



Winters City Council Meeting
City Council Chambers
318 First Street
Tuesday, February 16, 2010
6:30 p.m.
AGENDA

Members of the City Council

*Michael Martin, Mayor
Woody Fridae, Mayor Pro Tempore
Harold Anderson
Cecilia Aguiar-Curry
Tom Stone*

*John W. Donlevy, Jr., City Manager
John Wallace, City Attorney
Nanci Mills, City Clerk*

PLEASE NOTE – The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Mayor or Councilmembers. Public comments time may be limited and speakers will be asked to state their name.

Roll Call

Pledge of Allegiance

Approval of Agenda

COUNCIL/STAFF COMMENTS

PUBLIC COMMENTS

At this time, any member of the public may address the City Council on matters, which are not listed on this agenda. Citizens should reserve their comments for matter listed on this agenda at the time the item is considered by the Council. An exception is made for members of the public for whom it would create a hardship to stay until their item is heard. Those individuals may address the item after the public has spoken on issues that are not listed on the agenda. Presentations may be limited to accommodate all speakers within the time available. Public comments may also be continued to later in the meeting should the time allotted for public comment expire.

CONSENT CALENDAR

All matters listed under the consent calendar are considered routine and non-controversial, require no discussion and are expected to have unanimous Council support and may be enacted by the City Council in one motion in the form listed below. There will be no separate discussion of these items. However, before the City Council votes on the motion to adopt, members of the City Council, staff, or the public may request that specific items be removed from the Consent Calendar for separate discussion and action. Items(s) removed will be discussed later in the meeting as time permits.

- A. Minutes of the Regular Meeting of the Winters City Council Held on January 2, 2010 (pp 1-8)
- B. Resolution 2010-10 A Resolution of the City Council of the City of Winters Authorizing Sacramento County as the Lead Collaborative Agency to Apply for Funds on Behalf of the Local Collaborative Jurisdiction (for an SEP grant) (pp 9-15)
- C. Request for Street Closure – Iron Steed HOG (Harley Owners Group) of Vacaville for Sunday, May 23, 2010 (pp 16-18)
- D. Claim Against the City of Winters – Langston Construction, Inc. (pp 19-23)

PRESENTATIONS

A Proclamation in Celebration of Women's History Month, Declaring March 2010 "Women's History Month" for "Writing Women Back Into History", being presented to B.J. Ford (pp 24)

Comprehensive Annual Financial Report – Under Separate Cover.
(Also Available on the City Website: www.cityofwinters.org under "Recent Additions and Frequent Requests")

DISCUSSION ITEMS

- 1. Resolution 2010-09, A Resolution of the City Council of the City of Winters, Adopting Guidelines for Business Assistance Loan Program Funded by the City of Winters with Community Development Block Grant Funds (pp 25-45)
- 2. Public Hearing and Adoption of Resolution 2010-08, A Resolution of the City Council of the City of Winters, Accepting the Final Product, Downtown Winters Feasibility Market Study, Funded by a Grant from the Department of Housing and Community Development, Community Development Block Grant Program for Planning and Technical Assistance Contract #07-PTAE-3321 (pp 46-48)

3. Fiscal Sustainability – Budget, Fiscal, Tax and Economic Recommendations (pp 49-76)

COMMUNITY DEVELOPMENT AGENCY

1. Public Hearing and Consideration of Resolution 2010-04, a Resolution of the Winters Community Development Agency Authorizing the Executive Director to Execute and Amend a Restated Owner Participation Agreement with the Central Valley Coalition for Affordable Housing, a California Non-Profit Public Benefit Corporation for the development of the Orchard Village Affordable Housing Project. **(Continued to a Future Date)**

CITY MANAGER REPORT

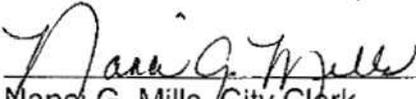
INFORMATION ONLY

EXECUTIVE SESSION

Section 54956.8 of the Government Code - Real Estate Negotiation of the Community Development Agency Regarding Property at 314 and 318 Railroad Avenue, Winters

ADJOURNMENT

I declare under penalty of perjury that the foregoing agenda for the February 16, 2010 regular meeting of the Winters City Council was personally delivered to each Councilmember's mail boxes in City Hall and posted on the outside public bulletin board at City Hall, 318 First Street on February 11, 2010, and made available to the public during normal business hours.



Nancy G. Mills, City Clerk

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Wednesday at 10:00 a.m.

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Minutes of the Winters City Council Meeting
Held on Tuesday, February 2, 2010

Mayor Martin called the meeting to order at 6:30 p.m.

Present: Council Members Cecilia Aguiar-Curry, Harold Anderson, Woody Fridae, Tom Stone, and Mayor Martin.

Absent: None

Staff: City Manager John Donlevy, City Attorney John Wallace, City Clerk Nanci Mills, City Engineer Nick Ponticello, Housing Programs Manager Dan Maguire, Community Development Director Nellie Dyer and Administrative Assistant Tracy Jensen.

The Pledge of Allegiance was led by John Hagelis.

Approval of Agenda: Council Member Fridae requested to add a Presentation to the agenda. Motion by Council Member Aguiar-Curry and second by Council Member Stone to approve the agenda with said addition. Motion carried unanimously.

COUNCIL/STAFF COMMENTS: Council Member Stone said the next Chamber Mixer will be held at Tomat's on Monday, February 8th. Council Member Aguiar-Curry said she has received phone calls asking about resurrecting the Parks and Recreation Committee and creating a Community Center Committee, requesting this subject be included as a discussions item on the next agenda. She also requested a Healthy Eating Active Living (HEALS) resolution be brought back to the next meeting. She will also be bringing League of California Cities initiatives to the next meeting. Council Member Fridae urged residents to attend the Cal Trans Community Outreach meeting on Thursday, February 4th at the Community Center, where the gateway and traffic flow will be among the topics of discussion. Don't forget the Fire Department's Fish Fry on Friday, February 19th. Mayor Martin also urged residents to attend the Cal Trans Community Outreach meeting, where design and layout will be discussed, and added this is the future of Winters.

PUBLIC COMMENTS: None

CONSENT CALENDAR

A. Minutes of the Regular Meeting of the Winters City Council Held on January 19, 2010

City Manager Donlevy gave a brief overview. Motion by Council Member Fridae and second by Council Member Aguiar-Curry to approve the consent calendar. Motion carried unanimously.

PRESENTATIONS

Council Member Fridae, on behalf of the Winters Preservation Society, presented a framed historic photograph to Dave Fleming, owner of the Palms Playhouse in appreciation and to thank him for his support of the Winters Preservation Society. The historic photo depicts the decorated stage of the Winters Opera House/Palms Playhouse taken by Henry Seamus in 1890.

DISCUSSION ITEMS

1. Second Reading and Adoption of Ordinance 2010-01, an Ordinance of the City Council of the City of Winters adopting Title 19 of the Winters Municipal Code pertaining to Code Enforcement, Amending Section 1.12.010(B), Section 1.16.010, Section 8.16.030, Section 15.40.070, and Section 17.108.130 of the Municipal Code, and Repealing Section 8.16.040 of the Municipal Code to Conform to New Code Enforcement Provisions in Title 19

Laura Hollender of Meyers Nave gave an overview, confirming the verbiage in Section 19.04.110, Authority to Inspect Property, had been modified as requested. Council Member Fridae thanked Laura for addressing Council's concerns and revising the verbiage. Motion by Council Member Stone and second by Council Member Aguiar-Curry to approve staff recommendation, adopting Ordinance 2010-01, adopting Title 19 of the Winters Municipal Code pertaining to Code Enforcement, Amending Section 1.12.010(B), Section 1.16.010, Section 8.16.030, Section 15.40.070, and Section 17.108.130 of the Municipal Code, and Repealing Section 8.16.040 of the Municipal Code to Conform to New Code Enforcement Provisions in Title 19. Motion carried with the following vote:

AYES: Council Members Aguiar-Curry, Anderson, Fridae, Stone and Mayor Martin
NOES: None
ABSENT: None
ABSTAIN: None

2. Public Hearing and Adoption of Resolution 2010-08, A Resolution of the City Council of the City of Winters Accepting the Final Product Funded by CDBG Planning and Technical Assistance Grant # 07-PTAE-3321

Council Members Anderson and Fridae recused themselves due to a possible conflict of interest. Management Analyst Dawn Van Dyke gave an overview and asked Council to approve staff recommendation. Mayor Martin opened the public hearing at 6:42 p.m.

Dave Fleming, 13 Main Street, read the feasibility study and is excited about the possible uses. There is one piece missing, though. The study does not address the close proximity of the Palms Playhouse to the adjacent Putah Creek Building. The Palms is an entertainment venue, where there are bands, noise and activity. If a hotel, which would be noise sensitive, were to occupy the Putah Creek Building, this would pose a continuous problem. This exclusion needs to be addressed and included in the study. Mayor Martin said this was a reasonable request from an ongoing business owner. He asked if a sound wall might be installed on the Putah Creek side to avoid compromising the interior brick wall on the Palms side. Mayor Martin closed the public hearing at 6:45 p.m.

Council Member Aguiar-Curry agreed this was a big piece and asked if the study could be amended. She wants the study to be consistent and make sure it's fully disclosed, including any potential cost to amend. Dawn said the cost estimates do not include soundproofing and suggested additions be added under "General Comment" to avoid costs to amend the study. City Manager Donlevy said staff would write an exception and include it in the study. Council Member Aguiar-Curry asked staff to have a conversation with the owners of the property identified in the study and to bring the study back to the next Council meeting with said changes.

Council Members Anderson and Fridae returned to their seats.

3. Public Hearing and Consideration of Resolution 2010-07, A Resolution of the City Council of the City of Winters Authorizing the City Manager to Execute a Public Improvement Agreement and an Interim Building Permit Issuance Agreement between the City of Winters and the Central Valley Coalition for Affordable Housing, a California Non-Profit Public Benefit Corporation, for the Orchard Village Project

City Engineer Nick Ponticello gave an overview, confirming that if approved, authorization would be given to the Mayor to execute the Public Improvement Agreement, and asked Council to open a joint public hearing with the Community Development Agency to hear this item. Agency Chairman Fridae convened the Community Development Agency in concurrence with the City Council at 6:55 p.m.

Nick also said the CDA/City Council would be acting on the Public Improvement Agreement only and not on the Interim Building Permit Issuance Agreement as stated on the agenda. Council Member Anderson asked Nick to elaborate on the water system. Nick said a new water well is being constructed and should be completed by Ma, 2010. The City fronted the funding for the construction of the well from CDA and other fund sources, and the applicant/developer is committed to repay the \$700,000 to the City, less the amount for water impact fees.

Council Member Aguiar-Curry asked about the temporary asphalt/concrete path on the east side of Railroad. Nick said this would be a temporary improvement and as development moves to the south, other roadway safety improvements may occur. Council Member Aguiar-Curry also asked if the second driveway access on Dutton Street, which will initially be utilized for emergency access only, is due to the Cal Trans design. Nick replied it could be opened with secondary access. City Manager Donlevy said there will be additional improvements on Dutton Street and will likely come back before Council and added that all proposals for Dutton/Walnut don't jive.

Agency Chairman Fridae opened the public hearing at 7:15 p.m. and closed the public hearing at 7:15 p.m. without public comment. Motion by Council Member Stone, second by Council Member Anderson to approve Resolution 2010-07, approving a Public Improvement and Maintenance Agreement for the Orchard Village Project, and authorizing the Mayor to execute the agreement. Council Member Fridae asked if the Mayor or City Manager would execute the agreement. City Engineer Ponticello confirmed the Mayor would sign the agreement and added that the CDA Executive Director would not be acting on this item. Motion carried with the following vote:

AYES: Council Members Aguiar-Curry, Anderson, Fridae, Stone and Mayor Martin
NOES: None
ABSENT: None
ABSTAIN: None

4. Municipal Services Tax – Update

City Manager Donlevy gave an overview, indicating a resolution would have to be submitted to the Yolo County Board of Supervisors prior to their March 12, 2010 meeting if an increase of the City's Municipal Services Tax was to go before the citizens of Winters, which would require a 50% + 1 vote to pass.

Council Member Fridae wants to send a message to the citizens of Winters. Emergency service staff levels are dangerously low. Council is considering closures of the swimming pool, Community Center, and Youth Day. People need to know we have a serious problem. He said a tax increase should be supported by all Council members and the Council should vote unanimously. We need to be act as ambassadors and if individual Council members do not support it, it becomes a wedge issue. The voters

want to know what the cost would be and what they're getting. This should be clearly defined. Keeping facilities and activities open would benefit more people and hopefully they would see the need for support. We shouldn't wait to do it, but if we're serious about possible cuts to community services, the citizens deserve a say. We have to craft it and clearly define the cost.

Mayor Martin asked if staff could come back with some hard amounts for the Police and Fire departments and said we need to pin down what the community will support. If we ask for too much, we may lose it. City Manager Donlevy said the flow of any project is a one-time short burst of revenue. Property taxes take at least two years for it to equalize out. Council Member Stone confirmed that any specific tax measure would require a 2/3 vote and a general fund tax measure would require a 50% vote. We are clear about the problems, but cannot identify exactly where the money would go. Council Member Aguiar-Curry asked what it would cost the City to include the tax measure on the June ballot and the cost to get the information out to the public. She said increased user fees at the Community Center and swimming pool should be considered. You use, you pay. No decision has been made regarding closures. She said a lot of people can't afford a \$10 or \$20 increase, and the water & sewer rates have also gone up. Council Member Anderson said he would also have a hard time imposing an increased tax on residents at this time. Council Member Aguiar-Curry asked if there were any more monies being proposed on the November ballot for the County or School district.

City Manager Donlevy confirmed that 65% of the general fund is for public safety. Council Member Aguiar-Curry asked if staff could run a few more numbers and bring the information to the next Council meeting. City Manager Donlevy said the focus will be on the wording (usage) and the amount. Council Member Fridae asked if a description could be used on the ballot. City Attorney Wallace advised adding other things to the wording but that it should be generally stated. Council Member Stone asked what the ballot measure would cost the City. City Clerk Nanci Mills said the cost for the normal process (2-3 Council Members, City Clerk, City Treasurer) would cost between \$5,000 and \$6,000 and a ballot measure would be an extra \$1,500. Council Member Aguiar-Curry said it would also cost to advertise the benefits of the tax measure. City Attorney Wallace said the City would be allowed to describe the facts of the measure, but the Council cannot advocate as Council members. They can do so as an individual, but cannot use City services or City money to advocate the tax measure.

Council Member Anderson said this would be a very hard sell and we would be entering muddy water asking for extra funds. Are we at the crisis point? Council Member Fridae told of a conversation with Police Chief Muramoto, who said two years ago that it's getting really bad. But now, it's bad. City Manager Donlevy shared a recent police incident where the lone officer on duty took a suspect to Davis and Woodland for medical reasons and booking and was gone for 5 hours, which meant the City was not covered during this period. Of the 28 shifts, most have only one officer on duty with no backup. He reminded everyone about the law enforcement officers in Yolo County that have been killed in the line of duty over the last year. Officers working alone also create a morale issue. In response to Council Member Anderson's question, City Manager

Donlevy said the City is down 3 officers, or 30% of staff. Officers are currently working 12 hour shifts and the City is required to pay overtime. He also confirmed that the City has budgeted for the three missing officers and said extra staffing would be able to provide investigative work. Each new officer must pass a medical and psychological screening, background check, complete field training, all of which take approximately one year.

