudia Stine / Solid Waste Superintendent / (retired)
Mr. Brad Wilkie / Financial Services Director / 805.275.8271

Client: California State University Long Beach

Project: Solid Waste Procurement Assistance

Project Description: In 2003, we assisted the University in procuring new solid waste services. Work included preparing request for qualifications and invitation to bid documents. Provided justification and documentation to the University's legal counsel to support the disqualification of one proposer. Work also included evaluating the University's current waste diversion programs and recommending improvements to comply with the State's waste diversion requirements for State facilities.

Results: Assisted the University in procuring more reliable service at a lower cost.

Contact: Mr. Jon Root / Recycling Coordinator/ 562.985.7428

Client: County of Los Angeles – Treasurer and Tax Collectors Office

Project: Audit of Business License Tax on Landfill Gross Receipts

Project Description: In 2010, under subcontract to Intelligent Directions Consulting, Inc., we served as technical advisors on an engagement to audit the gross receipts of the five largest landfills in Los Angeles County. All landfills in Los Angeles County are required to pay a 10% Business License Tax based on their gross receipts. This was the first time in the County's history that this tax had been audited. Our role in this project was to develop the procedures used to audit the gross receipts of these landfills. Our work included reviewing key documents that governed the tax calculation method, developing workpaper templates, reviewing tonnage and revenue data, and reviewing draft audit reports.

Results: The engagement resulted in the identification of over \$2.5 million in unpaid business license fees, penalties, and interest

Contacts: Mr. Joe Kelly / Chief Deputy – Treasurer and Tax Collector / 213.974.2184
Ms. Damia Johnson / Assistant Operations Chief / 213.974.7371

Client: City of Monrovia, California

Project: White Paper on Solid Waste Service Arrangements

Project Description: In 2008, we prepared a white paper describing the advantages of exclusive vs. non-exclusive service arrangements for the commercial and rolloff sectors. The report also included information on the solid waste challenges facing the City, and a recommended course of action to modify the City's current system. Work included gathering rate information from cities in Los Angeles County that had recently competitively procured refuse collection service, and gathering information about the disposal and transfer market in Los Angeles County. We presented our findings to the City Council.

Results: City has continued with its existing solid waste service arrangements.

Contacts: Mr. Scott Ochoa/City Manager/ (now City Manager for Glendale, CA)
Ms. Heather Maloney/Environmental Analyst II/626.932.5577

Client: County of Monterey, California

Projects: Review of Hauler Fee Payments; Cost Analysis;
Analysis of Landfill Disposal System; Rate Adjustment Review

Project Descriptions: In 2014, we reviewed the accuracy of Waste Management's franchise fee payments to the County, and analyzed its costs between the company's operations in the Monterey Regional Waste Management District and the Salinas Valley Solid Waste Authority.

In 2011, we performed an analysis of the County's landfill disposal system. In Monterey County, the landfills are owned by two separate special landfill districts, which serve separate areas of the County. The Marina landfill, which serves the coastal areas, is owned and operated by the Monterey Regional Waste Management District (MRWMD). The Johnson Canyon Landfill, which serves the inland areas, is owned by the Salinas

Valley Solid Waste Authority (SVSWA). We analyzed the economic and policy impacts if the County were to withdraw from the SVSWA. Our work consisted of measuring the economic impact on the Waste Management, Inc. of re-directing its routes from the Johnson Canyon Landfill, to the Marina Landfill. We also analyzed the policy impacts of such a move on the County, the City of Salinas, and the SVSWA.

In 2009, we reviewed the reasonableness of cost and operational information that supported a rate adjustment request by Waste Management, Inc. related to the closure of the Crazy Horse Landfill. Work included evaluating the reasonableness of Waste Management's hauled tonnage and incremental cost to redirect its routes to the Johnson Canyon Landfill via the Madison Lane Transfer Station.

Results: We prepared a comprehensive report describing the issues, and outlining our findings and recommendations. We found that Waste Management's rate adjustment request was reasonable. We found that Waste Management had properly paid its franchise fees.

Contacts: Mr. John Ramirez / Environmental Health Director / 831.755.4539
Ms. Teresa Rios/ Management Analyst II / 831.755-8979

Client: City of Ontario, California

Project: Solid Waste Rate Study

Project Description: In 2005, we performed a rate study for the City's municipally operated solid waste enterprise. We worked in conjunction with the City's water/wastewater rate consultant to develop a rate model to allocate the City's costs and design rates for single family, multi-family, commercial, and rolloff customers.

Results: Re-designed rates based on the cost of service and the type of service.

Contact: Mr. Mike Sigsbee/Administrative Officer/ 909.395.2653

Client: City of Orange, California

Projects: Sanitation/Stormwater Rate Study
Performance Audits of Waste Hauler

Project Description: In 2007, we assisted the City in performing a cost of service analysis of its sanitation service rates. Work included designing new rates for single family, multi-

family, and non-residential customers. Developed a rate model to emulate the rate impact of various scenarios on individual customers and on customer sectors.

In 2012 and 2014, we conducted performance audits of the City's exclusive solid waste service provider, CR&R. Our work included reviewing the contractor's billing accuracy, tonnage reporting, operational safety, and contract compliance.

Results: In 2007, we developed more equitable rates for sanitation service. In 2012 and 2014, we prepared and submitted reports of our findings to the City.

Contacts: Ms. Katrin Bandhauer / Internal Auditor / 714.744.2251
Mr. Greg Warren / Solid Waste and Recycling Manager / 714.744.5551

Client: City of Palm Springs, California

Project: Financial Review of Waste Hauler

Project Description: In 2012, we assisted the City in conducting a financial review of Palm Springs Disposal Service, Inc. Our work included reviewing the company's profitability, billing accuracy, customer service, and contract compliance. We also projected the company's cost of moving from twice-per-week residential collection service to once-per-week collection.

Results: We found that the Palm Springs Disposal's profitability was comparable to other companies in the waste collection industry, and that the company had complied with the terms of its agreement with the City.

Contacts: Mr. David Ready / City Manager / 760.322.8362

Client: City of Rancho Palos Verdes, California

Project: Performance Audit of Waste Hauler

Project Description: In 2014, under subcontract to SCS Engineers, we assisted with a performance review of the City's two waste haulers, EDCO Waste Services, and Universal Waste Services. Our work included reviewing each haulers billing accuracy, confirming the proper payment of franchise fees, verifying reported tonnage, and evaluating contract compliance.

Results: We found that each company was in material compliance with their respective agreements with the City.

Contacts: Ms. Lauren Ramezani / Sr. Administrative Analyst / 310.544.5245

Client: City of Rolling Hills, California

Project: Solid Waste Contract Negotiation Assistance

Project Description: In 2010, we assisted the City in re-negotiating its exclusive franchise agreement with Allied Waste Industries, Inc. The City is unique in that it is exclusively residential with large lots. Its residents receive premium backyard service twice per week. Our work included estimating the company's operating costs, gathering rate and service information from comparable communities, developing a negotiating strategy, drafting a new franchise agreement, and assisting City staff in negotiating a new agreement with Allied.

Results: Negotiated a new agreement with stronger terms, increased services and rates that were competitive in relation to other similar communities.

Contact: Mr. Anton (Tony) Dahlerbruch / City Manager / (now City Manager for Palos Verdes Estates) 310.378.0383

Client: City of San Buenaventura, California

Project: Annual Solid Waste Rate Review

Project Description: From 1993 through 1997, as part of another firm, conducted several annual reviews of the rate adjustment application submitted by the City's franchised hauler. Performed on-site testing and evaluation of the company's revenues and expenses, made adjustments based on rate-making provisions in the City's contract, presented findings and recommendations to a subcommittee of the City Council.

Results: Excluded certain costs in the hauler's rate application that should not have been funded by ratepayers (charitable donations, related-party expenses, etc.), and prepared rate adjustment recommendations to the City Council.

Contact: Mr. Ray Olson / Maintenance Service Manager / 805.652.4518

Client: City of San Fernando, California

Project: Solid Waste Contract Procurement Assistance

Project Description: In 2002, we assisted the City in conducting a competitive procurement for solid waste collection services. Our work included conducting study sessions with City Council members, specifying the scope of services, preparing the RFP, drafting the franchise agreement, evaluating proposals, interviewing finalists, and negotiation the final agreement.

Results: The City awarded contract to Crown Disposal Co., Inc. at lower rates.

Contact: Mr. Mike Drake / Public Works Director / (retired)

Client: City of Santa Barbara, California

Projects: Solid Waste Policy Report
Financial Review of Waste Hauler

Project Description: In 2013, we assisted the City in a financial review of its exclusive waste hauler, MarBorg Industries, Inc. We allocated MarBorg's revenues, expenses, and profitability among the various jurisdictions it serves in Santa Barbara County. We analyzed the impact of various negotiating deal points on MarBorg's revenue and profitability in the City of Santa Barbara.

In 2003, we assisted the City in evaluating a request by MarBorg Industries, Inc. to extend its contract term by 10 years to secure financing for its C&D MRF through the California Pollution Control Financing Authority (CPCFA). We prepared a policy report for the City Council and assisted with contract negotiations.

Results: Our reports and analysis were used by the City to negotiate a contract extension on terms that were favorable to the City.

Contacts: Mr. Matt Fore / Environmental Programs Supervisor / 805.564.5678

Client: City of Santa Cruz

Project: MRF Feasibility Study

Project Description: In 2003, under subcontract to Environmental Science Associates, reviewed and analyzed the financial requirements and feasibility of the City's planned expansion of its Resource Recovery Facility. Our work involved estimating capital and operating costs based on various levels of throughput and material mixes. We also performed a 'make vs. buy' analysis by comparing the cost of expanding the facility with the incremental cost of using a facility in a nearby jurisdiction. We compared the incremental travel costs, tipping fee and potential material sales revenue with the cost of expanding the existing facility.

Results: The City developed its own single stream processing facility.

Contacts: Mr. Kelly Runyon / Environmental Science Associates / 415.896.5900

Client: City of South Gate

Project: Solid Waste Transfer Station Host Fee Negotiation

Project Description: In 2004, we reviewed the revenue, expenses, and throughput for a transfer station located in the City. Assisted the City in negotiations to adjust the transfer station host fees paid to the City by the transfer station operator, Waste Management, Inc. Work involved an analysis of the local market for processing capacity, and performing sensitivity analysis on the transfer station operator's profits.

Results: The project was discontinued because a Federal indictment was handed down against the local service provider.

Contact: Mr. Bob Dickey / Public Works Director / (retired)

Client: City of Tacoma, Washington

Project: Technical Consultant - Solid Waste Rate Study

Project Description: In 2013, we served as technical consultant to Raftelis Financial Consultants in support of a water/wastewater/solid waste utility rate study.

Results: Assisted Raftelis in developing a solid waste rate model.

Contact: Mr. Sudhir Pardiwala
Manager-Raftelis Financial Consultants 626.583.1894

Client: City of Vernon

Project: AB 939 Compliance; Solid Waste Franchise Fee Audits

Project Description: Since 2000, we have assisted the City achieve its AB 939 diversion goals. Our work has consisted of monitoring the City's reported tons, and preparing the City's AB 939 Annual Report. We also assist the City in verifying the fee payments and reported tonnage amounts of its 18 independent refuse haulers. In 2012, we assisted the City in preparing a sustainability action plan.

Results: Since 2000, the businesses in Vernon have consistently achieved a waste diversion rate of well over 50 percent. Our hauler reviews have recovered over \$500,000 in unreported franchise fees, and reclassified over 100,000 tons mistakenly assigned to Vernon.

Contact: Mr. Leonard Grossberg / Director of Environmental Health / 323.583.8811



City of Anaheim
OFFICE OF THE CITY MANAGER

November 14, 2008

David L. Davis, CMA
MSW Consultants
Solid Waste Consultants to Local Government
27393 Ynez Road, Ste. 160
Temecula, CA 92591

Subject: Waste Management Negotiations

Dear Dave: *Dave*

As we wrap up the negotiations to establish another ten year "gate fee" agreement between the County and Cities of Orange County, I want to express my thanks for your participation in making this effort successful. Talking trash for over a year can be viewed by some as tedious and laborious work, however, your effort in pulling together the details, providing negotiation points, and counseling the Committee on the details of trash were invaluable. I can't say how pleased I have been with your contribution and believe that the successful outcome has, in large part, been the result of your efforts. Orange County cities have a legacy of working together and the information and background you provided have allowed us to continue that tradition in a positive and constructive way.

Thanks again for your effort on the Committee and getting us to an agreement. The next steps include: review by a sub-committee of the O.C. City Attorney's Association, approval by the Board of Supervisors and then ratification by our colleagues at the city level. Just think, in ten years we can do this again.

Respectfully,

THOMAS J. WOOD
Chairperson City Manager Waste Management Committee and
Anaheim Assistant City Manager

Cc: Dan DeBassio, Public Works Operations Manager - City of Anaheim
Ayumi Wunder, Streets and Sanitation Manager - City of Anaheim

200 S. Anaheim Boulevard, #733
Anaheim, California 92805

TEL (714) 765-5162
FAX (714) 765-5164



City of Brea

March 15, 2005

To Whom It May Concern:

Re: MSW Consultants

I am pleased to provide a reference letter for MSW Consultants. I had the pleasure of working with David Davis to develop a fee model for the City's stormwater compliance program. Mr. Davis was extremely professional, reliable, responsive, and has the knowledge and skills we seek for the work requested. He is always well prepared and the product of his work was very precise and meticulous.

We appreciate the effort and support he provided and would highly recommend MSW Consultants.

Sincerely,

Charles View
Development Services Director



Burbank Recycle Center
500 S. Flower Street
Burbank, CA 91502-2106

(818) 238-3900
FAX (818) 238-3908

June 10, 2010

Mr. Dave Davis
MSW Consultants
27393 Ynez Road, Suite 259
Temecula, CA 92591

Dear Dave,

I would like to thank you for the outstanding work you did in drafting our MRF operating contract. It was a pleasure to work with you personally and to gain the benefit of your experience, professionalism and attention to detail. You obviously enjoy the process of crafting a clean agreement.

After each of our meetings you returned with material that represented a far greater depth of understanding than we expected. You crafted equitable contract terms and still managed to increase the service levels and revenues to the city. You followed a detailed strategy using comparisons of other agreements and then maneuvered confidently through the shifting conditions during the negotiations.

I hope that we can bring you back soon for future projects in the city. Working with you has been an education and a great pleasure.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kreigh Hampel". The signature is written in a cursive style.

Kreigh Hampel
Recycling Coordinator



Printed on Recycled Paper



April 29, 2011

Mr. Dave Davis
MSW Consultants
27393 Ynez Road, Suite 259
Temecula, CA 92591

CITY COUNCIL
Margaret Connell
Mayor

Edward Easton
Mayor Pro Tempore

Roger S. Aceves
Councilmember

Michael T. Bennett
Councilmember

Paula Perotte
Councilmember

CITY MANAGER
Daniel Singer

RE: Solid Waste Franchise Negotiations

Dear Dave:

On behalf of the City of Goleta I want to express appreciation for your contribution to the recent and successful negotiation of a new city-wide solid waste franchise agreement with MarBorg Industries. In the face of challenging circumstances, the City was able to negotiate an agreement that is both equitable for the hauler, and favorable to the City and its rate payers.

My staff and I found your approach throughout the negotiation process to be very professional, responsive, detail oriented, and personable. Your knowledge of cost accounting was crucial to constructing a revenue model, interpreting hauler provided data, ensuring the proper allocation of overhead costs, and modeling rates. Your presence on our team added excellent value to the process overall.

Please feel free to present this letter as a recommendation for your professional services.

If I or my staff can be of any assistance to you, do not hesitate to call.

Sincerely,

Steve Wagner
Manager, Community Services Department

Copy: Everett King, Environmental Services Coordinator

CITY OF HAWTHORNE



4455 West 126th Street • Hawthorne, California 90250-4482

MSW Consultants
27393 Ynes Road, Suite 160
Temecula, CA 92591

March 10, 2006

Dear Dave:

I am writing this letter as brief thank you to you your staff for the outstanding work that you did during audit of the City of Hawthorne's solid waste franchisees. The City's appreciation to you is multiplied by the fact that your audited secured the City over \$1.5million in under-declared Franchise Fees.

Your professionalism, expertise and knowledge of the subject and willingness to go out to bat for the City was appreciated.

Please do not hesitate to use myself as a reference in any of your future assignments.

Yours truly

A handwritten signature in black ink, appearing to read "J. Pathirana".

Jag Pathirana
Director of Finance & Administrative Service



City of La Habra

"A Caring Community"

ADMINISTRATION BUILDING

201 E. La Habra Boulevard

P.O. Box 337

La Habra, CA 90633-0337

Office: (562) 905-9700

Fax: (562) 905-9719

Website: www.lahabracity.com

February 17, 2010

Mr. Dave Davis
Principal
MSW Consultants
27393 Ynez Road, Ste. 259
Temecula, CA 92591

Dear ~~Mr. Davis:~~ **DAVE,**

I would like to take this opportunity to sincerely thank you for your assistance with our contract negotiations and franchise renewal with Waste Management, Inc. The City Council approved the agreement and the new rate structure at its last meeting.

Your expertise in the waste hauler industry was critical to our being able to negotiate reduced rates for our residents, and your analysis and strategy throughout the process were both impeccable. We appreciate your thoroughness and your time and effort in working with our staff, the City Council Subcommittee and Waste Management, Inc.

Again, we could not be more pleased with the results of this process and I wanted to personally thank you for your role in the negotiations and your guidance during the entire process. Please feel free to use the City of La Habra as a reference for your work in the future if we can be of assistance to you.

Sincerely,

Don Hannah
City Manager



LOMPOC

June 11,2010

SUBJECT: MSW CONSULTANTS

To Whom It May Concern:

The City of Lompoc Solid Waste Division has contracted with Mr. Dave Davis of MSW Consultants on three separate occasions since January 2001, most recently being November 2009. Mr. Davis has provided the Solid Waste Division with rate analysis, billing audit, and route efficiency evaluation.

From the beginning Mr. Davis, MSW Consultants, provided, and still continues to provide, technical expertise and training in a truly professional and friendly manner. During the three separate contracts, Mr. Davis provided the City of Lompoc Solid Waste Division knowledge and professional experience in performing a solid waste rate study. As a result, the City now has a rate model, designed by MSW Consultants. The rate model is a integrated set of excel spreadsheets that allows the Solid Waste Division to provide revenue projections, `what if' scenarios, is a valuable tool for determining and implementation new programs, as well as a helpful budgeting tool.

Each time Mr. Davis was hired, once the evaluation process was complete, he presented the proposed changes to the Lompoc City Council. The information was well received by the City Council as a result of Mr. Davis professional presentation.

Mr. Davis was accessible at any time. His office and cell phone numbers were provided so that any questions my staff or I had could be answered immediately. In addition to all of the outstanding service provided by Mr. Davis, I think, over all, what left the biggest impression with me and my staff was his commitment to detail and his pleasant and professional mannerism in which he conducted himself.

I would highly recommend Dave Davis, MSW Consultants, to provide the expertise and experience needed to perform solid waste rate studies, billing audits, and route efficiency modeling.

If I can be of further assistance please do not hesitate to call me at (805) 875-8023.

Sincerely,

Claudia A. Stine

Claudia A. Stine
Solid Waste Superintendent



CITY OF ORANGE

Public Works Department

PHONE: (714) 744-5525 • FAX: (714) 744-5573

July 2003

To Whom It May Concern:

The City of Orange recently completed a comprehensive sanitation rate restructuring utilizing the consulting services of Dave Davis. Services included in the City's sanitation rate include: sewer maintenance, street sweeping, storm water compliance and street tree maintenance.

The underlying issues regarding the City's sanitation rate involved the inequity between services rendered and services charged and the adequacy of operating funds to support sanitation services. Initially, Mr. Davis assisted the City with a cost of service study. He continued to work with my staff to develop policy options and modeled rates based on numerous cost drivers.

Over time, Mr. Davis cooperated with the City's efforts to analyze a variety of cost allocations methods and was creative and flexible regarding acceptable City policy options and methods.

Mr. Davis initiated a full emulation of our sanitation services customers (32,000 accounts). This emulation was scrutinized by financial staff and was a flexible tool upon which to apply policy changes. Additionally, Mr. Davis developed a fund balance model which assisted the City in simulating potential implementation strategies.

We look forward to the opportunity to work with Mr. Davis in the future and truly appreciated his expertise, professionalism and flexibility during this complex project. If you have any questions regarding Mr. Davis, please contact Jamie Herbon of my staff at (714) 744-5563.

Sincerely,

for Harry W. Thomas
Director of Public Works/City Engineer



City of Santa Barbara

Public Works Department

www.ci.santa-barbara.ca.us

Main Offices
630 Garden Street
P.O. Box 1990
Santa Barbara, CA
93102-1990

Administration
Tel.: 805.564.5377
Fax: 805.897.2613

Engineering
Tel.: 805.564.5363
Fax: 805.564.5467

Facilities
Tel.: 805.564.5415
Fax: 805.897.2577

Street Maintenance
Tel.: 805.564.5413
Fax: 805.897.1991

Transportation Operations
Transportation Planning
Tel.: 805.564.5385
Fax: 805.564.5467

Water Resources
Tel.: 805.564.5413
Fax: 805.897.1991

Water Supply Management
Tel.: 805.564.5460
Fax: 805.897.2613

Downtown Parking
1115 Anacapa Street
Santa Barbara, CA
93101
Tel.: 805.963.1581
Fax: 805.963.1542

March 11, 2004

Mr. David Davis
MSW Consultants
27393 Ynez Road, Suite 160
Temecula, California 92591

Subject: MarBorg Contract Extension Request – Appreciation of Assistance

Dear Dave:

On behalf of the City of Santa Barbara, I would like to express my sincere appreciation for the assistance you provided the City in our negotiations with MarBorg Industries, one of our local contracted haulers, for a 10-year contract term extension.

The report you prepared for the City Council, and your assistance in our discussions with MarBorg were instrumental in the City achieving its policy objectives. We especially benefited from the structured and constructive approach you brought to our discussions with MarBorg.

If any of your potential clients should have any questions about the services you provided, please do not hesitate to have them contact me at 805-897-1908.

Sincerely,

Stephen MacIntosh
Environmental Programs Supervisor

cc: file



Health and Environmental Control Department

Lewis J. Pozzebon, Director / Health Officer
4305 Santa Fe Avenue, Vernon, California 90058
Telephone (323) 583-8811

June 10, 2010

David L. Davis
MSW Consultants
27393 Ynez Rd, Suite 259
Temecula, CA 92591

Subject: Letter of Appreciation

Dear Dave:

Please accept our sincere appreciation for your outstanding work in assisting the City of Vernon in ongoing compliance with the waste reduction requirements of AB 939, as well as the continuing development of the City's comprehensive solid waste management program. Your technical expertise in solid waste and economics, and enthusiasm in interacting with the solid waste industry have been instrumental in the success of the program which includes waste analysis, annual reporting, franchise hauler records reviews, and business assistance elements.

In addition, your teaming with Dr. Eugene Tseng, and the Ecotelesis staff, in creating an innovative environmental sustainability program for the City has enabled our business community to be leaders in this important program.

We are looking forward to continuing our joint efforts to document waste diversion efforts by Vernon businesses and to also promote sustainable practices.

Sincerely,

Lewis J. Pozzebon
Director / Health Officer

l.p/mydoc/letters/sw/dave davis 2010

Exclusively Industrial



January 5, 2004

Mr. David L. Davis
MSW Consultants
27393 Ynez Road, Suite 160
Temecula, CA 92591

Re: Consulting Services

Dear Mr. Davis:

This letter is to acknowledge my appreciation of our professional relationship and the services you have provided.

You have been very helpful to me with administering and resolving the many solid waste collection issues related to auditing, rate surveys, contract issues, etc.

I look forward to your continued service. Please call me if I may be of any assistance to you.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven L. Samaniego".

Steven L. Samaniego
Environmental Management Director

SLS:mg



Code of Conduct

- We totally enjoy what we do. As a result, we conduct ourselves with enthusiasm, diligence and good cheer. We are continually grateful to our clients for the opportunity to serve them.
- We serve our clients with integrity, competence, objectivity, and professionalism.
- We work hard for the interests of our clients. At the same time, we strive to understand the perspective of all project stakeholders (waste haulers, etc.) to foster constructive and fruitful business relationships.
- We avoid any real or apparent conflicts of interest. Much of our work entails negotiating, procuring or administering municipal solid waste contracts. Therefore, we only work on projects to serve local government clients. We do not work for private sector solid waste companies.
- We never disclose confidential information. We respect all information relating to clients and solid waste firms as confidential. We do not communicate that information to any one else unless the client or waste firm has given permission for that information to be disclosed to a third party.
- We stay abreast of current trends in the solid waste industry and provide our clients with advice and analysis that is well-informed. We provide our clients with updates about recent industry developments.
- We strive to 'think outside the box.' We offer our clients creative and innovative (yet feasible) ideas about solving problems and pursuing opportunities.
- We are forthright with our clients. If we disagree with a client on an issue, we humbly and tactfully explain our point of view.
- We accept only those assignments that have the potential to provide a genuine benefit to the client. We offer proposals only on projects for which we are qualified.
- We never contract for more work than we can handle well.
- We establish with our clients realistic expectations of the benefits and results of our services. We immediately communicate any problems or errors to a client.
- We do not accept commissions or other benefits from any third party in connection with our recommendations or advice to a client.
- We complete all contracts in a professional manner.

EXHIBIT B
CERTIFICATES OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

09/20/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Strachota Insurance Agency, Inc. - Temec 27710 Jefferson Ave., Ste. 100 Temecula CA 92590	CONTACT NAME: Lawrence E Potter
	PHONE (A/C, No, Ext): (951) 676-2229 FAX (A/C, No): E-MAIL ADDRESS:
INSURED (951) 694-4001 MSW Consultants, Inc. 27393 Ynez Rd. #259 Temecula CA 92591	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A: California Automobile Insuranc 38342
	INSURER B: Scottsdale Indemnity Company 15580
	INSURER C: Sentinel Insurance Company, Lt 11000
	INSURER D: INSURER E: INSURER F:

COVERAGES

CERTIFICATE NUMBER: Cert ID 6401

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	X COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		72SBANU5438	06/01/2017	06/01/2018	EACH OCCURRENCE \$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
							MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
							OTHER \$
A	X ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> AUTOS ONLY	Y		BA040000030086	10/21/2016	10/21/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
							BODILY INJURY (Per person) \$
							BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							OTHER \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED: RETENTION \$						EACH OCCURRENCE \$
							AGGREGATE \$
							OTHER \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					PER STATUTE OTH-ER
							E L EACH ACCIDENT \$
							E L DISEASE - EA EMPLOYEE \$
							E L DISEASE - POLICY LIMIT \$
B	Professional Liability			EKT3189579	06/12/2017	06/12/2018	Ea Occurrence \$ 1,000,000
							Aggregate \$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 City of Placentia and its elected and appointed boards, officers, Officials, Agents, Employees, and Volunteers are Additional Insured's with Completed Operations. This coverage is Primary per attached form IH12001185, SS00080405. Additional Insured as respects Commercial Automobile per attached form MCA85100711.

CERTIFICATE HOLDER**CANCELLATION**

City of Placentia Attn: Ivette Rodriguez 403 E. Chapman Ave Placentia CA 92870	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

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POLICY NUMBER: 72 SBA NU5438



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNER, LESSEES OR CONTRACTOR

City of Placentia and its elected and appointed boards, officers, officials, agents, employees, and volunteers

401 E. Champman Ave

Placentia, CA: 92870

BUSINESS LIABILITY COVERAGE FORM

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage under this provision does not apply to:

- (1) "Bodily injury" or "property damage" that occurred; or
- (2) "Personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs a. through f. below are additional insureds when you have agreed, in a written

BUSINESS LIABILITY COVERAGE FORM

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section F. – Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Subparagraphs (d) or (f); or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

- (1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

BUSINESS LIABILITY COVERAGE FORM

- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

- (1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or
 - (b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

- (1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In connection with your premises; or
 - (b) In the performance of your ongoing operations performed by you or on your behalf.
- (2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

 - (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
 - (b) Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

- (1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

- (1) Any other person or organization who is not an insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In the performance of your ongoing operations;
 - (b) In connection with your premises owned by or rented to you; or
 - (c) In connection with "your work" and included within the "products-completed operations hazard", but only if
 - (i) The written contract or written agreement requires you to provide such coverage to such additional insured; and
 - (ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

BUSINESS LIABILITY COVERAGE FORM

- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

- a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.
- b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to 2.a. or 2.b above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to 2.b. above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

- a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph 3. above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs a. and b. apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or an additional insured is a partnership;
- (3) Any manager, if you or an additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation;
- (5) Any trustee, if you or an additional insured is a trust; or
- (6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

BUSINESS LIABILITY COVERAGE FORM

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1)** The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2)** The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Mercury Business Auto Broadening Endorsement

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

- I. NEWLY ACQUIRED OR FORMED ENTITY (BROAD FORM NAMED INSURED)
- II. EMPLOYEES AS INSURED
- III. AUTOMATIC ADDITIONAL INSURED
- IV. EMPLOYEE HIRED AUTO
- V. SUPPLEMENTARY PAYMENTS
- VI. FELLOW EMPLOYEE COVERAGE
- VII. ADDITIONAL TRANSPORTATION EXPENSE
- VIII. HIRED AUTO PHYSICAL DAMAGE COVERAGE
- IX. ACCIDENTAL AIRRAG DEPLOYMENT COVERAGE
- X. LOAN/LEASE GAP COVERAGE
- XI. GLASS REPAIR – DEDUCTIBLE WAIVER
- XII. TWO OR MORE DEDUCTIBLES
- XIII. AMENDED DUTIES IN EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS
- XIV. WAIVER OF SUBROGATION
- XV. UNINTENTIONAL ERROR, OMISSION, OR FAILURE TO DISCLOSE HAZARDS
- XVI. EMPLOYEE HIRED AUTO
- XVII. HIRED AUTO – COVERAGE TERRITORY
- XVIII. BODILY INJURY REDEFINED TO INCLUDE RESULTANT MENTAL ANGUISH

BUSINESS AUTO COVERAGE FORM

I. NEWLY ACQUIRED OR FORMED ENTITY (Broad Form Named Insured)

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- d. Any business entity newly acquired or formed by you during the policy period provided you own 50% or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of 180 days following acquisition or formation of the business entity. Coverage under this provision is afforded only until the end of the policy period. Coverage does not apply to an "accident" which occurred before you acquired or formed the organization.

II. EMPLOYEES AS INSURED

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- e. Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

III. AUTOMATIC ADDITIONAL INSURED

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- f. Any person or organization that you are required to include as additional insured on the Coverage Form in a written contract or agreement that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

IV. EMPLOYEE HIRED AUTO

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- g. An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

V. SUPPLEMENTARY PAYMENTS

SECTION II - LIABILITY COVERAGE, A. Coverage, 2. Coverage Extensions, a. Supplementary Payments, Subparagraphs (2) and (4) are replaced by the following:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We are not obligated to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

VI. FELLOW EMPLOYEE COVERAGE:

SECTION II - LIABILITY COVERAGE, B. Exclusions, 5. Fellow Employee

This exclusion does not apply.

VII. ADDITIONAL TRANSPORTATION EXPENSE

SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions, a. Transportation Expenses, is replaced with the following:

We will pay up to \$50 per day to a maximum of \$1000 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss". If your business shown in the Declarations is other than an auto dealership, we will also pay up to \$1,000 for reasonable and necessary costs incurred by you to return a stolen covered auto from the place where it is recovered to its usual garaging location.

VIII. HIRED AUTO PHYSICAL DAMAGE COVERAGE

SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions, the following is added:

- c. If hired "autos" are covered "autos" for Liability Coverage in this policy and Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this coverage form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire, subject to the following limit:
- (1) The most we will pay for "loss" to any hired "auto" is \$50,000 or Actual Cash Value or Cost of Repair, whichever is less
 - (2) \$500 deductible will apply to any loss under this coverage extension, except that no deductible shall apply to "loss" caused by fire or lightning
- Subject to the above limit and deductible we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own of similar size and type. This coverage extension is excess coverage over any other collectible insurance.

IX. ACCIDENTAL AIRBAG DEPLOYMENT COVERAGE

SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 3.a., is amended to add the following:

This exclusion does not apply to the accidental discharge of an airbag.

X. LOAN/LEASE GAP COVERAGE

SECTION III - PHYSICAL DAMAGE COVERAGE C. Limit of Insurance, the following is added:

4. In the event of a "total loss" to a covered "auto" shown in the schedule or declarations for which Collision and Comprehensive Coverage apply, we will pay any unpaid amount due on the lease or loan for that covered "auto," less:
 - a. The amount paid under the Physical Damage Coverage Section of the policy; and
 - b. Any:
 - (1) Overdue lease/loan payments at the time of the "loss";
 - (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage.
 - (3) Security deposits not returned by the lessor;
 - (4) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
 - (5) Carry-over balances from previous loans or leases.

XI. GLASS REPAIR – DEDUCTIBLE WAIVER

SECTION III - PHYSICAL DAMAGE COVERAGE, D. Deductible, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

XII. TWO OR MORE DEDUCTIBLES

SECTION III -PHYSICAL DAMAGE COVERAGE, D. Deductible, the following is added:

If two or more "company" policies or coverage forms apply to the same accident:

1. if the applicable Business Auto deductible is the smallest, it will be waived; or
2. If the applicable Business Auto deductible is not the smallest, it will be reduced by the amount of the smallest deductible; or
3. If the loss involves two or more Business Auto coverage forms or policies the smallest deductible will be waived.

For the purpose of this endorsement "company" means the company providing this insurance and any of the affiliated members of the Mercury Insurance Group of companies.

XIII. AMENDED DUTIES IN EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in SECTION IV, BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit, Or Loss, a., In the event of "accident", you must notify us of an "accident" applies only when the "accident" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) A member, if you are a limited liability company; or
- (4) An executive officer or insurance manager, if you are a corporation.

XIV. WAIVER OF SUBROGATION

SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer of Rights Of Recovery Against Others To Us, section is replaced by the following:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

XV. UNINTENTIONAL ERROR, OMISSION, OR FAILURE TO DISCLOSE HAZARDS

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 2. Concealment, Misrepresentation, or Fraud, the following is added:

Any unintentional omission of or error in information given by you, or unintentional failure to disclose all exposures or hazards existing as of the effective date or at any time during the policy period shall not invalidate or adversely affect the coverage for such exposure or hazard or prejudice your rights under this insurance. However, you must report the undisclosed exposure or hazard to us as soon as reasonably possible after its discovery. This provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

XVI. EMPLOYEE HIRED AUTO

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance, b. For Hired Auto Physical Damage Coverage, is replaced by the following:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. Any covered "auto" you lease, hire, rent or borrow; and
2. Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

XVII. HIRED AUTO - COVERAGE TERRITORY

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 7. Policy Period, Coverage Territory, e. Anywhere in the world if; is replaced by the following:

e. Anywhere in the world if:

- (1) A covered "auto" is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
- (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

XVIII. BODILY INJURY REDEFINED TO INCLUDE RESULTANT MENTAL ANGUISH

SECTION V – DEFINITIONS, C. "Bodily Injury" is amended by adding the following:

"Bodily injury" also includes mental anguish but only when the mental anguish arises from other bodily injury, sickness, or disease.



P.O. BOX 8192, PLEASANTON, CA 94588

CERTIFICATE OF WORKERS' COMPENSATION INSURANCE

ISSUE DATE: 09-20-2017

GROUP: .
 POLICY NUMBER: 1883281-2017
 CERTIFICATE ID: 76
 CERTIFICATE EXPIRES: 06-28-2018
 06-28-2017/06-28-2018

CITY OF PLACENTIA
 401 E CHAPMAN AVE
 PLACENTIA CA 92870-8101

SP

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 30 days advance written notice to the employer.

We will also give you 30 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.

Authorized Representative

President and CEO

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

ENDORSEMENT #0015 ENTITLED ADDITIONAL INSURED EMPLOYER EFFECTIVE 2017-06-28 IS ATTACHED TO AND FORMS A PART OF THIS POLICY. NAME OF ADDITIONAL INSURED: CITY OF PLACENTIA

ENDORSEMENT #2065 ENTITLED CERTIFICATE HOLDERS' NOTICE EFFECTIVE 06-28-2010 IS ATTACHED TO AND FORMS A PART OF THIS POLICY.

ENDORSEMENT #2570 ENTITLED WAIVER OF SUBROGATION EFFECTIVE 2017-06-28 IS ATTACHED TO AND FORMS A PART OF THIS POLICY. THIRD PARTY NAME: CITY OF PLACENTIA

ENDORSEMENT #1850 - DAVID L DAVIS PRES, SEC - EXCLUDED.

ENDORSEMENT #1850 - CHRISINDA J DAVIS VICEPRES - EXCLUDED.

EMPLOYER

MSW CONSULTANTS, INC.
 27393 YNEZ RD STE 259
 TENECULA CA 92591

SP

[P12,SK]

WAIVER OF SUBROGATION NOTICE

Enclosed is your copy of a certificate of insurance on which the certificate holder required a waiver of subrogation:

1. Please be advised that a waiver of subrogation requires that a 3% surcharge will be applied by State Fund ONLY to the premium assessed on the payroll of your employees earned while engaged in work for that certificate holder who requested the waiver. (Note: if you have no employee payroll on that job, then there is no charge.)
2. To apply the 3% surcharge, you must also agree to maintain accurately segregated payroll records for employees engaged in work on job/s for the certificate holder who has the waiver. The payroll records are subject to verification by an auditor.

Example:

Payroll for job:	\$5,000.00
Sample Rate:	13.30%

Regular Premium equals:	\$ 665.00
Surcharge:	3.00%

Additional Waiver charge:	\$ 19.95
Total premium equals	\$ 684.95 (665.00 + 19.95)

RESOLUTION NO. R-2017-58

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA AUTHORIZING A BUDGET AMENDMENT IN FISCAL YEAR 2017-18 IN COMPLIANCE WITH CITY CHARTER OF THE CITY OF PLACENTIA §§ 1206 AND 1209 PERTAINING TO APPROPRIATIONS FOR ACTUAL EXPENDITURES.

A. Recitals.

(i). The adopted budget for the 2017-18 Fiscal Year sets out estimated appropriations for City expenses throughout the year.

(ii). From time to time the adopted budget must be adjusted when precise expenditures are finally determined or when estimated expenditures exceed projected costs allocated.

(iii). City Charter of the City of Placentia § 1206 authorizes the City Council to amend or supplement the budget by motion adopted by the affirmative votes of at least three members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenues not included in the budget. All other legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. The adopted budget for Fiscal Year 2017-18, Resolution No. R-2017-XX, is hereby amended to reflect the following expenditure of funds from the Account specified to the Account specified:

FUND	DESCRIPTION	DEPARTMENT	GL ACCOUNT #	AMOUNT
Refuse Administration Fund	Professional Services	Refuse Admin.	374386-6099	\$22,420
Refuse Administration Fund	Fund Balance	N/A	0037-3001	(\$22,420)

3. The Mayor shall sign this resolution, and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, ADOPTED AND APPROVED this 3rd day of October, 2017.

CRAIG S. GREEN, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of Placentia held on the 3rd day of October, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

PATRICK J. MELIA, CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN BETTENHAUSEN, CITY ATTORNEY



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF PUBLIC WORKS

DATE: OCTOBER 3, 2017

SUBJECT: **AGREEMENT WITH THE COUNTY OF ORANGE FOR CITY BIKEWAYS AND TRAILS ON COUNTY-OWNED PROPERTY**

FISCAL

IMPACT: There is no immediate fiscal impact associated with the approval of this proposed agreement.

SUMMARY:

A proposed master bikeways and trails agreement with the Orange County Flood Control District (Orange County) is presented for City Council consideration for future potential use of County-owned property as recreational trails by the community. The County of Orange (County) maintains a Master Plan of Regional Riding and Hiking Trails and Bikeway Plan on County-owned property. Through a Bikeways and Trails Agreement, the County allows local agencies to construct and maintain recreational trails for the public's use. An opportunity exists to create a new recreational trail along the Atwood Flood Control Channel to link the future Veterans Village project (the "Project") to Parque de Los Ninos. This access, which is designed to link recreational facilities to the Project, will increase the Project's competitiveness in grant applications and create a new recreational trail for the public. This proposed agreement does not obligate the City to construct any trails and simply outlines how these paths are to be constructed, managed and maintained should the City elect to do so in the future. The City will soon begin a citywide park master planning process and the use of County property as recreational trails will be analyzed during that planning process.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve Agreement MA-080-18010066 with the Orange County Flood Control District for Bikeways and Trails in the City of Placentia; and
2. Authorize the City Administrator to execute the agreement, in a form approved by the City Attorney.

1.d.

October 3, 2017

DISCUSSION:

The County maintains a Master Plan of Regional Riding and Hiking Trails and Bikeway Plan on County-owned flood control property. These recreational trails are typically built on maintenance service roads found along flood control channels. Staff reached out to the County to discuss the potential for creating a recreation trail linking the future Veterans Village project (the "Project") site to Parque de Los Ninos along the Atwood Flood Control Channel service road. As City Council is aware, Mercy Housing is the developer of the Project and is currently seeking grant funding to complete the funding necessary to construct the Project. Creating a recreational trail linking the Project to a nearby park will help to make Mercy Housing's grant applications more competitive by creating access to nearby recreational facilities and bus stops.

The County provided a letter of support to Mercy Housing for its use in grant applications approving the use of its property as a recreational trail in concept, subject to the City and County entering into a formal agreement for such a use. However, the proposed Bikeways and Trails Agreement ("Agreement") (Attachment 1) presents an opportunity for the City to further expand recreational uses onto additional County-owned properties throughout the City, creating a potential network of open space and linkages for the community. The proposed Agreement covers four (4) County-owned flood control facilities located within the City of Placentia (Attachment 2) and are located on maintenance service roads along flood control channels. Two of these facilities pass through the City of Anaheim who is also proposing to create recreational trails on these same facilities that could be interconnected with future recreational trails proposed by Placentia to create a larger regional trail network.

The proposed Agreement does not obligate the City to construct any recreation or trail improvements. This Agreement simply outlines the requirements of how any proposed improvements would be constructed, maintained and managed. It also places limitations on what kinds of uses may occur on County property and that any improvements must be coordinated with planned County capital improvement projects so as to avoid any conflicts. The initial term of the agreement is for 10 years and will be automatically renewed on an annual basis, unless terminated in writing, for a total term not-to-exceed 50 years. Any improvements proposed by the City in the future would be budgeted as part of the City's annual adoption of a Capital Improvement Program (CIP) Budget. Any proposed improvements would require a separate agreement with the County along with a detailed plan check review and approval process by the County prior to the start of construction. With regard to the Project, the proposed trail connection and alignment is outlined in Attachment 3, and any potential future trail improvements connecting the Project to Parque de Los Ninos would be delivered as a separate CIP project as approved by the City and County.

The City was recently awarded a \$150,000 grant from the Southern California Association of Governments to prepare a Citywide Park Master Plan. The potential use of these County-owned facilities to expand recreational trail opportunities to the community will be incorporated into the master planning process to gauge the community's desire to expand recreational trails throughout the community and to discuss the types of amenities that could be included on those trails.

ALTERNATIVE OPTIONS:

City Council, at its discretion, could opt to delay approving this agreement until the community has had an opportunity to provide input as to whether or not new recreational trails are desired during the park master planning process. However, that option could negatively impact competitive grant funding applications submitted for the Veterans Village Project.

Alternatively, Council could direct Staff to narrow the focus of the Agreement to the proposed Atwood Channel alignment only, and reconsider including additional County facilities in the future.

FISCAL IMPACT:

There is no immediate fiscal impact associated with the recommended actions. Any future proposed trail or recreation improvements on County-owned land would be presented to the City Council for its consideration and approval as a funded Capital Improvement Project.

Prepared by:



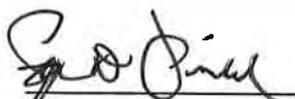
Luis Estevez
Director of Public Works

Reviewed and approved:



FOR Shally Lin
Interim Finance Director

Reviewed and approved:



for Damien R. Arrula
City Administrator

Attachments:

1. Bikeways and Trails Agreement MA-080-18010066
2. Map of County Facilities
3. Map of Veterans Village/Atwood Channel Proposed Trail

AGREEMENT

This AGREEMENT, hereinafter referred to as "AGREEMENT", for the purposes of identification hereby number MA-080-18010066 and dated _____ day of _____, 20____, is

BY and BETWEEN

The ORANGE COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic, hereinafter referred to as "DISTRICT",

and

The CITY OF PLACENTIA, a charter city, hereinafter referred to as "CITY,"

which are sometimes individually referred to as "PARTY," or collectively referred to as "PARTIES."

RECITALS

WHEREAS, CITY wishes to implement a public access plan consistent with the County of Orange Master Plan of Regional Riding and Hiking Trails and Bikeway Plan, wherein it would construct and maintain bikeways and trails on DISTRICT property owned in fee and easement (hereinafter referred to as "DISTRICT PROPERTY") within the CITY that serve as DISTRICT maintenance roads along and adjacent to segments of flood control facilities;

WHEREAS, CITY desires to enter into this AGREEMENT to use DISTRICT maintenance access roads on DISTRICT PROPERTY which adjoin and will connect to future installed CITY sidewalks, to provide pedestrian access to and from recreational and transit amenities within the CITY;

WHEREAS, CITY is pursuing funding opportunities to implement those trails in order to provide increased opportunities for outdoor recreation and non-vehicular transportation for the general public;

WHEREAS, CITY may in the future desire to construct and maintain bikeway and trail improvements adjacent to Carbon Creek Channel (B01), Carbon Canyon Channel (E03), Atwood Channel (E04) and Richfield Channel (E05) within DISTRICT's PROPERTY within CITY's boundaries, as depicted on Exhibit A;

WHEREAS, CITY desires to enter into this AGREEMENT with DISTRICT for the operation and maintenance of all existing and future recreation improvements shown on Exhibit A within DISTRICT's PROPERTY in CITY's boundaries in accordance with the terms herein (hereinafter collectively referred to as "**RECREATION IMPROVEMENTS**"); and

WHEREAS, DISTRICT has determined that the recreational uses and RECREATION IMPROVEMENTS proposed and/or constructed by CITY will not impair or diminish existing or probable future requirements for flood control protection provided such RECREATION IMPROVEMENTS are constructed in accordance with DISTRICT requirements as determined by DISTRICT in its sole discretion and RECREATION IMPROVEMENTS are designed, constructed, operated, maintained and used in accordance with the terms and conditions of this AGREEMENT.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

The intentions of the PARTIES as described in the above recitals are incorporated into this AGREEMENT.

ARTICLE 1
DESCRIPTION OF PREMISES

- 1.1. CITY shall only be allowed to use DISTRICT's PROPERTY as generally shown on Exhibit A, and any possible future portions of DISTRICT's PROPERTY, in accordance with the terms and conditions of this AGREEMENT. These portions of DISTRICT's PROPERTY used by the CITY shall be referred to hereinafter as the "**PREMISES**".
- 1.2. DISTRICT may amend PREMISES shown on Exhibit A for any reason and at any time, subject to the discretion of the Director of Orange County Public Works or his designee as defined in Article 3.1 below ("**DIRECTOR**").

ARTICLE 2 CONSIDERATION

- 2.1. CITY shall only be permitted a non-exclusive and revocable use of the PREMISES at no cost to CITY when RECREATION IMPROVEMENTS will be combined with DISTRICT's maintenance roads. This AGREEMENT shall only govern the installation, maintenance and use of RECREATION IMPROVEMENTS on the PREMISES, should CITY desire to use the PREMISES, or portions thereof, for a use or activity other than those described herein, CITY shall be only permitted to use the PREMISES for such uses or activities by entering into a separate agreement with compensation paid to DISTRICT accordingly. CITY agrees, however, that DISTRICT shall have no financial obligation to contribute to the design, construction, removal, relocation, reconstruction, and/or maintenance of any RECREATION IMPROVEMENTS. Any activity conducted by CITY on DISTRICT's PROPERTY, including the PREMISES, must be approved prior to its commencement through County Property Permit process.
- 2.2. CITY shall be responsible for continuing the operation and maintenance of the RECREATION IMPROVEMENTS on DISTRICT PROPERTY during the term of this AGREEMENT as defined in Article 6 below.

ARTICLE 3 REPRESENTATIVES

- 3.1. DISTRICT REPRESENTATIVE
Director of Orange County Public Works Department or his designee, hereinafter referred to as "DIRECTOR," shall be DISTRICT's representative in all matters pertaining to this AGREEMENT.
- 3.2. CITY REPRESENTATIVE
The Placentia City Administrator, or an authorized designee, hereinafter referred to as "CITY OFFICER" shall be CITY's representative in all matters pertaining to this AGREEMENT.

ARTICLE 4

USE OF PREMISES BY CITY AND GENERAL PUBLIC

4.1. PERMITTED USES

CITY shall be permitted to use the PREMISES to build, operate and maintain RECREATION IMPROVEMENTS. CITY may permit the public's use of the RECREATION IMPROVEMENTS subject to the approval of the DIRECTOR through the County Property Permit process.

4.2. CITY'S RIGHTS ARE NONEXCLUSIVE

Subject to the provisions herein, CITY's use of the PREMISES shall be nonexclusive and CITY acknowledges that the primary purpose of DISTRICT's PROPERTY, including, but not limited to PREMISES is for flood control and water reclamation to protect the safety, health and welfare of the public and carry out the objectives of the Orange County Flood Control Act, as set forth in California uncoded Water Code, Act 5682, section 2, also referred to as Water Code App. sections 36-1 *et seq.* DISTRICT reserves the right in its sole and absolute discretion to use the PREMISES as necessary to access, construct, improve, expand, enlarge, repair, and maintain the DISTRICT PROPERTY, and all other uses permitted by law, and to restrict use of and access to the PREMISES by any and all persons, including any RECREATION IMPROVEMENTS, as deemed necessary by the DIRECTOR. At its own expense, CITY shall, upon reasonable prior notice of the DIRECTOR, be responsible for the rerouting of any pedestrian/bikeway and/or trail use on PREMISES whenever DIRECTOR determines such use on PREMISES conflicts with DISTRICT purpose and use of DISTRICT PROPERTY. CITY agrees to indemnify, defend with counsel approved by DISTRICT, and hold DISTRICT harmless from any and all claims, losses, or liabilities, arising from alleged injury or damage to persons or property arising out of any rerouting of any pedestrian/bikeway and/or trail use.

Subject to the business needs and flood control purpose of the DISTRICT, the DIRECTOR shall provide CITY with at least two (2) working days' notice of any need to temporarily close down the public use of the RECREATION IMPROVEMENTS to allow DISTRICT to work on PREMISES,

unless emergency conditions require immediate action by DISTRICT in which case CITY shall be notified as quickly as feasible.

4.3. NO RELOCATION OBLIGATION

CITY agrees that DISTRICT shall not under any circumstance be obligated to provide or locate for CITY a replacement site for CITY's RECREATION IMPROVEMENTS or operations in the event this AGREEMENT is terminated or PREMISES is reduced or otherwise modified pursuant to the terms of this AGREEMENT.

4.4. EMERGENCY RESTRICTIONS ON USE

CITY agrees that DIRECTOR may suspend public use of PREMISES if DIRECTOR determines, in DIRECTOR's sole and absolute discretion that emergency conditions exist such that use of PREMISES by the general public present a risk to the general public's health, safety or welfare. DISTRICT shall notify CITY as soon as practicable in case of such a determination and such an emergency.

ARTICLE 5 PROHIBITED USES

5.1. MOTORIZED VEHICLES

CITY shall not allow any non-DISTRICT or non-CITY motorized vehicles to operate within the PREMISES except as authorized by the DIRECTOR.

5.2. HAZARDOUS MATERIALS

CITY shall not cause or permit any "HAZARDOUS MATERIAL" as hereinafter defined, to be brought upon, kept, or used in or about the PREMISES. CITY shall promptly take all action, at its sole cost and expense, as is necessary to clean, remove and restore the PREMISES to its

condition prior to the introduction of such HAZARDOUS MATERIAL by CITY, provided CITY shall first have obtained DIRECTOR's written approval and the approval of any necessary governmental entities or agencies for any such remedial action.

As used herein, the term "HAZARDOUS MATERIAL" means any hazardous or toxic substance, material or waste which is or shall become regulated by any governmental entity or agency, including, without limitation, County of Orange, hereinafter referred to as "COUNTY ", acting in its governmental capacity, the State of California or the United States government.

5.3 ACCESS ROADS SHALL NOT BE IMPEDED

CITY shall not impede, cause to be impeded, or allow to be impeded, DISTRICT's access roads and maintenance roads on the PREMISES, by any means, including but not limited to the parking of vehicles, the stockpiling of materials, or the depositing of any personal property, unless explicitly granted permission by the DIRECTOR.

ARTICLE 6

TERM OF THE AGREEMENT

6.1. INITIAL TERM

This AGREEMENT shall commence on the date the AGREEMENT is approved by the DISTRICT's Board of Supervisors and shall continue for ten (10) years unless terminated in accordance with the provisions of Article 7 of this AGREEMENT.

6.2. RENEWAL

At the end of the Initial Term, this AGREEMENT will automatically renew for an additional one year term upon the same covenants, terms and conditions unless either PARTY notifies the other in writing of its intention to terminate this AGREEMENT at least sixty (60) days prior to the expiration of the Initial Term. If sixty (60) days prior to the end of the one-year extended term, neither PARTY has given the other notification of its intention to terminate, this AGREEMENT shall continue in full force and effect upon the same covenants, terms and conditions for a further

term of one (1) year, and for annual terms thereafter until terminated by either PARTY by giving the other PARTY written notice of its intention to so terminate at least sixty (60) days prior to the end of any such annual term. However, in no event shall this AGREEMENT, including all extensions and renewals, continue in effect for a period exceeding fifty (50) years.

ARTICLE 7 TERMINATION

7.1. TERMINATION BY DISTRICT

CITY acknowledges that the primary purpose of the PREMISES is for flood control purposes. CITY agrees that DISTRICT may terminate this AGREEMENT at any time, without liability, if DISTRICT determines in its sole and absolute discretion that PREMISES are needed to reconstruct, modify, repair, expand, improve or enlarge DISTRICT's facilities and the RECREATION IMPROVEMENTS cannot be relocated so as not to interfere with DISTRICT's reconstructed, modified, repaired, expanded, improved or enlarged facilities. If RECREATION IMPROVEMENTS can be relocated without interfering with DISTRICT's reconstructed, modified, repaired, expanded, improved or enlarged facilities, CITY may relocate the RECREATION IMPROVEMENTS to a location approved in advance in writing by DISTRICT within ninety (90) days of being notified by DISTRICT that such relocation is necessary. CITY shall be solely responsible for all costs and expenses related to or arising from relocating the RECREATION IMPROVEMENTS, including but not limited to, the rerouting of any pedestrian/bikeway and/or trail caused by the relocation of the RECREATION IMPROVEMENTS. DISTRICT shall notify CITY of its intention to terminate the AGREEMENT pursuant to this section by giving CITY ninety (90) days written notice.

7.2. TERMINATION BY CITY

CITY may terminate this AGREEMENT by giving DISTRICT ninety (90) days written notice. In the event of such termination by CITY, CITY shall remove all improvements that it has placed on

the PREMISES if requested by DISTRICT and restore the PREMISES to the condition that existed prior to this AGREEMENT. This obligation to restore the PREMISES shall survive the termination of this AGREEMENT.

7.3. TERMINATION DUE TO BREACH OF THE AGREEMENT

If CITY is in breach of the AGREEMENT, and fails to diligently cure said breach within a reasonable period of time as determined by DIRECTOR in his sole and absolute discretion, DISTRICT may terminate the AGREEMENT.

7.4. NOTICE OF TERMINATION

All notices of termination shall be made in writing in accordance with the requirements of Article 11 of this AGREEMENT.

ARTICLE 8 RECREATION IMPROVEMENTS

8.1. AUTHORIZED IMPROVEMENTS

CITY may construct new or modify existing RECREATION IMPROVEMENTS as described below, which description may be modified subject to the approval of the DIRECTOR and the CITY OFFICER to include other activities, improvements and uses, subject to prior approval through the County Property Permit process and with the understanding CITY may be required to make modifications or installations to an existing DISTRICT access road or facility in order to accommodate safe pedestrian joint use:

- (a) Pathways constructed of earth, disintegrated granite, aggregate base, asphalt, unit pavers, concrete or as otherwise agreed;
- (b) Fencing that may consist of one or more of the following: wrought iron, coated metal, chain link, cable, metal safety railing, weathering steel, peeled-post wood railing, or as otherwise agreed;
- (c) Signage for the bikeway and trail routes, security and traffic control;
- (d) Storm drainage inlet, outlet and piping systems;
- (e) Grading, slope work and retaining walls;
- (f) Interpretive or way finding signage and site amenities such as benches, trash receptacles, lighting fixtures and poles, resting/staging areas, and bike racks; and

(g) Or other related improvements as approved by DIRECTOR.

8.2. DISTRICT REVIEW AND APPROVAL OF RECREATION IMPROVEMENTS

Prior to the construction of any RECREATION IMPROVEMENTS on PREMISES, CITY shall submit the plans and specifications for RECREATION IMPROVEMENTS to DIRECTOR for his review and approval. RECREATION IMPROVEMENTS shall be designed and constructed: (1) so as to assure that they do not interfere with the flood control purposes of DISTRICT facilities; (2) so as not to interfere with or increase the cost to DISTRICT for the maintenance or operation of DISTRICT's facilities; (3) where the design shall be based on established criteria and standards and all other applicable rules and regulations governing the design and construction of this type of bike trails. Approval of the plans and specifications of RECREATION IMPROVEMENTS shall be within DIRECTOR's sole and absolute discretion. CITY acknowledges, however, that the design of RECREATION IMPROVEMENTS was/will not be prepared by DISTRICT and that DISTRICT's approval of the plans and specifications shall not be deemed the approval of RECREATION IMPROVEMENTS' safety, suitability for any purpose, or compliance with the engineering requirements of any governmental agency or regulation. CITY agrees that CITY is solely and absolutely responsible for design, construction and operation of RECREATION IMPROVEMENTS.

Said plans and specifications shall be submitted by CITY for DISTRICT's review via an encroachment permit application through OC Public Works' County Property Permits section and shall be subject to applicable permit and inspection fees.

8.3. OTHER APPROVALS FOR RECREATION IMPROVEMENTS

CITY shall be responsible at its sole cost and expense to secure and comply with any other approvals required to construct, operate and/or maintain its RECREATION IMPROVEMENTS. DISTRICT is not responsible for obtaining any such approvals nor shall DISTRICT be named as co-applicant in any regulatory agreement or permit applications.

CITY and DISTRICT mutually agree that DISTRICT, as the property owner/easement holder, authorizes CITY to serve as the Legally Responsible Person (LRP) defined by the Construction General Permit (CGP), Order No. 2010-0014-DWQ for CITY's RECREATION IMPROVEMENTS on PREMISES. CITY shall be responsible, at its sole cost and expense, to comply with all requirements by the State Water Resources Control Board. CITY shall be responsible to satisfy all the requirements of any such agreements and/or permits and satisfy any conditions imposed by any regulatory agency for the issuance of any such approvals. CITY shall not agree to any conditions that impose any obligations on DISTRICT.

If any regulatory agency requires that any property is set aside as mitigation for CITY's RECREATION IMPROVEMENTS, that mitigation shall not be on PREMISES nor shall DISTRICT have any obligation to monitor or maintain that mitigation or contribute any costs therefore.

CITY shall provide DISTRICT and OC Public Works' Permit Services/Regulatory Permits with copies of all regulatory permits and/or agreements and conditions for its review and written approval prior to CITY's agreeing to any such terms and conditions. Copies of any and all current permits issued shall be available for inspection by DISTRICT's personnel.

CITY shall be responsible for obtaining permit from others for connecting its irrigation system to their water supply system. Any water supply lines provided by the CITY for irrigation of CITY's landscape or any other utilities provided for CITY's RECREATION IMPROVEMENTS are at CITY's cost. In any case when this AGREEMENT is terminated, CITY shall remove its utility lines installed pursuant to this AGREEMENT at CITY's cost. In the event that CITY's water supply lines or other utility line cause any damage to DISTRICT's facilities, CITY shall repair, replace, or restore DISTRICT's improvements at CITY's expense to the satisfaction of the DIRECTOR and hold DISTRICT and COUNTY harmless as specified in Article 9.

8.4. CONSTRUCTION OF RECREATION IMPROVEMENTS

CITY shall notify DIRECTOR two (2) weeks prior to beginning construction of any RECREATION IMPROVEMENTS on PREMISES and shall coordinate the work with COUNTY's inspector during

the progress of construction of RECREATION IMPROVEMENTS per the terms of the County Property Permit. Any Contractor hired by CITY to construct or maintain RECREATION IMPROVEMENTS on PREMISES ("Contractor") shall be required to:

- (a) Maintain insurance that complies with the insurance requirements specified in Exhibit B;
- (b) Indemnify, defend with counsel approved in writing by DISTRICT, and hold harmless DISTRICT, the COUNTY, their elected and appointed officials, officers, employees, agents and contractors (hereinafter "DISTRICT/COUNTY INDEMNITEES") harmless from any and all claims, losses, or liability, arising from injury or damage to persons or property related to Contractor's, its subcontractor's, their employee, agents or invitees activities on, within, upon, under or over PREMISES unless such injury or damage is caused by the sole negligence or willful misconduct of DISTRICT, COUNTY or the DISTRICT/COUNTY INDEMNITEES;
- (c) Provide DIRECTOR with a copy of its Notice of Intent (if applicable) to comply with the provisions of the Statewide CGP, and with a copy of specifications requiring its Contractors to comply with the municipal National Pollutant Discharge Elimination System (hereinafter referred to as "NPDES") permit provisions covering construction activities and to fully comply with the requirements of that NPDES permit. Contractors shall also be required to comply with the Best Management Practice requirements of the CITY's Drainage Area Management Plan, Local Implementation Plan as specified in Article 13 (Stormwater Regulations) of this AGREEMENT for activities to be conducted by the contractor and its subcontractors on PREMISES;
- (d) No construction materials are to be stored in such a way as to impede and/or interfere with any DISTRICT flood control operations.
- (e) DIRECTOR shall have the authority to update or modify these requirements as necessary to comply with the COUNTY's risk management policies and practices.

DIRECTOR shall give CITY advance notice of any such changes in the manner set forth in this AGREEMENT.

Any DISTRICT improvements disturbed, damaged, vandalized or removed as a result of the CITY's as a result of CITY authorized construction, maintenance, or operation within, upon, under or over PREMISES shall be repaired, restored or replaced at CITY's expense in conformance with OC Public Works Standard Plans and to the satisfaction of the DIRECTOR within sixty (60) calendar days of the issuance of written notice by DIRECTOR. If CITY and/or its contractor fail to repair, restore or replace DISTRICT's improvements within sixty (60) calendar days, DIRECTOR may, in his sole and absolute discretion, cause the repair, restoration or replacement of DISTRICT's improvements to be completed by DISTRICT personnel or DISTRICT contractors and CITY shall be solely responsible for these costs and expenses, and shall compensate DISTRICT for all such work upon invoice by DIRECTOR. CITY agrees that in an emergency situation which threatens the public's health, safety or welfare, DIRECTOR, in his sole and absolute discretion, shall be permitted to cause the repair, replacement or restoration of DISTRICT's improvements that may have been damaged, disturbed, vandalized or removed as a result of CITY authorized construction, maintenance, or operation activities contemplated herein, without prior notice to CITY and CITY shall be solely responsible for the cost of such repair, restoration or replacement in accordance with the procedures described above.

8.5. MAINTENANCE OF RECREATION IMPROVEMENTS

CITY shall be solely responsible at its sole cost and expense for the operation, maintenance, repair, relocation, and/or replacement of RECREATION IMPROVEMENTS on PREMISES.

8.6. DISTRICT'S RIGHTS TO REMOVE/RELOCATE RECREATION IMPROVEMENTS

PARTIES acknowledge that DISTRICT's 7-Year Plan, which indicates DISTRICT facilities to be improved within seven (7) years, may require removal or relocation of RECREATION IMPROVEMENTS. DISTRICT shall notify CITY if DISTRICT's plans will impact RECREATION

IMPROVEMENTS. If DIRECTOR in his sole and absolute discretion determines use of CITY RECREATION IMPROVEMENTS must be prevented for any reason, or must be modified, relocated or removed in whole or in part, DISTRICT shall notify CITY in writing and CITY shall modify, relocate or remove all or a portion of RECREATION IMPROVEMENTS as directed by DIRECTOR at CITY's sole cost and expense within ninety days (90) calendar days of the date of DIRECTOR's written notification to CITY or within a longer time period if agreed to by DIRECTOR. CITY agrees that in an emergency situation which threatens the public's health, safety or welfare as determined by DIRECTOR in his sole and absolute discretion, DIRECTOR shall be permitted to prevent use of, or cause modification, relocation or removal of all or a portion of RECREATION IMPROVEMENTS without prior notice to CITY. DISTRICT will endeavor to notify CITY of its intent to remove CITY RECREATION IMPROVEMENTS as soon as practicable but in no case shall such notice be provided greater than thirty days (30) after DISTRICT modifies relocates or removes such RECREATION IMPROVEMENTS. DISTRICT shall close RECREATION IMPROVEMENTS to the public after any modification, relocation or removal of RECREATION IMPROVEMENTS until CITY and DISTRICT agree to re-open it. CITY agrees that if any of RECREATION IMPROVEMENTS are disturbed, damaged or removed by DISTRICT for proper DISTRICT purpose as described in Paragraph 4.2, above, CITY shall determine whether it is in CITY's best interest to replace, repair, restore, or remove such RECREATION IMPROVEMENTS. CITY shall be responsible for replacing, repairing, restoring or removing RECREATION IMPROVEMENTS to the satisfaction of DIRECTOR solely at CITY's cost and expense.

8.7. FENCING AND SITE SECURITY

Security of the RECREATION IMPROVEMENTS shall be CITY's responsibility and provided at CITY's expense. CITY shall develop a plan subject to the approval of the DIRECTOR to assure that DISTRICT's adjoining flood control facility is not accessible to the public using the RECREATION IMPROVEMENTS on PREMISES but is accessible to DISTRICT personnel from

PREMISES (hereinafter referred to as "SECURITY/ACCESS PLAN"). This SECURITY/ACCESS PLAN shall show the placement of all fencing securing the PREMISES, including any proposed fencing located along the property line. This SECURITY/ACCESS PLAN shall also include the placement of any proposed gates as well as information concerning whether the proposed gates will be left open and if so when they will be open. This SECURITY/ACCESS PLAN shall be developed during the encroachment permit process for each of the RECREATION IMPROVEMENTS, reviewed, and approved prior to issuance of permit. For any masonry/block wall that is located all or in part on private property outside of the PREMISES, CITY shall be solely responsible for obtaining the necessary right of way and for maintaining the portion of the masonry/block wall fencing the PREMISES at its sole cost and expense during the term of this AGREEMENT. If the private property owner refuses to allow CITY on its private property to perform any necessary repairs on the masonry/block wall, and the masonry/block wall presents a hazard to persons using the RECREATION IMPROVEMENTS, CITY shall at its sole cost and expense install other fencing on PREMISES to secure PREMISES. This replacement fencing shall meet the DIRECTOR's written approval and be designed and constructed at no cost to DISTRICT. If CITY subsequently removes the masonry/block wall for any reason, CITY shall construct a replacement wall or fence meeting DIRECTOR's written approval at no cost to DISTRICT.

DIRECTOR shall have the authority to require CITY to implement all changes to the SECURITY/ACCESS PLAN that DIRECTOR, in DIRECTOR's sole discretion, determines are necessary for DISTRICT flood control activities and operations, to accommodate continued maintenance, construction, and operation of the RECREATION IMPROVEMENTS on PREMISES.

8.8. GRAFFITI REMOVAL

CITY agrees to be responsible at its sole cost and expense for keeping all RECREATION IMPROVEMENTS and DISTRICT facilities which are accessible from said RECREATION

IMPROVEMENTS free of graffiti. CITY shall regularly inspect RECREATION IMPROVEMENTS for graffiti and shall remove all graffiti from the RECREATION IMPROVEMENTS and DISTRICT facilities within two (2) working days of inspection or notification of the graffiti. CITY shall identify a contact person at the CITY responsible for graffiti removal and shall keep OC Public Works/Operations & Maintenance informed of CITY's contact person and access requirements for this operation by calling 714-955-0200. CITY shall perform any graffiti removal work in compliance with the requirements of Article 13 of this AGREEMENT by implementing appropriate Best Management Practices (hereinafter referred to as "BMPs") to prevent all materials, including paint or chemicals used in graffiti removal and any debris associated with the proposed project, from entering into the channel and/or DISTRICT maintained areas.

ARTICLE 9

INDEMNITY AND INSURANCE PROVISIONS

9.1. CITY'S INDEMNITY OBLIGATIONS

CITY agrees that it shall indemnify, defend with counsel approved in writing by DISTRICT, release and hold DISTRICT, COUNTY, and/or DISTRICT/COUNTY INDEMNITEES harmless from any and all claims, losses, or liability, arising from alleged injury or damage to persons or property arising out of: (a) breach of the terms and conditions of this AGREEMENT by CITY, (b) the willful misconduct or negligent acts or omissions of CITY in connection with this AGREEMENT, (c) the material or other items used or employed by CITY, its contractors, or agents in performing construction work under this AGREEMENT, (d) injury to or death of any person or persons (either workman, employees of CITY or its contractors, subcontractors or the public) or damage to adjacent or other property caused by the performance of construction work being performed by CITY, its contractors, or agents to construct RECREATION IMPROVEMENTS on PREMISES, or (e) arising from use by any person or persons of RECREATION IMPROVEMENTS on PREMISES, (f) CITY's operation and maintenance activities on PREMISES, or (g) the design of RECREATION IMPROVEMENTS on PREMISES. Nothing

contained in this section shall operate to relieve DISTRICT and/or the DISTRICT/COUNTY INDEMNITEES from any loss, injury, liability, damages, claims, costs or expenses to the extent determined by a court of competent jurisdiction to have been proximately caused by the willful misconduct or negligent acts or omissions of DISTRICT and/or the DISTRICT/COUNTY INDEMNITEES or any of them.

The indemnity obligations created by this section as well as any other indemnity obligations created by this AGREEMENT shall survive the termination of this AGREEMENT, to the extent that a claim is based on an event which occurred prior to termination.

9.2. INSURANCE

During the term of this AGREEMENT, CITY shall maintain insurance or self-insurance and cause its contractors to maintain insurance in accordance with the insurance requirements set forth in Exhibit B.

ARTICLE 10
ASSIGNMENT / THIRD PARTY BENEFICIARY PROVISIONS

10.1. ASSIGNMENT BY CITY PROHIBITED

CITY acknowledges that its rights and obligations pursuant to this AGREEMENT are non-transferable without the prior written consent of DISTRICT. Any attempt by CITY to transfer all or part of its rights or obligations under this AGREEMENT to another party shall be null and void. If CITY wishes to transfer RECREATION IMPROVEMENTS and/or any of its rights or obligation under this AGREEMENT to another party, DISTRICT may require that the proposed successor enter into a separate agreement with DISTRICT with additional terms and conditions.

DISTRICT may, but is under no obligation to, record this AGREEMENT to provide notice to proposed assigns or successors that this AGREEMENT is non-transferable without the express written consent of the DISTRICT's Board of Supervisors.

10.2. NO THIRD PARTY BENEFICIARY

This AGREEMENT is not intended to give or confer any benefits, rights, privileges, claims, actions, or remedies to any person, group or entity, including but not limited to the State and/or members of the general public authorized to use the PREMISES, as a third party beneficiary, decree, or otherwise. The CITY and the DISTRICT are and will remain the only entities with standing to enforce any of the covenants, terms and conditions of this AGREEMENT.

ARTICLE 11

NOTICE

11.1. NOTICES

All notices or other communications required or permitted under this AGREEMENT shall be provided to the following official at the specified address.

City of Placentia
ATTN: Damien Arrula
401 E. Chapman Ave.
Placentia, CA 92870
(714) 993-8186 (phone); (714) 961-0283 (fax)

Orange County Flood Control District
Director of Orange County Public Works
P.O. Box 4048
Santa Ana, CA 92702-4048
(City of Placentia – Bikeway and Trails Agreement)

11.2. FORM AND TIMING OF NOTICE

All notices shall be in writing, and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, or be sent by overnight courier and shall be deemed received upon the earlier of:

- (a) If personally delivered, the date of delivery to the address of the person to receive such notice;
- (b) If mailed, three (3) business days after the date of posting by the United States Post Office; or
- (c) If sent by overnight courier, when delivered.

11.3. CHANGES OF PERSON TO RECEIVE NOTICE

Either PARTY may change the person or official to receive notice by sending a written notice of that change to the other PARTY.

ARTICLE 12
ACCESS TO DISTRICT'S CHANNEL

12.1. CITY LOCKS

CITY shall be allowed to install a CITY lock on DISTRICT's gates if required for access to the RECREATION IMPROVEMENTS, provided CITY ensures that DISTRICT retains its ability to access its facilities.

12.2. DISTRICT ACCESS GATES

DISTRICT access gates not used by the public are to be immediately locked upon entering or exiting DISTRICT PROPERTY. CITY shall ensure that all DISTRICT access gates are locked after they are used by CITY personnel or CITY contractors.