Mayor Martin said if the ballot measure doesn't offer any specifics, it will be difficult to sell. The citizens will want to know what they're going to get for the money. Council Member Aguiar-Curry said more information was needed. Council Member Fridae agreed with Council Member Stone. A decision needs to be made tonight. Don't use specifics. As discussing at the last City Council meeting, this is our window of opportunity. It's either now or in two years. If we're going to be specific, we need to work with sample wording. Mayor Martin said non-specific language could lead people to believe their program will be saved. He suggested holding a public hearing and letting the people speak. Council Member Anderson said public safety funds are needed, which would require specific language and 2/3 vote. City Attorney Wallace said \$20 is now what \$10 was ten years ago. Debra DeAngelo asked Council to clarify: if the pool, Community Center, and Library were closed and the recreation programs discontinued, would the City have enough to cover police and fire? Explain in the tax measure exactly what it would cost to cover police and fire.

Council Member Anderson said the Council is being put in a vulnerable position. We don't have the numbers and we don't know if closures are necessary. City Manager Donlevy said we'll take a crack on the fees at the 2/16 Council meeting. The City received property taxes from the County last week and WJUSD has made a move to discontinue their share of the swimming pool expenses, adding more cost for the City. He spoke of a multi-faceted approach at the 2/16 meeting. There was a 5% reduction in property taxes and we've taken an 85% hit on sales tax, but will run some numbers increasing fees for the next meeting. Council Member Aguiar-Curry asked City Manager Donlevy to bring back "what ifs" to the next meeting – numbers and data. She needs more information. Council Member Fridae said this may come off as threatening to the citizens. We are currently experiencing lower revenues, tax loss, the money grab by the State, and devaluation of the dollar. A \$10 Municipal Services Tax was passed in 1990 and now we're suggesting cuts and raising fees. He suggested asking the citizens what they want.

Council Member Aguiar-Curry would like to have a discussion about resurrecting the Parks and Recreation Commission, which may be privately funded. City Manager Donlevy said we just received our Property Taxes from the County last week and can't put together the budget in two weeks. But he is forecasting no recreation. Council Member Stone suggested breaking out the pool usage from May to September, or June to August. What would it mean if \$25,000 was taken away from the library? Council Member Anderson asked what the maintenance cost would be to maintain the pool while it was not being used. What's the difference? City Manager Donlevy said it would be hard to forecast – where do we want to go? A multi-faceted approach was brought

to approach the issues. The Council and Community need to decide. How important is it to have the Community Center or the swimming pool? Things we fail to do today will show us what tomorrow will look like. Council Member Aguiar-Curry said numbers were needed in order for it to make sense to the citizens.

Agency Chairman Fridae closed the CDA at 8:34 p.m.

5. Increase in Municipal Services Tax – Ballot Measure

This item was heard concurrently with Discussion Item #4.

COMMUNITY DEVELOPMENT AGENCY

- 1. Public Hearing and Consideration of Resolution 2010-04, a Resolution of the Winters Community Development Agency Authorizing the Executive Director to Execute an Amended and Restated Owner Participation Agreement with the Central Valley Coalition for Affordable Housing, a California Non-Profit Public Benefit Corporation for the development of the Orchard Village Affordable Housing Project. (Continued to the February 16, 2010 City Council meeting)**

CITY MANAGER REPORT: A letter has been prepared for the Mayor to sign regarding Lake Berryessa. He met with Congressman Mike Thompson and requested two things. He asked to convene a Congressional hearing with the Department of the Interior, and to schedule a meeting with the Bureau of Reclamation in Congressman Thompson's Napa office. City Manager Donlevy and Mayor Martin will attend this meeting.

INFORMATION ONLY: None

Mayor Martin adjourned the meeting to Executive Session at 8:35 p.m.

EXECUTIVE SESSION

Conference with City Attorney regarding Louie vs. City of Winters Litigation (Government Code Section 54956.9(a))

Motion by Council Member Fridae and second by Council Member Stone to authorize Mayor Martin to sign the Louis vs. City of Winters Settlement Agreement. Motion carried unanimously.

ADJOURNMENT:

Mayor Martin adjourned the Executive Session into the regular meeting and adjourned the regular meeting at 8:53 p.m.

Michael Martin, MAYOR

ATTEST:

Nanci G. Mills, City Clerk



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers

DATE: Feb. 16, 2010

THROUGH: John W. Donlevy, Jr., City Manager

FROM: Dawn Van Dyke, Management Analyst

SUBJECT: Resolution 2010-10 A Resolution of the City Council of the City of Winters Authorizing Sacramento County as the Lead Collaborative Agency to Apply for Funds on Behalf of the Local Collaborative Jurisdiction.

RECOMMENDATION: That the City Council approve Resolution 2010-10, A Resolution of the City Council of the City of Winters Authorizing Sacramento County as the Lead Collaborative Agency to Apply for Funds on Behalf of the Local Collaborative Jurisdiction for an SEP grant.

BACKGROUND: On Jan. 19, 2010, the City Council approved Resolution 2010-02, authorizing the City of Winters to join the CaliforniaFIRST program, a regional program designed to provide funding for homeowners who wish to finance energy efficiency home improvements on their property taxes, rather than via conventional financing methods. Financing for the homeowner improvements will be provided through bonds issued by California Statewide Communities Development Authority (California Communities), which will also act as the administrator of the program.

CaliforniaFIRST plans to fund start up, administration, validation and other costs for the program through a grant from the California Energy Commission (CEC) State Energy Program (SEP). Sacramento County is acting as the lead agency for CaliforniaFIRST activities. As per the SEP grant requirements, each local jurisdiction that has joined CaliforniaFIRST is being asked to provide a resolution authorizing Sacramento County to act as the lead collaborative agency on the SEP application.

FISCAL IMPACT: None at this time. If the CaliforniaFIRST group does not receive the SEP

funds they may request fees from the local agencies in order to move forward with the program. At that time, the City may rescind its participation in the program if it determines that it is not financially feasible.

RESOLUTION 2010-10
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS
AUTHORIZING SACRAMENTO COUNTY AS THE LEAD COLLABORATIVE
AGENCY TO APPLY FOR FUNDS ON BEHALF OF THE LOCAL COLLABORATIVE
JURISDICTION

WHEREAS, the City of Winters recognizes that it is in the interest of the regional, state, and national economy to stimulate the economy; create and retain jobs; reduce fossil fuel emissions; and reduce total energy usage and improve energy efficiency within our jurisdiction; and

WHEREAS, State Energy Program (SEP) funds are available through the California Energy Commission's SEP for grants to eligible local governments for energy efficiency, energy conservation, renewable energy, and other energy related projects and activities authorized by the American Recovery and Reinvestment Act of 2009 ("ARRA"); and

WHEREAS, SEP allows for cities, counties, or groups of cities and counties in California to apply for SEP funds on behalf of eligible local governments; and

WHEREAS, the City of Winters is eligible for SEP funding under the California Energy Commission's SEP; and

WHEREAS, the City of Winters is proposing to collaborate with Sacramento County to implement a program for financing the energy efficiency, energy conservation, renewable energy, and other energy related projects and activities authorized by ARRA, which program is described in Exhibit A for the purpose of qualifying for SEP funds from the California Energy Commission; and

WHEREAS, the City of Winters has considered the application of the California Environmental Quality Act (CEQA) to the approval of the program for financing energy efficiency, energy conservation, renewable energy, and other energy related projects and activities authorized by ARRA described in Exhibit A; and

NOW, THEREFORE, BE IT RESOLVED, that in compliance with the CEQA, the Winters City Council finds that the approval of the program for financing energy efficiency, energy conservation, renewable energy, and other energy related projects and activities authorized by ARRA described in Exhibit A is not a "project" under CEQA, because the program does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4)).

Be it also resolved, that the City of Winters authorizes Sacramento County to submit a collaborative application on its behalf to the California Energy Commission for up to \$16 million in SEP funds for the program for financing energy efficiency, energy conservation, renewable energy, and other energy related projects and activities authorized by ARRA described in Exhibit A.

Be it also resolved, if recommended for funding by the California Energy Commission, the City of Winters authorizes Sacramento County to accept a grant award on its behalf and to enter into all necessary contracts and agreements, and amendments thereto, on its behalf to implement and carry out the program for financing the project/s described in Exhibit A.

The foregoing resolution was passed by the City Council of the City of Winters this 16th day of February, 2010.

Effective _____, _____

ATTEST:

Signed: _____ Date: _____

Title: _____

EXHIBIT A

See Attachment.

Exhibit A
California Energy Commission State Energy Program
CaliforniaFIRST Collaborative Proposal
Summary of Proposal Scope & Budget Framework

Description of Program Proposal

Under the lead applicant, Sacramento County, the 14 counties eligible to participate in the pilot stage of the CaliforniaFIRST Program are collaborating on a proposal to the California Energy Commission State Energy Program for a grant of up to \$16.5 million. The grant funds will be used to offset initial fees associated with bond issuance, start-up costs for the 14 counties and all incorporated cities, an interest rate buy-down, local marketing/education/training/outreach, local coordination, and grant administration to support the launch of the CaliforniaFIRST municipal financing program.

CaliforniaFIRST Program County Participants and Proposal Collaborators

- | | | | |
|------------|-------------------|---------------|-----------|
| ✓ Alameda | ✓ Sacramento | ✓ San Mateo | ✓ Ventura |
| ✓ Fresno | ✓ San Benito | ✓ Santa Clara | ✓ Yolo |
| ✓ Kern | ✓ San Diego | ✓ Santa Cruz | |
| ✓ Monterey | ✓ San Luis Obispo | ✓ Solano | |

Budget Basics

1. CaliforniaFIRST financing costs and fees (~\$6M)

Guided by California Communities and the CaliforniaFIRST Program Administrator Renewable Funding, this program element will:

- buy-down the interest rate on the initial round(s) of projects financed by the CaliforniaFIRST Program,
- cover fixed costs associated with initial bond counsel, bond disclosure, fiscal agent and bond rating,
- cover legal and validation costs, and
- cover the deployment of technology (web portal) to support local programs.

2. Grant/Contract Administration & Steering Committee Liaison: (~\$2.0M)

On behalf of the applicant agency, grant/contractor administration duties include gathering relevant reporting information from all partner jurisdictions and CaliforniaFIRST, financial oversight and invoicing, contract administration, tracking, monitoring, and oversight of deliverables. In addition, the grant administrator will serve as the partner liaison between all participating steering committees to maintain coordination and consistency on the local marketing efforts between parties as well as provide marketing and contract technical assistance, training, and advice to participating agencies. The Grant Administrator will also coordinate local efforts with those programs funded under the California Comprehensive Residential Building Retrofit Program.

3. Regional Program Coordination & Marketing: (~\$8.5M)

In line with the overall project goals, funding has been budgeted on a regional basis to each of the six primary program regions in the following amounts, based on total number of Counties:

- Capitol Region (Sacramento/Yolo): \$1,800,000
- Central Valley Region (Fresno/Kern): \$1,150,000
- Bay Area Region: (Alameda/San Mateo/Santa Clara/Solano): \$2,300,000
- North Central Coast Region: (Monterey/Santa Cruz/San Benito): \$1,725,000
- South Central Coast Region: (Ventura/San Luis Obispo): \$1,150,000
- Southern California Region: (San Diego): \$575,000

This final program element serves to provide each region with the resources necessary to help facilitate the rapid adoption of energy efficiency and renewable energy generation system installations throughout the target area by connecting property owners to any and all available on-the-ground or proposed resources, and services, providing a streamlined framework for easy navigation, reduced out-of-pocket expenses, and overall increased cost effectiveness for both participants and the program overall. The focus of the program will be to create region-wide (or county-wide, where appropriate) cooperative project design, implementation, marketing, and coordination to maximize economies of scale, take advantage of overlapping markets, and ultimately allow each dollar to go further to benefit all parties.

Financing Costs and Fees

A. Financing Costs

As Program Administrator of the California Communities CaliforniaFIRST Program, Renewable Funding will coordinate and provide program administration, financing, and legal services to support a robust statewide municipal financing program. Specific financing costs are concentrated at the start of the program and result in increased fees to a program participant, and therefore a higher effective interest rate. In order to lower the interest rate, the SEP funds will be used to cover bond disclosure counsel, bond rating fees, and a bond fiscal agent. In addition, a direct interest rate buy-down will be employed to achieve a bond rate that is equivalent to an A-rated bond, which is likely to be the bond rating later in the program.

B. Set-up Fees

A funding request equivalent to the city and county set-up fees will be included in the proposal. The costs for initial legal work and validation proceedings will be covered by this request. Additionally, the costs of establishing county web portals, importing local assessor's data, and maintaining the website will be part of this funding request.

Suggested Major Marketing Program Coordination & Marketing Program Elements

A. Agency Coordination / Steering Committee Participation

In recognition of the additional coordination time required to get new programs off the ground, individual counties may elect to include a modest amount of staff time for agency representatives to participate in the program steering committee and other activities to drive marketing program design, educational/marketing material development, form and protocol development, etc. By investing this time at the onset, we are able to develop a self-sustaining program for the long term. County agencies (that is, auditor/tax collector/controller) will receive a small percentage, incorporated into each loan, to cover regular ongoing program administration costs associated with maintaining the tax roll and collecting annual assessments in years beyond the grant term. Some jurisdictions may instead wish to contribute this time as project leveraged funds/resources to increase overall program cost effectiveness based on their individual needs and resources. Regional partnership may also elect to use a portion of the resources from this program element toward informal or formalized staff/personnel training within their jurisdictions.

B. Education / Outreach/ Marketing

Successful program adoption requires thoughtful design, convenient procedures, and a robust program education component to encourage and energize program participation. Achieving this goal, the project team will create clear, consistent, and thematic program branding imagery, educational and recruitment tools such as program brochures. The program will be supported by the CaliforniaFIRST web portal and links to new and existing partner and complementary websites, frequently asked questions, applications, and/or other program materials. In addition, the project will engage a wide-stretching network of partners to promote, recruit, and disseminate program information utilizing existing mechanisms of door-to-door outreach, community event tabling, workshops and presentations, or other appropriate energy efficiency and complementary program participation activities. Major elements might include:

- ✓ Outreach Promotional Materials: Brochures, Door-hangers, Postcard Mailers, Bill Inserts, etc.
- ✓ Program Marketing Advertisements: Print Ads, Radio/TV Ads, PSA Production

- ✓ Promotional Outreach Events, Trade Shows or Community Workshops
- ✓ Homeowner/Business/Contractor/Staff Training Seminars
- ✓ Sustainability Site Signage
- ✓ Green Building and/or LEED Certification Technical Assistance

C. Community Coordinator / Partner Liaison / Supplies

The community coordinator is envisioned to serve as the single point regional program coordinator to unify, inform, collaborate, and engage all program parties in relation to local coordination and marketing efforts; respond to public inquiries; facilitate the education, outreach, marketing, recruitment; and promote program adoption by the target community. In addition the coordinator is responsible for coordinating with the grant administrator, tracking/reporting necessary progress and metrics, meeting/exceeding grant milestones and targets, incorporating required complementary program components, and working with CaliforniaFIRST to assure QA/QC measures are applied to all participating properties. Specific tasks will be driven by the overall project goals as well as the specific needs of each region and may include:

- ✓ **Coordination** with Grant Administrator/Steering Committee Liaison
- ✓ **Marketing Coordination** with CaliforniaFIRST Municipal Finance District
- ✓ **Facilitation** of local Regional Steering Committee Members and Partners
- ✓ **Assist** with Implementation Strategy, Documents, Procedures & Protocols Development
- ✓ **Guide** Promotion, Marketing, Education, Recruitment & Program Information Dissemination
- ✓ **Link** Program Participants to Regional Energy Efficiency & Complementary Programs
- ✓ **Connect** to Concurrent Complementary Workforce Development Training/Graduates
- ✓ **Administer** Regional Program Budget, Competitive Bidding, Other Program Transparency Reqs
- ✓ **Track** and/or compile, Monitor & Evaluate Program Progress, Energy Savings, GHG Reductions Achieved, Partner Leveraged Funds and Ancillary Environmental Benefits

Sample County Budget

A sample budget based on the above framework is provided below. Please note that these amounts are subject to change based on the actual needs of each participating jurisdiction as well as feedback obtained regarding funder and partner thresholds for competitiveness.

<i>Component</i>	<i>% Overall</i>	<i>Gross Benefit Per County</i>	<i>Net Benefit Per County</i>
1. CaliforniaFIRST Costs & Fees	39%	\$ 428,571.43	-
2. Grant Administration & Technical Assistance	10%	\$ 107,142.86	-
3A. Steering Advisory Committee	10%	\$ 115,000.00	\$ 115,000.00
3B. Education, Outreach, Incentives, Marketing	23%	\$ 258,750.00	\$ 258,750.00
3C. Community Coordination	18%	\$ 201,250.00	\$ 201,250.00
Total	100%	\$ 1,110,714.29	\$ 575,000.00

Grant Development Team:

- **County of Sacramento**—Lead Agency (Applicant), will oversee grant writing, provide final edits and required signatures, and submit finalized proposal on behalf of entire collaborative team based on the approved proposed program scope and budget framework
- **Ecology Action**—Partner Grant Writer (Lead on Marketing), will develop narrative based on proposed program scope and budget framework, especially as it pertains to local coordination and marketing project administration, marketing/contract technical assistance, regional coordination, and marketing, to meet all grant requirements and maximize proposal competitiveness.
- **Renewable Funding**—Partner Grant Writer (Lead on Finance), will develop narrative based on proposed program scope and budget framework, especially for CaliforniaFIRST Program finance-related program elements, to meet all grant requirements and maximize proposal competitiveness.



**CITY COUNCIL
STAFF REPORT**

TO: Honorable Mayor and Councilmembers
DATE : February 16, 2010
THROUGH: John W. Donlevy, Jr., City Manager *JWD*
FROM: Dan Maguire, Housing Programs Manager *DM*
SUBJECT: Street Closure Request – Iron Steed HOGS (Harley Owners Group) Poker Run – May 23, 2010

RECOMMENDATION:

Approve the closure of East Main Street between Railroad Avenue and Elliot Street to allow for the Vacaville-based HOGS Poker Run.

BACKGROUND:

The Vacaville Iron Steed HOGS, or Harley Owners Group, have requested the closure of East Main Street between Railroad Avenue and Elliot Street and have requested that barricades be placed at these intersections.

If approved, closure notification will be posted on all affected streets a minimum of 48 hours prior to the scheduled closures.

Per the City's Street Closure Ordinance, it requires Council approval on identified streets on the attached form.

FISCAL IMPACT:

To be Determined (Police staff overtime, signage, barricade placement).



City of Winters Request for Street Closure

This application is for citizens or groups that have occasion to request that streets be temporarily closed for such things as bicycle races, running contests, block parties and other such events requiring the re-routing of traffic. For a parade or amplified sound an additional permit is required.

A request to close streets shall be filed with the Police and Public Works Departments at least ten (10) business days prior to the date the street would be closed.

There shall be no closure of the following streets without Council approval:

- 1. Main Street
- 2. Railroad Street
- 3. Grant Avenue
- 4. Valley Oak Drive
- 5. Abbey Street

Request to close these streets shall be processed in much the same manner except that the request shall be submitted to the City Council by the Police Department. Requests to close the streets herein listed shall be submitted at least thirty (30) business days prior to the street closure.

Requests for street closures that are not submitted by the minimum time lines may be granted only by the Winters City Council.

Name: Rich McDonald Organization: Iron Steel HOG

Address: 100 Auto Center Drive Valaville 95687 Mailing Address: same

Telephone: (707) 448 9534 Today's Date: 2/1/2010

Streets Requested: First block of East Main

Date of Street Closure: Sunday 5/23/2010 Time of Street Closure: 10AM-6PM

Description of Activity: Harley Owners Group (HOG) potluck - estimate 200-400 riders, no parking to begin at 9 AM

Services Requested of City: no parking signs, barricades

APPROVED: [Signature] Police Department CS Public Works Department



**CITY COUNCIL
STAFF REPORT**

TO: Honorable Mayor and Councilmembers
DATE: February 16, 2010
THROUGH: John W. Donlevy, Jr., City Manager *JWD*
FROM: Nanci G. Mills, Director of Administrative Services/City Clerk *Nanci*
SUBJECT: Claim Against the City of Winters – Langston Construction, Inc.

RECOMMENDATION:

It is recommended that the City Council deny the claim and refer to Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA).

BACKGROUND:

Anytime the City of Winters receives a Claim for Damages to Person or Property, the claim is denied and referred to YCPARMIA to handle the investigation.

FISCAL IMPACT:

Not to exceed the City's \$1,000 deductible, with any costs in excess to come from funds pooled at the JPA.



February 8, 2010

"NOTICE OF REJECTION OF CLAIM BY THE CITY OF WINTERS"

TO: Langston Construction, Inc.
625 Shady Glen Rd.
Vacaville, CA 95688

NOTICE IS HEREBY GIVEN that the claim which was received in the City Clerk's office of the City of Winters via fax on February 3, 2010, was rejected by the City Council of the City of Winters at its regular meeting on February 16, 2010.

WARNING

Subject to certain exceptions, you have only six (6) months from the date the notice was personally delivered or deposited in the mail to file a State court action on the claim (refer to State of California Government Code Section 945.6). Your time for filing an action in Federal court may be less than six months.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

Please also be advised that, pursuant to Sections 128.5 and 1038 of the California Code of Civil Procedure, the City of Winters will seek to recover all costs of defense in the event an action is filed in the matter and it is determined that the action was not brought in good faith and with reasonable cause.

All further inquiries should be directed to YCPARMIA, 77 West Lincoln Avenue, Woodland, California, 95695.

Sincerely,

Nanci G. Mills
Director of Administrative Services

cc: YCPARMIA

318 First Street
Winters, CA 95694
Phone.530.795.4910
Fax. 530.795.4935

COUNCIL MEMBERS
Cecilia Aguilar-Curry
Harold Anderson
Tom Stone

MAYOR
Michael Martin
MAYOR PRO TEM
Woody Fridae

CITY CLERK
Nanci Mills
TREASURER
Michael Sebastian

CITY MANAGER
John W. Donlevy, Jr.

RECEIVED

FEB 03 2010



CITY OF WINTERS

Est. 1875

CLAIM FOR DAMAGES TO PERSON OR PROPERTY

TO: (Entity) City of WINTERS Planning

- 1. Claims for death, injury to person or to personal property must be filled out not later than six months after the occurrence. (Gov. Code Sec. 911.2)
- 2. Claims for damages to real property must be filled not later than 1 year after the occurrence.
- 3. Read entire claim form, both sides, before filling.
- 4. See page 2 for diagram upon which to locate place of accident.
- 5. This claim form must be signed on page 2 at bottom.
- 6. Attach separate sheets, if necessary, to give full details. SIGN EACH SHEET.

NAME OF CLAIMANT <u>LANGSTON Construction Inc</u>		Date of Birth of Claimant
Home Address of Claimant <u>625 Shady Glen Rd Vacaville, CA</u>		Occupation of Claimant <u>Contractor</u>
City and State		Home Telephone Number <u>707/685-4254</u>
Business Address of Claimant <u>625 Shady Glen Rd Vacaville, CA</u>		Business Telephone Number <u>707/301-8548</u>
City and State		
Give address and telephone number to which you desire notices or communications to be sent regarding this claim: <u>111 MAIN ST 113 MAIN ST 115 MAIN ST</u>		
When did DAMAGE or INJURY occur? Date <u>10/13/09</u> Time <u>EARLY MORNING</u>	Section 111 of the Medicare Medicaid & S-CHIP Extension Act requires the entity to report certain claims to the federal government. Please indicate if the claimant is: 65 years of age or older, or is receiving Social Security Disability Insurance Benefits for 24 or more months, or has End Stage Renal Disease. If yes, you may be required to provide additional information to process your claim. YES / NO (circle one)	
If claim is for Equitable Indemnity, give date claimant served with the complaint: Date _____		

Where did DAMAGE or INJURY occur? Describe fully, and locate on diagram on Page 2. Where appropriate, give street names and address and measurements from landmarks.

111-115 MAIN STREET

Describe in detail how the DAMAGE or INJURY occurred:

LORENZO PLAZA

Buckhorn Catering - Winters Community Church - CURVES

Names of any employees involved in INJURY or DAMAGE:

Why do you claim the Entity is responsible?

BECAUSE of instructions of the Planning & Building Dept.

Describe in detail each INJURY or DAMAGE:

The amount claimed, as of the date of presentation of the claim, is computed as follows:

Damages incurred to date (exact)		Estimated prospective damages as far as known	
Damage to property.....	\$ 5,200.86	Future expenses for medical and hospital care.....	\$ _____
Expenses for medical and hospital care.....	\$ _____	Future loss of earnings.....	\$ _____
Loss of earnings.....	\$ _____	Other prospective special damages.....	\$ _____
Special damages for.....	\$ _____	Total estimate prospective damages.....	\$ _____
General Damages.....	\$ _____		
Total damages incurred to date.....	\$ _____		

Total amount claimed as of date of presentation of the claim: \$ _____

Was damage and/or injury investigated by police? NO If so, what city? _____
 Were paramedics or ambulance called? NO If so, name city or ambulance _____
 If injured, state date, time, name and address of doctor of your first visit _____

WITNESSES to DAMAGE or INJURY. List all person and addresses of persons known to have information:

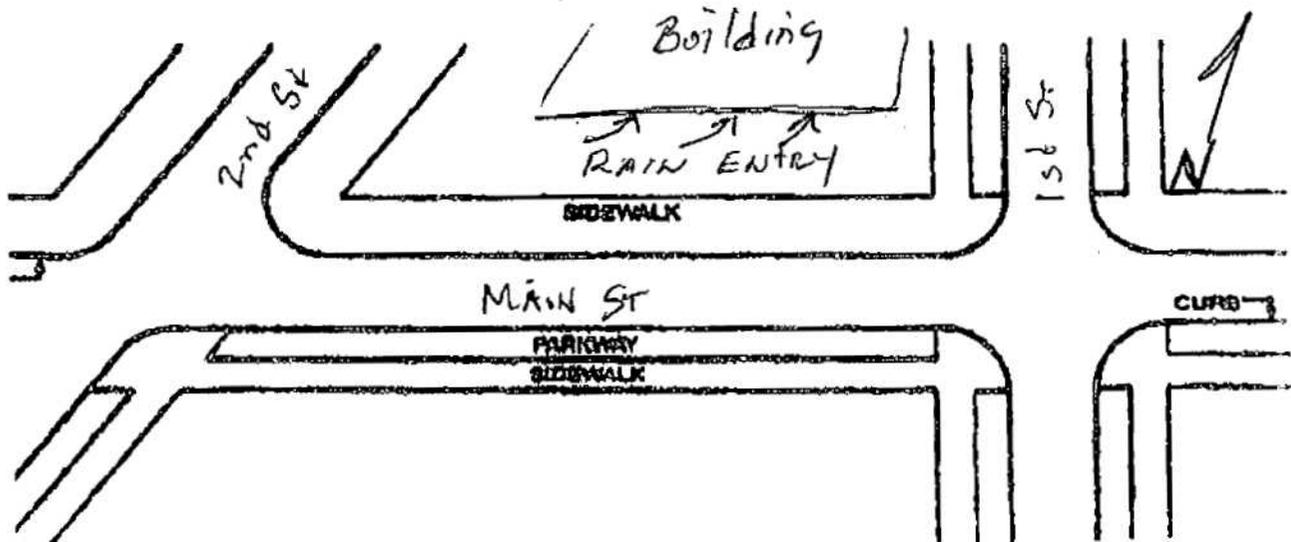
Name _____ Address _____ Phone _____
 Name _____ Address _____ Phone _____
 Name _____ Address _____ Phone _____

DOCTORS and HOSPITALS

Hospital _____ Address _____ Date Hospitalized _____
 Doctor _____ Address _____ Date of Treatment _____
 Doctor _____ Address _____ Date of Treatment _____

READ CAREFULLY

For all accident claims place on following diagram names of streets, including North, East, South and West. Indicate place of accident by "X" and by showing house numbers or distance to street corners.
 NOTE: If diagrams below do not fit the situation, attach hereto a proper diagram signed by claimant.



Signature of Claimant or person filing on his behalf giving relationship to Claimant: Michael A. McMahon
 PRINT Name: MICHAEL A. MCMAHON
 Date: _____

NOTE: CLAIMS MUST BE FILED WITH THE CLERK OR GOVERNING BOARD (Gov. Code Sec. 915a). Presentation of a false claim is a felony (Pen. Code Sec. 72)

Langston Construction

432 Jackson Street Fairfield, California 94533

707/685-4254 * 707/301-8548 * Fax 707/452-8474

Lic. 613571

October 27, 2009

L & S Enterprises
121 Grant Ave.
Winters, California 95694

RE: Stop Notice, City of Winters
Additional Charges

Scaffolding charges 2 weeks. \$785.00 per week.	\$1,570.00
Extra move-on to site.	500.00
Administration. 4 hrs @ \$65.00	260.00
9/03/09 Meeting with Building Inspector. (Stop Notice) 3hrs. @ \$65.00	195.00
10/12/09 Prepared building for Oct. 13 th storm 12hrs @ \$65.00.	780.00
10/12/09 Materials for building.	84.60
10/13/00 Rain water entering bldg. heavy rain and strong winds.	
10/13/09 Vacuum water from carpet entering through secondary unfinished church entrance. Sealed up entrance with tarp and sand bags.	
11 hrs @ \$65.00 hrs.	715.00
Material.	147.89
Fuel.	270.00
Sub Total.	\$4,522.49
Overhead & Mark-up 15%.	678.37
Total Due.	\$5,200.86

Note: Until the building entries and sidewalk is installed, future rain could enter the building and cause more damage. There may be damage to the carpeting, flooring, walls and personal items.

Langston Construction, Inc.

c.c. City of Winters Planning Dept.



**DECLARING MARCH 2010 "WOMEN'S HISTORY MONTH" FOR
"WRITING WOMEN BACK INTO HISTORY"**

WHEREAS, American women of every race, class, religious and ethnic background have made significant contributions to the growth and strength of this country; and

WHEREAS, American women have and will continue to play a critical role in the economic, cultural, and social fabric of our society by representing a considerable portion of both the paid and volunteer labor force inside and outside of the home; and

WHEREAS, historically, American women were the pioneers in establishing charitable, philanthropic and cultural institutions and served as early leaders in the forefront of every progressive social change movement; and

WHEREAS, women have changed America by not only securing voting rights for women, but in advocating for civil rights, women's health issues, legal rights of battered women, and environmental justice; and

WHEREAS, the impact of the pursuit for women's equality has had a profound and undeniable influence on all aspects of American life; and

WHEREAS, the theme for 2010 and the 30th anniversary of the Women's History Month celebration –"Writing Women Back Into History"— honors the tireless work of thousands of individuals, organizations, and institutions to write women back into history; and

WHEREAS, the knowledge of women's history provides a more expansive vision of what a woman can do; and this perspective can encourage girls and women to think larger and bolder and can give boys and men a fuller understanding of the female experience; and

WHEREAS, often the history of women has seemed to have been written in invisible ink, and when the Women's History Month celebrations began in the early eighties the topic of women's history was limited to college curricula, and even there it languished; and at that time, less than 3% of the content of teacher training textbooks mentioned the contributions of women and when included, women were usually written in as mere footnotes; and women of color and women in fields such as math, science, and art were completely omitted; and this limited inclusion of women's accomplishments deprived students of viable female role models; and even today, when recognized in their own times, women are frequently left out of the history books.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Winters designates the month of March 2010 as Women's History Month in Winters, inviting all citizens to join them in recognizing the 30th anniversary celebration of Women's History Month and its theme of "Writing Women Back Into History, encouraging all to help ensure that women do not find themselves once again written out of our history.