12.3. USE OF DISTRICT ROADS

CITY acknowledges that the use of earthen DISTRICT access roads is prohibited during inclement weather or when DISTRICT's earthen access roads are wet. When DISTRICT's earthen access roads are wet, CITY's access will be limited to pedestrian access only and CITY shall allow such access only if CITY determines the conditions are safe and do not warrant the CITY's closure of such access by the public. Nothing in this paragraph shall diminish DIRECTOR's authority to order closure of the RECREATION IMPROVEMENTS when deemed necessary by DIRECTOR.

ARTICLE 13
STORMWATER

13.1. COMPLIANCE WITH STORMWATER REGULATIONS

CITY and all CITY's, agents, employees and contractors shall maintain the PREMISES so as to assure that pollutants do not enter the DISTRICT's facilities from the PREMISES.

The Santa Ana Regional Water Quality Control Board (hereinafter referred to as "RWQCB") has issued permits which regulate stormwater and non-stormwater discharges (Stormwater Permits) resulting from areas owned and operated by the DISTRICT including activities conducted under this AGREEMENT. The COUNTY and cities within Orange County have enacted water quality ordinances that prohibit activities that result in pollutants being discharged into the Stormwater drainage system, including DISTRICT facilities.

To ensure compliance with Stormwater Permits and water quality ordinances, DISTRICT and COUNTY have developed a Drainage Area Management Plan including a Local Implementation Plan (hereinafter referred to as "DAMP/LIP") that contains Model Maintenance Procedures with BMPs that parties using DISTRICT owned properties must adhere to. These Model Maintenance Procedures contain pollution prevention and source control techniques to minimize the impact of those activities upon dry-weather urban runoff, stormwater runoff, and receiving water quality. CITY shall review and assure that its contractors working on PREMISES review the applicable Model Maintenance Procedures contained in the DAMP/LIP. Activities performed on the PREMISES under this AGREEMENT shall conform to the requirements of the Stormwater Permits, the DAMP/LIP, and the Model Maintenance Procedures, as they exist at the time this AGREEMENT commences and as Stormwater Permits, the DAMP/LIP, and/or the Model Maintenance Procedures are modified throughout the term of this AGREEMENT. The BMP's applicable to uses authorized under this AGREEMENT must be performed as described within all applicable Model Maintenance Procedures. CITY shall fully understand the Model Maintenance Procedures applicable to operations conducted on the PREMISES prior to conducting them. CITY and/or its contractors may propose alternative BMPs that meet or exceed the pollution prevention performance of the Model Maintenance Procedures. Any such alternative BMPs shall be submitted to DIRECTOR for his review and written approval prior to implementation.

CITY acknowledges it may be required in the future by a regulatory agency such as the RWQCB to implement a self-evaluation program to demonstrate compliance with the requirements of this article.

ARTICLE 14

EXHIBITS

14.1. EXHIBITS

This AGREEMENT incorporates by this reference, the following exhibits, which are attached hereto and incorporated herein:

Exhibit A – Description of PREMISES
Exhibit B – Insurance Requirements

ARTICLE 15

MISCELLANEOUS PROVISIONS

15.1. ENTIRE AGREEMENT

This document sets forth the entire AGREEMENT among DISTRICT and CITY pertaining to this matter, and may be modified only by further written amendment between the PARTIES hereto.

15.2. AMENDMENTS

It is mutually understood and agreed that no addition to, alteration of, or variation of the terms of this AGREEMENT, nor any oral understanding or agreement not incorporated herein, shall be valid unless made in writing and signed and approved by all necessary PARTIES.

15.3. COMPLIANCE WITH APPLICABLE LAW

Each PARTY and their contractors shall at all times and in all respects comply with all applicable federal, state and local laws, ordinances regulations and permits.

15.4. CALENDAR DAY(S)

Any reference to the word "day" or "days" herein shall mean calendar day or calendar days, respectively, unless otherwise expressly provided.

15.5. WAIVER OF RIGHTS

The failure of DISTRICT to insist upon strict performance of any of the terms, covenants or conditions of this AGREEMENT shall not be deemed a waiver of any right or remedy that DISTRICT may have, and shall not be deemed a waiver of the right to require strict performance of all the terms, covenants and conditions of this AGREEMENT thereafter, nor a waiver of any remedy for the subsequent breach or default of any term, covenant or condition of this AGREEMENT.

15.6. SEVERABILITY

If any part of this AGREEMENT is held, determined or adjudicated to be illegal, void or unenforceable by a court of competent jurisdiction, the remainder of this AGREEMENT shall be given effect to the fullest extent reasonably possible.

15.7. AUTHORITY

The PARTIES to this AGREEMENT represent and warrant that this AGREEMENT has been duly authorized and executed and constitutes the legally binding obligation of their respective organization or entity, enforceable in accordance with its terms.

15.8. CONSTRUCTION

The PARTIES acknowledge that the PARTIES and their counsel have reviewed and revised this AGREEMENT and that the normal rule of construction - to the effect that any ambiguities are to be resolved against the drafting PARTY - shall not be employed in the interpretation of this AGREEMENT or any exhibits or amendments hereto.

15.9. EXECUTION IN COUNTERPARTS

This AGREEMENT may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one agreement. To facilitate execution of this AGREEMENT, the PARTIES may execute and exchange by telephone facsimile counterparts of the signature pages.

IN WITNESS WHEREOF, each PARTY hereto has executed this AGREEMENT by its duly authorized representatives as of the date set forth above.

City of Placentia, California,
a charter city

Date: _____

BY: _____
Damien Arrula
City Administrator

Attest:

Date: _____

BY: _____
Patrick J. Melia
City Clerk

APPROVED AS TO FORM BY THE:
City Attorney for the
City of Placentia,
California

BY: 

City Attorney

Orange County Flood Control District,
a body corporate and politic

Date: _____

By _____
Chairwoman of the Board of Supervisors
Orange County, CA

Signed and certified that a copy of this document has
been delivered to the Chair of the Board per G.C. Sec
25103, Reso 79-1535

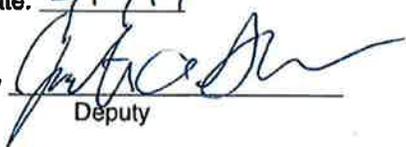
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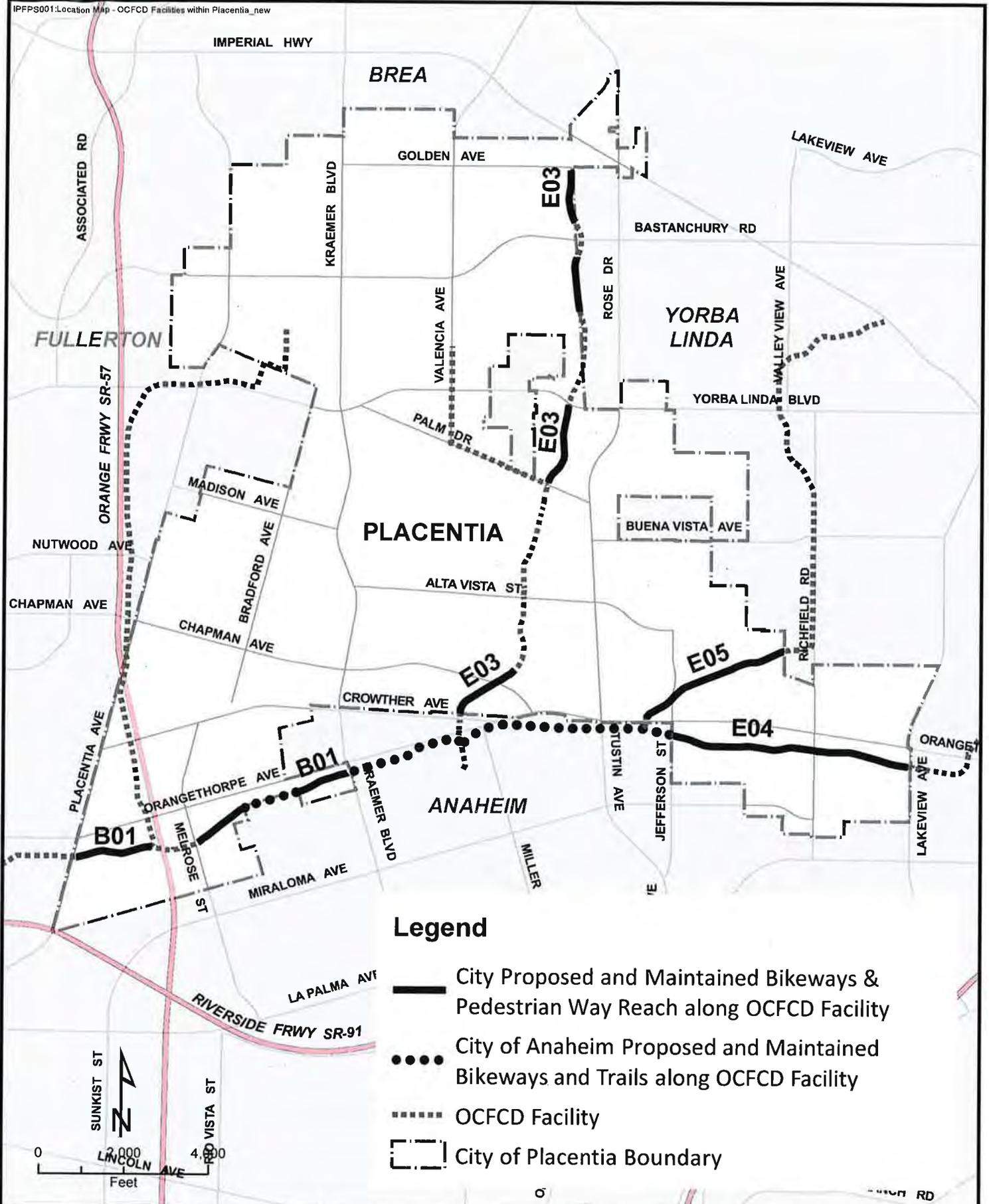
Date: _____

Robin Stieler
Clerk of the Board of Supervisors
County of Orange, California

APPROVED AS TO FORM:
Office of the County Counsel
Orange County, California

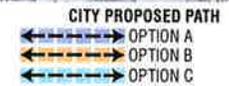
Date: 8/10/17

By  _____
Deputy





OPTION B is the City of Placentia's Preferred Option





Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: INTERIM FINANCE DIRECTOR

DATE: OCTOBER 3, 2017

SUBJECT: **AMENDMENT OF FISCAL YEAR 2017-2018 BUDGET FOR COMPLIANCE WITH SB 1, THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

FISCAL
IMPACT: SEE EXHIBIT "A" ATTACHED

SUMMARY:

From time to time during the fiscal year it is necessary to adjust the budget as revenue and expenditure estimates change, or as unanticipated revenue or expenditures become known. This staff report is an adjustment to the Gas Tax, Measure M, CIP and General Funds and establishes a new Road Maintenance and Rehabilitation Fund to account for projects to be funded from the new State Gas Tax funds recently approved in Senate Bill 1 (SB 1).

The State Legislature approved SB 1, the "Road Repair and Accountability Act of 2017," (RMRA) in the Fiscal Year (FY) 2016-17 Legislative session. In July, the Legislature issued additional guidelines for use of the RMRA funds; however the City's budget had already been adopted. Therefore, in order to be in compliance with the guidelines, the City must amend its budget for FY 2017-18.

RECOMMENDATION:

It is recommended that the City Council take the following action:

1. Approve Resolution R-2017-XX, A Resolution of the City Council of the City of Placentia, California, Authorizing the Amendment of the Fiscal Year 2017-18 Budget.

DISCUSSION:

From time to time during the fiscal year it is necessary to adjust the budget as revenue and expenditure estimates change, or as unanticipated revenue or expenditures become known. This staff report is an adjustment to the Gas Tax, Measure M, CIP and General Funds and establishes a new Road Maintenance and Rehabilitation Fund to account for projects to be funded from the new State Gas Tax funds recently approved in SB 1.

The State Legislature approved SB 1 (Beall), the "Road Repair and Accountability Act of 2017," during the Fiscal Year (FY) 2016-17 Legislative session. In July, the Legislature issued additional guidelines for use of the RMRA funds; however the City's budget had already been adopted.

1.e.

October 3, 2017

Therefore, in order to be in compliance with the guidelines, the City must amend its adopted budget. The Act provides additional funding to improve California's transportation infrastructure and includes significant additional funding for local governments to improve their own roadways and other transportation facilities. The new funding for local governments is additional Gas Tax Funds composed of two components: (1) Road Maintenance and Rehabilitation Account (RMRA) Funds, which will be a new ongoing source of local transportation funding; and (2) one-time funds for certain loan repayments from the State General Fund related to transportation, which will be distributed to local governments in equal installments over a three-year period beginning in FY 2017-18.

Attached is the required SB 1 Proposed Project List Form, which is required to be submitted to the State by October 16, 2017. This form denotes the two projects proposed to be funded from the new RMRA Funds: the Residential Slurry Seal Project and the Metrolink Station Parking Structure. The RMRA Funds will provide a portion of the funding for both of these projects. Also attached is an area map of the streets planned for slurry seal in FY 2017-18.

The FY 2017-18 adopted Gas Tax Fund budget included revenue estimates for both the RMRA and loan repayment funds based on preliminary estimates from the State, as well as appropriations of this new revenue. Final guidelines have now been published that specify project eligibility rules for the new RMRA Funds, necessitating some adjustments to the previously approved budget appropriations. In addition, updated FY 2017-18 revenue estimates have also been issued for this source of funds. To conform with the final project eligibility guidelines and revised funding amounts provided by the State, this budget amendment will adjust the funding of the Slurry Seal Project approved in the FY 2017-18 Budget as well as transfers from the Gas Tax and Measure M Funds to the General Fund to reimburse the General Fund for certain street maintenance-related costs. The Slurry Seal Project is being reduced in total by \$6,095, to conform to the slightly lower, updated revenue estimate for these new funds. Finally, a new fund is being established to account for the new RMRA funding source, given the more strict expenditure guidelines for these funds compared to those for the existing Gas Tax Funds.

FISCAL IMPACT:

Approval of this Budget Amendment will reduce the total Slurry Seal Project budget by \$6,095, will establish a new RMRA Fund, and will shift funding between Gas Tax, RMRA and Measure M Funds to conform to the final RMRA project eligibility guidelines.

Prepared by:



Irwin B. Bornstein, CPA
Senior Financial Consultant

Reviewed and approved:



Shally Lin
Interim Finance Director

Reviewed and approved:



Luis Estevez
Public Works Director

Reviewed and approved:



for Damien R. Arrula
City Administrator

Attachments:

1. Exhibit "A"
2. Resolution R-2017-XX, Budget Amendment
3. SB 1 Proposed Project List Form
4. Residential Slurry Seal Project Map

EXHIBIT "A"

City of Placentia
Budget Amendment
FY 2017-18

<u>Description</u>	<u>Account</u>	<u>Amount</u>
General Fund		
Estimated Revenue:		
Transfer In From Gas Tax Fund	100000-7017	(165,136)
Transfer In From Measure M Fund	100000-7021	165,136
		-
General Fund Total		-
Gas Tax Fund		
Estimated Revenue:		
Road Maint Rehab Account (RMRA)	170000-4085	(301,386)
		(301,386)
Appropriations:		
Transfer Out - General Fund	179999-8010	(165,136)
Transfer to CIP Fund (Slurry Seal Project)	179999-8033	(9,250)
Transfer to CIP Fund (Metro Station/Parking Structure Project)	179999-8033	(127,000)
		(301,386)
Gas Tax Fund Total		-
Road Maintenance and Rehabilitation (RMRA) Fund		
Estimated Revenue:		
Road Maint Rehab Account (RMRA)	600000-4085	295,291
		295,291
Appropriations:		
Transfer to CIP Fund (Slurry Seal Project)	609999-8033	168,291
Transfer to CIP Fund (Metro Station/Parking Structure Project)	609999-8033	127,000
		295,291
Road Maintenance and Rehabilitation (RMRA) Fund Total		-
Measure M Fund		
Appropriations:		
Transfer Out - General Fund	189999-8010	165,136
Transfer Out - CIP (Slurry Seal Project)	189999-8033	(165,136)
Measure M Fund Total		-
CIP Fund		
Estimated Revenue:		
Transfer In - Gas Tax	330000-7017	(136,250)
Transfer In - Measure M	330000-7018	(165,136)
Transfer In - RMRA	330000-7060	295,291
		(6,095)
Appropriations:		
Street Resurfacing and Slurry Seal	333552-6185/61146-6185	(6,095)
		(6,095)
CIP Fund Total		-

RESOLUTION NO. R-2017-59

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PLACENTIA, CALIFORNIA, AUTHORIZING THE AMENDMENT
OF THE FISCAL YEAR 2017-18 BUDGET.**

A. Recitals

(i). The adopted budget for the 2017-18 Fiscal Year sets out estimated appropriations for City expenses throughout the year.

(ii). From time to time the adopted budget must be adjusted when changes in revenue and expenditure estimates are determined to be necessary.

(iii). All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.
2. Two projects are hereby approved to be funded from the new Road Maintenance and Rehabilitation Account (RMRA) Funds: the Residential Slurry Seal Project and the Metrolink Station Parking Structure.
3. The adopted budget for Fiscal Year 2017-18, Resolution No. R-2017-xx, as heretofore amended, hereby is amended to reflect the following transfer of funds from the Account specified to the Account specified:

FUND	DESCRIPTION	DEPARTMENT	GL ACCOUNT #	AMOUNT
See Attachment A				

PASSED, ADOPTED AND APPROVED this 3rd day of October, 2017.

CRAIG S. GREEN, MAYOR

Attest:

PATRICK J. MELIA,
CITY CLERK

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of Placentia held on the 3rd day of October, 2017 by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

PATRICK J. MELIA,
CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN BETTANHAUSEN,
CITY ATTORNEY

Senate Bill (SB) 1 Proposed Project List Form**Part 1: General Information****Local Streets and Roads Program*****Agency Name:** (Select from dropdown list)**LoCode:**

Placentia

5269

Agency Address:**City:*****ZIP Code:**

401 E. Chapman Avenue

Placentia

CA

92870

Agency Contact:**Agency Contact Title:**

Luis Estevez

Director of Public Works

Agency Contact Phone No.:** (i.e. 1234567890)Agency Contact Email Address:**

(714) 993-8120

lestevez@placentia.org

Funding for Fiscal Year:

FY 17/18

***Budget Support Documentation:?**

Please briefly describe the budget support documentation being provided.

Capital Improvement Program Budget Amendment and Resolution.

Average Network PCI:

72

Measurement Date:

(Month)

(Year)

06

2016

Additional Information: ?

The local streets contained within the 2017 RMRA project list was determined and prioritized based on the condition of the roads to be maintained as part of this project. The project will entail a preventative slurry seal maintenance program utilizing rubberized slurry seal. The rubber component is from recycled tires. In addition, RMRA funds will be utilized towards the cost of construction of a new parking structure to service a

Project Flexibility:

Pursuant to SHC Section 2034(a)(1), this project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities, so long as the projects are consistent with SHC Section 2030(b). After submittal of the project list to the Commission, in the event a city or county elects to make changes to the project list pursuant to the statutory provision noted above, formal notification of the Commission is not required. However, the Project Expenditure Report form that is due to the Commission by October 1st each year, will provide an opportunity for jurisdictions to annually communicate such changes to the Commission as part of the regular reporting process.

* Required information

Part 2: Project Information

Local Streets and Roads Program

* Required

Proposed Project (PP#)	LoCode	* Project Title	Project ID (if any)	Project Type ?		* Project Description ?	* Project Location ?	* Estimated Completion Date		* Estimated Useful Life (in Yr)		Legislative District(s)		Additional Project Elements (Does the project include element(s) as described in SHC 2030 (c)-(f)? (Select Y/N from dropdown list) ?				
				Type (Select from dropdown list)	Explanation (if "Other" is selected, please explain) ?			Pre-Construction (mm/yyyy)	Construction (mm/yyyy)	Min.	Max.	State Senate	State Assembly	Sustainability ?	Technologies ?	Climate Change ?	Complete Streets Elements ?	Description of Elements
PP01	5268	Residential Slurry Seal Project	PW 2017-05	Road Maintenance & Rehabilitation		Preventive maintenance project to provide a rubberized slurry seal coat to approximately 1 million square feet of residential streets. Additional project areas will be included as addendums to bid items that depending on competitive bids will allow the City to slurry seal up to 2.2 million square feet of residential streets.	The residential streets to be included in this project are identified in the attached map.	09/2017	11/2017	7	10	29	55	Yes	No	Yes	No	Recycled rubberized slurry seal will be used on this project thus diverting that material from landfills and reducing green house gases generated by landfill sites.
PP02	5360	Metrolink Station Parking Structure	PW 2017-19	Other	Transportation Project	In partnership with the Orange County Transportation Authority, the City is constructing a 246 space parking structure and the newest Metrolink Train Station to be built in Orange County in 15 years. The parking structure will support the Metrolink station along with two existing public parking lots.	321 S. Main Street, Placentia, CA 92870	11/2017	04/2018	50	75	20	55	Yes	No	No	Yes	The parking structure structural elements to be constructed as well as backbone infrastructure will support the installation of PV solar panels on the roof of the structure with the goal of providing all of the structure's energy needs via solar power.
PP03	5268																	
PP04	5269																	
PP05	5269																	
PP06	5269																	
PP07	5269																	
PP08	5269																	
PP09	5269																	
PP10	5269																	
PP11	5269																	
PP12	5269																	
PP13	5269																	
PP14	5269																	
PP15	5269																	
PP16	5269																	
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PP43	5269																	
PP44	5269																	
PP45	5269																	
PP46	5269																	
PP47	5269																	
PP48	5269																	
PP49	5269																	
PP50	5269																	

Local Streets and Roads Program

Agency Name:		Agency Contact:	
Placentia		Luis Estevez	
		(714) 993-8120	
LoCode:	5269	lestevez@placentia.org	

FY
17/18

Summary of Proposed Project List

Project No.	Project Title	Project Description	Project Location	Estimated Completion Date <small>(mm/dd/yyyy)</small>		Estimated Useful Life <small>(# of yrs)</small>	
				Pre-Construction	Construction	Min.	Max.
PP01	Residential Slurry Seal Project	Preventative maintenance project to provide a rubberized	The residential streets to be included in this	09/2017	11/2017	7	10
PP02	Metrolink Station Parking	In partnership with the Orange County Transportation	321 S. Main Street, Placentia, CA 92870	11/2017	04/2018	50	75
PP03							
PP04							
PP05							
PP06							
PP07							
PP08							
PP09							
PP10							
PP11							
PP12							
PP13							
PP14							
PP15							
PP16							
PP17							
PP18							
PP19							
PP20							
PP21							
PP22							
PP23							
PP24							

Local Streets and Roads Program

Agency Name:		Agency Contact:	
Placentia		Luis Estevez	
		(714) 993-8120	
LoCode:	5269	lestevez@placentia.org	

FY
17/18

Summary of Proposed Project List

Project No.	Project Title	Project Description	Project Location	Estimated Completion Date <small>(mm/dd/yyyy)</small>		Estimated Useful Life <small>(# of yrs)</small>	
				Pre-Construction	Construction	Min.	Max.
PP25							
PP26							
PP27							
PP28							
PP29							
PP30							
PP31							
PP32							
PP33							
PP34							
PP35							
PP36							
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PP38							
PP39							
PP40							
PP41							
PP42							
PP43							
PP44							
PP45							
PP46							
PP47							
PP48							

Local Streets and Roads Program

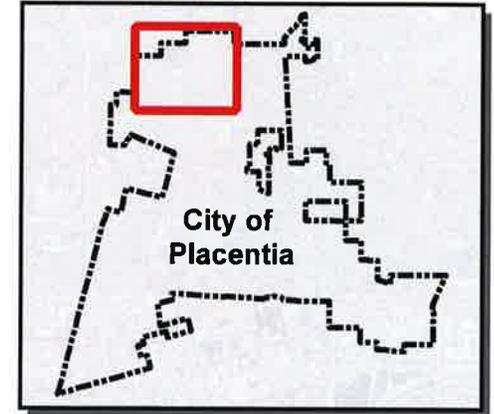
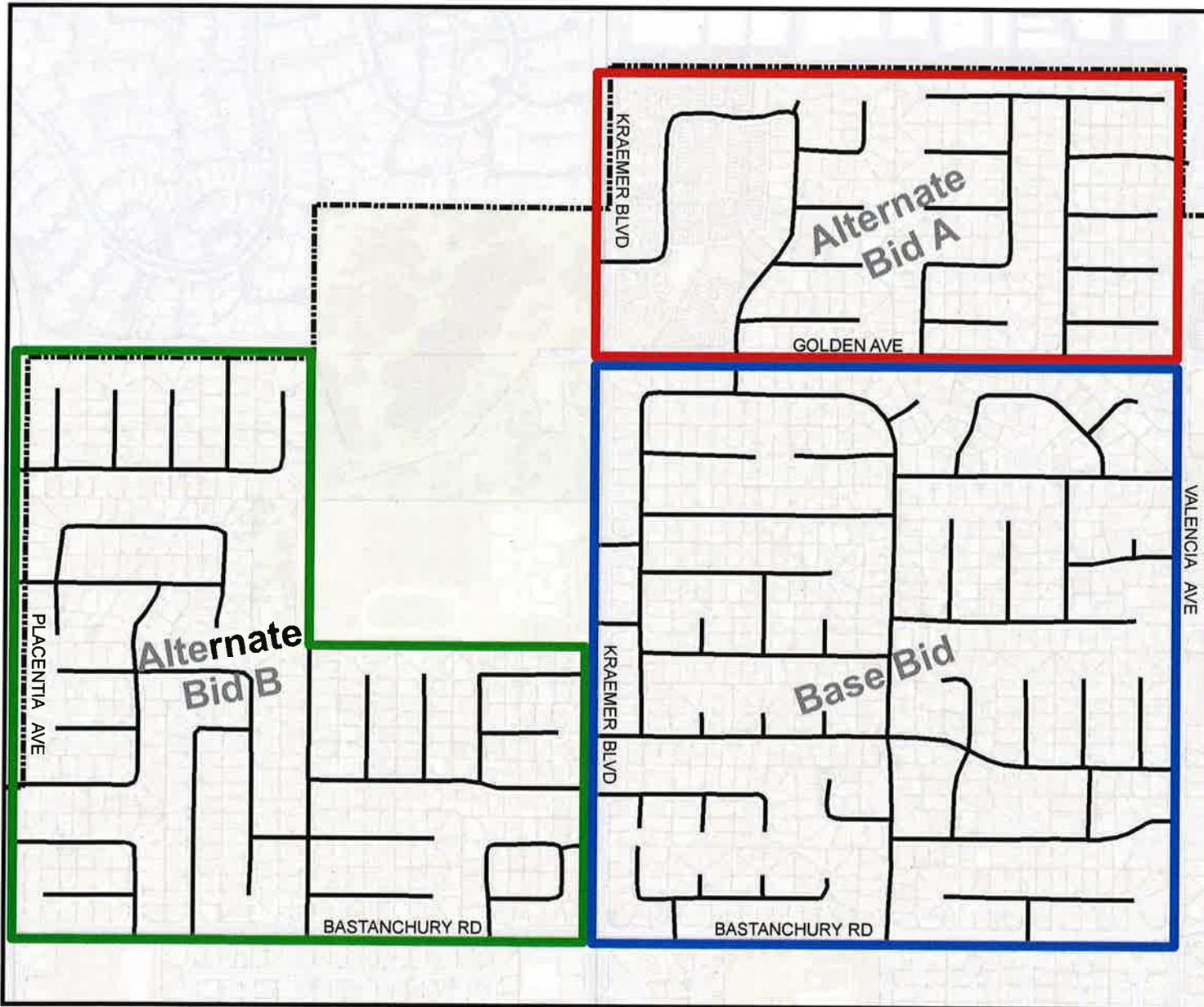
Agency Name:		Agency Contact:	
Placentia		Luis Estevez	
		(714) 993-8120	
LoCode:	5269	lestevez@placentia.org	

FY
17/18

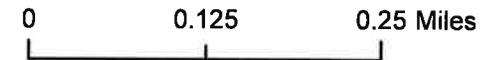
Summary of Proposed Project List

Project No.	Project Title	Project Description	Project Location	Estimated Completion Date <small>(mm/dd/yyyy)</small>		Estimated Useful Life <small>(# of yrs)</small>	
				Pre-Construction	Construction	Min.	Max.
PP49							
PP50							

Residential Slurry Seal Project PW 2017-05



Bid Section	Sq. Ft.
Base Bid	1,067,955
Add Alternate Bid A	424,581
Add Alternate Bid B	737,758



City of Placentia





Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF DEVELOPMENT SERVICES

DATE: OCTOBER 3, 2017

SUBJECT: **SECOND READING OF ORDINANCE NO. O-2017-08 ADOPTING ZONING CODE AMENDMENT 2017-05 ADDING CHAPTER 23.83 TO TITLE 23 (ZONING) OF THE PLACENTIA MUNICIPAL CODE TO REGULATE WIRELESS TELECOMMUNICATIONS FACILITIES WITHIN THE PUBLIC RIGHT-OF-WAY**

FISCAL IMPACT: No fiscal impacts are anticipated with the review of this ordinance, however, potential revenue generated for the City would be at least \$17,500 per fiscal year for the usage of 70 light poles and/or traffic signals for public right-of-way sites.

SUMMARY:

On September 19, 2017, a public hearing was held to consider Zoning Code Amendment (ZCA 2017-05, "ZCA") whereby Chapter 23.83 would be added to Title 23 (Zoning) of the Placentia Municipal Code (PMC) to regulate wireless telecommunications facilities (WCFs) within the public right-of-way (PROW). The City Council approved first reading of Ordinance No. O-2017-08 adopting ZCA 2017-05. This recommended action will approve second reading and adoption of Ordinance No. O-2017-08 which will take effect 30 days after adoption. The City Council also found that adoption of ZCA No. 2017-05 is exempt from environmental review pursuant to the provisions of the California Environmental Quality Act (CEQA), Section 15061(b)(3).

RECOMMENDATION:

It is recommended that the City Council take the following action:

1. Waive full reading, by title only, and adopt Ordinance No. O-2017-08, an Ordinance of the City Council of the City of Placentia, California adding Chapter 23.83 entitled "Wireless Telecommunications Facilities within the Public Right-of-Way".

BACKGROUND:

Technology

Small cells are the most recent evolution of wireless radio technology and are becoming standard infrastructure for Wireless Service Providers (WSPs) as part of their heterogeneous network (HetNet) strategy. Small cells are compact and low-powered base stations used to compliment mobile phone service from larger macro cell towers and facilities. The term, "small cells" (SC) is an umbrella term used for a wide range of WCFs that include femto cells, pico cells, micro cells, and metro cells. These low-powered radio access nodes typically have a coverage range from

1.f.

October 3, 2017

about 30 feet to several hundred feet and have become a highly valuable solution to alleviate network congestion by providing for the densification needs of the WSPs. Network densification requirements for WSPs have led to the need for SC, as coverage and capacity needs have become critical challenges.

Outdoor SC nodes are typically placed on existing infrastructure such as utility/telephone poles, street lamps or traffic signal poles which provide a high density of potential sites where these location sensitive deployments can occur. To support high speed service, SC technology provides WSPs the ability to integrate an approach to allow for 3G, 4G LTE, and Wi-Fi service from a single deployment, including the future deployment of 5G devices. These SC nodes are operated and controlled by a single mobile phone company. The purpose of installing SC is to increase range and capacity in densely populated urban areas that cannot be sustained by macro cells. The growth of SC is a response to increasing global data traffic, which is continuing to grow at a rapid pace.

SB 649

Senate Bill 649 (SB 649), which is rapidly moving through the State Legislature, aims to address and answer the increase in data traffic. As currently proposed, it would remove the requirement for WSPs to obtain discretionary approval prior to installing a SC device on PROWs, including City-owned facilities and light poles. This bill could require the City to provide access to vertical infrastructure in PROWs and would limit the amount of rent that could be charged for access. The only place where a SC tower could not be installed is on fire department facilities. The bill would not only remove the ability to take into consideration any aesthetic, design or nuisance impacts, but would also remove a jurisdiction's ability to consider these facilities as a "project" pursuant to CEQA. In accordance with SB 649, the largest allowable device is limited to 35 cubic feet in size similar to the dimensions of a small refrigerator, but the size limitation does not take into account all of the space the supplemental equipment will utilize. The bill specifically excludes the supporting equipment necessary, including but not limited to, electric meters, demarcation boxes, pedestals, grounding equipment and other necessary devices for the device to run. Such ancillary equipment is not included in the bill's 35 cubic foot restriction. Given that this is an emerging technology and there are relatively few examples of micro cell sites in varying capacities, it is difficult to determine the amount of space each device would require.

SB 649 will eliminate public involvement, full local environmental and design review, and the ability for local governments to negotiate leases or any public benefit for the installation of SC equipment. SC would be required to be allowed on public property in any zone in a city or county and would be subject to a non-discretionary permitting process. The bill eliminates the full discretion a local jurisdiction currently maintains to require that such equipment blends into the community they are entering and that WCPs adequately maintain their equipment. SB 649 eliminates the ability to negotiate any public benefit such as providing network access for a library. Additionally, the bill makes local governments responsible to adopt a complicated set of ordinances, thereby increasing costs to local jurisdictions, at the same time the bill caps the flexible revenue cities and counties can generate for public services. SB 649 forces local government to rent space for SC on public property at rates far below fair market value and requires that every jurisdiction, in order to use its own public property, provide substantial evidence that the space is needed by that community. Rents from the use of public property, which every other for-profit business pays, help

cover the cost of essential public services. The bill now sets an arbitrary cap on the annual fee, rather than allowing each jurisdiction to determine fees based upon fair market rates.

On August 8, 2017, the Planning Commission conducted a noticed public hearing and unanimously recommended approval of ZCA 2017-05 whereby Chapter 23.83 would be added to Title 23 (Zoning) of the PMC to regulate WCFs within the PROW.

DISCUSSION:

The proposed ordinance addresses the issues of regulating SC by distinguishing measures that apply to the siting, modification, or construction of these facilities within the PROW. Applications involving infrastructure in the PROW co-located on a City-owned pole shall be considered for Ministerial Review (no public hearing). By providing guidelines in the ordinance for the design of these facilities, the City can offer a faster approval process for applications that fit the requirements. Having a ministerial approval process in the ordinance eliminates the risk of Staff encountering issues with the "shot clock" and ensures a level of consistency in design Citywide.

A discretionary review consisting of a Planning Commission public hearing, will be required for all WCF co-locations, modifications or new facilities that do not match the guidelines provided for ministerial review. The City expects to have a limited number of discretionary applications, which should allow sufficient effort be devoted to approving the application before the expiration of the "shot clock". By adoption of the ordinance, the City can approve or deny proposed telecommunication devices within the acceptable timeline based on whether they fit the design parameters established in the proposed ordinance.

Should an applicant seek approval of five (5) or more WCFs in the PROW (including new facilities and co-locations on existing facilities), the applicant may elect to submit an application for a master deployment plan permit, subject to the Planning Commission's review and approval. The proposed facilities in a master deployment plan shall be reviewed together at the same time and shall be otherwise subject to the same requirements and procedures applicable to a major communication facility. Only facilities in the PROW may be covered by the master deployment plan.

ENVIRONMENTAL REVIEW:

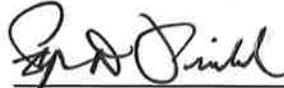
The proposed zoning code amendment was reviewed by Staff in accordance with the requirements of the California Environmental Quality Act ("CEQA"). Based on that review, Staff recommendation, and the recommendation of the Planning Commission, on September 19, 2017, the City Council found that adoption of ZCA 2017-05 is exempt from environmental review pursuant to the provisions of the CEQA Section 15061(b)(3) in that the proposed Code Amendments are not expected to create a negative impact on the physical environment and it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Prepared by:



Joseph M. Lambert
Director of Development Services

Reviewed and approved:



for Damien R. Arrula
City Administrator

Attachments:

1. Ordinance No.O-2017-08
Exhibit A: Wireless Telecommunications Facilities Within the Public Right-Of-Way
Exhibit B: Figure 23.83-1 Design Standards and Guidelines

ORDINANCE NO. O-2017-08

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF PLACENTIA, CALIFORNIA ADDING CHAPTER 23.83
ENTITLED "WIRELESS TELECOMMUNICATIONS
FACILITIES WITHIN THE PUBLIC RIGHT-OF-WAY"**

City Attorney Summary

This Ordinance would add Chapter 23.83 to the City of Placentia Municipal Code creating regulations for the permitting, development, siting, installation, design, operation and maintenance of wireless telecommunications facilities in the City's public right-of-way and on city-owned property.

A. Recitals.

(i.) The City of Placentia wishes to adopt new development standards for the permitting, development, siting, installation, design, operation and maintenance of wireless telecommunications facilities in the City's public right-of-way and on city-owned property. These regulations are intended to prescribe clear and reasonable criteria to assess and process applications in a consistent and expeditious manner, while reducing the impacts associated with wireless telecommunications facilities.

(ii.) Pursuant to Article XI, § 5 of the California Constitution and the City Charter, the City of Placentia may make and enforce all regulations and ordinances in respect to municipal affairs.

(iii.) A duly noticed public hearing was conducted, and concluded, with respect to the Ordinance hereby recommended for adoption.

(iv.) On or about August 8, 2017, the Planning Commission of the City of Placentia held a duly noticed public hearing and recommended to the City Council approval of an Ordinance to Ordinance would add Chapter 23.83 to the City of Placentia Municipal Code creating regulations for the permitting, development, siting, installation, design, operation and maintenance of wireless telecommunications facilities in the City's public right-of-way and on city-owned property.

(vi.) The City of Placentia provided notice of the City Council's public hearing in accordance with California Government Code Section 65090 and the City of Placentia Municipal Code Section 23.96.030.

(vii.) All other legal prerequisites to the adoption of this resolution have occurred.

B. Ordinance.

NOW, THEREFORE, the City Council of the City of Placentia does hereby find, determine and ordain as follows:

SECTION 1.. In all respects as set forth in the Recitals, Part A, of this Ordinance.

SECTION 2. The City Council hereby finds that the amendments set forth in Zoning Code Amendment No. 2017-05 have been reviewed and considered in accordance with the provisions of the California Environmental Quality Act of 1970, as amended, the Guidelines promulgated thereunder and City Guidelines and, further, that it can be seen with certainty that there is no possibility that the amendments set forth below may have a significant effect on the environment because the number of wireless telecommunications facilities would be limited and because the regulations established within this ordinance ensure that the existing appearance of the community remains largely the same. The City Council finds that said amendments are therefore not subject to the requirements of the California Environmental Quality Act pursuant to the provisions of § 15061(b)(3) of Division 6 of Title 14 of the California Code of Regulations and further recommends that a Notice of Exemption be filed with the Orange County Clerk/Recorder, in the manner as required by law.

SECTION 3. The City Council approves an amendment to the City of Placentia Municipal Code by adding Chapter 23.83 entitled "Wireless Telecommunications Facilities within the Public Right-Of-Way" as set forth in Exhibit "A".

SECTION 4. The City Council further approves Design Standards and Siting Guidelines by adopting Figure 23.83-1 as set forth in Exhibit "B".

SECTION 5. The City Council finds, in accordance with the requirements of Section 23.96.040 ("Amendments") of the Placentia Municipal Code, that the proposed amendment to the municipal code will not be detrimental to the health, safety or general welfare of the persons residing or working within the neighborhood of the

proposed amendment or within the city, and that it will not be injurious to property or improvements within the neighborhood or within the city. The City Council also finds that the amendment is consistent with the latest adopted General Plan.

SECTION 6. If any section, subsection, sentence, clause, or phrase of this ordinance and/or the documents in support of this ordinance is/are for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 7. The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same, or the summary thereof, to be published and posted pursuant to the provisions of law and this Ordinance shall take effect thirty (30) days after passage.

PASSED, APPROVED AND ADOPTED this 3rd day of October, 2017.

CRAIG S. GREEN, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Placentia, held on the 3rd day of October, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA, CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN, CITY ATTORNEY

Exhibit "A"

"Wireless Telecommunications Facilities Within the Public Right-Of-Way"

CITY OF PLACENTIA

WIRELESS IN RIGHT OF WAY

Chapter 23.83 - WIRELESS TELECOMMUNICATIONS FACILITIES WITHIN THE PUBLIC RIGHT-OF-WAY

23.83.010 - Purpose.

The purpose and intent of this chapter is to provide a uniform and comprehensive set of regulations and standards for the permitting, development, siting, installation, design, operation and maintenance of wireless telecommunications facilities in the City's public right-of-way and on city-owned property. These regulations are intended to prescribe clear and reasonable criteria to assess and process applications in a consistent and expeditious manner, while reducing the impacts associated with wireless telecommunications facilities. This chapter provides standards necessary (1) for the preservation of the public right-of-way in the city for the maximum benefit and use of the public, (2) to promote and protect public health and safety, community welfare, visual resources and the aesthetic quality of the city consistent with the goals, objectives and policies of the general plan, and (3) to provide for the orderly, managed and efficient development of wireless telecommunications facilities in accordance with the state and federal laws, rules and regulations.

23.83.020 - Definitions.

"Accessory equipment" means any equipment associated with the installation of a communication facility, including but not limited to cabling, generators, fans, air conditioning units, electrical panels, equipment shelters, equipment cabinets, equipment buildings, pedestals, meters, vaults, splice boxes, and surface location markers.

"Antenna" means that part of a communication facility designed to radiate or receive radio frequency signals and/or electromagnetic waves.

"Cellular" means an analog or digital wireless telecommunications technology that is based on a system of interconnected neighboring cell sites.

"Code" means the Placentia Municipal Code.

"Collocation" means the mounting or installation of transmission equipment on an eligible support structure for the purpose of transmitting and/or receiving radio frequency signal or electromagnetic waves for communication purposes.

"Communication facility," "facility" or "facilities" or "wireless telecommunications facilities" mean any facility or facilities that transmits and/or receives electromagnetic waves. It includes, but is not limited to, antennas and/or other types of equipment for the transmission or receipt of such signals, telecommunications towers or similar structures supporting such equipment, related accessory equipment, equipment buildings, parking areas, and other accessory development.

Exceptions: The term "communication facility" does not apply to the following:

1. Government owned and operated telecommunications facilities.
2. Emergency medical care provider-owned and operated telecommunications facilities.

3. Mobile services providing public information coverage of news events of a temporary nature.
4. Any wireless telecommunications facilities exempted from this code by federal law or state law.

"COW" means a "cell on wheels," which is a communication facility temporarily rolled in or temporarily installed.

"Director" means the Director of the Department of Development Services, or his or her designee, unless the entire application is for a purely ministerial approval, in which case "Director" means the Director of Public Works or his or her designee.

"Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors.

"Ground-mounted" means mounted to a telecommunications tower.

"Located within the public right-of-way" includes any facility which in whole or in part, itself or as part of another structure, rests upon, in, over or under the public right-of-way.

"Modification" means a change to an existing communication facility that involves any of the following: collocation, expansion, alteration, enlargement, intensification, reduction, or augmentation, including, but not limited to, changes in size, shape, color, visual design, or exterior material. "Modification" does not include repair, replacement or maintenance if those actions do not involve a change to the existing facility involving any of the following: collocation, expansion, alteration, enlargement, intensification, reduction, or augmentation.

"Monopole" means a structure composed of a pole or tower used to support antennas or related equipment. A monopole also includes a monopine, monopalm, monoecalyptus, monocactus, and similar monopoles camouflaged to resemble faux trees or other faux objects attached on a monopole (e.g. water tower).

"Mounted" means attached or supported.

"Pole" means a single shaft of wood, steel, concrete or other material capable of supporting the equipment mounted thereon in a safe and adequate manner and as required by provisions of this code.

"Public right-of-way" means a strip of land acquired by reservation, dedication, forced dedication, prescription or condemnation and intended to be or is presently occupied by a road, sidewalk, railroad, electric transmission lines, oil or gas pipeline, water line, sanitary storm sewer, bikeway, pedestrian walkway, or other public use."

"Sensitive uses" means any residential use, public or private school, day care, playground, and retirement facility.

"Small cell" shall have the same meaning as provided in Government Code 65964.2 as it may be amended from time to time. As of the date this ordinance came into effect, "small cell" is defined as follows:

A wireless telecommunications line facility, as defined in paragraph (2) of subdivision (d) of Section 65850.6 [of the government code], or a wireless facility that uses licensed or unlicensed line spectrum and that meets the following qualifications:

(i) The small cell antennas on the structure, excluding the line associated equipment, total no more than six cubic feet in volume, whether an array or separate.

(ii) Any individual piece of associated equipment on pole structures does not exceed nine cubic feet.

(iii) The cumulative total of associated equipment on pole structures does not exceed 21 cubic feet.

(iv) The cumulative total of any ground-mounted equipment along with the associated equipment on any pole or nonpole structure does not exceed 35 cubic feet.

(v) The following types of associated ancillary equipment are not included in the calculation of equipment volume:

(I) Electric meters and any required pedestal.

(II) Concealment elements.

(III) Any telecommunications demarcation box.

(IV) Grounding equipment.

(V) Power transfer switch.

(VI) Cutoff switch

(VII) Vertical cable runs for the connection of power and other services.

(VIII) Equipment concealed within an existing building or structure.

(B) "Small cell" includes a micro wireless facility.

(C) "Small cell" does not include the following:

(i) Wireline backhaul facility, which is defined to mean a facility used for the transport of communications data by wire from wireless facilities to a network.

(ii) Coaxial or fiber optic cables that are not immediately adjacent to or directly associated with a particular antenna or collocation.

(iii) Wireless facilities placed in any historic district listed in the National Park Service Certified State or Local Historic Districts or in any historical district listed on the California Register of Historical Resources or placed in coastal zones subject to the jurisdiction of the California Coastal Commission.

(iv) The underlying vertical infrastructure.

"Telecommunications tower" means a freestanding mast, pole, monopole, guyed tower, lattice tower, free standing tower or other structure designed and primarily used to support communication facility antennas.

"Utility pole" means any pole or tower owned by any utility company that is primarily used to support wires or cables necessary to the provision of electrical or other utility services regulated by the California Public Utilities Commission.

"Wireless telecommunications services" means the provision of services using a communication facility or a wireless telecommunications collocation facility, and shall include, but not limited to, the following services: personal wireless services as defined in the federal Telecommunications Act of 1996 at 47 U.S.C. § 332(c)(7)(C) or its successor statute, cellular service, personal communication service, and/or data radio telecommunications.

23.83.030 - Applicability.

A. Applicability. This chapter applies to the siting, construction or modification of any and all wireless telecommunications facilities proposed to be located in the public right-of-way and city-owned property as follows:

1. All facilities for which applications were not approved prior to November 3, 2017 shall be subject to and comply with all provisions of this chapter.
2. All facilities for which applications were approved by the city prior to November 3, 2017 shall not be required to obtain a new or amended permit until such time as a provision of this code so requires. Any communication facility that was lawfully constructed prior to November 3, 2017 that does not comply with the standards, regulations and/or requirements of this division, shall be deemed a nonconforming use.
3. All facilities, notwithstanding the date approved, shall be subject immediately to the provisions of this chapter governing the operation and maintenance (Section 23.83.130 (Operation and Maintenance Standards)), cessation of use and abandonment (Section 23.83.170 (Cessation of Use or Abandonment)), removal and restoration (Section 23.83.180 (Removal and Restoration—Permit Expiration, Revocation or Abandonment)) of wireless telecommunications facilities and the prohibition of dangerous conditions or obstructions by such facilities (Section 23.83.150 (No Dangerous Condition or Obstructions Allowed)); provided, however, that if a condition of approval conflicts with a provision of this chapter, the condition of approval shall control until the permit is amended or revoked.

B. Exclusions. This chapter does not apply to the following:

1. Amateur radio facilities;
2. Over the air reception devices ("OTARD") antennas;
3. Facilities owned and operated by the city for its use;
4. Any entity legally entitled to an exemption pursuant to state or federal law or city-issued franchise agreement.

23.83.040 - Communication facility permit requirements (Discretionary and Ministerial).

A. General Rule - Major Wireless Communication Facilities Permit Required. All new wireless facilities or collocations or modifications to existing wireless facilities shall require a use permit subject to Planning Commission approval unless otherwise provided for in this chapter.

B. Minor Wireless Communication Facilities Permit.

1. Discretionary Permit. The Director may issue a special use permit for new facilities or collocations or modifications to existing facilities that meet all the following criteria:

- a. Consists of a small cell;
- b. The proposal is not located in any location identified in Section 23.83.200 (Location Restrictions); and
- b. The proposal complies with all applicable provisions in this chapter without need for an exception pursuant to Section 23.83.190 (Exceptions).

2. Referral to Commission. The Director may, in the Director's discretion, refer any application for a special use permit to the Planning Commission for approval, which approval shall be granted if the commission makes the findings required in Section 23.83.090.

C. Ministerial Wireless Telecommunications Facilities Permit. Notwithstanding Section 23.83.220 (State or Federal Law – Ministerial Requirements), the Director shall approve a ministerial wireless telecommunications permit if, all of the following apply:

1. The facility will comply with all applicable laws including, but not limited to:
 - a. the Americans with Disabilities Act;
 - b. all building and safety requirements, including those within the California Building Standards Code, as amended by the City of Placentia;
 - c. all requirements of the Federal Communications Commission (FCC), including requirements relating to radio-frequency (RF) emissions and limits on interference.
2. The proposed facility will be installed on either:
 - a. an existing pole that meets all of the following requirements:
 - i. The pole does not support a traffic control device (examples include stop signs and traffic signals). If, however, the city has not passed a resolution declaring that the capacity on the traffic control device is needed for projected city uses, and the facility is a small cell, such use of such a pole is not automatically prohibited;
 - ii. The facility will match the design of the pole; and
 - iii. To the maximum extent feasible, all equipment installed on the pole will be the same color as the pole; or
 - b. a new light pole that meets all of the following requirements:
 - i. the pole meets the City's design requirements for its own light poles; (See Figure 23.83-1 and City's adopted pole standards).
 - ii. the pole is at least 90 feet away from any existing light pole; and
 - iii. Unless requested otherwise by the city in writing, the light on the pole will be illuminated, operated, and maintained consistent with the operation of

the other light poles in the city, and the full costs of illumination shall be fully borne by the applicant.

3. The applicant has provided technical data clearly demonstrating that there is a significant gap in the applicant's coverage and the facilities proposed are needed to fill that gap.
4. The city has issued all required wireless telecommunications encroachment permit(s) and entered into any required master license agreement.
5. All accessory equipment is housed in a container which is either (a) attached to the pole such that it does not protrude from the pole by more than four inches; is attached more than 10 feet above the ground; and is camouflaged to the extent feasible; or (b) installed underground.
6. The facility is a "small cell" facility which has antennas (or antenna sheathing) that is all of the following
 - a. Mounted symmetrically at the top of the pole;
 - b. The same color and as the pole; and
 - c. The same shape as the pole (which shape is typically cylindrical).

D. Master Deployment Plan Permit.

1. Notwithstanding any other provision of the Code to the contrary, any applicant that seeks approval for five or more wireless telecommunications facilities in the right of way and/or public property (including new facilities and collocations to existing facilities) may elect to submit an application for a master deployment plan permit subject to Planning Commission approval. Any master deployment plan shall expire 36 months after the effective date of the approval unless the Planning Commission establishes a shorter time period. The proposed facilities in a master deployment plan shall be reviewed together at the same time and shall be otherwise subject to the same requirements and procedures applicable to a major wireless communication facility permit. Only facilities in the right of way and/or public property may be covered by a master deployment plan. Any master deployment plan shall be required to enter into a master license agreement.

2. A master deployment plan permit shall be deemed an approval for all wireless telecommunications facilities within the plan; provided, however, that an individual encroachment permit shall be required for each communication facility built pursuant to the plan.

3. Each facility proposed to be constructed pursuant to a master deployment plan permit, shall be built in strict compliance with the approved plan. Any deviations or alterations from the approved master deployment plan for an individual communication facility shall be considered as through no master deployment plan permit had been issued and shall require either a major, minor, or ministerial wireless communication facilities permit, as applicable.

4. An applicant that proposes to amend a master deployment plan permit shall apply to the city and follow the same procedures as would otherwise be required to obtain a new master deployment plan permit.

E. Other Permits Required. In addition to any permit that may be required under this chapter, the applicant must obtain all other required prior permits or other approvals from other city departments, or state or federal agencies. Any permit granted under this chapter is subject to the conditions and/or

requirements of other required prior permits or other approvals from other city departments, state or federal agencies.

F. Eligible Applicants. Only applicants who have been granted the right to enter the public right-of-way pursuant to state or federal law, or who have entered into a franchise agreement or master license agreement with the city permitting them to use the public right-of-way, shall be eligible for a permit to install or modify a communication facility or a communication collocation facility in the public right-of-way.

G. Speculative Equipment Prohibited. The city finds that the practice of "pre-approving" wireless equipment or other improvements that the applicant does not presently intend to install but may wish to install at some undetermined future time does not serve the public's best interest. The city shall not approve any equipment or other improvements in connection with a communication facility permit when the applicant does not actually and presently intend to install such equipment or construct such improvements. All improvements must be installed at the same time.

23.83.050 - Application for communication facility permit.

A. Application.

1. In addition to the information required of an applicant for a wireless communication facility encroachment permit or any other permit required by this code, each applicant requesting approval of the installation or modification of a communication facility in the public right-of-way and city property shall fully and completely submit to the city a written application on a form prepared by the Director.

2. No applicant seeking to install wireless antennas shall seek an encroachment permit for fiber or coaxial cable only. Applicants shall simultaneously request fiber installation or other cable installation when seeking to install antennas in the right-of-way.

B. Application Contents – All Permits. The Director shall develop an application form and make it available to applicants upon request. The supplemental application form for any new communication facility installation in the public right-of-way (regardless of whether it is ministerial or discretionary) shall require the following information, in addition to any information required by 23.83.050.C (for discretionary permits) and all other information determined necessary by the Director:

1. Contact information. The name, address, email address, and telephone number of the applicant, owner and the operator of the proposed facility, and the date the application was received by the City.

2. Written authorization. If the facility will be located on or in the property of someone other than the owner of the facility (such as a street light pole, utility pole, utility cabinet, vault, or cable conduit), the applicant shall provide a duly executed written authorization from the property owner(s) authorizing the placement of the facility on or in the property owner's property, including written authorization from the Southern California Joint Pole Committee.

3. Engineering Plans. Detailed engineered improvement plans of the proposed facility and related report prepared by a professional engineer registered in the State of California documenting the following:

- a. Height, diameter and design of the facility, including technical engineering specifications, economic and other pertinent factors governing selection of the proposed design, together with evidence that demonstrates that the proposed facility has been designed to be the least visible equipment within the particular technology the carrier chooses to deploy. A layout plan, section and elevation of the tower structure shall be included.
 - b. A photograph and model name and number of each piece of equipment included.
 - c. Power output and operating frequency for the proposed antenna.
 - d. Total anticipated capacity of the structure, indicating the number and types of antennas and power and frequency ranges, which can be accommodated.
 - e. Sufficient evidence of the structural integrity of the pole or other supporting structure as required by the city.
4. Justification for Facility. A justification study which includes the rationale for selecting the proposed use; if applicable, a detailed explanation of the coverage gap that the proposed use would serve; and how the proposed use is the least intrusive means for the applicant to provide wireless service. Said study shall include all existing structures and/or alternative sites evaluated for potential installation of the proposed facility and why said alternatives are not a viable option.
5. Environmental. A completed environmental assessment.
6. Request for Exception. If the applicant requests an exception to the requirements of this chapter (in accordance with Section 23.83.190 (Exceptions)), the applicant shall provide all information and studies necessary for the city to evaluate that request.
7. Proof of RF Emission Compliance. For a facility that is not categorically excluded under the FCC regulations for RF emissions, the applicant shall submit an RF exposure compliance report prepared and certified by an RF engineer acceptable to the city that certifies that the proposed facility, as well as any facilities that contribute to the cumulative exposure in the subject area, will comply with applicable federal RF exposure standards and exposure limits. The RF report must include the actual frequency and power levels (in watts effective radio power "ERP") for all existing and proposed antennas at the site and exhibits that show the location and orientation of all transmitting antennas and the boundaries of areas with RF exposures in excess of the uncontrolled/general population limit (as that term is defined by the FCC) and also the boundaries of areas with RF exposures in excess of the controlled/occupational limit (as that term is defined by the FCC). Each such boundary shall be clearly marked and identified for every transmitting antenna at the project site.
8. FAA Documents. Copies of any documents that the applicant is required to file pursuant to Federal Aviation Administration regulations for the facility.
9. Fee. An application fee, and a deposit for a consultant's review as set forth in paragraph E of this section 23.83.050 in an amount set by resolution by the city council and in accordance with applicable law (e.g. California Government Code Section 50030).
10. RF Exposure Checklist. Completion of the radio frequency (RF) emissions exposure guidelines checklist contained in Appendix A to the Federal Communications Commission's (FCC) "Local

Government Official's Guide to Transmitting Antenna RF Emission Safety", as it may be amended from time to time, to determine whether the facility will be "categorically excluded" as that term is used by the FCC.

11. Site Plans. Site plan(s) to scale, specifying and depicting the exact proposed location of the pole, pole diameter, antennas, accessory equipment, access or utility easements, landscaped areas, existing utilities, adjacent land uses, and showing compliance with Section 23.83.080 (Requirements for Facilities within the Public Right-of-Way).

12. Traffic Control. If an encroachment permit is required, then the encroachment permit procedures shall control whether (or not) a traffic control plan is required. If no encroachment permit is required, then a traffic control plan is required if either (a) the proposed installation is on any street in a non-residential zone or (b) the applicant seeks to use large equipment (e.g. crane) and the Director decides to require a traffic control plan.

13. Other Information. Any other information and/or studies determined necessary by the Director may be required.

C. Additional Application Contents – Discretionary Permits. In addition to providing all materials required in subsection B of this section 23.83.050, applications for discretionary permits shall also provide the following:

1. Owner Authorization. If the applicant is an agent, the applicant shall provide a duly executed letter of authorization from the owner of the facility. If the owner will not directly provide wireless telecommunications services, the applicant shall provide a duly executed letter of authorization from the person(s) or entity(ies) that will provide those services.

2. Written Description. A full written description of the proposed facility and its purpose.

3. Mock Up and Sign. Proof that a temporary mock-up of the facility and sign has been installed at the proposed location for a period of at least 30 calendar days which facility roughly replicates for the public the proposed height and bulk of the proposed structure. If the Director finds the applicant's cost of complying with this requirement would greatly outweigh the value of such compliance, then the Director may waive the requirement that the applicant install the mock up (but not the installation of the sign, which still requires an encroachment permit).

a. Applicant shall obtain an encroachment permit before installing a temporary mock-up and a sign, and must remove the temporary mock-up and sign within five calendar days of receiving a written notice to remove from the Director.

b. The mock-up and sign shall demonstrate the height and mass of the facility, including all interconnecting cables. The applicant shall not be entitled to install the facility it intends to install permanently. The mock-up may consist of story poles or the like.

c. The mock-up be accompanied by a sign that displays photo simulations depicting before and after images, including any accessory equipment cabinet, and the telephone number of the Public Works Department.

- d. The applicant shall be required to follow any other city practices or processes relevant to the installation of a mock-up and sign as may be provided in a publicly accessible form or document.
- e. After installation of the mock-up, the applicant shall certify that the mock-up accurately represents the height and width of the proposed installation and has been installed consistent with this code.
4. Elevations. Scaled elevation plans of proposed poles, antennas, accessory equipment, and related landscaping and screening.
5. Noise Study. A noise study prepared by a qualified acoustic engineer documenting that the level of noise to be emitted by the proposed communication facility will comply with this code including section 23.83.080(A)(16)(b). The Director may waive the requirement for a noise study if the Director finds the cost of creating the study would greatly outweigh the value of receipt of such study.
6. Propagation Maps. A written description identifying the geographic service area for the subject installation including geographic and propagation maps, that identifies the location of the proposed facility in relation to all existing and planned facilities maintained within the city by each of the applicant, operator, and owner, if different entities, as well as the estimated number of potentially affected uses in the geographic service area. Regardless of whether a master deployment plan permit is sought, the applicant shall depict all locations anticipated for new construction and/or modifications to existing facilities, including collocation, within two years of submittal of the application. Longer range conceptual plans for a period of five years shall also be provided, if available.
- a. In the event the applicant seeks to install a communication facility to address service coverage concerns, full-color signal propagation maps with objective units of signal strength measurement that show the applicant's current service coverage levels from all adjacent sites without the proposed site, predicted service coverage levels from all adjacent sites with the proposed site, and predicted service coverage levels from the proposed site without all adjacent sites;
- b. If applicant seeks to address service capacity concerns, a written explanation identifying the existing facilities with service capacity issues together with competent evidence to demonstrate the inability of those facilities to meet capacity demands.
7. CPCN. Certification that applicant is a telephone corporation or a statement providing the basis for its claimed right to enter the right-of-way. If the applicant has a certificate of public convenience and necessity (CPCN) issued by the California Public Utilities Commission, it shall provide a copy of its CPCN.
8. Visual Depiction. Accurate visual impact analysis showing the maximum silhouette, color and finish palette and proposed screening for the facility, including scaled photo simulations from at least three different angles.

9. Landscape Plan. A scaled conceptual landscape plan showing existing trees and vegetation and all proposed landscaping, concealment, screening and proposed irrigation with a discussion of how the chosen material at maturity will screen the site.

D. Application Contents. Modification of Existing Facility. The content of the application form for a modification to an existing facility shall be determined by the Director, and shall include but not be limited to the requirements listed in Section 23.83.050(B) and (C) unless prohibited by state or federal law.

E. Effect of State or Federal Law Change. If a subsequent state or federal law prohibits the collection of any information required by Section 23.83.050(B) or (C), the Director is authorized to omit, modify or add to that request from the City's application form with the written approval of the city attorney, which approval shall be a public record.

F. Independent Expert. The Director is authorized to retain on behalf of the city an independent, qualified consultant to review any application for a permit for a communication facility. The review is intended to be a review of technical aspects of the proposed communication facility and shall address any or all of the following:

1. Compliance with applicable radio frequency emission standards;
2. Whether any requested exception is necessary to close a significant gap in coverage and is the least intrusive means of doing so;
3. The accuracy and completeness of submissions;
4. Technical demonstration of the unavailability of alternative sites or configurations and/or coverage analysis;
5. The applicability of analysis techniques and methodologies;
6. The validity of conclusions reached or claims made by applicant;
7. The viability of alternative sites and alternative designs; and
8. Any other specific technical issues identified by the consultant or designated by the city.

The cost of this review shall be paid by the applicant through a deposit pursuant to an adopted fee schedule resolution. No permit shall be issued to any applicant which has not fully reimbursed the city for the consultant's cost.

23.83.060 - Review procedure.

A. Pre-submittal Conference. Prior to application submittal, the city strongly encourages all applicants to schedule and attend a pre-submittal conference with Public Works Department staff to receive informal feedback on the proposed location, design and application materials. The pre-submittal conference is intended to identify potential concerns and streamline the formal application review process after submittal. Public Works Department staff will endeavor to provide applicants with an appointment within approximately five business days after receipt of a written request.

B. Application Submittal Appointment. All applications must be submitted to the city at a pre-scheduled appointment. Applicants may submit one application per appointment but may schedule successive appointments for multiple applications whenever feasible as determined by the city. City staff will endeavor to provide applicants with an appointment within five business days after receipt of a written request.

C. Notice and Decisions. The provisions in this section describe the procedures for approval and any required notice and public hearings for an application.

1. When Hearings Required.

a. Discretionary Decisions. Any permit application under this chapter subject to Planning Commission or the Director's discretionary approval requires notice and a public hearing in accordance with code Section 23.87.030 (Public Hearings and Public Notices).

b. Ministerial Decisions. The Director may approve or conditionally approve an application for a ministerial application without a public hearing and without issuing prior notice of the decision. For denials see subsection 3, below.

2. Notice of decisions

a. Planning Commission Decision of Approval. The Planning Commission may approve, or conditionally approve, an application only after the commission makes the findings required in Section 23.83.090 (Findings).

b. Administrative Approvals. The Director may approve, or conditionally approve, an application only after it makes the findings required in Section 23.83.090 (Findings). Within five days after the Director approves an application under this chapter, the Director is directed to place notice of the decision in the U.S. mail.

3. Denials.

a. All final decisions made pursuant to this chapter shall be in writing and based on substantial evidence in the written administrative record. The written decision shall include the reasons for the decision.

b. Administrative Denials. If the Director determines that any application submitted for a ministerial or discretionary wireless communication facilities permit does not meet code requirements, the Director shall notify the applicant of said finding in writing, and the application shall be denied effective on the date of issuance of said notice, unless, within 10 days of the issuance of the written notice, the applicant requests the application be converted to an application for a major wireless facilities permit application. The Planning Commission shall thereafter hear the application only after a complete application for the major wireless communication facilities permit has been submitted.

4. Notice of Shot Clock Expiration.

a. Notification by Applicant. The city acknowledges there are federal and state shot clocks which may be applicable to a proposed communication facility. That is, federal and state law provide time periods in which the city must approve or deny a proposed communication facility. As such, the

applicant is required to provide the city written notice of the expiration of any shot clock, which the applicant shall ensure is received by the city (e.g. overnight mail) no later than 20 days prior to the expiration, and until the applicant has provided such notice, the city shall be entitled to conclude that the applicant has consented to the delay, and that the delay is reasonable.

b. Tolling Agreements. The Director is authorized to enter into an agreement to toll the relevant shot clock requirements, if the form of the agreement meets the approval of the City Attorney.

D. Appeals. Any aggrieved person or entity may appeal a decision by the Director or the Planning Commission.

23.83.070. (Reserved)

23.83.080 - Requirements for facilities within the public right-of-way.

A. Design and Development Standards. All wireless telecommunications facilities that are located within the public right-of-way shall be designed and maintained as to minimize visual, noise and other impacts on the surrounding community and shall be planned, designed, located, and erected in accordance with the following:

1. General Guidelines.

a. The applicant shall employ screening, undergrounding and camouflage design techniques in the design and placement of wireless telecommunications facilities to ensure that the facility is as visually screened as feasible, to prevent the facility from dominating the surroundings.

b. Screening shall be designed to be architecturally compatible with surrounding structures using appropriate techniques to camouflage, disguise, and/or blend into the environment, including landscaping, color, and other techniques to minimize the facility's visual impact as well as be compatible with the architectural character of the surrounding buildings or structures in terms of color, size, proportion, style, and quality.

c. To the extent feasible, facilities shall be located such that views from a residential structure are not significantly impaired.

2. [Reserved.]

3. Traffic Safety. All facilities shall be designed and located in such a manner to avoid adverse impacts on traffic safety. Among other things, when determining traffic safety impacts, the City will consider the views of the Manual for Uniform Traffic Control Devices (MUTCD) and whether the proposed installation location is high enough and far enough away from the street to minimize the risk of high profile vehicles colliding with the installation.

4. Blending Methods. All facilities shall have subdued colors and non-reflective materials that blend with the materials and colors of the surrounding area and structures.

5. Equipment. The applicant shall use the least visible equipment possible. Antenna elements shall be flush mounted, to the extent feasible. All antenna mounts shall be designed so as not to preclude

possible future collocation by the same or other operators or carriers. Unless otherwise provided in this section, antennas shall be situated as close to the ground as possible.

6. Poles.

a. Facilities shall be located consistent with Section 23.83.200 (Location Restrictions) unless an exception pursuant to Section 23.83.190 (Exceptions) is granted.

b. Only pole-mounted antennas shall be permitted in the right-of-way. All other telecommunications towers are prohibited. (For exceptions see subparagraph (6)(h) below and sections 23.83.190 (Exceptions) and 23.83.220 (State or Federal Law).)

c. Utility Poles. The maximum height of any antenna shall not exceed 48 inches above the height of an existing utility pole, nor shall any portion of the antenna or equipment mounted on a pole be less than 20 feet above any drivable road surface. All installations on utility poles shall fully comply with the California Public Utilities Commission general orders, including, but not limited to, General Order 95, as may be revised or superseded.

d. Light Poles. The maximum height of any antenna shall not exceed four feet above the existing height of a light pole. Any portion of the antenna or equipment mounted on a pole shall be on the pole, and not on any mast arm.

e. Replacement Poles. If an applicant proposes to replace a pole in order to accommodate a proposed facility, the pole shall be designed to resemble the appearance and dimensions of existing poles near the proposed location, including size, height, color, materials and style to the maximum extent feasible.

f. Pole mounted equipment, exclusive of antennas, shall be restricted to the smallest possible dimensions and shall not exceed nine cubic feet in dimension.

g. [Reserved.]

h. An exception shall be required to place a new pole in the public right-of-way. If an exception is granted for placement of new poles in the right-of-way:

i. Appearance. Such new poles shall be designed to resemble existing poles in the right-of-way near that location, including size, height, color, materials and style, with the exception of any existing pole designs that are scheduled to be removed and not replaced.

ii. Minimum Distance Between Poles. Such new poles that are not replacement poles shall be located at least 90 linear feet from any existing pole to the extent feasible.

iii. Analysis. A new pole justification analysis shall be submitted to demonstrate why existing infrastructure cannot be utilized and demonstrating the new pole is the least intrusive means possible including a demonstration that the new pole is designed to be the minimum functional height and width required to support the proposed facility.

i. All cables, including, but not limited to, electrical and utility cables, shall be run within the interior of the pole and shall be camouflaged or hidden to the fullest extent feasible. For all

wooden poles wherein interior installation is infeasible, conduit and cables attached to the exterior of poles shall be mounted flush thereto and painted to match the pole.

7. Space. Each facility shall be designed to occupy the least amount of space in the right-of-way that is technically feasible.

8. Wind Loads. Each facility shall be properly engineered to withstand wind loads as required by this code or any duly adopted or incorporated code. An evaluation of high wind load capacity shall include the impact of modification of an existing facility.

9. Obstructions. Each component part of a facility shall be located so as not to cause any physical or visual obstruction to pedestrian or vehicular traffic, incommode the public's use of the right-of-way, or safety hazards to pedestrians and motorists so as not to obstruct the intersection sight distance.

10. Public Facilities. A facility shall not be located within any portion of the public right-of-way interfering with access to a fire hydrant, fire station, fire escape, water valve, underground vault, valve housing structure, or any other public health or safety facility.

11. Screening. All ground-mounted facility, pole-mounted equipment, or walls, fences, landscaping or other screening methods shall be installed at least 18 inches from the curb and gutter flow line.

12. Accessory Equipment. Not including the electric meter, all accessory equipment shall be located underground, except as provided below:

a. Unless city staff determines that there is no room in the public right-of-way for undergrounding, or that undergrounding is not feasible, an exception shall be required to place accessory equipment above-ground and concealed with natural or manmade features to the maximum extent possible. (See section 23.83.040.C, authorizing certain above ground installations on existing poles).

b. When above-ground is the only feasible location for a particular type of accessory equipment and will be ground-mounted, such accessory equipment shall be enclosed within a structure, and shall not exceed a height of five feet and a total footprint of 15 square feet, and shall be fully screened and/or camouflaged, including the use of landscaping, architectural treatment, or acceptable alternate screening. Required electrical meter cabinets shall be screened and/or camouflaged. Also, while pole-mounted equipment is generally the least favored installation, should pole-mounted equipment be sought, it shall be installed as required in this chapter.

c. In locations where homes are only along one side of a street, above-ground accessory equipment shall not be installed directly in front of a residence. Such above-ground accessory equipment shall be installed along the side of the street with no homes facing it.

13. Landscaping. Where appropriate, each facility shall be installed so as to maintain and enhance existing landscaping on the site, including trees, foliage and shrubs. Additional landscaping shall be planted, irrigated and maintained by applicant where such landscaping is deemed necessary by the city to provide screening or to conceal the facility.

14. Signage. No facility shall bear any signs or advertising devices other than certification, warning or other signage required by law or permitted by the city.

15. Lighting.

- a. No facility may be illuminated unless specifically required by the Federal Aviation Administration or other government agency. Beacon lights are not permitted unless required by the Federal Aviation Administration or other government agency.
- b. Legally required lightning arresters and beacons shall be included when calculating the height of facilities such as towers, lattice towers and monopoles.
- c. Any required lighting shall be shielded to eliminate, to the maximum extent possible, impacts on the surrounding neighborhoods.
- d. Unless otherwise required under FAA or FCC regulations, applicants may install only timed or motion-sensitive light controllers and lights, and must install such lights so as to avoid illumination impacts to adjacent properties to the maximum extent feasible. The city may, in its discretion, exempt an applicant from the foregoing requirement when the applicant demonstrates a substantial public safety need.
- e. The applicant shall submit a lighting study which shall be prepared by a qualified lighting professional to evaluate potential impacts to adjacent properties. Should no lighting be proposed, no lighting study shall be required.
- f. Nothing in this subsection 15 is intended to prevent the installation of wireless facilities camouflaged on or within light poles if the light pole meet the City's design requirements for its own light poles.

16. Noise.

- a. Backup generators shall only be operated during periods of power outages, and shall be tested only between the hours of 7:00 a.m. and 7:00 p.m., Monday through Friday, and between the hours of 9:00 a.m. and 6:00 p.m. on Saturday, and shall be prohibited at any time on Sunday and on all federal holidays, unless other hours are approved by the Director upon receipt of evidence that an emergency exists which would constitute a hazard to persons or property.
- b. At no time shall equipment noise from any facility exceed an exterior noise level of 55 dBA three feet from the source of the noise if the facility is located in the public right-of-way adjacent to a business, commercial, manufacturing, utility or school zone; provided, however, that for any such facility located within 500 feet of any property zoned residential or improved with a residential use, such equipment noise shall not exceed 45 dBA three feet from the sources of the noise.