PASSED AND ADOPTED this 16th day of February 2010 by the following vote:

Council Member Harold Anderson

Council Member Woody Fridae

Council Member Cecilia Aguiar-Curry

Council Member Tom Stone

Mayor Michael Martin

City Manager John W. Donlevy, Jr.

City Clerk Nanci G. Mills



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Council members
DATE: February 16, 2010
THROUGH: John W. Donlevy, Jr., City Manager *JWD*
FROM: Dan Maguire, Housing Programs Manager *DM*
Dawn Van Dyke, Management Analyst *DVD*
SUBJECT: Adoption of Guidelines for Business Assistance Loan Program funded by the City of Winters with Community Development Block Grant Funds ("CDBG")

RECOMMENDATION:

Staff recommends the City Council:

- 1) Receive the staff report
- 2) Conduct a Public Hearing
- 3) Adopt Guidelines for Business Assistance Loan Program

BACKGROUND:

Staff has had discussions with several businesses that may wish to apply for a Business Assistance Loan. The City currently has \$105,690.92 in CDBG Business Loan Program Income Account available to loan to qualifying businesses.

The State Community Development Block Grant ("CDBG") program was established by the federal Housing and Community Development Act of 1974 (42 USC 5301, et seq.). Subsequent legislation and regulations (Omnibus Budget Reconciliation Act of 1981 - Public Law 97-34, and 24 CFR Part 570, Subpart 1) allowed states to administer the program for smaller cities and counties. In 1982, California's Executive Branch and Legislature agreed that the State should administer the program and assigned this responsibility to the Department of Housing and Community Development. The State CDBG program is implemented by the California Health and Safety Code section 50825, et seq., and the California Code of Regulations (Title 25, Section 7050, et seq.).

Title 25, Section 7056, subsection (5) (A) states "If CDBG grant funds or local program income will be used to operate a program, the applicant shall submit program guidelines to the Department for approval. No CDBG grant funds or local program income shall be expended to operate a program until the Department has approved the program guidelines in writing".

Subsection (5) (B) specifies "The program guidelines shall describe how the program will be operated and how it will comply with State and federal regulations."

The guidelines proposed for adoption were developed from a draft set of guidelines provided by HCD CDBG representative Patrick Talbott. As only minor revisions were made to the guidelines provided, these guidelines should be consistent with federal and State regulations regarding CDBG loan program guidelines.

FISCAL IMPACT:

None by this action

ATTACHMENTS:

Guidelines for Business Assistance Loan Program

Resolution 2010-09, A Resolution adopting Guidelines for Business Assistance Loan Program

Guidelines

For

Business Assistance Loan Program

Funded By

City of Winters

With

Community Development Block Grant

Adopted: February 16, 2010

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ATTACHMENT A: PROGRAM SUPPORT DOCUMENTS

ATTACHMENT B: LOAN SERVICING POLICIES

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) BUSINESS ASSISTANCE LOAN PROGRAM GUIDELINES

1.0 INTRODUCTION

The City of Winters here after called "Lender" has established a Business Assistance Loan Program, here after called "the Program". The Program is designed to stimulate economic growth and create jobs that will improve the living conditions of residents in the community. The Program provides affordable non-conventional financing to eligible businesses and development projects. Businesses and development projects receiving these funds will in turn be required to develop a sufficient number of net new jobs, or in the case of business preservation, retain existing jobs. These Program guidelines have been formally adopted by the Lender and approved by the state CDBG program.

2.0 BUSINESS ASSISTANCE PROGRAM OVERVIEW

2.1 PROGRAM ADMINISTRATOR

The Lender will secure the services of a qualified program administrator, here after called "the Administrator", who has experience in originating business assistance loans and is familiar with state CDBG requirements. The Administrator's detailed scope of services will be negotiated and included in a formal agreement for services executed between the Lender and Administrator. In general, the Administrator will market the Program, accept and process applications, underwrite and recommend approval of loans, ensure proper loan closing and disbursement of funds, maintain loan files and fiscal records and support the Lender's staff in administration of state grants and program income used to fund this program. The Administrator will follow and ensure compliance with these guidelines.

2.2 PROGRAM SERVICE AREA

Financing under this Program is available to all eligible businesses located in the jurisdictional limits of the Lender. These CDBG funds may not be used in urban areas that receive CDBG funds annually from the federal Department of Housing and Urban Development (HUD) entitlement program.

2.3 SOURCE OF PROGRAM FUNDS

The Program is capitalized with CDBG funds provided by HUD to the State of California Department of Housing and Community Development, here after called "the Department". CDBG funds are federal funds and as such have a number of federal requirements that must be met, as described below. CDBG funds come to the Lender from two sources: 1) Department grant awards to the Lender that are administered under a state grant contract; 2) loan funds repaid from previous CDBG activities (grant and program income loans), called CDBG program income funds, administered under a Lender adopted program income reuse plan. As loans are originated under this program the repayments from those loans are returned and re-loaned out again to other eligible businesses.

2.4 ELIGIBLE LOAN APPLICANTS

Loan applicants for the Program must be existing legal businesses with a proper local business license, proper insurance and required permits per state and federal requirements. If an applicant is a new start up business and does not have proper licenses or insurance, then these items can be made a condition of funding the loan. The business can be a tenant leasing space or an owner of property where the business is located. The existing business must create one or more new permanent full time equivalent (FTE) jobs. The business may also qualify by showing job retention such that the business will be closing down or cutting staff if not for investment of CDBG funding. Retention applicants can be businesses that are shutting down permanently or moving operations overseas. They must prove that CDBG funds will allow them to stay in the current location.

Loan applicants can also be commercial developers or commercial property owners that have property they want to build on or existing commercial space they need to fill with tenants. CDBG funds can be used for tenant improvements to help fill project's spaces. Funds can also be used to pay for off-site infrastructure costs of a new construction development project. For these projects, the developer and all the partners must be underwritten with the development AND each business locating in the development must be underwritten in accordance with these guidelines.

3.0 CDBG PROGRAM REQUIREMENTS

3.1 ELIGIBLE ACTIVITIES

Funds under this program are restricted to certain eligible costs. Some common eligible costs are: 1) operating capital; 2) furniture fixtures and equipment (FF&E); 3) rehabilitation of leased space or owned buildings (including engineering and architectural and local permits or fees); 4) purchase of manufacturing equipment (with or without installation costs); 5) refinancing of existing debt when done in conjunction with financing other eligible costs; 6) purchase of real property; 7) required off site improvements; 8) relocation grants for persons displaced due to funding of the project. Loan funds will be disbursed incrementally on a reimbursement basis as eligible costs are verified.

Funds under this Program are provided to eligible businesses as loans. Eligible loans are underwritten with similar standards and documentation as used by private commercial lenders: credit scores, equity contributions, historic income, projected income, collateral, and debt coverage. CDBG underwriting can be more flexible in some instances, depending on the business and amounts requested. The terms of the loan are typically more favorable than conventional commercial lenders, with lower interest rates and longer terms for repayment. These more favorable terms must be balanced by the borrower and Lender with the requirements to create jobs and meet other CDBG program requirements. The Administrator will work closely with the eligible businesses to ensure they understand the requirements of the Program and the benefits of participating.

3.2 INELIGIBLE USE OF FUNDS

Projects that do not create permanent jobs are not eligible. Projects that are primarily housing in nature are not eligible. Projects not meeting a CDBG national objective or public benefit or federal CDBG underwriting standards are not eligible. Projects must have reasonable assurance of repayment of loan funds.

Funds under this Program will not pay for reimbursement of expenses incurred prior to Department and local loan approval and/or completion of project's environmental review. Program funds will not be used to facilitate the movement of a business from one labor market area to another, as per job pirating restriction under HUD's regulations. Once approved, loan funds cannot be shifted from one approved type of cost to another without formal written approval. Funds cannot be used to support other businesses in which the borrower may have an interest. Non profits are not eligible to use funds for furniture fixtures and equipment (FF&E) or working capital. Funding a project without Department review of loan underwriting and the Department's written approval will make the project ineligible.

3.3 MEETING A NATIONAL OBJECTIVE

All CDBG funded loans must meet a CDBG "National Objective" as described in the federal regulations and statutes. Furthermore, state regulations require CDBG economic development funds to meet one of the two CDBG national objectives described below.

First, use of funds meeting the National Objective of "benefit to low income households" will require that the businesses receiving CDBG financing provide fifty one percent (51%) of the jobs created to low income persons. In order to meet this requirement, a third party designated by the Lender must certify family income levels of newly hired or retained employees to document that over half of them are qualified as low income. To ensure this requirement is met, the Lender will require low income job creation in the CDBG loan documents signed at loan closing. All employee information is confidential and will not be released.

Second, use of funds meeting the National Objective of "elimination of slums and blight" must show that the business being assisted is located in a redevelopment agency area (meets state redevelopment law definition of blighted area) or an area formally designated as blighted by the Lender based on a survey of properties in the area. These designated areas of blight must be approved by Department staff. Documentation of meeting this national objective is done by providing a map of the redevelopment area or area designated locally as blighted and also showing the business's address/location within the designated redevelopment or blighted area. In addition, as part of loan approval, CDBG assistance must be documented as directly assisting the project such that area blight is eliminated or prevented.

3.4 MEETING PROPER PUBLIC BENEFIT REQUIREMENT

Because a private business is receiving public funds, CDBG regulations require the creation of jobs by the business to show public benefit. Under the HUD federal regulations one full time equivalent (FTE) job must be created for each \$35,000 in CDBG assistance provided. So for one dollar to \$35,000 in CDBG financial assistance provided by the Lender, one FTE position must be created. Part time staff may be combined to make up one FTE. One FTE consists of 1,750 staff hours. Two FTE jobs must be created for assistance between \$35,001 and \$70,000.

As with the national objective requirement outlined above, the CDBG public benefit requirement will be enforced via a loan agreement that the borrower executes at loan closing. The loan agreement requires that the business provide payroll documentation to the Lender or the Administrator showing job creation sufficient to meet \$35,000 per FTE requirement. Once sufficient jobs have been created and documentation is supplied to the Lender then no more monitoring for jobs will be required. CDBG loans are meant to create long term employment opportunities but ongoing long term monitoring is not required.

Each person who is a new hire, or is in a position retained because of CDBG loan funds, must complete a self certification form. This form must be completed and provided to the Lender so that the demographic and income information can be put into the Annual Grantee Performance Report submitted to the Department. See **Attachment A: CDBG Economic Development Loan Underwriting Resource** for copy of sample self certification form.

3.5 OTHER FEDERAL REQUIREMENTS

There are a number of other federal laws and requirements that are triggered by the use of CDBG funding. The Lender and Administrator will take the lead and ensure compliance with these other CDBG regulations in conformance with standards set by HUD. Impacts these federal regulations will have on a proposed project will be explained to the borrower at the time of loan application.

National Environmental Policy Act (NEPA) regulations require an Environmental Review Record (ERR) to be submitted for each project / business funded with CDBG monies prior to award or approval of funds. The Lender is required to complete the proper NEPA review along with any state review under California's Environmental Quality Act (CEQA) review. The ERR level of review is based on the type of project proposed and ALL aggregated activities to be undertaken. The Administrator may complete the ERR for the Lender but the Lender must sign and take legal responsibility for the review. State CDBG staff must review and approve the ERR prior to loan approval or moving forward with the project.

Applicants will be informed of any additional time required for loan processing due to the NEPA review. The ERR will be done as soon as the Administrator

determines that the project is eligible for funding. No costs will be charged to the borrower for this process. Once an application is submitted no activities can be performed on the project until completion of the ERR as this would be a choice-limiting action under NEPA regulations.

Davis Bacon Federal Prevailing Wage Compliance is required when CDBG funding is used to pay for construction costs. This can add additional costs to projects that require CDBG funds for construction (for example: equipment installation or tenant improvements). In addition, state prevailing wage may be triggered in the use of CDBG funding. Loan processing staff will work with businesses to ensure funded businesses and projects are in compliance and disclose any additional time or work required due to the HUD federal prevailing wage regulations and federal procurement standards. Any additional costs resulting from this regulation will be incorporated into the business loan and subsidized with the CDBG funds.

Acquisition and Relocation laws may be triggered when using CDBG funds (24 CFR 570.606). Acquisition laws, both federal and state, must be followed when CDBG funds are used to assist in the purchase of real property. In the same way, federal and state relocation laws apply whenever there may be displacement of a person or business because of the use of CDBG funding. Loan processing staff will work with loan applicants to ensure the business is in compliance with any state or federal acquisition /relocation laws triggered by the project. Applicants will be informed of any additional time or costs or administrative work required due to acquisition or relocation regulations.

Required DUNs number, verification of not being on federal debarred list and insurance. All businesses who wish to receive funds under this Program will be required to obtain a DUN's number. The DUN's number is free and can be obtained online. In addition, prior to funding, the Lender will require that each business be checked to confirm they are not on the federal debarred contractors list. HUD also requires that the Department and the Lender collect certain income and demographic data from the business and any new hires resulting from the investment of CDBG funds. Applicants will be required to obtain all proper licenses and insurance to operate legally in the community.

Six (6) HUD Loan Underwriting Standards are required to be met by each CDBG loan. As previously mentioned, the loans originated under these guidelines will be underwritten using typical commercial loan underwriting criteria. There is some flexibility in how the underwriting criteria are used so the funds under this program are more advantageous than commercial business loans. In addition to the commercial lending underwriting criteria, HUD requires that six additional underwriting criteria be used because CDBG funds are public funds being provided to private for profit businesses. See **Attachment A** of these program guidelines for a list of the six (6) criteria and how to comply with them.

Using CDBG Program Income (PI) funds first is required. Lender must always use local PI on hand for the same activity first prior to drawing down funds from a state open grant. If the Lender has local CDBG program income funds on hand in a business assistance revolving loan account then the Lender will expend local program income first to fund a loan prior to requesting open grant funds from the Department.

3.6 REQUIRED LOAN REVIEW BY DEPARTMENT STAFF

Department staff must review each business assistance loan for procedural compliance with federal regulations and these adopted program guidelines. Upon review of local loan underwriting done by Lender or third party Administrator, a formal written approval letter will be issued by the Department. See **Attachment A** of these guidelines for a copy of the Department's current Loan Approval Checklist and guidance on underwriting different types of business assistance loans.

Note: It is recommended that the loan approval package be submitted to the Department for review prior to obtaining formal local approval. Once the Department has approved the loan underwriting process and CDBG regulation compliance, then the Lender can take the loan to the local loan committee for approval.

4.0 LOAN PROCESSING AND APPROVAL

4.1 PROGRAM MARKETING

Program marketing will be conducted by Administrator and Lender staff. The designated staff for the Administrator will arrange local media coverage with ads in local papers. Marketing brochures will be distributed to local chamber of commerce and business networking organizations. Presentations will be scheduled for local service organizations such as Rotary and real estate organizations in the area. Local commercial lenders will be contacted and information will be provided. Flyers will be sent to all local business owners in the program's service area. Lender staff will work closely with Administrators to ensure maximum outreach and program education takes place in the service area and that applicants receive the same information regarding the program, and that applications are processed in accordance with these locally adopted program guidelines.

4.2 FAIR LENDING COMPLIANCE

This program will be implemented consistent with the Lender's commitment to fair lending laws. No person or business shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with Program funds on the basis of his or her religion or religious affiliation, age, race, color, ancestry, national origin, sex, marital status, familial status (number or ages of children), physical or mental

loan applicants will be kept confidential.

4.3 LOAN APPLICATION PROCESSING

Loan applications will be processed on a first-come first-served basis. The Administrator will accept loan applications and review them for initial eligibility. Applications that do not meet basic requirements of the program will be returned with an explanation of requirements needing to be met. Applications that do meet basic eligibility requirements will be sent out with instructions including any requests for additional information. The Administrator may also meet with the business owners and visit the site of the business.