17. Security. Each facility shall be designed to be resistant to, and minimize opportunities for, unauthorized access, climbing, vandalism, graffiti and other conditions that would result in hazardous situations, visual blight or attractive nuisances. The Director may require the provision of warning signs, fencing, anti-climbing devices, or other techniques to prevent unauthorized access and vandalism when, because of their location and/or accessibility, a facility has the potential to become an attractive nuisance. Additionally, no lethal devices or elements shall be installed as a security device.

18. **Modification.** Consistent with current state and federal laws and if permissible under the same, at the time of modification of a communication facility, existing equipment shall, to the extent feasible, be replaced with equipment that reduces visual, noise and other impacts, including, but not limited to, undergrounding the equipment and replacing larger, more visually intrusive facilities with smaller, less visually intrusive facilities.

19. The installation and construction approved by a communication facility permit shall begin within one year after its approval or it will expire without further action by the city.

B. **Conditions of Approval.** In addition to compliance with the design and development standards outlined in this section, all facilities shall be subject to the following conditions of approval (approval may be by operation of law), as well as any modification of these conditions or additional conditions of approval deemed necessary by the approving party:

1. **As Built Drawings.** The permittee shall submit an as built drawing within 90 days after installation of the facility. As-builts shall be in an electronic format acceptable to the city which can be linked to the City's GIS.

2. **Contact Information.** The permittee shall submit and maintain current at all times basic contact and site information on a form to be supplied by the city. The permittee shall notify the city of any changes to the information submitted within 30 days of any change, including change of the name or legal status of the owner or operator. This information shall include, but is not limited to, the following:

a. Identity, including the name, address and 24-hour local or toll free contact phone number of the permittee, the owner, the operator, and the agent or person responsible for the maintenance of the facility.

b. The legal status of the owner of the communication facility.

3. **Assignment.** The permittee shall notify the city in writing at least 90 days prior to any transfer or assignment of the permit. The written notice required in this section must include: (1) the transferee's legal name; (2) the transferee's full contact information, including a primary contact person, mailing address, telephone number and email address; and (3) a statement signed by the transferee that the transferee shall accept all permit terms and conditions. The Director may require the transferor and/or the transferee to submit any materials or documentation necessary to determine that the proposed transfer complies with the existing permit and all its conditions of approval, if any. Such materials or documentation may include, but shall not be limited to: federal, state and/or local approvals, licenses, certificates or franchise agreements; statements; photographs; site plans and/or as-built drawings; and/or an analysis by a qualified radio frequency engineer demonstrating compliance with all applicable regulations and standards of the Federal Communications Commission. Noncompliance with the permit and all its conditions of approval, if any, or failure to submit the materials required by the Director shall be a cause for the city to revoke the applicable permits pursuant to and following the procedure set on in Section 23.83.180 (Removal and Restoration—Permit Expiration, Revocation or Abandonment).

4. **Signs.** At all times, all required notices and/or signs shall be posted on the site as required by the Federal Communications Commission, California Public Utilities Commission, any applicable licenses

or laws, and as approved by the city. The location and dimensions of a sign bearing the emergency contact name and telephone number shall be posted pursuant to the approved plans.

5. Security. Permittee shall pay for and provide a performance bond or other form of security approved by the city attorney's office, which shall be in effect until the facilities are fully and completely removed and the site reasonably returned to its original condition, to cover permittee's obligations under these conditions of approval and this code. The security instrument coverage shall include, but not be limited to, removal of the facility. (The amount of the security instrument shall be calculated by the applicant in its submittal documents in an amount rationally related to the obligations covered by the bond and shall be specified in the conditions of approval.) Before issuance of any building permit, permittee must submit said security instrument.

6. Noise Complaints. If a nearby property owner or occupant registers a noise complaint and city forwards the same to the permittee (personally identifiable information may be redacted), the permittee shall have ten business days to file a written response regarding the complaint which includes any applicable remedial measures. If the city determines the complaint is valid and the applicant has not taken any steps to minimize the noise, the city may hire a consultant to study, examine and evaluate the noise complaint and the permittee shall pay the fee for the consultant if the site is found in violation of this chapter. The matter shall be reviewed by the Director. If the Director determines sound proofing or other sound attenuation measures should be required to bring the project into compliance with the Code, the Director may impose conditions on the project to achieve said objective.

7. Permit Expiration. A condition setting forth the permit expiration date in accordance with Section 23.83.160 (Permit Expiration) shall be included in the conditions of approval.

8. Additional conditions. The communication facility shall be subject to such conditions, changes or limitations as are from time to time deemed necessary by the Director for the purpose of: (a) protecting the public health, safety, and welfare; (b) preventing interference with pedestrian and vehicular traffic; and/or (c) preventing damage to the public right-of-way or any adjacent property. The city may modify the permit to reflect such conditions, changes or limitations by following the same notice and public hearing procedures as are applicable to the underlying permit for similarly located facilities, except the permittee shall be given notice by personal service or by registered or certified mail at the last address provided to the city by the permittee.

9. No Permit Transfer. The permittee shall not transfer the permit to any person prior to the completion of the construction of the facility covered by the permit, unless and until the transferee of the permit has submitted the security instrument required by Section 23.83.080(B)(5) (Security).

10. Property Rights. The permittee shall not move, alter, temporarily relocate, change, or interfere with any existing structure, improvement or property without the prior consent of the owner of that structure, improvement or property. No structure, improvement or property owned by the city shall be moved to accommodate a communication facility unless the city determines that such movement will not adversely affect the city or any surrounding businesses or residents, and the permittee pays all costs and expenses related to the relocation of the City's structure, improvement or property. Prior to commencement of any work pursuant to an encroachment permit issued for any facility within the public right-of-way, the permittee shall provide the city with documentation

establishing to the City's satisfaction that the permittee has the legal right to use or interfere with any other structure, improvement or property within the public right-of-way to be affected by applicant's facilities.

11. Liability. The permittee shall assume full liability for damage or injury caused to any property or person by the facility.

12. Repair Obligations. The permittee shall repair, at its sole cost and expense, any damage including, but not limited to subsidence, cracking, erosion, collapse, weakening, or loss of lateral support to city streets, sidewalks, walks, curbs, gutters, trees, parkways, street lights, traffic signals, improvements of any kind or nature, or utility lines and systems, underground utility line and systems, or sewer systems and sewer lines that result from any activities performed in connection with the installation, use, and/or maintenance of a communication facility in the public right-of-way. The permittee shall restore such areas, structures and systems to the condition in which they existed prior to the installation or maintenance that necessitated the repairs. If the permittee fails to complete such repair within the number of days stated on a written notice by the City Engineer. Such time period for correction shall be based on the facts and circumstances, danger to the community and severity of the disrepair. Should the permittee not make said correction within the time period allotted the City Engineer shall cause such repair to be completed at permittee's sole cost and expense.

13. Drip Line. No facility shall be permitted to be installed in the drip line of any tree in the right-of-way.

14. Insurance. The permittee shall obtain, pay for and maintain, in full force and effect until the facility approved by the permit is removed in its entirety from the public right-of-way, an insurance policy or policies of public liability insurance, with minimum limits of \$2,000,000 for each occurrence and \$5,000,000 in the aggregate, that fully protects the city from claims and suits for bodily injury and property damage. The insurance must name the city and its elected and appointed council members, boards, commissions, officers, officials, agents, consultants, employees and volunteers as additional named insureds, be issued by an insurer admitted in the State of California with a rating of at least a A:VII in the latest edition of A.M. Best's Insurance Guide, and include an endorsement providing that the policies cannot be canceled or reduced except with thirty (30) days prior written notice to the city, except for cancellation due to nonpayment of premium. The insurance provided by permittee shall be primary to any coverage available to the city, and any insurance or self-insurance maintained by the city and its elected and appointed council members, boards, commissions, officers, officials, agents, consultants, employees and volunteers shall be excess of permittee's insurance and shall not contribute with it. The policies of insurance required by this permit shall include provisions for waiver of subrogation. In accepting the benefits of this permit, permittee hereby waives all rights of subrogation against the city and its elected and appointed council members, boards, commissions, officers, officials, agents, consultants, employees and volunteers. The insurance must afford coverage for the permittee's and the wireless provider's use, operation and activity, vehicles, equipment, facility, representatives, agents and employees, as determined by the City's Risk Manager. Before issuance of any building permit for the facility, the permittee shall furnish the city risk manager certificates of insurance and endorsements, in the form satisfactory to the city attorney or the risk manager, evidencing the coverage required by the city.

15. Indemnification. To the fullest extent permitted by law, permittee and any contractors or subcontractors working on its behalf agree to indemnify the City of Placentia, its officers, employees, agents and elected and appointed boards (hereinafter "City Indemnitees") for any loss, claim, demand, cause of action, cost, expense, damage, obligation or liability which arises out of or is in any way connected with the installation, use, and maintenance of the communication facility, including any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of permittee, its contractors or subcontractors, and regardless of any acts, omissions or negligence (whether active or passive) of any person or entity indemnified hereunder. At their own expense, permittee and, as applicable, any contractors or subcontractors working on its behalf, shall defend any suit, claim or action against the City Indemnitees founded upon such loss, claim, demand, cause of action, cost, expense, damage, obligation or liability. Permittee shall ensure that the contract of any contractor or subcontractor working under this permit contain an indemnity agreement, requiring the contractor or subcontractor to indemnify and defend the City Indemnitees pursuant the terms set forth above. Permittee shall indemnify the City Indemnitees, and save them harmless from any and all loss, damage, costs, expenses and attorney's fees suffered or incurred on account of any breach of the aforesaid obligations and covenants, and any other provision or covenant of this section.

16. Hold Harmless. Additionally, to the fullest extent permitted by law, the permittee, and every permittee and person in a shared permit, jointly and severally, shall defend, indemnify, protect and hold the city and its elected and appointed council members, boards, commissions, officers, officials, agents, consultants, employees and volunteers harmless from and against all claims, suits, demands, actions, losses, liabilities, judgments, settlements, costs (including, but not limited to, attorney's fees, interest and expert witness fees), or damages claimed by third parties against the city for any injury claim, and for property damage sustained by any person, arising out of, resulting from, or are in any way related to the communication facility, or to any work done by or use of the public right-of-way by the permittee, owner or operator of the communication facility, or their agents, excepting only liability arising out of the sole negligence or willful misconduct of the city and its elected and appointed council members, boards, commissions, officers, officials, agents, consultants, employees and volunteers.

17. Cabinet Removal. Should the utility company servicing the facility with electrical service not require the use of an above ground meter cabinet, the permittee shall at its sole cost and expense remove the meter cabinet and any related foundation within 90 days of such service being offered and reasonably restore the area to its prior condition. An extension may be granted if circumstances arise outside of the control of the permittee.

18. Relocation. The permittee shall modify, remove, or relocate its facility, or portion thereof, without cost or expense to city, if and when made necessary by (i) any public improvement project, including, but not limited to, the construction, maintenance, or operation of any underground or above ground facilities including but not limited to sewers, storm drains, conduits, gas, water, electric or other utility systems, or pipes owned by city or any other public agency, (ii) any abandonment of any street, sidewalk or other public facility, (iii) any change of grade, alignment or width of any street, sidewalk or other public facility, or (iv) a determination by the Director that the communication facility has become incompatible with public health, safety or welfare or the public's use of the public right-of-way. Such modification, removal, or relocation of the facility shall be

completed within 90 days of notification by city unless exigencies dictate a shorter period for removal or relocation. Modification or relocation of the facility shall require submittal, review and approval of a modified permit pursuant to the Code including applicable notice and hearing procedures. The permittee shall be entitled, on permittee's election, to either a pro-rata refund of fees paid for the original permit or to a new permit, without additional fee, at a location as close to the original location as the standards set forth in the Code allow. If the facility is not modified, removed, or relocated within said period of time, city may cause the same to be done at the sole cost and expense of permittee. Further, due to exigent circumstances including those of immediate or imminent threat to the public's health and safety, the city may modify, remove, or relocate wireless telecommunications facilities without prior notice to permittee provided permittee is notified within a reasonable period thereafter.

19. Written Approval of Conditions. Permittee shall agree in writing that the permittee is aware of, and agrees to abide by, all conditions of approval imposed by the communication facility permit within 30 days of permit issuance. The permit shall be void and of no force or effect unless such written consent is received by the city within said 30-day period.

20. Right of Way Agreement. Prior to the issuance of any encroachment permit, permittee may be required to enter into a right-of-way agreement with the city in accordance with the City's past practice.

21. "Permittee" shall include the applicant and all successors in interest to this permit.

23.83.090 – Findings for Discretionary Permits.

No discretionary permit shall be granted for a communication facility unless the approving party makes all of the following findings:

- A. The proposed facility has been designed and located in compliance with all applicable provisions of the Code, including Chapter 23.83.
- B. Either (1) the design and location for the proposed installation is least intrusive on the purposes of this chapter; or (2) there is no feasible alternative design or location that would be less intrusive on the purposes of this chapter.

23.83.100 - Reserved.

23.83.110 - Nonexclusive grant.

No permit or approval granted under this chapter shall confer any exclusive right, privilege, license or franchise to occupy or use the public right-of-way of the city for any purpose whatsoever. Further, no approval shall be construed as any warranty of title.

23.83.120 - Emergency deployment.

A COW shall be permitted for the duration of an emergency declared by the city or at the discretion of the Director.

23.83.130 - Operation and maintenance standards.

All wireless telecommunications facilities must comply at all times with the following operation and maintenance standards:

- A. Repairs. Unless otherwise provided herein, all necessary repairs and restoration shall be completed by the permittee, owner, operator or any designated maintenance agent within 48 hours:
 - 1. After discovery of the need by the permittee, owner, operator or any designated maintenance agent; or
 - 2. After permittee, owner, operator or any designated maintenance agent receives notification from the city.
- B. Contact Information. Each permittee of a communication facility shall provide the Director with the name, address and 24-hour local or toll free contact phone number of the permittee, the owner, the operator and the agent responsible for the maintenance of the facility ("contact information"). Contact information shall be updated within seven days of any change.
- C. Good Condition. All facilities, including, but not limited to, telecommunication towers, poles, accessory equipment, lighting, fences, walls, shields, cabinets, artificial foliage or camouflage, and the facility site shall be maintained in good condition, including ensuring the facilities are reasonably free of:
 - 1. General dirt and grease;
 - 2. Chipped, faded, peeling, and cracked paint;
 - 3. Rust and corrosion;
 - 4. Cracks, dents, and discoloration;
 - 5. Missing, discolored or damaged artificial foliage or other camouflage;
 - 6. Graffiti, bills, stickers, advertisements, litter and debris;
 - 7. Broken and misshapen structural parts; and
 - 8. Any damage from any cause.
- D. Landscaping. All trees, foliage or other landscaping elements approved as part of the facility shall be maintained in good condition at all times, and the permittee, owner and operator of the facility shall be responsible for replacing any damaged, dead or decayed landscaping. No amendment to any approved landscaping plan may be made until it is submitted to and approved by the Director.
- E. Replacement. The permittee shall replace its facilities, after obtaining all required permits, if maintenance or repair is not sufficient to return the facility to the condition it was in at the time of installation.
- F. Routine Inspections. Each facility shall be operated and maintained to comply at all conditions of approval. Each owner or operator of a facility shall routinely inspect each site to ensure compliance with the same and the standards set forth in this chapter.

23.83.140 - Reserved.

23.83.150 - No dangerous condition or obstructions allowed.

No person shall install, use or maintain any facility which in whole or in part rests upon, in or over any public right-of-way, when such installation, use or maintenance endangers or is reasonably likely to endanger the safety of persons or property, or when such site or location is used for public utility purposes, public transportation purposes or other governmental use, or when such facility unreasonably

interferes with or unreasonably impedes the flow of pedestrian or vehicular traffic including any legally parked or stopped vehicle, the ingress into or egress from any residence or place of business, the use of poles, posts, traffic signs or signals, hydrants, mailboxes, permitted sidewalk dining, permitted street furniture or other objects permitted at or near said location.

23.83.160 - Permit expiration.

A. 10 Year Expiration. Unless Government Code Section 65964, as it may be amended, authorizes the city to issue a permit with a shorter term, a permit for any communication facility shall be valid for a period of ten years, unless pursuant to another provision of this code it lapses sooner or is revoked. At the end of ten years from the date of issuance, such permit shall automatically expire.

B. Renewal. A permittee may apply for a new permit within 180 days prior to expiration. Said application and proposal shall comply with the City's current code requirements for wireless telecommunications facilities.

23.83.170 - Cessation of use or abandonment.

A. Abandonment. A communication facility is considered abandoned and shall be promptly removed as provided herein if it ceases to provide wireless telecommunications services for 90 or more consecutive days unless the permittee has obtained prior written approval from the Director which shall not be unreasonably denied. If there are two or more users of a single facility, then this provision shall not become effective until all users cease using the facility.

B. Notice of Abandonment. The operator of a facility shall notify the city in writing of its intent to abandon or cease use of a permitted site or a nonconforming site (including unpermitted sites) within ten days of ceasing or abandoning use. Notwithstanding any other provision herein, the operator of the facility shall provide written notice to the Director of any discontinuation of operations of 30 days or more.

C. Remedies. Failure to inform the Director of cessation or discontinuation of operations of any existing facility as required by this section shall constitute a violation of any approvals and be grounds for:

1. Litigation;
2. Revocation or modification of the permit;
3. Acting on any bond or other assurance required by this article or conditions of approval of the permit;
4. Removal of the facilities by the city in accordance with the procedures established under this code for abatement of a public nuisance at the owner's expense; and/or
5. Any other remedies permitted under this code.

23.83.180 - Removal and restoration—Permit expiration, revocation or abandonment.

A. Removal at Permit Termination. Upon the expiration date of the permit, including any extensions, earlier termination or revocation of the permit or abandonment of the facility, the permittee, owner or operator shall remove its communication facility and restore the site to its natural condition except for retaining the landscaping improvements and any other improvements at the discretion of the city.

Removal shall be in accordance with proper health and safety requirements and all ordinances, rules, and regulations of the city. The facility shall be removed from the property, at no cost or expense to the city.

B. Failure to Remove. Failure of the permittee, owner or operator to promptly remove its facility and restore the property within 90 days after expiration, earlier termination or revocation of the permit, or abandonment of the facility, shall be a violation of this code. Upon a showing of good cause, an extension may be granted by the Director where circumstances are beyond the control of the permittee after expiration. Further failure to abide by the timeline provided in this section shall be grounds for:

1. Prosecution;
2. Acting on any security instrument required by this chapter or conditions of approval of permit;
3. Removal of the facilities by the city in accordance with the procedures established under this code for abatement of a public nuisance at the owner's expense; and/or
4. Any other remedies permitted under this code.

C. Summary Removal. If the Director or City Engineer determines that the condition or placement of a communication facility located in the public right-of-way constitutes a dangerous condition, obstruction of the public right-of-way, or an imminent threat to public safety, or determines other exigent circumstances require immediate corrective action (collectively, "exigent circumstances"), the Director or City Engineer may cause the facility to be removed summarily and immediately without advance notice or a hearing. Written notice of the removal shall include the basis for the removal and shall be served upon the permittee and person who owns the facility within five business days of removal and all property removed shall be preserved for the owner's pick-up as feasible. If the owner cannot be identified following reasonable effort or if the owner fails to pick-up the property within 60 days, the facility shall be treated as abandoned property.

D. Removal of Facilities by City. If the city removes a facility in accordance with nuisance abatement procedures or summary removal, any such removal shall be without any liability to the city for any damage to such facility that may result from reasonable efforts of removal. In addition to the procedures for recovering costs of nuisance abatement, the city may collect such costs from any performance bond posted and to the extent such costs exceed the amount of the performance bond, collect those excess costs in accordance with this code. Unless otherwise provided herein, the city has no obligation to store such facility. Neither the permittee, owner nor operator shall have any claim if the city destroys any such facility not timely removed by the permittee, owner or operator after notice, or removed by the city due to exigent circumstances.

23.83.190 - Exceptions.

A. Federal Law – Planning Commission Exception. The City Council recognizes that federal law prohibits a permit denial when it would effectively prohibit the provision of personal wireless services and the applicant proposes the least intrusive means to provide such services. The City Council finds that, due to wide variation among wireless facilities, technical service objectives and changed circumstances over time, a limited exemption for proposals in which strict compliance with this chapter would effectively prohibit personal wireless services serves the public interest. The City Council further finds that circumstances in which an effective prohibition may occur are extremely difficult to discern, and that specified findings to guide the analysis promotes clarity and the City's legitimate interest in well-planned wireless facilities deployment. Therefore, if any applicant demonstrates that strict compliance with any provision in this chapter, as applied to a specific proposed personal wireless services facility, would effectively prohibit the provision of personal wireless services, the Planning Commission may grant a limited, one-time exemption from strict compliance with the requirements of this Code subject to the provisions in this section.

B. Required Findings. The Planning Commission shall not grant any exception unless the applicant demonstrates by a preponderance of the evidence all the following:

1. The proposed wireless facility qualifies as a "personal wireless services facility" as defined in United States Code, Title 47, section 332(c)(7)(C)(ii);
2. The applicant has provided the City with a clearly defined technical service objective and a clearly defined potential site search area;
3. The applicant has provided the City with a meaningful comparative analysis that includes the factual reasons why any alternative location(s) or design(s) suggested by the City or otherwise identified in the administrative record, including but not limited to potential alternatives identified at any public meeting or hearing, are not technically feasible or potentially available; and
4. The applicant has provided the City with a meaningful comparative analysis that includes the factual reasons why the proposed location and design deviates is the least noncompliant location and design necessary to reasonably achieve the applicant's reasonable technical service objectives.

C. Scope. The Planning Commission shall limit its exemption to the extent to which the applicant demonstrates such exemption is necessary to reasonably achieve its reasonable technical service objectives. The Planning Commission may adopt conditions of approval as reasonably necessary to promote the purposes in this chapter and protect the public health, safety and welfare.

D. Independent Consultant. The City shall have the right to hire, at the applicant's expense, an independent consultant to evaluate issues raised by the exception and to submit recommendations and evidence in response to the application.

23.83.200 - Location restrictions.

Wireless telecommunications facilities are strongly disfavored in certain areas. Therefore, the following locations are permitted when an exception has been granted pursuant to Section 23.83.190 (Exceptions):

- A. Public right-of-way of local streets as identified in Section 22.08.030 if within the residential zones.
- B. Public right-of-way if mounted to a new pole that is not replacing an existing pole in an otherwise permitted location.

23.83.210 - Effect on other ordinances.

Compliance with the provisions of this chapter shall not relieve a person from complying with any other applicable provision of this code. In the event of a conflict between any provision of this chapter and other sections of this code, this chapter shall control.

23.83.220 - State or Federal Law – Ministerial Requirements.

A. Ministerial permitting.

1. If it is determined by the City Attorney that state or federal law prohibits discretionary permitting requirements for certain wireless telecommunications facilities, such requirement shall be deemed severable and all remaining regulations shall remain in full force and effect. Such a determination by the City Attorney shall be in writing with citations to legal authority and shall be a public record. For those facilities, in lieu of a use permit or a special use permit, a ministerial administrative permit shall be required prior to installation or modification of a communication facility, and all provisions of this chapter that would otherwise apply to the discretionary permit shall be applicable to any such facility with the exception that the required permit shall be reviewed and administered as a ministerial permit by the Director rather than as a discretionary permit. Any conditions of approval set forth in this provision or deemed necessary by the Director shall be imposed and administered as reasonable time, place and manner rules.

2. Notwithstanding the foregoing subsection (1) of this subsection (A), the determination that would otherwise be made by the City Attorney may be made by the Director if the Director's determination is made upon a form approved by the City Attorney which form is designed to ensure compliance with the requirements of subsection (1).

B. Changed law. If subsequent to the issuance of the written determination pursuant to subsection A above, and before the issuance of a wireless telecommunications permit, the city attorney determines that the law has changed and that discretionary permitting is permissible, the City Attorney shall issue such determination in writing with citations to legal authority and all discretionary permitting requirements shall be reinstated. The city attorney's written determination shall be a public record.

C. Enforceable Laws. All installations permitted pursuant to this chapter shall comply with all federal and state laws including but not limited to the American with Disabilities Act, and the California Building Standards Code.

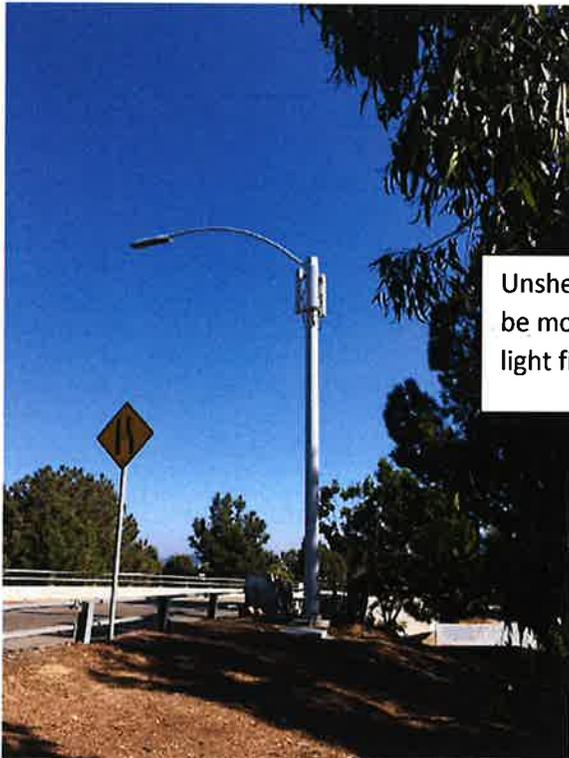
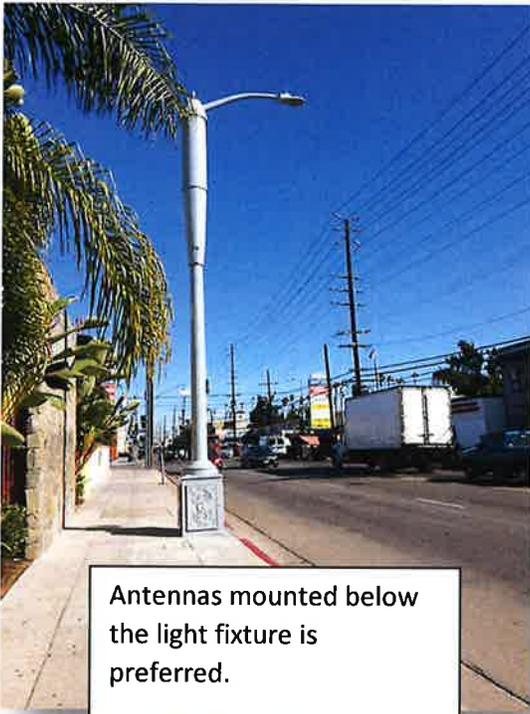
Exhibit "B"

Figure 23.83-1: Design Standards and Siting Guidelines

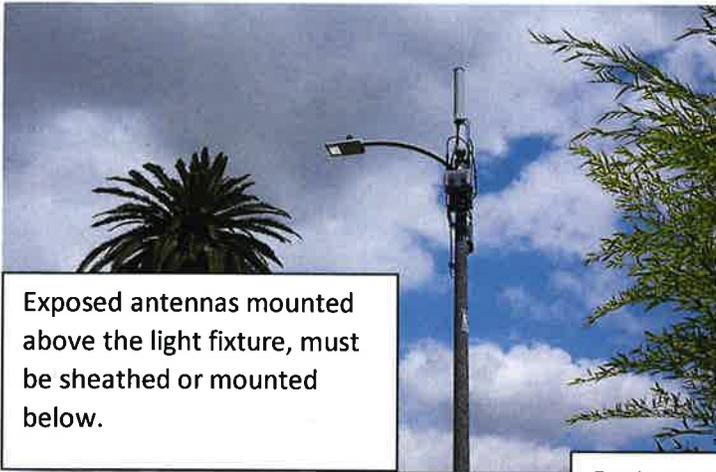
Figure 23.83 - 1

DESIGN STANDARDS AND SITING GUIDELINES

Acceptable Examples of Design Integration



Non-Acceptable Examples of Design Integration



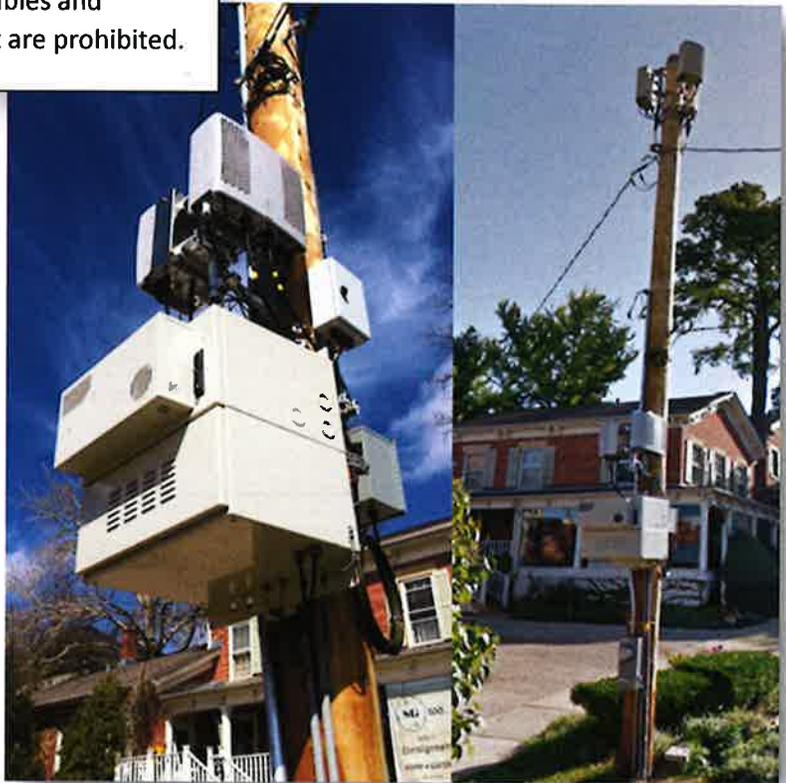
Exposed antennas mounted above the light fixture, must be sheathed or mounted below.



Equipment must be underground or pole mounted. Total volume of equipment cannot exceed municipal code standards.



Exposed cables and equipment are prohibited.



Siting Guidelines for Right of Way and Public Property Installations

1. Minimum Clearance. Minimum height clearance regulations shall be observed by all components of the installation.
2. Alley is Preferred Location. When utility poles are used for these installations and there is a choice of using a pole in the street or in an alley, the alley shall be used.
3. No exposed Cables. All cables shall be concealed within a sleeve between the bottom of the antenna and the mounting bracket. No exposed cables.
4. Design. Utility pole installations must utilize minimize visual impacts by utilizing City standards for new poles.
5. Blending. The new or replacement poles shall match height, color and material of the original or adjacent poles.
6. Panel Antennas. Exterior panel antennas that are not covered by a decorative sheath shall not exceed the height of the pole.
7. Distance from Pole. Antennas must be mounted no more than 4" from the pole.
8. Landscaping. All disturbed landscape shall be replaced in-kind and areas of bare or disturbed soil must be revegetated in accordance with the City's Landscape Regulations.
9. Hidden Equipment. Equipment should be minimally visible through the use of an underground vault. If this is not feasible, above-ground cabinets must be designed and located in an area with minimal visual impact.



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF DEVELOPMENT SERVICES

DATE: OCTOBER 3, 2017

SUBJECT: **SECOND READING OF ORDINANCE NO. O-2017-06 APPROVING DEVELOPMENT AGREEMENT 2017-01 WITH THE PLACENTIA TOD PROJECT, LLC C/O ED GALIGHER**

FISCAL

IMPACT: REVENUE: \$2,399,000 DEVELOPMENT IMPACT FEES
Additional potential catalyst development impacts associated with permanent job creation, construction job creation, retail sales (sales tax revenue), future development and new property tax revenue.

SUMMARY:

On September 19, 2017, a public hearing was held to consider approval of a Development Plan Review (DPR), a Vesting Tentative Tract Map (VTTM), and a Development Agreement (DA) to allow the construction of a 215-unit, multi-family residential development at 110 and 132 E. Crowther Avenue on a 2.95 acre site (The "Development"). The Development, if approved, will be the first project entitled in the newly designated Transit-Oriented Development (TOD) zone near Placentia's Old Town. The City Council unanimously approved the project, adopted Resolution No. R-2017-55 adopting a Mitigated Negative Declaration for the project, and approving DPR 2017-01 and VTTM 18118. City Council also conducted first reading of Ordinance No. O-2017-06 approving DA 2017-01. The recommended action will approve second reading and adoption of Ordinance No. O-2017-06 which will take effect 30 days after adoption.

RECOMMENDATION:

It is recommended that the City Council take the following action:

1. Waive full reading, by title only, and adopt Ordinance No. O-2017-06, an Ordinance of the City Council of the City of Placentia, California, approving Development Agreement 2017-01 with the Placentia TOD Project Owner, LLC C/O Ed Galigher, related to the Development of the +/- 2.95 acre property located at 110 and 132 E. Crowther Avenue, Placentia, California (Development Agreement No. 2017-01).

BACKGROUND:

On September 19, 2017, the City Council conducted a public hearing to consider the project related entitlements which include a DPR, a VTTM, and a DA to allow the construction of a 215

1.g.
October 3, 2017

unit, multi-family residential development at 110 and 132 E. Crowther Avenue (the "Development"). The Development, if approved, will be the first project entitled in the newly designated TOD zone and land use designation near Placentia's Old Town. The 2.95 gross acres site is situated at the southeast corner of Crowther Avenue and the extension of Bradford Avenue across from the future Metrolink train station. In keeping with the goals of the new TOD zone, this will be the first TOD project approved in the City. It is envisioned to serve as a catalyst to facilitate future development within the zone, thus implementing the City's vision for this area which is designed to encourage high-quality TOD and to create a compact pattern of development that is conducive to walking, bicycling, and using public transportation.

City Council unanimously approved the project by adopting Resolution No. R-2017-55 which adopted a Mitigated Negative Declaration for the project, and approved DPR 2017-01 and VTTM 18118. City Council also conducted first reading of Ordinance No. O-2017-06, which would approve DA 2017-01, taking effect 30 days after adoption of the Ordinance.

DISCUSSION:

Ordinance No. O-2017-06 will adopt DA 2017-01 with the Placentia TOD Project, LLC related to the development of the project site. Under the terms of the DA, the applicant is granted certain vested rights and the DA sets forth the development impact fees, including, but not limited to, street and streetscape improvement related fees, impact fees, mitigation fees, public art fees, park fees, storm drain fees, sewer fees, etc.

Located just opposite of the proposed new Metrolink station, the proposed Development is an important first development in the newly formed TOD zone and will likely prove to be a catalyst for other high-quality developments within this zone. The developer has worked closely with City Staff to provide attractive architecture, lush landscaping, resident amenities and to maximize the site and to provide a high-quality housing development to the City.

ENVIRONMENTAL REVIEW:

In accordance with the California Environmental Quality Act (CEQA) (Public Resources Code §§ 21000-21177) and pursuant to §15063 of Title 14 of the California Code of Regulations (CCR), the City of Placentia, acting in the capacity of Lead Agency, adopted a Mitigated Negative Declaration (MND) by adopting City Council Resolution No. R-2017-55 on September 19, 2017.

FISCAL IMPACT:

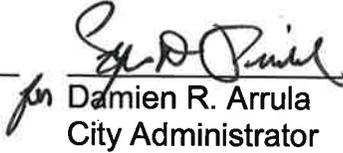
The proposed development will provide approximately \$2.4M in one-time development impact fee revenue. There will be additional potential catalyst development impacts associated with permanent job creation, construction job creation, retail sales (sales tax revenue), future development and new property tax revenue.

Prepared by:

Reviewed and approved:



Joseph M. Lambert
Director of Development Services



for Damien R. Arrula
City Administrator

Attachments:

1. Ordinance No. O-2017-06
Exhibit A: Development Agreement No. 2017-01

ORDINANCE NO. O-2017-06

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, APPROVING DEVELOPMENT AGREEMENT 2017-01 WITH THE PLACENTIA TOD PROJECT OWNER, LLC C/O ED GALIGHER, RELATED TO THE DEVELOPMENT OF THE +/- 2.95 ACRE PROPERTY LOCATED AT 110 AND 132 E. CROWTHER AVENUE, PLACENTIA, CALIFORNIA. [DEVELOPMENT AGREEMENT NO. 2017-01

City Attorney's Summary

An ordinance of the City of Placentia, California approving Development Agreement 2017-01 between the City of Placentia and Mercy Housing California related to the development of the +/- 2.95 acre property at 110 and 132 E. Crowther Avenue, Placentia, California to develop and operate a 215 unit multiple family housing development. The City Council has adopted a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the project in accordance with the California Environmental Quality Act (CEQA) (Public Resources Code §§ 21000-21177) and pursuant to §15063 of Title 14 of the California Code of Regulations (CCR).

A. Recitals.

(i) The Placentia TOD Project, LLC ("Applicant"), which will be the owner of the property located at 110 and 132 E. Crowther Avenue, Placentia, California filed an application for Development Plan Review 2017-01, Vesting Tentative Map 18118 and Development Agreement 2017-01 to develop and operate a 215 unit multiple family housing development.

(ii) California Government Code § 65867 authorizes the City of Placentia to enter into a development agreement that gives the applicant certain vested rights. In this case, Development Agreement 2017-01 would, in pertinent part, memorialize the project site as the "catalyst site" and would set forth development impact fees for the project.

(iii) On August 8, 2017, the Planning Commission conducted a duly noticed public hearing, as required by law, and after holding the public hearing, recommending to the City Council approval of the aforementioned entitlements and Development Agreement No. 2017-01.

(iv) All other legal prerequisites to the adoption of this Ordinance have occurred.

B. Ordinance.

NOW, THEREFORE, it is hereby found, determined and resolved by the City Council of the City of Placentia as follows:

1. The City Council hereby finds that the Development Agreement between the City and Applicant conforms to the policies and programs of the General Plan.

2. The City Council hereby approves the Development Agreement between the City and The Placentia TOD Project, LLC in the form attached hereto as "Exhibit A" and incorporated by this reference.

3. The City Council of the City of Placentia hereby finds from the evidence in the record based on its independent judgment that Mitigated Negative Declaration No. 2017-04, certified by the City Council, as part of the project, reduces the environmental impacts of Development Agreement 2017-01 to a level less than significant based on the mitigation measures set forth therein.

4. Non-Substantive Changes to Development Agreement. The City Council hereby grants to the City Administrator and/or his designee the authority to make non-substantive changes to the Development Agreement subsequent to the date of adoption of this Ordinance as may be necessary to effectively memorialize the intent of the parties consistent with the City Council's findings and direction herein.

5. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held invalid by a court of competent jurisdiction, such a decision shall not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases, be declared invalid.

6. The Secretary shall certify the adoption of this Resolution.

7. Effective Date. This ordinance shall be in full force and effect commencing thirty (30) days after its final adoption and a summary hereof shall be published once within fifteen (15) days in the _____, a newspaper of general circulation printed and published in the County of Orange and circulated in the City of Placentia and hereby designated for that purpose by the City Council.

PASSED, APPROVED AND ADOPTED this 3rd day of October, 2017.

CRAIG S. GREEN, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Placentia, held on the 3rd day of October, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA, CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN, CITY ATTORNEY

RECORDING REQUESTED BY:

Clerk, City Council
City of Placentia

WHEN RECORDED MAIL TO:

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870

Attn: City Clerk

Exempt from Filing Fees Gov. Code Section 6103

DEVELOPMENT AGREEMENT

between

**CITY OF PLACENTIA,
a California municipal corporation**

and

**THE PLACENTIA TOD PROJECT OWNER, LLC,
a Delaware limited liability company**

DEVELOPMENT AGREEMENT

This Development Agreement (“Agreement”) is entered into effective on the date it is recorded with the Orange County Recorder (hereinafter the “Effective Date”) by and between the CITY OF PLACENTIA (“City”), and THE PLACENTIA TOD PROJECT OWNER, LLC, a Delaware limited liability company (hereinafter “Developer”).

RECITALS

WHEREAS, City is authorized to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property, pursuant to Section 65864, *et seq.* of the Government Code; and

WHEREAS, Developer is under contract to own the real property that is the subject of this Agreement (the “Property”); and

WHEREAS, the Project consists of the development of 215 multiple-family residential dwelling units with an overall density of 72.9 dwelling units (DU) per acre, as well as related amenities such as two landscaped courtyards (with recreational features including fire tables, BBQs, and water features), a 6-story/7-level parking structure, a pool/club house and fitness center located on the rooftop terrace (7th level) of the parking structure, a tot lot, a dog run/spa, pedestrian walkways/corridors, and extensive landscaping on approximately 2.95 acres located in the City of Placentia along the south side of East Crowther Avenue, approximately 0.12 mile east of South Melrose Street and 100 feet west of Cameron Street and;

WHEREAS, Developer has requested City to enter into a development agreement and proceedings have been taken in accordance with Section 68564, *et seq.* of the Government Code and the rules and regulations of City; and

WHEREAS, all of the rights and benefits granted to Developer in this Agreement shall inure to the benefit of the Property and Developer and Developer’s successors-in-interest; and

WHEREAS, all of the duties and obligations of Developer shall remain the duties and obligations of Developer and Developer’s successors-in-interest except as otherwise provided for herein; and

WHEREAS, all actions taken and approvals given by City have been duly taken or approved in accordance with all applicable legal requirements for notice, public hearings, findings, votes, and other procedural matters; and

WHEREAS, development of the Property in accordance with this Agreement will provide substantial benefits to City and will further important policies and goals of City; and

WHEREAS, this Agreement will eliminate uncertainty in planning and provide for the orderly development of the Property, ensure progressive installation of necessary improvements, provide for public services appropriate to the development of the Project, and generally serve the purposes for which development agreements under Sections 65864, *et seq.* of the Government Code are intended; and

WHEREAS, Developer has incurred and will in the future incur substantial costs in excess of the generally applicable requirements in order to assure vesting of legal rights to develop the Property in accordance with this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. The following terms when used in this Agreement shall be defined as follows:

1.1.1. "Agreement" means this Development Agreement.

1.1.2. "City" means the City of Placentia, a California municipal corporation and charter city.

1.1.3. "City Council" means the City Council of the City.

1.1.4. "Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public and private facilities related to the Project whether located within or outside the Property; the construction of buildings and structures; and the installation of landscaping. "Development" includes the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.1.5. "Development Approvals" mean all permits and other entitlements for use subject to approval or issuance by City in connection with development of the Property including, but not limited to Development Plan Review and Vesting Tentative Map.

1.1.6. "Development Exaction" means any requirement of City in connection with or pursuant to any Land Use Regulation or Development Approval for the dedication of land, the construction of improvements or public facilities, or the payment of fees in order to lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests.

1.1.7. "Development Impact Fee" means a monetary exaction other than a tax or special assessment, whether established for a broad class of projects by legislation of general applicability or imposed on a specific project on an ad hoc basis, that is charged by a local agency to the applicant in connection with approval of a development project, for the purpose of defraying all or a portion of the cost of public facilities related to the development project, but does not include fees specified in Government Code Section 66477, fees for processing applications for governmental regulatory actions or approvals, fees collected under development agreements adopted pursuant to Article 2.5 (commencing with Section 65864 of Chapter 4 of the Government Code). "Development Impact Fee" expressly excludes processing fees and charges of every kind

and nature imposed by City to cover the estimated actual costs to City of processing applications for Development Approvals or for monitoring compliance with any Development Approvals granted or issued, including, without limitation, fees for zoning variances; zoning changes; use permits; building inspections; building permits; filing and processing applications and petitions filed with the local agency formation commission or conducting preliminary proceedings or proceedings under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3 (commencing with Section 56000) of Title 5 of the Government Code. For purposes of this Agreement, Development Impact Fees include those fees listed in Exhibit “E” attached hereto.

1.1.8. “Development Plan” means the Development Approvals and the Existing Land Use Regulations applicable to Development of the Property.

1.1.9. “Developer” means The Placentia TOD Project Owner, LLC, a Delaware limited liability company, and its successors in interest to all or any part of the Property.

1.1.10. “Existing Development Approvals” means all Development Approvals approved or issued by City prior to or contemporaneously with City’s approval of this Agreement. The Existing Development Approvals include, without limitation, the approvals incorporated herein as Exhibit C.

1.1.11. “Existing Land Use Regulations” mean all Land Use Regulations in effect on the Effective Date. Existing Land Use Regulations shall include the Transient Oriented Development Standards (“TOD”) and any other Regulations incorporated herein as Exhibit “D” as of the Effective Date.

1.1.12. “Land Use Regulations” mean all ordinances, resolutions, codes, rules, regulations and official written policies of City governing the development and use of land, including, without limitation, the permitted use of land, the intensity of use, subdivision requirements, the maximum height and size of proposed buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards’ and specifications applicable to the development of the property, as modified or supplemented by the Existing Development Approvals. “Land Use Regulations” does not include any City ordinance, resolution, code, rule, regulation or official policy, governing:

- (a) the conduct of businesses, professions, and occupations;
- (b) taxes and assessments;
- (c) the control and abatement of nuisances;
- (d) the granting of encroachment permits and the conveyance of rights and interests that provide for the use of or the entry upon public property; or
- (e) the exercise of the power of eminent domain.

1.1.13. “Lot” means a legally subdivided lot.

1.1.14. "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device lender, and their successors and assigns.

1.1.15. "Project" means the Development of the Property contemplated by the Development Plan as such Plan may be further defined, enhanced or modified pursuant to the provisions of this Agreement.

1.1.16. "Property" means the approximately 2.95 acres of real property described on Exhibit "A" and shown on Exhibit "B" of this Agreement.

1.1.17. "Reservations of Authority" means the rights and authority excepted from the assurances and rights provided to Developer under this Agreement and reserved to City under Section 3.6 of this Agreement.

1.1.18. "Subsequent Development Approvals" means all Development Approvals approved by City subsequent to the Effective Date.

1.1.19. "Subsequent Land Use Regulations" means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

Exhibit "A"	Legal Description of Property
Exhibit "B"	Map of Property
Exhibit "C"	Development Approvals
Exhibit "D"	Land Use Regulations
Exhibit "E"	Development Impact Fees
Exhibit "F"	Off Site Improvements Area
Exhibit "G"	On Site Improvements Area
Exhibit "H"	Schedule of Performance

2 GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. The Property is hereby made subject to this Agreement upon the Effective Date. Development of the Property is hereby authorized and shall be carried out only in accordance with the terms of this Agreement. Notwithstanding the foregoing, nothing contained in this Agreement shall be deemed to be a covenant to develop or construct the Project or any portion of the Project; provided, however, that to the extent that any phase of the Project is developed, Developer shall be obligated to construct the public improvements required herein related to that phase of development. Developer is authorized to execute this Agreement and have it recorded pursuant to the terms of its Purchase and Sale Agreements (the "PSAs") with the fee owners of the Property, as evidenced by the attached Consents to Recordation. In the event escrow does not close under both PSAs for the sale of the Property and the PSAs terminate, within 30 days of such expiration either Seller may deliver a written notice of termination of this Agreement and the Agreement shall be of no further force and effect in its entirety. In the event of such a termination for a failure to close by Developer, the Development Approvals shall automatically

terminate without further action by the City notwithstanding any other provision of this Agreement.

2.2 Ownership. Developer represents and covenants that it has a legal or equitable interest in the Property.

2.3 Term. The term of this Agreement shall commence on the Effective Date and shall continue for a period of five (5) years thereafter.

2.4 Assignment.

Right to Assign. Any sale, transfer or assignment of the Property in whole or in part occurring during the term of this Agreement when said sale, transfer or assignment is to an entity or entities in which the Developer (as defined herein) is not a majority owner and/or shareholder (owning or controlling 51% or more of the interest in the property), shall require the written consent of the City prior to the sale, transfer or assignment of said property. Developer shall notify City of its intention to sell, transfer, or assign in writing and request consideration of the request by the City Administrator. The City Administrator shall approve the request within fourteen (14) days if, in his/her discretion, the City Administrator determines that the proposed sale, transfer or assignment is consistent with the goals and standards of the Packing House TOD Ordinance.

2.4.1 In the event the Developer sells, transfers or assigns the Property in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, *et seq.*) when said sale, transfer or assignment is to an entity in which the Developer retains a majority ownership and/or interest, any such sale, transfer or assignment shall include in writing the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following conditions precedent:

(a) No sale, transfer or assignment of any right or interest under this Agreement shall be made unless made together with the sale, transfer or assignment of all or a part of the Property.

(b) Concurrent with any such sale, transfer or assignment, or within 30 business days thereafter, Developer shall notify City, in writing, of such sale, transfer or assignment and shall provide City with a copy of an executed agreement by the purchaser, transferee or assignee and providing therein that the purchaser, transferee or assignee expressly and unconditionally assumes all the duties and obligations of Developer under this Agreement.

(c) Notwithstanding the failure of any purchaser, transferee or assignee to execute the agreement required by Paragraph (b) of this Subsection 2.4.1, the purchaser, transferee or assignee shall be deemed to have assumed this Agreement and the burdens of this Agreement shall be binding upon such purchaser, transferee or assignee, but the benefits of this Agreement shall not inure to such purchaser, transferee or assignee until and unless such an express assumption agreement is executed. Any sale, transfer or assignment not made in compliance with the foregoing conditions shall constitute a default by Developer under this Agreement.

2.4.2 Release of Transferring Developer. Notwithstanding any sale, transfer or assignment, Developer shall continue to be obligated under this Agreement as to that portion of the Property sold, transferred or assigned, unless Developer is given a release in writing by City. The City Council shall provide a written release if the following conditions are met to the satisfaction of the City Council:

- (a) Developer no longer has a legal or equitable interest in all or any part of the Property sold.
- (b) Developer is not then in default under this Agreement.
- (c) Developer has provided City with the notice and executed agreement required under paragraph (b) of subsection 2.4.1 above.

2.4.3 Subsequent Assignment. Any subsequent sale, transfer or assignment after an initial sale, transfer or assignment shall be made only in accordance with and subject to the terms and conditions of this Section.

2.5 Amendment or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part only by written mutual consent of all parties or their respective successors or assigns with respect to their respective portions of the Property in the manner provided for in Government Code Section 65868. This provision shall not limit any remedy for default of City or Developer as provided by this Agreement.

2.6 Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

- (a) Expiration of the stated term of this Agreement as set forth in Section 2.3.
- (b) Entry of a final judgment setting aside, voiding or annulling the adoption of the ordinance approving this Agreement.
- (c) The adoption of a referendum measure overriding or repealing the ordinance approving this Agreement.
- (d) Completion of the Project in accordance with the terms of this Agreement, including, without limitation, issuance of all required occupancy permits and acceptance by City or applicable public agency of all required dedications, completion of all improvements for the Project, payment by Developer of all fees/sums due under this Agreement, and implementation of all of Developer's obligations hereunder.

Termination of this Agreement shall not constitute termination of any other land use entitlements approved for the Property including but not limited to, all conditions and mitigation measures imposed as part of such entitlements prior to the date of termination. Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the provisions of this Agreement that has occurred

prior to such termination or with respect to any obligations that are specifically set forth as surviving this Agreement.

2.7 Notices.

(a) As used in this Agreement, “notice” includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder.

(b) All notices shall be in writing and shall be considered given either: (i) when delivered in person to the recipient named below; or (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below; or (iii) on the date of delivery shown in the records of the telegraph company after transmission by telegraph to the recipient named below. All notices shall be addressed as follows:

If to City:

City of Placentia,
401 E. Chapman Avenue
Placentia, CA 92870
Attn: City Administrator

With a copy to:

Christian L. Bettenhausen, City Attorney
Jones & Mayer
3777 N. Harbor Blvd.
Fullerton, CA 92835

If to Developer:

John Stanek
Caren Read, Esq.
The Placentia TOD Property Owner, LLC
c/o Integral Communities
888 San Clemente Drive, Suite 100
Newport Beach, CA 92660

with a copy to:

Rutan & Tucker, LLP
Hans Van Ligten
611 Anton Blvd., Suite 1400
Costa Mesa, CA 92626

(c) Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

3 DEVELOPMENT OF THE PROPERTY.

3.1 Rights to Develop. Subject to the terms of this Agreement including the Reservations of Authority, Developer shall have a vested right to develop the Property as the “Catalyst Site” (as that term is used in the TOD Ordinance) in accordance with, and to the extent of, the Development Plan and the Existing Land Use Regulations; however, if Developer has not met the Major Deadlines (as identified in Exhibit H) for completion of work as set forth in the Schedule of Performance attached hereto in Exhibit H, the City Council shall have the sole discretion upon written notice to Developer, to re-assign the designation as the Catalyst Site. The Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan. Except as otherwise provided expressly in this Agreement, the permitted uses of the Property, the intensity of use, the maximum height and size of proposed buildings, the design, improvement, and construction standards applicable to development of the Property, and provisions for reservation and dedication of land for public purposes and Development Exactions shall be those set forth in the Development Plan. Notwithstanding the foregoing, nothing contained in this Agreement shall be deemed to be a covenant by Developer to develop or construct the Project or any portion of the Project; provided, however, that to the extent that any phase of the Project is developed, Developer shall be obligated to construct the public improvements required herein related to that phase of development.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided expressly under the terms of this Agreement including the Reservations of Authority, the rules, regulations and official policies of City governing permitted uses of the Property, the intensity of use of the Property, the maximum height and size of proposed buildings, and the design, improvement and construction standards and specifications applicable to development of the Property shall be the Existing Land Use Regulations. In connection with any Subsequent Development Approval, City shall exercise its discretion in accordance with the Development Plan, the Existing Land Use Regulations, and as provided by this Agreement including, but not limited to, the Reservations of Authority.

3.3 Term of Maps and Development Approvals. The term of all Development Approvals and Subsequent Development Approvals and any and all subsequently-approved tentative subdivision maps approved for the Project shall be equal to the Term of this Agreement in accordance with applicable laws, unless this Agreement is earlier terminated pursuant to the provisions hereof, in which event the term of such tentative subdivision maps shall be governed by the applicable provisions of the Subdivision Map Act.

3.4 Timing of Development. The parties acknowledge that Developer cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors that are not within the control of Developer, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal.3d

465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that Developer shall have the right to develop the Property in such order and at such rate and at such times as Developer, in its sole and absolute discretion deems appropriate, subject only to any timing requirements set forth in the Development Plan and Schedule of Performance referred to in Section 3.4.

3.5 Schedule of Performance. Development of the Property may be subject to all timing established by the Development Plan and Schedule of Performance attached hereto as Exhibit H.

3.6 Changes and Amendments. The parties acknowledge that refinement and further development of the Project will require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Development Approvals. During the term of this Agreement, in the event Developer finds that a change in the Existing Development Approvals is necessary or appropriate, Developer shall apply for a Subsequent Development Approval to effectuate such change and City shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement, including, without limitation, the Reservations of Authority. If approved, any such change in the Existing Development Approvals shall be attached to this Agreement as an addendum to Exhibit "C", and may be further changed from time to time as provided in this Section.

3.7 Reservations of Authority

3.7.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the development of the Property.

(a) Processing fees and charges of every kind and nature imposed by City to cover the estimated actual costs to City of processing applications for Development Approvals or for monitoring compliance with any Development Approvals granted or issued.

(b) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.

(c) Regulations governing construction standards and specifications including, without limitation, City's Building Code, Plumbing Code, Mechanical Code, Electrical Code, Fire Code and Grading Code that are applied uniformly and on a city-wide basis to all development projects of a similar type as the Project.

(d) Regulations that are not in conflict with the Development Plan but that are reasonably necessary to protect the public health and safety of the residents of the Project or the immediate community. To the extent possible, any such regulations shall be applied and construed so as to provide Developer with all of the rights and assurances provided under this Agreement. Any regulation, whether adopted by initiative or otherwise, limiting the permitted uses, density, intensity, or rate or timing of development of the Property to the extent permitted by law shall be

deemed to conflict with the Development Plan and shall therefore not be applicable to the development of the Property.

(e) Regulations that are in conflict with the Development Plan provided Developer has given written consent to the application of such regulations to development of the Property.

3.7.2 Subsequent Development Approvals. This Agreement shall not prevent City, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations that do not conflict with the Existing Land Use Regulations or Development Plan, nor shall this Agreement prevent City from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with the Development Plan. Upon approval of any Subsequent Development Approval, such Subsequent Development Approval shall be deemed vested pursuant to the provisions of this Agreement, without any further action by City or Developer being required.

3.7.3 Modification or Suspension by State or Federal Law. In the event any State or Federal law or regulation that is enacted or adopted after the Effective Date of this Agreement, or any other action of any governmental entity that is not under City's control, prevents or precludes compliance with any provision of this Agreement, then that provision of this Agreement shall be modified or suspended only to the extent and for the time necessary to achieve compliance with that law, regulation or other governmental action and the remaining provisions of this Agreement shall continue in full force and effect and the parties shall negotiate in good faith for such amendments to this Agreement as may be necessary to achieve its intent, notwithstanding the existence of such law or regulation or other governmental action. Upon the repeal of any such law, regulation or other governmental action or on the occurrence of any other circumstance that removes the effect of the same on this Agreement, provided this Agreement is otherwise still in effect, the provisions of this Agreement shall be automatically restored to their full original effect and any amendment to this Agreement that the parties have entered into as a result of any such law, regulation or other governmental action, shall terminate.

3.7.4 Intent. The parties acknowledge and agree that City is entering into this Agreement pursuant to the Development Agreement Law, Government Code Sections 65864-65869.5, and that the foregoing limitations, reservations and exceptions are intended to reserve to City all of its police power that cannot be so limited. This Agreement shall be construed to reserve to City all such power and authority that cannot be restricted by development agreement.

3.7.5 Public Works. Developer shall construct all public improvements related to the Project required as a condition of approval in accordance with City's or other public works engineering standards including, but not limited to, the City of Placenta Streetscape Master Plan. For public utilities, the Developer shall design and construct all public utility facilities within the public rights-of-way in the project boundary as required by the public utility purveyors, including those related to cable/telephone or related communication transmission facilities, energy transmission facilities, fiber optic, electric, gas to service the property. The City shall determine whether the Developer shall dedicate said public utility facilities and the public access easements thereto and the entities to whom those dedications shall be made. Developer shall install electrical

or communication appurtenances (such as transformers) underground unless said appurtenance is a service pedestal for electrical, phone, traffic signal control cabinets, or irrigation control devices.

3.7.6 On-Site Improvements. All on-site public improvements shall be constructed to City standards including, but not limited to, the City of Placentia TOD Streetscape Master Plan and Public Realm standards, and as set forth in the conditions of approval for the project. The onsite improvements required in the conditions of approval shall be made to that area indicated on Exhibit “G”. Upon completion, the Developer shall offer for dedication as part of the project subdivision maps. These improvements include all potable water mains, sewer mains and storm water collection facilities intended to serve the property within the TOD boundaries.

3.7.7 Off Site Improvements to be Constructed by Developer. Developer is required by the conditions of approval to construct certain public improvements as set forth in the conditions of approval for the project. The offsite improvements required in the conditions of approval shall be made to the area indicated on Exhibit “F”. All off site improvements will be accepted by the City or other public agencies upon satisfactory completion.

3.7.8 On Site Improvements to be Constructed by Developer. Developer is required by the conditions of approval to construct certain public improvements as set forth in the conditions of approval for the project. The onsite improvements required in the conditions of approval shall be made to the areas indicated on Exhibit “G”. All onsite improvements will be accepted by the City or other public agencies upon satisfactory completion.

3.7.9 Provision of Real Property Interests by City. In any instance where Developer is required to construct any public improvement on land not owned by Developer, Developer shall at its sole cost and expense provide or cause to be provided, the real property interests necessary for the construction of such public improvements. Developer shall exercise reasonable and diligent good faith efforts to acquire the real property interests necessary for the construction of such public improvements at a cost and upon terms acceptable to the owner of the real property and approved by City. If, despite such efforts, Developer is unable to acquire such property after one-hundred eighty days (180), at Developer’s request and upon Developer’s provision of adequate security for costs City incurs, City shall negotiate the purchase of the necessary real property interests to allow Developer to construct the public improvements as required by this Agreement. If necessary, in accordance with the procedures established by law, the City may use its power of eminent domain to acquire such required real property interests. Developer shall pay all costs associated with any such negotiation or condemnation proceedings. This Section 3.9 is not intended by the parties to impose upon the Developer an enforceable duty to acquire land or construct any public improvements on land not owned by Developer, except to the extent that the Developer elects to proceed with the development of the Project.

3.8 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not within the control of City possess authority to regulate aspects of the development of the Property separately from or jointly with City and this Agreement does not limit the authority of such other public agencies.

3.9 Covenants, Conditions & Restrictions. Prior to the issuance of building permits, the Developer shall provide Covenants, Conditions and Restrictions (“CC&Rs”) to the City in a form

and substance acceptable to the Community Development Director and City Attorney's office. The approved CC&Rs shall be recorded with the Orange County Clerk Recorder's Office prior to first certificate of occupancy. The Developer shall pay for the Development Services Director and City Attorney's Office time spent reviewing and approving the CC&Rs. The CC&Rs shall provide that the property owner (if not sold as condominiums) or the Home Owners Association ("HOA") (if a condominium has been sold), as the case may be, shall be responsible to maintain all common and open space areas which shall provide for the maintenance of all common and open space areas; and parking management requirements that address the parking demands of the Projects residents including, but not limited to, demonstrating adequate available visitor parking spaces, designating parking spaces for residents, permit parking requirements, if any, parking enforcement procedure, and valet parking as necessary.

3.10 Conversion from Rental to Condominium Use. The Project, although it includes a map for condominium purposes, is contemplated to be operated as a rental multi-family housing development. In the event Developer elects to convert to a "for-sale" project of individual units, notwithstanding any other provision of law, Developer shall notify City of its intention to convert in writing and request consideration of the request by the City Council. The City Council shall approve the request if, in its discretion, the City Council determines that the proposed conversion is consistent with the goals and standards of the Packing House TOD Ordinance and other applicable laws. The City Council shall consider the request at a duly-noticed meeting within 90 days of receipt of a complete application as determined by the City, subject to extensions as agreed to by the City and Developer. Notwithstanding any other provision hereof, the CC&Rs shall also incorporate the following provisions:

3.10.1 No more than two (2) adults shall be permitted in one-bedroom unit. In each two-bedroom unit, no more than four (4) adults shall be permitted.

3.10.2 Upon approval of a conversion by the City Council, the HOA will provide each year an annual review of the Parking Management Plan to be approved by the Development Services Director with any additional conditions required by the HOA in order to remedy any parking concerns.

3.10.3 Upon approval of a conversion by the City Council, the HOA shall, at all times, maintain a deposit in the amount of \$50,000 with the City of Placentia to offset city staff and/or consultant's time related to project parking management.

4 PUBLIC BENEFITS.

4.1 Intent. The parties acknowledge and agree that development of the Property will result in substantial public benefit in initiating the revitalization of the newly-approved Transit Oriented Development area.

4.2 Development Impact Fees.

4.2.0 Amount and Components of Fee. Developer shall pay to City the Development Impact Fees in the amounts determined by the City as identified in Exhibit "E".

4.2.1 No Increases In Fees. During the term of this Agreement, commencing as of the Effective Date, and, except as provided herein, those per unit Development Impact Fees set forth in Exhibit “E” shall not be increased with respect to this Project. Upon expiration of the term of this Agreement, Developer shall thereafter pay the amount of such Development Impact Fees legally adopted and in effect by the then-applicable City ordinance or resolution.

4.2.2 Time of Payment. Development Impact Fees required pursuant to Subsection 4.2.1, shall be paid to City at the time of issuance of the first building permit.

4.3 Miscellaneous Provisions Regarding Credits.

4.3.0 Developer Credit for DIF Program Improvements. Developer shall be entitled to a credit against any applicable TOD or City-wide Development Impact Fee as set forth in Exhibit “E”.

4.6 Design and Construction of Improvements. Developer shall receive approval from the Public Works Director as to the timing of the Off Site Improvements to ensure coordination of construction of undergrounding utilities by other outside agencies.

4.3.1 4.7 Construction of Improvements by Others. In the event that, at the time Developer would otherwise be required to construct improvements as set forth in this Paragraph 4, such improvements have been constructed by others, Developer’s obligation to construct such improvements shall be deemed satisfied and Developer shall not receive credit against Development Impact Fees or reimbursement for the cost of such improvements.

4.3.2 Reimbursement of City Costs. Developer shall pay all costs incurred by City in connection with the Development Approvals sought to be granted related to the Project. Developer shall pay all costs of any private financing for the Project, including all of City’s costs therefor. Costs to be paid by Developer include, but are not limited to, City fees due for processing of all applications, City’s attorneys’ fees incurred in connection with negotiation and preparation of this Agreement and all Development Approvals, review and revision to proposed Covenants, Conditions and Restrictions for the Project, City’s, costs reasonably borne for staff time related to the Project and this Agreement, including all administrative and staff costs, and any out of pocket costs incurred by City in connection with the Development Agreement, Development Approvals, and consulting, permits, noticing, and environmental evaluation and mitigation, including overseeing any Mitigation Monitoring Program. A reimbursement schedule and a reimbursement process for all such costs which have not been reimbursed directly to City by Developer shall be mutually agreed upon prior to the issuance of building permits. City shall require Developer to submit a deposit against which such costs will be billed.

4.4 The Project will comply with the new California Green Building Code and Title 24 and the City’s local ordinances and development standards. Roof solar PV panels and EV conduit in garages for plug in electric vehicles will be offered as options to residents. The project will use LED as standard interior lighting for the for-sale residential uses.

5 PUBLIC FINANCING.

5.1 Financing. Upon Developer acquiring fee simple title to the Property, Developer shall cooperate in the formation of any special assessment district, community facilities district or alternate financing mechanism (“District”) to pay for the maintenance of public improvements required as part of the Development Plan. Without limiting the generality of the foregoing, for the purposes of this paragraph, included within the definition of “maintenance of public improvements” are continuing costs associated with street improvements, sewer improvements, drainage improvements, water improvements, other utility improvements, park improvements, trail improvements, pedestrian or bicycle improvements and open space, but not costs associated with addressing any pre-existing deficiencies in City facilities. The District’s special tax rate or assessment shall not exceed City’s adopted policies regarding public financing, and in no event greater than \$139.00 per unit, per annum, subject to annual adjustment not to exceed the Consumer Price Index – Los Angeles/Riverside/Orange County. Nothing herein shall be deemed a commitment by City to adopt a resolution of formation to form any special assessment district, community facilities district or alternate financing mechanism, it being understood and agreed that such adoption and approval are legislative acts within the unencumbered discretion of City. Developer’s cooperation in the formation of a District will include seasonably executing and delivering all necessary consents, ballots, or other documents reasonably necessary for formation of the district, upon written request of the City.

6. REVIEW FOR COMPLIANCE.

6.1 Periodic Review.

The Community Development Director shall review this Agreement annually, on or before the anniversary of the Effective Date, in order to ascertain the good faith compliance by Developer with the terms of the Agreement. Developer shall submit an annual monitoring report (“Annual Monitoring Report”), in a form acceptable to the Community Development Director, within 30 days after written notice from the Planning Manager demonstrating Developer’s good faith compliance with all the material terms of this Agreement. The Annual Monitoring Report shall be accompanied by an annual review and administration fee sufficient to defray the estimated costs of review and administration of the Agreement during the succeeding year. The amount of the annual review and administration fee shall be set annually by resolution of the City Council. Upon completion of a periodic review, the Community Development Director shall submit a report to the City Council setting forth the evidence concerning good faith compliance by Developer with the terms of this Agreement and his or her recommended finding on that issue. If the City Council finds that Developer has not complied in good faith with the terms and conditions of this Agreement, the City Council may modify or terminate this Agreement as provided in Section 6.3 and 6.4, or in the alternative, at City’s sole election, pursuant to Section 8.4.

6.2 Special Review. Notwithstanding anything to the contrary contained in this Agreement, the City Council of City may order a special review of compliance with this Agreement at any time by giving written notice to Developer. The notice for Special Review must describe in detail the specific issues which caused the City to question Developer’s good faith compliance and the evidence the City believes is necessary for the review. Within thirty (30) days following receipt of such notice, Developer shall submit evidence to the City of Developer’s good faith compliance with this Agreement FOR such review and determination.

If the City makes a preliminary finding that Developer has not complied in good faith with the terms and conditions of this Agreement, the City may modify or terminate this Agreement as provided in Sections 6.3 and 6.4 or, in the alternative, at City's sole election, proceed pursuant to the requirements of Section 8.4.

6.3 Proceedings upon Modification or Termination. If upon a finding under Section 6.1 or 6.2, City determines to proceed with modification or termination of this Agreement, City shall give written notice to Developer of its intention so to do. The notice shall be given at least ten calendar days prior to the scheduled hearing and shall contain:

- (a) The time and place of the hearing;
- (b) A statement as to whether or not City proposes to terminate or to modify the Agreement; and,
- (c) Such other information as is reasonably necessary to inform Developer of the nature of the proceeding.

6.4 Hearing on Modification or Termination. At the time and place set for the hearing on modification or termination, Developer shall be given an opportunity to be heard. Developer shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof on this issue shall be on Developer. If the City Council finds, based upon substantial evidence, that Developer has not complied in good faith with the terms or conditions of the Agreement, the City Council may terminate this Agreement or modify this Agreement and impose such conditions as are reasonably necessary to protect the interests of City. The decision of the City Council shall be final, subject only to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

6.5 Certificate of Agreement Compliance. If, at the conclusion of a periodic review, Developer is found to be in compliance with this Agreement, City shall, upon request by Developer, issue a Certificate of Agreement Compliance ("Certificate") to Developer stating that after the most recent periodic or special review and based upon the information known or made known to the Community Development Director and City Council that (1) this Agreement remains in effect and (2) Developer is not in default. The Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, shall state whether the Certificate is issued after a periodic or special review and shall state the anticipated date of commencement of the next periodic review. Developer may record the Certificate with the Orange County Recorder.

Whether or not the Certificate is relied upon by assignees or other transferees or Developer, City shall not be bound by a Certificate if a default existed at the time of the periodic or special review, but was concealed from or otherwise not known to the Community Development Director or City Council.

7 PREVAILING WAGES.

7.1 Public Works Determination. Developer has been alerted to the requirements of California Labor Code section 1770, *et seq.*, including, without limitation S.B. 975, which require

the payment of prevailing wage rates and the performance of other requirements if it is determined that this Development Agreement or any portion of the Development constitutes a public works contract. It shall be the sole responsibility of Developer to determine whether to pay prevailing wages for any or all work required by this Development Agreement. As a material part of this Development Agreement, Developer agrees to assume all risk of liability arising from any decision not to pay prevailing wages for work required by this Development Agreement.

7.2 Indemnification. As a further material part of this Development Agreement, Developer agrees to indemnify, defend and hold harmless City, its officials, officers, employees, consultants and agents from any and all claims, liability, loss, costs, damages, expenses, fines and penalties, of whatever the or nature, including all costs of defense and attorneys' fees, arising from any alleged failure of the Developer or Developer's contractors to comply with the prevailing wage laws of the State of California. If City or any of the other indemnified parties is named as a party in any dispute arising from the failure of Developer or Developer's contractors to pay prevailing wages, Developer agrees that City and those other indemnified parties may appoint their own independent counsel, and Developer agrees to pay all attorneys' fees and defense costs of City and the other indemnified parties as billed, in addition to all other damages, fines, penalties, and losses incurred by City and those other indemnified parties as a result of the action.

8 DEFAULT AND REMEDIES.

8.1 Remedies in General. It is acknowledged by the parties that neither party would have entered into this Agreement if it were to be liable in damages under this Agreement, or with respect to this Agreement or the application thereof. In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that neither party shall be liable in damages to the other party, or to any successor in interest of such party, or to any other person, and each party covenants not to sue for damages or claim any damages:

- (a) For any breach of this Agreement or for any cause of action that arises out of this Agreement; or
- (b) For the taking, impairment or restriction of any right or interest conveyed or provided under or pursuant to this Agreement; or
- (c) Arising out of or connected with any dispute, controversy or issue regarding the application or interpretation or effect of the provisions of this Agreement.

8.2 Specific Performance. The parties acknowledge that money damages and remedies at law generally are inadequate and specific performance and other non-monetary relief are particularly appropriate remedies for the enforcement of this Agreement and should be available to all parties for the following reasons:

- (a) Money damages are unavailable against City or Developer as provided in Section 8.1 above; provided nothing in this Agreement precludes City from exercising its rights to enforce bonds or other security furnished by Developer to City as required in the Development Plan, or from enforcing its right to indemnification from Developer as set forth herein and requiring Developer to pay money damages for failure to do so.

(b) Due to the size, nature and scope of the Project, it may not be practical or possible to restore the Property to its natural condition once implementation of this Agreement has begun. After such implementation, Developer may be foreclosed from other choices it may have had to utilize the Property or portions thereof. Developer has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement, and it is not possible to determine the sum of money that would adequately compensate Developer for such efforts.

8.3 Release. Except for non-damage remedies, including the remedy of specific performance as provided in Section 8.2, and judicial review as provided for in Section 6.4, Developer, for itself, its successors and assignees, hereby releases City, its officials, officers, agents and employees from any and all claims, demands, actions, or suits of any kind or nature arising out of any liability, known or unknown, present or future, including, but not limited to, any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance that seeks to impose any other liability or damage, whatsoever, upon City because it entered into this Agreement or because of the terms of this Agreement.

8.4 Default of Developer. City may terminate or modify this Agreement for any failure of Developer to perform any material duty or obligation of Developer under this Agreement, or to comply in good faith with the terms of this Agreement (hereinafter referred to as “default”); provided, however, City shall first provide written notice to Developer of default setting forth the nature of the default and demanding the Developer to cure such default. If Developer fails to cure such default within 30 days after the service of such notice or, in the event that such default cannot be cured within such 30 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 30 day period and to diligently proceed to complete such actions and cure such default, City may proceed as set forth in section 6.4 hereof.

8.5 Termination of Agreement for Default of City. Developer may terminate this Agreement only in the event of a default by City in the performance of a material term of this Agreement and only after providing written notice to City of default setting forth the nature of the default and the actions, if any, required by City to cure such default and, where the default can be cured, City has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

9 THIRD PARTY LITIGATION.

9.1 General Plan Litigation. City has determined that this Agreement is consistent with its General Plan, herein called General Plan, and Existing Land Use Regulations. Developer has reviewed the General Plan and concurs with City’s determination. City shall have no liability in damages under this Agreement for any failure of City to perform under this Agreement or the inability of Developer to develop the Property as contemplated by the Development Plan of this Agreement as the result of a judicial determination that on the Effective Date, or at any time

thereafter, the General Plan, Existing Regulations or the Mitigated Negative Declaration, or portions thereof, applied to the Development Plan are invalid or inadequate or not in compliance with law.

9.2 Third Party Litigation Concerning Agreement. Developer shall defend, at its expense, including attorneys' fees, indemnify, and hold harmless City, its agents, officials, officers, independent contractors, subcontractors, and employees, from any claim, action or proceeding against City, its agents, officials, officers, independent contractors, subcontractors, or employees to attack, set aside, void, or annul the approval of this Agreement or the approval of any Subsequent Development Approval granted pursuant to this Agreement. City shall promptly notify Developer of any such claim, action or proceeding, and City shall cooperate in the defense.

9.3 Indemnity. In addition to the provisions of 9.2 above, Developer shall indemnify and hold City, its officials, officers, agents and employees free and harmless from any liability whatsoever, based or asserted upon any act or omission of Developer, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (Developer's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from the activities contemplated hereunder, including, but not limited to, the study, design, engineering, construction, completion, failure or conveyance of the public improvements, save and except claims for damages to the extent arising through the gross active negligence or willful misconduct of City. Developer shall defend, at its expense, including attorneys' fees, City, its officers, officials, agents and employees in any action or proceeding based upon such alleged acts or omissions. City may, in its discretion, participate in the defense of any such action or proceeding.

9.4 Environmental Assurances. Developer shall indemnify and hold City, its officers, officials, agents and employees free and harmless from any liability, based or asserted, upon any act or omission of Developer, its officers, agents, employees, subcontractors, predecessors in interest, successors, assigns and independent contractors for any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions, and Developer shall defend and indemnify, at its expense, including attorneys' fees, City, its officers, officials, agents and employees in any action based or asserted upon any such alleged act or omission. City may, in its discretion, participate in the defense of any such action.

9.5 Reservation of Rights. With respect to Sections 9.2, 9.3 and 9.4 herein, City reserves the right to either (1) approve the attorney(s) that Developer selects, hires or otherwise engages to defend City hereunder, which approval shall not be unreasonably withheld, or (2) conduct its own defense, provided, however, that Developer shall reimburse City forthwith for any and all expenses incurred for such defense, including attorneys' fees, upon billing and accounting therefor. In the event City chooses Option (2), then Developer shall also be entitled to participate in the proceedings that are the subject of Sections 9.2, 9.3 or 9.4 herein.

9.6 Survival. The provisions of this Sections 9.1 through 9.6, inclusive, shall survive the termination of this Agreement.

10 MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. City acknowledges that Mortgagees providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with Developer and representatives of such Mortgagees to negotiate in good faith any such request for interpretation or modification. City will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good-faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee has submitted a request in writing to City in the manner specified herein for giving notices, shall be entitled to receive written notification from City of any default by Developer in the performance of Developer's obligations under this Agreement.

(c) If City timely receives a request from a Mortgagee requesting a copy of any notice of default given to Developer under the terms of this Agreement, City shall provide a copy of that notice to the Mortgagee within 10 days of receiving the notice of default to Developer. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of Developer's obligations or other affirmative covenants of Developer hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by Developer is a condition precedent to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder, and if further provided that any sale, transfer or assignment by any Mortgagee in possession shall be subject to the provisions of Section 2.3 of this Agreement.

11 MISCELLANEOUS PROVISIONS.

11.1 Recordation of Agreement. This Agreement and any amendment or cancellation thereof shall be recorded with the Orange County Recorder by the City Clerk within the period required by Section 65868.5 of the Government Code.

11.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements that are not contained or expressly referred to

herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

11.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the public benefits set forth in Section 4 of this Agreement, including the payment of the fees set forth therein, are essential elements of this Agreement and City would not have entered into this Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

11.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

11.5 Operating Memoranda. The parties acknowledge that circumstances may arise which demonstrate that changes are appropriate with respect to the details and performance of the parties under this Agreement. The parties desire to retain a certain degree of flexibility with respect to those items covered in general terms under this Agreement. If and when the parties mutually find that changes, adjustments, or clarifications that are in substantial conformance with the original Project are appropriate to further the intended purposes of this Agreement, they may, unless otherwise required by law, effectuate such changes, adjustments, or clarifications without amendment to this Agreement through one or more operating memoranda mutually approved by the parties. The Operating Memoranda may be approved on behalf of the City by the City Administrator of the City, or such person designated in writing by the City Administrator, and by any corporate officer or other person designated for such purpose in a writing signed by a corporate officer on behalf of Developer. After execution of an Operating Memoranda it shall be attached hereto as an addenda and become a part hereof. Unless otherwise required by law or by this Agreement, no such changes, adjustments, or clarifications shall require prior notice or hearing, public or otherwise. Notwithstanding the foregoing, in no event shall any Operating Memoranda reduce the Developer Impact Fees approved by this Agreement.

11.6 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

11.7 Singular and Plural. As used herein, the singular of any word includes the plural.

11.8 Joint and Several Obligations. If at any time during the term of this Agreement the Property is owned, in whole or in part, by more than one Developer (collectively the "Obligors"), all obligations of such Obligors under this Agreement shall be joint and several, and the default of

any such Obligors shall be the default of all such Obligors. Notwithstanding the foregoing, no Obligors of a single Lot that has been finally subdivided, or of a Condominium unit in a Condominium Plan that has been approved by City, and such Lot or Condominium unit sold to a member of the general public or other ultimate user, shall have any further obligation under this Agreement with respect to such Lot or Condominium unit except as provided under Section 4 hereof.

11.9 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

11.10 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

11.11 No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

11.12 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control, (including the party's employment force), government regulations, court actions (such as restraining orders or injunctions), or other causes beyond the party's control. If any such events shall occur, the term of this Agreement and the time for performance by either party of any of its obligations hereunder may be extended by the written agreement of the parties for the period of time that such events prevented such performance, provided that the term of this Agreement shall not be extended under any circumstances for more than 5 years.

11.13 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

11.14 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (e) is binding upon each party and each successor in interest during ownership of the Property or any portion thereof.

11.15 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

11.16 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity

of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Orange, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

11.17 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between City and Developer is that of a government entity regulating the development of private property and the Developer of such property.

11.18 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

11.19 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by City of its power of eminent domain.

11.20 Agent for Service of Process. In the event Developer is not a resident of the State of California or it is an association, partnership or joint venture without a member, partner or joint venturer resident of the State of California, or it is a foreign corporation, then in any such event, Developer shall file with the Community Development Director, upon its execution of this Agreement, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Agreement, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon Developer. If for any reason service of such process upon such agent is not feasible, then in such event Developer maybe personally served with such process out of Orange County and such service shall constitute valid service upon Developer. Developer is amenable to the process so served, submits to the jurisdiction of the Court referenced in Section 11.15 so obtained and waives any and all objections and protests thereto. Developer for itself, assigns and successors hereby waive the provisions of the Hague Convention (Convention on the Service Abroad of Judicial and Extra Judicial Documents in Civil or Commercial Matters, 20 U.S.T. 361, T.I.A.S. No. 6638).

11.21 Authority to Execute. The person or persons executing this Agreement on behalf of Developer warrants and represents that he or she or they has/have the authority to execute this Agreement on behalf of such corporation, partnership or business entity and warrants and represents that he or she or they has/have the authority to bind Developer to the performance of its obligations hereunder.

11.22 Conflict with TOD. Notwithstanding any other provision of this Agreement, in the event of any conflict between any provision of this Agreement and any provision of the TOD, the conflicting provision of this Agreement shall supersede and control.

11.23 Minor Modifications to Development Plan. Minor modifications to the Development Plan may be approved by the City Administrator, or his or her designee, evidenced by a written memorandum from the City, which shall not require recordation but shall be retained by the City as a public record. A “Minor Modification” shall not increase unit count or reduce parking spaces, or building heights.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

[SIGNATURES FOLLOW]

“DEVELOPER”

THE PLACENTIA TOD PROJECT OWNER, LLC, a Delaware limited liability company

By: Integral Placentia Associates, LLC,
a Delaware limited liability company,
its Manager

By: Manchester Family Diversified, LLC, a Delaware limited liability company, its Managing Member

By: KPMW Integral, LLC, a California limited liability company, its Manager

By: _____
Name: John Stanek
Title: Authorized Representative

“CITY”

THE CITY OF PLACENTIA,
a municipal corporation

By: _____
Name: Craig S. Green
Title: Mayor

ATTEST:

By: _____
Patrick J. Melia
Title: City Clerk

APPROVED AS TO FORM:

By: _____
Christian L. Bettenhausen, City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On _____, before me, _____,
(insert name and title of the officer)

Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

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(insert name and title of the officer)

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the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

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State of California)
County of Orange)

On _____, before me, _____,
(insert name and title of the officer)

Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

THE LAND REFERRED TO HEREIN IS SITUATED IN THE CITY OF PLACENTIA, IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF BLOCK "H" OF THE KRAEMER TRACT, IN THE CITY OF PLACENTIA, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 12, PAGES 87 AND 88 OF MISCELLANEOUS MAPS, RECORDS OF LOS ANGELES COUNTY CALIFORNIA.

PARCEL 2 AS SHOWN ON A MAP FILED IN BOOK 34, PAGE 26 OF PARCEL MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA.

ASSESSORS PARCEL NUMBER: 339-091-09;

AND

THAT PORTION OF BLOCK "H" OF THE KRAEMER TRACT, IN THE CITY OF PLACENTIA, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 12, PAGES 87 AND 88 OF MISCELLANEOUS MAPS, OF LOS ANGELES COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF THE LAND CEONVEYED TO FRANK X. BURNS, AND WIFE, BY DEED RECORDED AUGUST 17, 1972 IN BOOK 1155, PAGE 250 OF OFFICIAL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY, DISTANT THEREON, SOUTH 73° 14' 10" WEST 387.88 FEET FROM THE NORTHEASTERLY CORNER OF SAID BLOCK "H" AND RUNNING; THENCE SOUTH 17° 39' 52" WEST 502.05 FEET TO A POINT IN THE SOUTHERLY LINE OF SAID LAND CONVEYED TO BURNS, DISTANT THEREON, SOUTH 72 ° 27' WEST 383.68 FEET FROM THE SOUTHEAST CORNER OF SAID LAND CONVEYED TO BURNS TO THE SOUTHWEST CORNER THEREOF; THENCE NORTH 17 ° 17' 40" EAST ALONG THE WESTERLY LINE OF SAID LAND CONVEYED TO BURNS, 502.50 FEET TO THE NORTHWEST CORNER THEREOF; THENCE 73 ° 14' 10" EAST ALONG THE NORTHERLY LINE OF SAID LAND CONVEYED TO BURNS TO THE POINT OF BEGINNING EXCEPTING THEREFROM THE NORTH 40 FEET OF SAID LAND FOR STREET PRUPOSES, AS GRANTED IN DEED RECORDED APRIL 8, 1963, IN BOOK 6499, PAGE 627 OF OFFICIAL RECORDS.

ASSESSORS PARCEL NUMBER: 339-091-08

EXHIBIT “C” DEVELOPMENT APPROVALS

DEVELOPMENT PLAN REVIEW NO. 2017-01

VESTING TENTATIVE MAP NO. 18118

DEVELOPMENT AGREEMENT 2017-01

MITIGATED NEGATIVE DECLARATION 2017-04

EXHIBIT “D” LAND USE REGULATIONS

(TOD) Packing House District Zone (Chapter 23.111 of the Placentia Municipal Code)

TOD Streetscape Master Plan adopted by Resolution No. R-2017-15

Public Realm Standards adopted by Resolution No. R-2017-15

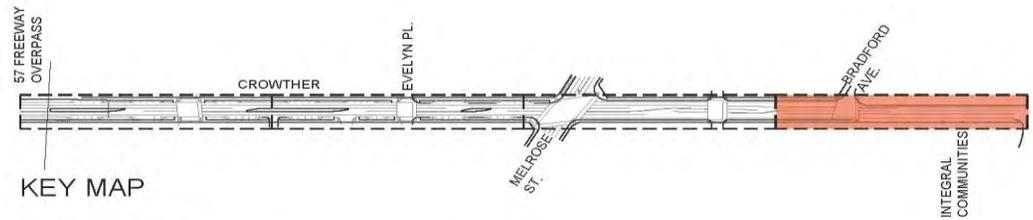
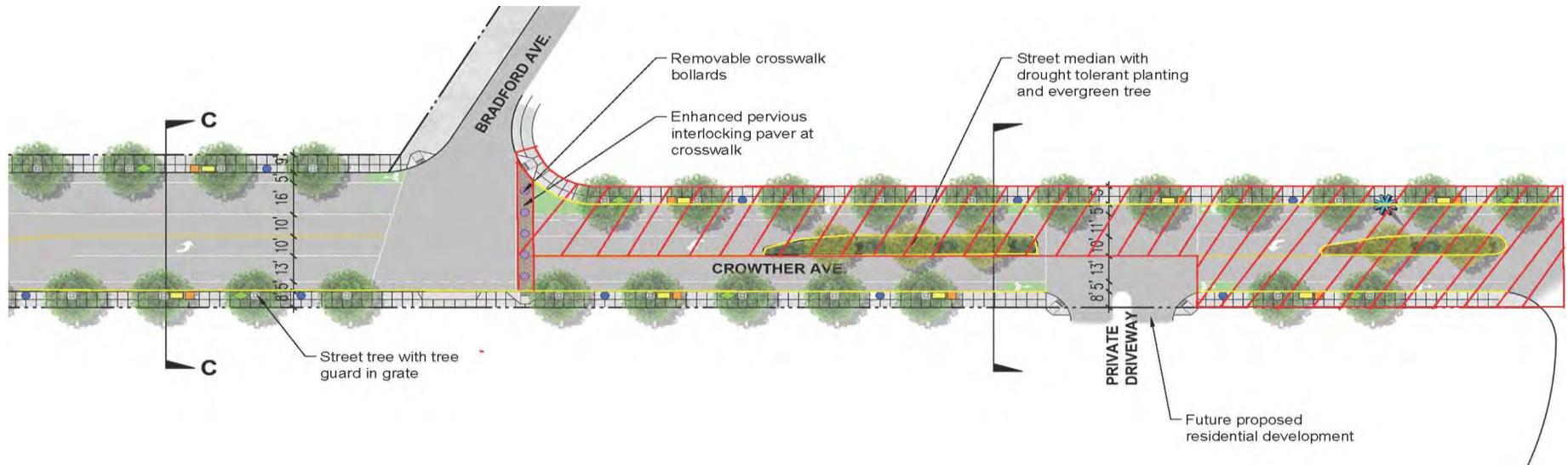
City of Placentia General Plan (including the General Plan Amendment adopted by Resolution No. R-2017-15)

All other applicable provisions of the Placentia Municipal Code

EXHIBIT “E” SUMMARY OF DEVELOPMENT IMPACT FEES

Type of Development	Per Unit	Total (215 units)
Impact Fees		
Traffic Impact Fee	\$1,203.00	\$258,645.00
Sewer Impact Fee	\$1,668.00	\$358,620.00
Streetscape fee	\$2,624.00	\$564,160.00
Public Art Fee	\$578.70	\$124,420.50
Public Safety	\$966.00	\$207,690.00
Park in-lieu Fee	\$2,748.00	\$590,820.00
Park and Recreation Fee	\$2,808.00	\$603,720.00
Total Fees Due Before	\$12,595.70	\$2,708,075.50
Adjustment for Existing Buildings		
Fee Adjustment for Demolition of Existing Buildings	(\$1,438.63)	(\$309,305.45)
Total Development Impact Fees	\$11,157.07	\$2,398,770.05

EXHIBIT "F" OFF SITE IMPROVEMENTS AREA



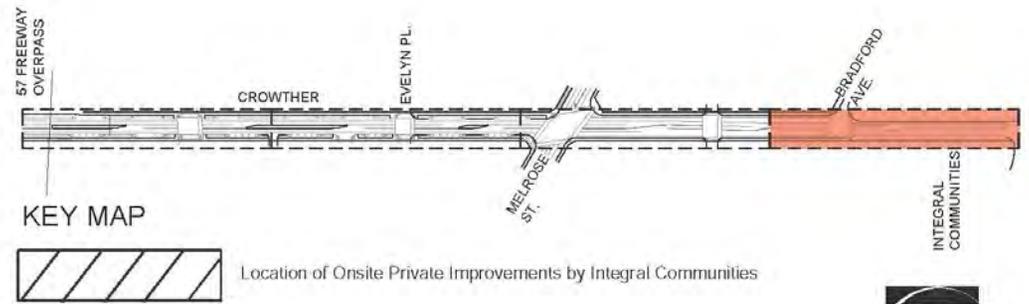
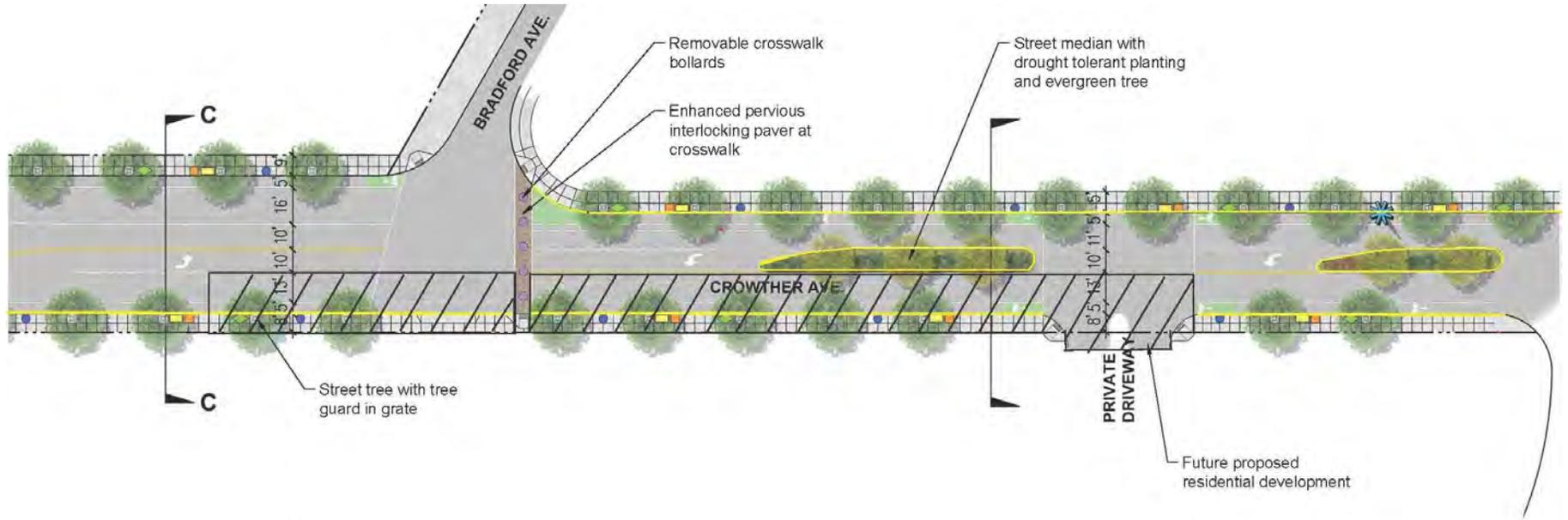
Crowther Avenue Preliminary Plan
 TOD PACKING HOUSE DISTRICT
 Placentia, CA



Location of Off Site Public Improvements by Integral Communities



EXHIBIT "G" ON SITE IMPROVEMENTS AREA



Crowther Avenue Preliminary Plan
 TOD PACKING HOUSE DISTRICT
 Placentia, CA



EXHIBIT “H” SCHEDULE OF PERFORMANCE

Action	Deadline
City Council Approval of Entitlements	Date of final action of City Council
First Submittal of Working Drawings for Plan Check (Major Deadline)	7/15/18
Deposit of \$200,000 in Development Impact Fees ¹	7/15/18
Written City Comments Returned on Submittal of Working Drawings	60 days after each submittal²
Resubmittal of Working Drawings for Plan Check	60 days after receipt of each set of comments from City³
Final Construction Drawings are approved by City and Building Permit is “ready-to-issue” (Major Deadline)	2/15/19
Construction Commences	7/15/19

¹ Funds to be applied to City DIF as incurred and are refundable until issuance of building permit(s).

² Applies to any resubmittals made after the First Submittal.

³ Developer will resubmit working drawings to respond to City’s comments within this time period, or within such longer time as agreed to by City considering nature and extent of corrections required.



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF PUBLIC WORKS

DATE: OCTOBER 3, 2017

SUBJECT: **DEVELOPMENT IMPACT FEES FOR THE TRANSIT ORIENTED DEVELOPMENT PACKINGHOUSE DISTRICT**

FISCAL

IMPACT: There is no immediate fiscal impact associated with the recommended actions. The adoption of new and revised development impact fees will not have an immediate impact on new or expanded revenues to the City until such time as new private development projects within the TOD Packinghouse District receive project entitlements from the City.

SUMMARY:

In April 2017 the City Council approved the Transit-Oriented Development (TOD) Packing House District Plan (collectively, the "District"). In order for the City to recover costs associated with any potential impact as a result of development within the District, the City must adopt Development Impact Fees (DIFs) and a corresponding Development Impact Fees Nexus Study Report (Report). Subsequent to adoption of the District, a Report has been prepared in anticipation of new development within the District. The Report analyzes the anticipated impacts to City services new developments will create within the District and identifies mitigation measures and costs associated with mitigating those impacts. A public hearing will be held to receive input from the public on the ordinance establishing the TOD DIF Schedule and the resolution setting the fees. Following the second reading and adoption of the ordinance, the TOD DIF will take effect 60 days after adoption.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Open the Public Hearing concerning the Transit Oriented Development Packinghouse District Development Impact Fees Schedule; and
2. Receive the Staff Report, consider all public testimony, ask questions of Staff; and
3. Close the Public Hearing; and
4. Adopt Resolution No. R-2017-XX, a Resolution of the City Council of the City of Placentia, California approving Development Impact Fees to finance mitigation of impacts to Sewer

2.a.

October 3, 2017

Facilities, Traffic and Transportation Infrastructure, and Streetscape Infrastructure in the Transit Oriented Development Area; and

5. Waive full reading, by title only, and introduce for first reading Ordinance No. O-2017-XX, an Ordinance of the City Council of the City of Placentia, California, approving a Development Impact Fee Nexus Study Report for the Transit Oriented Development Area, and amending Title 5 (Schedule of Fees) with the addition of Chapter 5.03 "TOD Development Impact Fees" to the Placentia Municipal Code to establish a Development Impact Fee Program and adopting necessary findings for the establishment of Development Impact Fees to financially mitigate impacts to Sewer Facilities, Traffic and Transportation Infrastructure, and Streetscape Infrastructure in the Transit Oriented Development Area.

DISCUSSION:

Development Impact Fees (DIFs) are a commonly used method of collecting a proportional share of funds from new development for infrastructure improvements and/or other public facilities. With rare exceptions, DIFs are one-time funds restricted to funding capital costs for new facilities or expansion of existing facilities, and are not used for annual operations and/or maintenance. Impact fees may only be imposed on new development, and the fee proceeds must be expended on improvements needed as a result of the new development.

Pursuant to the Mitigation Fee Act ("Act"), California Government Code Section 66000, et seq. (also known as AB 1600), adoption of impact fees requires documentation of the "nexus" between the fees being charged, the impacts of new development, the benefit of the facilities needed to mitigate such impacts, and the proportional cost allocation among different fee categories. Impact fees must be adopted by the City Council via an ordinance and are imposed either jurisdiction-wide or in a relatively large area anticipating significant amounts of new development, such as a specific plan area or community plan area.

The City has prepared a Development Impact Fees Nexus Study Report (Report) for the TOD area to establish the legal and policy basis for the collection of new, area-specific DIFs (Attachment 1). The impact fee programs established by the Report include the following:

- **TOD Traffic Impact Fee**

A Traffic Impact Analysis Report was prepared as part of the environmental review for the TOD zone change and General Plan Amendment previously approved by the City Council. The report analyzed the projected number of vehicle trips and traffic circulation impacts created by the TOD. The report identified five (5) intersections impacted by TOD development, and identified mitigation measures to be constructed at each intersection. The total cost for the traffic mitigation measures has been distributed across the planned maximum number of residential units to be constructed in the TOD.

- **TOD Sewer Impact Fee**

As part of the City's Sewer Master Plan update, the City's engineering consultant analyzed the changes in the land uses within the TOD project area and determined that the existing sewer line in Crowther Avenue would not be able to support all of the new proposed development within the TOD. As a result, the existing sewer line must be upsized, the cost of which has been distributed across the planned maximum number of residential units in the TOD establishing a per unit/square foot TOD Sewer Impact Fee.

- **TOD Streetscape Infrastructure Impact Fee**

The City Council approved the TOD Streetscape Master Plan as part of its approval of the TOD zone change and General Plan Amendment. As part of that process, an engineer's/architect's cost estimate of the streetscape improvements was prepared. Each TOD developer will be conditioned to build all the streetscape improvements outlined in the Master Plan along their property/project frontage to the centerline of the street. The TOD Streetscape Infrastructure Fee paid by the developers will pay for the construction of the remaining balance of streetscape improvements. The total cost to construct the balance of streetscape improvements has been distributed across the planned maximum number of residential units in the TOD establishing a per unit/square foot TOD Streetscape Infrastructure Impact Fee.

Development with the TOD area will also be subject to the following Citywide DIFs, once adopted by the Council under a separate Council action:

- Citywide Public Safety Impact Fee Program
- Citywide Park and Recreation Impact Fee Program
- Citywide Quimby Land Dedication and In-Lieu Fee Program

In order to impose DIFs, the Report demonstrates that there is a reasonable relationship between new development in the TOD District area, the amount of each fee, and the capital improvements funded by each fee. More specifically, the Report presents findings in order to meet the procedural requirements of the Act, which are as follows:

1. Identify the purpose of the fee.
2. Identify the use to which the fee is to be applied.
3. Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed ("benefit relationship").
4. Determine how there is a reasonable relationship between the need for the facilities and the type of development project on which the fee is imposed ("impact relationship").
5. Determine how there is a reasonable relationship between the amount of the fee and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed ("proportional relationship").

The Report also outlines the procedural requirements for adoption of the Nexus Study and proposed development impact fee programs ("fee programs") by the City. Also, the Act contains specific requirements for the annual administration of the fee programs.

The figure below summarizes the City's maximum area-specific DIFs for the TOD area. The City may adopt the fees at or below the levels determined by the Nexus Study.

**Summary of Proposed Development Impact Fees for the
 Transit Oriented Development Area**

Land Use Category	Unit ¹	TOD Traffic Impact Fee	TOD Sewer Impact Fee	TOD Streetscape Impact Fee	Total TOD Impact Fees ²
Single Family Detached Housing	DU	\$1,941	\$5,460	\$6,419	\$13,820
Single Family Attached Housing	DU	\$1,941	\$3,943	\$5,211	\$11,095
Multi-Family Housing	DU	\$1,203	\$3,336	\$5,910	\$10,449
Mobile Home	DU	\$1,145	\$3,336	\$4,701	\$9,182
Retail / Commercial	BSF	\$2.02	\$3.03	\$5.48	\$10.53
Office	BSF	\$2.89	\$4.55	\$6.55	\$13.99
Industrial	BSF	\$1.14	\$1.82	\$4.30	\$7.26

Notes:
¹ DU = Dwelling unit; BSF = building area square foot.
² A fee credit must be given for demolished existing housing units or nonresidential building square footage as part of a redevelopment project.

If approved, Ordinance No. O-2017-XX (Attachment 2) will be scheduled for a second reading on October 17, 2017. It will become effective 30 days after an affirmative vote on the second reading. The Resolution setting the development impact fees (Attachment 3) is not effective until 60 days after adoption. Therefore, the Ordinance will be in place prior to the effective date of the new Development Impact Fees.

Planning, Housing & Development Ad-Hoc Committee

Staff and the City's DIF Report consultant met with the City Council Planning, Housing & Development Ad-Hoc Committee (Committee) to discuss the proposed TOD DIF's. The Committee reviewed the proposed fees and requested additional information on the proposed fees when compared to other surrounding cities' TOD areas. Subsequently, Staff provided additional fee comparison, which can be seen as Attachment 4 to this report.

ALTERNATIVE OPTIONS:

As noted above, the City has the option to set the fees at or below the levels determined by the Nexus Study. If the City elected to set those fees less than the maximum amount the City is

allowed to collect, it would result in fewer funds available to mitigate development impacts to the community, the balance of which would require City General Fund or external grant funding contributions.

FISCAL IMPACT:

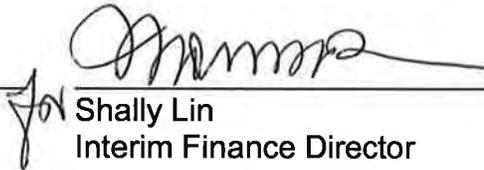
There is no immediate fiscal impact associated with the recommended actions. The adoption of a TOD Development Impact Fee schedule will not have an immediate impact on new or expanded revenues to the City until such time as new private development projects within the TOD Packinghouse District receive project entitlements from the City.

Prepared by:



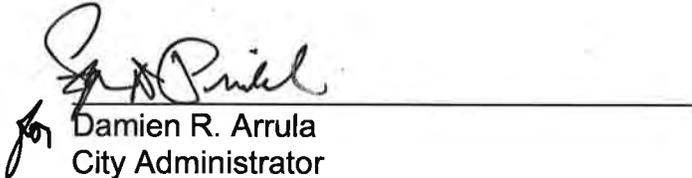
Luis Estevez
Director of Public Works

Reviewed and approved:



Shally Lin
Interim Finance Director

Reviewed and approved:



Damien R. Arrula
City Administrator

Attachments:

1. Development Impact Fees Nexus Study for the Transit Oriented Development Area
2. Ordinance No. O-2017-XX
3. Resolution No. R-2017-XX
4. City Fee Comparison
5. Power Point Presentation



CITY OF PLACENTIA

**CITYWIDE DEVELOPMENT IMPACT FEES
NEXUS STUDY**

AUGUST 2017
FINAL REPORT

PREPARED FOR:

**CITY COUNCIL
CITY OF PLACENTIA**

PREPARED BY:

SCIConsultingGroup

4745 MANGELS BOULEVARD
FAIRFIELD, CALIFORNIA 94534
PHONE 707.430.4300
FAX 707.430.4319
www.sci-cg.com

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CITY OF PLACENTIA

CITY COUNCIL

Craig Green, Mayor

Chad Wanke, Mayor Pro Tempore

Rhonda Shader, Councilmember

Ward Smith, Councilmember

Jeremy Yamaguchi, Councilmember

CITY ADMINISTRATOR

Damien Arrula

DIRECTOR OF PUBLIC WORKS

Luis Estevez

DIRECTOR OF DEVELOPMENT SERVICES

Joseph Lambert

ACKNOWLEDGEMENTS

This Development Impact Fees Nexus Study was prepared by SCI Consulting Group ("SCI") under an agreement with the City of Placentia ("City"). The work was accomplished under the general direction of Luis Estevez, Director of Public Works.

We would like to acknowledge special efforts made by the following individuals and organizations for this project:

Damien Arrula, City of Placentia
Joseph Lambert, City of Placentia
Jeannette Ortega, City of Placentia
Ivette Rodriquez, City of Placentia
Dudek
Albert Grover and Associates
County of Orange Auditor's Office
County of Orange Assessor's Office

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EXECUTIVE SUMMARY

The City of Placentia ("City") is located in northern Orange County and is bounded by the cities of Brea, Fullerton, Yorba Linda, and Anaheim. Incorporated in 1926, the City has grown to a current population nearly 52,000. The Southern California Association of Governments ("SCAG") estimates that the City will grow to a population of 58,000 by 2040.

As new development occurs within the City, new or expanded capital facilities will be required to meet the demands of future development. Capital facilities will be partially funded through the City's impact fee programs. The fee programs will apply to all future growth anticipated through 2040, except where otherwise noted.

This Development Impact Fees Nexus Study ("Nexus Study") was prepared pursuant to the Mitigation Fee Act ("Act") as found in Government Code § 66000 et seq. The purpose of this Nexus Study is to establish the legal and policy basis for the collection of a new development impact fees. Each type of facility addressed in this Nexus Study is analyzed separately. In each case, the relationship between new development and the need for the facilities is quantified in a way that allows the impact of development on facility needs to be measured. Impact fees calculated in this Nexus Study are based on the capital cost of facilities needed to mitigate those impacts. The impact fee programs established by this Nexus Study include:

- Citywide Public Safety Impact Fee Program
- Citywide Park and Recreation Impact Fee Program
- Sewer Impact Fee Program
- Traffic Impact Fee Program
- Storm Drainage Impact Fee Program
- Citywide Quimby Land Dedication and In-Lieu Fee Program

In order to impose such fees, this Nexus Study demonstrates that a reasonable relationship between new development, the amount of the fee, and the capital improvements funded by the fee. More specifically, this Nexus Study will present findings in order to meet the procedural requirements of the Mitigation Fee Act ("Act"), also known as AB 1600, which are as follows:

1. Identify the **purpose** of the fee.
2. Identify the **use** to which the fee is to be put.

3. Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed ("**benefit relationship**").
4. Determine how there is a reasonable relationship between the need for the facilities and the type of development project on which the fee is imposed ("**impact relationship**").
5. Determine how there is a reasonable relationship between the amount of the fee and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed ("**proportional relationship**").

Additionally, the Act specifies that the fee shall not include costs attributable to existing deficiencies in public facilities but may include the costs attributable to the increased demand for public facilities reasonably related to the development project in order to refurbish existing facilities to maintain the existing level of service or achieve an adopted level of service that is consistent with the general plan.

The Nexus Study also outlines the **procedural requirements** for approval of the Nexus Study and proposed development impact fee programs ("fee programs") by the City Council. Also, the Act contains specific requirements for the **annual administration** of the fee programs. These statutory requirements and other important information regarding the imposition and collection of the fees are provided in the last section of the Nexus Study.

A Quimby Land Dedication and In-Lieu Fee Study ("Quimby Study") is provided in Appendix C. The Quimby Study calculates the factors that determine City's Quimby land dedication requirement and in-lieu fee.

Figure 1 summarizes the City's maximum development impact fees and Quimby In-Lieu Fee. The City may adopt the fees at or below the levels determined by this Nexus Study.

FIGURE 1 – SUMMARY OF CITYWIDE DEVELOPMENT IMPACT FEES

Land Use Categories	Unit	Public Safety	Park and Recreation	Quimby In-Lieu	Sewer ¹	Traffic ¹	Storm Drainage (Area A)	Storm Drainage (Area C)
Single Family Detached Housing	DU	\$1,049	\$3,051	\$4,586	\$1,356	\$1,411	\$262	\$119
Single Family Attached Housing	DU	\$851	\$2,476	\$3,731	\$997	\$1,411	\$213	\$97
Multi-Family Housing	DU	\$966	\$2,808	\$4,227	\$761	\$875	\$163	\$74
Mobile Homes	DU	\$768	\$2,234	\$3,359	\$886	\$832	\$245	\$111
Retail / Commercial	BSF	\$0.71	-	-	\$0.69	\$1.47	\$0.17	\$0.07
Office	BSF	\$1.02	-	-	\$1.03	\$2.10	\$0.11	\$0.05
Industrial	BSF	\$0.51	-	-	\$0.41	\$0.83	\$0.30	\$0.13

Notes:

¹ New development with the City's TOD area is not subject to the Sewer Impact Fee, the Traffic Impact Fee and the Storm Drainage Impact Fee.

CITYWIDE PUBLIC SAFETY IMPACT FEE

This section determines the City's public safety impact fee. The fee includes police, fire protection and animal care facilities, vehicles and equipment.

The Placentia Police Department ("Department") protects and serves the City through crime prevention, investigation, and other public safety services. The Department headquarters are located within the Placentia Civic Center at 401 East Chapman Avenue.

The Orange City Fire Authority ("Fire Authority") provides first-responder fire protection services to City along with the Cities of Buena Park, Cypress, La Palma, and the unincorporated Orange County under a joint powers agreement. Specifically, these services include fire prevention and suppression; emergency medical response and transport and rescue and hazardous materials response. The Fire Authority is funded primarily from cash contracts and property tax revenues. The City owns Fire Station 34, located at 1530 North Valencia and Fire Station 35, located at 120 South Bradford.

The County of Orange ("County") provides animal care services to the City, along with other cities in the County, under a services agreement. The services agreement specifies that the City shall also pay their fair share of the construction cost of their new facility and equipment costs.

A system-wide facility standard methodology is utilized to determine the City's public safety impact fee. Under this widely-used method, the City's ratio of existing and planned police, fire, and animal control facilities, vehicles and equipment to a buildout service population establishes a facilities standard for determining new development's fair share of the cost to expand the City's public safety system. These costs are then applied to seven land use categories in proportion to the need they create for public safety services to establish a cost/fee per unit of development.

The Nexus Study also identifies the fair share cost of planned public safety facilities needed to serve existing development at the same facilities standard as applied to new development. The identification and use of a facilities standard ensures that new development will only fund the share of planned facilities needed to accommodate growth. Thus, consistent with the Act, this Nexus Study demonstrates that there is a reasonable relationship between new development, the amount of the fee, and the facilities, vehicles, and equipment funded by the fee.

SERVICES POPULATION

Figure 2 determines an equivalent dwelling unit ("EDU") factor for each land use category. The EDU expresses the service population of each unit of a given land use in terms of a single-family attached dwelling unit. Residential density figures are based on census data from the 2010 U.S. Census and expressed in terms of the average occupancy per dwelling unit. The nonresidential density figures from the *2001 Southern California Association of Governments Employment Density Study* prepared by The Natelson Company, Inc. expressed in terms of the number of employees per 1,000 square feet of building area.

FIGURE 2 – SERVICE POPULATION EQUIVALENT DWELLING UNIT FACTOR

Land Use Category	Unit	Unit Density	EDU Factor
	Calc	a	b = a / 3.4
Single-Family Detached Housing	DU	3.40	1.00
Single-Family Attached Housing	DU	2.76	0.81
Multi-Family Housing	DU	3.13	0.92
Mobile Housing	DU	2.49	0.73
Residential Unit	DU	3.22	0.95
Retail / Commercial	KBSF	2.33	0.69
Office	KBSF	3.33	0.98
Industrial	KBSF	1.67	0.49
Nonresidential Area	KBSF	2.04	0.60

The City currently protects approximately 18,900 dwelling units and approximately 4.6 million square feet of nonresidential building area by 2040. Figure 3, on the following page, calculates the buildout EDUs for the City through 2040 based on land use data summarized in Appendix A.

FIGURE 3 – BUILDOUT DEMAND EDUs

Land Use Category	Unit	Buildout Units ¹	Service Pop. EDU Factor ²	Buildout EDUs
Single-Family Detached Housing	DU	10,255	1.00	10,255
Single-Family Attached Housing	DU	2,091	0.81	1,697
Multi-Family Residential Housing	DU	5,969	0.92	5,495
Mobile Housing	DU	586	0.73	429
Nonresidential	KBSF	4,648	0.60	2,785
Total		23,548		20,661

Sources: California Department of Finance; U.S. Census Bureau; SCI Consulting Group

Notes:

¹ See Appendix A for more detail.

² See Figure 2.

EXISTING PUBLIC SAFETY FACILITIES

The next step in determining the City's existing public safety facilities standard is to calculate the replacement cost of the City's public safety system which includes police, fire and animal control facilities, vehicles and equipment. Fire apparatus, vehicles, and equipment are excluded from the fee since they are provided by the Fire Authority. Under the animal care services agreement, the City has agreed to pay for their share of the animal care center. This figure is used as the City's replacement value of their share of the County facility.

Figure 4, on the following page, presents a summary of replacement cost (in 2017 dollars) for the City's existing public safety facilities (land and buildings), vehicles and equipment. As shown below, the estimated replacement cost of the City's existing public safety facilities, vehicles, and equipment is approximately \$18.7 million in 2017 dollars.

FIGURE 4 – REPLACEMENT COST OF EXISTING PUBLIC SAFETY FACILITIES

Facility	Amount	Unit Cost	Replacement Cost (2017\$)
Calc	a	b	c = a * b
Police Headquarters ¹			
Land	1.84 acres	\$1,440,000 per acre	\$2,649,600
Buildings	11,000 sq. ft.	\$500 sq. ft.	\$5,500,000
Vehicles	53 each	\$32,170 ave. each	\$1,705,000
Equipment			\$2,483,360
Fire Station 34 ²			
Land	0.67 acres	\$1,440,000 per acre	\$964,800
Buildings	5,100 sq. ft.	\$500 sq. ft.	\$2,550,000
Fire Station 35 ²			
Land	0.22 acres	\$1,440,000 per acre	\$316,800
Buildings	3,602 sq. ft.	\$500 sq. ft.	\$1,801,000
OC Animal Care Center ³			
Buildings	NA	NA	\$588,768
Equipment	NA	NA	\$148,000
Total Existing Public Safety Facilities			\$18,707,328

Source: City of Placentia; SCI Consulting Group

Notes:

¹ Building area and land acres shown for represents 50% of the City Civic Center.

² Fire services is provided by the Orange County Fire Authority under a services agreement with the City.

³ Figures represents the City's share of the OC Animal Care Center and equipment.

Figure 6, on the following page, presents the City's planned fire facilities. The planned facility improvements include the construction of a new \$6 million fire station to replace Station 35, plus the expansion of Station 34.

FIGURE 5 – PLANNED PUBLIC SAFETY FACILITIES

Station	Item	Replacement Costs (2017\$)	Total Cost (2017\$)
Station 35	Current Facility / New Facility	\$3,514,800	\$6,000,000
Station 34	Station Expansion	\$0	\$250,000
Cost of Planned Public Safety Facilities		\$3,514,800	\$6,250,000
Less: Existing Fund Balance as of June 30, 2017			\$37,865
Total Cost of Planned Public Safety Facilities			\$6,212,135

Source: City of Placentia

PUBLIC SAFETY FACILITIES STANDARD

The City's ratio of existing and planned public safety facilities, vehicles and equipment to the service population at buildout establishes the standard for determining new development's fair share of the cost to expand the City's public safety facilities as growth occurs. Total public safety system facilities include the replacement value of the existing public safety system plus new planned facilities. The replacement value of Station 35 is subtracted from the total cost of planned facilities to avoid double counting of facility costs.

As shown below, the standard is represented by the public safety system facilities cost of \$1,028.83 per capita.

FIGURE 6 – PUBLIC SAFETY FACILITIES STANDARD

	Calc	
Existing Public Safety Facilities ¹	a	\$18,559,328
Planned Public Safety Facilities ²	b	\$6,212,135
Existing Public Safety Facilities to be Replaced ²	c	\$3,514,800
Total Public Safety System Facilities	d = a + b - c	\$21,256,663
Projected Buildout Demand EDUs ³	e	20,661
Net Public Safety Facilities Cost Per EDU	f = d / e (rounded)	\$1,028.83

Notes:

¹ See Figure 4.² See Figure 5.³ See Figure 3.

CITYWIDE PUBLIC SAFETY IMPACT FEE

Figure 7 below presents the calculation of the maximum allowable public safety impact fee. As shown, the fee per unit of development for each land use category is determined by multiplying the public safety facility standard by their respective service population EDU factor plus an additional 2 percent for administration of the fee program. The fee program administrative cost component is designed to offset the cost of collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other associated costs reasonably related to compliance with the Act.

FIGURE 7 – CITYWIDE PUBLIC SAFETY IMPACT FEE

Land Use Category	Unit	Facility Standard ¹	Service Pop. EDU Factor ²	Cost per Unit	Fee Admin. Cost (2%)	Total Cost/Fee per Unit ³
						e = (c + d) / 1000
Calc	a	b	c = a * b	d = c * 0.02	e = c + d	
Single Family Detached Housing	DU	\$1,028.83	1.00	\$1,028.83	\$20.58	\$1,049
Single Family Attached Housing	DU	\$1,028.83	0.81	\$835.17	\$16.70	\$851
Multi-Family Housing	DU	\$1,028.83	0.92	\$947.13	\$18.94	\$966
Mobile Home	DU	\$1,028.83	0.73	\$753.47	\$15.07	\$768
Retail / Commercial	KBSF/BSF	\$1,028.83	0.69	\$705.05	\$14.10	\$0.71
Office	KBSF/BSF	\$1,028.83	0.98	\$1,007.65	\$20.15	\$1.02
Industrial	KBSF/BSF	\$1,028.83	0.49	\$505.34	\$10.11	\$0.51

Notes:

¹ See Figure 6.

² See Figure 2.

³ Total cost/fee is rounded down to the nearest dollar for residential land use categories and the nearest cent for nonresidential land use categories.

NEXUS FINDINGS

PURPOSE OF FEE

The purpose of the public safety impact fee is to fund the cost of expanded public safety facilities, vehicles and equipment attributable to new residential and nonresidential development in the City. The public safety impact fees will ensure that new development will not burden existing development with the cost of facilities required to accommodate growth as it occurs within the City.

USE OF FEE REVENUE

Fee revenue will be used to fund the cost of expanded public safety facilities, police vehicles, and police equipment to serve new development. Additionally, fee revenue will be used to cover fee program administration costs such as collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other costs reasonably related to compliance with the Act. Fee revenue may not be used to fund operational, maintenance or repair costs.

BENEFIT RELATIONSHIP

The fee will be collected as development occurs. To maintain its existing level of public safety services, fee revenue will be used to expand the City's public safety facilities, vehicles, and equipment, to meet the additional demand created by new development projects. Fee revenue will be deposited into a separate public impact fee account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the City. The fee revenue will be restricted to the uses described in the "Use of Fee Revenue" finding. These actions ensure that a development project paying the fee will benefit from its use.

IMPACT RELATIONSHIP

New development projects will create additional need for the City's public safety services and a corresponding need for expanded public safety facilities, vehicles, and equipment. The fee will be imposed on different types of development projects in proportion to the additional service population created by new development.

PROPORTIONALITY

The cost of public safety facilities, vehicles, and equipment attributable to a development project is based upon the level of existing development served by the City's existing public safety system. The use of a facilities standard methodology to determine the public safety impact fee achieves proportionality between existing development and new development. Moreover, these equivalent costs are applied to seven land use categories in proportion to the need they create for expanded public safety facilities, vehicles, and equipment. The use of a public safety facilities standard to determine the public safety impact fee schedule achieves proportionality across the types of development on which the fee is imposed.

CITYWIDE PARK AND RECREATION IMPACT FEE

Over the next twenty-three years, new development within the City of Placentia ("City") will create a need for additional park and recreational facilities to meet needs additional population generated by new residential development. In order to provide adequate funding to achieve these long-term objectives, a park and recreation impact fee is needed to fund new development's share of the cost of new park and recreational facilities and improvements.

The City has eight (8) neighborhood parks and parkettes, three (3) community parks, and four (4) special use parks totaling 60.9 acres, or 1.20 acres for every 1,000 residents. Additionally, to accommodate the anticipated population increase of approximately 6,500 new residents by 2040, an additional 7.7 acres of park area will be required of new development to maintain the City's existing level of service. The development of park acres will need to be funded with other sources of funds.

Since the need for park and recreational services is inherently population driven, this Nexus Study utilizes a per capita standard-based methodology to determine the City's park and recreation impact fee. Under this method, the cost components are based on the City's existing level of service ("LOS") standard for park development and construction of community use facilities.

PARK DEVELOPMENT COST PER CAPITA

The figure on the following page calculates the per capita cost of developing new parks in the City. As presented, the City's existing LOS standards are multiplied by their respective average development cost per acre to arrive at a per capita cost. The average park development cost per acre shown is based on the estimated replacement value per acre for McFadden Park and Tuffree Hill Park.

FIGURE 8 – PARK DEVELOPMENT COST PER CAPITA

Cost Component	Existing Acres	Existing Acres	Average	Cost per
	per 1,000 Residents ¹	per Capita ¹	Development Cost per Acre ²	Capita (2017 \$)
Calc	a	b = a / 1,000	c	d = b * c
Developed Parks	1.20	0.00120	\$468,000	\$561.60

Source: City of Placentia Community Services Department

Notes:

¹ Based on the City's existing level of service for developed parks. See Appendix B for the City's Park Inventory.

² Based on estimated replacement cost per acre for McFadden Park and Tuffree Hill Park and rounded to the nearest thousand.

COMMUNITY USE FACILITY COSTS PER CAPITA

City residents currently have use of nine City community use facilities. As shown in figure 9, these facilities provide 43,371 square feet of usable space to City residents. Based upon this existing level of service ("LOS"), the existing LOS per resident for community use facilities is 835.17 square feet per 1,000 residents. This existing standard is used to calculate the cost of expanding community use facility space to meet the needs of the City's growing population. As shown in figure 9 on the following page, assuming an average construction cost of \$381 per square foot, the cost of expanded community use facilities to serve new development is \$318.20 per capita.

FIGURE 9 – COMMUNITY USE FACILITIES EXISTING LOS STANDARD

Facility	Location	Existing Space		Existing Population	Sq. Ft. per 1,000 Population
		Calc	a		
Champions Sports Complex ¹	505 Jefferson Street		3,873		
Backs Community Building	201 N. Bradford Avenue		9,472		
Bradford House	136 E. Palm Circle		5,200		
Gomez Community Center	1701 Atwood Avenue		2,452		
Korch Recreation Center	2210 N. Valencia Avenue		1,456		
Kraemer Clubhouse / Teen Center	116 N. Walnut Avenue		860		
E.T. Powell Building	143 S. Bradford Avenue		4,732		
Tynes Gym	2101 N. Tuffree Boulevard		6,048		
Whitten Community Center	900 S. Melrose Street		9,278		
Community Use Facilities			43,371	51,931	835.17

Source: City of Placentia Community Services Department

Notes:

¹ Includes Aquirre Building and Concession Building.

FIGURE 10 – COMMUNITY USE FACILITIES COST PER CAPITA

Cost Component	Existing Building		Average Construction	Cost per Capita	
	Sq. Ft. per 1,000 Residents ¹	Community Use Space per Capita ¹	Cost per Sq. Ft. ²		
	Calc	a	b = a / 1,000	c	d = b * c
Community Use Facilities	835.17	0.83517	\$381	\$318.20	

Source: City of Placentia Community Services Department; SCI Consulting Group

Notes:

¹ See Figure 9.

² Based on estimates provided by the Engineering News-Record 2016 Square Foot Cost Book.

CITYWIDE PARK AND RECREATION IMPACT FEE

The figure below presents the calculation of the maximum allowable park and recreation impact fee. As shown, park and recreation impact fee per unit of development for each land use category is determined by multiplying the total cost per capita by their respective unit density, plus an additional 2 percent for administration the fee program. The fee program administrative cost component is designed to offset the cost of collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other associated costs reasonably related to compliance with the Act.

FIGURE 11 – PARK AND RECREATION IMPACT FEE

Land Use Category	Unit	Cost per Capita ¹	Unit Density ²	Cost per Unit	Fee Admin. Cost (2%)	Total Cost/Fee per Unit ³
						Calc
Housing	DU	\$879.80	3.40	\$2,991.31	\$59.83	\$3,051
Single-Family Attached Housing	DU	\$879.80	2.76	\$2,428.24	\$48.56	\$2,476
Multi-Family Housing	DU	\$879.80	3.13	\$2,753.77	\$55.08	\$2,808
Mobile Housing	DU	\$879.80	2.49	\$2,190.70	\$43.81	\$2,234

Notes:

¹ The sum of the per capita costs from Figure 8 and Figure 10.

² Persons per dwelling unit based on figures from the 2010 U.S. Census for the City of Placentia.

³ Total cost/fee per unit is rounded down to the nearest dollar.

NEXUS FINDINGS

PURPOSE OF FEE

The purpose of the park and recreation impact fee is to provide revenue that the City can use to help mitigate the impact new residential development will have on the City's park and recreational facilities. The fee will ensure that new residential development will not burden existing residential development with the cost of park development and community use facilities construction of required to accommodate growth as it occurs.

USE OF FEE REVENUE

Fee revenue will be used as a funding source for park development, and community use facility expansion needed to serve new development. Additionally, fee revenue will be used to cover fee program administration costs such as collection, documentation, annual

reporting requirements, five-year report requirements, periodic Nexus Study updates and other costs reasonably related to compliance with the Act. Fee revenue may not be used to fund operational, maintenance or repair costs.

BENEFIT RELATIONSHIP

Since the need for park and recreational services is in part population-driven, new residential development in the City will generate additional need for new parks and recreational services and the corresponding need for various facilities. The fee will be used to develop and expand the City's park and recreational facilities required to serve new development. The fee's use (development of parks and expansion of community use facilities) is therefore reasonably related to the type of project (new residential development) upon which it's imposed. The fee revenue will be restricted to the uses described in the "Use of Fee Revenue" finding. These actions ensure that a development project paying the fee will benefit from its use.

IMPACT RELATIONSHIP

Each new residential development project will generate additional need for park and recreational services and the associated need for parks and recreational facilities. The need is measured in proportion to the persons per dwelling unit for four housing categories and the City's existing level of service.

PROPORTIONALITY

The amount of park and recreational facilities needed to serve a unit of development is based on the City's existing LOS standard for providing such facilities. The cost of park development, construction of expanded community use space, and fee program administrative costs are defined on a cost per capita basis. These per capita costs are then applied to four housing types based on their respective occupancy per dwelling unit.

SEWER IMPACT FEE

The most common way to measure the impact of development on sewer systems is by the volume of sewer flow to the system. The demand variable used in this analysis is average sewer flow in gallons per day ("GPD"). To ensure that new development pays only for capacity enhancement cost required to meet its needs, the sewer impact fee is calculated based on the anticipated volumes of sewer flow by new development, excluding the City's Transit Oriented Development ("TOD") area.

SEWER CAPACITY ENHANCEMENT COSTS

Figure 12 below provides the probable construction costs provided by Dudek for six sewer capacity enhancement projects. Dudek estimates that these six projects will provide 4.98 million gallons per day peak wet weather flow ("PWWF") capacity. Using a conversion factor of 3.2, the conversion of the peak wet weather flow to average GPD would be 1.56 million average gallons per day. Estimated sewer demand for new development excluding the TOD Area is 0.12 million average gallons per day. Based on this information, 7.87% of the total sewer capacity improvement cost, or \$830,679, is attributable to new development excluding the TOD area.

FIGURE 12 – SEWER CAPACITY ENHANCEMENT COSTS

Sewer Capacity Enhancement Project	Probable		
	Construction Cost (2017\$)	Est. Future Dev. Share %	Future Dev Share (2017\$)
	Calc	a	b
			c = a * b
Bradford Avenue, Orange Grove Ave, Walnut Ave, Santa Barbara St. Placentia Ave.	\$4,626,000	7.87%	\$364,066
Twilight St., Sunrise Way, Sunrise ST, Melody Ln., Chapman Ave., Placentia Ave.	\$1,677,000	7.87%	\$131,980
Orangethorpe Ave.	\$834,000	7.87%	\$65,636
Orangethorpe Ave., Melrose St., Silverlake Dr., Glenlake Dr.	\$2,391,000	7.87%	\$188,172
Tuffree Blvd.	\$634,000	7.87%	\$49,896
Bastanchury Rd.	\$393,000	7.87%	\$30,929
Total Citywide (Excluding TOD Area)	\$10,555,000	7.87%	\$830,679

Source: Dudek; City of Placentia Public Works Department; SCI Consulting Group

FIGURE 13 – AVERAGE DAILY SEWER FLOW ATTRIBUTABLE TO NEW DEVELOPMENT

Land Use Category	Units	Unit Growth ¹	Average Daily Sewer Flow per Unit (GPD)	Average Daily Sewer Flow
				Attributable to Unit Growth (GPD)
Calc	a	b	c = a * b	
Single Family Detached Housing	DU	88	196	17,150
Single Family Attached Housing	DU	175	144	25,200
Multi-Family Housing	DU	488	110	53,625
Mobile Housing	DU	0	128	0
Retail / Commercial	KBSF	211	100	21,128
Office	KBSF	36	150	5,330
Industrial	KBSF	0	60	0
Total Citywide (Excluding TOD Area)		997		122,433

Sources: City of Placentia Public Works Department; SCI Consulting Group

Notes:

¹ See Appendix A. Exclude TOD area.

Using the sewer capacity enhancements costs attributable to future development from figure 12 divided by average daily sewer flow attributable to unit growth, the cost per gallon per day is \$6.78.

FIGURE 14 – SEWER COST PER AVERAGE DAILY GALLONS PER DAY

Future Dev Share (2017 \$) ¹	Sewer Flow	
	Attributable to Unit Growth (GPD) ²	Cost per GPD ³
a	b	c = a / b
\$830,679	122,433	\$6.78

Source: City of Placentia Public Works; SCI Consulting Group

Notes:

¹ See Figure 12.

² See Figure 13.

SEWER IMPACT FEE

Figure 15 below presents the calculation of the City's sewer impact fee. The sewer impact fee is citywide, but excludes the City's TOD area. As shown, the sewer impact fee per unit of development for each land use category is determined by the cost per GPD by their respective average daily sewer flow per unit ("GPD") plus an additional 2 percent for administration of the sewer impact fee program. The fee program administrative cost component is designed to offset the cost of City collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other costs reasonably related to compliance with the Act.

FIGURE 15 – SEWER IMPACT FEES

Land Use Category	Unit	Sewer	Cost per GPD ²	Cost per Unit	Fee Admin. Cost (2%)	Total Cost/Fee per Unit ³	
		Flow per Unit (GPD) ¹					
	Calc	Res	a	b	c = a * b	d = c * 0.02	e = c + d
		Nonres					e = (c + d) / 1000
Single Family Detached Housing		DU	196	\$6.78	\$1,330	\$27	\$1,356
Single Family Attached Housing		DU	144	\$6.78	\$977	\$20	\$997
Multi-Family Housing		DU	110	\$6.78	\$746	\$15	\$761
Mobile Housing		DU	128	\$6.78	\$868	\$17	\$886
Retail / Commercial		KBSF/BSF	100	\$6.78	\$678	\$14	\$0.69
Office		KBSF/BSF	150	\$6.78	\$1,018	\$20	\$1.03
Industrial		KBSF/BSF	60	\$6.78	\$407	\$8	\$0.41

Notes:

¹ See Figure 13.

² See Figure 14.

³ Total cost/fee is rounded down to the nearest dollar for residential land use categories and the nearest cent for nonresidential land use categories.

NEXUS FINDINGS

PURPOSE OF FEE

The purpose of the sewer impact fee is to provide revenue that the City can use to help mitigate the impact new development will have on the City's sewer system. The fee will ensure that new development will not burden existing development with the cost of sewer improvements required to accommodate growth as it occurs.

USE OF FEE REVENUE

Fee revenue will be used as a funding source for sewer improvements need to serve new development, such as those identified in figure 12. Additionally, fee revenue will be used to cover fee program administration costs such as collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other costs reasonably related to compliance with the Act. Fee revenue may not be used to fund operational, maintenance or repair costs.

BENEFIT RELATIONSHIP

The fee will be collected as development occurs. New development will contribute an additional burden to City's sewer infrastructure. Fee revenue collected from new development projects will be spent to directly offset this burden by enhancing the City's sewer capacity. Fee revenue will be deposited into a separate account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the City. The fee revenue will be restricted to the uses described in the "Use of Fee Revenue" finding. These actions ensure that a development project paying the fee will benefit from its use.

IMPACT RELATIONSHIP

New development projects in the City will increase sewer flow. The increase in sewer flow will create the need for expansion in the City's sewer capacity. The fee will be imposed on different types of development projects in proportion their average daily sewer flow.

PROPORTIONALITY RELATIONSHIP

The sewer impact fee that is charged to new development is based on the cost of identified sewer improvements that will need to be made to satisfy the projected increase in sewer flow from new development. The sewer capacity improvement costs are applied to seven land use categories in proportion to their average daily sewer flow per unit.

TRAFFIC IMPACT FEE

This section addresses street improvements and traffic signals needed to serve future development in the City excluding the TOD area. The analysis contained in this section is based on the 2003 Administrative Draft of the Circulation Element of the City's General Plan.

To determine the City's traffic impact fee consistent with the procedural requirements of the Act, a plan-based methodology is utilized. Under this widely-used method, the cost of street and traffic signal improvements attributable to new development is divided by the estimated demand, based on peak-hour trips per unit of development, to determine the cost per unit. It is important to note that this methodology is relatively inflexible in the sense that it is based on the relationship between a specific improvement plan and a specific land use plan. Consequently, if the land use plan changes significantly, the traffic impact fees should be re-determined.

STREET IMPROVEMENTS AND TRAFFIC SIGNALS

The City Engineer has developed a list of improvements needed to serve the additional traffic associated with future development. These improvements are listed in figure 16 on the following page with probable cost estimates (in 2017 dollars) and the percentage of each improvement attributable to new development.

The City's General Plan Circulation Element sets a basic level of service ("LOS") target of D or better throughout the City. The level of service designations used by transportation planners is based on the Highway Capacity Manual published by the Transportation Research Board. Those designations range from LOS "A" (free traffic flow, insignificant delays at intersections) to LOS F (forced flow, stop and go traffic, excessive delays at intersections). LOS D on roadways is characterized by approaching unstable flow with maneuverability severely restricted due to congestion.

According to the City Engineer, under current conditions, all road segments in the City operate at LOS D or better during the peak-hours. The capacities of these roadways are therefore adequate to meet the traffic demands of the City's current level of development.

FIGURE 16 – STREET IMPROVEMENTS AND TRAFFIC SIGNALS

Project	Estimated	%	New Dev \$
	Cost (2017\$)	Attributable to New Dev	Share
	Calc	a	b
			c = a * b
Bastanchury Rd/Valencia Ave Left Turn Lane	\$75,000	100%	\$75,000
Kraemer Boulevard / Alta Vista Street Dual Left Turn Lanes	\$30,000	100%	\$30,000
Lakeview Avenue at Miraloma Traffic Signal	\$170,000	100%	\$170,000
Van Buren Street at Orchard Drive Traffic Signal	\$170,000	100%	\$170,000
Placentia Avenue at Santa Fe Avenue Traffic Signal	\$165,000	100%	\$165,000
Kraemer Boulevard at Connecticut Way Traffic Signal	\$235,000	100%	\$235,000
Richfield Rd at Miraloma Ave & Miraloma Ave at Van Buren TS	\$315,000	100%	\$315,000
Total (Excluding TOD Area)	\$1,160,000	100%	\$1,160,000

Source: City of Placentia Public Works Department; City of Placentia Capital Improvement Program FY 2016-2023

PEAK-HOUR TRIP EDUS

Trip generation rates are a typical method of measuring demand for new street and traffic signal improvements and allocating costs proportionally among the land use categories. Peak-hour trips are used instead of average daily trips because peak traffic determines the amount of system capacity required to maintain a certain level of service. The trip generation factors used in the determination of the traffic impact fee are from the *Institute of Transportation Engineers Trip Generation Manual, 9th edition*.

From these peak-hour trip rates, an equivalent dwelling unit ("EDU") factor was determined for each land use category. The EDU states the impact of each unit of a given land use in terms of a single-family attached dwelling unit. This Nexus Study also includes a pass-by trip factor for nonresidential land uses to account for trips that are already on the road and do not create additional impact. These costs are then applied to seven land use categories in proportion to their generated peak-hour trips to establish a cost/fee per unit of development.

FIGURE 17 – PEAK-HOUR TRIP EDUS

Land Use Category	Unit	Unit	PM Peak Trip Rate ²	Pass-by / Diverted Trip	Peak-Hour Trip EDU Factor	Growth Demand EDUs
		Growth Estimate ¹		Factor ²		
	Calc	a	b	c	d = b * c	e = a * d
Single Family Detached Housing	DU	88	1.00	1.00	1.00	88
Single Family Attached Housing	DU	175	1.00	1.00	1.00	175
Multi-Family Housing	DU	488	0.62	1.00	0.62	302
Mobile Housing	DU	0	0.59	1.00	0.59	0
Retail / Commercial	KBSF	211	1.49	0.70	1.04	220
Office	KBSF	36	3.73	0.40	1.49	53
Industrial	KBSF	0	0.98	0.60	0.59	0
Total (Excluding TOD Area)		997				838

Sources: Institute of Transportation Engineers; SCI Consulting Group

Notes:

¹ See Appendix A. Excludes projected growth in TOD area.

² From ITE Trip Generation Manual, 9th Edition.

In Figure 18 below, the total cost of street and traffic signal improvements attributable to new development is divided by the projected growth in peak-hour trip EDUs that will be generated by the future development to arrive a cost per peak-hour trip EDU. By taking the \$1.16 million in improvements divided by the total peak-hour trip EDUs arrives at a cost per peak-hour trip EDU of \$1,384.03.

FIGURE 18 – COST PER PEAK-HOUR TRIP

Citywide Street Improvements and Traffic Signals ¹	\$1,160,000
Citywide Peak-Hour EDU Growth ²	838
Cost per Demand EDU	\$1,384.03

Notes:

¹ See Figure 16.

² See Figure 17.

TRAFFIC IMPACT FEE

Figure 19 below presents the determination of the maximum allowable traffic impact fee. As shown, the traffic impact fee per unit of development for each land use category is determined by multiplying the cost per peak-hour trip EDU by their respective peak-hour trip EDU factor, plus an additional 2 percent for administration the fee program. The fee program administrative cost component is designed to offset the cost of collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other associated costs reasonably related to compliance with the Act.

FIGURE 19 –TRAFFIC IMPACT FEE

Land Use Category	Unit		EDU Factor	Cost per	Fee Admin.	Total
	Calc	Res	¹	EDU ²	Cost (2%)	Cost/Fee
		Nonres	a	b	c = b * 0.02	d = a * (b + c)
						d = a * (b + c) / 1000
Single Family Detached Housing		DU	1.00	\$1,384.03	\$27.68	\$1,411
Single Family Attached Housing		DU	1.00	\$1,384.03	\$27.68	\$1,411
Multi-Family Housing		DU	0.62	\$1,384.03	\$27.68	\$875
Mobile Home		DU	0.59	\$1,384.03	\$27.68	\$832
Retail / Commercial		KBSF/BSF	1.04	\$1,384.03	\$27.68	\$1.47
Office		KBSF/BSF	1.49	\$1,384.03	\$27.68	\$2.10
Industrial		KBSF/BSF	0.59	\$1,384.03	\$27.68	\$0.83

Notes:

¹ See Figure 17.

² See Figure 18.

³ Total cost/fee is rounded down to the nearest dollar for residential land use categories and the nearest cent for nonresidential land use categories.

NEXUS FINDINGS

PURPOSE OF FEE

The purpose of the traffic impact fee is to provide revenue that the City can use to help mitigate the impact of new development. The fee will ensure that new development will not burden existing development with the cost of street improvements and traffic signals required to accommodate growth as it occurs.

USE OF FEE REVENUE

Fee revenue will be used as a funding source for street improvements, and new traffic signals need to serve new development, such as those identified in Figure 16. Additionally, fee revenue will be used to cover fee program administration costs such as collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other costs reasonably related to compliance with the Act. Fee revenue may not be used to fund operational, maintenance or repair costs.

BENEFIT RELATIONSHIP

The fee will be collected as development occurs. New development will contribute an additional burden to City traffic. Fee revenue collected from new development projects will be spent to directly offset this burden by improving the existing streets as well as constructing new infrastructure to accommodate the projected growth. Fee revenue will be deposited into a separate account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the City. The fee revenue will be restricted to the uses described in the "Use of Fee Revenue" finding. These actions ensure that a development project paying the fee will benefit from its use.

IMPACT RELATIONSHIP

New development in the City will increase the amount of peak-hour trips, and thus generate a need for the proposed street improvements and traffic signals.

PROPORTIONALITY RELATIONSHIP

The cost of the proposed street improvements and new traffic signals attributable to new development in the City are applied to seven land use categories in proportion to their peak-hour trip generation. The use of a peak-hour trip EDU to determine the traffic impact fee schedule achieves proportionality across the types of development on which the fee is imposed.

STORM DRAINAGE IMPACT FEE

The City of Placentia is divided into several of storm drainage basin areas, referred to as basin areas A through G. Each of the basin areas has a series of storm drainage pipes and detention basins that serve the area's drainage needs. In order for new development to occur, new improvements must be made to the City's existing system. The storm drainage impact fee will cover new development's share of the costs associated with expanding the existing storm drain infrastructure system. The subsections below summarize the nexus findings for the proposed storm drainage impact fee.

STORM DRAINAGE IMPROVEMENTS

The City Engineer has identified six storm drain improvements projects for Area A and one project for Area C. The seven improvement projects total \$5.47 million.

FIGURE 20 – STORM DRAINAGE IMPROVEMENTS

Improvement Project	Area	Estimated Cost (2017 \$)
Drainage Area A-2 Improvements	A	\$342,000
Drainage Area A-7 Improvements	A	\$1,195,000
Drainage Area A-8 Improvements	A	\$2,080,000
Drainage Area A-9 Improvements	A	\$400,000
Drainage Area C-1 Improvements	C	\$1,100,000
Primrose Avenue Storm Drain Extension	A	\$100,000
Bradford Avenue Storm Drain Improvements	A	\$250,000
Total		\$5,467,000

Source: City of Placentia Public Works Department; City of Placentia Capital Improvement Program FY 2016-2023

Figure 21, on the following page, calculates the cost per unit for Area A and Area C. No other storm drainage improvements are planned for the other areas of the City.

FIGURE 21 – STORM DRAINAGE COST PER ACRE

Storm Drainage Area	Unit	Estimated Cost (2017\$)	Units (Acres)	Cost per Unit
	Calc	a	b	c = a / b
Area A	Acre	\$4,367,000	1,702	\$2,566
Area B	Acre	\$0	525	\$0
Area C	Acre	\$1,100,000	944	\$1,165
Area D	Acre	\$0	358	\$0
Area E	Acre	\$0	135	\$0
Area F	Acre	\$0	172	\$0
Area G	Acre	\$0	442	\$0
Total / Average		\$5,467,000	4,278	

Sources: City of Placentia Public Works Department

STORM DRAINAGE IMPACT FEES

The next two figures, on the following pages, present the calculation of the maximum allowable storm drainage impact fees for Area A and Area C. As shown, the storm drainage impact fee per unit of development for each land use category is determined by multiplying the total cost per acre by their respective runoff coefficient and average unit per acre. This methodology allocates the cost of the storm drainage improvements based on the impervious acreage for the seven land use categories.

An additional 2 percent is also included for administration of the fee program. The fee program administrative cost component is designed to offset the cost of collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other associated costs reasonably related to compliance with the Act.

FIGURE 22 – STORM DRAINAGE IMPACT FEE – AREA A

Land Use Category	Unit		Cost per	Runoff	Units per	Cost per	Fee	Total
	Calc	Res Nonres	Acre ¹	Coeff. ²	Acre ³	Unit	Admin. Cost (2%)	Cost/Fee per Unit ⁴
			a	b	c	$d = a * b * c$	$e = d * 0.02$	$f = d + e$ $f = (d + e) / 1000$
Single Family Detached Housing		DU	\$2,566	0.50	0.200	\$257	\$5.13	\$262
Single Family Attached Housing		DU	\$2,566	0.65	0.125	\$208	\$4.17	\$213
Multi-Family Housing		DU	\$2,566	0.75	0.083	\$160	\$3.19	\$163
Mobile Housing		DU	\$2,566	0.75	0.125	\$241	\$4.81	\$245
Retail / Commercial		KBSF/BSF	\$2,566	0.80	0.082	\$168	\$3.37	\$0.17
Office		KBSF/BSF	\$2,566	0.80	0.057	\$117	\$2.34	\$0.11
Industrial		KBSF/BSF	\$2,566	0.90	0.128	\$296	\$5.91	\$0.30

Notes:

¹ See Figure 22.

² The runoff coefficient is from the *Standard Handbook for Civil Engineers*, 3rd Edition by McGraw Hill.

³ Residential units per acre is 1 divided by units per acre. Nonresidential units is 1,000 sq. ft. divided by floor area ratio divided by 43,560.

⁴ Total cost/fee is rounded down to the nearest dollar for residential land use categories and the nearest cent for nonresidential land use categories.