Loan files will be set up as applications are received and proper information gathered. The Administrator will pay a visit to the businesses location and meet personally with the owner(s). Technical assistance will be provided as needed to help the business provide proper information for loan underwriting. The business will be required to provide proper financial information and agree to have credit checks conducted as part of loan processing. The Administrator may provide sample financial forms (balance / cash flow sheets, profit and loss, personal financial statements, pro formas) but in no instance shall the Administrator's staff or the Lender's staff fill out financial forms for the applicant. The applicant will be referred to local supporting resources such as local business assistance development organizations that are available to assist applicants in producing proper financial statements, a formal business plan, a market study or accounting documents as needed.

Loan applicants are responsible for providing accurate and timely information to the program administration staff as part of the loan process. This includes disclosing any other businesses in which the owner has 20% or more interest. All the owners of the business, owning 20% or more interest in the business must provide proper financial information. Borrower(s) will be required to provide sources of security that the Lender can lien. Borrower(s) will provide financial information from the past performance of the business with explanations of special circumstances of past performance. Owner(s) must provide information on equity invested in the business to date and any current assets available for equity investment into the project. Borrower will be required to work with accounting staff to determine future income projections for the business that are reasonable and in line with past trends of the business. If the loan applicant does not provide required information and documentation to the Administrator in a timely fashion, then any delays in the loan approval process is not the responsibility of the Lender or Administrator.

Once the Administrator has compiled a complete loan file with all the credit, financial, and underwriting information needed to show loan is eligible under these guidelines, then a loan committee approval memo will be drafted. The draft loan memo with proper documentation per the **Attachment A** loan approval checklist will be submitted to the Department for review. If the Department

approves the loan's underwriting then it will be submitted to the Lender's Loan Approval Board (LAB) for approval. Once the loan is approved by the LAB then loan documents can be drawn for loan closing.

4.4 PROGRAM LOAN ADVISORY BOARD

The Loan Advisory Board (LAB) shall be made up of an odd number of persons. The Lender's staff shall ask LAB members to volunteer for this board. The LAB members may be from local financial institutions, the Lender, or other interested parties who have the professional capacity to review and evaluate commercial loans. See **Attachment A** for sample LAB loan approval memo.

LAB loan review and approvals will take place after Department review and approval. If the LAB makes significant changes to the approval requirements, the loan must be resubmitted to the Department for a second review and final approval before funding. LAB meetings will be scheduled by Lender staff in conjunction with Administrator staff once a loan has been underwritten and is ready for review and approval. LAB members are responsible for reviewing each loan application funding proposals and making recommendations to the Lender. LAB may request additional information and or attach contingencies for final approval and loan closing.

4.5 LOAN APPLICANT CONFIDENTIALITY

Persons serving as the Administrator and Lender and LAB for this Program will not disclose any of the Borrowers personal confidential information as part of loan approval process. All confidential information of businesses will only be disclosed to persons required to view the information as part of loan review and approval. All personal and business confidential information of loan applicants will be kept in a locked secured storage facility and shall not be available to persons outside of the program. If the Lender or Administrator or Department get a request for public records for a loan applicant then only non-confidential information, as verified by legal council, will be provided.

4.6 APPLICANT DISPUTE RESOLUTION/APPEALS PROCEDURE

Any business applying for assistance through this CDBG program has the right to appeal if their application is denied. The appeal must be made in writing to the Administrator and the Lender. The LAB will schedule a meeting for the appeal to be heard. If the application is denied a second time then the person may ask to have their appeal presented to the Lender's governing body for a final decision.

The Administrator is responsible to the Lender to assure that the Program is implemented in compliance with state and federal regulations. In addition, loans must be underwritten in accordance with proper program guidelines in a timely and responsible manner. This includes developing accurate and professional files, work write-ups and contract documents. The Administrator or his/her representatives will ensure the funded activities are completed and the jobs are created in accordance with federal regulations.

4.7 NO CONFLICT OF INTEREST ALLOWED

In accordance with Title 24, Section 570.611 of the code of federal regulations, no member of the governing body and no official, employee or agent of the local government, nor any other person who exercises policy or decision-making responsibilities (including members of the loan committee and officers, employees, and agents of the loan committee, the administrative agent, contractors and similar agencies) in connection with the planning and implementation of the CDBG program shall directly or indirectly be eligible for this program. Exceptions to this policy can be made only after public disclosure and formal approval by the governing body and authorized in writing by Lender's legal counsel. In the event representatives from the financial community on the LAB have a separate financial interest (excluding regular checking and savings accounts) in a loan applicant, such member will not participate in loan deliberations.

4.8 EXCEPTIONS / SPECIAL CIRCUMSTANCES

Exceptions are defined as any action which would depart from policy and procedures stated in the guidelines. For example, if the cost of rehabilitation for critical code deficiencies exceeds 100% of the after-rehabilitation value of the property, the LAB can, on a case-by-case basis, accept a partially secured loan.

The Lender or its agent may initiate consideration of an exceptional/special circumstance. A report on the situation will be prepared. This report shall contain a narrative, including the staff's recommended course of action and any written or verbal information supplied by the applicant. The Loan Committee shall make a determination of the exceptional/special circumstances request at a regular or special meeting.

Loan payments may, on a case by case basis, be deferred for a period of time to allow a start up or expansion of a business to take place. This payment deferral determination is made by the Administrator based on the break even point of the business in the future and the ability of the owner to pay his or herself for his or her efforts.

4.9 LOAN CLOSING PROCESS

Upon approval by the CDBG Program, the Administrator and Lender will prepare for the loan closing. The Borrower will sign all the necessary documents and agreements. The Lender will request a drawdown of CDBG funds from the Department. The Administrator will prepare the loan closing documents; prepare title and lien searches, and UCC-1 filings, if appropriate. Lender legal counsel will review all agreements and documents, as necessary. Escrow companies may be used to close loans and secure liens.

5.0 DESCRIPTION OF LOANS

5.1 DETERMINATION OF LOAN AMOUNT

The Program has no maximum loan amount. Typical loans are anticipated to be below \$200,000 per applicant. As per Department requirements, loans in excess of \$250,000 must be formally approved by the Department's Economic Development Advisory Committee (EDAC). This additional EDAC approval typically adds 60 to 90 days to the loan approval process.

Loan amounts will be determined based on number of jobs to be created or retained, the ability of the business to service the new CDBG loan payment, and the reasonableness of the costs to be paid for by CDBG. If there are not sufficient CDBG funds for the project then the program administrator can assist in locating other public or private funding to leverage CDBG funding with.

5.2 DETERMINATION OF LOAN TERM

The loan term is tied directly to what is being funded and what security is being pledged for the loan. If a business only wants operating capital then the term of the loan is normally five to seven years. If a business wants to pay for equipment and supplies then the term of the loan can be extended out to 10 years. If the loan is for real property improvements and can be secured on real property, then it can be secured for 20 to 30 years. Staff will confirm that the proper term is given based on the use of the funds and collateral being provided.

5.3 DETERMINATION OF LOAN INTEREST RATE

Most loans will have an interest rate of three percent (3%). This rate may be increased if the investment of CDBG funds at the three percent level causes the business to have an excessive profit. National standards of business profit margins will be used for comparison to make this determination. The loan's interest rate will be determined based on the underwriting analysis done by the Administrator. Some of the factors that will drive the interest rate costs are: 1) amount of equity the business brings into the proposed project; 2) ability of business to service the loan; 3) the rate of return the borrower will receive with a lower interest rate; 4) credit risk factors and management experience will also be used to determine what interest would best work for the business. By allowing the interest rate to move and not be fixed, the Lender can best tailor the loans under this program to meet the needs of different businesses in the community.

5.4 LOAN PROCESSING FEES

The CDBG program provides administration funds to pay for loan processing costs. No direct loan fees will be charged to the borrower. However, a loan servicing fee will be charged to the borrower upon close of the loan. This amount will not pay for any costs already paid for by program activity delivery. There is no pre-payment penalty on the loans under this program.

6.0 LOAN UNDERWRITING STANDARDS

6.1 INITIAL LOAN EVALUATION

Each project / business will be evaluated based on how it has performed in the past and its future financial forecasts. Specifically the following will be questions will be asked upon receipt of a loan application.

- Will the business create or retain jobs?
- Will project meet a CDBG national objective?
- Are the costs to be paid CDBG eligible?
- Are the business and all owners' credit worthy?
- Do they have good "character" (pay bills on time, collect on time)?
- If a start up, does business have management capacity?
- Does start up have solid business plan and document market demand?
- Does the business have financial expertise to expand or start up?
- Is the owner(s) contributing a reasonable amount of equity?
- Is the owner able to get conventional bank financing, if not, why not?
- Was the business financially viable in the past (net income covers debt)?
- Are there reasonable financial assumptions for future viability/success?
- Is there enough collateral available to secure the loan funds?

By collecting enough initial application information from the Borrower(s) to answer the above list of questions, the Administrator will have a good sense of how strong a borrower is and how successful they will be if given a CDBG loan. Most of this information is verbally collected at the initial site visit with the owner. By meeting the borrower and asking these questions the Administrator will know what additional information/documentation needs to be collected to provide a clear picture of how CDBG funds can be used to assist the applicant. These questions demonstrate the need for CDBG funds.

After the initial review the Administrator/ application processor will collect the proper information required for loan underwriting. The required documentation is listed in the CDBG underwriting guidance document included in **Attachment A: CDBG Economic Development Loan Underwriting Resource**. The amount of documentation and detailed underwriting is based on size of the loan and type of business (existing or start up) and whether job creation or retention is used. Additional documentation may be required to clarify special circumstances of the business. Below are some to the basic underwriting requirements for a typical loan applicant.

6.2 PERSONAL AND BUSINESS CREDIT REQUIREMENTS

Each applicant will have third party credit reports obtained for them. All owners of the business with 20 percent or more interest will have credit reports provided for them. The primary applicant business and all associated businesses of the owners (20% or more ownership) will have a Dunn and Bradstreet report obtained on them as well.

Most credit reporting services will provide credit scores. For this program, credit scores of 550 and above are considered good credit. If no credit scores are available then a narrative must be summarized by the Administrator to give a justification for making a determination of good or bad credit. This same narrative process will be used for the business credit reports to demonstrate the good standing or poor standing of the business being evaluated.

6.3 PERSONAL AND BUSINESS FINANCIAL INFORMATION

Personal financial statements will be required for each person who owns 20% or more of the business. Financial statements need to show all assets and liabilities of the interest holder. In addition to these statements, federal tax return statements for owners and the business for the past three years are needed to give a historic perspective of income.

For the business, historic financial statements will be required. These will consist of past three year's balance sheets and cash flow statements. These statements should be put together by the person responsible for doing the bookkeeping and finance management for the business. Based on these statements the Lender can develop ratios for debt service and payment history, etc.

The business will also need to provide future projected financials. These will consist of pro formas showing projected revenue and costs for the business on a monthly basis for each fiscal year for three years out. Start ups may need to provide five years of projections. These pro formas need to be completed showing the business projections with CDBG financing and showing the business with conventional financing. This will provide evidence of the benefit / increased profit the business is receiving by using the more affordable CDBG loan. These pro formas must also show the increased costs of the business due to the new jobs created and the additional CDBG debt service.

Combined debt coverage ratio on the project with proposed CDBG financing should not be less than 1:10. Meaning for every dollar in debt, the borrower has one dollar and ten cents to in net income to cover those loan payments.

A project sources and uses form must be provided to show what funding is required to complete the proposed loan activity. This form will show the owners equity as well as private bank financing and any other investments from other sources. The sources and uses give a clear idea of what costs the CDBG loan will cover and its information must be reflected in the pro formas as described above.

Using the information in these financial statements, along with any back up documentation required, will allow the Administrator to do the project's underwriting analysis. This analysis will include both the conventional lending underwriting and HUD required underwriting.

6.4 COLLATERAL REQUIREMENTS

All loans under this program will be collateralized using normal commercial lending standards. Collateral coverage will be assessed based on assets available as security and the level at which they are already liened. CDBG funding is typically in a subordinate position to banks and other lenders. It is the goal of the Program to get the best lien position possible to ensure loan repayments and permanent job creation. Types of collateral may include:

- Secured liens on real property,
- UCC liens on machinery, equipment, or other fixtures,
- Lease assignments, as appropriate,
- Personal and corporate guarantees, as appropriate, and
- Life insurance and other collateral, as appropriate.

Appraisal of assets may be required as part of determining how to obtain the best lien positions for the CDBG loan. Combined loan to value ratio on collateral for the typical CDBG loan should not exceed ninety percent (90%). Equipment and inventory secured should be properly discounted to reflect actual resale value when doing loan to value calculations.

6.5 BUSINESS EXPERIENCE AND MANAGEMENT CAPACITY

The Administrator will obtain resumes and management histories to show the experience of business owners and their management staff in successful operation of the existing business or a comparable business. This will be most important with start up businesses or with applicants that wish to use CDBG funds to purchase an existing business that is closing.

7.0 LOAN SERVICING

7.1 Loan Servicing Agent

Program loan repayments will be collected by _____.
Gross collected payments will be provided to the Lender for deposit into the proper CDBG program income revolving loan account(s) in accordance with the currently approved CDBG program income reuse plan. All costs for loan collection activities will be billed separately by the loan servicing agent to the Lender. Payment of loan service agent will be done using the reuse plan's general administration annual allowable costs. The Lender's loan servicing agent will provide itemized accounts of which open grants or program income accounts the loan payments should be attributed to. This information will allow the Lender to do proper program income reporting to the Department.

The Lender will require periodic financial statements from borrowers (typically annual) to be reviewed by the loan servicing agent. Upon reviewing the borrower's financial statements, the loan servicing agent will be able to determine how well the business is doing and if the business needs technical assistance to improve their business model. This review will also allow the Lender to be proactive in exercising liens on the borrower's assets if it is clear the business is

going to close.

7.2 Loan Servicing Policies

The lender has adopted a set of loan servicing policies that outline how the loan servicing agent will proceed if payments are late or no payments are received. The policies also outline how loan files will be set up and protected. These policies are available upon request from the Lender.

8.0 PROGRAM OVERSITE BY LENDER

8.1 OVERSITE OF PROGRAM ADMINISTRATOR

The Lender's staff will serve as the primary contact with the State CDBG program representative for the Program. Lender's staff will be responsible for securing services of a qualified Administrator for implementation of this Program. The Administrator can be secured via proper CDBG procurement or a subrecipient agreement or a Non-profit Development Organization Agreement.

The Administrator will follow these adopted program guidelines. The Lender's staff will work directly with the Administrator and be kept informed of all marketing efforts and outreach. The Administrator will provide a monthly tracking sheet to the Lender's staff that shows all applications received and in different stages of process.

As per the agreement between the Lender and Administrator, all required reports for the Program will be reviewed and approved by the Lender's staff prior to any signatures. For financial reporting, the Lenders staff will ask for the Lender's fiscal staff to review and approve each fiscal report.

Once a loan is able to be approved, the Lender's staff will review the loan package and coordinate submittal to the State for review and approval. When State CDBG written approval is given, then the Lender's staff will schedule a Loan Advisory Board (LAB) meeting for loan approval. The Lender's staff will ensure all loan documents are properly reviewed by legal staff and meet CDBG requirements prior to signing by the borrower.

8.2 OVERSITE OF LOAN SERVICING AGENT

The Lender's staff will also be responsible for securing the services of a loan servicing agent. The loan servicing agent will comply with local loan servicing policies when collecting payments. All loan repayments of past CDBG economic development loans will be serviced by one agency experienced in collecting and servicing business loans. The Lender's staff will work closely with the loan

servicing agent in monitoring the Lender's existing economic development loans. The loan servicing agent will give monthly reports on the status of loan payments to be reviewed by the Lender's Program oversight staff and fiscal staff as well. If the loan servicing agent needs to visit a borrower to talk about late payments or discuss how the business is doing, then the Lender's staff shall be invited to attend the meeting as well.

At each LAB meeting the Lender's staff and loan servicing agent will brief the members on any problems or concerns regarding repayments of existing loans. This includes decisions to foreclose and declare defaults. In addition, the governing body will make the final decisions regarding loan collection in conjunction legal counsel and staff.

City staff will complete required State CDBG financial reports for program income. City staff will complete the proper quarterly and annual program income reports for review, approval, signature and submittal by the Lender to the State CDBG program representative. City staff will consult and monitor the loan servicing agent in the same way the Administrator is monitored.

**CITY OF WINTERS
RESOLUTION 2010-09**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS ADOPTING
GUIDELINES FOR BUSINESS ASSISTANCE LOAN PROGRAM FUNDED BY THE
CITY OF WINTERS WITH COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

WHEREAS, the City of Winters wants to be able to initiate business loans utilizing Community Development Block Grant Program (CDBG) and CDBG Program Income Funds; and

WHEREAS, the State Community Development Block Grant Program is administered by the State of California Department of Housing and Community Development; and

WHEREAS, Federal and State Community Development Block Grant regulations require that local jurisdictions utilizing CDBG grant funds or local program income to operate a business loan program must adopt approved program guidelines in writing;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Winters hereby adopts the Guidelines for Business Assistance Loan Program and authorizes the City Manager or his designee to submit the adopted Guidelines to the Department of Housing and Community Development for review and approval.

Passed and adopted this 16th day of February 2010 by the following vote.

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Michael Martin, Mayor
City of Winters

John W. Donlevy, Jr., City Manager
City of Winters

ATTEST:

Nanci Mills, City Clerk
City of Winters



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Council members

DATE: Feb. 16, 2010

THROUGH: John W. Donlevy, Jr., City Manager 

FROM: Dawn Van Dyke, Management Analyst 

SUBJECT: Public Hearing and adoption of Resolution 2010-08 A Resolution of the City Council of the City of Winters Accepting the Final Product, Downtown Winters Feasibility Market Study, funded by a grant from the Department of Housing and Community Development, Community Development Block Grant Program for Planning and Technical Assistance Contract #07-PTAE-3321

RECOMMENDATION: Hold the Public Hearing and adopt Resolution 2010-08 accepting the final product funded by CDBG planning and technical assistance Grant #07-PTAE-3321.

BACKGROUND: At the Feb. 2, City Council meeting, a public hearing was held regarding the Downtown Feasibility Market Study, funded by a grant from the Department of Housing and Community Development, Community Development Block Grant (CDBG) program through its Planning and Technical Assistance Program. The purpose of the grant was to fund feasibility and marketing studies regarding the potential adaptive re-use of three buildings in Winters' Historic Downtown: The DeVilbiss Hotel, Bank of Winters (Putah Creek Café) and Masonic buildings. In addition, if the projects were deemed feasible, the grant would fund the development of an Over the Counter (OTC) grant application for economic development through CDBG.

Chabin Concepts was selected to perform the scope of work as described in the grant.

Marketing studies, feasibility studies, alternative uses and other aspects of reuse were explored for the Bank of Winters and Masonic buildings. Options for reuse included the creation of a boutique hotel or office space on the second floor of the Bank of Winters building, and the creation of assembly/meeting space or office space on the second floor of the Masonic Building.

During the grant period, the country, state and local economy began to feel the effects of the

current downturn. Although the work was completed, the feasibility of rehabilitating the buildings and reusing them for any of the proposed uses had greatly changed due to economic conditions. For this reason, and despite the many positive elements that were discussed during this process, the building owners were not able to move forward with an OTC application.

During the public hearing on Feb. 2, Dave Fleming, owner/operator of The Palms Playhouse addressed the Council with concerns he had regarding the lack of mention of The Palms as an existing and historical use in the Downtown. He requested that the language be revised to include mention of The Palms Playhouse as a musical venue due to the potential for noise issues and the possible need for sound proofing under existing conditions and in the general comments section of the report.

Staff contacted the consultant, who made the additions as requested in the tables listing existing conditions for the DeVilbiss Hotel building and the Bank of Winters building. Language was also added under the general comments section regarding the Bank of Winters building.

The final product, with revised language, is available for public review at City Hall and on the City's website at www.cityofwinters.org.

FISCAL IMPACT: None at this time.

ATTACHMENTS: The revised Downtown Market Feasibility Study is available on the City's website at www.cityofwinters.org under Community Development Department and Redevelopment & Housing reports. Hardcopies of the report are available upon request.

Resolution No. 2010-08

A Resolution of the City Council of the City of Winters Accepting the Final Product, Downtown Winters Feasibility Market Study, Funded by a Grant from the Department of Housing and Community Development, Community Development Block Grant Program for Planning and Technical Assistance Contract #07-PTAE-3321

WHEREAS, the City of Winters applied for and received funding through the Department of Housing and Community Development, Community Development Block Grant Program (HCD, CDBG) for Planning and Technical Assistance in 2007; and

WHEREAS, Downtown Winters, the block of Main Street between Railroad Avenue and First Street has been designated as a Historic District by the State Historic Preservation Office; and

WHEREAS, the City of Winters wishes to support the rehabilitation and adaptive reuse of buildings in the Historic District as a vital element of the downtown; and

WHEREAS, the City of Winters believes that a thriving and successful downtown business district is important to the economic health of the community; and

WHEREAS, through the grant funds received from HCD, the City commissioned Feasibility and Market Studies for rehabilitation and adaptive reuse for three historic buildings in the Downtown; and

WHEREAS, the final study focused on the Bank of Winters, DeVilbiss Hotel and Masonic buildings and proposed rehabilitation and new use for the Bank of Winters and Masonic buildings; and

WHEREAS, the feasibility and market study were presented to the property owners for review and discussion and provided valuable information about the feasibility of rehabilitation, proposed new uses and market potential; and

WHEREAS, the final product is available for public review at City Hall and may be used as background information for future projects;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Winters hereby accepts the final product funded through the HCD, CDBG, Planning and Technical Assistance Grant, 07-PTAE-3321.

Passed and adopted this 16th day of February, 2010.

AYES:
NOES:
ABSTAIN:
ABSENT:

Michael Martin, Mayor, City of Winters

John W. Donlevy, Jr., City Manager
City of Winters

ATTEST:

Nanci Mills, City Clerk, City of Winters



**CITY COUNCIL
STAFF REPORT**

TO: Honorable Mayor and Councilmembers
DATE: February 16, 2010
FROM: John W. Donlevy, Jr., City Manager 
SUBJECT: Fiscal Sustainability- Budget, Fiscal, Tax and Economic Recommendations

RECOMMENDATION:

That the City Council:

1. Authorize reductions in budget services and programs as indicated in this report.
2. Adopt Resolution 2010-11, A RESOLUTION OF THE CITY OF WINTERS PLACING THE "MUNICIPAL USERS TAX AMENDMENT" ON THE BALLOT FOR A GENERAL MUNICIPAL ELECTION TO BE CONSOLIDATED WITH THE JUNE 1, 2010 ELECTION; DIRECTION TO THE CITY CLERK TO TRANSMIT A COPY TO THE BOARD OF SUPERVISORS OF THE COUNTY OF YOLO AND TO FILE A COPY WITH THE REGISTRAR OF VOTERS.
3. Direct Staff to initiate economic development recommendations as outlined in this report.

BACKGROUND:

Since August, 2009, the City of Winters has discussed the fiscal climate of the City to establish programs and policies to ensure the overall sustainability of the services, programs, economy, infrastructure and social climate which make up the City.

The budget climate within the City has reached a critical phase. In Fiscal Year 2010-11, budget estimates now forecast an operating deficit of approximately \$531,000. Much of this deficit is driven by lower sales and property tax revenues and significantly reduced permit fees due to the slumbering economy.

Beginning in June, 2008, the national economy has seen one of the worst recessions in decades. The combination of the depressed national economy, the collapse of the real estate and financial markets, along with the many budget issues with the State of California have caused good financial planning for the City of Winters to be challenged at a maximum level. The problems are not caused by over spending or bad financial decisions, they are fueled by traditionally recurring revenues seeing sharp reductions and take aways from the State.

Since August, 2009, the City has received tax estimates for both Property and Sales tax revenues. Property taxes are expected to see a 4.9% reduction (\$85,000) and sales taxes an 18% reduction (\$66,700).

In October, 2009, the City Council approved certain re-organizations to the Departments of Financial Management, Recreation and Community Development to consolidate some positions and eliminate others. The City offered retirement incentives which were accepted by two employees. The total projected cost savings will amount to \$99,289 in FY 2009-10 and will amount to \$150,188 in FY 2010-11.

The difference between cuts and re-organization and revenues still leaves an almost \$531,000 deficit for the upcoming fiscal year which needs to be resolved.

The City is also facing critical issues related to our public safety. The Police Department is in serious need of an expansion of the staff to provide basic coverage. The Fire Department is in need of revenues to expand the paid and volunteer efforts to provide basic care for an aging Winters population.

In order to address the shortfalls, Staff is recommending that the City move forward with the following:

1. Service and Program reductions and increases in facility use fees.
2. A proposed increase for the City's Municipal Services Tax to fund police, fire and recreation programs.
3. Initiation of an aggressive economic development to generate revenue and jobs to support the long term fiscal interests of the City.
4. Adjustments to the City's Impact Fee Program to make development in Winters more attractive to prospective developers.

The following are the details.

DISCUSSION:

The City's General Fund is expected to see a \$531,000 shortfall in the upcoming fiscal year. In order to address this, Staff is recommending the following:

Programs and Service Reductions:

Staff is recommending a progressive reduction of services and facility use to begin addressing the fiscal deficits. This will also include fee increases and budget reductions.

The following table includes the Staff recommendations on budget reductions:

<i>Program or Service</i>	<i>Recommendation</i>	<i>Fiscal Impact</i>
Community Center	Increase use fee from \$35 per hour to \$50 per hour for private use. Non-profit groups to now pay \$20 per hour use charge. Seniors to pay flat \$3,000 per year fee. Weekday Community Center Hours now open at 11:00.	\$21,305
Swimming Pool	Elimination of Recreation swim programs Swim Team use during June and July only.	\$40,000
Recreation Programs	Elimination of summer recreation programs.	\$52,351
Planning Comm Stipend	Eliminate stipend	\$3,700
Environmental Programs Staffing	Cancel EARTH Project Non-participation in the Yolo Climate Compact.	\$15,000
City Library Contribution	Continue contribution	\$0
Elimination of Council Stipend	Continue Stipends	\$0
Elimination of Council Training & Travel	Reduction of City Council training, travel and meetings.	\$3,000
Park Maintenance	Field use charge to Little League- \$5,000	\$5,000
City Council Discretionary Fund	50% reduction to \$5,000	\$5,000
Employee Wage Freeze	Continue freeze in employee wages	
Misc/Other Internal Reductions	Elimination of leases and internal reductions	\$75,000
	Total	\$220,356

The following is a summary of some of the changes:

Community Center:

The Community Center rates would be increased from the current \$35 per hour to \$50 per hour for private fee paying parties. Non-profit groups who are currently not charged would now pay an hourly rate of \$20 per hour. This excludes use by the seniors and the WJUSD.

For senior use, we would request a flat \$3,000 annually to support the use for the nutrition program. For the WJUSD, the current joint use agreement prohibits charges based on the reciprocity of use by the City for school facilities. Weekday hours would be limited to the Community Center opening after 11:00 a.m.

Use and financial estimates are attached.

Swimming Pool:

Opened in 2007, the Bobbie Greenwood Swim Center was built at a cost of approximately \$2 million. The use has seen a combination of youth, adults, the handicapped and mostly, the Winters Swim Team.

In calculating the costs of operating the facility, the average monthly operating costs for equipment, maintenance and chemicals is \$3,500 (\$42,000 annually). This excludes gas to heat the pool which can double the monthly operating cost. Programming for the pool includes personnel costs of approximately \$32,000. This brings the total operation of the pool to \$74,000 at the current levels.

Revenues for the pool are currently \$21,519 and are received primarily from the Winters Swim Team (\$8,000) and swim programs (\$13,519). This leaves an overall net operating deficit of (\$52,480). The expenditures and revenue analysis are attached.

Staff is recommending that the City establish an operating schedule for the pool for a two month period during each summer for the months of June and July. The Swim Team will be allowed to use the facility exclusively, paying the City \$8,000 and covering all personnel costs for team coaches. All other programs would be cancelled.

This would bring the total operating costs to \$34,000 and create a net savings of \$40,000.

Besides public access, the greatest impact will be felt in the elimination of 13 part time positions, mostly lifeguards.

Recreation Programs:

Staff recommendation would include the elimination of all recreation programming in the City,

excluding contract classes and lease revenue from the City's leased space at 301 First Street. For many years, the City has operated community based recreation programming. This has included drop-in park programs, children's theatre, Adult Softball, Fourth of July Fireworks, Youth Basketball and other programming.

In November, the City Council authorized the elimination of the Recreation Coordinator position. The remaining costs to the City are approximately \$52,351 which are based mostly in personnel and program costs.

The impacts to personnel will include the elimination of 8 part time positions.

Other Reductions:

Staff is also recommending the following reductions:

- Elimination of the Planning Commission Stipend.
- Cancellation of participation in environmental projects including the Winters EARTH Project and our participation in the Yolo Climate Compact.
- Reduction of training and meeting expenses for the City Council. Total expenses for City Council would be limited to \$1,000 per member.
- Request that Winters Little League reimburse the City \$5,000 toward field use and electricity for City Park.
- Reduce the City Council Discretionary Fund from \$10,000 to \$5,000.
- Continue a wage freeze for all City employees.
- Other internal cost reductions, including copiers, maintenance contracts and printing services and miscellaneous costs. \$75,000.

Total cost savings from these reductions is approximately \$220,356.

Analysis:

The key concerns with the fiscal situation is to set the City on a course to eliminate the overall structural deficit. The City is in the third year of using reserve in its fund balance to fund City services and it is critical to address it at this time.

The following table includes projects for revenues and expenditures for the FY 10-11. The recommendations developed are to help decrease the deficit spending and maintain the overall fund balance of the City.

*Budget and Fiscal Recommendations
 Agenda Report- February 16, 2010
 Page 6*

	FY '10-11 Current Levels	FY '10-11 Recommended Actions
Financial Sources		
Total Estimated Revenues	2,816,287.00	2,837,592.00
Expenditures		
Total Estimated Expenditures	3,298,491.00	3,118,006.00
Net Decrease in Fund Balance	<u>(482,204.00)</u>	<u>(280,414.00)</u>

The overall benefit of the recommended actions is approximately \$202,210.

A major concern is the impacts on the City's reserves which are held in the Fund Balance. The following table shows the fund balance requirements which will allow the City to operate with the various options presented in this report.

	Current Budget with Reorganization	No change in Service Levels	With Reductions Per Recommendations
	2009-2010	2010-2011	2010-2011
Fund Balance 6/30/09	\$ 2,592,840	\$ 2,280,905	\$ 2,280,905
Estimated 09-10 Deficit	\$ (311,935)	\$ (482,204)	\$ (280,414)
Estimated Fund Bal 6/3010	\$ 2,280,905	\$ 1,798,701	\$ 2,000,491
 Minimum Fund Balance Required for Operations	 \$ 2,000,000	 \$ 2,000,000	 \$ 2,000,000
 Reductions Required to meet Minimum Balance	 \$ (280,905)	 \$ 201,299	 \$ (491)
	no cuts required		no cuts required

The column for 2009-10 shows the impacts of the reorganizations which occurred in Recreation, Community Development and Finance. The impacts of the recommendations or not implementing the recommendations in this report are seen in columns 3 and 4.

Staff recommends that the FY 2010-11 budget be balanced using \$280,000 in reserves which helps in maintaining a Fund Balance of \$2 million to assure both cash flow capability and an emergency reserve. Any balances below this amount could trigger a need for short term borrowing or warrants if a lack of revenues occurs.