FIGURE 23 – STORM DRAINAGE IMPACT FEE – AREA C

Land Use Category	Unit	Cost per	Runoff	Units per	Cost per	Fee	Total	
		Acre ¹	Coeff. ²	Acre ³	Unit	Admin. Cost (2%)	Cost/Fee per Unit ⁴	
	Calc	Res	a	b	c	d = a * b * c	e = d * 0.02	f = d + e
		Nonres						f = (d + e) / 1000
Single Family Detached Housing	DU		\$1,165	0.50	0.200	\$117	\$2.33	\$119
Single Family Attached Housing	DU		\$1,165	0.65	0.125	\$95	\$1.89	\$97
Multi-Family Housing	DU		\$1,165	0.75	0.083	\$73	\$1.45	\$74
Mobile Housing	DU		\$1,165	0.75	0.125	\$109	\$2.18	\$111
Retail / Commercial	KBSF/BSF		\$1,165	0.80	0.082	\$76	\$1.53	\$0.07
Office	KBSF/BSF		\$1,165	0.80	0.057	\$53	\$1.06	\$0.05
Industrial	KBSF/BSF		\$1,165	0.90	0.128	\$134	\$2.68	\$0.13

Notes:

¹ See Figure 22.² The runoff coefficient is from the *Standard Handbook for Civil Engineers*, 3rd Edition by McGraw Hill.³ Residential units per acre is 1 divided by units per acre. Nonresidential units is 1,000 sq. ft. divided by floor area ratio divided by 43,560.⁴ Total cost/fee is rounded down to the nearest dollar for residential land use categories and the nearest cent for nonresidential land use categories.

NEXUS FINDINGS

PURPOSE OF FEE

The purpose of the storm drainage impact fee is to provide revenue that the City can use to help mitigate the impact new development will have on the storm drainage system. The fee will ensure that new development will not burden existing development with the cost of storm drainage improvements required to accommodate growth as it occurs.

USE OF FEE REVENUE

Fee revenue will be used as a funding source for storm drainage improvements need to serve new development, such as those identified in Figure 20. Additionally, fee revenue will be used to cover fee program administration costs such as collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other costs reasonably related to compliance with the Act. Fee revenue may not be used to fund operational, maintenance or repair costs.

BENEFIT RELATIONSHIP

The fee will be collected as development occurs. New development will contribute an additional burden to City's storm drainage infrastructure. Fee revenue collected from new development projects will be spent to directly offset this burden by improving the existing storm drainage infrastructure as well as constructing new infrastructure to accommodate the projected growth. Fee revenue will be deposited into a separate account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the City. The fee revenue will be restricted to the uses described in the "Use of Fee Revenue" finding. These actions ensure that a development project paying the fee will benefit from its use.

BENEFIT RELATIONSHIP

The fee will be collected as development occurs. New development will contribute an additional burden to City's sewer infrastructure. Fee revenue collected from new development projects will be spent to directly offset this burden by enhancing the City's sewer capacity. Fee revenue will be deposited into a separate account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the City. The fee revenue will be restricted to the uses described in the "Use of Fee Revenue" finding. These actions ensure that a development project paying the fee will benefit from its use.

IMPACT RELATIONSHIP

New development in the City will increase the impervious area, and thus will create the need for the proposed storm drainage improvements. The storm drainage impact fee will cover new developments proportionate share of the drainage improvements.

PROPORTIONALITY RELATIONSHIP

The storm drainage impact fee that is charged to new development is based on the cost of identified storm drainage improvements that will need to be made to satisfy the projected increase impervious area from new development. The storm drainage improvement costs are applied to seven land use categories in proportion to their respective runoff coefficient.

IMPLEMENTATION AND ADMINISTRATION

This section summarizes the general requirements for adoption of the Nexus Study and the proposed development impact fee programs and the requirements for their annual administration. The specific statutory requirements may be found in the Mitigation Fee Act (California Govt. Code § 66000 et seq.).

ADOPTION REQUIREMENTS

The City Council shall conduct at least "one open and public meeting" as part of a regularly scheduled meeting on the requested fee program. At least 14 days before the meeting, the City shall mail out a notice of the meeting to any interested party who filed a written request for notice of the adoption of new or increased fees. At least 10 days before the meeting, the City shall make available to the public the Nexus Study for review.

At least 10 days before the public hearing, a notice of the time and place of the meeting shall be published twice in a newspaper of general circulation with at least five days intervening between the dates of first and last publication not counting such publication dates. After the public hearing, the City Council shall adopt an ordinance establishing the proposed fee program. The fee program shall become effective 60 days after adoption of the ordinance or longer as specified by the ordinance.

ACCOUNTING REQUIREMENTS

Proceeds from each development impact fee should be deposited into a separate fund or account so that there will be no commingling of fees with other revenue. The fees should be expended solely for the purpose for which they were collected. Any interest earned by such account should be deposited in that account and expended solely for the purpose for which originally collected.

REPORTING REQUIREMENTS

The following information, entitled "*Annual Report*," must be made available to the public within 180 days after the last day of each fiscal year:

- a brief description of the type of fee in the account;
- the amount of the fee;
- the beginning and ending balance of the account;
- the fees collected that year and the interest earned;

- an identification of each public improvement for which the fees were expended and the amount of the expenditures for each improvement;
- an identification of an approximate date by which development of the improvement will commence if the local agency determines that sufficient funds have been collected to complete financing of an incomplete public improvement;
- a description of each inter-fund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, the date on which any loan will be repaid, and the rate of interest to be returned to the account; and
- the amount of money refunded under section Govt. Code § 66001.

The City shall review the information made available to the public pursuant to paragraph (1) at the next regularly scheduled public meeting, not less than 15 days after this information is made available to the public, as required by this subdivision. Notice of the time and place of the meeting, including the address where this information may be reviewed, shall be mailed, at least 15 days prior to the meeting, to any interested party who files a written request with the City for mailed notice of the meeting. Any written request for mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The City may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service.

For the fifth fiscal year following the first receipt of any development impact fee proceeds, and every five years thereafter, the City must comply with Government Code § 66001(d)(1) by affirmatively demonstrating that the City still needs unexpended development impact fees to achieve the purpose for which it was originally imposed and that the City has a plan on how to use the unexpended balance to achieve that purpose. Specifically, the City shall make all of the following findings, entitled "*Five-Year Findings Report*," with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

- Identify the purpose to which the fee is to be put;
- Demonstrate a reasonable relationship between the fee and the purpose for which it is charged;
- Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements; and
- Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

If the findings show no need for the unexpended funds, or if the conditions discussed above are not met, and the administrative costs of the refund do not exceed the refund itself, the local agency that has collected the funds must refund them (Govt. Code §66001(e)(f)). Alternatively, Govt. Code §66001(f) provides that if the administrative costs of refunding unexpended revenues exceed the amount to be refunded, the City may, after a noticed published hearing, allocate the revenues be allocated for some other purpose for which fees may be collected and which serves the project on which the fee was originally imposed.

ANNUAL INFLATIONARY ADJUSTMENT

The cost estimates in this Nexus Study are in January 2017 dollars. The fees will need to be automatically adjusted annually commensurate with changes in construction costs. Therefore, the fees should be adjusted by an amount equal to the percentage change in the Construction Cost Index for Los Angeles as published by the Engineering News-Record, or its successor publication for the preceding twelve months.

FEE PROGRAM ADMINISTRATION COSTS

As with most programs, there is a cost to administer, oversee and update the development impact fee programs. While an administrative fee is not a development impact fee, it is standard practice to charge new development to recover the costs related to implementing, administering, overseeing and updating the fee program, including the annual reporting requirements. An administrative cost of 2 percent has been added to each development impact fee.

FEE CREDITS

In order to comply with the Act and recent court cases, a fee credit must be given for demolished existing housing units or nonresidential building square footage as part of a redevelopment project. Additionally, subject to certain restrictions, if a developer dedicates land, constructs facilities or improvements for the City, the fee imposed on that development project may be adjusted to reflect a credit for the cost of the dedicated land, facilities constructed or improvements provided.

FEE EXEMPTIONS

The City must provide an exemption to the fee for 1) any development entitled by State or Federal statute to an exemption from development impact fees, and 2) any modernization or rehabilitation projects where no additional net square foot is being added to the existing structure.

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APPENDICES

Appendix A – Land Use Summary

Appendix B – Park Inventory

Appendix C – Quimby Land Dedication and In-Lieu Fee Study

APPENDIX A – LAND USE SUMMARY

FIGURE 24 – RESIDENTIAL LAND USE SUMMARY

Residential Land Use Category	Unit	Existing Units	% Allocation		Buildout Units (2040)	TOD Area	Unit Growth Less TOD
			of 1,750 New Units	Unit Growth by 2040			
Calc	a	b	c = total c * b	d = a + c	e	f = d - e	
Single Family Detached Housing	DU	10,167	5%	88	10,255	0	88
Single Family Attached Housing	DU	1,916	10%	175	2,091	0	175
Multi-Family Housing	DU	4,481	85%	1,488	5,969	1,000	488
Mobile Housing	DU	586	0%	0	586	0	0
Total Residential		17,150	100%	1,750	18,900	0	750

Sources:

California Department of Finance
 SCAG
 U.S. Census Bureau
 SCAG Employment Density Study,
 October 2001

FIGURE 25 – NONRESIDENTIAL LAND USE SUMMARY

Nonresidential Land Use Category	Unit	Jobs-to-Housing Ratio	Dwelling Unit Growth by 2040	% Allocation of Employee Growth	Employee Growth by 2040	Building Sq. Ft. per Employee	Unit Growth by 2040	TOD Area	Unit Growth Less TOD
Retail / Commercial	KBSF			80%	701	344	241	30	211
Office	KBSF			20%	175	288	51	15	36
Industrial	KBSF			0%	0	439	0	0	0
Total Nonresidential		0.501	1,750	100%	877		292	45	247

APPENDIX B – PARK INVENTORY

FIGURE 26 – PARK INVENTORY

Name of Park / Area	Developed Acres
Neighborhood / Parkettes	
George C. Koch Park	4.3
Richard R. Samp Park	3.4
Wagner Park	1.8
Goldenrod Park	2.5
Santa Fe Park	1.1
Jaycee Parkette	0.4
La Placita Parkette	0.9
Parque de los Vaqueros Park	5.4
Total Neighborhood Parks / Parkettes	19.8
Community Parks	
Parque de Los Ninos	3.7
Kraemer Park	11.0
McFadden Park	3.9
Total Community Parks	18.6
Special Use Facilities	
Parque del Arroyo Verde	4.4
Tuffree Hill Park	3.4
Bradford Park	1.7
Placentia Champions Sports Complex	13.0
Total Special Use Facilities	22.5
Total Developed Park Acres	60.9

Source: City of Placentia Community Services Department

APPENDIX C – QUIMBY LAND DEDICATION AND IN-LIEU FEE STUDY

The California Government Code contains specific enabling legislation for the dedication of land or fees in lieu of land dedication for neighborhood and community parks by a city, county or special district. This legislation, codified as Government Code § 66477 and known commonly as the "Quimby Act," also establishes the criteria for determination the land dedication requirement and in-lieu fee based on specific park standards.

There are two factors that determine the amount of land that may be required to be dedicated for a new subdivision. These factors are multiplied by the number of respective dwelling units for the proposed subdivision to determine acreage to be dedicated for neighborhood and community parks. In some instances, the payment of a fee in lieu of land may be considered. In this case, the Quimby dedication requirement is multiplied by the fair market value of the land which would be otherwise be required to be dedicated for parks to establish a Quimby in-lieu fee.

Quimby land dedication and in-lieu fees are not subject to the requirement of the Mitigation Fee Act. Therefore, the purpose of this Appendix is to calculate the two factors that would determine the City's Quimby Dedication Requirement and In-Lieu Fee. Based on the findings presented in this section, the City may amend their Quimby Ordinance (Placentia Municipal Code 22.54) and Quimby In-Lieu fees (Placentia Municipal Code 5.28-050) in accordance with the applicable provisions of the Quimby Act (California Govt. Code § 66477).

Proceeds from Quimby in-lieu fees should be collected separately and accounted for independent of park and recreation impact fee proceeds.

QUIMBY DEDICATION REQUIREMENT

Based on the City's Municipal Code Chapter 22.54.030, City's Quimby standard is 2.5 acres of land for every 1,000 residents. However, the City's maximum standard allowed under the Quimby Act is 3 acres per 1,000 residents. The City should consider whether it is in the public interest, convenience, health, welfare, and safety to levy the City's maximum allowable Quimby standard.

QUIMBY DWELLING UNIT OCCUPANCY FACTOR

Pursuant to Govt. Code § 64477(a)(2), the amount of land dedicated or fees paid shall be based upon residential population density, which shall be in part determined based on the average number of persons per household according to the most recently available federal

census. Moreover, since different residential land uses have varying household sizes, it is reasonable that the land dedication requirement and associated in-lieu fee be expressed per dwelling unit based on their respective average household size. A "dwelling unit" generally means one or more rooms in a building or structure or portion thereof designed exclusively for residential occupancy by one or more persons for living or sleeping purposes and having kitchen and bath facilities, including mobile homes.

Figure 21 below presents the City's updated Quimby land dedication requirement expressed on a land square footage basis for each of the four residential land uses categories based on the City's maximum Quimby standard of 2.5 acres per 1,000 residents.

FIGURE 27 – MAXIMUM QUIMBY LAND DEDICATION REQUIREMENT

Land Use Categories	Unit	Average	Quimby	Maximum Land
		Household	Standard	Dedication
	Calc	Size ¹	(Acres Per	Requirement
		a	1,000 Pop.) ²	(Sq. Ft.)
			b	$c = (a * b) / 1,000 * 43,560$
Single-Family Detached Housing	DU	3.40	2.5	370
Single-Family Attached Housing	DU	2.76	2.5	301
Multi-Family Housing	DU	3.13	2.5	341
Mobile Homes	DU	2.49	2.5	271

Notes:

¹ Based on figures from 2010 U.S. Census for the City of Placentia

² The City's maximum allowable land per 1,000 residents standard under the Quimby Act.

QUIMBY IN-LIEU FEE

For proposed subdivisions containing fewer than 50 parcels, the Quimby Act allows for the payment of a ("Quimby in-lieu fee") in lieu of land dedication.¹ The purpose of the Quimby in-lieu fee is to accumulate enough funding from several smaller subdivisions to acquire land for the development of neighborhood and community parks within the jurisdiction where the fees are collected. Moreover, while land dedication may be required for larger subdivisions, each jurisdiction may require in-lieu fees only, or a combination of land

¹ However, when a multi-family development or stock cooperative exceeds 50 dwelling units, a dedication of land may be required, even though the number of parcels may be less than 50. *Govt. Code § 66477(a)(7)*

dedication and in-lieu fees, to meet the park and recreation goals and objectives of the jurisdiction inhabitants of the subdivision.

The Quimby Act specifies that the amount and location of land to be dedicated or the fee in-lieu of dedication to be paid shall bear a reasonable relationship to the use of the park and recreational facilities by the future inhabitants of the subdivision. Therefore, the Quimby In-Lieu Fee should be equal to the fair market value of the amount of land within the property to be subdivided that would otherwise be required to be dedicated.

Fair market value of the property to be subdivided may be determined by either 1) an appraisal of the property by a certified real estate appraiser or 2) by a set valuation and Quimby in-lieu fees which are periodically updated by the City. The appraisal would appraise the property at its unencumbered (free and clear) value as if it at the approved tentative map state of development and as if any assessments or other encumbrances to which the property is subject has been paid off in full before the date of the appraisal.

Alternatively, the City may, by resolution, approve a fixed market value per acre of land within a community plan, specific plan area, in some instances city-wide, or other boundaries as determined by the City as appropriate. The fair market value of land established for park and recreational purposes would be updated as necessary from time to time and once established may be used, at the option of the subdivider, in place of the appraisal process, to determine the Quimby In-Lieu Fee.

Figure 28, on the following page, calculated the Quimby in-lieu fee based on the City's justified land dedication requirement for single family detached housing, single family attached housing and multifamily housing and an estimated fair market land value of \$540,000 per acre provided by the City.

FIGURE 28 – MAXIMUM QIMBY IN-LIEU FEE

Land Use Categories	Unit	Land	Estimated	Maximum
		Dedication Requirement (Sq. Ft.) ¹	Land Value Per Acre ²	Quimby In-Lieu Fee ³
	Calc	a	b	c = a * b / 43,560
Single-Family Detached Housing	DU	370	\$540,000	\$4,586
Single-Family Attached Housing	DU	301	\$540,000	\$3,731
Multi-Family Housing	DU	341	\$540,000	\$4,227
Mobile Homes	DU	271	\$540,000	\$3,359

Sources: City of Placentia; SCI Consulting Group

Notes:

¹ See Figure 27.

² Estimated fair market value of land for parks provided by the City.

³ Fee is rounded down to the nearest dollar.

USE OF QIMBY IN-LIEU FEES

The land, fees, or combination thereof may only be used to acquire land for parks or developing new or rehabilitating existing neighborhood or community park or recreational facilities to serve the subdivision. However, the fees may be used for the purpose of developing new or rehabilitating existing park or recreational facilities in a neighborhood other than the neighborhood in which the subdivision for which fees were paid as a condition to the approval of a tentative map or parcel map is located, if all of the following requirements are met:

- The neighborhood in which the fees are to be expended has fewer than three acres of park area per 1,000 members of the neighborhood population.
- The neighborhood in which the subdivision for which the fees were paid has a park area per 1,000 members of the neighborhood population ratio that meets or exceeds the ratio calculated pursuant to subparagraph (A) of paragraph (2), but in no event is less than three acres per 1,000 persons.
- The legislative body holds a public hearing before using the fees pursuant to this subparagraph.
- The legislative body makes a finding supported by substantial evidence that it is reasonably foreseeable that future inhabitants of the subdivision for which the fee is imposed will use the proposed park and recreational facilities in the neighborhood where the fees are used.

- The fees are used within a specified radius that complies with the City's ordinance adopted pursuant to subdivision (a), and are consistent with the adopted general plan or specific plan. For purposes of this clause, "specified radius" includes a planning area, zone of influence, or other geographic region designated by the City.

The City may enter into a joint or shared use agreement with one or more other public districts in the jurisdiction, including, but not limited to, a school district or community college district, in order to provide access to park or recreational facilities to residents of subdivisions with fewer than three acres of park area per 1,000 members of the population.

QUIMBY IN-LIEU FEE CREDITS

The Quimby Act states if the subdivider provides park and recreational improvements to the dedicated land, the value of the improvements together with any equipment located thereon shall be a credit against the payment of fees or dedication of land required by the ordinance. Additionally, the Quimby Act specifies that common interest developments, such as community apartment projects, condominium projects, planned developments, or stock cooperatives, shall be eligible to receive a credit, for the value of private open space within the development which is usable for active recreational uses. The Council Ad-Hoc Committee, at their August 15, 2017 meeting, recommended that the Ordinance specify that the credit for private open space not to exceed twenty-five (25%) percent of the total Quimby dedication or in-lieu fee which may be required.

ACCOUNTING REQUIREMENTS

The City shall develop a schedule specifying how, when, and where it will use the land or fees, or both, to develop park or recreational facilities to serve the residents of the subdivision.

Quimby in-lieu fees must be committed within five years after the payment of the Quimby In-Lieu fees or the issuance of building permits on one-half of the lots created by the subdivision, whichever occurs later. If the fees are not committed, they, without any deductions, shall be distributed and paid to the then record owners of the subdivision in the same proportion that the size of their lot bears to the total area of all lots within the subdivision.

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ORDINANCE NO. O-2017-09

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, APPROVING A DEVELOPMENT IMPACT FEE NEXUS STUDY REPORT FOR THE TRANSIT ORIENTED DEVELOPMENT AREA, AND AMENDING TITLE 5 (SCHEDULE OF FEES) WITH THE ADDITION OF CHAPTER 5.03 "TOD DEVELOPMENT IMPACT FEES" TO THE PLACENTIA MUNICIPAL CODE TO ESTABLISH A DEVELOPMENT IMPACT FEE PROGRAM AND ADOPTING NECESSARY FINDINGS FOR THE ESTABLISHMENT OF DEVELOPMENT IMPACT FEES TO FINANCIALLY MITIGATE IMPACTS TO SEWER FACILITIES, TRAFFIC AND TRANSPORTATION INFRASTRUCTURE, AND STREETScape INFRASTRUCTURE IN THE TRANSIT ORIENTED DEVELOPMENT AREA

City Attorney Summary

This Ordinance would add Chapter 5.03 to the City of Placentia Municipal Code establishing Transit Oriented District development impact fees for new development fees to finance measures that mitigate impacts to parks and recreational facilities, sewer facilities, traffic and transportation infrastructure and streetscape infrastructure in the Transit Oriented Development Area.

A. RECITALS

WHEREAS, pursuant to Government Code Section 66000 et seq., ("Mitigation Fee Act") the City is empowered to impose fees and other exactions to provide necessary public facilities required to mitigate the negative effects of new development in the City;

WHEREAS, public facilities, land, and safety are needed for community services in the Transit Oriented Development Area ("TOD Area");

WHEREAS, it is fair and equitable for new development in the TOD Area to pay its fair share and contribute to the financing, acquisition and establishment of such facilities, and public safety measures to enable the City to provide necessary public services to new residents, businesses and their employees;

WHEREAS, The City of Placentia ("City") desires to redevelop the area south and west of the planned Metrolink Station, commonly referred to as the Packing House area, into a modern walkable, vibrant, and sustainable transit oriented development ("TOD") area. TOD projects will be mixed-use residential and commercial developments designed to maximize access to public transport by incorporating features to encourage transit ridership and reduce dependency on automobile use for mobility.

WHEREAS, to cover the cost of capital facilities and infrastructure required to serve growth in the TOD Area, the City desires to establish development impact fees ("fees") to

be charged on new development. The fees are one-time charges and collected upon the issuance of a building permit or certificate of occupancy.

WHEREAS, the proposed fees are based upon the information contained in a document and addendum prepared by City staff and SCI Consulting Group ("SCI") entitled "Development impact Fees Nexus Study for the Transit Oriented Development Area" dated June 2017 ("the TOD Development Impact Fee Nexus Study Report");

WHEREAS, detailed descriptions of each of the facilities, their approximate location, size, approximate time of availability and their estimated costs are set forth in a document entitled "General Plan;"

WHEREAS, copies of the TOD Development Impact Fee Nexus Study Report and the General Plan are on file in the TOD Area of the City Clerk's office and have been made available for public review in accordance with state law, as more fully described below;

WHEREAS, this levying of development impact fees has been reviewed by staff in accordance with the California Environmental Quality Act ("CEQA") and the CEQA Guidelines and the City of Placentia Local Guidelines for implementing CEQA and it has been determined that the adoption of this Ordinance is exempt from CEQA pursuant to Sections 15378(b)(4), 15061(b)(3), and 15273 of the CEQA Guidelines, Section 21065 of the Public Resources Code and the City of Placentia Local Guidelines for implementing CEQA. The intent of the General Plan, TOD Development Impact Fee Nexus Study Report and proposed fees is to provide a means of mitigating some of the potential environmental impacts which have been identified in planning efforts for anticipated future growth of the City. Specific environmental studies are required to be performed for each project that requires further review under CEQA prior to approval of the specific project;

WHEREAS, the City has: 1) made available to the public, at least ten days prior to its public hearing, data indicating the estimated cost required to provide the facilities and infrastructure for which these development fees are levied and the revenue sources anticipated to provide those facilities and infrastructure; 2) mailed notice at least fourteen days prior to this meeting to all interested parties who have requested notice of new or increased development fees; and 3) held a duly noticed, regularly scheduled public hearing on October 3, 2017 at which time oral and written testimony was received regarding the proposed fees; and

WHEREAS, the City Council has reviewed and considered the staff report, the TOD Development Impact Fee Nexus Study Report, the Appendix, the General Plan and all oral and written testimony.

B. ORDINANCE

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

Section 1. The City Council of the City of Placentia hereby approves the TOD Development Impact Fee Nexus Study Report dated August 2017. This document is attached hereto as Exhibit "A" and is hereby incorporated by this reference.

Section 2. The City Council of the City of Placentia hereby adopts the findings set forth in the recitals to this Ordinance, the findings and facts contained in the TOD Development Impact Nexus Study Report (Exhibit A) and the findings contained in Chapters 5.03 and Placentia Municipal Code, as reflected in the attached Exhibit "B" and the following findings:

a. Consistency with General Plan. The City Council finds that the public facilities equipment and park land acquisition and fee methodology identified in the respective ordinances and TOD Development Impact Nexus Study Report are consistent with the City's General Plan and, in particular, those policies that require new development to mitigate its share of the impacts to City infrastructure and to be fiscally neutral.

b. Differentiation among Public Facilities. The City Council finds that the public facilities identified in the Nexus Report and funded through the collection of development impact fees recommended in the Nexus Report are separate and distinct from those public facilities funded through other fees presently imposed and collected by the City. To the extent that other fees imposed and collected by the City, including Specific Plan fees are used to fund the construction of the same public facilities identified in the respective ordinances and TOD Development Impact Nexus Study Report than such other fees shall be a credit against the applicable development impact fees.

Section 3. Title 5 (Schedule of Fees) is hereby amended with the addition of Chapter 5.03 to the Placentia Municipal Code as shown on Exhibit "B" attached hereto and incorporated herein by this reference.

Section 4. Any provision of the Placentia Municipal Code or appendices thereto inconsistent with the provisions of the Ordinance, to the extent of such inconsistencies and no further, are repealed or modified to that extent necessary to affect the provisions of this Ordinance.

Section 5. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Placentia hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

Section 6. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official

newspaper within 15 days after its adoption. This Ordinance shall become effective 30 days from its adoption.

PASSED, APPROVED AND ADOPTED this 3rd day of October, 2017.

CRAIG S. GREEN, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Placentia, held on the 3rd day of October, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA, CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN, CITY ATTORNEY

EXHIBIT "A"

(TOD Development Impact Nexus Study Report)

EXHIBIT B

**A. Chapter 5.03
TRANSIT ORIENTED DEVELOPMENT (TOD)
DEVELOPMENT IMPACT FEES**

Sections:

- 5.03.010 Findings.**
- 5.03.020 Description of fees.**
- 5.03.030 Limited use of fees.**
- 5.03.040 Imposition of fees.**
- 5.03.060 TOD Streetscape Infrastructure Impact**
- 5.03.080 TOD Sewer impact fees.**
- 5.03.100 TOD Traffic mitigation impact fees.**
- 5.03.110 Developer construction of facilities.**
- 5.03.120 TOD Fee adjustment.**
- 5.03.130 Definitions.**
- 5.03.140 Development agreements.**
- 5.03.160 Annual Inflationary Adjustment**
- 5.03.170 Annual Inflationary Adjustment**
- 5.03.180 Schedule of TOD Area Development Impact Fees**

5.03.010 Findings.

In order to implement the goals and objectives of the General Plan of the City of Placentia and to mitigate the impacts caused by new development within the Transit Oriented Development Area ("TOD Area"), certain public improvement projects must be or had to be constructed. The City Council determines that development impact fees are needed to finance these public improvements and to pay for development's fair share of the construction costs of these improvements. In establishing the fees described in the following sections, the City Council finds the fees adopted to be consistent with state law (California Government Code Section 66000 et seq.) and with the City's General Plan and, pursuant to Government Code Section 65913.2, has considered the effects of the fees and determines that the fees are not material with respect to the City's housing needs as established in the Housing Element of the Placentia General Plan.

5.03.020 Description of fees.

A. Development impact fees are hereby established on new development or conversions within the TOD Area of the City of Placentia to pay for public improvements related to civic improvement projects, public safety, sewer projects, traffic mitigation, and parks. In the following sections, the City Council sets forth the specific amount of the development fee for each type of public improvement project.

B. At least every five years, the City Council shall review these fees to determine whether the fee amounts are reasonably related to the impacts of development and whether the public improvement projects described in the City's capital improvement projects list are still needed. Failure to undertake this review shall not invalidate the imposition of the fees.

5.03.030 Limited use of fees.

The revenues raised by payment of these development impact fees shall each be placed in separate and special impact fund accounts, and such revenues, along with any interest earnings on each separate account, shall be used solely to:

A. Pay for the City's future construction of those public improvement projects at least partially allocable to new development or conversions as described in the City's capital improvement projects list and General Plan for the TOD Area; or

B. Reimburse the City for those described or listed projects constructed by the City with funds advanced by the City from other sources; or

C. Reimburse developers who have been required or permitted by Section 5.03.110 to install such listed facilities which are oversized with supplemental size, length or capacity.

5.03.040 Imposition of fees.

A. Development impact fees shall be imposed on:

1. New development; and
2. Conversions, as provided in this chapter.

B. Development impact fees shall be paid by the owner of the property on which new development or conversion is to occur. The fees shall be collected by the City prior to the issuance of the building or development permit(s) for such development or conversion, whichever occurs later, unless payment at a later time is mandated by Government Code Section 66007.

C. Except as otherwise provided herein, square footage of residential and nonresidential buildings shall be measured by exterior dimensions. Unfinished attics, crawlspaces, and basements shall not be assessed until converted and finished as usable floor space.

D. A building or structure consisting of non-usable floor space, e.g., a garage, carport or storage shed, shall not be deemed to be part of the residential building for the purpose of determining the square footage of the residential building. Such ancillary structures shall require the payment of storm drainage and public safety impact fees; additional impact fees shall not be required until converted to usable floor space.

E. Each single-family residential unit within a multifamily residential building or development project shall be deemed to be a separate building for which a fee is imposed and shall be paid.

F. Additions to an existing building shall be deemed to occur whenever the amount of usable floor space is increased, or whenever new building space is constructed where no structures existed as part of the existing building, whether or not the total building floor area is increased by the new construction.

G. The first seventy (70) square feet of additions or conversions to an existing building in a two-year period shall be exempt from all fees except public safety impact fees and storm drainage impact fees.

H. No development impact fee shall be imposed more than once for the same floor space.

5.03.060 TOD Streetscape Infrastructure Impact Fees.

A. Findings. The City Council finds:

1. Streetscape infrastructure encompasses a wide range of right-of-way facilities that play an important role in the City's creation of public realm and non-motorized transportation for the TOD Area. Constructing sidewalks with street trees, street lighting, benches, and street furniture, impacts safety, sidewalk space as social space, pedestrian aesthetic, and active transportation.

2. The costs for these streetscape infrastructure projects should be shared across the buildout service population within the TOD Area since both residents and employees use sidewalk facilities to walk, commute and travel. The TOD streetscape infrastructure impact fee shall be charged within the TOD area only, as all streetscape infrastructure in the TOD Area is a local amenity that serves development in the TOD area.

3. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for streetscape infrastructure and the impacts of the types of new development or conversions for which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. Schedule of TOD Streetscape Infrastructure Impact Fees. A streetscape infrastructure impact fee shall be imposed on all new development or conversions in the TOD Area and shall apply to all residential construction within the TOD Area of the City of Placentia. See Section 5.03.180 "Schedule of TOD Area Development Impact Fees."

C. There is hereby established and created a fund of the City entitled "TOD streetscape infrastructure impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The TOD

streetscape infrastructure impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of sidewalks with street trees, street lighting, benches, and street furniture, impacts safety, sidewalk space as social space, pedestrian aesthetic, means of active non-motorized transportation and other capital purposes needed for providing streetscape infrastructure and services.

5.03.080 Sewer impact fees.

A. Findings. The City Council finds:

1. Placentia has a sewer system that consists of a collection system including public sewers and interceptors leading to the disposal system.
2. New development or conversions in the TOD Area of the City of Placentia have a significant impact on the sewer system.
3. The City must continue to fund capital improvements to its sewer system. These capital improvements include updating or replacing sewer lines. These additional capital expenditures are necessary to maintain an acceptable level of sewer service within the next fifteen (15) years.
4. New development or conversions within the TOD Area of the City result in increased usage of residential, commercial, industrial, and other affected properties, which thereby increases the service requirements and the capital equipment requirements for the city's sewage treatment and disposal system. Such increased usage does not ordinarily result from mere subdivision or parcel map divisions of existing properties in the absence of new development or conversions.
5. In the absence of the imposition of a sewer impact fee upon new development or conversions, the additional capital expenses necessary to maintain an acceptable level of sewer service for the entire city would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the TOD Area of the City of Placentia.
6. New development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the TOD Area of the City of Placentia.

7. Part of the costs associated with the capital improvements to the sewer system are apportioned to new development and conversions to accommodate increased usage of the sewer system by new residents and businesses.

8. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the sewer system improvements and the impacts of the types of new development or conversions for which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. Schedule of Sewer Impact Fees.

1. Every person connecting to the City's sewer system or converting unusable to usable floor space in or adding to existing buildings which are already connected to the City's sewer system shall pay to the city a sewer impact fee. See Section 5.03.180 "Schedule of TOD Area Development Impact Fees."

2. Every person converting an existing use from one use category (residential, commercial, industrial or office) to another use category shall pay a sewer impact fee equal to the difference, if any, between the fees calculated for the existing and new uses as set forth in Section 5.03.180 "Schedule of TOD Area Development Impact Fees."

3. No sewer impact fee shall be assessed on conversions to another use within the same use category. No person shall be entitled to a refund on conversions from a higher rate use category to a lower rate use category.

C. In addition to the above charges, all expenses and costs of making a sewer connection shall be borne by the person making the connection. No connection shall be made to a public sewer except by the City or by written permission from the City.

D. There is hereby established and created a fund of the City entitled "TOD sewer impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The TOD sewer impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of sanitation and sewage facilities, to repay principal and interest on bonds issued for the construction or reconstruction of such sanitary or sewage facilities, and to

repay federal and state loans or advances made to the City for the construction or reconstruction of sanitary or sewage facilities and infrastructure.

5.03.100 Traffic mitigation impact fees.

A. Findings. The City Council finds:

1. New development or conversions within the TOD Area of the City of Placentia result in increased usage of residential, commercial, industrial, and other affected properties, which thereby generates additional traffic within the TOD Area of the City and will contribute to the usage and degradation of the existing street infrastructure in the TOD Area of the City of Placentia.
2. The purpose of this fee is to finance circulation improvements to reduce the impacts of traffic generated by new development within the City.
3. The City must continue to fund capital improvements to its traffic circulation system. These additional capital expenditures are necessary to maintain an acceptable level of traffic circulation and the city's roadway system within the next fifteen (15) years.
4. In the absence of the imposition of a traffic mitigation impact fee upon new development or conversions, the additional capital expenses necessary to maintain acceptable traffic circulation for the entire city would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the TOD Area of the City of Placentia.
5. The construction of new development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the TOD Area of the City of Placentia.
6. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the traffic improvements and the impacts of the types of new development or conversions for which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. Schedule of Traffic Mitigation Impact Fees.

1. A traffic mitigation impact fee shall be imposed on new development or conversions within the TOD Area of the City of Placentia. See Section 5.03.180 "Schedule of TOD Area Development Impact Fees."

2. Every person converting an existing use from one use category (residential, commercial, industrial or office) to another use category shall pay a traffic mitigation impact fee equal to the difference, if any, between the fees calculated for the existing and new uses as set forth Section 5.03.180 "Schedule of TOD Area Development Impact Fees."

3. No traffic mitigation impact fee shall be assessed on conversions to another use within the same use category. No person shall be entitled to a refund on conversions from a higher rate use category to a lower rate use category.

C. There is hereby established and created a fund of the City entitled "TOD traffic mitigation impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The traffic mitigation impact fund is established for the sole purpose of providing monies for the construction and reconstruction of facilities and equipment and other capital purposes needed for traffic circulation improvements in and around the City of Placentia.

5.03.110 Developer construction of facilities.

A. Whenever a developer is required, as a condition of approval of a subdivision, development permit or building permit, to construct a public facility described in the capital improvement projects list, which facility is determined by the City to have supplemental size, length or capacity over that needed to address the impacts of that development, and when construction is necessary to ensure efficient and timely construction of the facilities network, a reimbursement agreement with the developer and a credit against the applicable impact fee, which would otherwise be charged pursuant to this chapter on the development project, shall be offered. The reimbursement amount shall not include the portion of the improvement needed to provide services or mitigate the need for the facility or the burdens created by the development.

B. A developer who installs an off-site improvement as a special mitigation measure for a project which is identified on the capital improvement projects list to be funded at least partially by impact fees may claim credit on such a fee not to exceed the impact fee

payable for the development project. The City's Public Works Director is authorized to allow such credit.

C. If a developer is dissatisfied with the decision of the City's Public Works Director regarding a reimbursement agreement or a credit of development impact fees, the developer shall appeal for relief to the City Council by filing a written appeal with the City Clerk within fifteen (15) days after the disputed decision. The appeal shall state in sufficient detail the basis for the claimed credit. The decision of the City Council shall be final.

5.03.120 Fee adjustment.

A. A developer of any project, including any new building or addition to or conversion of any existing building, subject to the fees described in Sections 5.03.050 through 5.03.100 may apply to the City Council for a reduction or adjustment of the fee(s), or a waiver of the fee(s), based upon the absence of any reasonable relationship between the nature of the impact of the development and either the amount of the fee charged or the type of facilities to be financed.

B. The application for a fee reduction, adjustment, or waiver shall be made in writing and filed with the City Clerk not later than twenty (20) days after the filing of the application for a building permit.

C. The application shall state in detail the factual basis for the claim of waiver, reduction, or adjustment. The City Council shall consider the application at a hearing held within thirty (30) days after the filing of the fee adjustment application. The decision of the City Council shall be final.

D. If a reduction, adjustment, or waiver is granted, any change in use within the project shall invalidate the waiver, adjustment or reduction of the fee.

5.03.130 Definitions.

A. "Building permit" shall mean the permit required or issued by the City of Placentia for the construction, improvement or remodeling of any structure pursuant to the City of Placentia's building codes.

B. "City" shall mean the governmental body managing the administrative operations of the City of Placentia.

C. "City of Placentia" shall mean all property located within the geographical area within the TOD Area of the City of Placentia's City limit line.

D. "City of Placentia TOD Area impact fee study" shall mean "TOD Development Impact Fee Nexus Study Report" which is the study, including any amendments or revisions thereto, for the financing of facilities and services designated under the capital improvement projects list for the City of Placentia. This study includes, but is not limited to, a designation of those facilities to be constructed with the impact fees collected under this chapter, the estimated costs of constructing those facilities or providing the services designated therein, and the total use factors or other criteria utilized to arrive at an allocation of the cost of the facilities to the different types of land uses and to new development. Specifically, it means the document and addendum prepared by City staff and SCI Consulting Group ("SCI") entitled "Development impact Fees Nexus Study for the Transit Oriented Development Area" dated June 2017.

E. "Conversion" shall mean converting from unusable to usable floor space, or converting the existing use to another use.

F. "Developer" shall mean any person who is the owner or authorized agent of an owner of any new development within the TOD Area of the City of Placentia.

G. "Dwelling unit" shall mean a residential dwelling within the TOD Area of the City of Placentia. Each single-family residential unit within a multifamily residential building or development project shall be deemed to be a separate dwelling unit.

H. "New development" shall mean the original construction of residential, commercial, industrial or other nonresidential buildings, or the addition of usable floor space within existing residential or nonresidential buildings, or the construction of new accessory buildings.

I. "Owner" shall mean the legal owner(s) or the authorized agent(s) for any owner of property being developed.

J. "Usable floor space" shall mean any interior space constructed or converted to be used for human occupancy in accordance with the Uniform Building Code

K. "TOD Area" shall mean the Transit Oriented Development Area of the City of Placentia.

5.03.140 Development agreements.

The terms of any development approvals or building permit(s) may be negotiated as part of a development agreement which may require a developer to provide or finance any public projects deemed agreeable to both the developer and the city council. Development constructed under the terms of an approved development agreement may be exempted from the payment of any of the impact fees required under Chapter 5.03.

5.03.160 Annual Inflationary Adjustment

The fees established in Chapter 5.03 shall be automatically adjusted annually commensurate with changes in construction costs. Therefore, the fees shall be adjusted by an amount equal to the percentage change in the Construction Cost Index for Los Angeles as published by the Engineering News-Record, or its successor publication for the preceding twelve months.

5.03.170 Annual Inflationary Adjustment

The fees established in Chapter 5.03 shall be automatically adjusted annually commensurate with changes in construction costs. Therefore, the fees shall be adjusted by an amount equal to the percentage change in the Construction Cost Index for Los Angeles as published by the Engineering News-Record, or its successor publication for the preceding twelve months.

5.03.180 Schedule of TOD Area Development Impact Fees

FIGURE 1 – SUMMARY OF TOD DEVELOPMENT IMPACT FEES

Land Use Category	Unit ¹	TOD Traffic Impact Fee	TOD Sewer Impact Fee	TOD Streetscape Impact Fee	Total TOD Impact Fees ²
Single Family Detached Housing	DU	\$1,941	\$5,460	\$6,419	\$13,820
Single Family Attached Housing	DU	\$1,941	\$3,943	\$5,211	\$11,095
Multi-Family Housing	DU	\$1,203	\$3,336	\$5,910	\$10,449
Mobile Home	DU	\$1,145	\$3,336	\$4,701	\$9,182
Retail / Commercial	BSF	\$2.02	\$3.03	\$5.48	\$10.53
Office	BSF	\$2.89	\$4.55	\$6.55	\$13.99
Industrial	BSF	\$1.14	\$1.82	\$4.30	\$7.26

Notes:

¹ DU = Dwelling unit, BSF = building area square foot.

² A fee credit must be given for demolished existing housing units or nonresidential building square footage as part of a redevelopment project.

RESOLUTION NO. R-2017-60

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA APPROVING DEVELOPMENT IMPACT FEES TO FINANCE MITIGATION OF IMPACTS TO SEWER FACILITIES, TRAFFIC AND TRANSPORTATION INFRASTRUCTURE, AND STREETScape INFRASTRUCTURE IN THE TRANSIT ORIENTED DEVELOPMENT AREA

WHEREAS, the continuing growth of the City of Placentia ("City), combined with the expectation of high quality services by persons who live and work in the City, and reductions by the State of California in property tax allocations to local governments have been catalysts for the review of the City's existing and future public facilities and services made necessary by new development;

WHEREAS, pursuant to Government Code Section 66000 et seq., ("Mitigation Fee Act") the City is empowered to impose fees and other exactions to provide necessary public facilities required to mitigate the negative effects of new development in the City;

WHEREAS, the proposed fees are based upon the information contained in a document and addendum prepared by City staff and SCI Consulting Group ("SCI") entitled "Development impact Fees Nexus Study for the Transit Oriented Development Area" dated June 2017 ("the TOD Development Impact Fee Nexus Study Report")

WHEREAS, detailed descriptions of each of the facilities, their approximate location, size, approximate time of availability and their estimated costs are set forth in the TOD Development Impact Fee Nexus Study Report;

WHEREAS, a copy of the TOD Development Impact Fee Nexus Study Report is on file in the City Clerk's office and has been made available for public review in accordance with state law, as more fully described below;

WHEREAS, the Development Impact Fee Nexus Study Report complies with California Government Code Section 66001 by establishing the basis for the imposition of fees in new development. In particular, the Development Impact Fee Report:

1. Identifies the purpose of the proposed fees;
2. Identifies the use to which the fees will be put;
3. Demonstrates a reasonable relationship between the fees' use and the types of projects on which the fees are imposed;

4. Demonstrates a reasonable relationship between the need for the public facilities and the types of developments on which the fees are imposed; and
5. Demonstrates a reasonable relationship between the amount of the fees and the cost of the public facilities or portions of the facilities attributable to the developments on which the fees are imposed;

WHEREAS, the TOD Development Impact Fee Nexus Study Report justifies the imposition of each development fee on new construction by analyzing the General Plan, assigning the costs on a fair-share basis to the various types of residential development, and assigning the resulting fee per dwelling unit, based on the anticipated burden of such new dwelling on City facilities and infrastructure and the need created by such dwelling unit for new and expanded facilities and infrastructure;

WHEREAS, the fees collected pursuant to this resolution shall be used to finance the public facilities described or identified in the Development Impact Fee Nexus Study Report;

WHEREAS, after considering the specific projects to be funded by the development impact fees and the cost estimates contained in the TOD Development Fee Impact Nexus Study Report, the City Council approves such projects and costs estimates and finds them reasonable as the basis for calculating and imposing the development impact fees;

WHEREAS, the projects and fee methodologies identified in the TOD Development Impact Fee Nexus Study Report are consistent with the City's General Plan.

NOW, THEREFORE, the City Council of the City of Placentia, California, does hereby resolve as follows:

Section 1. The City Council of the City of Placentia hereby determines as follows:

A. Each owner of a lot or parcel of property within the Affected Territory, as described in Chapter 5.03 of the Placentia Municipal Code, shall pay to the City prior to the issuance of a building permit for the construction of any residential development project as defined therein, the following fees:

1. The Streetscape Infrastructure Impact Fee described in the attached Exhibit A to this Resolution subject to the provisions of Chapter 5.02 of the Placentia Municipal Code and the terms contained in the Exhibit A.

2. The Sewer Impact Fee described in the attached Exhibit A to this Resolution subject to the provisions of Chapter 5.02 of the Placentia Municipal Code and the terms contained in the Exhibit A.
3. The Traffic Impact Fee described in the attached Exhibit A to this Resolution subject to the provisions of Chapter 5.02 of the Placentia Municipal Code and the terms contained in the Exhibit A.

B. The fees authorized by this section shall be cumulative such that each owner of a lot or property shall be charged each applicable fee, subject to any credits, deferrals, waivers and/or reductions authorized and set forth in Chapter 5.03 of the Placentia Municipal Code. Moreover, the amount of each of these fees shall not exceed the fair share of the estimated cost of constructing and/or acquiring the corresponding facilities described in the Development Impact Fee Report. The amount of each fee shall be reviewed and revised from time to time, but not more than once annually, and shall be set by resolution of the City Council following due notice.

Section 2. Be it further resolved that any other resolutions and/or parts of any other resolution in conflict herewith are hereby repealed.

Section 3. Should any section, subsection, clause or provision of this Resolution for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Resolution, it being hereby expressly declared that this Resolution, and each and every section, subsection, sentence, clause and phrase hereof would have been prepared, proposed, approved, adopted and/or ratified irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases of this Resolution be declared invalid or unconstitutional.

Section 4. The City Clerk shall certify to the passage and adoption of this Resolution.

Section 5. The fees adopted pursuant to this Resolution do not go into effect until the effective date of Ordinance No. O-2017-XX, or 60 days from the adoption of this Resolution, whichever is later.

PASSED, ADOPTED AND APPROVED THIS 3rd day of October, 2017.

Craig S. Green, Mayor

ATTEST:

Patrick J. Melia, City Clerk

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of Placentia held on the 3rd day of October, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Patrick J. Melia, City Clerk

APPROVED AS TO FORM:

Christian L. Bettenhausen

EXHIBIT "A"

TO RESOLUTION NO. R-2017-XX

City of Placentia TOD Development Impact Fee Schedule

FIGURE 1 – SUMMARY OF TOD DEVELOPMENT IMPACT FEES

Land Use Category	Unit ¹	TOD Traffic Impact Fee	TOD Sewer Impact Fee	TOD Streetscape Impact Fee	Total TOD Impact Fees ²
Single Family Detached Housing	DU	\$1,941	\$5,460	\$6,419	\$13,820
Single Family Attached Housing	DU	\$1,941	\$3,943	\$5,211	\$11,095
Multi-Family Housing	DU	\$1,203	\$3,336	\$5,910	\$10,449
Mobile Home	DU	\$1,145	\$3,336	\$4,701	\$9,182
Retail / Commercial	BSF	\$2.02	\$3.03	\$5.48	\$10.53
Office	BSF	\$2.89	\$4.55	\$6.55	\$13.99
Industrial	BSF	\$1.14	\$1.82	\$4.30	\$7.26

Notes:

¹ DU = Dwelling unit, BSF = building area square foot.

² A fee credit must be given for demolished existing housing units or nonresidential building square footage as part of a redevelopment project.

**Proposed Development Impact Fees
City Comparison**

9/21/2017

CITYWIDE DEVELOPMENT IMPACT FEES - MULTI FAMILY (APARTMENT)										SAMPLE		
	Park & Recreation	Quimby In-Lieu	Storm Drain	Traffic Impact	Sewer Impact	Streetscape Impact Fee	Public Safety Impact Fee	Affordable Housing (per unit)	Public Art Fee	200 Unit Development	Building Valuation	TOTAL
Placentia Citywide Apartment	\$ 2,808.00	\$ 4,227.00	\$ 163.00	\$ 875.00	\$ 761.00	\$ -	\$ 966.00	\$2,000		200	50,000,000	\$ 2,360,000.00
*Placentia TOD Apartment (Only)	\$ 2,808.00	\$ 4,227.00	\$ 163.00	\$ 1,203.00	\$ 3,336.00	\$ 5,910.00	\$ 966.00	\$2,000	\$ 0.0025	200	50,000,000	\$ 4,247,600.00
Brea	\$ 5,611.00		\$ 2,310.00	\$ 1,203.00		\$ -	\$ 771.00		\$ 0.0010	200	50,000,000	\$ 2,029,000.00
Cypress		\$ 8,000.00	\$ 7,940.00	\$ 564.00		\$ -	\$ 267.00			200	50,000,000	\$ 3,354,200.00
Orange	\$ 10,546.00			\$ 1,234.00	\$ 3,062.00	\$ -	\$ 956.00			200	50,000,000	\$ 3,159,600.00
Yorba Linda (2 Bedroom)	\$ 10,718.00			\$ 2,354.00	\$ 2,695.00	\$ -				200	50,000,000	\$ 3,153,400.00
Anahiem	\$ 5,409.00		\$ 34,303.00	\$ 1,297.00	\$ 3,180.00	\$ -				200	50,000,000	\$ 8,837,800.00
Anahiem (Platinum Triangle)	\$ 8,114.01		\$ 34,303.00	\$ 1,297.00	\$ 3,180.00	\$ -				200	50,000,000	\$ 9,378,802.00
Fullerton	\$ 12,020.00			\$ 195.00	\$ 3,062.00	\$ -				200	50,000,000	\$ 3,055,400.00

*Applies only to TOD area.

CITYWIDE DEVELOPMENT IMPACT FEES - SINGLE FAMILY RESIDENTIAL (TOWNHOME/CONDO)										SAMPLE		
	Park & Recreation	Quimby In-Lieu	Storm Drain	Traffic Impact	Sewer Impact	Streetscape Impact Fee	Public Safety Impact Fee	Affordable Housing (per unit)	Public Art Fee	1 Unit Development	Building Valuation	TOTAL
Placentia SFR Attached	\$ 2,476.00	\$ 3,731.00	\$ 213.00	\$ 1,411.00	\$ 997.00	\$ -	\$ 851.00	\$5,000		1	750,000	\$ 14,679.00
Brea	\$ 9,818.00		\$ 2,310.00	\$ 1,974.00		\$ -	\$ 1,029.00		\$ 0.0010	1	750,000	\$ 15,881.00
Cypress		\$ 8,000.00	\$ 7,940.00	\$ 552.00		\$ -				1	750,000	\$ 16,492.00
Orange (2 Bedroom)	\$ 7,994.00			\$ 1,445.00	\$ 3,121.00	\$ -	\$ 955.89			1	750,000	\$ 13,515.89
Yorba Linda (2 Bedroom)	\$ 16,716.00			\$ 4,037.00	\$ 3,121.00	\$ -				1	750,000	\$ 23,874.00
Anahiem (2 Bedroom)	\$ 5,388.14		\$ 24,296.00	\$ 2,029.00	\$ 3,855.00	\$ -				1	750,000	\$ 35,568.14
Fullerton (2 Bedroom)	\$ 12,020.00			\$ 195.30	\$ 3,121.00	\$ -				1	750,000	\$ 15,336.30

CITYWIDE DEVELOPMENT IMPACT FEES - SINGLE FAMILY RESIDENTIAL										SAMPLE		
	Park & Recreation	Quimby In-Lieu	Storm Drain	Traffic Impact	Sewer Impact	Streetscape Impact Fee	Public Safety Impact Fee	Affordable Housing (per unit)	Public Art Fee	1 Unit Development	Building Valuation	TOTAL
Placentia SFR Detached	\$ 3,051.00	\$ 4,586.00	\$ 262.00	\$ 1,411.00	\$ 1,356.00	\$ -	\$ 1,049.00	\$7,000		1	750,000	\$ 18,715.00
Brea	\$ 9,818.00		\$ 2,310.00	\$ 1,974.00		\$ -	\$ 1,029.00		\$ 0.0010	1	750,000	\$ 15,881.00
Cypress		\$ 8,000.00	\$ 7,940.00	\$ 647.00		\$ -				1	750,000	\$ 16,587.00
Orange (3 Bedroom)	\$ 7,994.00			\$ 1,445.00	\$ 3,855.00	\$ -	\$ 1,554.89			1	750,000	\$ 14,848.89
Yorba Linda	\$ 16,716.00			\$ 4,037.00	\$ 3,121.00	\$ -				1	750,000	\$ 23,874.00
Anahiem (3 Bedroom)	\$ 6,936.46		\$ 16,080.00	\$ 2,029.00	\$ 3,855.00	\$ -				1	750,000	\$ 28,900.46
Fullerton (3 Bedroom)	\$ 12,020.00			\$ 325.50	\$ 3,855.00	\$ -				1	750,000	\$ 16,200.50

City of Placentia

Overview of Development Impact Fees for the Transit Oriented Development Area

City Council Meeting
October 3, 2017

Background

Development Impact Fees

- Nexus Study establishes the legal and policy basis for new citywide development impact fee programs.
- Must demonstrate that a reasonable relationship between new development, the amount of the fee, and the capital improvements funded by the fee.
- One-time fee imposed on new development at the time of building permit issuance.
- May not used for annual operations and/or maintenance.
- Fee credit for demolition of existing dwelling units or building square footage.
- May be adjusted annually for inflation.

Nexus Requirements

- Identify the **purpose** of the fee.
- Identify the **use** to which the fee is to be put.
- Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed (“**benefit relationship**”).
- Determine how there is a reasonable relationship between the need for the facilities and the type of development project on which the fee is imposed (“**impact relationship**”).
- Determine how there is a reasonable relationship between the amount of the fee and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed (“**proportional relationship**”).

TOD Development Impact Fees

- TOD Sewer Impact Fee
- TOD Traffic Impact Fee
- TOD Streetscape Impact Fee

Development within the TOD area will also be subject to the following citywide development impact fees, once adopted by the Council:

- Citywide Public Safety Impact Fee Program
- Citywide Park and Recreation Impact Fee Program
- Citywide Quimby Land Dedication and In-Lieu Fee Program

TOD Development Impact Fees

Proposed Fees

Land Use Category	Unit ¹	TOD Traffic Impact Fee	TOD Sewer Impact Fee	TOD Streetscape Impact Fee	Total TOD Impact Fees ²
Single Family Detached Housing	DU	\$1,941	\$5,460	\$6,419	\$13,820
Single Family Attached Housing	DU	\$1,941	\$3,943	\$5,211	\$11,095
Multi-Family Housing	DU	\$1,203	\$3,336	\$5,910	\$10,449
Mobile Home	DU	\$1,145	\$3,336	\$4,701	\$9,182
Retail / Commercial	BSF	\$2.02	\$3.03	\$5.48	\$10.53
Office	BSF	\$2.89	\$4.55	\$6.55	\$13.99
Industrial	BSF	\$1.14	\$1.82	\$4.30	\$7.26

Notes:

¹ DU = Dwelling unit; BSF = building area square foot.

² A fee credit must be given for demolished existing housing units or nonresidential building square footage as part of a redevelopment project.

Survey of Development Impact Fees

Comparable and Neighboring Jurisdictions; TOD Project Area / 200 Units

City	Park and Rec	Quimby In-Lieu	Storm Drain	Traffic	Sewer	Streetscape	Public Safety	Affordable Housing	Total
Placentia	\$2,808	\$4,227	\$163	\$875	\$761	\$5,910	\$966	\$2,000	\$4,247,600
Anaheim	\$8,114	\$0	\$34,303	\$1,297	\$3,180	\$0	\$0	\$0	\$9,378,802

Adoption Requirements

Development Impact Fees

1. Conduct at least “one open and public meeting”
2. At least 14 days before the meeting, shall mail out a notice of the meeting to any interested party who filed a written request for notice
3. At least 10 days before the meeting, the public review of Nexus Study
4. At least 10 days before the public hearing, a publish notice of public hearing
5. After the public hearings, consider adoption of ordinance or resolution establishing the proposed fee program
6. The fee shall become effective 60 days after adoption of the ordinance or longer as specified by the ordinance

Next Steps

Tonight

Public Hearings

Introduction of Ordinance to Establish TOD
Development Impact Fee Programs

Resolution to Approve and Set TOD Development Impact
Fee Schedule

10/17/17 Council Mtg.

Second Reading and Consideration of Adoption of
Ordinance to Establish Citywide TOD Development
Impact Fee Programs

12/17/18

TOD Development Impact Fees Become Effective

Questions / Comments?

Luis Estevez
Director of Public Works

Damien Arrula
City Administrator

Joseph Lambert
Director of Development Services

Jeannette Ortega
Assistant to the CA/Economic Development Mgr.

City Attorney
Christian Bettenhausen

Blair Aas
SCI Consulting Group





Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF PUBLIC WORKS

DATE: OCTOBER 3, 2017

SUBJECT: **CITYWIDE DEVELOPMENT IMPACT AND RESIDENTIAL AFFORDABLE HOUSING IMPACT FEES**

FISCAL

IMPACT: There is no immediate fiscal impact associated with the recommended actions. The adoption of new and revised development impact and residential affordable housing impact fees will not have an immediate impact on new or expanded revenues to the City until new private development projects receive project entitlements from the City.

SUMMARY:

The City's existing Development Impact Fees (DIFs) were first established in the early 1970's when much of the City was undeveloped. The City's costs for infrastructure have significantly increased over that period of time; however the City's DIFs haven't been updated to adequately cover said infrastructure costs, thus requiring the General Fund to subsidize infrastructure improvements or in some cases, the improvements are not conducted. Furthermore, the City has adopted a required Housing Element, which outlines goals, one of which is to provide more affordable housing opportunities to its residents.

In order to address the aforementioned lack of infrastructure funding, the City has prepared development impact fee nexus studies (Studies) for the purpose of updating its existing City Development Impact Fees as well as creating new development and housing impact fees (collectively, "DIFs"). The studies analyze the impacts created by new development on City operations and infrastructure needs and calculates the cost and method of apportionment of those fees and impacts across needed mitigation measures. Those fees are then utilized to construct improvements throughout the City to mitigate development impacts on the community.

A new affordable housing fee is also proposed for the purpose of collecting new developer-paid housing impact fees to be used to provide additional affordable housing opportunities in the community. Ordinances establishing the development impact and residential affordable housing impact fee schedules and Resolutions setting the fees are presented to the City Council for consideration. A public hearing will also be held to receive input from the public on the ordinance establishing the DIFs. Following the second reading and adoption of the ordinance, the DIFs will take effect 60 days after adoption.

2.b.

October 3, 2017

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Open the Public Hearing concerning the Citywide Development Impact Fee Schedule and adoption of Residential Affordable Housing Impact Fees; and
2. Receive the Staff Report, consider all public testimony, ask questions of Staff; and
3. Close the Public Hearing; and
4. Adopt Resolution No. R-2017-XX, a Resolution of the City Council of the City of Placentia, California approving Development Impact Fees to financially mitigate impacts to Parks and Recreational Facilities, Sewer Facilities, Transportation Infrastructure, Storm Drain Facilities, and Public Safety; and approving Quimby In-Lieu Fees; and
5. Waive full reading, by title only, and introduce for first reading Ordinance No. O-2017-XX, an Ordinance of the City Council of the City of Placentia, California, approving a Development Impact Fee Nexus Study Report, and amending Title 5 (Schedule of Fees) with the addition of Chapter 5.02 "Citywide Development Impact Fees" and "Quimby In-Lieu Fees" to the Placentia Municipal Code to establish a Development Impact Fee Program and adopting necessary findings for the establishment of Development Impact Fees to financially mitigate impacts to Parks and Recreational Facilities, Sewer Facilities, Transportation Infrastructure, Storm Drain Facilities, and Public Safety; and
6. Adopt Resolution No. R-2017-XX, a Resolution of the City Council of the City of Placentia, approving Citywide Residential Affordable Housing Impact Fees; and
7. Waive full reading, by title only, and introduce for first reading Ordinance No. O-2017-XX, an Ordinance of the City Council of the City of Placentia, California, adding Chapter 5.30 to the Placentia Municipal Code establishing the Residential Affordable Housing Impact Fees and the Housing Impact Fee Fund.

DISCUSSION:

Development Impact Fees (DIFs) are a commonly used method of collecting a proportional share of funds from new development for infrastructure improvements and/or other public facilities. With rare exceptions, DIFs are one-time funds restricted to funding capital costs for new facilities or upgrades to existing facilities, and are not used for annual operations and/or maintenance. Impact fees may only be imposed on new development, and the fee proceeds must be expended on improvements needed as a result of the new development.

Citywide Development Impact Fees

The City's existing DIFs include the Park In-Lieu Program, Sewer Acreage Fee, Storm Drain Acreage Fee and the Thoroughfare Acreage Fee. These fee programs were adopted by ordinance originally in the early 1970's when most of the City was undeveloped farm land and the fees paid

were calculated based on the total acreage of the new development. The methodology used to calculate the fees have not been updated since they were originally established. Since that time, the City's costs for infrastructure have significantly increased; however the City's DIFs haven't been updated to adequately cover said infrastructure costs, thus requiring the General Fund or other Funds to subsidize infrastructure improvements or in some cases, the improvements are not conducted. In order to address the aforementioned lack of infrastructure funding, the City has prepared a Development Impact Fee Nexus Study (Report) for the purpose of updating its existing City Development Impact Fees. The Report also ensures the fees paid to the City fully capture the total impacts to the community created by new development. Accordingly, the methodology used to calculate the DIFs as proposed, is based on a per dwelling unit cost for residential development, and a per square foot cost for commercial and industrial development as opposed to a per acre basis.

Pursuant to the Mitigation Fee Act ("Act"), California Government Code Section 66000, et seq. (also known as AB 1600), adoption of impact fees requires documentation of the "nexus" between the fees being charged, the impacts of new development, the benefit of the facilities needed to mitigate such impacts, and the proportional cost allocation among different fee categories. Impact fees must be adopted by the City Council via an ordinance. Impact fees are imposed either jurisdiction-wide or in a relatively large area anticipating significant amounts of new development, such as a specific plan area or community plan area.

The Report establishes the legal and policy basis for the collection of new Development Impact Fees (Attachment 1). In addition, the City has prepared a Residential Nexus Study for the creation of a new Residential Affordable Housing Impact Fee (Attachment 2). The Development Impact Fee programs established or updated by the Citywide Nexus Study include the following:

- Citywide Public Safety Impact Fee Program
- Citywide Park and Recreation Impact Fee Program
- Citywide Quimby Land Dedication and In-Lieu Fee Program
- Sewer Impact Fee Program
- Traffic Impact Fee Program
- Storm Drainage Impact Fee Program

Additionally, a Quimby Land Dedication and In-Lieu Fee Study ("Quimby Study") is provided in Appendix C to the Development Impact Nexus Study. The Quimby Act allows the City to require that new development dedicate land for neighborhood and community parks (between 3 and 5 acres / 1,000 people) for the purposes of providing park land and open space. Subdividers have the choice of suitable dedication land for parks or paying a "Quimby In-lieu Fee or Park In-Lieu Fee" calculated such that the City can use those funds to procure the land itself. The Quimby Study calculates the factors that determine the City's Quimby land dedication requirement and in-lieu fee and makes a recommendation for revision to the City's current Quimby Ordinance.

Although the City's maximum standard allowed Quimby dedication requirement is 3 acres for every 1,000 residents, the City Council Planning Ad-Hoc Committee accepted Staff's recommendation to keep the current Quimby dedication requirement of 2.5 acres per 1,000

residents. However, this ratio still serves the public's interest by providing new resources to expand City parks and add open space in the future. In addition, the City Council Planning Ad-Hoc Committee also recommended that the ordinance specify that the credit for private open space provided by new developments not-to-exceed twenty-five (25%) percent of the total Quimby dedication or in-lieu fee which may be required.

In order to impose Development Impact Fees, the Report demonstrates that there is a reasonable relationship between new development, the amount of each fee, and the capital improvements funded by each fee. More specifically, the Report presents findings in order to meet the procedural requirements of the Act, also known as AB 1600, which are as follows:

1. Identify the purpose of the fee.
2. Identify the use to which the fee is to be put.
3. Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed ("benefit relationship").
4. Determine how there is a reasonable relationship between the need for the facilities and the type of development project on which the fee is imposed ("impact relationship").
5. Determine how there is a reasonable relationship between the amount of the fee and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed ("proportional relationship").

The Report also outlines the procedural requirements for adoption of the Nexus Study and proposed development impact fee programs ("fee programs") by the City. Also, the Act contains specific requirements for the annual administration of the fee programs.

The figure below summarizes the City's maximum Development Impact Fees and Quimby In-Lieu Fee. The City may adopt the fees at or below the levels determined by the Nexus Study.

Summary of Proposed Citywide Development Impact Fees

Land Use Categories	Unit	Public Safety	Park and Rec.	Quimby In-Lieu	Sewer ¹	Traffic ¹	Storm Drainage (Area A)	Storm Drainage (Area C)
Single Family Detached Housing	DU	\$1,049	\$3,051	\$4,586	\$1,356	\$1,411	\$262	\$119
Single Family Attached Housing	DU	\$851	\$2,476	\$3,731	\$997	\$1,411	\$213	\$97
Multi-Family Housing	DU	\$966	\$2,808	\$4,227	\$761	\$875	\$163	\$74
Mobile Homes	DU	\$768	\$2,234	\$3,359	\$886	\$832	\$245	\$111
Retail / Commercial	BSF	\$0.71	-	-	\$0.69	\$1.47	\$0.17	\$0.07
Office	BSF	\$1.02	-	-	\$1.03	\$2.10	\$0.11	\$0.05
Industrial	BSF	\$0.51	-	-	\$0.41	\$0.83	\$0.30	\$0.13

Notes:
¹ New development with the City's TOD area is not subject to the Sewer Impact Fee, the Traffic Impact Fee and the Storm Drainage Impact Fee.

Residential Affordable Housing Impact Fee

State Housing Law requires cities to provide the opportunity for the development of housing at all income levels. The State's housing goals are quantified with each housing element cycle and reflected in our Regional Housing Needs Assessment (RHNA), which is periodically updated by the Southern California Association of Governments (SCAG). When the City's Housing Element is updated periodically, as mandated by the State, the latest required RHNA numbers must be accounted for in that update. The City consistently meets its goal for above-moderate units with its new multiple-family buildings and reconstructed single-family dwellings. Although the City demonstrates and generally provides an adequate number of potential above moderate income housing opportunity sites, lower income housing production is ultimately left to market forces.

The City of Placentia has a wide range of housing types in the community including single-family dwellings, second living units, and multiple-family units. The majority of the housing in the community, particularly many of the newer developments, consist solely of market rate units.

A Residential Affordable Housing Impact Fee (RAHIF) requires developers to pay a fee to mitigate the additional demand for affordable housing that is created by proposed market rate residential development. RAHIFs can be imposed on both ownership and rental developments, and they can be assessed on a per market rate unit basis. RAHIFs can provide jurisdictions with funds needed to partner with developers for the construction of affordable ownership and rental units for very low, low, and moderate income households throughout the City. Through partnerships with these affordable housing developers, RAHIFs can help create affordable housing for a wide-range of households, including families, students, people with special needs, and seniors.

Due to the anticipated increase in development from the recently adopted Transit-Oriented Development Packing House District and the Old Town Placentia Revitalization Plan, it is important to determine and establish the best appropriate approach to fulfilling the City's affordable housing needs. Rather than creating an inclusionary housing program that requires affordable housing units to be included in market rate developments, it is recommended that the RAHIF approach be adopted.

Keyser Marston Associates, Inc. (KMA) has been pioneering the design of nexus studies for affordable housing for thirty (30) years. KMA has prepared a Residential Nexus Study for the City. This study formed a basis in the establishment of a Residential Affordable Housing Impact Fee consistent with the applicable requirements of the Act. This Residential Nexus Study demonstrates and quantifies the impact of new market rate housing development on the demand for affordable housing. The underlying nexus concept is that the newly constructed market rate units add net new households to the Placentia population base. These households generate new income in Placentia that will consume goods and services.

The key advantages to creating a Residential Affordable Housing Impact Fee program for market rate housing development are:

- It provides the City with a funding source to assist affordable housing developments of the type and in the locations that best fit the community's needs;

- The funds can be allocated to developers with experience in the development of affordable housing; and
- Dedicated affordable housing developments potentially have access to outside leveraging sources that can defray a portion of the financial gap associated with the developments.

At its most simplified level, the underlying nexus concept is as follows:

- Newly constructed homes add net new households to the Placentia population.
- These net new households generate income that is new to the community, and that income will be used to purchase goods and services.
- This new consumption can be translated into an increase in the number of jobs required to fulfill the demand.
- A portion of the new jobs will be at lower compensation levels, which in turn relates to lower income households that cannot afford to rent or purchase market rate units in Placentia.
- This results in the need for additional affordable housing units.

KMA also prepared a financial analysis to estimate the maximum recommended Residential Affordable Housing Impact Fees, which included the City's current public permits and other impact fee costs. Since the City is currently in the process of adjusting other public permits and impact fees, the City considered the aggregate cost to a developer of all the new or adjusted public permits and fees. The resulting Residential Affordable Housing Impact Fees being proposed for adoption by the City are as follows:

Land Use Categories	Unit	Affordable Housing Impact Fee
Single Family Detached Housing	DU	\$7,000
Single Family Attached Housing	DU	\$5,000
Multi-Family Housing	DU	\$2,000

The Residential Affordable Housing Impact Fees being proposed by the City are lower than both the maximum legally supportable fees and the maximum financially supportable fees illustrated in KMA's study (Attachment 2). As such, the proposed Residential Affordable Housing Impact Fees comply with the requirements imposed by the Act.

If introduced, the Ordinances (Attachments 3 and 5) will be scheduled for a second reading on October 17, 2017. They will become effective thirty (30) days after an affirmative vote on the second reading. The Resolutions setting the Development Impact Fees and Residential Affordable Housing Impact Fees (Attachments 4 and 6) are not effective until sixty (60) days after adoption. Therefore, the Ordinances will be in place prior to the effective date of the new Development Impact and Residential Affordable Housing Impact Fees.

Planning, Housing & Development Ad-Hoc Committee

Staff and the City's DIF Report consultant met with the City Council Planning, Housing & Development Ad-Hoc Committee (Committee) to discuss the proposed DIF's. The Committee reviewed the proposed fees and requested additional information on the proposed fees when

compared to other surrounding cities' areas. Subsequently, Staff provided additional fee comparison, which can be seen as Attachment 7 to this report.

ALTERNATIVE OPTIONS:

The City could elect to not adopt the new Development Impact Fee schedule and continue to utilize the existing fee schedule. If the City elected to set those fees less than the maximum amount the City is allowed to collect, it would result in fewer funds available to mitigate development impacts to the community, the balance of which would require City General Fund or external grant funding contributions to subsidize said infrastructure impacts.

FISCAL IMPACT:

There is no immediate fiscal impact associated with the recommended actions. The adoption of new and revised Development Impact Fees will not have an immediate impact on new or expanded revenues to the City until at which point new private development projects receive project entitlements from the City.

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Director of Public Works

Prepared by:



Jeannette Ortega
Assistant to the City Administrator/Economic
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Reviewed and approved:



Shally Lin
Interim Finance Director

Reviewed and approved:



Damien R. Arrula
City Administrator

Attachments:

1. Citywide Development Impact Fees Nexus Study
2. Residential Nexus Study
3. Resolution No. R-2017-XX, approving Citywide Development Impact Fees
4. Ordinance No. O-2017-XX, establishing Citywide Development Impact Fees
5. Resolution No. R-2017-XX, approving Residential Affordable Housing Impact Fees
6. Ordinance No. O-2017-XX, establishing Residential Affordable Housing Impact Fees
7. Development Impact Fee Comparison
8. Power Point Presentation

City of Placentia

Overview of Proposed Citywide Development Impact Fees and Quimby In-Lieu Fee

City Council Meeting
October 3, 2017

About Development Impact Fees

- Nexus Study establishes the legal and policy basis for new citywide development impact fee programs.
- Must demonstrate that a reasonable relationship between new development, the amount of the fee, and the capital improvements funded by the fee.
- One-time fee imposed on new development at the time of building permit issuance.
- May not used for annual operations and/or maintenance.
- Fee credit for demolition of existing dwelling units or building square footage.
- May be adjusted annually for inflation.

Nexus Requirements

- Identify the **purpose** of the fee.
- Identify the **use** to which the fee is to be put.
- Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed (“**benefit relationship**”).
- Determine how there is a reasonable relationship between the need for the facilities and the type of development project on which the fee is imposed (“**impact relationship**”).
- Determine how there is a reasonable relationship between the amount of the fee and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed (“**proportional relationship**”).

Land Use Categories

Residential Land Uses (per dwelling unit)

- Single Family Detached Housing
- Single Family Attached Housing
- Multifamily Housing
- Mobile Home

Nonresidential Land Uses (per building sq. ft.)

- Retail/Commercial
- Office
- Industrial

Citywide Development Impact Fees

Programs

Citywide Public Safety Impact Fee Program

- Police, Fire and Animal Control
- Facilities, vehicles and equipment

Citywide Park and Recreation Impact Fee Program

- Park Development
- Community Use Facilities

Sewer Impact Fee Program *

Traffic Impact Fee Program *

Storm Drainage Impact Fee Program *

** New development with the City's TOD area is not subject to the Sewer Impact Fee, the Traffic Impact Fee and the Storm Drainage Impact Fee.*

About Quimby Programs

Provides for Parkland

- Land dedication (if subdivision exceeds 50 parcels)
- Fees “in lieu” of land dedication (if subdivision is 50 or less parcels)
- Combination of both land dedication and in-lieu fees for park and recreational purposes

Quimby “Factors”

1. Quimby standard

- Based on existing ratio (acres per 1,000 population)
- If existing ratio is less than 3:1,000, then 3:1000 standard is allowable
- If existing ratio is higher than 3:1,000, then existing ratio is allowable standard, but shall not exceed 5:1000

2. Average dwelling unit occupancy

3. Fair market value of land

Citywide Development Impact Fees

Proposed Fees

Land Use Categories	Unit	Public Safety	Park and Rec.	Quimby In-Lieu	Sewer ¹	Traffic ¹	Storm Drainage (Area A)	Storm Drainage (Area C)
Single Family Detached Housing	DU	\$1,049	\$3,051	\$4,586	\$1,356	\$1,411	\$262	\$119
Single Family Attached Housing	DU	\$851	\$2,476	\$3,731	\$997	\$1,411	\$213	\$97
Multi-Family Housing	DU	\$966	\$2,808	\$4,227	\$761	\$875	\$163	\$74
Mobile Homes	DU	\$768	\$2,234	\$3,359	\$886	\$832	\$245	\$111
Retail / Commercial	BSF	\$0.71	-	-	\$0.69	\$1.47	\$0.17	\$0.07
Office	BSF	\$1.02	-	-	\$1.03	\$2.10	\$0.11	\$0.05
Industrial	BSF	\$0.51	-	-	\$0.41	\$0.83	\$0.30	\$0.13

DU = Dwelling Unit; BSF = Building Square Foot

Survey of Development Impact Fees

Comparable and Neighboring Jurisdictions; MFR 200 Units

City	Park and Rec	Quimby In-Lieu	Storm Drain	Traffic	Sewer	Public Safety	Affordable Housing	Total
Placentia	\$2,808	\$4,227	\$163	\$875	\$761	\$966	\$2,000	\$2,360,000
Brea	\$5,611	\$0	\$2,310	\$1,203	\$0	\$771	\$0	\$2,029,000
Cypress	\$0	\$8,000	\$7,940	\$564	\$0	\$267	\$0	\$3,354,200
Orange	\$10,546	\$0	\$0	\$1,234	\$3,062	\$956	\$0	\$3,159,600
Yorba Linda	\$10,718	\$0	\$0	\$2,354	\$2,695	\$0	\$0	\$3,153,400
Anaheim	\$5,409	\$0	\$34,303	\$1,297	\$3,180	\$0	\$0	\$8,837,800
Fullerton	\$12,020	\$0	\$0	\$195	\$3,062	\$0	\$0	\$3,055,400

Adoption Requirements

Development Impact Fees

1. Conduct at least “one open and public meeting”
2. At least 14 days before the meeting, shall mail out a notice of the meeting to any interested party who filed a written request for notice
3. At least 10 days before the meeting, the public review of Nexus Study
4. At least 10 days before the public hearing, a publish notice of public hearing
5. After the public hearings, consider adoption of an ordinance or resolution establishing the proposed fee program
6. The fee shall become effective 60 days after adoption of the ordinance or longer as specified by the ordinance

Tentative Next Steps

Tonight

Public Hearings

Introduction of Ordinance to Establish Citywide
Development Impact Fee Programs

Resolution to Approve Development Impact Fees and set
Fee Schedule

10/17/17 Council Mtg.

Second Reading and Consideration of Adoption of
Ordinance to Establish Citywide Development Impact
Fee Programs

12/17/18

Citywide Development Impact Fees Become Effective

Questions / Comments

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KEYSER MARSTON ASSOCIATES™

RESIDENTIAL NEXUS STUDY

**Prepared for:
City of Placentia**

**Prepared by:
Keyser Marston Associates, Inc.**

September 2017

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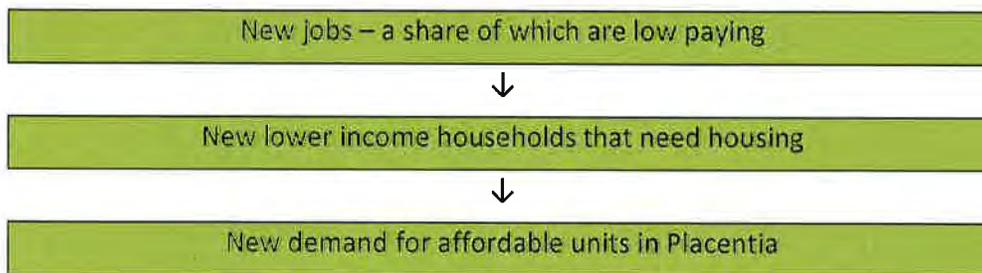
- Appendix A: Household Income Tables**
- Appendix B: Residential Nexus Analysis Tables**
- Appendix C: Occupation and Compensation Tables**
- Appendix D: Affordability Gap Analysis**
- Appendix E: Financially Supportable Fee Analysis**

I. EXECUTIVE SUMMARY

Keyser Marston Associates, Inc. (KMA) prepared this Residential Nexus Study for the City of Placentia (City) pursuant to a contractual agreement. This “Report” will form one of the bases for recommendations for the adoption of a “Residential Affordable Housing Impact Fee” consistent with the applicable requirements of the Mitigation Fee Act. This Executive Summary contains a concise overview of the residential nexus analysis. Full documentation of the analysis is contained in the body of the Report and its Appendices.

A. Residential Nexus Analysis

A residential nexus analysis demonstrates and quantifies the impact of new market rate housing development on the demand for affordable housing. The underlying nexus concept is that the newly constructed market rate units add net new households to the Placentia population base. These households generate new income in Placentia that will consume goods and services. The increased consumption translates to following:



B. Impact Methodology and Models Used

The analysis is performed using two models that can be described as follows:

1. The IMPLAN (IMpact Analysis for PLANning) model is an industry-accepted, commercially available model developed over 40 years ago to quantify the impacts of changes in a local economy, including the employment impacts created by changes in personal income.
2. The KMA Jobs-Housing Nexus model, which was initially developed over 25 years ago to analyze the income structure of job growth, is used to determine the household income of new employee households.

Information is presented for the following household income categories, which are based on percentages of the Orange County median income (Median):

Income Category	Percent of Median
Extremely Low Income	0% to 30% of Median
Very Low Income	Above 30% to 50% of Median
Low Income	Above 50% to 80% of Median
Moderate Income	Above 80% to 120% of Median
Above Moderate Income	Above 120% of Median

C. Market Survey and Residential Prototypes

The first step of the nexus analysis is to identify residential prototypes that are representative of the market rate development that is currently occurring in Placentia. To that end, KMA developed programmatic assumptions in consultation with the City for three residential prototypes: single family homes, condominiums, and apartments. KMA then undertook a market survey of representative projects to estimate the current sales prices and rent levels for the prototype units. The prototypes are described in the following table:

Residential Prototypes			
	Single Family Project	Condominium Project	Apartment Project
Average Unit Size (Square Feet)	2,350	1,800	1,050
Average Number of Bedrooms	4	3	2
Average Sales Price / Rent	\$730,000	\$600,000	\$2,500/month

The household incomes for the new residents are estimated based on the sales prices and rent levels of each prototype. The resulting estimated gross household income is adjusted to a net amount available for expenditures on goods and services after deducting the following:

1. The portion of income dedicated to income taxes;
3. Contributions to Social Security and Medicare;
4. Savings; and

5. Repayment of household debt.

Housing costs are not deducted as part of this adjustment step. Those costs are addressed separately as expenditures within the IMPLAN model.

The adjusted household income available for expenditures becomes the input into the IMPLAN model. The resulting household incomes associated with each of the prototypes are estimated as follows:

Estimated Household Income [Input to IMPLAN model]			
	Single Family Project	Condominium Project	Apartment Project
Gross Household Income	\$136,000	\$114,000	\$102,000
Percentage of Income Available for Expenditures	68%	68%	66%
Household Income Available for Expenditures ¹ [Input to IMPLAN model]	\$92,000	\$78,000	\$64,000

D. IMPLAN Model Results

The IMPLAN model was applied to link household income to job growth occurring in Orange County. The employment growth anticipated to be generated by this new household spending is summarized in the following table:

Jobs Generated Per 100 New Residential Units			
	Single Family Project	Condominium Project	Apartment Project
Annual Household Expenditures Per 100 New Units	\$9,250,000	\$7,750,000	\$6,400,000
Total Jobs Generated Per 100 New Units	73.9	61.9	51.1

¹ A 5% vacancy allowance is applied to the income available for expenditures of the households residing in apartment projects to account for standard operational vacancies.

E. Compensation Levels of Jobs and Household Income

The output of the IMPLAN model – the numbers of jobs by industry – is entered into the KMA Jobs-Housing Nexus Model to quantify the compensation levels of new jobs and the income of the new worker households. The output of the KMA model is the estimated number of new worker households by income level attributable to the new residential units and new households in Placentia. The following table provides the results associated with the Placentia prototype units:

New Worker Households by Income Level Per 100 Market Rate Units ²				
Household Income Category (Percentage of Median)		Single Family Project	Condominium Project	Apartment Project
Extremely Low:	0% - 30%	4.8	4.0	3.3
Very Low:	Above 30% - 50%	8.6	7.2	6.0
Low:	Above 50% - 80%	9.9	8.3	6.9
Moderate:	Above 80% - 120%	3.4	2.8	2.3
Total:	0% - 120%	26.7	22.4	18.5
Above Moderate:	Above 120%	7.7	6.5	5.3
Total New Households		34.4	28.8	23.8

F. Maximum Nexus Costs

The last step in the analysis puts a dollar amount on the cost of mitigating the affordable housing impacts. The conclusions of the nexus analysis, expressed as the number of worker households by income affordability category, are linked to the cost of delivering housing to the households in need. Each income or affordability tier is associated with a subsidy needed to produce and deliver a unit at the specified affordability level; this subsidy is referred to as the “affordability gap”. It is assumed that outside leveraging sources are available for Extremely Low Income and Very-Low Income units; no outside leveraging is included in the affordability gaps of the Low Income and Moderate Income units.

² The estimates are rounded to the nearest tenth. The sum of the column may not add to the total due to the rounding of each individual number.

The estimated affordability gaps, per affordable unit, for the four income categories being evaluated are presented in the following table:

Extremely Low Income:	0% to 30% Median	(\$257,400)
Very-Low Income:	Above 30% to 50% Median	(\$184,800)
Low Income:	Above 50% to 80% Median	(\$117,500)
Moderate Income:	Above 80% to 120% Median	(\$103,800)

The affordability gap conclusions for each income tier are linked to the number of affordable units required as a result of market rate development, and then divided into 100 unit increments. This calculation results in the allowable Residential Affordable Housing Impact Fee amounts per square foot of building area, which are presented in the following table. It is important to note that these are the maximum allowable Residential Affordable Housing Impact Fees, rather than the recommended amounts.

Maximum Supportable Residential Affordable Housing Impact Fee Per Square Foot of Livable Area				
Household Income Category (Percentage of Median)	Affordability Gap	Single Family Project	Condominium Project	Apartment Project
Prototype Size (Square Feet Per Unit)		2,350	1,800	1,050
Extremely Low 0% - 30%	\$257,400	\$5.30	\$5.80	\$8.20
Very Low Above 30% - 50%	\$184,800	\$6.80	\$7.40	\$10.50
Low Above 50% - 80%	\$117,500	\$5.00	\$5.40	\$7.70
Moderate Above 80% - 120%	\$103,800	\$1.50	\$1.60	\$2.30
Maximum Supportable Residential Affordable Housing Impact Fees		\$18.60	\$20.20	\$28.70

The maximum allowable Residential Affordable Housing Impact Fee amounts per unit are as follows:

Maximum Residential Affordable Housing Impact Fee Per Market Rate Unit				
Household Income Category (Percentage of Median)	Affordability Gap	Single Family Project	Condominium Project	Apartment Project
Extremely Low: 0% - 30%	\$257,400	\$12,400	\$10,400	\$8,600
Very Low: Above 30% - 50%	\$184,800	\$15,900	\$13,300	\$11,000
Low: Above 50% - 80%	\$117,500	\$11,600	\$9,800	\$8,100
Moderate: Above 80% - 120%	\$103,800	\$3,500	\$2,900	\$2,400
Total Affordable Housing Nexus Costs		\$43,400	\$36,400	\$30,100

G. Recommended Residential Affordable Housing Impact Fees

The KMA Residential Nexus study establishes the maximum Residential Affordable Housing Impact Fee amounts that the City could charge under the nexus requirements imposed by the Mitigation Act. In KMA’s opinion, the fee amounts should be selected based on the strength of the local real estate market and local policy objectives.

Financially Supportable Impact Fee Analysis

KMA recommends that the Residential Affordable Housing Impact Fees be set at levels that do not place an onerous financial burden on the developers of market rate housing. KMA refers to this as the “Financially Supportable Impact Fee”. The methodology used to set the Financially Supportable Impact Fee amounts is described in Section VI of this Report. This methodology is based on parameters that have been used in the creation of many Residential Affordable Housing Impact Fee and Inclusionary Housing Programs in California.

Based on the KMA analysis, the Financially Supportable Impact Fees are estimated as follows:

Financially Supportable Impact Fees			
	Single Family Project	Condominium Project	Apartment Project
Fee Per Square Foot of Livable Area	\$24.90	\$16.00	\$6.70
Fee Per Market Rate Unit	\$54,600	\$29,600	\$6,000

Maximum Recommended Residential Affordable Housing Impact Fees

It is important to remember that the Residential Affordable Housing Impact Fee must not exceed the amounts supported by the Nexus Study. Thus, KMA limited the recommended Residential Affordable Housing Impact Fees to the lesser of the amounts legally supported by the Nexus Study and the Financially Supportable Impact Fees.

The maximum recommended Residential Affordable Housing Impact Fees are summarized in the following tables:

Maximum Recommended Residential Affordable Housing Impact Fees			
Per Square Foot of Livable Area			
	Single Family Project	Condominium Project	Apartment Project
Maximum Legally Supportable Fee	\$18.60	\$20.20	\$28.70
Maximum Financially Supportable Fee	\$24.90	\$16.00	\$6.70
Maximum Recommended Residential Affordable Housing Impact Fee	\$18.60	\$16.00	\$6.70

Maximum Recommended Residential Affordable Housing Impact Fees Per Unit			
	Single Family Project	Condominium Project	Apartment Project
Maximum Legally Supportable Fee	\$43,400	\$36,400	\$30,100
Maximum Financially Supportable Fee	\$54,600	\$29,600	\$6,000
Maximum Recommended Residential Affordable Housing Impact Fee	\$43,400	\$29,600	\$6,000

Proposed Residential Affordable Housing Impact Fees

The financial analysis used by KMA to estimate the Maximum Recommended Residential Affordable Housing Impact Fees included the City’s current public permits and fees costs. However, the City is currently in the process of adjusting other public permits and fees amounts. In recognition of this fact, the City considered the aggregate amount of all the new or adjusted public permits and fees. The resulting Residential Affordable Housing Impact Fees being proposed for adoption by the City are as follows:

Project Type	Residential Affordable Housing Impact Fee Per Unit
Single Family Homes	\$7,000
Condominiums	\$5,000
Apartments	\$2,000

The Residential Affordable Housing Impact Fees being proposed by the City are lower than both the Maximum Legally Supportable Fees and the Maximum Financially Supportable Fees. As such, the proposed Residential Affordable Housing Impact Fees comply with the requirements imposed by the Mitigation Act.

II. INTRODUCTION AND OVERVIEW

The nexus analysis provides the City with the technical validation required to proceed with the enactment of Residential Affordable Housing Impact Fees. The conclusions of this analysis represent the maximum supportable or legally defensible fee levels based on the impact of new residential development on the need for affordable housing. These findings do not represent the recommended fee levels.

A. Background on Key Legal Cases

The following provides background regarding two key legal cases pertaining to Inclusionary Housing programs that in recent years have motivated many California cities to undertake residential nexus studies. This section is intended as general background only; nothing in this Report should be interpreted as providing specific legal guidance, which KMA is not qualified to provide.

Palmer

The “Palmer case” (Palmer/Sixth Street Properties L.P. v. City of Los Angeles [2009] 175 Cal. App. 4th 1396) was decided in 2009. Among other things, the Palmer case invoked the Costa-Hawkins Rental Housing Act prohibition on government imposition of limits on the rent that can be charged to a new tenant upon the vacancy of a unit. This effectively precludes the use of the long-term rent restrictions that are associated with Inclusionary Housing programs. Since the Palmer case ruling, many California cities have adopted Residential Affordable Housing Impact Fees on rental projects rather than imposing Inclusionary Housing requirements. These Residential Affordable Housing Impact Fee programs have been based on the results of residential nexus studies similar to this Report.

San Jose

In the California Building Industry Association v. City of San Jose (California Supreme Court Case No. S212072, June 15, 2015), also referred to as the “San Jose case”, the California Building Industry Association (CBIA) challenged the City of San Jose’s newly adopted Inclusionary Housing program that applied to the development of ownership housing projects. CBIA’s core contention was that the City’s Inclusionary Housing program constituted an exaction that required the support of a nexus study.

The San Jose case was pending in the courts from 2010 through February 2016. Ultimately, the case was decided by the California Supreme Court in favor of the City of San Jose. The court found the Inclusionary Housing program to be a valid exercise of a city’s power to regulate land use, and not an exaction. The United States Supreme Court denied CBIA’s petition to review the case.

While the San Jose case was pending, there was speculation that the courts would rule in favor of CBIA. This possibility was one of the motivations for jurisdictions to prepare residential nexus studies as an additional “backup” support measure for Inclusionary Housing programs. Now that the case has been decided, jurisdictions have the option of enacting Inclusionary Housing programs or Residential Affordable Housing Impact Fee programs for ownership housing development.³

³ The San Jose case only applies to ownership housing development. The restrictions the Palmer case placed on rental housing development remain in place.

The key advantages to creating a Residential Affordable Housing Impact Fee program for ownership housing development are:

1. It provides the City with a funding source to assist affordable housing projects of the type and in the locations that best fit the community's needs;
2. The funds can be allocated to developers with experience in the development of affordable housing; and
3. Dedicated affordable housing projects potentially have access to outside leveraging sources that can defray a portion of the financial gap associated with the projects.

B. The Nexus Concept

At its most simplified level, the underlying nexus concept is as follows:

1. Newly constructed homes add net new households to the Placentia population.
2. These net new households generate income that is new to the community, and that income will be used to purchase goods and services.
3. This new consumption can be translated into an increase in the number of jobs required to fulfill the demand.
4. A portion of the new jobs will be at lower compensation levels, which in turn relates to lower income households that cannot afford to rent or purchase market rate units in Placentia.
5. This results in the need for additional affordable housing units.

C. Use of this Study

This Residential Nexus Study has been prepared for the limited purpose of determining the nexus support for imposing a Residential Affordable Housing Impact Fee on new residential construction in Placentia. We caution against using this study, or any impact study for that matter, for purposes beyond the intended use. All impact studies are limited and imperfect, but can be helpful for understanding the effects created by new development. The nexus analysis presented in this Report estimates the maximum allowable Residential Affordable Housing Impact Fee amounts, rather than the recommended amounts.

D. Methodology and Models Used

The analysis is performed using the IMPLAN and KMA Jobs-Housing Nexus. These models are described below:

IMPLAN Model

The IMPLAN model is an industry accepted, commercially available, model developed over 40 years ago. The IMPLAN model was first used to quantify the impacts of changes in a local economy, including the employment impacts created by changes in personal income. The IMPLAN model plays the following role in this Residential Nexus Study:

1. The estimated net new personal income in Placentia available for expenditures is input into the IMPLAN model;
2. Using this income information, the IMPLAN model estimates a distribution of expenditures; and
3. The IMPLAN model produces a quantification of new jobs generated by industry type. The IMPLAN model estimates the jobs generated at establishments that serve new residents in the following ways:
 - a. Jobs that serve new residents directly, such as supermarkets, banks and schools;
 - b. Jobs generated by increased demand at firms that service or supply these establishments, such as wholesalers, janitorial contractors, accounting firms, and any jobs down the service/supply chain from direct jobs; and
 - c. Jobs generated when the new employees spend their wages in the local economy and generate additional jobs.

KMA Jobs-Housing Nexus Model

The results of the IMPLAN analysis are input into the KMA Jobs-Housing Nexus model. This model was initially developed over 25 years ago to analyze the income structure of job growth, and it is used to estimate the following:

1. Income of the workers doing the identified jobs;
2. Household income of the workers; and

3. Affordability level of the housing needed by the worker households.

This information is presented for the following household income categories:

Income Category	Percent of Median
Extremely Low Income	0% to 30% of Median
Very Low Income	Above 30% to 50% of Median
Low Income	Above 50% to 80% of Median
Moderate Income	Above 80% to 120% of Median
Above Moderate Income	Above 120% of Median

The linkages can be illustrated using the following simplified example:

1. An analysis of the housing market is undertaken to provide an average rent or sales price for a new home.
2. The household incomes for the new residents are estimated based on the rent or sales price for the home. Specifically, the estimates are based on the assumptions regarding the share of income spent on housing-related expenses.
3. The household's estimated gross income is adjusted to a net amount available for expenditures.
4. The new households will purchase or consume a range of goods and services, such as purchases at the supermarket or services at the bank.
5. The increase in purchases in the local economy will in turn generate support for increased employment at an array of different compensation levels.
6. A portion of the jobs will provide insufficient compensation for the worker household to afford market rate housing in Placentia.

E. Underlying Assumptions Related to Net New Demand for Housing

An underlying assumption of the analysis is that households that purchase or rent new units represent net new households in Placentia. Factors that influence the estimated population growth area:

1. If purchasers or renters have relocated from elsewhere in the city, vacancies have been created that will be filled. Thus, no adjustment is warranted.
2. If new residential development occurs on property that is currently improved with residential units, an adjustment to the net population growth would be warranted. However, the rate of housing unit removal is currently so low in Placentia that an adjustment or offset is not warranted.

This Residential Nexus Study is limited to an analysis of net new households in Placentia and the impacts generated by their consumption expenditures. Based on this analysis, the net new demand for affordable units to accommodate new worker households is quantified. This analysis does not address, nor in any way include, existing deficiencies in the community's supply of affordable housing.

F. Geographic Area of Impact

The analysis quantifies impacts occurring within Orange County. While much of the impact will occur within Placentia, some impacts will be experienced elsewhere in Orange County and beyond. The IMPLAN model computes the jobs generated within Orange County and sorts out those that occur beyond the Orange County boundaries. The KMA Jobs-Housing Nexus Model analyzes the income structure of jobs and their worker households, without assumptions as to where the worker households live.

Job impacts, like most types of impacts, occur irrespective of political boundaries. And like other types of impact analyses, such as traffic, impacts beyond city boundaries are experienced, are relevant, and are important. See the "Addendum: Additional Background on Specific Assumptions" at the end of this Report for further discussion on this topic.

G. Analysis Organization

The nexus analysis is organized into the following components:

1. A discussion of the prototype new market rate residential units and the estimated household income of purchasers or renters of those units.
2. A description of the IMPLAN model that is used in the nexus analysis to translate household income into the estimated number of jobs in retail, restaurants and other sectors serving new residents.

3. An identification of the linkage between employment growth associated with residential development and the need for affordable housing units in each of the four income categories.
4. A quantification of the nexus or mitigation cost based on the cost of delivering affordable units to new worker households in each of the four income categories.

H. Data Sources and Qualifications

The analyses in this Report have been prepared using the best and most recent data available. Local and current data was used whenever possible. Sources such as the United States Census (Census), the American Community Survey of the Census, and California Employment Development Department data were used extensively. Other sources and analyses are noted when used in the text and footnotes. While we believe all sources utilized are sufficiently accurate for the purposes of the analyses, we cannot guarantee their accuracy. KMA assumes no liability for information from these and other sources.

III. MARKET RATE UNITS AND HOUSEHOLD INCOME

This section describes the prototype market rate residential units used in this analysis, and the estimated incomes of the purchaser and renter households:

1. The market rate prototypes used in this analysis are based on recent development activity in the Placentia market.
2. Household incomes are estimated based on estimates of the income necessary to support the mortgage or rent payments associated with the new market rate units.

This information serves as the basis for the input to the IMPLAN model described in the following section of this Report. These are the starting points of the chain of linkages that connect new market rate units to incremental demand for affordable residential units.

This section provides a summary of the prototypes and household income. More description and supporting tables are provided in Appendix A.

A. Recent Housing Market Activity and Prototype Units

KMA identified the three residential prototypes in consultation with City staff. KMA then undertook a market survey of projects covering these prototypes in July 2017. As part of this

survey, KMA obtained data on sales of existing single family homes and condominiums built since 2005. KMA also conducted a rent survey of relevant apartment projects.

The KMA market analysis is focused on the sales prices and rents of recent residential development rather than the sales prices and rents of older housing stock. The main objective was to establish current sales prices or rents per unit and per square foot for the various residential project types recently developed, or expected to be developed in the near term, in Placentia.

It is important to note that the prototypes analysis is intended to reflect average or typical residential projects in the Placentia market rather than any specific project. It should be expected that specific projects would vary to some degree from the prototypes.

In summary, the prototypes tested in the nexus analysis are as follows:

Residential Prototypes			
	Single Family Project	Condominium Project	Apartment Project
Average Unit Size (Square Feet)	2,350	1,800	1,050
Average Number of Bedrooms	4	3	2
Average Sales Price / Rent	\$730,000	\$600,000	\$2,500/month

B. Income of the Purchaser or Renter of Housing Units

The next step in the analysis is to estimate the income of the purchasing or renting households in the prototype units.

Ownership Units

To estimate the incomes of home buyers, KMA prepared an underwriting analysis using information published by Freddie Mac regarding its portfolio of mortgages originated for the purchases of primary residences within Placentia.⁴ The data pertains to the second quarter of 2016, the most recent period available at the time the information was accessed.

⁴ The Freddie Mac information is presented in a zip code format. KMA extrapolated the zip codes that encompass Placentia.

As the first step in this analysis, KMA estimated that 35% of income is spent on housing-related expenses which include mortgage payments, property taxes, homeowner association dues, maintenance, and insurance. This is reflective of the current averages exhibited in Orange County, and is consistent with criteria used by lenders to determine mortgage eligibility.⁵

KMA then applied purchase terms that are slightly less favorable than what can be achieved at the current time, since we are currently in a period of generationally low interest rates. The terms applied in this analysis can be summarized as follows:

1. The mortgage is based on a 30-year fully amortizing loan at a 4.80% interest rate. This reflects the 10-year average of published mortgage interest rates; and it is approximately 0.75% lower than the rates published in August 2017.⁶
2. The down payment is set at 20% of the home purchase price. This is based on the median down payment for single family homes and condominium purchases as principal residences in Orange County.⁷

Apartment Units

KMA set the housing-related expenditures for renters at 30% of gross household income. This estimate is somewhat lower than the Placentia average of 33.9% as reported by the Census.⁸ KMA selected the 30% factor for the following reasons:

1. KMA aimed to apply a conservative assumption in the estimation of the new residents' incomes.
2. Many renters will choose to spend less than 30% of their income on rent where possible, since the unit is not viewed as an investment with value enhancement potential.
3. The 30% factor is consistent with State and Federal affordability standards.

⁵ The average debt to income ratio was 38.6%. However, this ratio includes other forms of debt such as student loans, credit cards, and auto loans. This suggests a ratio including only housing expenses would be less than 38.6%. Fannie Mae mortgage underwriting eligibility criteria establishes a debt to income threshold of 36%, above which tighter credit standards apply. A debt to income ratio of up to 45% is permitted for borrowers meeting specified credit criteria.

⁶ Based on Freddie Mac Primary Mortgage Market Survey weekly average rates for the West Region for 30-year fixed rate mortgages during the period from 2006 through 2015.

⁷ Based on Freddie Mac data.

⁸ The information is provided in the 2011-2015 American Community Survey.

Estimated Gross Household Incomes

The estimated gross household incomes of the purchasers or renters of the prototype units are calculated in Appendix A – Tables 1 through 3. The results are summarized in the following table:

Project Type	Gross Household Income
Single Family Homes	\$136,000
Condominiums	\$114,000
Apartments	\$102,000

C. Income Available for Expenditures

The input into the IMPLAN model used in this analysis is the net income available for expenditures. To arrive at income available for expenditures, gross income must be adjusted for Federal and State income taxes, contributions to Social Security and Medicare, savings, and payments on household debt. Per KMA correspondence with the producers of the IMPLAN model (IMPLAN Group LLC), other taxes including sales tax, gas tax, and property tax are handled internally within the model as part of the analysis of expenditures.

For input into the IMPLAN model, the percentage of income available for expenditures is set prior to deducting any housing-related costs. This is done to maintain consistency with the IMPLAN model, which defines housing costs as expenditures. The IMPLAN model addresses the fact that expenditures on housing do not generate employment to the degree other expenditures such as retail or restaurants do, but some limited maintenance and property management employment is generated.

Appendix A – Table 4 presents the calculation of income available for expenditures.

Ownership Units

The income available for expenditures for the prototype home owner households is estimated based on a review of data from the Internal Revenue Service, the California Franchise Tax Board tax tables, and the United States Bureau of Economic Analysis data. The assumptions applied in the analysis are as follows:

1. Per the Internal Revenue Service, households earning between \$100,000 and \$200,000 per year, which includes the residents of the prototype ownership units, will pay an average of 12% of gross income for federal taxes.
2. Per the California Franchise Tax Board, State taxes are estimated to average 4% of gross income.
3. The employee share of the FICA payroll taxes for Social Security and Medicare is set at 7.65% of gross income. This estimate conservatively assumes all earners in the household are within the \$127,200 ceiling on income subject to Social Security taxes.
4. Savings and repayment of household debt must also be factored into the estimate of the amount of income available for expenditures:
 - a. Savings includes various IRA and 401K type programs, as well as non-retirement household savings and investments.
 - b. Debt repayment includes auto loans, credit cards, and all other non-mortgage debt. An 8% interest rate is used in this analysis, which is based on the average over the past 20 years computed from the United States Bureau of Economic Analysis data.

After taking the preceding deductions, the estimated income available for expenditures is 68% for single family homes and condominiums. This is the factor used to adjust from gross income to the income available for expenditures for input into the IMPLAN model.

Rental Units

Income available for expenditures for the prototype renter households is based on the same evaluation, but a higher income tax rate is applied to the renter households.⁹ The result is that the renter household would have an estimated 66% of income available for expenditures.

KMA includes an adjustment for rental units to account for standard operational vacancies in rental projects. KMA assumes a 5% vacancy rate, which is a level of vacancy considered average for rental units in a healthy market. A comparable adjustment is not applied to ownership units as newly built ownership units are anticipated to have only a nominal level of vacancy.

⁹ A higher income tax rate is applied to renter households due to the fact that home owner households can use income tax benefits such as mortgage interest and property tax deductions.

Income Available for Expenditures

A summary of the estimates of income available for expenditures is presented in the following table:

Household Income			
	Single Family Project	Condominium Project	Apartment Project
Gross Household Income	\$136,000	\$114,000	\$102,000
Percentage of Income Available for Expenditures	68%	68%	66%
Household Income Available for Expenditures [Input to IMPLAN model]	\$92,000	\$78,000	\$64,000

The nexus analysis is conducted on 100-unit building modules for ease of presentation, and to avoid awkward fractions. Appendix A – Tables 5 and 6 summarize the conclusions of this section, and calculates the household income for the 100-unit building modules. This is then input into the IMPLAN model.

IV. THE IMPLAN MODEL

Consumer spending by residents of new housing units will create jobs, particularly in sectors such as retail and restaurants, which are closely connected to the expenditures of residents. The IMPLAN model is an economic analysis tool that is widely used to quantify these new jobs by industry sector.

A. IMPLAN Model Description

The IMPLAN model is an economic analysis software package now commercially available through the IMPLAN Group, LLC. IMPLAN was originally developed by the United States Forest Service, the Federal Emergency Management Agency, and the United States Department of the Interior Bureau of Land Management. The model has been in use since 1979, and has been refined over time. It has become a widely used tool for analyzing economic impacts for a broad range of applications from major construction projects to natural resource programs.

IMPLAN is based on an input-output accounting of commodity flows within an economy from producers to intermediate and final consumers. The model establishes a matrix of supply chain relationships between industries, and also between households and the producers of household goods and services. Assumptions about the portion of inputs or supplies for a given industry likely to be met by local suppliers and the portion supplied from outside the region or study area, are derived internally within the model using data on the industrial structure of the region.

The output or result of the model is generated by tracking changes in purchases for final use or final demand as they filter through the supply chain. Industries that produce goods and services for final demand or consumption must purchase inputs from other producers. These producers in turn purchase goods and services. The model tracks these relationships through the economy to the point where leakages from the region stop the cycle. This allows the user to identify how a change in demand for one industry will affect a list of over 400 other industry sectors. The projected response of an economy to a change in final demand can be viewed in terms of economic output, employment, or income.

Data sets are available for each county and state, so the model can be tailored to the specific economic conditions of the region being analyzed. This analysis utilizes the data set for Orange County. As will be discussed, much of the employment impact is in local-serving sectors, such as retail, eating and drinking establishments, and medical services. A significant portion of these jobs will be located in Placentia or nearby. In addition, the employment impacts will extend throughout Orange County and beyond based on where jobs are located that serve Placentia residents. Placentia is part of the larger Orange County metropolitan region's economy, and impacts will likewise extend throughout the region.

B. Application of the IMPLAN Model to Estimate Job Growth

The IMPLAN model was applied to link income to household expenditures to job growth. As discussed previously, employment generated by the household income of residents is analyzed in modules of 100 residential units. The IMPLAN model distributes spending among various types of goods and services (industry sectors) based on data from the Consumer Expenditure Survey and the Bureau of Economic Analysis Benchmark input-output study to estimate the employment that is generated.

Job creation, driven by increased demand for products and services, was projected for each of the industries that will serve the new households. The estimated employment that would be generated by this new household spending is summarized below:

Jobs Generated Per 100 New Residential Units			
	Single Family Project	Condominium Project	Apartment Project
Annual Household Expenditures Per 100 New Units	\$9,250,000	\$7,750,000	\$6,400,000
Total Jobs Generated Per 100 New Units	73.9	61.9	51.1

Appendix B – Table 1 provides a detailed summary of employment generated by industry. The table shows industries sorted by projected employment. The Consumer Expenditure Survey published by the Bureau of Labor Statistics tracks expenditure patterns by income level. IMPLAN utilizes this data to reflect the pattern by income bracket.

Estimated employment is shown for each IMPLAN industry sector representing 1% or more of total employment. The jobs that are generated are heavily retail jobs, jobs in restaurants and other eating establishments, and in services that are provided locally. The jobs counted in the IMPLAN model cover all jobs, full and part time, similar to the Census and all reporting agencies, unless otherwise indicated.

V. THE KMA JOBS-HOUSING NEXUS MODEL

This section presents a summary of the analysis linking employment growth associated with residential development, based on the output of the IMPLAN model, to the estimated number of housing units required in each of the four income categories. The results are presented for each of the three residential prototype units.

A. Analysis Approach and Framework

The analysis approach is to examine the employment growth for industries related to consumer spending by residents in the 100-unit modules. Then, through a series of linkage steps, the number of employees is converted to households and housing units by affordability level. The findings are expressed in terms of numbers of affordable units per 100 market rate units.

The analysis addresses the affordable unit demand associated with single family homes, condominiums, and apartment units in Orange County. The following table shows the 2017 Median income, as well as the income limits for the four categories that were evaluated. The income definitions used in the analysis are those published by the California Department of

Housing and Community Development (HCD) and the United States Department of Housing and Urban Development (HUD).

2017 Income Limits for Orange County						
Household Income Category (Percentage of Median)	Household Size (Number of Persons)					
	1	2	3	4	5	6+
Extremely Low (0% - 30%)	\$21,950	\$25,050	\$28,200	\$31,300	\$33,850	\$36,350
Very Low (Above 30% - 50%)	\$36,550	\$41,750	\$46,950	\$52,150	\$56,350	\$60,500
Low (Above 50% - 80%)	\$58,450	\$66,800	\$75,150	\$83,450	\$90,150	\$96,850
Moderate (Above 80% - 120%)	\$73,900	\$84,500	\$95,050	\$105,600	\$114,050	\$122,500
Median (100%)	\$61,600	\$70,400	\$79,200	\$88,000	\$95,050	\$102,100

The analysis is conducted using a model that KMA developed and has applied to similar evaluations in many other jurisdictions. The model inputs are all local data to the extent possible, and are fully documented in the following description.

B. Analysis Steps

The analysis provided by the KMA model is presented in seven steps. A description of each step of the analysis follows.

Step 1 – Estimate of Total New Employees (Appendix B – Table 1)

The analysis commences with estimates of the total number of employees associated with the new market rate units. The employees were estimated based on household expenditures of new residents using the IMPLAN model.

Step 2 – Changing Industries Adjustment and Net New Jobs (Appendix B – Table 2)

The local economy, like that of the United States as a whole, is constantly evolving. In the Anaheim – Santa Ana – Irvine Metropolitan Division (MD) (Orange County MD), over the past 20 years, employment in various sectors of the economy has declined. However, jobs lost over the last two decades in these declining sectors were replaced by job growth in other industry sectors.

Long-term declines in employment experienced in some sectors of the economy mean that some of the jobs created in burgeoning industries are being filled by workers that have been displaced from another industry and who are presumed to already be housed locally. Recognizing that jobs added in the community are not necessarily net new jobs, this step in the analysis makes an adjustment to take these declines, changes and shifts within all sectors of the economy into account.

To assist in making the adjustment, KMA analyzed data published by the California Employment Development Department annually for the Orange County MD. For the previous 20-year period, the Orange County region experienced an approximately 15% decline in industry. The decline was largely focused in the manufacturing sector.

Based on the entirety of the data analyzed, the long-term shifts in employment that have occurred in some sectors of the local economy, and the likelihood of continuing changes in the future, KMA applied a 15% downward adjustment for a decline in industries in this nexus analysis.

The impact of the 15% adjustment factor is the effective assumption that approximately one in every seven new jobs will be filled by a worker down-sized from a declining industry and who already lives locally. This factor can be considered conservative given that some displaced workers may exit the workforce entirely by retiring rather than seeking a new job in one of the new industries that have entered the community.

Step 3 – Adjustment from Employees to Employee Households (Appendix B – Table 2)

This step converts the number of employees to the number of employee households, recognizing that there is, on average, more than one worker per household. Thus, the number of housing units in demand for new workers must be reduced to reflect this fact.

The workers per household characteristic provides the link between the number of employees and the number of households associated with the net new employees. Worker households are defined as those households with one or more persons with work-related income, including the self-employed, as reported in the 2011-2013 American Community Survey of the Census. In other words, worker households are distinguished from total households in that the universe of worker households does not include elderly or other households in which members are retired or do not work for other reasons. Student households and unemployed households on public assistance are also excluded from the definition of worker households.

The number of workers per household in a given geographic area is a function of household size, labor force participation rate and employment availability, as well as other factors. According to the 2011-2013 American Community Survey, the average number of workers per worker household in Orange County was 1.82.

Step 4 – Occupational Distribution of Employees (Appendix B – Table 2)

The occupational breakdown of employees is the first step in the process of estimating income levels. The output from the IMPLAN model provides the number of employees by industry sector. The IMPLAN output is paired with data from the Department of Labor, Bureau of Labor Statistics May 2016 Occupational Employment Survey (OES) to estimate the occupational composition of employees for each industry sector.¹⁰

Pairing of OES and IMPLAN data was accomplished by matching IMPLAN industry sector codes with the four-digit North American Industry Classification System Code (NAICS) used in the OES. Each IMPLAN industry sector is associated with one or more NAICS codes, with matching NAICS codes ranging from two to five digits. Employment for IMPLAN sectors with multiple matching NAICS codes was distributed among the matching codes based on distribution of employment among those industries at the national level. Employment for IMPLAN sectors where matching NAICS codes were only at the two- or three- digit level of detail was distributed using a similar approach, among all of the corresponding four-digit NAICS codes falling under the broader two- or three-digit categories.

National-level employment totals for each industry within the OES were prorated to match the employment distribution projected using the IMPLAN model, which varies by income category. Occupational compensation within each industry was held constant. The result is the estimated occupation mix of employees, by income category.

As shown on Appendix B – Table 2, new jobs will be distributed across a variety of occupational categories. The three largest occupational categories are office and administrative support (17%), food preparation and serving (14%), and sales and related (13%).

¹⁰ The May 2016 OES was released in March 2017.

Step 5 – Estimates of Employee Households Meeting the Lower Income Definitions (Appendix B – Tables 3 through 6)

In this step, occupations are translated to employee incomes based on recent Orange County wage and salary information from the California Employment Development Department.¹¹ The percentages and numbers of employee households are cross tabulated by occupation and income as follows:

Income Category	Percent of Median	Appendix B
Extremely Low Income	0% to 30% of Median	Table 3
Very Low Income	Above 30% to 50% of Median	Table 4
Low Income	Above 50% to 80% of Median	Table 5
Moderate Income	Above 80% to 120% of Median	Table 6

Individual employee income data was used to calculate the number of households that fall into the income categories by assuming that multiple earner households are, on average, formed of individuals with similar incomes. Employee households not falling into one of the major occupation categories are assumed to have the same income distribution as the major occupation categories as a whole.

Step 6 – Distribution of Household Size and Number of Workers (Appendix B – Tables 3 through 6)

In this step, household size distribution was input into the model in order to estimate the income and household size combinations that meet the income definitions for Orange County. The household size distribution utilized in the analysis is that of worker households in Orange County derived using American Community Survey data. For example, four-person worker households can have one, two, three, or four workers in the household. The model uses American Community Survey data to develop a distribution of the number of workers per worker household, by household size.

¹¹ The wage and salary information for is presented in Appendix C.

Step 7 – Estimate of Number of Households that Meet Size and Income Criteria (Appendix B – Table 7)

Step 7 is the final step in the calculation of the number of worker households meeting the size and income criteria for the four affordability tiers. The calculation methodology can be described as follows:

1. The percentage of worker households that would meet the income criteria at each potential household size and number of workers combination (Step 5), is combined with the probability of a worker household having a given household size and number of workers combination (Step 6).
2. The result is the estimated percentages of households that fall into each affordability category.
3. The estimated percentages are then multiplied by the estimated total number of households from Step 3 to arrive at the estimated number of households in each affordability category.

Appendix B – Table 7 shows the results produced by the KMA Jobs-Housing Nexus model. The results are presented for each of the four income categories, resulting in a total count of worker households per 100 units.

C. Summary Findings

Appendix B – Table 7 presents the analysis results for each of the residential prototypes. The table presents the number of households generated in each affordability category, and the total number of households earning more than 120% of the Median.

The findings in Appendix B –Table 7 are summarized below. The table shows the total demand for affordable housing units per each new 100 market rate units.

New Worker Households by Income Level Per 100 Market Rate Units ¹²			
Household Income Category (Percentage of Median)	Single Family Project	Condominium Project	Apartment Project
Extremely Low: 0% - 30%	4.8	4.0	3.3
Very Low: Above 30% - 50%	8.6	7.2	6.0
Low: Above 50% - 80%	9.9	8.3	6.9
Moderate: Above 80% - 120%	3.4	2.8	2.3
Total: 0% - 120%	26.7	22.4	18.5
Above Moderate: Above 120%	7.7	6.5	5.3
Total New Households	34.4	28.8	23.8

As shown in the preceding table, housing demand for new worker households earning less than 120% of Median ranges from 18.5 units per 100 market rate units for apartment units, to 26.7 units per 100 market rate units for single family homes. Housing demand is distributed across the lower income tiers with the greatest number of households in the above 30% to 50% of Median and above 50% to 80% of Median tiers.

The finding that jobs associated with consumer spending tend to be low-paying jobs where the workers will require housing affordable at the lower income levels (Extremely Low to Moderate) is not surprising. As noted above, direct consumer spending results in employment that is concentrated in lower paid occupations including food preparation, administrative, and retail sales.

D. Total Affordable Housing Nexus Costs

This section takes the conclusions from the previous section on the number of households in the Extremely Low, Very-Low, Low and Moderate Income categories generated by the development of market rate units, and estimates the total cost of assistance required to make housing affordable. This section puts a cost on the units at each income level to produce the "total affordable housing nexus cost." This is done for each of the prototype units.

¹² The estimates are rounded to the nearest tenth. The sum of the column may not add to the total due to the rounding of each individual number.

Affordability Gap Scenarios

A key component of the analysis is the size of the gap between what households can afford and the cost of producing additional housing in Placentia; this is known as the “affordability gap.” The assumption is that the City will assist in filling the financial gap associated with the development of affordable units at development cost levels based on similar development projects and the City’s recent experience.

KMA conducted a series of affordability gap analyses, which are presented in Appendix D. The scenarios that were tested can be described as follows:

For the Extremely Low Income and Very-Low Income categories, it was assumed that Tax-Exempt Multifamily Bonds (Bonds) and the automatically awarded 4% Low Income Housing Tax Credits (Tax Credits) would be used to finance the project.

For the Low Income category, KMA analyzed a Bonds/4% Tax Credit project at 60% of Median, and an unleveraged rental project at 80% of Median. The unleveraged project generated a smaller affordability gap than the Bonds/4% Tax Credit project. Thus, the unleveraged project was used in the Low Income category.

KMA analyzed both a Moderate Income rental and ownership projects for the Moderate Income category. The Moderate Income rental project exhibited a smaller affordability gap, and was used in the analysis.

The resulting affordability gaps per unit are presented in the following table:

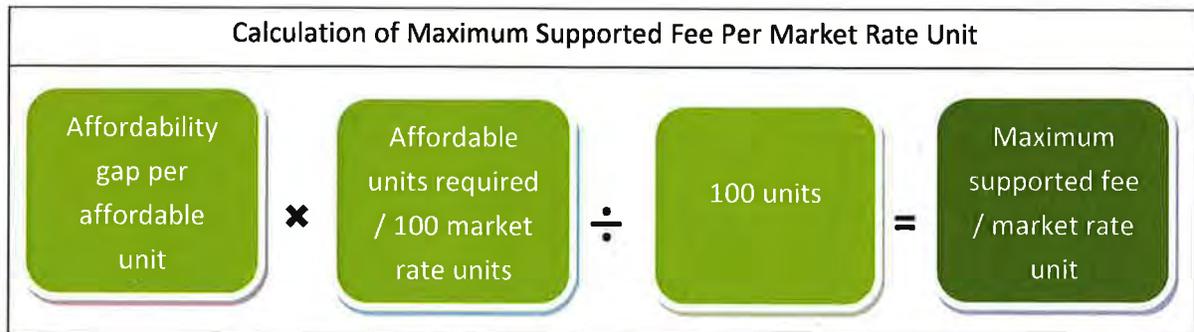
Extremely Low Income (0% to 30% Median)	(\$257,400)
Very Low Income (Above 30% to 50% Median)	(\$184,800)
Low Income (Above 50% to 80% Median)	(\$117,500)
Moderate Income (Above 80% to 120% Median)	(\$103,800)

Total Affordable Housing Nexus Costs

To summarize, previous steps in the nexus analysis estimated the following:

1. The demand for affordable housing units created by the development of the three residential prototypes; and
2. The affordability gaps associated with providing housing at the various income levels.

The total nexus cost per market rate unit is equal to the affordability gap multiplied times the number of affordable units demanded per new market rate unit.



The resulting total affordable housing nexus cost per market rate unit for each of the prototypes are as follows:

Affordable Housing Nexus Cost Per Market Rate Unit				
Household Income Category (Percentage of Median)	Affordability Gap	Single Family Project	Condominium Project	Apartment Project
Extremely Low: 0% - 30%	\$257,400	\$12,400	\$10,400	\$8,600
Very Low: Above 30% - 50%	\$184,800	\$15,900	\$13,300	\$11,000
Low: Above 50% - 80%	\$117,500	\$11,600	\$9,800	\$8,100
Moderate: Above 80% - 120%	\$103,800	\$3,500	\$2,900	\$2,400
Total Affordable Housing Nexus Costs		\$43,400	\$36,400	\$30,100

The total affordable housing nexus cost indicated above, may also be expressed on a per square foot level. The square foot area of the prototype units used throughout the analysis become the basis for the Residential Affordable Housing Impact Fee calculation. The results per square foot of livable area are as follows:

Maximum Supportable Residential Affordable Housing Impact Fee Per Square Foot of Livable Area ¹³					
Household Income Category (Percentage of Median)		Affordability Gap	Single Family Project	Condominium Project	Apartment Project
Prototype Size (Square Feet Per Unit)			2,350	1,800	1,050
Extremely Low	0% - 30%	\$257,400	\$5.30	\$5.80	\$8.20
Very Low	Above 30% - 50%	\$184,800	\$6.80	\$7.40	\$10.50
Low	Above 50% - 80%	\$117,500	\$5.00	\$5.40	\$7.70
Moderate	Above 80% - 120%	\$103,800	\$1.50	\$1.60	\$2.30
Maximum Supportable Residential Affordable Housing Impact Fees			\$18.60	\$20.20	\$28.70

The costs presented in the preceding table express the nexus costs for the three residential prototype developments. These total affordable housing nexus costs represent the ceiling for any Residential Affordable Housing Impact Fee requirement to be imposed on market rate residential development. However, the totals are not the recommended fee levels; they represent only the Residential Affordable Housing Impact Fee caps established by this analysis. Based on a variety of factors, the City can choose to set the Residential Affordable Housing Impact Fees at less than the maximum allowable amounts.

VI. RECOMMENDED FEE LEVELS

The following sections discuss the methods in which the City could set the Residential Affordable Housing Impact Fees.

A. Fee-Setting Context

The preceding study establishes the maximum fee amounts the City could charge under the nexus requirements imposed by the Mitigation Act. In KMA's opinion, the fee amounts should be selected based on the strength of the local real estate market and local policy objectives.

¹³ Findings are presented based on net rentable or sellable square footage.

B. Recommended Fee Levels

Financially Supportable Impact Fee Methodology

KMA recommends that the City set the Residential Affordable Housing Impact Fees at levels that do not place an onerous financial burden on the developers of market rate housing. KMA refers to this as the Financially Supportable Impact Fee.

It has been KMA's experience that the following sequence of events occurs when a Residential Affordable Housing Impact Fee program is adopted:

1. Immediately following approval of a Residential Affordable Housing Impact Fee program, the financial impacts created by that fee are largely borne by developers that had purchased property prior to the imposition of the requirement.
2. After a Residential Affordable Housing Impact Fee program is adopted, developers that have not purchased land will attempt to bargain for a lower land price that reflects the impacts created by the fee.
3. During the initial implementation period for a Residential Affordable Housing Impact Fee program, some property owners are reluctant to accept the fact that their land value has decreased, and they defer selling their property until market demand causes prices to increase.
4. As is the case with all development requirements, over time land prices will adjust to reflect the value supported by the market given the requirements and restrictions imposed on the property.

To determine the Financially Supportable Impact Fee amounts, KMA relied on standards that the courts have applied to Inclusionary Housing programs. Notably, the courts have held that affordable housing is a "public benefit". In that context, the courts have found that Inclusionary Housing requirements cannot deprive an owner of "all economically beneficial use" of the property. However, all economically beneficial use has never been defined.

It is likely that the imposition of a Residential Affordable Housing Impact Fee will impact the values supported by properties that are subject to the requirements. This is allowable as long as the property owner is not deprived of all economically beneficial use of the property. A significant number of California Inclusionary Housing policies have been based on a projected land value reduction in the 30% range. Based on this standard, the KMA analysis is focused on

identifying Residential Affordable Housing Impact Fees that result in an approximately 30% reduction in land value.

Pro Forma Analyses

To evaluate the impacts created by the imposition of a Residential Affordable Housing Impact Fee, KMA prepared pro forma analyses for three prototype development projects under the following scenarios:

- Base Impact Fee Scenario: This scenario utilizes the City’s current public permits and fees estimates. This scenario provides a baseline against which to measure the financial impacts created by the imposition of a Residential Affordable Housing Impact Fee.

- Residential Affordable Housing Impact Fee Scenario: This scenario includes the imposition of a Residential Affordable Housing Impact Fee that results in an approximately 30% reduction in land value.

The pro forma analyses can be found in Appendix E, and are organized as follows:

Base Impact Fee Scenarios	
Table 1:	Estimated Construction Costs
Table 2:	Projected Net Revenue / Stabilized Net Operating Income
Table 3:	Residual Land Value Calculation

Residential Affordable Housing Impact Fee Scenarios	
Table 1:	Estimated Construction Costs
Table 2:	Projected Net Revenue / Stabilized Net Operating Income
Table 3:	Financially Supportable Affordable Housing Impact Fee

Financially Supportable Impact Fees

As discussed previously, the KMA analysis is calibrated to estimate the maximum Residential Affordable Housing Impact Fee that creates an approximately 30% reduction in land value. The results are presented in the following table:

Financially Supportable Impact Fees			
	Single Family Project	Condominium Project	Apartment Project
Fee Per Square Foot of Livable Area	\$24.90	\$16.00	\$6.70
Fee Per Market Rate Unit	\$54,600	\$29,600	\$6,000

Maximum Recommended Residential Affordable Housing Impact Fees

It is important to remember that the Residential Affordable Housing Impact Fee cannot exceed the amounts supported by the Nexus Study. Thus, KMA limited the recommended Residential Affordable Housing Impact Fees to the lesser of the amounts legally supported by the Nexus Study and the Financially Supportable Impact Fees. The maximum recommended Residential Affordable Housing Impact Fees are summarized as follows:

Maximum Recommended Residential Affordable Housing Impact Fees Per Square Foot of Livable Area			
	Single Family Project	Condominium Project	Apartment Project
Maximum Legally Supportable Fee	\$18.60	\$20.20	\$28.70
Maximum Financially Supportable Fee	\$24.90	\$16.00	\$6.70
Maximum Recommended Residential Affordable Housing Impact Fee	\$18.60	\$16.00	\$6.70

Maximum Recommended Residential Affordable Housing Impact Fees Per Unit			
	Single Family Project	Condominium Project	Apartment Project
Maximum Legally Supportable Fee	\$43,400	\$36,400	\$30,100
Maximum Financially Supportable Fee	\$54,600	\$29,600	\$6,000
Maximum Recommended Residential Affordable Housing Impact Fee	\$43,400	\$29,600	\$6,000

Proposed Residential Affordable Housing Impact Fees

It is important to remember that the Recommended Residential Affordable Housing Impact Fee amounts outlined in the preceding table assume the City’s current public permits and fees are applied. However, the City is currently in the process of adjusting other public permits and fees amounts. As part of this process, the City considered the aggregate amount of all the new or adjusted public permits and fees. The resulting Residential Affordable Housing Impact Fees being proposed for adoption by the City are as follows:

Project Type	Residential Affordable Housing Impact Fee Per Unit
Single Family Homes	\$7,000
Condominiums	\$5,000
Apartments	\$2,000

The Residential Affordable Housing Impact Fees being proposed by the City are lower than both the Maximum Legally Supportable Fees and the Maximum Financially Supportable Fees. As such, the proposed Residential Affordable Housing Impact Fees comply with the requirements imposed by the Mitigation Act.

C. Potential Indices for Annual Updates to Residential Affordable Housing Impact Fees

Administrative objectives that should be taken into consideration in selecting an appropriate index for updating the Residential Affordable Housing Impact Fees are as follows:

1. The update methodology should be simple and easily administered;
2. The terms of the update should be clear and objective, not subject to interpretation; and
3. The update should be tied to a readily accessible and neutral third-party published source.

The following table summarized common indices that could be used to adjust the Residential Affordable Housing Impact Fee amounts each year:

Index	Concept / Description	Advantages	Disadvantages
Construction Cost Index (CCI)	Fees go up or down based on changes in building construction costs Published by Engineering News Record (ENR) Available as a national average for 20 cities, including Los Angeles	Very well established Consistent fee burden is imposed relative to changes in construction costs	May not trend with changes in development cost components such as land and soft costs May not trend with the cost associated with producing affordable units
Building Cost Index (BCI)	Also published by ENR and similar to the Construction Cost Index, but with weighting towards structural costs	Very well established Consistent fee burden is imposed relative to changes in construction costs	The CCI is likely the more appropriate of the two ENR indices since it is more closely tracks labor costs
Consumer Price Index (CPI)	Published by the US Bureau of Labor Statistics. Available for major metropolitan areas	Very well established Tracks with inflation generally Produced by a neutral government agency	May not trend with construction costs, or the cost to produce affordable housing units

Based on the identified advantages and disadvantages of the three common indices, KMA recommends that the CCI be used to adjust the Residential Affordable Housing Impact Fee each year.

VII. ADDENDUM: ADDITIONAL BACKGROUND ON SPECIFIC ASSUMPTIONS

This Addendum provides a discussion of various specific factors and assumptions related to the nexus concept. This discussion supplements the overview provided in previous sections of the Report.

A. Addressing the Housing Needs of a New Population versus the Existing Population

An assumption of this Residential Nexus Study is that there is currently no excess supply of affordable housing available to absorb or offset new demand. Therefore, new affordable units are needed to mitigate the new affordable housing demand generated by development of new market rate residential units.

The City, in its Housing Element, has clearly documented that the housing needs of existing lower income households are not currently being met. The Housing Element states that approximately 38% of all the households in Placentia are defined as lower income households. The existing housing shortage, especially at the lowest income levels, is manifested in numerous ways such as residents paying far more than the affordable rent set forth in federal and state guidelines, overcrowding, and other factors that are extensively documented by the Census and other reports.

Local analyses of housing conditions indicate that new housing affordable to lower income households is not being added to the supply in sufficient quantity to meet the needs of new employee households. If significant numbers of units were being added to the supply to accommodate the Extremely Low to Moderate Income groups, or if residential units in Placentia were experiencing higher than typical long-term vacancy levels, particularly in affordable units, then the need for new units would be questionable.

B. Economic Cycles

In the context of economic downturns such as the recent severe recession, the question is sometimes raised as to whether there is excess capacity in the labor force that will be absorbed by existing jobs and workers, thus resulting in fewer net new jobs. In response, it is important to understand that a nexus analysis of this nature is intended to support the imposition of a one-time fee that addresses the impacts generated over the 40+ year life of a project. Short-term conditions, such as a recession or a vigorous boom period, are not appropriate bases for estimating impacts over the life of a building. These cycles can produce impacts that are higher or lower on a temporary basis.

Development of new residential units tends to be minimal during a recession, and generally remains minimal until conditions improve or there is confidence that improved conditions are imminent. When this occurs, the improved economic condition of the households in the local area will absorb the current underutilized capacity of existing workers, employed and unemployed. By the time the new units become occupied, economic conditions will have likely improved.

C. The Burden of Paying for Affordable Housing

The City's Residential Affordable Housing Impact Fee program will not place all of the burden for the creation of affordable housing on new residential construction.

The burden of affordable housing is borne by many sectors of the economy and society. A significant source of affordable housing funding is provided by the federal government in the form of Tax Credits and Tax-Exempt Multifamily Bonds. Additionally, there are other federal grant and loan programs administered by HUD and state programs, which are administered by HCD. Much of the state funding is provided by voter approved bond measures paid for by all Californians.

Local governments play a large role in affordable housing. In addition, private sector lenders play an important role, some voluntarily and others less so with the requirements of the Community Reinvestment Act. Then there is the non-profit sector, both sponsors and developers that build much of the affordable housing.

In summary, all levels of government and many private parties, for profit and non-profit, contribute to supplying affordable housing. Residential developers are not being asked to bear the burden alone, any more than they are assumed to be the only source of demand or cause for needing affordable housing in our communities. Based on past experience, the Residential Affordable Housing Impact Fee program will fund only a small percentage of the affordable housing needed in Placentia.

APPENDIX A

HOUSEHOLD INCOME TABLES

RESIDENTIAL NEXUS ANALYSIS

PLACENTIA, CALIFORNIA

**APPENDIX A - TABLE 1
 PROTOTYPE 1: SINGLE FAMILY
 SALES PRICE TO INCOME RATIO
 RESIDENTIAL NEXUS ANALYSIS
 PLACENTIA, CALIFORNIA**

**Prototype 1
 Single Family**

Sales Price	\$311 /SF	2,350 SF ¹	\$730,000
<u>Mortgage Payment</u>			
Down Payment		20% ²	\$146,000
Loan Amount			\$584,000
Interest Rate			4.80% ³
Term of Mortgage (Years)			<u>30</u>
Annual Mortgage Payment			\$36,800
<u>Other Costs</u>			
Property Taxes	1.09% Sales Price	⁴	\$8,000
HOA Fees / Maintenance	\$100 Per Month	⁵	1,200
Homeowner Insurance	0.20% Sales Price	⁶	<u>1,500</u>
Total Annual Housing Cost			\$47,500
% of Income Spent on Hsg			35% ⁷
Annual Household Income Required			\$136,000
Sales Price to Income Ratio			5.4

Notes

- ¹ Based on KMA market survey.
- ² Based on the Single Family Loan-Level Dataset published by Freddie Mac for loans issued in the 2nd Quarter of 2016.
- ³ Average mortgage interest rate for prior 10 years derived from Freddie Mac Primary Mortgage Market Survey, West Region. Based on weekly average rates for 30-year fixed rate mortgages during the period from 1/2006 through 12/2015.
- ⁴ Property tax rate is inclusive of ad valorem taxes and applicable voter approved rates, fixed charges, and assessments for the jurisdiction indicated. Source: Orange County Treasurer-Tax Collector.
- ⁵ Based on data provided by redfin.com.
- ⁶ Estimated from quotes obtained from Geico Insurance.
- ⁷ Ratio is consistent with Fannie Mae mortgage underwriting eligibility which establishes a debt to income threshold of 36%, above which tighter credit standards apply. A debt to income ration of up to 45% is permitted for borrowers meeting specified credit criteria. Ratio is also consistent with the California Health and Safety Code standard for relating income to housing costs for ownership units. Freddie Mac data on new purchase loans originated in zip codes corresponding to Placentia for the 2nd Quarter of 2016 indicates an average debt to income ratio of 39%. However, most households have other forms of debt such as credit cards, student loans, and auto loans that are included as part of this ratio. Thus, a ratio solely considering housing costs would be lower.

APPENDIX A - TABLE 2
PROTOTYPE 2: CONDOMINIUM
SALES PRICE TO INCOME RATIO
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

			<u>Prototype 2 Condominium</u>
Sales Price	\$333 /SF	1,800 SF ¹	\$600,000
<u>Mortgage Payment</u>			
Down Payment		20% ²	\$120,000
Loan Amount			\$480,000
Interest Rate			4.80% ³
Term of Mortgage (Years)			<u>30</u>
Annual Mortgage Payment			\$30,200
<u>Other Costs</u>			
Property Taxes	1.09% Sales Price	⁴	\$6,540
HOA Fees / Maintenance	\$200 Per Month	⁵	2,400
Homeowner Insurance	0.10% Sales Price	⁶	<u>600</u>
Total Annual Housing Cost			\$39,740
% of Income Spent on Hsg			35% ⁷
Annual Household Income Required			\$114,000
Sales Price to Income Ratio			5.3

Notes

- ¹ Based on KMA market survey.
- ² Based on the Single Family Loan-Level Dataset published by Freddie Mac for loans issued in the 2nd Quarter of 2016.
- ³ Average mortgage interest rate for prior 10 years derived from Freddie Mac Primary Mortgage Market Survey, West Region. Based on weekly average rates for 30-year fixed rate mortgages during the period from 1/2006 through 12/2015.
- ⁴ Property tax rate is inclusive of ad valorem taxes and applicable voter approved rates, fixed charges, and assessments for the jurisdiction indicated. Source: Orange County Treasurer-Tax Collector.
- ⁵ Based on data provided by redfin.com
- ⁶ Estimated from quotes obtained from Geico Insurance.
- ⁷ Ratio is consistent with Fannie Mae mortgage underwriting eligibility which establishes a debt to income threshold of 36%, above which tighter credit standards apply. A debt to income ration of up to 45% is permitted for borrowers meeting specified credit criteria. Ratio is also consistent with the California Health and Safety Code standard for relating income to housing costs for ownership units. Freddie Mac data on new purchase loans originated in zip codes corresponding to Placentia for the 2nd Quarter of 2016 indicates an average debt to income ratio of 39%. However, most households have other forms of debt such as credit cards, student loans, and auto loans that are included as part of this ratio. Thus, a ratio solely considering housing costs would be lower.

**APPENDIX A - TABLE 3
 PROTOTYPE 3: APARTMENT
 SALES PRICE TO INCOME RATIO
 RESIDENTIAL NEXUS ANALYSIS
 PLACENTIA, CALIFORNIA**

			Prototype 3 Apartment
Market Rent			
Monthly	\$2.38 /SF	1,050 SF ¹	\$2,500
Utilities			\$61 ²
Monthly Housing Cost			\$2,561
Annual Housing Cost			\$30,732
% of Income Spent on Rent			30% ³
Annual Household Income Required			\$102,000
Sales Rent to Income Ratio			3.3

Notes

- ¹ Based on KMA market survey.
- ² Based on utility allowances published on 10/1/2016 by the Orange County Housing Authority.
- ³ Renter households are assumed to spend 30% of their income on rent. While landlords may permit rental payments to represent a slightly higher share of total income, 30% represents an average and is reflective of standards in health and safety code.

APPENDIX A - TABLE 4

PERCENT OF INCOME AVAILABLE FOR EXPENDITURES¹

RESIDENTIAL NEXUS ANALYSIS

PLACENTIA, CALIFORNIA

	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Gross Household Income	\$136,000	\$114,000	\$102,000
Gross Income	100%	100%	100%
<u>Less:</u>			
Federal Income Taxes ²	12.2%	12.2%	14.0%
State Income Taxes ³	4.00%	4.00%	4.00%
FICA Tax Rate ⁴	7.65%	7.65%	7.65%
Savings & other deductions ⁵	8%	8%	8%
Percent of Income Available for Expenditures⁶ [Input to IMPLAN model]	68%	68%	66%

Notes:

- 1 Gross income after deduction of taxes and savings. Income available for expenditures is the input to the IMPLAN model which is used to estimate the resulting employment impacts. Housing costs are not deducted as part of this adjustment step because they are addressed separately as expenditures within the IMPLAN model.
- 2 Reflects average tax rates (as opposed to marginal) based on U.S. Internal Revenue Services, Tax Statistics, Tables 1.1 and 2.1 for 2014. Homeowners are assumed to itemize deductions. Tax rates reflect averages for applicable income range.
- 3 Average tax rate estimated by KMA based on marginal rates per the California Franchise Tax Board and ratios of taxable income to gross income estimated based on U.S. Internal Revenue Service data.
- 4 For Social Security and Medicare. Conservatively assumes all income will be subject to Social Security taxes. The current ceiling on applicability of Social Security taxes is \$127,200 (ceiling applies per earner not per household).
- 5 Household savings including retirement accounts like 401k / IRA and other deductions such as interest costs on credit cards, auto loans, etc, necessary to determine the amount of income available for expenditures. The 8% rate used in the analysis for households earning less than \$225,000 is based on the average over the past 20 years computed from U.S. Bureau of Economic Analysis data, specifically the National Income and Product Accounts, Table 2.1 "Personal Income and Its Disposition."
- 6 Deductions from gross income to arrive at the income available for expenditures are consistent with the way the IMPLAN model and National Income and Product Accounts (NIPA) defines income available for personal consumption expenditures. Income taxes, contributions to Social Security and Medicare, and savings are deducted; however, property taxes and sales taxes are not. Housing costs are not deducted as part of the adjustment because they are addressed separately as expenditures within the IMPLAN model.

**APPENDIX A - TABLE 5
FOR SALE PROTOTYPES: INCOME AVAILABLE FOR EXPENDITURE
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA**

		<u>Per Unit</u>	<u>Per Sq.Ft.</u>	<u>100 Unit Building Module</u>
PROTOTYPE 1: SINGLE FAMILY				
Units				100 Units
Building Sq.Ft. (excludes garage)		2,350		235,000
Sales Price		\$730,000	\$311	\$73,000,000
Sales Price to Income Ratio		5.4		5.4
Gross Household Income		\$136,000		\$13,600,000
Income Available for Expenditure ¹	68% of gross	\$92,000		\$9,250,000
PROTOTYPE 2: CONDOMINIUM				
Units				100 Units
Building Sq.Ft. (excludes garage)		1,800		180,000
Sales Price		\$600,000	\$333	\$60,000,000
Sales Price to Income Ratio		5.3		5.3
Gross Household Income		\$114,000		\$11,400,000
Income Available for Expenditure ¹	68% of gross	\$78,000		\$7,750,000

Notes:

¹ Represents net income available for expenditures after income tax, payroll taxes, and savings. See APPENDIX A - TABLE 4 for derivation.

Source: See Appendix A - Tables 1 through 4.

APPENDIX A - TABLE 6
RENTAL PROTOTYPE: INCOME AVAILABLE FOR EXPENDITURE
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

		<u>Per Unit</u>	<u>Per Sq.Ft.</u>	<u>100 Unit Building Module</u>
PROTOTYPE 3: APARTMENT				
Units				100 Units
Building Sq.Ft. (gross)		1,050		105,000
Rent				
Monthly		\$2,500	\$2.38 /SF	\$250,000
Monthly with Utilities		\$2,561		\$256,000
Annual with Utilities		\$30,732		\$3,073,000
Rent to Income Ratio		3.3		3.3
Gross Household Income		\$102,000		\$10,200,000
Income Available for Expenditure ¹	66% of gross	\$67,000		\$6,730,000
Expenditures adjusted for vacancy ²	5% vacancy	\$64,000		\$6,400,000

Notes:

¹ Represents net income available for expenditures after income tax, payroll taxes, and savings. See APPENDIX A - TABLE 4 for derivation

² Allowance to account for standard operational vacancy.

Source: See Appendix A - Tables 1 through 4.

APPENDIX B

RESIDENTIAL NEXUS ANALYSIS TABLES

RESIDENTIAL NEXUS ANALYSIS

PLACENTIA, CALIFORNIA

APPENDIX B - TABLE 1
 IMPLAN MODEL OUTPUT
 EMPLOYMENT GENERATED
 RESIDENTIAL NEXUS ANALYSIS
 PLACENTIA, CALIFORNIA

Per 100 Market Rate Units

	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Household Expenditures (100 Market Rate Units) ¹	\$9,250,000	\$7,750,000	\$6,400,000
Jobs Generated by Industry ²			
Retail - Motor vehicle and parts dealers	0.9	0.8	0.6
Retail - Building material and garden equipment and supplies stores	0.8	0.7	0.6
Retail - Food and beverage stores	2.2	1.8	1.5
Retail - Health and personal care stores	0.8	0.7	0.6
Retail - Clothing and clothing accessories stores	1.1	0.9	0.8
Retail - General merchandise stores	2.3	2.0	1.6
Retail - Miscellaneous store retailers	1.1	0.9	0.7
Retail - Nonstore retailers	<u>1.3</u>	<u>1.1</u>	<u>0.9</u>
Subtotal Retail	10.5	8.8	7.3
Full-service restaurants	4.4	3.7	3.0
Limited-service restaurants	3.8	3.2	2.6
All other food and drinking places	<u>2.1</u>	<u>1.8</u>	<u>1.5</u>
Subtotal Food Services	10.2	8.6	7.1
Offices of dentists	1.0	0.8	0.7
Offices of physicians	2.7	2.3	1.9
Offices of other health practitioners	1.1	1.0	0.8
Home health care services	1.0	0.8	0.7
Hospitals	2.8	2.3	1.9
Nursing and community care facilities	<u>1.2</u>	<u>1.0</u>	<u>0.9</u>
Subtotal Healthcare	9.8	8.2	6.8
Wholesale trade	1.9	1.6	1.3
Other educational services	1.1	0.9	0.8
Automotive repair and maintenance, except car washes	1.2	1.0	0.8
Personal care services	1.6	1.3	1.1
Other personal services	1.2	1.0	0.8
Religious organizations	1.6	1.3	1.1
Private households	0.9	0.7	0.6
Monetary authorities and depository credit intermediation	0.9	0.8	0.6
Nondepository credit intermediation and related activities	0.8	0.6	0.5
Other financial investment activities	2.2	1.9	1.5
Insurance carriers	0.8	0.6	0.5
Insurance agencies, brokerages, and related activities	1.1	0.9	0.8
Funds, trusts, and other financial vehicles	0.8	0.7	0.6
Real estate	2.4	2.0	1.7
Employment services	1.2	1.0	0.8
Services to buildings	1.1	0.9	0.8
Individual and family services	2.5	2.1	1.7
All Other	20.1	16.9	13.9
Total Number of Jobs Generated	73.9	61.9	51.1

¹ Estimated employment generated by expenditures of households within 100 prototypical market rate units. Employment estimates are based on the IMPLAN Group's economic model, IMPLAN, for Orange County. Includes both full- and part-time jobs.

² For Industries representing more than 1% of total employment.