Recommended Need:

The City is in a position where increasing revenues is paramount to dealing with the service reductions and eliminating the structural deficit. As shown in the above table, the structural deficit with the recommended cuts is \$280,905.

Staff is advising that the City needs to do the following to avoid additional cuts in the next fiscal year.

1. **Next 18 Months:** Increase revenues by \$300,000 to erase the structural deficit and the need to implement additional reductions. This will preserve the reserve/fund balance and stabilize City finances.
2. **Next 24 Months:** In Fiscal Year 2011-12, the City should establish a goal of increasing revenues by no less than \$600,000 (an additional \$300,000). This will allow for the re-establishment of community programs and facilities to the current levels.

RECOMMENDATIONS FOR INCREASING REVENUES:

The solution for dealing with the current situation is to either continue with reductions in spending or to pursue options to increase the overall tax base. The tax base is increased either through raising taxes or increasing the economics of the community to facilitate a higher basis for tax collections (mostly property, sales and use taxes).

The City of Winters currently has three (3) supplemental taxes which are paid by residents:

- 4.75% Utility Users Tax paid on phone and utilities.
- \$10 per month Municipal Services Tax
- \$82.50 per year Landscape and Lighting Assessment for parks and lighting.

These taxes fund programs within the General Fund, with the UUT and the Municipal Services Tax providing revenue mostly for public safety services which are 65% of expenditures.

The City's General Plan dictates policies which call for the City to enable its land and zoning to facilitate economic development to sustain the services and programs which are called for to occur in the City. Economic development is a key element of sustainability. The economic elements of revenue, livability, jobs all intertwine to make the community "sustainable".

Staff has prepared the following recommendations which include a tax measure and economic development to facilitate a fiscal recovery for the City.

Tax Proposal:

The City of Winters is currently dealing with a multitude of issues, most notably in the need for additional resources for public safety.

The Winters Police Department currently runs with a majority of its officers working solo shifts. In a typical week, 21 of 28 shifts are covered by only a single officer. This creates a number of serious issues, including officer safety issues, periods where the City is not adequately covered and periods when officers are unavailable to respond to calls when someone is in custody.

For Winters Fire, the issue is after hour and weekend coverage which is currently manned by a Duty Officer responding from home along with available volunteers. The aging population of Winters is increasing causing calls after hours and on weekends which is facilitating a need to transition to a 24 hour response capability.

The City Council has considered the idea of submitting to voters a proposal for an increase in the City's Municipal Services Tax. Staff is recommending that the City Council advance the following proposal to voters **to expand current services in key areas:**

- Increase the tax by \$10 per month effective July 1, 2010. This will provide an additional \$286,080 in revenue.
- Increase the tax by an additional \$10 per month effective July 1, 2011, providing an estimated additional revenue of \$294,720.

Total annual revenue generated in Year 2 will be \$580,800.

With the revenue, the following would be implemented:

1. **Police Services:** The hire of 3 additional police officers and the establishment of 1 investigative position within the Department. The City will reinstate the School Resources Officer.
2. **Fire Services:** The implementation of a 24/7 Fire response system which will include a "paid call" system for fire volunteer personnel and a shift system for paid staff employed in the Department.
3. **Recreation Programs:** The reinstatement of youth, adult and senior programming in the City Budget.

The results and the benefits to public safety will be dramatic. Officer safety and response will increase, the investigation of crime will enable for a more complete public safety response when it occurs and the reinstatement of a School Resources Officer will benefit students and the schools alike.

In the Fire Department, services will shift to a 24/7 staffing capability from the current 8-4 Monday through Friday schedule. It will provide for increase response capability for all call types.

For recreation, it will enable the City to reinstate the swim programs, fun in the park and programs like adult softball, expanded senior use of the Community Center and the 4th of July Program.

Economic Development:

The City is currently in a position to implement a variety of strategies to position the City for added economic development to generate both tax revenues and jobs. These options include:

1. ***Aggressively recruit and solicit development*** of job creating businesses in developable areas. This would require the following:
 - a. Reduce impact and building fees to make Winters more competitive as compared to neighboring cities.
 - b. Establishment of a streamlined and well developed processing system to allow businesses to quickly break ground and open properties for desired industries.
 - c. Actively market the Winters Community as a favorable business atmosphere, ready to accept emerging industries and technologies.
 - d. Create a development contract, much like a grant contract, which provides incentives to developers based on the number of jobs created and the amount of sales and property tax generated.

Development would provide fee and permit revenue initially and invariably increase the tax base of the community.

The City should begin working with area commercial brokerages and land owners to provide incentives for locating business and industry. The idea of establishing a “finders fee” for brokers who bring development and jobs could prove highly beneficial. These incentives, combined with a well defined approval process could position the City to receive additional development as the economy begins to improve.

2. ***Encourage and promote freeway serving development*** on Grant Ave. at the I505. This would primarily include co-brand development (food establishments paired with fuel/convenience) and hotels/lodging.
 - a. In order to proceed with this, the process would include the following:
 - i. Architectural planning process to update the City of Winters Design Guidelines for Grant Ave.

- ii. Roadway/Public Infrastructure planning to combine the Grant Ave. Access Study and the Safe Streets Project through a Caltrans facilitated process.
- iii. Begin a process (immediately) of actively working with property owners to define desired businesses and encouraging those to occur within the Gateway Master Plan area.

The City has interested businesses and developers and the property owners are interested in developing their properties in this area. In 2009, the City spent almost \$400,000 installing utilities to the Gateway area. This area is ready for development and the City should begin pursuing such.

Fiscal Benefits:

The City has been approached and is actively working with developers interested in proceeding with projects for two (2) co-brand projects and a mid-line hotel at Grant/I505. The estimated tax benefits of such projects are as follows:

<i>Project</i>	<i>Estimated Property Tax</i>	<i>Estimated Sales/TOT Tax</i>	<i>Total Revenue</i>
Co-Brand (1)	\$87,500 (\$5m Project)		\$87,500
Service Station		\$65,000	\$65,000
Food		\$25,000 (\$2.5m an Sales)	\$25,000
Co-Brand (2)	\$87,500 (\$5m Project)	\$25,000 (\$2.5m an Sales)	\$87,500
Service Station		\$65,000	\$65,000
Food		\$25,000 (\$2.5m an Sales)	\$25,000
Hotel	\$140,000 (\$8m Project)	\$200,000 (\$2m an sales)	\$340,000
Totals	\$315,000	\$380,000	\$695,000

These projects also bring jobs. The typical fast food restaurant generates 35-40 jobs per location. The typical hotel will generate 15-20 jobs and a service station 5. Total estimate on jobs is between 100 and 120 jobs for three projects.

Development of freeway serving commercial need not preclude a plan for the Grant Avenue corridor. The properties adjacent to Interstate 505 lend themselves to these types of business, but careful planning and visioning by City staff, Planning Commission, City Council and property owners could still result in a vibrant corridor that provides a variety of businesses and services that complement the downtown, leaving the freeway serving businesses to serve the freeway traffic.

3. **Impact Fee Adjustments for AB 1600 Major Projects Fees** to reduce the overall costs of development in Winters to become more attractive to developers. This would include:
 - a. **Removal of projects** within the fee program which have been recently developed by the CDA and City partnerships. This will include the public safety center and the pool which will eliminate almost \$10m in costs from the impact fee program.
 - b. **Cost Adjustments** which will reflect current costs for projects.

Fiscal Benefits:

Making projects more affordable to build in Winters will ultimately position the City to see development sooner and allow for better projects. The City has approved almost 700 residential units and not a single one of them has been constructed. Residential builders will evaluate affordability of moving forward when the housing market begins to rebound and it will come down to a cost basis for developing.

For industrial and commercial developers, the square foot cost will ultimately determine whether to move forward or not. Commercial development will also follow residential, hence positioning the City for residential development will also benefit the progress of commercial and industrial projects.

Staff has included an attachment of a draft revision to the Impact Fee Program as an example.

4. **Flood Overlay Area-** Amended program to include:
 - a. Establish a financing/assessment district in lieu of a fee program.
 - b. Re-analysis of the fee program based on previous cost estimates.

The fees within the Flood Overlay area are onerous and establish costs which make the fee higher than the cost of the land. The establishment of a financing district in lieu of the fees will allow development to proceed under the guise of a future assessment district which will be recorded with the development. When the flood project is constructed (ultimately through a financed project), the district will be established and assessed for the costs.

The re-analysis of the costs of the program will occur to reflect dropping construction costs.

FISCAL IMPACT:

The recommended budget and service reductions will result in a savings of \$220,356. This will include the elimination of 21 part time positions.

Attachments:

Resolution No. ____ Placing a Municipal Service Tax on June Ballot
Community Center Revenue and Tax Projections
Community Center Use Statistics
Pool Use Statistics
Pool Revenue Projections
City Budget Projections Sheet
Personnel Reductions Summary
Strategic Action Plan
City of Winters Economic Development Strategy
City of Winters- Training and Travel Costs Summary

CITY OF WINTERS RESOLUTION NO. 2010-

RESOLUTION OF THE CITY OF WINTERS PLACING THE “MUNICIPAL USERS TAX AMENDMENT” ON THE BALLOT FOR A GENERAL MUNICIPAL ELECTION TO BE CONSOLIDATED WITH THE JUNE 1, 2010 ELECTION; DIRECTION TO THE CITY CLERK TO TRANSMIT A COPY TO THE BOARD OF SUPERVISORS OF THE COUNTY OF YOLO AND TO FILE A COPY WITH THE REGISTRAR OF VOTERS.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WINTERS AS FOLLOWS:

SECTION 1. Recitals.

A. Pursuant to Section 9222 of the Elections Code of the State of California, the legislative body of a city may submit to the voters, without a petition therefor, a proposition for the repeal, amendment, or enactment of any ordinance, to be voted upon at any succeeding regular or special city election.

B. Pursuant to this authority, The City Council of the City of Winters has adopted Resolution No. 2010-__, submitting to the voters of the City of Winters for their approval or disapproval authority for the City Council of the City of Winters to increase the rate of the existing Municipal Services Tax, a general tax, up to \$10 per month beginning July 1, 2010, and up to an additional \$10 per month beginning July 1, 2011 “The Municipal Tax Amendment,” which, if approved by the voters, would increase the taxes currently collected under the Municipal Services Tax pursuant to Chapter 3.16 of the Winters Municipal Code.

SECTION 2. Consolidated Regular Municipal Election. A consolidated general municipal election will be held in the City of Winters on Tuesday, June 1, 2010, for the purpose of submitting to the qualified electors of the City of Winters, for their approval or disapproval, authority to amend Chapter 3.16 as set forth above.

SECTION 3. Measure. The measure to be voted on at the consolidated municipal election as it is to appear on the ballot shall be as follows:

Measure _____

Shall the City Council of the Winters of Winters have	YES	[]
The authority to amend Chapter 3.16 of the Winters Municipal Code to provide for increases of up to \$10 per month effective July 1, 2010, and an additional \$10 per month effective July 1, 2011?	NO	[]

The measure shall be designated on the ballot by a letter printed on the left margin of the square containing the description of the measure as provided by law.

SECTION 4. Canvass of Returns. The Registrar of Voters of the County of Yolo is hereby authorized to canvass the returns of the consolidated general municipal election so called and to conduct the consolidated general municipal election in all respects as if there were only one election with only one form of ballot. Results of the consolidated general municipal election shall be certified to the Winters City Council.

SECTION 5. Notice of Election. The City Clerk is hereby directed to publish a notice of the consolidated general municipal election which shall contain the following:

- A. Time of the election;
- B. The hours the polls will be open;
- C. That the last day for receipt of primary arguments for or against the measure has been established as 5 p.m. on _____, 2010, in the office of the Winters City Clerk, City Hall, 318 First Street, Winters, California.
- D. That the last day for receipt of rebuttal arguments is 5 p.m. on _____, 2010, in the office of the Winters City Clerk at the above location.
- E. The text of the measure.

SECTION 6. Conduct of the Election. The consolidated general municipal election shall be held in such precincts and at such polling places as shall be determined by the Registrar of Voters in the County of Yolo. The Board of Supervisors of the County of San Bernardino is hereby requested to issue instructions to the Registrar of Voters to take all steps necessary for the holding of the consolidated general municipal election.

SECTION 7. Filing of Resolution. The City Clerk of the City of Winters is directed to file a certified copy of this Resolution with the Board of Supervisors of the County of Yolo and to file a copy of this Resolution with the Registrar of Voters.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Winters City Council at a meeting thereof, held on the 16st day of February, 2010, by the following vote:

AYES:

NOES:

ABSENT:

MICHAEL MARTIN, Mayor

ATTEST:

NANCI MILLS, City Clerk

Community Center
Revenue and Cost Projections

<i>Community Center</i>	<u>Current</u>	<u>20%/\$10</u>	<u>30%/\$15</u>	<u>40%/\$20</u>	
Fee Paid	7,927.50	9,513.00	10,305.75	11,098.50	
Non-Profit - Paid	2,030.00	2,436.00	3,166.80	4,433.52	
No Charge	-	6,365.00	9,547.50	12,730.00	
Senior Charge	-	3,000.00	3,000.00	3,000.00	
Misc Other	6,000.00	6,000.00	6,000.00	6,000.00	
Total Estimated Rev	<u>15,957.50</u>	<u>27,314.00</u>	<u>32,020.05</u>	<u>37,262.02</u>	21,304.52
Estimated Expen	85,050.00	85,050.00	85,050.00	85,050.00	
Net Oper Cost	<u>(69,092.50)</u>	<u>(57,736.00)</u>	<u>(53,029.95)</u>	<u>(47,787.98)</u>	
Carry Cost	24,000.00	24,000.00	24,000.00	24,000.00	
Difference	(45,092.50)	(33,736.00)	(29,029.95)	(23,787.98)	

2009 Community Center Use

User	Total	Current Rev	20% Increase	30% Increase	40% Increase
Fee Paid					
Private Use	226.5	7,927.50	9,513.00	10,305.75	11,098.50
Classes					
Martial Arts	264				
Yoga	47				
Dog	8				
Zumba	49.5				
Total	595				
Non-Profit - Paid					
Blue Ridge	22	770	924.00	1,201.20	1,681.68
Solano Ag	2	70	84.00	109.20	152.88
Yolo Visitors	2	70	84.00	109.20	152.88
WPNS	5.5	192.5	231.00	300.30	420.42
Fortnightly	5.5	192.5	231.00	300.30	420.42
Davis Bike	11	385	462.00	600.60	840.84
Wheels Bike	10	350	420.00	546.00	764.40
Total	58	2030	2,436.00	3,166.80	4,433.52
No Charge		Current NC	\$10 Hr	\$15 Hr	\$20 Hr
Seniors	1170	0	-	-	-
Chamber	15	0	150.00	225.00	300.00
Lions	33.5	0	335.00	502.50	670.00
School	155	0	-	-	-
Farmers Market	110	0	1,100.00	1,650.00	2,200.00
Hispanic Advisory	5.5	0	55.00	82.50	110.00
Food Baskets	9.5	0	95.00	142.50	190.00
Theatre	309	0	3,090.00	4,635.00	6,180.00
Census	44.5	0	445.00	667.50	890.00
Youth Day	13	0	130.00	195.00	260.00
Rotary	8	0	80.00	120.00	160.00
Putah Creek	22.5	0	225.00	337.50	450.00
Yolo County	15	0	150.00	225.00	300.00
Community Dinner	7.5	0	75.00	112.50	150.00
Perc Dam	1	0	10.00	15.00	20.00
Quilt	18	0	180.00	270.00	360.00
AFS	8.5	0	85.00	127.50	170.00
Swim Team	2	0	20.00	30.00	40.00
Soroptomist	12	0	120.00	180.00	240.00
Solar	2	0	20.00	30.00	40.00
Total	1961.5	0	6,365.00	9,547.50	12,730.00

Revenue Calculations

Fee Paid	595	7,927.50	9,513.00	10,305.75	11,098.50
Non-Profit - Paid	58	2030	2436	3166.8	4433.52
No Charge	1861	0	6,365.00	9,547.50	12,730.00
Total	2514	9,957.50	18,314.00	23,020.05	28,262.02

2009 Pool Use

User Groups	June	July	Aug	Sept	Oct	Nov	Dec	Total	Average
Daily Swimmers	1329	1166	361					2940	49
May 30-August 9									
Adult Lap Swimmers	238	273	161	195	125	70	21	1559	45
January 15 - December 4									
Masters Swimmers									40
January 15 - December 4									
Swim Team								250	250
Year Round Swin Team									15
Lessons								252	
Private Pool Parties	1	6	2	9				18	

Daily Swimmers average 49 per day during days open

Adult Lap Swimmers average 45 per day for days open

Masters memberships average 40 per month

Swim Team had 250 registrations for the summer

The City provided 252 lessons

There were 18 Private Party Rentals

City of Winters
Actual Pool Revenues
May 1, 2009 through September 30, 2009

	Total
Pool Proceeds (private pool passes)	1,035.00
Swim Passes	4,921.57
Swim Lessons	6,780.00
Water Aerobics	783.00
Swim Team Reimbursement	8,000.00
	<u>21,519.57</u>

Please note: This figures will differ from those that you were previously given due to the fact that this is for the SWIM SEASON and not the FISCAL YEAR.