APPENDIX B - TABLE 2

NET NEW HOUSEHOLDS AND OCCUPATION DISTRIBUTION

EMPLOYEE HOUSEHOLDS GENERATED

RESIDENTIAL NEXUS ANALYSIS

PLACENTIA, CALIFORNIA

	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Step 1 - Employees ¹	73.9	61.9	51.1
Step 2 - Adjustment for Changing Industries (15%)	62.8	52.6	43.4
Step 2 - Adjustment for Number of Households (1.82) ²	34.4	28.8	23.8
Step 3 - Occupation Distribution ³			
Management Occupations	4.6%	4.6%	4.6%
Business and Financial Operations	5.8%	5.8%	5.8%
Computer and Mathematical	1.9%	1.9%	1.9%
Architecture and Engineering	0.4%	0.4%	0.4%
Life, Physical, and Social Science	0.3%	0.3%	0.3%
Community and Social Services	2.1%	2.1%	2.1%
Legal	0.7%	0.7%	0.7%
Education, Training, and Library	2.6%	2.6%	2.6%
Arts, Design, Entertainment, Sports, and Media	1.6%	1.6%	1.6%
Healthcare Practitioners and Technical	7.5%	7.5%	7.5%
Healthcare Support	4.2%	4.2%	4.2%
Protective Service	1.1%	1.1%	1.1%
Food Preparation and Serving Related	14.3%	14.3%	14.3%
Building and Grounds Cleaning and Maint.	4.5%	4.5%	4.5%
Personal Care and Service	6.4%	6.4%	6.4%
Sales and Related	13.3%	13.3%	13.3%
Office and Administrative Support	17.3%	17.3%	17.3%
Farming, Fishing, and Forestry	0.1%	0.1%	0.1%
Construction and Extraction	1.0%	1.0%	1.0%
Installation, Maintenance, and Repair	3.5%	3.5%	3.5%
Production	1.7%	1.7%	1.7%
Transportation and Material Moving	<u>5.2%</u>	<u>5.2%</u>	<u>5.2%</u>
Totals	100.0%	100.0%	100.0%
Management Occupations	1.6	1.3	1.1
Business and Financial Operations	2.0	1.7	1.4
Computer and Mathematical	0.7	0.6	0.5
Architecture and Engineering	0.1	0.1	0.1
Life, Physical, and Social Science	0.1	0.1	0.1
Community and Social Services	0.7	0.6	0.5
Legal	0.2	0.2	0.2
Education, Training, and Library	0.9	0.8	0.6
Arts, Design, Entertainment, Sports, and Media	0.6	0.5	0.4
Healthcare Practitioners and Technical	2.6	2.2	1.8
Healthcare Support	1.4	1.2	1.0
Protective Service	0.4	0.3	0.3
Food Preparation and Serving Related	4.9	4.1	3.4
Building and Grounds Cleaning and Maint.	1.5	1.3	1.1
Personal Care and Service	2.2	1.8	1.5
Sales and Related	4.6	3.8	3.2
Office and Administrative Support	6.0	5.0	4.1
Farming, Fishing, and Forestry	0.0	0.0	0.0
Construction and Extraction	0.4	0.3	0.2
Installation, Maintenance, and Repair	1.2	1.0	0.8
Production	0.6	0.5	0.4
Transportation and Material Moving	<u>1.8</u>	<u>1.5</u>	<u>1.2</u>
Totals	34.4	28.8	23.8

Notes:

¹ Estimated employment generated by expenditures of households within 100 prototypical market rate units. Employment estimates based on economic model, IMPLAN.

² Adjustment from number of workers to households using average of 1.82 workers per worker household derived from the U.S. Census American Community Survey 2011 to 2013.

³ See Appendix C for additional information on Major Occupation Categories.

APPENDIX B - TABLE 3
EXTREMELY LOW INCOME EMPLOYEE HOUSEHOLDS¹ GENERATED
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

Per 100 Market Rate Units

	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Step 5 & 6 - Extremely Low Income Households (under 30% AMI) within Major Occupation Categories ²			
Management	0.00	0.00	0.00
Business and Financial Operations	-	-	-
Computer and Mathematical	-	-	-
Architecture and Engineering	-	-	-
Life, Physical and Social Science	-	-	-
Community and Social Services	0.03	0.03	0.02
Legal	-	-	-
Education Training and Library	0.08	0.07	0.06
Arts, Design, Entertainment, Sports, & Media	-	-	-
Healthcare Practitioners and Technical	0.01	0.01	0.01
Healthcare Support	0.18	0.15	0.13
Protective Service	-	-	-
Food Preparation and Serving Related	1.34	1.12	0.93
Building Grounds and Maintenance	0.33	0.28	0.23
Personal Care and Service	0.54	0.46	0.38
Sales and Related	0.94	0.79	0.65
Office and Admin	0.47	0.39	0.32
Farm, Fishing, and Forestry	-	-	-
Construction and Extraction	-	-	-
Installation Maintenance and Repair	0.04	0.03	0.02
Production	-	-	-
Transportation and Material Moving	0.33	0.28	0.23
EL Income Households - Major Occupations	4.30	3.61	2.98
EL Households¹ - all other occupations	0.52	0.44	0.36
Total EL Households¹	4.83	4.04	3.34

¹Includes households earning from zero through 30% of Orange County Area Median Income.

²See Appendix C Table 1 for additional information on Major Occupation Categories. Note that the model places individual employees into households. Many households have multiple income sources and therefore household income is higher than the wages shown in Appendix C Table 2. The distribution of the number of workers per worker household and the distribution of household size are based on American Community Survey data.

APPENDIX B - TABLE 4
VERY-LOW INCOME EMPLOYEE HOUSEHOLDS¹ GENERATED
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

Per 100 Market Rate Units

	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Step 5 & 6 - Very-Low Income Households (greater than 30% but not exceeding 50% AMI) within Major Occupation Categories ²			
Management	0.02	0.01	0.01
Business and Financial Operations	0.06	0.05	0.04
Computer and Mathematical	-	-	-
Architecture and Engineering	-	-	-
Life, Physical and Social Science	-	-	-
Community and Social Services	0.15	0.12	0.10
Legal	-	-	-
Education Training and Library	0.22	0.18	0.15
Arts, Design, Entertainment, Sports, & Media	-	-	-
Healthcare Practitioners and Technical	0.07	0.06	0.05
Healthcare Support	0.49	0.41	0.34
Protective Service	-	-	-
Food Preparation and Serving Related	1.60	1.34	1.10
Building Grounds and Maintenance	0.54	0.45	0.37
Personal Care and Service	0.73	0.61	0.51
Sales and Related	1.38	1.16	0.95
Office and Admin	1.64	1.37	1.13
Farm, Fishing, and Forestry	-	-	-
Construction and Extraction	-	-	-
Installation Maintenance and Repair	0.22	0.18	0.15
Production	-	-	-
Transportation and Material Moving	0.58	0.48	0.40
Very Low Income Households - Major Occupations	7.68	6.43	5.31
VL Households¹ - all other occupations	0.93	0.78	0.64
Total VL Households¹	8.61	7.21	5.96

¹ Includes households earning from 30% through 50% of Orange County Area Median Income.

² See Appendix C Table 1 for additional information on Major Occupation Categories. Note that the model places individual employees into households. Many households have multiple income sources and therefore household income is higher than the wages shown in Appendix C Tables 2. The distribution of the number of workers per worker household and the distribution of household size are based on American Community Survey data.

APPENDIX B - TABLE 5
LOW INCOME EMPLOYEE HOUSEHOLDS¹ GENERATED
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

Per 100 Market Rate Units

	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Step 5 & 6 - Low Income Households (greater than 50% but not exceeding 80% AMI) within Major Occupation Categories ²			
Management	0.12	0.10	0.08
Business and Financial Operations	0.34	0.28	0.24
Computer and Mathematical	-	-	-
Architecture and Engineering	-	-	-
Life, Physical and Social Science	-	-	-
Community and Social Services	0.21	0.18	0.14
Legal	-	-	-
Education Training and Library	0.27	0.23	0.19
Arts, Design, Entertainment, Sports, & Media	-	-	-
Healthcare Practitioners and Technical	0.31	0.26	0.21
Healthcare Support	0.50	0.42	0.34
Protective Service	-	-	-
Food Preparation and Serving Related	1.57	1.32	1.09
Building Grounds and Maintenance	0.51	0.43	0.35
Personal Care and Service	0.72	0.60	0.50
Sales and Related	1.34	1.12	0.93
Office and Admin	1.98	1.66	1.37
Farm, Fishing, and Forestry	-	-	-
Construction and Extraction	-	-	-
Installation Maintenance and Repair	0.37	0.31	0.26
Production	-	-	-
Transportation and Material Moving	0.59	0.50	0.41
Low Income Households - Major Occupations	8.83	7.40	6.11
Low Households¹ - all other occupations	1.07	0.90	0.74
Total Low Households¹	9.90	8.30	6.85

¹Includes households earning from 50% through 80% of Orange County Area Median Income.

²See Appendix C Table 1 for additional information on Major Occupation Categories. Note that the model places individual employees into households. Many households have multiple income sources and therefore household income is higher than the wages shown in Appendix C Table 2. The distribution of the number of workers per worker household and the distribution of household size are based on American Community Survey data.

APPENDIX B - TABLE 6
MODERATE INCOME EMPLOYEE HOUSEHOLDS¹ GENERATED
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

Per 100 Market Rate Units

	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Step 5 & 6 - Moderate Income Households (greater than 80% but not exceeding 120% AMI) within Major Occupation Categories ²			
Management	0.13	0.11	0.09
Business and Financial Operations	0.26	0.22	0.18
Computer and Mathematical	-	-	-
Architecture and Engineering	-	-	-
Life, Physical and Social Science	-	-	-
Community and Social Services	0.11	0.09	0.08
Legal	-	-	-
Education Training and Library	0.12	0.10	0.08
Arts, Design, Entertainment, Sports, & Media	-	-	-
Healthcare Practitioners and Technical	0.33	0.27	0.23
Healthcare Support	0.15	0.13	0.11
Protective Service	-	-	-
Food Preparation and Serving Related	0.21	0.18	0.15
Building Grounds and Maintenance	0.10	0.09	0.07
Personal Care and Service	0.10	0.08	0.07
Sales and Related	0.34	0.29	0.24
Office and Admin	0.82	0.69	0.57
Farm, Fishing, and Forestry	-	-	-
Construction and Extraction	-	-	-
Installation Maintenance and Repair	0.19	0.16	0.13
Production	-	-	-
Transportation and Material Moving	0.15	0.12	0.10
Low Income Households - Major Occupations	3.01	2.53	2.09
Low Households¹ - all other occupations	0.37	0.31	0.25
Total Low Households¹	3.38	2.83	2.34

¹ Includes households earning from 80% through 120% of Orange County Area Median Income.

² See Appendix C Table 1 for additional information on Major Occupation Categories. Note that the model places individual employees into households. Many households have multiple income sources and therefore household income is higher than the wages shown in Appendix C Table 2. The distribution of the number of workers per worker household and the distribution of household size are based on American Community Survey data.

**APPENDIX B - TABLE 7
IMPACT ANALYSIS SUMMARY
EMPLOYEE HOUSEHOLDS GENERATED
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA**

**RESIDENTIAL UNIT DEMAND IMPACTS
PER 100 MARKET RATE UNITS**

Number of New Households¹	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Under 30% Area Median Income	4.8	4.0	3.3
30% to 50% Area Median Income	8.6	7.2	6.0
50% to 80% Area Median Income	9.9	8.3	6.9
80% to 120% Area Median Income	3.4	2.8	2.3
Subtotal through 80% of Median	26.7	22.4	18.5
Above 120% Area Median Income	7.7	6.5	5.3
Total Employee Households	34.4	28.8	23.8
Percent of New Households¹			
Under 30% Area Median Income	14%	14%	14%
30% to 50% Area Median Income	25%	25%	25%
50% to 80% Area Median Income	29%	29%	29%
80% to 120% Area Median Income	10%	10%	10%
Subtotal through 80% of Median	78%	78%	78%
Above 120% Area Median Income	22%	22%	22%
Total Employee Households	100%	100%	100%

Notes

¹ Households of healthcare, retail, and other workers that serve residents of new market rate units.

**APPENDIX B - TABLE 8
IMPACT ANALYSIS SUMMARY PER UNIT
EMPLOYEE HOUSEHOLDS GENERATED
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA**

RESIDENTIAL UNIT DEMAND IMPACTS

PER MARKET RATE UNIT

Number of New Households¹	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Under 30% Area Median Income	0.05	0.04	0.03
30% to 50% Area Median Income	0.09	0.07	0.06
50% to 80% Area Median Income	0.10	0.08	0.07
80% to 120% Area Median Income	0.03	0.03	0.02
Subtotal through 80% of Median	0.27	0.22	0.18
Over 120% Area Median Income	0.08	0.06	0.05
Total Employee Households	0.34	0.29	0.24

Notes

¹ Households of retail, education, healthcare and other workers that serve residents of new market rate units.

APPENDIX B - TABLE 9
SUPPORTED FEE / NEXUS SUMMARY PER SQUARE FOOT
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

TOTAL NEXUS COST PER SQUARE FOOT¹

	Affordability Gap Per Unit	Nexus Cost Per Square Foot ⁴		
		Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
	Avg. Unit Size (SF)	2,350 SF	1,800 SF	1,050 SF
Household Income Level				
Under 30% Area Median Income	\$257,400 ²	\$5.30	\$5.80	\$8.20
30% to 50% Area Median Income	\$184,800 ²	\$6.80	\$7.40	\$10.50
50% to 80% Area Median Income	\$117,500 ³	\$5.00	\$5.40	\$7.70
80% to 120% Area Median Income	\$103,800 ³	\$1.50	\$1.60	\$2.30
Total Supported Fee / Nexus		\$18.60	\$20.20	\$28.70

TOTAL NEXUS COST PER MARKET RATE UNIT

	Nexus Cost Per Market Rate Unit		
	Prototype 1: Single Family	Prototype 2: Condominium	Prototype 3: Apartment
Under 30% Area Median Income	\$12,400	\$10,400	\$8,600
30% to 50% Area Median Income	\$15,900	\$13,300	\$11,000
50% to 80% Area Median Income	\$11,600	\$9,800	\$8,100
80% to 120% Area Median Income	\$3,500	\$2,900	\$2,400
Total Supported Fee / Nexus	\$43,400	\$36,400	\$30,100

Notes:

¹ Nexus cost per square foot computed by multiplying affordable unit demand from APPENDIX B - TABLE 8 by the affordability gap and then dividing by the average unit size.

² Assumes affordable rental units. Affordability gaps represent the remaining affordability gap after tax credit financing.

³ Assumes affordable rental units. Affordability gaps represent the unleveraged affordability gap.

APPENDIX C
OCCUPATION AND COMPENSATION TABLES
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

**APPENDIX C - TABLE 1
 WORKER OCCUPATION DISTRIBUTION, 2016
 SERVICES TO HOUSEHOLDS EARNING \$100,000 TO \$150,000
 RESIDENTIAL NEXUS ANALYSIS
 PLACENTIA, CALIFORNIA**

Major Occupations (2% or more)	Worker Occupation Distribution¹ Services to Households Earning \$100,000 to \$150,000
Management Occupations	4.5%
Business and Financial Operations Occupations	5.7%
Community and Social Service Occupations	2.0%
Education, Training, and Library Occupations	2.6%
Healthcare Practitioners and Technical Occupations	7.3%
Healthcare Support Occupations	4.1%
Food Preparation and Serving Related Occupations	13.9%
Building and Grounds Cleaning and Maintenance Occupations	4.4%
Personal Care and Service Occupations	6.2%
Sales and Related Occupations	13.0%
Office and Administrative Support Occupations	16.9%
Installation, Maintenance, and Repair Occupations	3.4%
Transportation and Material Moving Occupations	5.1%
All Other Worker Occupations - Services to Households Earning \$100,000 to \$150,000	<u>10.8%</u>
INDUSTRY TOTAL	100.0%

¹ Distribution of employment by industry is per the IMPLAN model and the distribution of occupational employment within those industries is based on the Bureau of Labor Statistics Occupational Employment Survey.

APPENDIX C - TABLE 2
AVERAGE ANNUAL WORKER COMPENSATION, 2016
SERVICES TO HOUSEHOLDS EARNING \$100,000 TO \$150,000
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

Occupation ³	2016 Avg. Compensation ¹	% of Total Occupation Group ²	% of Total No. of Service Workers
<i>Page 1 of 4</i>			
<i>Management Occupations</i>			
Chief Executives	\$236,100	3.1%	0.1%
General and Operations Managers	\$149,300	35.3%	1.6%
Sales Managers	\$135,500	4.8%	0.2%
Administrative Services Managers	\$114,900	3.6%	0.2%
Computer and Information Systems Managers	\$145,700	3.6%	0.2%
Financial Managers	\$146,300	10.4%	0.5%
Food Service Managers	\$57,600	4.7%	0.2%
Medical and Health Services Managers	\$107,200	5.9%	0.3%
Property, Real Estate, and Community Association Managers	\$76,800	7.0%	0.3%
Managers, All Other	\$132,800	3.7%	0.2%
All other Management Occupations (Avg. All Categories)	<u>\$134,500</u>	<u>18.0%</u>	<u>0.8%</u>
	Weighted Mean Annual Wage	\$134,500	100.0%
<i>Business and Financial Operations Occupations</i>			
Claims Adjusters, Examiners, and Investigators	\$77,400	4.8%	0.3%
Human Resources Specialists	\$76,100	4.8%	0.3%
Management Analysts	\$95,900	6.2%	0.3%
Training and Development Specialists	\$69,300	3.1%	0.2%
Market Research Analysts and Marketing Specialists	\$72,900	7.2%	0.4%
Business Operations Specialists, All Other	\$82,700	8.1%	0.5%
Accountants and Auditors	\$79,900	17.4%	1.0%
Financial Analysts	\$98,100	8.6%	0.5%
Personal Financial Advisors	\$126,700	11.9%	0.7%
Loan Officers	\$81,400	5.1%	0.3%
All Other Business and Financial Operations Occupations (Avg. All Categories)	<u>\$89,300</u>	<u>22.8%</u>	<u>1.3%</u>
	Weighted Mean Annual Wage	\$89,300	100.0%

APPENDIX C - TABLE 2
 AVERAGE ANNUAL WORKER COMPENSATION, 2016
 SERVICES TO HOUSEHOLDS EARNING \$100,000 TO \$150,000
 RESIDENTIAL NEXUS ANALYSIS
 PLACENTIA, CALIFORNIA

Occupation ³	2016 Avg. Compensation ¹	% of Total Occupation Group ²	% of Total No. of Service Workers
<i>Page 2 of 4</i>			
<i>Community and Social Service Occupations</i>			
Substance Abuse and Behavioral Disorder Counselors	\$37,900	4.0%	0.1%
Educational, Guidance, School, and Vocational Counselors	\$60,300	4.2%	0.1%
Mental Health Counselors	\$46,900	7.5%	0.2%
Rehabilitation Counselors	\$33,800	4.5%	0.1%
Child, Family, and School Social Workers	\$57,400	10.7%	0.2%
Healthcare Social Workers	\$78,200	6.7%	0.1%
Mental Health and Substance Abuse Social Workers	\$70,200	5.2%	0.1%
Social and Human Service Assistants	\$37,300	17.7%	0.4%
Community and Social Service Specialists, All Other	\$57,800	3.5%	0.1%
Clergy	\$63,500	13.9%	0.3%
Directors, Religious Activities and Education	\$46,500	8.5%	0.2%
Religious Workers, All Other	\$55,000	3.1%	0.1%
All Other Community and Social Service Occupations (Avg. All Categories)	<u>\$52,800</u>	<u>10.3%</u>	<u>0.2%</u>
	Weighted Mean Annual Wage	\$52,800	100.0%
<i>Education, Training, and Library Occupations</i>			
Vocational Education Teachers, Postsecondary	\$62,800	4.3%	0.1%
Preschool Teachers, Except Special Education	\$34,100	15.5%	0.4%
Elementary School Teachers, Except Special Education	\$79,100	6.6%	0.2%
Secondary School Teachers, Except Special and Career/Technical Education	\$85,500	4.1%	0.1%
Self-Enrichment Education Teachers	\$45,500	15.4%	0.4%
Teachers and Instructors, All Other, Except Substitute Teachers	\$34,700	8.8%	0.2%
Substitute Teachers	\$38,000	3.8%	0.1%
Teacher Assistants	\$37,100	14.5%	0.4%
All Other Education, Training, and Library Occupations (Avg. All Categories)	<u>\$46,000</u>	<u>26.9%</u>	<u>0.7%</u>
	Weighted Mean Annual Wage	\$46,000	100.0%
<i>Healthcare Practitioners and Technical Occupations</i>			
Pharmacists	\$137,000	3.7%	0.3%
Physicians and Surgeons, All Other	\$209,500	4.5%	0.3%
Physical Therapists	\$99,000	3.4%	0.3%
Registered Nurses	\$89,900	27.6%	2.0%
Dental Hygienists	\$95,400	4.0%	0.3%
Pharmacy Technicians	\$36,500	5.2%	0.4%
Licensed Practical and Licensed Vocational Nurses	\$53,100	7.5%	0.6%
All Other Healthcare Practitioners and Technical Occupations (Avg. All Categories)	<u>\$93,600</u>	<u>44.1%</u>	<u>3.2%</u>
	Weighted Mean Annual Wage	\$93,600	100.0%

APPENDIX C - TABLE 2

AVERAGE ANNUAL WORKER COMPENSATION, 2016

SERVICES TO HOUSEHOLDS EARNING \$100,000 TO \$150,000

RESIDENTIAL NEXUS ANALYSIS

PLACENTIA, CALIFORNIA

Occupation ³	2016 Avg. Compensation ¹	% of Total Occupation Group ²	% of Total No. of Service Workers
<i>Page 3 of 4</i>			
<i>Healthcare Support Occupations</i>			
Home Health Aides	\$31,200	21.2%	0.9%
Nursing Assistants	\$30,500	24.4%	1.0%
Massage Therapists	\$40,000	5.1%	0.2%
Dental Assistants	\$37,500	11.1%	0.5%
Medical Assistants	\$35,300	19.3%	0.8%
Veterinary Assistants and Laboratory Animal Caretakers	\$28,200	3.3%	0.1%
Phlebotomists	\$40,700	3.0%	0.1%
All Other Healthcare Support Occupations (Avg. All Categories)	<u>\$33,400</u>	<u>12.5%</u>	<u>0.5%</u>
	Weighted Mean Annual Wage	\$33,400	100.0%
<i>Food Preparation and Serving Related Occupations</i>			
First-Line Supervisors of Food Preparation and Serving Workers	\$37,100	6.9%	1.0%
Cooks, Fast Food	\$23,800	3.9%	0.5%
Cooks, Restaurant	\$29,900	9.0%	1.3%
Food Preparation Workers	\$25,600	6.3%	0.9%
Bartenders	\$30,300	6.6%	0.9%
Combined Food Preparation and Serving Workers, Including Fast Food	\$23,800	26.1%	3.6%
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	\$26,300	3.6%	0.5%
Waiters and Waitresses	\$30,700	19.6%	2.7%
Dishwashers	\$23,200	4.0%	0.6%
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	\$23,800	3.1%	0.4%
All Other Food Preparation and Serving Related Occupations (Avg. All Categories)	<u>\$27,600</u>	<u>10.9%</u>	<u>1.5%</u>
	Weighted Mean Annual Wage	\$27,600	100.0%
<i>Building and Grounds Cleaning and Maintenance Occupations</i>			
First-Line Supervisors of Landscaping, Lawn Service, and Groundskeeping Workers	\$53,100	3.6%	0.2%
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	\$29,100	45.5%	2.0%
Maids and Housekeeping Cleaners	\$25,900	10.4%	0.5%
Landscaping and Groundskeeping Workers	\$30,100	31.9%	1.4%
All Other Building and Grounds Cleaning and Maintenance Occupations (Avg. All Categories)	<u>\$30,000</u>	<u>8.7%</u>	<u>0.4%</u>
	Weighted Mean Annual Wage	\$30,000	100.0%

APPENDIX C - TABLE 2

AVERAGE ANNUAL WORKER COMPENSATION, 2016
 SERVICES TO HOUSEHOLDS EARNING \$100,000 TO \$150,000
 RESIDENTIAL NEXUS ANALYSIS
 PLACENTIA, CALIFORNIA

Occupation ³	2016 Avg. Compensation ¹	% of Total Occupation Group ²	% of Total No. of Service Workers
Page 4 of 4			
<i>Personal Care and Service Occupations</i>			
First-Line Supervisors of Personal Service Workers	\$41,700	3.9%	0.2%
Nonfarm Animal Caretakers	\$29,900	8.3%	0.5%
Amusement and Recreation Attendants	\$23,100	3.4%	0.2%
Hairdressers, Hairstylists, and Cosmetologists	\$32,700	16.5%	1.0%
Manicurists and Pedicurists	\$25,000	4.4%	0.3%
Childcare Workers	\$27,900	8.7%	0.5%
Personal Care Aides	\$24,300	31.7%	2.0%
Fitness Trainers and Aerobics Instructors	\$52,100	6.2%	0.4%
Recreation Workers	\$28,700	4.0%	0.3%
All Other Personal Care and Service Occupations (Avg. All Categories)	<u>\$29,700</u>	<u>12.7%</u>	<u>0.8%</u>
	Weighted Mean Annual Wage	\$29,700	100.0%
<i>Sales and Related Occupations</i>			
First-Line Supervisors of Retail Sales Workers	\$45,000	8.7%	1.1%
Cashiers	\$24,900	25.3%	3.3%
Counter and Rental Clerks	\$33,300	3.8%	0.5%
Retail Salespersons	\$31,200	35.2%	4.6%
Insurance Sales Agents	\$83,200	3.8%	0.5%
Securities, Commodities, and Financial Services Sales Agents	\$84,200	3.8%	0.5%
Sales Representatives, Services, All Other	\$65,700	5.0%	0.6%
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	\$65,500	4.3%	0.6%
All Other Sales and Related Occupations (Avg. All Categories)	<u>\$38,800</u>	<u>10.1%</u>	<u>1.3%</u>
	Weighted Mean Annual Wage	\$38,800	100.0%
<i>Office and Administrative Support Occupations</i>			
First-Line Supervisors of Office and Administrative Support Workers	\$63,900	6.8%	1.1%
Bookkeeping, Accounting, and Auditing Clerks	\$48,000	7.3%	1.2%
Customer Service Representatives	\$41,000	12.6%	2.1%
Receptionists and Information Clerks	\$33,700	7.9%	1.3%
Stock Clerks and Order Fillers	\$27,900	9.8%	1.7%
Medical Secretaries	\$36,900	3.9%	0.7%
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	\$41,400	11.1%	1.9%
Office Clerks, General	\$34,100	13.4%	2.3%
All Other Office and Administrative Support Occupations (Avg. All Categories)	<u>\$39,800</u>	<u>27.2%</u>	<u>4.6%</u>
	Weighted Mean Annual Wage	\$39,800	100.0%

APPENDIX C - TABLE 2

AVERAGE ANNUAL WORKER COMPENSATION, 2016

SERVICES TO HOUSEHOLDS EARNING \$100,000 TO \$150,000

RESIDENTIAL NEXUS ANALYSIS

PLACENTIA, CALIFORNIA

Occupation ³	2016 Avg. Compensation ¹	% of Total Occupation Group ²	% of Total No. of Service Workers
<i>Page 5 of 5</i>			
<i>Installation, Maintenance, and Repair Occupations</i>			
First-Line Supervisors of Mechanics, Installers, and Repairers	\$75,400	7.7%	0.3%
Automotive Body and Related Repairers	\$53,500	6.9%	0.2%
Automotive Service Technicians and Mechanics	\$55,500	20.9%	0.7%
Bus and Truck Mechanics and Diesel Engine Specialists	\$52,300	3.4%	0.1%
Maintenance and Repair Workers, General	\$42,700	30.5%	1.0%
All Other Installation, Maintenance, and Repair Occupations (Avg. All Categories)	<u>\$51,700</u>	<u>30.5%</u>	<u>1.0%</u>
Weighted Mean Annual Wage	\$51,700	100.0%	3.4%
<i>Transportation and Material Moving Occupations</i>			
Bus Drivers, School or Special Client	\$37,500	4.2%	0.2%
Driver/Sales Workers	\$36,300	7.6%	0.4%
Heavy and Tractor-Trailer Truck Drivers	\$44,700	11.2%	0.6%
Light Truck or Delivery Services Drivers	\$38,000	10.4%	0.5%
Parking Lot Attendants	\$25,000	9.4%	0.5%
Industrial Truck and Tractor Operators	\$35,600	3.3%	0.2%
Cleaners of Vehicles and Equipment	\$25,900	7.8%	0.4%
Laborers and Freight, Stock, and Material Movers, Hand	\$27,800	21.2%	1.1%
Packers and Packagers, Hand	\$26,500	7.2%	0.4%
All Other Transportation and Material Moving Occupations (Avg. All Categories)	<u>\$32,400</u>	<u>17.7%</u>	<u>0.9%</u>
Weighted Mean Annual Wage	\$32,400	100.0%	5.1%
			89.2%

¹ The methodology utilized by the California Employment Development Department (EDD) assumes that hourly paid employees are employed full-time. Annual compensation is calculated by EDD by multiplying hourly wages by 40 hours per work week by 52 weeks.

² Occupation percentages are based on the 2016 National Industry - Specific Occupational Employment survey compiled by the Bureau of Labor Statistics. Wages are based on the 2016 Occupational Employment Survey data applicable to Orange County, updated by the California Employment Development Department to 2017 wage levels.

³ Including occupations representing 3% or more of the major occupation group

APPENDIX D
AFFORDABILITY GAP ANALYSIS
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

APPENDIX D - EXHIBIT 1

**ESTIMATED DEVELOPMENT COSTS
RENTAL AFFORDABILITY GAP SCENARIOS
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA**

APPENDIX D - EXHIBIT 1 - TABLE 1

ESTIMATED DEVELOPMENT COSTS
 RENTAL AFFORDABILITY GAP SCENARIOS
 NEXUS AFFORDABILITY GAP ANALYSIS
 PLACENTIA, CALIFORNIA

I.	Land Acquisition Costs	¹	87,120 Sf Land	\$40 /Sf Land		\$3,485,000
II.	Direct Costs					
	Off-Site Improvements					\$100,000
	On-Site Improvements		87,120 Sf Land	\$20 /Sf Land		1,742,000
	Surface Parking Spaces	²	100 Spaces	\$5,000 /Space		500,000
	Building Costs		45,000 Sf GBA	\$130 /Sf GBA		5,850,000
	Contractor Costs	³	20% of Other Direct Costs			1,618,000
	Total Direct Costs		45,000 Sf GBA	\$218 /Sf GBA		\$9,810,000
III.	Indirect Costs					
	Architecture, Engineering, & Consulting		6.00% of Direct Costs			\$589,000
	Public Permits & Fees	⁴	50 Units	\$21,000 /Unit		1,050,000
	Taxes, Insurance Legal & Accounting		3.00% of Direct Costs			294,000
	Development Management		4.00% of Direct Costs			392,000
	Contingency Allowance		5.00% of Other Indirect Costs			116,000
	Total Indirect Costs					\$2,441,000
IV.	Financing Costs					
	Land Carrying Costs	⁵	\$3,485,000 Financed	5.50% Interest		\$335,000
	Interest During Construction	⁶	\$14,054,000 Financed	5.50% Interest		889,000
	Financing Fees					
	Construction Loan		\$14,054,000 Financed	2.50 Points		351,000
	Permanent Loan		\$9,135,000 Financed	2.50 Points		228,000
	Total Financing Costs					\$1,803,000
V.	Total Development Costs		50 Units	\$350,800 /Unit		\$17,539,000

¹ Estimated based on a survey of recent land sales.

² The parking count is based on the assumption that the project applies for and receives a SB1818 density bonus.

³ Includes contractors' fees, general requirements, builder's risk insurance and a direct cost contingency allowance.

⁴ Based on City's current fee schedule.

⁵ Based on an 18-month construction period and a 3-month absorption period with a 100% average outstanding balance.

⁶ Based on an 18-month construction period with a 60% average outstanding balance and a 3-month absorption period with a 100% average outstanding balance.

APPENDIX D - EXHIBIT 2

**RENTAL AFFORDABILITY GAP SCENARIOS
RENTS @ 30% TCAC MEDIAN
4% TAX CREDIT SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA**

APPENDIX D - EXHIBIT 2 - TABLE 1

**STABILIZED NET OPERATING INCOME
RENTS @ 30% TCAC MEDIAN
4% TAX CREDIT SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA**

I. Rent @ 30% TCAC MEDIAN	¹			
One-Bedroom Units		15 Units	\$535 /Unit/Month	\$96,300
Two-Bedroom Units		20 Units	\$643 /Unit/Month	154,300
Three-Bedroom Units		15 Units	\$717 /Unit/Month	<u>129,100</u>
Gross Rent Income				\$379,700
Laundry and Miscellaneous Income		50 Units	\$10 /Unit/Month	6,000
Gross Income	²			\$385,700
(Less) Vacancy and Collection		5% Gross Residential Income		<u>(19,300)</u>
Effective Gross Income				\$366,400
II. Operating Expenses		50 Units	\$5,500 /Unit/Year	\$275,000
III. Stabilized Net Operating Income				\$91,400

¹ The affordable rents are based on 2017 rents published by TCAC, and assume the deduction of the Orange County Housing Authority utility allowance as of 10/1/2016.

² Assumes the project will apply for a property tax exemption accorded to non-profit housing organizations for units rented to households earning less than 80% of the Area Median Income.

APPENDIX D - EXHIBIT 2 - TABLE 2

ESTIMATED AFFORDABILITY GAP
RENTS @ 30% TCAC MEDIAN
4% TAX CREDIT SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA

I. Available Outside Funding Sources

A. Tax-Exempt Bond Financing ¹

Stabilized Net Operating Income	\$91,400	(See APPENDIX D - EXHIBIT 2 - TABLE 1)
Income Available for Mortgage	1.20 DCR	\$76,167 Debt Service
Interest Rate	6.5% Interest	7.58% Mortgage Constant

Total Tax-Exempt Bond Financing **\$1,004,000**

B. Tax Credit Equity ²

\$5,773,000

Total Outside Funding Sources **\$6,777,000**

II. Affordability Gap Calculation

Total Outside Funding Sources \$6,777,000

Less:

Total Development Costs (17,539,000)

Additional Developer Fee ³ (2,108,000)

Total Affordability Gap	50 Units	(\$257,400) /Unit	(\$12,870,000)
	45,000 Sf GBA	(\$286) /Sf	

¹ Assumes a 30-year amortization period.

² Assumes a 3.24% tax credit rate, a 130% difficult to develop premium, and a \$0.94 tax credit equity rate.

³ Equal to the \$2,500,000 maximum amount allowed by the tax credit qualified allocation plan minus the \$392,000 Developer Fee included in the Total Development Costs.

APPENDIX D - EXHIBIT 3

**RENTAL AFFORDABILITY GAP SCENARIOS
RENTS @ 50% TCAC MEDIAN
4% TAX CREDIT SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA**

APPENDIX D - EXHIBIT 3 - TABLE 1

STABILIZED NET OPERATING INCOME
RENTS @ 50% TCAC MEDIAN
4% TAX CREDIT SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA

I.	Rent @ 50% TCAC MEDIAN	¹			
	One-Bedroom Units		15 Units	\$926 /Unit/Month	\$166,700
	Two-Bedroom Units		20 Units	\$1,112 /Unit/Month	266,900
	Three-Bedroom Units		15 Units	\$1,260 /Unit/Month	226,800
	Gross Rent Income				\$660,400
	Laundry and Miscellaneous Income		50 Units	\$10 /Unit/Month	6,000
	Gross Income				\$666,400
	(Less) Vacancy and Collection		5% Gross Income		(33,300)
	Effective Gross Income				\$633,100
II.	Operating Expenses	²	50 Units	\$5,500 /Unit/Year	\$275,000
III.	Stabilized Net Operating Income				\$358,100

¹ The affordable rents are based on 2017 rents published by TCAC, and assume the deduction of the Orange County Housing Authority utility allowance as of 10/1/2016.

² Assumes the project will apply for a property tax exemption accorded to non-profit housing organizations for units rented to households earning less than 80% of the Area Median Income.

APPENDIX D - EXHIBIT 3 - TABLE 2

ESTIMATED AFFORDABILITY GAP
RENTS @ 50% TCAC MEDIAN
4% TAX CREDIT SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA

I. Available Outside Funding Sources			
A. Tax-Exempt Bond Financing ¹			
Stabilized Net Operating Income	\$358,100	(See APPENDIX D - EXHIBIT 3 - TABLE 1)	
Income Available for Mortgage	1.20 DCR	\$298,417 Debt Service	
Interest Rate	5.0% Interest	6.44% Mortgage Constant	
Total Tax-Exempt Bond Financing			\$4,632,000
B. Tax Credit Equity ²			
			\$5,773,000
Total Outside Funding Sources			\$10,405,000
II. Affordability Gap Calculation			
Total Outside Funding Sources			\$10,405,000
Less:			
Total Development Costs			(17,539,000)
Additional Developer Fee ³			(2,108,000)
Total Affordability Gap			(\$9,242,000)
	50 Units	(\$184,800) /Unit	
	45,000 Sf GBA	(\$205) /Sf	

¹ Assumes a 30-year amortization period.

² Assumes a 3.24% tax credit rate, a 130% difficult-to-develop premium, and a \$0.94 tax credit equity rate.

³ Equal to the \$2,500,000 maximum amount allowed by the tax credit qualified allocation plan minus the \$392,000 Developer Fee included in the Total Development Costs.

APPENDIX D - EXHIBIT 4

**RENTAL AFFORDABILITY GAP SCENARIOS
RENTS @ 60% TCAC MEDIAN
4% TAX CREDIT SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA**

APPENDIX D - EXHIBIT 4 - TABLE 1

STABILIZED NET OPERATING INCOME
RENTS @ 60% TCAC MEDIAN
4% TAX CREDIT SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA

I.	<u>Rent @ 60% TCAC MEDIAN</u>	1			
	One-Bedroom Units		15 Units	\$1,122 /Unit/Month	\$202,000
	Two-Bedroom Units		20 Units	\$1,347 /Unit/Month	323,300
	Three-Bedroom Units		15 Units	\$1,531 /Unit/Month	<u>275,600</u>
	Gross Rent Income				\$800,900
	Laundry and Miscellaneous Income		50 Units	\$10 /Unit/Month	6,000
	Gross Income				\$806,900
	(Less) Vacancy and Collection		5% Gross Income		<u>(40,300)</u>
	Effective Gross Income				\$766,600
II.	Operating Expenses	2	50 Units	\$5,500 /Unit/Year	\$275,000
III.	Stabilized Net Operating Income				\$491,600

¹ The affordable rents are based on 2017 rents published by TCAC, and assume the deduction of the Orange County Housing Authority utility allowance as of 10/1/2016.

² Assumes the project will apply for a property tax exemption accorded to non-profit housing organizations for units rented to households earning less than 80% of the Area Median Income.

APPENDIX D - EXHIBIT 4 - TABLE 2

ESTIMATED AFFORDABILITY GAP
RENTS @ 60% TCAC MEDIAN
4% TAX CREDIT SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA

I. Available Outside Funding Sources			
A. Tax-Exempt Bond Financing ¹			
Stabilized Net Operating Income	\$491,600	(See APPENDIX D - EXHIBIT 4 - TABLE 1)	
Income Available for Mortgage	1.20 DCR	\$409,667 Debt Service	
Interest Rate	5.0% Interest	6.44% Mortgage Constant	
Total Tax-Exempt Bond Financing			\$6,359,000
B. Tax Credit Equity ²			
			\$5,773,000
Total Outside Funding Sources			\$12,132,000
II. Affordability Gap Calculation			
Total Outside Funding Sources			\$12,132,000
Less:			
Total Development Costs			(17,539,000)
Additional Developer Fee	³		(2,108,000)
Total Affordability Gap			(\$7,515,000)
	50 Units	(\$150,300) /Unit	
	45,000 Sf GBA	(\$167) /Sf	

¹ Assumes a 30-year amortization period.

² Assumes a 3.24% tax credit rate, a 130% difficult-to-develop premium, and a \$0.94 tax credit equity rate.

³ Equal to the \$2,500,000 maximum amount allowed by the tax credit qualified allocation plan minus the \$392,000 Developer Fee included in the Total Development Costs.

APPENDIX D - EXHIBIT 5

**RENTAL AFFORDABILITY GAP SCENARIOS
RENTS @ 80% TCAC MEDIAN
UNLEVERAGED SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA**

APPENDIX D - EXHIBIT 5 - TABLE 1

STABILIZED NET OPERATING INCOME
RENTS @ 80% TCAC MEDIAN
UNLEVERAGED SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA

I.	Rent @ 80% TCAC MEDIAN	¹			
	One-Bedroom Units		15 Units	\$1,513 /Unit/Month	\$272,300
	Two-Bedroom Units		20 Units	\$1,816 /Unit/Month	435,800
	Three-Bedroom Units		15 Units	\$2,074 /Unit/Month	373,300
	Gross Rent Income				\$1,081,400
	Laundry and Miscellaneous Income		50 Units	\$10 /Unit/Month	6,000
	Gross Income				\$1,087,400
	(Less) Vacancy and Collection		5% Gross Income		(54,400)
	Effective Gross Income				\$1,033,000
II.	Operating Expenses	²	50 Units	\$5,500 /Unit/Year	\$275,000
III.	Stabilized Net Operating Income				\$758,000

¹ The affordable rents are extrapolated from the 2017 rents published by TCAC, and assume the deduction of the Orange County Housing Authority utility allowance as of 10/1/2016.

² Assumes the project will apply for a property tax exemption accorded to non-profit housing organizations for units rented to households earning less than 80% of the Area Median Income.

APPENDIX D - EXHIBIT 5 - TABLE 2

ESTIMATED AFFORDABILITY GAP
RENTS @ 80% TCAC MEDIAN
UNLEVERAGED SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA

I. <u>Supportable Private Investment</u>			
Stabilized Net Operating Income	(See APPENDIX D - EXHIBIT 5 - TABLE 1)		\$758,000
Threshold Stabilized Return			6.50%
Total Supportable Private Investment			\$11,662,000
II. <u>Affordability Gap Calculation</u>			
Total Supportable Private Investment			\$11,662,000
(Less) Total Development Costs			(17,539,000)
Total Affordability Gap			(\$5,877,000)
	50 Units	(\$117,500) /Unit	
	45,000 Sf GBA	(\$131) /Sf	

¹ Based on a 5.0% capitalization rate plus a 1.5% margin.

APPENDIX D - EXHIBIT 6

**RENTAL AFFORDABILITY GAP SCENARIOS
RENTS @ 110% TCAC MEDIAN
UNLEVERAGED SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA**

APPENDIX D - EXHIBIT 6 - TABLE 1

STABILIZED NET OPERATING INCOME
RENTS @ 110% TCAC MEDIAN
UNLEVERAGED SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA

I. <u>Rent @ 110% TCAC MEDIAN</u>			
One-Bedroom Units	15 Units	\$1,973 /Unit/Month	\$355,100
Two-Bedroom Units	20 Units	\$2,100 /Unit/Month	504,000
Three-Bedroom Units	15 Units	\$2,520 /Unit/Month	453,600
Gross Rent Income			\$1,312,700
Laundry and Miscellaneous Income	50 Units	\$10 /Unit/Month	6,000
Gross Income			\$1,318,700
(Less) Vacancy and Collection	5% Gross Income		(65,900)
Effective Gross Income			\$1,252,800
II. <u>Operating Expenses</u>			
General Operating Expenses	50 Units	\$5,500 /Unit/Year	\$275,000
Property Taxes	50 Units	\$3,500 /Unit/Year	175,000
Total Operating Expenses			\$450,000
III. <u>Stabilized Net Operating Income</u>			\$802,800

¹ The affordable rents are extrapolated from the 2017 rents published by TCAC, and assume the deduction of the Orange County Housing Authority utility allowance as of 10/1/2016.

² The residential property tax expense is estimated based on the residential NOI capitalized at a 5.0% rate, and a 1.09% property tax rate.

APPENDIX D - EXHIBIT 6 - TABLE 2

ESTIMATED AFFORDABILITY GAP
RENTS @ 110% TCAC MEDIAN
UNLEVERAGED SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA

I. <u>Supportable Private Investment</u>			
Stabilized Net Operating Income	(See APPENDIX D - EXHIBIT 6 - TABLE 1)		\$802,800
Threshold Stabilized Return	¹		6.50%
Total Supportable Private Investment			\$12,351,000
II. <u>Affordability Gap Calculation</u>			
Total Supportable Private Investment			\$12,351,000
(Less) Total Development Costs			(17,539,000)
Total Affordability Gap			(\$5,188,000)
	50 Units	(\$103,800) /Unit	
	45,000 Sf GBA	(\$115) /Sf	

¹ Based on a 5.0% capitalization rate plus a 1.5% margin.

APPENDIX D - EXHIBIT 7

**OWNERSHIP AFFORDABILITY GAP SCENARIO
NEXUS AFFORDABILITY GAP ANALYSIS
PLACENTIA, CALIFORNIA**

APPENDIX D - EXHIBIT 7 - TABLE 1

ESTIMATED DEVELOPMENT COSTS
 AFFORDABLE PRICES @ 110% TAX CREDIT MEDIAN
 OWNERSHIP AFFORDABILITY GAP SCENARIO
 NEXUS AFFORDABILITY GAP ANALYSIS
 PLACENTIA, CALIFORNIA

I.	Land Acquisition Costs	¹	87,120 Sf Land	\$40 /Sf Land		\$3,485,000
II.	Direct Costs					
	Off-Site Improvements					\$100,000
	On-Site Improvements		87,120 Sf Land	\$20 /Sf Land		1,742,000
	Building Costs		32,000 Sf GBA	\$75 /Sf GBA		2,400,000
	Contractor Costs	²	20% of Other Direct Costs			828,000
	Total Direct Costs		32,000 Sf GBA	\$158 /Sf GBA		\$5,070,000
III.	Indirect Costs					
	Architecture, Engineering, & Consulting		10.00% of Direct Costs			\$507,000
	Public Permits & Fees	³	20 Units	\$21,000 /Unit		420,000
	Taxes, Insurance Legal & Accounting		3.00% of Direct Costs			152,000
	Development Management		4.00% of Direct Costs			203,000
	Contingency Allowance		5.00% of Other Indirect Costs			64,000
	Total Indirect Costs					\$1,346,000
IV.	Financing Costs					
	Land Carrying Costs	⁴	\$3,485,000 Financed	5.50% Interest		\$367,000
	Interest During Construction	⁵	\$7,490,000 Financed	5.50% Interest		542,000
	Financing Fees		60.00% of Costs	2.50 Points		165,000
	Total Financing Costs					\$1,074,000
V.	Total Development Costs		20 Units	\$548,800 /Unit		\$10,975,000

¹ Estimated based on a survey of recent land sales.

² Includes contractors' fees, general requirements, builder's risk insurance and a direct cost contingency allowance.

³ Based on City's current fee schedule.

⁴ Based on an 18-month construction period and a 5-month absorption period with a 100% average outstanding balance.

⁵ Based on an 18-month construction period with a 60% average outstanding balance and a 5-month absorption period with a 100% average

APPENDIX D - EXHIBIT 7 - TABLE 2

ESTIMATED AFFORDABILITY GAP
 AFFORDABLE PRICES @ 110% TAX CREDIT MEDIAN
 OWNERSHIP AFFORDABILITY GAP SCENARIO
 NEXUS AFFORDABILITY GAP ANALYSIS
 PLACENTIA, CALIFORNIA

I.	Net Sales Revenue			
	Gross Sales Revenue	20 Units	\$416,100 /Unit	\$8,322,000
	(Less) Cost of Sales	5% Sales Revenues		(416,000)
	Net Sales Revenue			\$7,906,000
II.	Project Costs			
	Total Development Costs	See APPENDIX D - EXHIBIT 7 - TABLE 1		\$10,975,000
	Threshold Profit	12% Gross Sales Revenue		999,000
	Total Project Costs			(\$11,974,000)
III.	Total Affordability Gap			(\$4,068,000)
		20 Units	(\$203,000) /Unit	
		32,000 Sf GBA	(\$127) /Sf	

APPENDIX E
FINANCIAL FEASIBILITY ANALYSIS
RESIDENTIAL NEXUS ANALYSIS
PLACENTIA, CALIFORNIA

APPENDIX E - EXHIBIT I

**BASE IMPACT FEE SCENARIO
80 SINGLE FAMILY DETACHED UNITS
SINGLE FAMILY DEVELOPMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

APPENDIX E - EXHIBIT I - TABLE 1

ESTIMATED CONSTRUCTION COSTS
 BASE IMPACT FEE SCENARIO
 80 SINGLE FAMILY DETACHED UNITS
 SINGLE FAMILY DEVELOPMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I. Direct Costs			
Off-Site Improvements			\$500,000
On-Site Improvements	80 Units	\$75,000 /Unit	6,000,000
Buiding Costs	175,500 Sf GBA	\$75 /Sf GBA	13,163,000
Contractor Fees	20.0% of Other Direct Costs		3,933,000
Total Direct Costs	175,500 Sf GBA	\$134 /Sf GBA	\$23,596,000
II. Indirect Costs			
Architecture, Engineering & Consulting	6.0% of Direct Costs		\$1,416,000
Public Permits & Fees	¹ 80 Units	\$21,000 /Unit	1,680,000
Affordable Housing Impact Fee	175,500 Livable SF	\$0 /Livable Sf	0
Taxes, Insurance, Legal & Accounting	3.0% of Direct Costs		708,000
Marketing	80 Units	\$8,500 /Unit	680,000
Developer Fee	3.0% of Gross Sales Revenue		1,742,000
Contingency Allowance	5.0% of Other Indirect Costs		311,000
Total Indirect Costs			\$6,537,000
III. Financing Costs			
Interest During Construction	² 5.5% Interest		\$3,639,000
Financing Fees	60% of Costs	2.5 Points	452,000
Total Financing Costs			\$4,091,000
IV. Total Construction Costs	80 Units	\$427,800 /Unit	\$34,224,000
	175,500 Sf GBA	\$195 /Sf GBA	

¹ Based on current City fee schedule.

² Assumes a 5.50% interest rate; an 18-month construction period; a 9 month absorption period; and presales of 30% of the units.

APPENDIX E - EXHIBIT I - TABLE 2

PROJECTED NET REVENUE
BASE IMPACT FEE SCENARIO
80 SINGLE FAMILY DETACHED UNITS
SINGLE FAMILY DEVELOPMENT PROTOTYPE
PLACENTIA, CALIFORNIA

I. <u>Gross Sales Revenues</u>			
Three-bedroom Units	30 Units	\$710,000 /Unit	\$21,300,000
Four-bedroom Units	50 Units	\$735,000 /Unit	36,750,000
Total Gross Sales Revenues	80 Units	\$725,600 /Unit	\$58,050,000
II. <u>Cost of Sales</u>			
Sales Commissions	3.0% Gross Sales Revenue		\$1,742,000
Closing Costs	2.0% Gross Sales Revenue		1,161,000
Warranties	80 Units	\$5,000 /Unit	400,000
Total Cost of Sales			(\$3,303,000)
III. <u>Projected Net Revenue</u>			\$54,747,000

APPENDIX E - EXHIBIT I - TABLE 3

**RESIDUAL LAND VALUE CALCULATIONS
 BASE IMPACT FEE SCENARIO
 80 SINGLE FAMILY DETACHED UNITS
 SINGLE FAMILY DEVELOPMENT PROTOTYPE
 PLACENTIA, CALIFORNIA**

I.	Projected Net Revenue	See APPENDIX E - EXHIBIT I - TABLE 2	\$54,747,000
II.	Project Costs		
	Total Construction Costs		\$34,224,000
	Threshold Developer Profit	10.00% Gross Sales Revenues	5,475,000
	Total Project Costs		(\$39,699,000)
III.	Residual Land Value	80 Units 348,480 Sf Land	\$188,100 /Unit \$43 /Sf Land \$15,048,000

APPENDIX E - EXHIBIT II

**RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
80 SINGLE FAMILY DETACHED UNITS
SINGLE FAMILY DEVELOPMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

APPENDIX E - EXHIBIT II - TABLE 1

ESTIMATED CONSTRUCTION COSTS
 RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
 80 SINGLE FAMILY DETACHED UNITS
 SINGLE FAMILY DEVELOPMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I. Direct Costs			
Off-Site Improvements			\$500,000
On-Site Improvements	80 Units	\$75,000 /Unit	6,000,000
Buiding Costs	175,500 Sf GBA	\$75 /Sf GBA	13,163,000
Contractor Fees	20.0% of Other Direct Costs		3,933,000
Total Direct Costs	175,500 Sf GBA	\$134 /Sf GBA	\$23,596,000
II. Indirect Costs			
Architecture, Engineering & Consulting	6.0% of Direct Costs		\$1,416,000
Public Permits & Fees	80 Units	\$21,000 /Unit	1,680,000
Affordable Housing Impact Fee	175,500 Livable SF	\$24.90 /Livable Sf	4,370,000
Taxes, Insurance, Legal & Accounting	3.0% of Direct Costs		708,000
Marketing	80 Units	\$8,500 /Unit	680,000
Developer Fee	3.0% of Gross Sales Revenue		1,742,000
Contingency Allowance	5.0% of Other Indirect Costs		530,000
Total Indirect Costs			\$11,126,000
III. Financing Costs			
Interest During Construction	5.5% Interest		\$3,639,000
Financing Fees	60% of Costs	2.5 Points	452,000
Total Financing Costs			\$4,091,000
IV. Total Construction Costs	80 Units	\$485,200 /Unit	\$38,813,000
	175,500 Sf GBA	\$221 /Sf GBA	

¹ Based on current City fee schedule.

² Assumes a 5.50% interest rate; an 18-month construction period; a 9 month absorption period; and presales of 30% of the units.

APPENDIX E - EXHIBIT II - TABLE 2

**PROJECTED NET REVENUE
RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
80 SINGLE FAMILY DETACHED UNITS
SINGLE FAMILY DEVELOPMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

I. <u>Gross Sales Revenues</u>			
Three-bedroom Units	30 Units	\$710,000 /Unit	\$21,300,000
Four-bedroom Units	50 Units	\$735,000 /Unit	36,750,000
Total Gross Sales Revenues	80 Units	\$725,600 /Unit	\$58,050,000
II. <u>Cost of Sales</u>			
Sales Commissions	3.0% Gross Sales Revenue		\$1,742,000
Closing Costs	2.0% Gross Sales Revenue		1,161,000
Warranties	80 Units	\$5,000 /Unit	400,000
Total Cost of Sales			(\$3,303,000)
III. <u>Projected Net Revenue</u>			\$54,747,000

APPENDIX E - EXHIBIT II - TABLE 3

**FINANCIALLY SUPPORTABLE AFFORDABLE HOUSING IMPACT FEE
RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
80 SINGLE FAMILY DETACHED UNITS
SINGLE FAMILY DEVELOPMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

I.	Projected Net Revenue	See APPENDIX E - EXHIBIT II - TABLE 2	\$54,747,000
II.	Project Costs		
	Total Construction Costs		\$38,813,000
	Threshold Developer Profit	10.00% Gross Sales Revenues	5,475,000
	Total Project Costs		(\$44,288,000)
III.	Residual Land Value	80 Units 348,480 Sf Land	\$10,459,000
		\$130,700 /Unit \$30 /Sf Land	
IV.	Reduction in Land Value		
	Supportable Land Value without Impact Fee		\$15,048,000
	Supportable Land Value with Impact Fee		10,459,000
	Reduction in Supportable Land Value	30% Land Value Reduction	\$4,589,000
V.	Financially Supportable Affordable Housing Impact Fee		
	Fee Per Livable Square Foot	\$24.90 /Sf	
	Fee Per Unit	\$54,600 /Unit	

APPENDIX E - EXHIBIT III

**BASE IMPACT FEE SCENARIO
10 ATTACHED TOWNHOME UNITS
TOWNHOME DEVELOPMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

APPENDIX E - EXHIBIT III - TABLE 1

ESTIMATED CONSTRUCTION COSTS
 BASE IMPACT FEE SCENARIO
 10 ATTACHED TOWNHOME UNITS
 TOWNHOME DEVELOPMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I. Direct Costs			
Off-Site Improvements			\$100,000
On-Site Improvements	10 Units	\$60,000 /Unit	600,000
Building Costs	18,500 Sf GBA	\$85 /Sf GBA	1,573,000
Contractor Costs	20.0% of Direct Costs		455,000
Total Direct Costs	18,500 Sf GBA	\$147 /Sf GBA	\$2,728,000
II. Indirect Costs			
Architecture, Engineering & Consulting	6.0% of Direct Costs		\$164,000
Public Permits & Fees	10 Units	\$21,000 /Unit	210,000
Affordable Housing Impact Fee	18,500 Livable SF	\$0 /Livable Sf	0
Taxes, Insurance, Legal & Accounting	3.0% of Direct Costs		82,000
Marketing	10 Units	\$5,000 /Unit	50,000
Developer Fee	3.0% of Gross Sales Revenue		177,000
Contingency Allowance	5.0% of Other Indirect Costs		34,000
Total Indirect Costs			\$717,000
III. Financing Costs			
Interest During Construction	5.5% Interest		\$317,000
Financing Fees	60% of Costs	2.5 Points	52,000
Total Financing Costs			\$369,000
IV. Total Construction Costs	10 Units 18,500 Sf GBA	\$381,400 /Unit \$206 /Sf GBA	\$3,814,000

¹ Based on City's current fee schedule.

² Assumes a 5.50% interest rate; an 18-month construction period; a 5 month absorption period; and presales of 30% of the units.

APPENDIX E - EXHIBIT III - TABLE 2

**PROJECTED NET REVENUE
BASE IMPACT FEE SCENARIO
10 ATTACHED TOWNHOME UNITS
TOWNHOME DEVELOPMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

I. <u>Gross Sales Revenues</u>				
Three-bedroom Units	10 Units	\$590,000 /Unit		\$5,900,000
II. <u>Cost of Sales</u>				
Sales Commissions	3.0% Gross Sales Revenue		\$177,000	
Closing Costs	2.0% Gross Sales Revenue		118,000	
Warranties	10 Units	\$7,500 /Unit	75,000	
Total Cost of Sales				(\$370,000)
III. <u>Projected Net Revenue</u>				\$5,530,000

APPENDIX E - EXHIBIT III - TABLE 3

RESIDUAL LAND VALUE CALCULATIONS
 BASE IMPACT FEE SCENARIO
 10 ATTACHED TOWNHOME UNITS
 TOWNHOME DEVELOPMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I.	Projected Net Revenue	See APPENDIX E - EXHIBIT III - TABLE 2	\$5,530,000
II.	Project Costs		
	Total Construction Costs		\$3,814,000
	Threshold Developer Profit	12.00% Gross Sales Revenues	664,000
	Total Project Costs		(\$4,478,000)
III.	Residual Land Value		
		10 Units	\$105,200 /Unit
		21,780 Sf Land	\$48 /Sf Land
			\$1,052,000

APPENDIX E - EXHIBIT IV

**RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
10 ATTACHED TOWNHOME UNITS
TOWNHOME DEVELOPMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

APPENDIX E - EXHIBIT IV - TABLE 1

ESTIMATED CONSTRUCTION COSTS
 RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
 10 ATTACHED TOWNHOME UNITS
 TOWNHOME DEVELOPMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I. Direct Costs			
Off-Site Improvements			\$100,000
On-Site Improvements	10 Units	\$60,000 /Unit	600,000
Building Costs	18,500 Sf GBA	\$85 /Sf GBA	1,573,000
Contractor Costs	20.0% of Direct Costs		455,000
Total Direct Costs	18,500 Sf GBA	\$147 /Sf GBA	\$2,728,000
II. Indirect Costs			
Architecture, Engineering & Consulting	6.0% of Direct Costs		\$164,000
Public Permits & Fees	10 Units	\$21,000 /Unit	210,000
Affordable Housing Impact Fee	18,500 Livable SF	\$16.00 /Livable Sf	296,000
Taxes, Insurance, Legal & Accounting	3.0% of Direct Costs		82,000
Marketing	10 Units	\$5,000 /Unit	50,000
Developer Fee	3.0% of Gross Sales Revenue		177,000
Contingency Allowance	5.0% of Other Indirect Costs		49,000
Total Indirect Costs			\$1,028,000
III. Financing Costs			
Interest During Construction	5.5% Interest		\$317,000
Financing Fees	60% of Costs	2.5 Points	52,000
Total Financing Costs			\$369,000
IV. Total Construction Costs	10 Units 18,500 Sf GBA	\$412,500 /Unit \$223 /Sf GBA	\$4,125,000

¹ Based on City's current fee schedule.

² Assumes a 5.50% interest rate; an 18-month construction period; a 5 month absorption period; and presales of 30% of the units.

APPENDIX E - EXHIBIT IV - TABLE 2

FINANCIALLY SUPPORTABLE AFFORDABLE HOUSING IMPACT FEE
RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
10 ATTACHED TOWNHOME UNITS
TOWNHOME DEVELOPMENT PROTOTYPE
PLACENTIA, CALIFORNIA

I.	Gross Sales Revenues			
	Three-bedroom Units	10 Units	\$590,000 /Unit	\$5,900,000
II.	Cost of Sales			
	Sales Commissions	3.0% Gross Sales Revenue		\$177,000
	Closing Costs	2.0% Gross Sales Revenue		118,000
	Warranties	10 Units	\$7,500 /Unit	75,000
	Total Cost of Sales			(\$370,000)
III.	Projected Net Revenue			\$5,530,000

APPENDIX E - EXHIBIT IV - TABLE 3

FINANCIALLY SUPPORTABLE AFFORDABLE HOUSING IMPACT FEE
 RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
 10 ATTACHED TOWNHOME UNITS
 TOWNHOME DEVELOPMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I.	Projected Net Revenue	See APPENDIX E - EXHIBIT IV - TABLE 2	\$5,530,000
II.	Project Costs		
	Total Construction Costs		\$4,125,000
	Threshold Developer Profit	12.00% Gross Sales Revenues	664,000
	Total Project Costs		(\$4,789,000)
III.	Residual Land Value	10 Units 21,780 Sf Land	\$74,100 /Unit \$34 /Sf Land \$741,000
IV.	Reduction in Land Value		
	Supportable Land Value without Impact Fee		\$1,052,000
	Supportable Land Value with Impact Fee		741,000
	Reduction in Supportable Land Value	30% Land Value Reduction	\$311,000
V.	Financially Supportable Affordable Housing Impact Fee		
	Fee Per Livable Square Foot	\$16.00 /Sf	
	Fee Per Unit	\$29,600 /Unit	

APPENDIX E - EXHIBIT V

**BASE IMPACT FEE SCENARIO
215 APARTMENT UNITS
APARTMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

APPENDIX E - EXHIBIT V - TABLE 1

**ESTIMATED CONSTRUCTION COSTS
BASE IMPACT FEE SCENARIO
215 APARTMENT UNITS
APARTMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

I. Direct Costs				
Off-Site Improvements				\$200,000
On-Site Improvements	128,502	Sf Land	\$10 /Sf Land	1,285,000
Parking Costs	316	Spaces	\$15,000 /Space	4,733,000
Buiding Costs	256,154	Sf GBA	\$135 /Sf GBA	34,581,000
Contractor Costs	20.0%	of Construction Costs		8,160,000
Total Direct Costs	256,154	Sf GBA	\$191 /Sf GBA	\$48,959,000
II. Indirect Costs				
Architecture, Engineering & Consulting	6.0%	of Direct Costs		\$2,938,000
Public Permits & Fees	1	215 Units	\$21,000 /Unit	4,515,000
Affordable Housing Impact Fee	193,450	Livable SF	\$0 /Livable Sf	0
Taxes, Insurance, Legal & Accounting	2.0%	of Direct Costs		979,000
Marketing	215	Units	\$1,000 /Unit	215,000
Developer Fee	3.0%	of Total Direct Costs		1,469,000
Contingency Allowance	5.0%	of Other Indirect Costs		506,000
Total Indirect Costs				\$10,622,000
III. Financing Costs				
Land Carrying Costs	\$4,427,000	Financed	5.50% Interest	\$487,000
Interest During Construction	2	\$68,480,000	Financed 5.50% Interest	\$5,273,000
Financing Fees				
Acquisition Loan	\$4,427,000	Financed	2.50 Points	111,000
Construction Loan	\$68,480,000	Financed	2.50 Points	1,712,000
Permanent Loan	3	\$52,655,000	Financed 2.50 Points	1,316,000
Total Financing Costs				\$8,899,000
IV. Total Construction Costs	215	Units	\$318,500 /Unit	\$68,480,000
	256,154	Sf GBA	\$267 /Sf GBA	

¹ Based on City's current fee schedule.

² Assumes an 18-month construction period with a 60% average outstanding balance, and a 6-month absorption period with a 100% average

³ Based on a 4.75% capitalization rate and a 65% loan to value ratio.

APPENDIX E - EXHIBIT V - TABLE 2

STABILIZED NET OPERATING INCOME
 BASE IMPACT FEE SCENARIO
 215 APARTMENT UNITS
 APARTMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I. <u>Rental Revenue</u>			
One-Bedroom Units	100 Units	\$2,100 /Month	\$2,520,000
Two-Bedroom Units	115 Units	\$2,600 /Month	<u>3,588,000</u>
Gross Rental Income			\$6,108,000
Laundry / Miscellaneous Income	215 Units	\$10 /Unit/Month	<u>25,800</u>
Gross Residential Income			\$6,133,800
Vacancy and Collection Allowance	5% Gross Income		<u>(306,700)</u>
Effective Gross Income			\$5,827,100
II. <u>Operating Expenses</u>			
General Operating Expenses	215 Units	\$4,000 /Unit/Year	\$860,000
Management Fee	3.50% Effective Gross Income		203,900
Property Taxes	215 Units	\$4,107 /Unit/Year	883,000
Operating & Capital Reserves	215 Units	\$150 /Unit/Year	<u>32,300</u>
Total Operating Expenses			\$1,979,200
III. <u>Stabilized Net Operating Income</u>			\$3,847,900

¹ Based on KMA market survey.

² Based on a 4.75% capitalization rate and a 1.09% property tax rate.

APPENDIX E - EXHIBIT V - TABLE 3

**RESIDUAL LAND VALUE CALCULATIONS
 BASE IMPACT FEE SCENARIO
 215 APARTMENT UNITS
 APARTMENT PROTOTYPE
 PLACENTIA, CALIFORNIA**

I. <u>Supportable Private Investment</u>			
Stabilized Net Operating Income	See APPENDIX E - EXHIBIT V - TABLE 2		\$3,847,900
Capitalization Rate			4.75%
Supportable Private Investment			\$81,008,000
II. <u>Residual Land Value</u>			
Supportable Private Investment			\$81,008,000
(Less) Developer Profit	10% Project Value		(\$8,101,000)
(Less) Total Construction Costs			(\$68,480,000)
III. <u>Residual Land Value</u>	128,502 Sf Land	\$34 /Sf Land	\$4,427,000
	215 Units	\$20,600 /Unit	

APPENDIX E - EXHIBIT VI

**RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
215 APARTMENT UNITS
APARTMENT PROTOTYPE
PLACENTIA, CALIFORNIA**

APPENDIX E - EXHIBIT VI - TABLE 1

ESTIMATED CONSTRUCTION COSTS
 RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
 215 APARTMENT UNITS
 APARTMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I. Direct Costs				
Off-Site Improvements				\$200,000
On-Site Improvements	128,502	Sf Land	\$10 /Sf Land	1,285,000
Parking Costs	316	Spaces	\$15,000 /Space	4,733,000
Buiding Costs	256,154	Sf GBA	\$135 /Sf GBA	34,581,000
Contractor Costs		20.0% of Construction Costs		8,160,000
Total Direct Costs	256,154	Sf GBA	\$191 /Sf GBA	\$48,959,000
II. Indirect Costs				
Architecture, Engineering & Consulting		6.0% of Direct Costs		\$2,938,000
Public Permits & Fees	¹ 215	Units	\$21,000 /Unit	4,515,000
Affordable Housing Impact Fee	193,450	Livable SF	\$6.70 /Livable Sf	1,296,000
Taxes, Insurance, Legal & Accounting		2.0% of Direct Costs		979,000
Marketing	215	Units	\$1,000 /Unit	215,000
Developer Fee		3.0% of Total Direct Costs		1,469,000
Contingency Allowance		5.0% of Other Indirect Costs		571,000
Total Indirect Costs				\$11,983,000
III. Financing Costs				
Land Carrying Costs	\$3,110,000	Financed	5.50% Interest	\$342,000
Interest During Construction	² \$69,797,000	Financed	5.50% Interest	\$5,374,000
Financing Fees				
Acquisition Loan	\$3,110,000	Financed	2.50 Points	78,000
Construction Loan	\$69,797,000	Financed	2.50 Points	1,745,000
Permanent Loan	³ \$52,655,000	Financed	2.50 Points	1,316,000
Total Financing Costs				\$8,855,000
IV. Total Construction Costs	215	Units	\$324,600 /Unit	\$69,797,000
	256,154	Sf GBA	\$272 /Sf GBA	

¹ Based on City's current fee schedule.

² Assumes an 18-month construction period with a 60% average outstanding balance, and a 6-month absorption period with a 100% average

³ Based on a 4.75% capitalization rate and a 65% loan to value ratio.

APPENDIX E - EXHIBIT VI - TABLE 2

STABILIZED NET OPERATING INCOME
 RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
 215 APARTMENT UNITS
 APARTMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I. Rental Revenue			
One-Bedroom Units	100 Units	\$2,100 /Month	\$2,520,000
Two-Bedroom Units	115 Units	\$2,600 /Month	<u>3,588,000</u>
Gross Rental Income			\$6,108,000
Laundry / Miscellaneous Income	215 Units	\$10 /Unit/Month	<u>25,800</u>
Gross Residential Income			\$6,133,800
Vacancy and Collection Allowance	5% Gross Income		<u>(306,700)</u>
Effective Gross Income			\$5,827,100
II. Operating Expenses			
General Operating Expenses	215 Units	\$4,000 /Unit/Year	\$860,000
Management Fee	3.50% Effective Gross Income		203,900
Property Taxes	215 Units	\$4,107 /Unit/Year	883,000
Operating & Capital Reserves	215 Units	\$150 /Unit/Year	<u>32,300</u>
Total Operating Expenses			\$1,979,200
III. Stabilized Net Operating Income			\$3,847,900

¹ Based on KMA market survey.

² Based on a 4.75% capitalization rate and a 1.09% property tax rate.

APPENDIX E - EXHIBIT VI - TABLE 3

FINANCIALLY SUPPORTABLE AFFORDABLE HOUSING IMPACT FEE
 RESIDENTIAL AFFORDABLE HOUSING IMPACT FEE SCENARIO
 215 APARTMENT UNITS
 APARTMENT PROTOTYPE
 PLACENTIA, CALIFORNIA

I. <u>Supportable Private Investment</u>			
Stabilized Net Operating Income	See APPENDIX E - EXHIBIT VI - TABLE 2		\$3,847,900
Capitalization Rate			4.75%
Supportable Private Investment			\$81,008,000
II. <u>Residual Land Value</u>			
Supportable Private Investment			\$81,008,000
(Less) Developer Profit	10% Project Value		(8,101,000)
(Less) Total Construction Costs			(69,797,000)
III. <u>Residual Land Value</u>			
	128,502 Sf Land	\$24 /Sf Land	\$3,110,000
	215 Units	\$14,500 /Unit	
IV. <u>Reduction in Land Value</u>			
Supportable Land Value without Impact Fee			\$4,427,000
Supportable Land Value with Impact Fee			3,110,000
V. <u>Reduction in Supportable Land Value</u>			
		30% Land Value Reduction	\$1,317,000
V. <u>Financially Supportable Affordable Housing Impact Fee</u>			
Fee Per Livable Square Foot		\$6.70 /Sf	
Fee Per Unit		\$6,000 /Unit	

RESOLUTION NO. R-2017-61

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA APPROVING DEVELOPMENT IMPACT FEES TO FINANCIALLY MITIGATE IMPACTS TO PARKS AND RECREATIONAL FACILITIES, SEWER FACILITIES, TRANSPORTATION INFRASTRUCTURE, STORM DRAIN FACILITIES, AND PUBLIC SAFETY; AND APPROVING QUIMBY IN-LIEU FEES

WHEREAS, the continuing growth of the City of Placentia ("City), combined with the expectation of high quality services by persons who live and work in the City, and reductions by the State of California in property tax allocations to local governments have been catalysts for the review of the City's existing and future public facilities and services made necessary by new development;

WHEREAS, pursuant to Government Code Section 66000 *et seq.*, ("Mitigation Fee Act") the City is empowered to impose fees and other exactions to provide necessary public facilities required to mitigate the negative effects of new development in the City;

WHEREAS, pursuant to Government Code Sections 66477 *et seq.*, ("Subdivision Map Act"), the City is empowered to require the dedication of land or impose a requirement of the payment of fees in lieu thereof, or a combination of both, for park or recreational purposes as a condition to the approval of a tentative map or parcel map;

WHEREAS, the proposed fees are based upon the information contained in a document and addendum prepared by City staff and SCI Consulting Group ("SCI") entitled "City of Placentia Citywide Development impact Fees Nexus Study" dated August 2017 ("the Development Impact Fee Nexus Study Report");

WHEREAS, detailed descriptions of each of the facilities, their approximate location, size, approximate time of availability and their estimated costs are set forth in the Development Impact Fee Nexus Study Report;

WHEREAS, a copy of the Development Impact Fee Nexus Study Report is on file in the City Clerk's office and has been made available for public review in accordance with state law, as more fully described below;

WHEREAS, the Development Impact Fee Nexus Study Report complies with California Government Code Section 66001 by establishing the basis for the imposition of fees in new development. In particular, the Development Impact Fee Report:

1. Identifies the purpose of the proposed fees;
2. Identifies the use to which the fees will be put;

3. Demonstrates a reasonable relationship between the fees' use and the types of projects on which the fees are imposed;
4. Demonstrates a reasonable relationship between the need for the public facilities and the types of developments on which the fees are imposed; and
5. Demonstrates a reasonable relationship between the amount of the fees and the cost of the public facilities or portions of the facilities attributable to the developments on which the fees are imposed;

WHEREAS, the Development Impact Fee Nexus Study Report justifies the imposition of each development fee on new construction by analyzing the General Plan, assigning the costs on a fair-share basis to the various types of residential development, and assigning the resulting fee per dwelling unit, based on the anticipated burden of such new dwelling on City facilities and infrastructure and the need created by such dwelling unit for new and expanded facilities and infrastructure;

WHEREAS, the fees collected pursuant to this resolution shall be used to finance the public facilities described or identified in the Development Impact Fee Nexus Study Report;

WHEREAS, after considering the specific projects to be funded by the development impact fees and the cost estimates contained in the Development Fee Impact Nexus Study Report, the City Council approves such projects and costs estimates and finds them reasonable as the basis for calculating and imposing the development impact fees;

WHEREAS, the projects and fee methodologies identified in the Development Impact Fee Nexus Study Report are consistent with the City's General Plan.

NOW, THEREFORE, the City Council of the City of Placentia, California, does hereby resolve as follows:

Section 1. The City Council of the City of Placentia hereby determines as follows:

A. Each owner of a lot or parcel of property within the Affected Territory, as described in Chapter 5.02 of the Placentia Municipal Code, shall pay to the City prior to the issuance of a building permit for the construction of any residential development project as defined therein, the following fees:

1. The Parks and Recreation Impact Fee described in the attached Exhibit A to this Resolution subject to the provisions of Chapter 5.02 of the Placentia Municipal Code and the terms contained in the Exhibit A.

2. The Sewer Impact Fee described in the attached Exhibit A to this Resolution subject to the provisions of Chapter 5.02 of the Placentia Municipal Code and the terms contained in the Exhibit A.
3. The Traffic Impact Fee described in the attached Exhibit A to this Resolution subject to the provisions of Chapter 5.02 of the Placentia Municipal Code and the terms contained in the Exhibit A.
4. The Storm Drain Impact Fee described in the attached Exhibit A to this Resolution subject to the provisions of Chapter 5.02 of the Placentia Municipal Code and the terms contained in the Exhibit A.
5. The Public Safety Impact Fee described in the attached Exhibit A to this Resolution subject to the provisions of Chapter 5.02 of the Placentia Municipal Code and the terms contained in the Exhibit A.
6. The Quimby Fee (In-Lieu Park/Open Space Fee) described in the attached Exhibit A to this Resolution subject to the provisions of Chapter 5.02 of the Placentia Municipal Code and the terms contained in the Exhibit A.

B. The fees authorized by this section shall be cumulative such that each owner of a lot or property shall be charged each applicable fee, subject to any credits, deferrals, waivers and/or reductions authorized and set forth in Chapter 5.02 of the Placentia Municipal Code. Moreover, the amount of each of these fees shall not exceed the fair share of the estimated cost of constructing and/or acquiring the corresponding facilities described in the Development Impact Fee Report. The amount of each fee shall be reviewed and revised from time to time, but not more than once annually, and shall be set by resolution of the City Council following due notice.

Section 2. Be it further resolved that any other resolutions and/or parts of any other resolution in conflict herewith are hereby repealed.

Section 3. Should any section, subsection, clause or provision of this Resolution for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Resolution, it being hereby expressly declared that this Resolution, and each and every section, subsection, sentence, clause and phrase hereof would have been prepared, proposed, approved, adopted and/or ratified irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases of this Resolution be declared invalid or unconstitutional.

Section 4. The City Clerk shall certify to the passage and adoption of this Resolution.

Section 5. The fees adopted pursuant to this Resolution do not go into effect until the effective date of Ordinance No. O-2017-XX, or 60 days from the adoption of this Resolution, whichever is later.

PASSED, APPROVED AND ADOPTED this 3rd day of October 2017.

Craig S. Green, Mayor

ATTEST:

Patrick J. Melia, City Clerk

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of Placentia held on the 3rd day of October, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Patrick J. Melia, City Clerk

APPROVED AS TO FORM:

Christian L. Bettenhausen, City Attorney

EXHIBIT "A"

TO RESOLUTION NO. R-2017-XX

City of Placentia Citywide Development Impact Fee Schedule

FIGURE 1 – SUMMARY OF CITYWIDE DEVELOPMENT IMPACT FEES

Land Use Categories	Unit	Public Safety	Park and Recreation	Quimby In-Lieu	Sewer ¹	Traffic ¹	Storm Drainage (Area A)	Storm Drainage (Area C)
Single Family Detached Housing	DU	\$1,049	\$3,051	\$4,586	\$1,356	\$1,411	\$262	\$119
Single Family Attached Housing	DU	\$851	\$2,476	\$3,731	\$997	\$1,411	\$213	\$97
Multi-Family Housing	DU	\$966	\$2,808	\$4,227	\$761	\$875	\$163	\$74
Mobile Homes	DU	\$768	\$2,234	\$3,359	\$886	\$832	\$245	\$111
Retail / Commercial	BSF	\$0.71	-	-	\$0.69	\$1.47	\$0.17	\$0.07
Office	BSF	\$1.02	-	-	\$1.03	\$2.10	\$0.11	\$0.05
Industrial	BSF	\$0.51	-	-	\$0.41	\$0.83	\$0.30	\$0.13

Notes:

¹ New development within the City's TOD area is not subject to the Sewer Impact Fee, the Traffic Impact Fee and the Storm Drainage Impact Fee.

ORDINANCE NO. O-2017-10

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, APPROVING A DEVELOPMENT IMPACT FEE NEXUS STUDY REPORT, AND AMENDING TITLE 5 (SCHEDULE OF FEES) WITH THE ADDITION OF CHAPTER 5.02 "CITYWIDE DEVELOPMENT IMPACT FEES" AND "QUIMBY IN-LIEU FEES" TO THE PLACENTIA MUNICIPAL CODE TO ESTABLISH A DEVELOPMENT IMPACT FEE PROGRAM AND ADOPTING NECESSARY FINDINGS FOR THE ESTABLISHMENT OF DEVELOPMENT IMPACT FEES TO FINANCIALLY MITIGATE IMPACTS TO PARKS AND RECREATIONAL FACILITIES, SEWER FACILITIES, TRANSPORTATION INFRASTRUCTURE, STORM DRAIN FACILITIES, AND PUBLIC SAFETY

City Attorney Summary

This Ordinance would add Chapter 5.02 to the City of Placentia Municipal Code establishing Citywide development impact fees for new development fees to finance measures that mitigate impacts to parks and recreational facilities, sewer facilities, transportation infrastructure and traffic, storm drain facilities, and public safety. This Ordinance will also amend Section 22.54.085 by specifying that developments shall be eligible to receive a 25% credit on the value of against the amount of land required to be dedicated, or the amount of the fee imposed.

A. RECITALS

WHEREAS, the continuing growth of the City of Placentia ("City), combined with the expectation of high quality services by persons who live and work in the City, and reductions by the State of California in property tax allocations to local governments have been catalysts for the review of the City's existing and future public facilities and services made necessary by new development;

WHEREAS, pursuant to Government Code Section 66000 et seq., ("Mitigation Fee Act") the City is empowered to impose fees and other exactions to provide necessary public facilities required to mitigate the negative effects of new development in the City;

WHEREAS, pursuant to Government Code Sections 66477 et seq., ("Subdivision Map Act"), the City is empowered to require the dedication of land or impose a requirement of the payment of fees in lieu thereof, or a combination of both, for park or recreational purposes as a condition to the approval of a tentative map or parcel map;

WHEREAS, public facilities, land, and safety are needed for community services;

WHEREAS, it is fair and equitable for new development to pay its fair share and contribute to the financing, acquisition and establishment of such facilities, open space, and public safety endeavors to enable the City to provide necessary public services to new residents, businesses and their employees;

WHEREAS, the proposed fees are based upon the information contained in a document and addendum prepared by City staff and SCI Consulting Group ("SCI") entitled "City of Placentia Citywide Development Impact Fees Nexus Study" dated August 2017 ("the Development Impact Fee Nexus Study Report") - of which a Quimby Land Dedication and In-Lieu Fee Study is an Appendix;

WHEREAS, detailed descriptions of each of the facilities, their approximate location, size, approximate time of availability and their estimated costs are set forth in a document entitled "General Plan;"

WHEREAS, copies of the Development Impact Fee Nexus Study Report and the General Plan are on file in the City Clerk's office and have been made available for public review in accordance with state law, as more fully described below;

WHEREAS, this levying of development impact fees has been reviewed by staff in accordance with the California Environmental Quality Act ("CEQA") and the CEQA Guidelines and the City of Placentia Local Guidelines for implementing CEQA and it has been determined that the adoption of this Ordinance is exempt from CEQA pursuant to Sections 15378(b)(4), 15061(b)(3), and 15273 of the CEQA Guidelines, Section 21065 of the Public Resources Code and the City of Placentia Local Guidelines for implementing CEQA. The intent of the Master Facilities Plan, Nexus Study and proposed fees is to provide a means of mitigating some of the potential environmental impacts which have been identified in planning efforts for anticipated future growth of the City. Specific environmental studies are required to be performed for each project that requires further review under CEQA prior to approval of the specific project;

WHEREAS, the City has: 1) made available to the public, at least ten days prior to its public hearing, data indicating the estimated cost required to provide the facilities and infrastructure for which these development fees are levied and the revenue sources anticipated to provide those facilities and infrastructure; 2) mailed notice at least fourteen days prior to this meeting to all interested parties who have requested notice of new or increased development fees; and 3) held a duly noticed, regularly scheduled public hearing on October 3, 2017 at which time oral and written testimony was received regarding the proposed fees; and

WHEREAS, the City Council has reviewed and considered the staff report, the Development Impact Fee Nexus Study Report, the Appendix, the General Plan and all oral and written testimony.

B. ORDINANCE

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

Section 1. The City Council of the City of Placentia hereby approves the Development Impact Fee Nexus Study Report dated August 2017. This document is attached hereto as Exhibit "A" and is hereby incorporated by this reference.

Section 2. The City Council of the City of Placentia hereby adopts the findings set forth in the recitals to this Ordinance, the findings and facts contained in the Development Impact Nexus Study Report (Exhibit A) and the findings contained in Chapters 5.02 and Placentia Municipal Code, as reflected in the attached Exhibit "B".

Section 3. Title 5 (Schedule of Fees) is hereby amended with the addition of Chapter 5.02 to the Placentia Municipal Code as shown on Exhibit "B" attached hereto and incorporated herein by this reference.

Section 4. Section 22.54.08 is hereby amended to read as follows:

22.54.085 Credits for private open space.

Planned developments, real estate developments, community apartment projects, condominium projects and stock cooperatives shall be eligible to receive a twenty five percent (25%) credit, against the amount of land required to be dedicated, or the amount of the fee imposed, pursuant to this chapter, for the value of private open space within the development which is useable for active recreational uses.

Section 5. Section 5.28.050 is hereby repealed.

Section 6. Any provision of the Placentia Municipal Code or appendices thereto inconsistent with the provisions of the Ordinance, to the extent of such inconsistencies and no further, are repealed or modified to that extent necessary to affect the provisions of this Ordinance.

Section 7. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Placentia hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

Section 8. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official

newspaper within 15 days after its adoption. This Ordinance shall become effective 30 days from its adoption.

PASSED, APPROVED AND ADOPTED this 3rd day of October, 2017.

CRAIG S. GREEN, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Placentia, held on the 3rd day of October, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

PATRICK J. MELIA, CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN, CITY ATTORNEY

EXHIBIT "A"

(Development Impact Fee Nexus Study Report)

EXHIBIT B

**A. Chapter 5.02
CITYWIDE DEVELOPMENT IMPACT FEES**

Sections:

- 5.02.010 Findings.**
- 5.02.020 Description of fees.**
- 5.02.030 Limited use of fees.**
- 5.02.040 Imposition of fees.**
- 5.02.050 Public safety impact fees.**
- 5.02.060 Park and Recreation impact fees.**
- 5.02.070 Quimby In-Lieu fees.**
- 5.02.080 Sewer impact fees.**
- 5.02.090 Storm drainage impact fees.**
- 5.02.100 Traffic mitigation impact fees.**
- 5.02.110 Developer construction of facilities.**
- 5.02.120 Fee adjustment.**
- 5.02.130 Definitions.**
- 5.02.140 Development agreements.**
- 5.02.160 Annual Inflationary Adjustment**
- 5.02.180 Schedule of Citywide Development Impact Fees**

5.02.010 Findings.

In order to implement the goals and objectives of the General Plan of the City of Placentia and to mitigate the impacts caused by new development within the city, certain public improvement projects must be or had to be constructed. The City Council determines that development impact fees are needed to finance these public improvements and to pay for development's fair share of the construction costs of these improvements. In establishing the fees described in the following sections, the City Council finds the fees adopted to be consistent with state law (California Government Code Section 66000 et seq.) and with the City's General Plan and, pursuant to Government Code Section 65913.2, has considered the effects of the fees and determines that the fees are not material with respect to the City's housing needs as established in the housing element of the Placentia General Plan.

5.02.020 Description of fees.

A. Development impact fees are hereby established on new development or conversions within the City of Placentia to pay for public improvements related to civic improvement projects, public safety, sewer projects, traffic mitigation, parks and storm drainage. In the following sections, the City Council sets forth the specific amount of the development fee for each type of public improvement project.

B. At least every five years, the City Council shall review these fees to determine whether the fee amounts are reasonably related to the impacts of development and whether the public improvement projects described in the city's capital improvement projects list are still needed. Failure to undertake this review shall not invalidate the imposition of the fees.

5.02.030 Limited use of fees.

The revenues raised by payment of these development impact fees shall each be placed in separate and special impact fund accounts, and such revenues, along with any interest earnings on each separate account, shall be used solely to:

A. Pay for the City's future construction of those public improvement projects at least partially allocable to new development or conversions as described in the City's capital improvement projects list; or

B. Reimburse the City for those described or listed projects constructed by the City with funds advanced by the City from other sources; or

C. Reimburse developers who have been required or permitted by Section 5.02.110 to install such listed facilities which are oversized with supplemental size, length or capacity.

5.02.040 Imposition of fees.

A. Development impact fees shall be imposed on:

1. New development; and
2. Conversions, as provided in this chapter.

B. Development impact fees shall be paid by the owner of the property on which new development or conversion is to occur. The fees shall be collected by the City prior to the issuance of the building or development permit(s) for such development or conversion, whichever occurs later, unless payment at a later time is mandated by Government Code Section 66007.

C. Except as otherwise provided herein, square footage of residential and nonresidential buildings shall be measured by exterior dimensions. Unfinished attics, crawlspaces, and basements shall not be assessed until converted and finished as usable floor space.

D. A building or structure consisting of non-usable floor space, e.g., a garage, carport or storage shed, shall not be deemed to be part of the residential building for the purpose of determining the square footage of the residential building. Such ancillary structures shall require the payment of storm drainage and public safety impact fees; additional impact fees shall not be required until converted to usable floor space.

E. Each single-family residential unit within a multifamily residential building or development project shall be deemed to be a separate building for which a fee is imposed and shall be paid.

F. Additions to an existing building shall be deemed to occur whenever the amount of usable floor space is increased, or whenever new building space is constructed where no structures existed as part of the existing building, whether or not the total building floor area is increased by the new construction.

G. The first seventy (70) square feet of additions or conversions to an existing building in a two-year period shall be exempt from all fees except public safety impact fees and storm drainage impact fees.

H. No development impact fee shall be imposed more than once for the same floor space.

I. Each tenant space in a multi-use building or development project shall be deemed to be a separate use for which a fee is imposed and shall be paid.

5.02.050 Public safety impact fees.

A. Findings. The City Council finds:

1. Numerous items of capital equipment are urgently needed for the City's police and fire protection facilities to maintain the existing level of police and fire protection services to all areas of the City of Placentia.
2. New development or conversions within the City of Placentia result in increased usage of residential, commercial, industrial, and other affected properties, which thereby increases the service requirements and the capital equipment requirements of the City's police and fire safety services. Such increased usage does not ordinarily result from mere subdivision or parcel map divisions of existing properties in the absence of new development or conversions.
3. The City must continue to fund capital additions to its public safety system. These capital improvements include expanding the police and fire department facilities and equipment. These additional capital expenditures are necessary to maintain an acceptable level of public safety service within the next fifteen (15) years.
4. In the absence of the imposition of a public safety impact fee upon all building permits, the additional capital expenses necessary to maintain an acceptable level of public safety services for the entire city would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.
5. New development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.
6. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the fire and police department and other public safety improvements and the impacts of the types of new development or conversions for which a corresponding fee is charged. A

reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. **Schedule of Public Safety Impact Fees.** A public safety impact fee shall be imposed on all new development or conversions and shall apply to both residential and nonresidential construction within the City of Placentia. See Section 5.02.180 "Schedule of Citywide Development Impact Fees."

C. There is hereby established and created a fund of the city entitled "public safety impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The public safety impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of facilities and equipment and other capital purposes needed for the City's fire department and the City's police department in providing police and fire protection services.

5.02.060 Park and Recreation impact fees.

A. **Findings.** The City Council finds:

1. Additional park facilities are needed to accommodate future growth and maintain an acceptable level of the existing park and recreational facilities for all areas of the City of Placentia.

2. New development or conversions within the City of Placentia result in increased usage of the existing park and recreational facilities throughout the City, which thereby increases the service requirements and the capital equipment requirements of the City's parks and recreation facilities. Such increased usage does not ordinarily result from mere subdivision or parcel map divisions of existing properties in the absence of new development or conversions.

3. The City must continue to fund park and recreation improvements within the City. These park and recreation improvements include developing additional parklands, open spaces, and recreational facilities. These additional capital expenditures are necessary to maintain the public health, safety, and welfare by assuring an acceptable level of the park and recreation facilities is available in Placentia within the next fifteen (15) years.

4. In the absence of the imposition of a park improvement impact fee upon new development or conversions, the additional capital expenses necessary to maintain an acceptable level of civic services for the entire city would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.

5. New development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.

6. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for parks and other recreation facilities and the impacts of the types of new development or conversions for which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. **Schedule of Park and Recreation Impact Fees.** A park and recreation impact fee shall be imposed on all new development or conversions and shall apply to all residential construction within the City of Placentia. See Section 5.02.180 "Schedule of Development Impact Fees."

C. There is hereby established and created a fund of the City entitled "park and recreation impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The park and recreation improvement impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of playgrounds, community facilities, recreation facilities and equipment and other capital purposes needed for providing park and recreation services.

5.02.070 Quimby In-Lieu Fees

A. **Schedule of Quimby Fees.** In-lieu fees shall be imposed and/or the dedication of parkland shall be required as a condition of approval of tentative map or parcel map pursuant to Chapter 22.54. See Section 5.02.180 "Schedule of Development Impact Fees."

5.02.080 Sewer impact fees.

A. Findings. The City Council finds:

1. Placentia has a sewer system that consists of a collection system including public sewers and interceptors leading to the wastewater treatment plant and to the disposal system.
2. New development or conversions within the City of Placentia have a significant impact on the sewer system.
3. The City must continue to fund capital improvements to its sewer system. These capital improvements include updating or replacing sewer lines. These additional capital expenditures are necessary to maintain an acceptable level of sewer service within the next fifteen (15) years.
4. New development or conversions within the City result in increased usage of residential, commercial, industrial, and other affected properties, which thereby increases the service requirements and the capital equipment requirements for the City's sewage disposal system. Such increased usage does not ordinarily result from mere subdivision or parcel map divisions of existing properties in the absence of new development or conversions.
5. In the absence of the imposition of a sewer impact fee upon new development or conversions, the additional capital expenses necessary to maintain an acceptable level of sewer service for the entire City would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.
6. New development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.
7. Part of the costs associated with the capital improvements to the sewer system are apportioned to new development and conversions to accommodate increased usage of the sewer system by new residents and businesses.
8. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the sewer system improvements and the impacts of the types of new development or conversions for

which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. Schedule of Sewer Impact Fees.

1. Every person connecting to the City's sewer system or converting unusable to usable floor space in or adding to existing buildings which are already connected to the City's sewer system shall pay to the City a sewer impact fee. See Section 5.02.180 "Schedule of Development Impact Fees."

2. Every person converting an existing use from one use category (residential, commercial, industrial or office) to another use category shall pay a sewer impact fee equal to the difference, if any, between the fees calculated for the existing and new uses as set forth in Section 5.02.180 "Schedule of Development Impact Fees."

3. No sewer impact fee shall be assessed on conversions to another use within the same use category. No person shall be entitled to a refund on conversions from a higher rate use category to a lower rate use category.

C. In addition to the above charges, all expenses and costs of making a sewer connection shall be borne by the person making the connection. No connection shall be made to a public sewer except by the City or by written permission from the City.

D. There is hereby established and created a fund of the City entitled "sewer impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The sewer impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of sanitation and sewage facilities, to repay principal and interest on bonds issued for the construction or reconstruction of such sanitary or sewage facilities, and to repay federal and state loans or advances made to the City for the construction or reconstruction of sanitary or sewage facilities and infrastructure.

5.02.090 Storm drainage impact fees.

A. Findings. The City Council finds:

1. Numerous items of capital infrastructure are urgently needed for the City's drainage system to maintain an acceptable level of storm drainage from all areas of the City of Placentia.

2. New development within the City of Placentia results in increased usage of residential, commercial, industrial, and other affected properties, which thereby increases the amount of impervious surfaces and irrigation of landscaping which create greater need for and usage of drainage systems within the city. Such increased drainage and usage of the system do not ordinarily result from mere subdivision or parcel map divisions of existing properties in the absence of new development.

3. The City must continue to fund capital improvements to its storm drainage system. These capital improvements include constructing storm drains and storm sewers within the City and conducting a storm drainage and monitoring study. These additional capital expenditures are necessary to maintain an acceptable level of storm drainage within the city in the next fifteen (15) years.

4. In the absence of the imposition of a storm drainage impact fee upon new development, the additional capital expenses necessary to maintain an acceptable level of the City's drainage system for the entire City would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.

5. New development without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.

6. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the drainage improvements and the impacts of the types of development for which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of development for which the fee is charged.

B. Schedule of Storm Drainage Impact Fees.

1. A storm drainage impact fee shall be imposed on new construction of buildings, driveways, parking lots, sidewalks, walkways, patios, decks, and other similar structures, and upon any construction of additions or conversions to an existing

building that increase the impervious surface footprint of the parcel. See Section 5.02.180 "Schedule of Development Impact Fees."

C. There is hereby established and created a fund of the City entitled "storm drainage impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The storm drainage impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of facilities and equipment and for other capital purposes needed for the City's storm drainage system and for additional drainage and monitoring studies.

5.02.100 Traffic mitigation impact fees.

A. Findings. The City Council finds:

1. New development or conversions within the City of Placentia result in increased usage of residential, commercial, industrial, and other affected properties, which thereby generates additional traffic within the City and will contribute to the usage and degradation of the existing street infrastructure in the City of Placentia.
2. The purpose of this fee is to finance circulation improvements to reduce the impacts of traffic generated by new development within the City.
3. The City must continue to fund capital improvements to its traffic circulation system. These capital improvements include building new roads, bridges, and traffic control facilities and equipment. These additional capital expenditures are necessary to maintain an acceptable level of traffic circulation and the city's roadway system within the next fifteen (15) years.
4. In the absence of the imposition of a traffic mitigation impact fee upon new development or conversions, the additional capital expenses necessary to maintain acceptable traffic circulation for the entire City would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.
5. The construction of new development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.

6. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the traffic improvements and the impacts of the types of new development or conversions for which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. Schedule of Traffic Mitigation Impact Fees.

1. A traffic mitigation impact fee shall be imposed on new development or conversions within the City of Placentia. See Section 5.02.180 "Schedule of Development Impact Fees."

2. Every person converting an existing use from one use category (residential, commercial, industrial or office) to another use category shall pay a traffic mitigation impact fee equal to the difference, if any, between the fees calculated for the existing and new uses as set forth Section 5.02.180 "Schedule of Development Impact Fees."

3. No traffic mitigation impact fee shall be assessed on conversions to another use within the same use category. No person shall be entitled to a refund on conversions from a higher rate use category to a lower rate use category.

C. There is hereby established and created a fund of the City entitled "traffic mitigation impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The traffic mitigation impact fund is established for the sole purpose of providing monies for the construction and reconstruction of facilities and equipment and other capital purposes needed for traffic circulation improvements in and around the City of Placentia.

5.02.110 Developer construction of facilities.

A. Whenever a developer is required, as a condition of approval of a subdivision, development permit or building permit, to construct a public facility described in the capital improvement projects list, which facility is determined by the city to have supplemental size, length or capacity over that needed to address the impacts of that development, and when construction is necessary to ensure efficient and timely construction of the facilities network, a reimbursement agreement with the developer and a credit against the

applicable impact fee, which would otherwise be charged pursuant to this chapter on the development project, shall be offered. The reimbursement amount shall not include the portion of the improvement needed to provide services or mitigate the need for the facility or the burdens created by the development.

B. A developer who installs an off-site improvement as a special mitigation measure for a project which is identified on the capital improvement projects list to be funded at least partially by impact fees may claim credit on such a fee not to exceed the impact fee payable for the development project. The City's Public Works Director is authorized to allow such credit.

C. If a developer is dissatisfied with the decision of the City's Public Works Director regarding a reimbursement agreement or a credit of development impact fees, the developer shall appeal for relief to the City Council by filing a written appeal with the City Clerk within fifteen (15) days after the disputed decision. The appeal shall state in sufficient detail the basis for the claimed credit. The decision of the City Council shall be final.

5.02.120 Fee adjustment.

A. A developer of any project, including any new building or addition to or conversion of any existing building, subject to the fees described in Sections 5.02.050 through 5.02.100 may apply to the city council for a reduction or adjustment of the fee(s), or a waiver of the fee(s), based upon the absence of any reasonable relationship between the nature of the impact of the development and either the amount of the fee charged or the type of facilities to be financed.

B. The application for a fee reduction, adjustment, or waiver shall be made in writing and filed with the city clerk not later than twenty (20) days after the filing of the application for a building permit.

C. The application shall state in detail the factual basis for the claim of waiver, reduction, or adjustment. The City Council shall consider the application at a hearing held within thirty (30) days after the filing of the fee adjustment application. The decision of the City Council shall be final.

D. If a reduction, adjustment, or waiver is granted, any change in use within the project shall invalidate the waiver, adjustment or reduction of the fee.

5.02.130 Definitions.

- A. "Building permit" shall mean the permit required or issued by the City of Placentia for the construction, improvement or remodeling of any structure pursuant to the City of Placentia's building codes.
- B. "City" shall mean the governmental body managing the administrative operations of the City of Placentia.
- C. "City of Placentia" shall mean all property located within the geographical area within the City of Placentia's city limit line.
- D. "City of Placentia impact fee study" shall mean "Development Impact Fee Nexus Study Report" which is the study, including any amendments or revisions thereto, for the financing of facilities and services designated under the capital improvement projects list for the City of Placentia. This study includes, but is not limited to, a designation of those facilities to be constructed with the impact fees collected under this chapter, the estimated costs of constructing those facilities or providing the services designated therein, and the total use factors or other criteria utilized to arrive at an allocation of the cost of the facilities to the different types of land uses and to new development. Specifically, it means the document and addendum prepared by City staff and SCI Consulting Group ("SCI") entitled "City of Placentia Citywide Development impact Fees Nexus Study" dated August 2017.
- E. "Conversion" shall mean converting from unusable to usable floor space, or converting the existing use to another use.
- F. "Developer" shall mean any person who is the owner or authorized agent of an owner of any new development within the city of Placentia.
- G. "Dwelling unit" shall mean a residential dwelling within the City of Placentia. Each single-family residential unit within a multifamily residential building or development project shall be deemed to be a separate dwelling unit.
- H. "New development" shall mean the original construction of residential, commercial, industrial or other nonresidential buildings, or the addition of usable floor space within existing residential or nonresidential buildings, or the construction of new accessory buildings.

I. "Owner" shall mean the legal owner(s) or the authorized agent(s) for any owner of property being developed.

J. "Usable floor space" shall mean any interior space constructed or converted to be used for human occupancy in accordance with the Uniform Building Code

5.02.140 Development agreements.

The terms of any development approvals or building permit(s) may be negotiated as part of a development agreement which may require a developer to provide or finance any public projects deemed agreeable to both the developer and the City Council. Development constructed under the terms of an approved development agreement may be exempted from the payment of any of the impact fees required under Chapter 5.02.

5.02.160 Annual Inflationary Adjustment

The fees established in Chapter 5.02 shall be automatically adjusted annually commensurate with changes in construction costs. Therefore, the fees shall be adjusted by an amount equal to the percentage change in the Construction Cost Index for Los Angeles as published by the Engineering News-Record, or its successor publication for the preceding twelve months.

5.02.180 Schedule of Development Impact Fees

FIGURE 1 – SUMMARY OF CITYWIDE DEVELOPMENT IMPACT FEES

Land Use Categories	Unit	Public Safety	Park and Recreation	Quimby In-Lieu	Sewer ¹	Traffic ¹	Storm Drainage (Area A)	Storm Drainage (Area C)
Single Family Detached Housing	DU	\$1,049	\$3,051	\$4,586	\$1,356	\$1,411	\$262	\$119
Single Family Attached Housing	DU	\$851	\$2,476	\$3,731	\$997	\$1,411	\$213	\$97
Multi-Family Housing	DU	\$966	\$2,808	\$4,227	\$761	\$875	\$163	\$74
Mobile Homes	DU	\$768	\$2,234	\$3,359	\$886	\$832	\$245	\$111
Retail / Commercial	BSF	\$0.71	-	-	\$0.69	\$1.47	\$0.17	\$0.07
Office	BSF	\$1.02	-	-	\$1.03	\$2.10	\$0.11	\$0.05
Industrial	BSF	\$0.51	-	-	\$0.41	\$0.83	\$0.30	\$0.13

Notes:

¹ New development with the City's TOD area is not subject to the Sewer Impact Fee, the Traffic Impact Fee and the Storm Drainage Impact Fee.

RESOLUTION NO. R-2017-62

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA APPROVING CITYWIDE AFFORDABLE HOUSING FEES FOR RESIDENTIAL DEVELOPMENTS

WHEREAS, to implement the affordable housing goals, policies and programs of the City's 2015-2023 Housing Element, the City Council has considered and introduced on this same date an affordable housing ordinance that, among other things, authorizes the imposition of residential affordable housing impact fees for certain residential development projects to mitigate the impact of such projects on the need for affordable housing in the City (the "Affordable Housing Ordinance");

WHEREAS, to ensure that future development projects mitigate their impact on the need for affordable housing in Placentia, and to ensure that any adopted residential affordable housing impact fees do not exceed the actual affordable housing impacts attributable to the development projects to which the fees relate, the City caused to be prepared a nexus study;

WHEREAS, The "Residential Nexus Study", dated September 2017 (the "Nexus Study"), prepared by Keyser-Marston Associates, Inc., quantifies the impacts of new market-rate units on the need for affordable housing in the city and the justified residential affordable housing impact fees to mitigate those impacts.

WHEREAS, the Nexus Study uses widely applied, appropriate methodology to determine the maximum amount needed to fully mitigate the need for affordable housing created by residential development;

WHEREAS, to ensure that development projects remain economically feasible, the recommended residential affordable housing impact fees as shown in the attached Exhibits A do not exceed the justified fees needed to mitigate the actual affordable housing impacts attributable to the development projects to which the fees relate, as determined by the Nexus Study;

WHEREAS, the Affordable Housing Ordinance and 5.01 of the Placentia Municipal Code authorizes the City Council to adopt by resolution residential affordable housing impact fees, and the City Council desires to do so;

WHEREAS, the Affordable Housing Ordinance authorizes the City Council to adopt by resolution a fee for processing applications for waivers from or modifications to the residential affordable housing impact fees, and the City Council desires to do so;

WHEREAS, at least ten days prior to the date this resolution is being heard, data was made available to the public indicating the amount of cost, or estimated cost, required to

provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service, including general fund revenues, in accordance with Government Code Section 66019;

WHEREAS, at least fourteen days prior to the date this resolution is being heard, notice was provided to any persons or organizations who had requested notice, in accordance with Government Code Section 66019;

WHEREAS, notice of the hearing on the proposed fee was published twice in the manner set forth in Government Code Section 6062a as required by Government Code Sections 66004 and 66018; and

WHEREAS, the City Council has reviewed the information contained in this Resolution and the accompanying staff report and any attachments at a meeting held on October 3, 2017.

NOW, THEREFORE, the City Council of the City of Placentia, California, does hereby resolve as follows:

Section 1.

1. The foregoing recitals are true and correct and incorporated into this Resolution by this reference.
2. The findings of the Nexus Study have been considered and are hereby incorporated into this Resolution by this reference.
3. The facts and substantial evidence in the record establish that there is a reasonable relationship between the need for affordable housing and the impacts of the development described in the Nexus Study for which the corresponding fee is charged, and that there is also a reasonable relationship between the use of the residential affordable housing impact fee and the type of development for which the fee is charged, as is described in more detail in the Nexus Study.
4. The Nexus Study sets forth cost estimates, in 2017 dollars, that are reasonable for constructing affordable housing, and the fees expected to be generated by new development will not exceed these costs.
5. The City Council hereby adopts those residential affordable housing impact fees shown on Exhibit "A", attached hereto and incorporated by reference herein.

6. All residential affordable housing impact fees collected shall be deposited into the City's Housing Impact Fee Fund to be used to increase and preserve the supply of housing affordable to households of extremely low, very low, low, and moderate incomes (including necessary administrative costs).

7. The City Council may review residential affordable housing impact fees from time to time.

For any annual period during which the City Council does not review the residential affordable housing impact fee, fee amounts shall be adjusted once by the Community Development Director based on the percentage increase in the Engineering News-Record Construction Cost Index for Los Angeles, California.

8. The City Council finds that all of the residential affordable housing impact fees adopted pursuant to this Resolution do not exceed the actual affordable housing impacts of the development projects to which those residential affordable housing impact fees relate, as further set forth in the Nexus Study.

9. 14. Adoption of this Resolution is exempt from the California Environmental Quality Act because the adoption of this resolution is not a project, in that it is a government funding mechanism which does not involve any commitment to any specific project (CEQA Guidelines Section 15378(b)(4)), and because it can be seen with certainty that there is no possibility that the fees may have a significant effect on the environment, in that this resolution contains no provisions modifying the physical design, development, or construction of residences (CEQA Guidelines Section 15061 (b)(3)).

Section 2. Be it further resolved that any other resolutions and/or parts of any other resolution in conflict herewith are hereby repealed.

Section 3. Should any section, subsection, clause or provision of this Resolution for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Resolution, it being hereby expressly declared that this Resolution, and each and every section, subsection, sentence, clause and phrase hereof would have been prepared, proposed, approved, adopted and/or ratified irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases of this Resolution be declared invalid or unconstitutional.

Section 4. The City Clerk-Treasurer shall certify to the passage and adoption of this Resolution.

Section 5. The fees adopted pursuant to this Resolution do not go into effect until the effective date of Ordinance No. O-2017-11, or 60 days from the adoption of this Resolution, whichever is later.

PASSED, APPROVED AND ADOPTED this 3rd day of October 2017.

Craig S. Green, Mayor

ATTEST:

Patrick J. Meilia, City Clerk

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of Placentia, held on the 3rd day of October, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Patrick J. Melia, City Clerk

APPROVED AS TO FORM:

Christian L. Bettenhausen, City Attorney

EXHIBIT "A"

TO RESOLUTION NO. R-2017-XX

City of Placentia Residential Affordable Housing Impact Fee Schedule

Project Type	Residential Affordable Housing Impact Fee Per Unit
Single Family Homes	\$7,000
Condominiums	\$5,000
Apartments	\$2,000

ORDINANCE NO. O-2017-10

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, APPROVING A DEVELOPMENT IMPACT FEE NEXUS STUDY REPORT, AND AMENDING TITLE 5 (SCHEDULE OF FEES) WITH THE ADDITION OF CHAPTER 5.02 "CITYWIDE DEVELOPMENT IMPACT FEES" AND "QUIMBY IN-LIEU FEES" TO THE PLACENTIA MUNICIPAL CODE TO ESTABLISH A DEVELOPMENT IMPACT FEE PROGRAM AND ADOPTING NECESSARY FINDINGS FOR THE ESTABLISHMENT OF DEVELOPMENT IMPACT FEES TO FINANCIALLY MITIGATE IMPACTS TO PARKS AND RECREATIONAL FACILITIES, SEWER FACILITIES, TRANSPORTATION INFRASTRUCTURE, STORM DRAIN FACILITIES, AND PUBLIC SAFETY

City Attorney Summary

This Ordinance would add Chapter 5.02 to the City of Placentia Municipal Code establishing Citywide development impact fees for new development fees to finance measures that mitigate impacts to parks and recreational facilities, sewer facilities, transportation infrastructure and traffic, storm drain facilities, and public safety. This Ordinance will also amend Section 22.54.085 by specifying that developments shall be eligible to receive a 25% credit on the value of against the amount of land required to be dedicated, or the amount of the fee imposed.

A. RECITALS

WHEREAS, the continuing growth of the City of Placentia ("City), combined with the expectation of high quality services by persons who live and work in the City, and reductions by the State of California in property tax allocations to local governments have been catalysts for the review of the City's existing and future public facilities and services made necessary by new development;

WHEREAS, pursuant to Government Code Section 66000 et seq., ("Mitigation Fee Act") the City is empowered to impose fees and other exactions to provide necessary public facilities required to mitigate the negative effects of new development in the City;

WHEREAS, pursuant to Government Code Sections 66477 et seq., ("Subdivision Map Act"), the City is empowered to require the dedication of land or impose a requirement of the payment of fees in lieu thereof, or a combination of both, for park or recreational purposes as a condition to the approval of a tentative map or parcel map;

WHEREAS, public facilities, land, and safety are needed for community services;

WHEREAS, it is fair and equitable for new development to pay its fair share and contribute to the financing, acquisition and establishment of such facilities, open space, and public safety endeavors to enable the City to provide necessary public services to new residents, businesses and their employees;

WHEREAS, the proposed fees are based upon the information contained in a document and addendum prepared by City staff and SCI Consulting Group ("SCI") entitled "City of Placentia Citywide Development Impact Fees Nexus Study" dated August 2017 ("the Development Impact Fee Nexus Study Report") - of which a Quimby Land Dedication and In-Lieu Fee Study is an Appendix;

WHEREAS, detailed descriptions of each of the facilities, their approximate location, size, approximate time of availability and their estimated costs are set forth in a document entitled "General Plan;"

WHEREAS, copies of the Development Impact Fee Nexus Study Report and the General Plan are on file in the City Clerk's office and have been made available for public review in accordance with state law, as more fully described below;

WHEREAS, this levying of development impact fees has been reviewed by staff in accordance with the California Environmental Quality Act ("CEQA") and the CEQA Guidelines and the City of Placentia Local Guidelines for implementing CEQA and it has been determined that the adoption of this Ordinance is exempt from CEQA pursuant to Sections 15378(b)(4), 15061(b)(3), and 15273 of the CEQA Guidelines, Section 21065 of the Public Resources Code and the City of Placentia Local Guidelines for implementing CEQA. The intent of the Master Facilities Plan, Nexus Study and proposed fees is to provide a means of mitigating some of the potential environmental impacts which have been identified in planning efforts for anticipated future growth of the City. Specific environmental studies are required to be performed for each project that requires further review under CEQA prior to approval of the specific project;

WHEREAS, the City has: 1) made available to the public, at least ten days prior to its public hearing, data indicating the estimated cost required to provide the facilities and infrastructure for which these development fees are levied and the revenue sources anticipated to provide those facilities and infrastructure; 2) mailed notice at least fourteen days prior to this meeting to all interested parties who have requested notice of new or increased development fees; and 3) held a duly noticed, regularly scheduled public hearing on October 3, 2017 at which time oral and written testimony was received regarding the proposed fees; and

WHEREAS, the City Council has reviewed and considered the staff report, the Development Impact Fee Nexus Study Report, the Appendix, the General Plan and all oral and written testimony.

B. ORDINANCE

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

Section 1. The City Council of the City of Placentia hereby approves the Development Impact Fee Nexus Study Report dated August 2017. This document is attached hereto as Exhibit "A" and is hereby incorporated by this reference.

Section 2. The City Council of the City of Placentia hereby adopts the findings set forth in the recitals to this Ordinance, the findings and facts contained in the Development Impact Nexus Study Report (Exhibit A) and the findings contained in Chapters 5.02 and Placentia Municipal Code, as reflected in the attached Exhibit "B".

Section 3. Title 5 (Schedule of Fees) is hereby amended with the addition of Chapter 5.02 to the Placentia Municipal Code as shown on Exhibit "B" attached hereto and incorporated herein by this reference.

Section 4. Section 22.54.08 is hereby amended to read as follows:

22.54.085 Credits for private open space.

Planned developments, real estate developments, community apartment projects, condominium projects and stock cooperatives shall be eligible to receive a twenty five percent (25%) credit, against the amount of land required to be dedicated, or the amount of the fee imposed, pursuant to this chapter, for the value of private open space within the development which is useable for active recreational uses.

Section 5. Section 5.28.050 is hereby repealed.

Section 6. Any provision of the Placentia Municipal Code or appendices thereto inconsistent with the provisions of the Ordinance, to the extent of such inconsistencies and no further, are repealed or modified to that extent necessary to affect the provisions of this Ordinance.

Section 7. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Placentia hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

Section 8. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official

newspaper within 15 days after its adoption. This Ordinance shall become effective 30 days from its adoption.

PASSED, APPROVED AND ADOPTED this 3rd day of October, 2017.

CRAIG S. GREEN, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Placentia, held on the 3rd day of October, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

PATRICK J. MELIA, CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN, CITY ATTORNEY

EXHIBIT "A"

(Development Impact Fee Nexus Study Report)

EXHIBIT B

**A. Chapter 5.02
CITYWIDE DEVELOPMENT IMPACT FEES**

Sections:

- 5.02.010 Findings.**
- 5.02.020 Description of fees.**
- 5.02.030 Limited use of fees.**
- 5.02.040 Imposition of fees.**
- 5.02.050 Public safety impact fees.**
- 5.02.060 Park and Recreation impact fees.**
- 5.02.070 Quimby In-Lieu fees.**
- 5.02.080 Sewer impact fees.**
- 5.02.090 Storm drainage impact fees.**
- 5.02.100 Traffic mitigation impact fees.**
- 5.02.110 Developer construction of facilities.**
- 5.02.120 Fee adjustment.**
- 5.02.130 Definitions.**
- 5.02.140 Development agreements.**
- 5.02.160 Annual Inflationary Adjustment**
- 5.02.180 Schedule of Citywide Development Impact Fees**

5.02.010 Findings.

In order to implement the goals and objectives of the General Plan of the City of Placentia and to mitigate the impacts caused by new development within the city, certain public improvement projects must be or had to be constructed. The City Council determines that development impact fees are needed to finance these public improvements and to pay for development's fair share of the construction costs of these improvements. In establishing the fees described in the following sections, the City Council finds the fees adopted to be consistent with state law (California Government Code Section 66000 et seq.) and with the City's General Plan and, pursuant to Government Code Section 65913.2, has considered the effects of the fees and determines that the fees are not material with respect to the City's housing needs as established in the housing element of the Placentia General Plan.

5.02.020 Description of fees.

A. Development impact fees are hereby established on new development or conversions within the City of Placentia to pay for public improvements related to civic improvement projects, public safety, sewer projects, traffic mitigation, parks and storm drainage. In the following sections, the City Council sets forth the specific amount of the development fee for each type of public improvement project.

B. At least every five years, the City Council shall review these fees to determine whether the fee amounts are reasonably related to the impacts of development and whether the public improvement projects described in the city's capital improvement projects list are still needed. Failure to undertake this review shall not invalidate the imposition of the fees.

5.02.030 Limited use of fees.

The revenues raised by payment of these development impact fees shall each be placed in separate and special impact fund accounts, and such revenues, along with any interest earnings on each separate account, shall be used solely to:

A. Pay for the City's future construction of those public improvement projects at least partially allocable to new development or conversions as described in the City's capital improvement projects list; or

B. Reimburse the City for those described or listed projects constructed by the City with funds advanced by the City from other sources; or

C. Reimburse developers who have been required or permitted by Section 5.02.110 to install such listed facilities which are oversized with supplemental size, length or capacity.

5.02.040 Imposition of fees.

A. Development impact fees shall be imposed on:

1. New development; and
2. Conversions, as provided in this chapter.

B. Development impact fees shall be paid by the owner of the property on which new development or conversion is to occur. The fees shall be collected by the City prior to the issuance of the building or development permit(s) for such development or conversion, whichever occurs later, unless payment at a later time is mandated by Government Code Section 66007.

C. Except as otherwise provided herein, square footage of residential and nonresidential buildings shall be measured by exterior dimensions. Unfinished attics, crawlspaces, and basements shall not be assessed until converted and finished as usable floor space.

D. A building or structure consisting of non-usable floor space, e.g., a garage, carport or storage shed, shall not be deemed to be part of the residential building for the purpose of determining the square footage of the residential building. Such ancillary structures shall require the payment of storm drainage and public safety impact fees; additional impact fees shall not be required until converted to usable floor space.

E. Each single-family residential unit within a multifamily residential building or development project shall be deemed to be a separate building for which a fee is imposed and shall be paid.

F. Additions to an existing building shall be deemed to occur whenever the amount of usable floor space is increased, or whenever new building space is constructed where no structures existed as part of the existing building, whether or not the total building floor area is increased by the new construction.

G. The first seventy (70) square feet of additions or conversions to an existing building in a two-year period shall be exempt from all fees except public safety impact fees and storm drainage impact fees.

H. No development impact fee shall be imposed more than once for the same floor space.

I. Each tenant space in a multi-use building or development project shall be deemed to be a separate use for which a fee is imposed and shall be paid.

5.02.050 Public safety impact fees.

A. Findings. The City Council finds:

1. Numerous items of capital equipment are urgently needed for the City's police and fire protection facilities to maintain the existing level of police and fire protection services to all areas of the City of Placentia.
2. New development or conversions within the City of Placentia result in increased usage of residential, commercial, industrial, and other affected properties, which thereby increases the service requirements and the capital equipment requirements of the City's police and fire safety services. Such increased usage does not ordinarily result from mere subdivision or parcel map divisions of existing properties in the absence of new development or conversions.
3. The City must continue to fund capital additions to its public safety system. These capital improvements include expanding the police and fire department facilities and equipment. These additional capital expenditures are necessary to maintain an acceptable level of public safety service within the next fifteen (15) years.
4. In the absence of the imposition of a public safety impact fee upon all building permits, the additional capital expenses necessary to maintain an acceptable level of public safety services for the entire city would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.
5. New development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.
6. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the fire and police department and other public safety improvements and the impacts of the types of new development or conversions for which a corresponding fee is charged. A

reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. **Schedule of Public Safety Impact Fees.** A public safety impact fee shall be imposed on all new development or conversions and shall apply to both residential and nonresidential construction within the City of Placentia. See Section 5.02.180 "Schedule of Citywide Development Impact Fees."

C. There is hereby established and created a fund of the city entitled "public safety impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The public safety impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of facilities and equipment and other capital purposes needed for the City's fire department and the City's police department in providing police and fire protection services.

5.02.060 Park and Recreation impact fees.

A. **Findings.** The City Council finds:

1. Additional park facilities are needed to accommodate future growth and maintain an acceptable level of the existing park and recreational facilities for all areas of the City of Placentia.

2. New development or conversions within the City of Placentia result in increased usage of the existing park and recreational facilities throughout the City, which thereby increases the service requirements and the capital equipment requirements of the City's parks and recreation facilities. Such increased usage does not ordinarily result from mere subdivision or parcel map divisions of existing properties in the absence of new development or conversions.

3. The City must continue to fund park and recreation improvements within the City. These park and recreation improvements include developing additional parklands, open spaces, and recreational facilities. These additional capital expenditures are necessary to maintain the public health, safety, and welfare by assuring an acceptable level of the park and recreation facilities is available in Placentia within the next fifteen (15) years.

4. In the absence of the imposition of a park improvement impact fee upon new development or conversions, the additional capital expenses necessary to maintain an acceptable level of civic services for the entire city would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.

5. New development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.

6. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for parks and other recreation facilities and the impacts of the types of new development or conversions for which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. **Schedule of Park and Recreation Impact Fees.** A park and recreation impact fee shall be imposed on all new development or conversions and shall apply to all residential construction within the City of Placentia. See Section 5.02.180 "Schedule of Development Impact Fees."

C. There is hereby established and created a fund of the City entitled "park and recreation impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The park and recreation improvement impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of playgrounds, community facilities, recreation facilities and equipment and other capital purposes needed for providing park and recreation services.

5.02.070 Quimby In-Lieu Fees

A. **Schedule of Quimby Fees.** In-lieu fees shall be imposed and/or the dedication of parkland shall be required as a condition of approval of tentative map or parcel map pursuant to Chapter 22.54. See Section 5.02.180 "Schedule of Development Impact Fees."

5.02.080 Sewer impact fees.

A. Findings. The City Council finds:

1. Placentia has a sewer system that consists of a collection system including public sewers and interceptors leading to the wastewater treatment plant and to the disposal system.
2. New development or conversions within the City of Placentia have a significant impact on the sewer system.
3. The City must continue to fund capital improvements to its sewer system. These capital improvements include updating or replacing sewer lines. These additional capital expenditures are necessary to maintain an acceptable level of sewer service within the next fifteen (15) years.
4. New development or conversions within the City result in increased usage of residential, commercial, industrial, and other affected properties, which thereby increases the service requirements and the capital equipment requirements for the City's sewage disposal system. Such increased usage does not ordinarily result from mere subdivision or parcel map divisions of existing properties in the absence of new development or conversions.
5. In the absence of the imposition of a sewer impact fee upon new development or conversions, the additional capital expenses necessary to maintain an acceptable level of sewer service for the entire City would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.
6. New development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.
7. Part of the costs associated with the capital improvements to the sewer system are apportioned to new development and conversions to accommodate increased usage of the sewer system by new residents and businesses.
8. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the sewer system improvements and the impacts of the types of new development or conversions for

which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. Schedule of Sewer Impact Fees.

1. Every person connecting to the City's sewer system or converting unusable to usable floor space in or adding to existing buildings which are already connected to the City's sewer system shall pay to the City a sewer impact fee. See Section 5.02.180 "Schedule of Development Impact Fees."

2. Every person converting an existing use from one use category (residential, commercial, industrial or office) to another use category shall pay a sewer impact fee equal to the difference, if any, between the fees calculated for the existing and new uses as set forth in Section 5.02.180 "Schedule of Development Impact Fees."

3. No sewer impact fee shall be assessed on conversions to another use within the same use category. No person shall be entitled to a refund on conversions from a higher rate use category to a lower rate use category.

C. In addition to the above charges, all expenses and costs of making a sewer connection shall be borne by the person making the connection. No connection shall be made to a public sewer except by the City or by written permission from the City.

D. There is hereby established and created a fund of the City entitled "sewer impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The sewer impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of sanitation and sewage facilities, to repay principal and interest on bonds issued for the construction or reconstruction of such sanitary or sewage facilities, and to repay federal and state loans or advances made to the City for the construction or reconstruction of sanitary or sewage facilities and infrastructure.

5.02.090 Storm drainage impact fees.

A. Findings. The City Council finds:

1. Numerous items of capital infrastructure are urgently needed for the City's drainage system to maintain an acceptable level of storm drainage from all areas of the City of Placentia.

2. New development within the City of Placentia results in increased usage of residential, commercial, industrial, and other affected properties, which thereby increases the amount of impervious surfaces and irrigation of landscaping which create greater need for and usage of drainage systems within the city. Such increased drainage and usage of the system do not ordinarily result from mere subdivision or parcel map divisions of existing properties in the absence of new development.

3. The City must continue to fund capital improvements to its storm drainage system. These capital improvements include constructing storm drains and storm sewers within the City and conducting a storm drainage and monitoring study. These additional capital expenditures are necessary to maintain an acceptable level of storm drainage within the city in the next fifteen (15) years.

4. In the absence of the imposition of a storm drainage impact fee upon new development, the additional capital expenses necessary to maintain an acceptable level of the City's drainage system for the entire City would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.

5. New development without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.

6. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the drainage improvements and the impacts of the types of development for which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of development for which the fee is charged.

B. Schedule of Storm Drainage Impact Fees.

1. A storm drainage impact fee shall be imposed on new construction of buildings, driveways, parking lots, sidewalks, walkways, patios, decks, and other similar structures, and upon any construction of additions or conversions to an existing

building that increase the impervious surface footprint of the parcel. See Section 5.02.180 "Schedule of Development Impact Fees."

C. There is hereby established and created a fund of the City entitled "storm drainage impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The storm drainage impact fund is established for the sole purpose of providing monies for the acquisition, construction, and reconstruction of facilities and equipment and for other capital purposes needed for the City's storm drainage system and for additional drainage and monitoring studies.

5.02.100 Traffic mitigation impact fees.

A. Findings. The City Council finds:

1. New development or conversions within the City of Placentia result in increased usage of residential, commercial, industrial, and other affected properties, which thereby generates additional traffic within the City and will contribute to the usage and degradation of the existing street infrastructure in the City of Placentia.
2. The purpose of this fee is to finance circulation improvements to reduce the impacts of traffic generated by new development within the City.
3. The City must continue to fund capital improvements to its traffic circulation system. These capital improvements include building new roads, bridges, and traffic control facilities and equipment. These additional capital expenditures are necessary to maintain an acceptable level of traffic circulation and the city's roadway system within the next fifteen (15) years.
4. In the absence of the imposition of a traffic mitigation impact fee upon new development or conversions, the additional capital expenses necessary to maintain acceptable traffic circulation for the entire City would be unfairly imposed upon the owners and residents of the existing buildings and improvements within the City of Placentia.
5. The construction of new development or conversions without the payment of fees imposed by this section would not be fair to the owners and occupants of existing buildings within the City of Placentia.

6. The facts and evidence presented in the City's impact fee study establish that there exists a reasonable relationship between the need for the traffic improvements and the impacts of the types of new development or conversions for which a corresponding fee is charged. A reasonable relationship or nexus also exists between the fee's use and the type of new development or conversions for which the fee is charged.

B. Schedule of Traffic Mitigation Impact Fees.

1. A traffic mitigation impact fee shall be imposed on new development or conversions within the City of Placentia. See Section 5.02.180 "Schedule of Development Impact Fees."

2. Every person converting an existing use from one use category (residential, commercial, industrial or office) to another use category shall pay a traffic mitigation impact fee equal to the difference, if any, between the fees calculated for the existing and new uses as set forth Section 5.02.180 "Schedule of Development Impact Fees."

3. No traffic mitigation impact fee shall be assessed on conversions to another use within the same use category. No person shall be entitled to a refund on conversions from a higher rate use category to a lower rate use category.

C. There is hereby established and created a fund of the City entitled "traffic mitigation impact fund" and all revenues derived from and monies collected under this section, including accrued interest thereon, shall be deposited in such fund. The traffic mitigation impact fund is established for the sole purpose of providing monies for the construction and reconstruction of facilities and equipment and other capital purposes needed for traffic circulation improvements in and around the City of Placentia.

5.02.110 Developer construction of facilities.

A. Whenever a developer is required, as a condition of approval of a subdivision, development permit or building permit, to construct a public facility described in the capital improvement projects list, which facility is determined by the city to have supplemental size, length or capacity over that needed to address the impacts of that development, and when construction is necessary to ensure efficient and timely construction of the facilities network, a reimbursement agreement with the developer and a credit against the

applicable impact fee, which would otherwise be charged pursuant to this chapter on the development project, shall be offered. The reimbursement amount shall not include the portion of the improvement needed to provide services or mitigate the need for the facility or the burdens created by the development.

B. A developer who installs an off-site improvement as a special mitigation measure for a project which is identified on the capital improvement projects list to be funded at least partially by impact fees may claim credit on such a fee not to exceed the impact fee payable for the development project. The City's Public Works Director is authorized to allow such credit.

C. If a developer is dissatisfied with the decision of the City's Public Works Director regarding a reimbursement agreement or a credit of development impact fees, the developer shall appeal for relief to the City Council by filing a written appeal with the City Clerk within fifteen (15) days after the disputed decision. The appeal shall state in sufficient detail the basis for the claimed credit. The decision of the City Council shall be final.

5.02.120 Fee adjustment.

A. A developer of any project, including any new building or addition to or conversion of any existing building, subject to the fees described in Sections 5.02.050 through 5.02.100 may apply to the city council for a reduction or adjustment of the fee(s), or a waiver of the fee(s), based upon the absence of any reasonable relationship between the nature of the impact of the development and either the amount of the fee charged or the type of facilities to be financed.

B. The application for a fee reduction, adjustment, or waiver shall be made in writing and filed with the city clerk not later than twenty (20) days after the filing of the application for a building permit.

C. The application shall state in detail the factual basis for the claim of waiver, reduction, or adjustment. The City Council shall consider the application at a hearing held within thirty (30) days after the filing of the fee adjustment application. The decision of the City Council shall be final.

D. If a reduction, adjustment, or waiver is granted, any change in use within the project shall invalidate the waiver, adjustment or reduction of the fee.

5.02.130 Definitions.

- A. "Building permit" shall mean the permit required or issued by the City of Placentia for the construction, improvement or remodeling of any structure pursuant to the City of Placentia's building codes.
- B. "City" shall mean the governmental body managing the administrative operations of the City of Placentia.
- C. "City of Placentia" shall mean all property located within the geographical area within the City of Placentia's city limit line.
- D. "City of Placentia impact fee study" shall mean "Development Impact Fee Nexus Study Report" which is the study, including any amendments or revisions thereto, for the financing of facilities and services designated under the capital improvement projects list for the City of Placentia. This study includes, but is not limited to, a designation of those facilities to be constructed with the impact fees collected under this chapter, the estimated costs of constructing those facilities or providing the services designated therein, and the total use factors or other criteria utilized to arrive at an allocation of the cost of the facilities to the different types of land uses and to new development. Specifically, it means the document and addendum prepared by City staff and SCI Consulting Group ("SCI") entitled "City of Placentia Citywide Development impact Fees Nexus Study" dated August 2017.
- E. "Conversion" shall mean converting from unusable to usable floor space, or converting the existing use to another use.
- F. "Developer" shall mean any person who is the owner or authorized agent of an owner of any new development within the city of Placentia.
- G. "Dwelling unit" shall mean a residential dwelling within the City of Placentia. Each single-family residential unit within a multifamily residential building or development project shall be deemed to be a separate dwelling unit.
- H. "New development" shall mean the original construction of residential, commercial, industrial or other nonresidential buildings, or the addition of usable floor space within existing residential or nonresidential buildings, or the construction of new accessory buildings.

I. "Owner" shall mean the legal owner(s) or the authorized agent(s) for any owner of property being developed.

J. "Usable floor space" shall mean any interior space constructed or converted to be used for human occupancy in accordance with the Uniform Building Code

5.02.140 Development agreements.

The terms of any development approvals or building permit(s) may be negotiated as part of a development agreement which may require a developer to provide or finance any public projects deemed agreeable to both the developer and the City Council.

Development constructed under the terms of an approved development agreement may be exempted from the payment of any of the impact fees required under Chapter 5.02.

5.02.160 Annual Inflationary Adjustment

The fees established in Chapter 5.02 shall be automatically adjusted annually commensurate with changes in construction costs. Therefore, the fees shall be adjusted by an amount equal to the percentage change in the Construction Cost Index for Los Angeles as published by the Engineering News-Record, or its successor publication for the preceding twelve months.

5.02.180 Schedule of Development Impact Fees

FIGURE 1 – SUMMARY OF CITYWIDE DEVELOPMENT IMPACT FEES

Land Use Categories	Unit	Public Safety	Park and Recreation	Quimby In-Lieu	Sewer¹	Traffic¹	Storm Drainage (Area A)	Storm Drainage (Area C)
Single Family Detached Housing	DU	\$1,049	\$3,051	\$4,586	\$1,356	\$1,411	\$262	\$119
Single Family Attached Housing	DU	\$851	\$2,476	\$3,731	\$997	\$1,411	\$213	\$97
Multi-Family Housing	DU	\$966	\$2,808	\$4,227	\$761	\$875	\$163	\$74
Mobile Homes	DU	\$768	\$2,234	\$3,359	\$886	\$832	\$245	\$111
Retail / Commercial	BSF	\$0.71	-	-	\$0.69	\$1.47	\$0.17	\$0.07
Office	BSF	\$1.02	-	-	\$1.03	\$2.10	\$0.11	\$0.05
Industrial	BSF	\$0.51	-	-	\$0.41	\$0.83	\$0.30	\$0.13

Notes:

¹ New development with the City's TOD area is not subject to the Sewer Impact Fee, the Traffic Impact Fee and the Storm Drainage Impact Fee.

**Proposed Development Impact Fees
City Comparison**

9/21/2017

CITYWIDE DEVELOPMENT IMPACT FEES - MULTI FAMILY (APARTMENT)										SAMPLE		
	Park & Recreation	Quimby In-Lieu	Storm Drain	Traffic Impact	Sewer Impact	Streetscape Impact Fee	Public Safety Impact Fee	Affordable Housing (per unit)	Public Art Fee	200 Unit Development	Building Valuation	TOTAL
Placentia Citywide Apartment	\$ 2,808.00	\$ 4,227.00	\$ 163.00	\$ 875.00	\$ 761.00	\$ -	\$ 966.00	\$2,000		200	50,000,000	\$ 2,360,000.00
*Placentia TOD Apartment (Only)	\$ 2,808.00	\$ 4,227.00	\$ 163.00	\$ 1,203.00	\$ 3,336.00	\$ 5,910.00	\$ 966.00	\$2,000	\$ 0.0025	200	50,000,000	\$ 4,247,600.00
Brea	\$ 5,611.00		\$ 2,310.00	\$ 1,203.00		\$ -	\$ 771.00		\$ 0.0010	200	50,000,000	\$ 2,029,000.00
Cypress		\$ 8,000.00	\$ 7,940.00	\$ 564.00		\$ -	\$ 267.00			200	50,000,000	\$ 3,354,200.00
Orange	\$ 10,546.00			\$ 1,234.00	\$ 3,062.00	\$ -	\$ 956.00			200	50,000,000	\$ 3,159,600.00
Yorba Linda (2 Bedroom)	\$ 10,718.00			\$ 2,354.00	\$ 2,695.00	\$ -				200	50,000,000	\$ 3,153,400.00
Anahiem	\$ 5,409.00		\$ 34,303.00	\$ 1,297.00	\$ 3,180.00	\$ -				200	50,000,000	\$ 9,378,802.00
Anahiem (Platinum Triangle)	\$ 8,114.01		\$ 34,303.00	\$ 1,297.00	\$ 3,180.00					200	50,000,000	\$ 9,378,802.00
Fullerton	\$ 12,020.00			\$ 195.00	\$ 3,062.00	\$ -				200	50,000,000	\$ 3,055,400.00

*Applies only to TOD area.

CITYWIDE DEVELOPMENT IMPACT FEES - SINGLE FAMILY RESIDENTIAL (TOWNHOME/CONDO)										SAMPLE		
	Park & Recreation	Quimby In-Lieu	Storm Drain	Traffic Impact	Sewer Impact	Streetscape Impact Fee	Public Safety Impact Fee	Affordable Housing (per unit)	Public Art Fee	1 Unit Development	Building Valuation	TOTAL
Placentia SFR Attached	\$ 2,476.00	\$ 3,731.00	\$ 213.00	\$ 1,411.00	\$ 997.00	\$ -	\$ 851.00	\$5,000		1	750,000	\$ 14,679.00
Brea	\$ 9,818.00		\$ 2,310.00	\$ 1,974.00		\$ -	\$ 1,029.00		\$ 0.0010	1	750,000	\$ 15,881.00
Cypress		\$ 8,000.00	\$ 7,940.00	\$ 552.00		\$ -				1	750,000	\$ 16,492.00
Orange (2 Bedroom)	\$ 7,994.00			\$ 1,445.00	\$ 3,121.00	\$ -	\$ 955.89			1	750,000	\$ 13,515.89
Yorba Linda (2 Bedroom)	\$ 16,716.00			\$ 4,037.00	\$ 3,121.00	\$ -				1	750,000	\$ 23,874.00
Anahiem (2 Bedroom)	\$ 5,388.14		\$ 24,296.00	\$ 2,029.00	\$ 3,855.00	\$ -				1	750,000	\$ 35,568.14
Fullerton (2 Bedroom)	\$ 12,020.00			\$ 195.30	\$ 3,121.00	\$ -				1	750,000	\$ 15,336.30

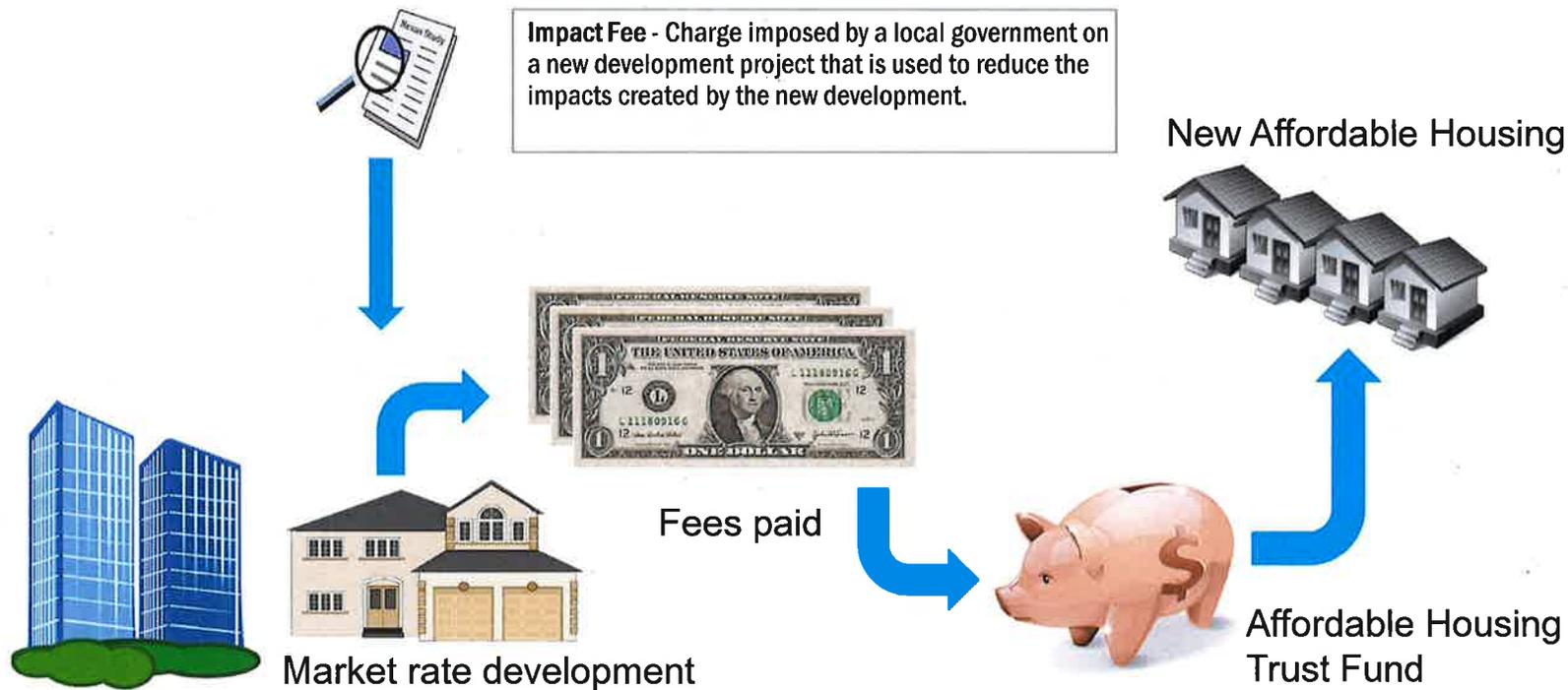
CITYWIDE DEVELOPMENT IMPACT FEES - SINGLE FAMILY RESIDENTIAL										SAMPLE		
	Park & Recreation	Quimby In-Lieu	Storm Drain	Traffic Impact	Sewer Impact	Streetscape Impact Fee	Public Safety Impact Fee	Affordable Housing (per unit)	Public Art Fee	1 Unit Development	Building Valuation	TOTAL
Placentia SFR Detached	\$ 3,051.00	\$ 4,586.00	\$ 262.00	\$ 1,411.00	\$ 1,356.00	\$ -	\$ 1,049.00	\$7,000		1	750,000	\$ 18,715.00
Brea	\$ 9,818.00		\$ 2,310.00	\$ 1,974.00		\$ -	\$ 1,029.00		\$ 0.0010	1	750,000	\$ 15,881.00
Cypress		\$ 8,000.00	\$ 7,940.00	\$ 647.00		\$ -				1	750,000	\$ 16,587.00
Orange (3 Bedroom)	\$ 7,994.00			\$ 1,445.00	\$ 3,855.00	\$ -	\$ 1,554.89			1	750,000	\$ 14,848.89
Yorba Linda	\$ 16,716.00			\$ 4,037.00	\$ 3,121.00	\$ -				1	750,000	\$ 23,874.00
Anahiem (3 Bedroom)	\$ 6,936.46		\$ 16,080.00	\$ 2,029.00	\$ 3,855.00	\$ -				1	750,000	\$ 28,900.46
Fullerton (3 Bedroom)	\$ 12,020.00			\$ 325.50	\$ 3,855.00	\$ -				1	750,000	\$ 16,200.50

City of Placentia Residential Nexus Study

OCTOBER 3, 2017



Housing Impact Fee Basics



Residential Affordable Housing Nexus



New market rate
homes



New jobs, some
pay low wages



Need for new
affordable homes

Residential Nexus Study Research

- The Residential Nexus Study is based on current real estate dynamics.
- The first step is to compile information pertaining to the unit sizes and current market rate sales prices and rents for:
 - New single-family home developments
 - New condominium developments
 - New apartment developments

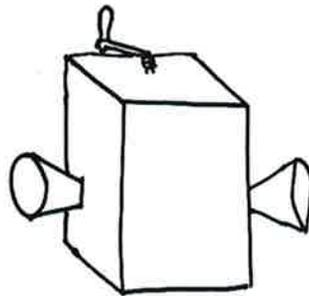
Residential Prototypes

	Single Family	Condominium	Apartment
Average Unit Size	2,350 SF	1,800 SF	\$1,050 SF
Pricing	\$730,000	\$600,000	\$2,500
\$ / SF	\$311	\$333	\$2.38

Residential Nexus Analysis

- The analysis is based on anticipated new development.
- Estimates the expenditures of new residents based on disposable income.
- The net cost to build new housing to serve new workers is defined as the Affordability Gap.

Data:
Incomes
Spending patterns
Cost to build affordable homes
Affordable housing costs



Maximum Legally Supportable Residential Affordable Housing Impact Fees

	Single Family	Condominium	Apartment
Maximum Residential Affordable Housing Impact Fees Per Unit	\$43,400	\$36,400	\$30,100
Maximum Residential Affordable Housing Impact Fees Per Square Foot	\$18.60	\$20.20	\$28.70

Financially Supportable Residential Affordable Housing Impact Fee

- The goal is to avoid placing an onerous burden on residential developers.
- Typical sequence of events:
 - At first, the impact is largely borne by developers that already purchased land.
 - After adoption, developers try to bargain for land prices that reflect the impacts created by the Fee.
 - During initial implementation, some owners hold off on selling land until market demand causes prices to increase.
 - Over time, land prices adjust to reflect the value supported given all the restrictions imposed on the property.

Financial Feasibility Analysis

- KMA prepared pro forma analyses for the following prototypical development projects:
 - A single-family home project
 - A condominium project
 - An apartment project
- The feasibility testing methodology is based on parameters that have been used in the creation of many Residential Affordable Housing Impact Fee Programs in California.

Maximum Financially Supportable Residential Affordable Housing Impact Fees

	Single Family	Condominium	Apartment
Maximum Residential Affordable Housing Impact Fees Per Unit	\$54,600	\$29,600	\$6,000
Maximum Residential Affordable Housing Impact Fees Per Square Foot	\$24.90	\$16.00	\$6.70

Maximum Recommended Residential Affordable Housing Impact Fees

	Single Family	Condominium	Apartment
Maximum Legally Supportable Residential Affordable Housing Impact Fee	\$43,400	\$36,400	\$30,100
Maximum Financially Supportable Residential Affordable Housing Impact Fee	\$54,600	\$29,600	\$6,000
Maximum Recommended Residential Affordable Housing Impact Fee	\$43,400	\$29,600	\$6,000

Proposed Residential Affordable Housing Impact Fees

On August 31st, the Planning and Economic Development Ad Hoc Committee reviewed the Residential Nexus Study and recommends the following fees:

- Single-Family Homes - \$7,000 per unit
- Condominiums - \$5,000 per unit
- Apartments - \$2,000 per unit

Questions