City of Winters
Actual Pool Revenues
May 1, 2009 through September 30, 2009

	May	June	July	August	September	Total
Pool Proceeds (private pool parties)	160.00	160.00	640.00	75.00		1,035.00
Swim Passes	1,000.00	1,527.57	1,892.00	352.00	150.00	4,921.57
Swim Lessons	1,335.00	2,850.00	2,595.00			6,780.00
Water Aerobics	180.00	108.00	212.00	283.00		783.00
Swim Team Reimbursement		8,000.00				8,000.00
	<u>2,675.00</u>	<u>12,645.57</u>	<u>5,339.00</u>	<u>710.00</u>	<u>150.00</u>	<u>21,519.57</u>

City of Winters
Pool Revenue Projections

	May	June	July	August	September	Current	40%	50%	60%	70%	80%	100%
Pool Proceeds (private pool parties)	160.00	160.00	640.00	75.00		1,035.00	1,449.00	1,552.50	1,656.00	1,759.50	1,863.00	2,070.00
Swim Passes	1,000.00	1,527.57	1,892.00	352.00	150.00	4,921.57	6,890.20	7,382.36	7,874.51	8,366.67	8,858.83	9,843.14
Swim Lessons	1,335.00	2,850.00	2,595.00			6,780.00	9,492.00	10,170.00	10,848.00	11,526.00	12,204.00	13,560.00
Water Aerobics	180.00	108.00	212.00	283.00		783.00	1,096.20	1,174.50	1,252.80	1,331.10	1,409.40	1,566.00
Master Swim Team						-	4800	7,200.00	7,680.00	8,160.00	8,640.00	9,500.00
Swim Team Reimbursement		8,000.00				8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00
Revenue	<u>2,675.00</u>	<u>12,645.57</u>	<u>5,339.00</u>	<u>710.00</u>	<u>150.00</u>	<u>21,519.57</u>	<u>31,727.40</u>	<u>35,479.36</u>	<u>37,311.31</u>	<u>39,143.27</u>	<u>40,975.23</u>	<u>44,539.14</u>

Current Oper Cost	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>	<u>74,000.00</u>
Cost						(52,480.43)	(42,272.60)	(38,520.65)	(36,688.69)	(34,856.73)	(33,024.77)	(29,360.86)
						34,000.00	34,000.00	34,000.00	34,000.00	34,000.00	34,000.00	34,000.00
Net Oper Vs Carry						<u>(18,480.43)</u>	<u>(8,272.60)</u>	<u>(4,520.65)</u>	<u>(2,688.69)</u>	<u>(856.73)</u>	<u>975.23</u>	<u>4,539.14</u>

Scenario 1

\$3500 @ 12	42,000.00
Swim Team Revenue of 2 mos use	<u>(8,000.00)</u>
Net Carry Cost	<u>34,000.00</u>

Notes:	Number	Cur Charge	Proposed	40%	50%	60%	70%	80%	100%
Swim Passes	100	50	50	70.00	75.00	80.00	85.00	90.00	100.00
Pool Parties	18	160	160	224.00	240.00	256.00	272.00	288.00	320.00
Masters	40	0	40	56.00	60.00	64.00	68.00	72.00	80.00
Lessons	252	27	27	37.80	40.50	43.20	45.90	48.60	54.00

City of Winters
Impact of Discontinuing Recreation Programs

	10-11 With current service Levels	10-11 With Recommended Actions
Financial Sources		
Property Tax	664,457.00	664,457.00
Property Tax in Lieu of VLF	475,878.00	475,878.00
Property Tax in Lieu of Sales Tax	75,250.00	75,250.00
Sales and Use Taxes	225,750.00	225,750.00
Other Taxes	1,038,428.00	1,038,428.00
Service Charges	96,524.00	117,829.00
Fines and Penalties	1,000.00	1,000.00
Rents and Concessions	38,500.00	38,500.00
Interest	61,000.00	61,000.00
License and Permits	116,000.00	116,000.00
Grants	3,500.00	3,500.00
All other Revenues	20,000.00	20,000.00
Total Estimated Revenues	2,816,287.00	2,837,592.00
Expenditures		
General Government	228,167.00	218,487.00
Police	1,698,143.00	1,699,542.00
Fire	410,902.00	410,902.00
Community Developemnt	382,383.00	308,892.00
Public Works	346,097.00	353,167.00
Recreation		
General Recreation	73,761.00	-
Community Center	85,016.00	85,016.00
Swimming Pool	74,022.00	42,000.00
Total Estimated Expenidutres	3,298,491.00	3,118,006.00
Net Decrease in Fund Balance	(482,204.00)	(280,414.00)



Personnel Reductions

Full Time Reductions:

Recreation Coordinator	(1)
Accounting Technician	(1)
Total	(2)

Part Time Positions

Swim Team	12 (Remain- 3 hours per day)
Masters	(4)
Adventure Day Camp/Park	(8)
Swimming Pool/Lifeguards	(13)
Community Center	<u>(5)</u>
Total Part Time Positions	42
Total Position to Remain	12
Total Positions Deleted	(30)

Note:

Community Impact- 29 total work permits issued at Winters High School. 18 employed by City of Winters which will be impacted.

City of Winters
Impact Fee Analysis
February 16, 2010

	Water			Sewer			Storm Drainage		
	Current Fee	Proposed Fee	Difference	Current Fee	Proposed Fee	Difference	Current Fee	Proposed Fee	Difference
Rural Residential	7,864.00	5,590.00	(2,274.00)	9,802.00	7,574.00	(2,228.00)	104.00	81.00	(23.00)
Low Density Residential	6,129.00	4,346.00	(1,783.00)	7,638.00	5,902.00	(1,736.00)	81.00	63.00	(18.00)
Medium Density Residential	4,086.00	2,904.00	(1,182.00)	6,789.00	5,246.00	(1,543.00)	54.00	42.00	(12.00)
Medium High Density Residential	2,779.00	1,975.00	(804.00)	5,092.00	3,935.00	(1,157.00)	-	25.00	25.00
High Density Residential	2,002.00	1,423.00	(579.00)	3,563.00	2,754.00	(809.00)	28.00	22.00	(6.00)
Neighborhood Commerical	1.98	1.40	(0.58)	3.60	2.78	(0.82)	0.03	0.03	-
Highway Service Commercial	1.98	1.40	(0.58)	3.36	2.78	(0.58)	0.03	0.03	-
Central Business District	0.07	0.50	0.43	1.21	0.97	(0.24)	0.01	0.01	-
Office	1.44	-	(1.44)	2.57	-	(2.57)	0.02	-	(0.02)
Other Commercial	1.44	1.03	(0.41)	2.57	1.99	(0.58)	0.02	0.02	-
Business Park	1.65	1.17	(0.48)	2.57	1.99	(0.58)	0.03	0.02	(0.01)
Light Industrial	1.17	0.82	(0.35)	1.80	1.39	(0.41)	0.02	0.02	-
Heavy Industrial	1.28	0.91	(0.37)	2.41	1.85	(0.56)	0.02	0.02	-
Public/Quasi Public	1.30	0.92	(0.38)	2.76	2.14	(0.62)	-	-	-

	Transportation			Parks			Public Safety		
	Current Fee	Proposed Fee	Difference	Current Fee	Proposed Fee	Difference	Current Fee	Proposed Fee	Difference
Rural Residential	8,580.00	3,061.00	(5,519.00)	4,373.00	2,131.00	(2,242.00)	1,163.00	396.00	(767.00)
Low Density Residential	8,580.00	3,067.00	(5,513.00)	4,373.00	2,131.00	(2,242.00)	1,163.00	394.00	(769.00)
Medium Density Residential	8,580.00	3,070.00	(5,510.00)	4,373.00	2,131.00	(2,242.00)	1,163.00	394.00	(769.00)
Medium High Density Residential	6,971.00	2,492.00	(4,479.00)	3,554.00	1,732.00	(1,822.00)	1,163.00	395.00	(768.00)
High Density Residential	5,363.00	1,917.00	(3,446.00)	2,733.00	1,332.00	(1,401.00)	2,750.00	933.00	(1,817.00)
Neighborhood Commerical	10.44	3.74	(6.70)	-	-	-	1.46	0.50	(0.96)
Highway Service Commercial	10.44	3.74	(6.70)	1.07	-	(1.07)	1.46	0.50	(0.96)
Central Business District	7.27	2.72	(4.55)	-	-	-	2.55	0.50	(2.05)
Office	7.83	-	(7.83)	-	-	-	1.46	-	(1.46)
Other Commercial	7.83	2.80	(5.03)	1.07	-	(1.07)	1.46	0.50	(0.96)
Business Park	3.13	1.12	(2.01)	-	-	-	0.29	0.10	(0.19)
Light Industrial	1.82	0.65	(1.17)	-	-	-	0.41	0.10	(0.31)
Heavy Industrial	1.34	0.48	(0.86)	-	-	-	0.29	0.10	(0.19)
Public/Quasi Public	-	-	-	-	-	-	-	-	-

City of Winters
Impact Fee Analysis
February 16, 2010

	Fire			General			Storm Non-Flood		
	Current Fee	Proposed Fee	Difference	Current Fee	Proposed Fee	Difference	Current Fee	Proposed Fee	Difference
Rural Residential									
Low Density Residential									
Medium Density Residential	1,671.00	1,382.00	(289.00)	2,599.00	2,012.00	(587.00)	749.00	582.00	(167.00)
Medium High Density Residential	1,767.00	1,382.00	(385.00)	2,599.00	2,012.00	(587.00)	251.00	454.00	203.00
High Density Residential	1,767.00	1,382.00	(385.00)	2,579.00	2,012.00	(567.00)	224.00	303.00	79.00
Neighborhood Commerical	1,436.00	1,123.00	(313.00)	2,112.00	1,635.00	(477.00)	11.00	182.00	171.00
Highway Service Commercial	1,104.00	864.00	(240.00)	1,623.00	1,257.00	(366.00)	60.00	161.00	101.00
Central Business District	1.02	0.79	(0.23)	1.50	1.15	(0.35)	0.10	0.23	0.13
Office	1.02	0.79	(0.23)	1.50	1.15	(0.35)	0.10	0.23	0.13
Other Commercial	1.24	1.02	(0.22)	2.22	1.80	(0.42)	0.07	0.06	(0.01)
Business Park	1.32	-	(1.32)	2.39	-	(2.39)	0.13	-	(0.13)
Light Industrial	1.32	1.03	(0.29)	2.39	1.86	(0.53)	0.13	0.16	0.03
Heavy Industrial	0.83	0.65	(0.18)	0.97	0.74	(0.23)	0.21	0.16	(0.05)
Public/Quasi Public	0.67	0.55	(0.12)	0.55	0.43	(0.12)	-	-	-
	0.64	0.51	(0.13)	0.41	0.32	(0.09)	-	-	-

	Total Fee per bldg		
	Current Fee	Proposed Fee	Difference
Rural Residential	#REF!	#REF!	#REF!
Low Density Residential	#REF!	#REF!	#REF!
Medium Density Residential	#REF!	#REF!	#REF!
Medium High Density Residential	#REF!	#REF!	#REF!
High Density Residential	#REF!	#REF!	#REF!
Neighborhood Commerical	#REF!	#REF!	#REF!
Highway Service Commercial	#REF!	#REF!	#REF!
Central Business District	#REF!	#REF!	#REF!
Office	#REF!	#REF!	#REF!
Other Commercial	#REF!	#REF!	#REF!
Business Park	#REF!	#REF!	#REF!
Light Industrial	#REF!	#REF!	#REF!
Heavy Industrial	#REF!	#REF!	#REF!
Public/Quasi Public	#REF!	#REF!	#REF!

Notes: Fee per unit for Residential and per square foot for Commercial



Strategic Action Plan

In March, 2007, the City Council and staff embarked on the establishment of an overall Strategic Plan of priorities on which to focus the efforts of the City of Winters. This process has included the input of the City's elected officials, appointed staff and key consulting staff.

In Summary, the City's Strategic Plan calls for the following:

1. **Economic Development** which includes advancing the development projects in the key locations of the I-505/Grant Avenue Intersection, Grant Avenue Corridor and the Downtown Core.
2. **Community Development** improvements and projects which will include a streamlining of the development review process, update to the City's General Plan, completion of the Flood Overlay Area Plan and exploration of an expansion to the City's Sphere of Influence.
3. **Public Facilities and Infrastructure Projects** including extending infrastructure along Grant Avenue to I-505, Water and Sewer system repairs and improvements, construction of a new public safety facility and a new Winters Community Library.
4. **Public Safety** improvements including retention of personnel and expansion of services for both the Police and Fire Departments.
5. **Community Service** improvements such as after school programs, recreation and services for all age groups.
6. **Housing** programs to assist first time homebuyers, seniors and low and moderate income residents.
7. **Environment** improvements including the launch of the Winters **EARTH** Project to promote environmental programs that promote awareness and effectiveness in the areas of **E**nergy, **A**gricultural Preservation and Protection, **R**ecycling and Reuse, **T**ransportation alternatives and **H**abitat restoration.



Economic Development Strategy

Key Vision Elements for Winters

1. Maintain the small town attributes of Winters.
 - Safe
 - Good schools
 - Great place to raise children
 - Volunteerism and community involvement
2. Diversification of development of Winters to strengthen the overall town.
 - Generation of job creating businesses
 - Avoid becoming a commuter community
3. Development should support itself economically.
4. All projects should compliment Winters and provide a balance between jobs, services, and housing.
5. No one development sector (housing, industry, commercial) shall dominate the Winters economy.
6. Winters will strive to be a small unique community.
7. Development should compliment regional sectors in Solano and Yolo Counties.
8. City will manage capital resources to balance development.
9. Expressly focus development and City resources toward the promotion of desired classifications of projects within Winters. The City's priorities for new development include:
 1. Light Industrial
 2. Heavy Industrial
 3. Business/Professional
 4. Commercial/Retail
 5. Housing
 - a. Single family
 - b. Multi-family

Goal 1. Commercial development from the Downtown core- Outward

Develop programs and encourage business development from the downtown business district outward. Specifically, this will include:

- With Main St./Railroad Ave. serving as the center, encourage development of properties located along Railroad Ave. and Main St. for commercial expansion.
- Implement Capital Improvements which enhance the ambiance of the historic district.
- Work with developers and property owners to encourage development of properties in the core which will include a combination of commercial, business and residential uses.
- Implement aspects of the Winters Design Guidelines.
- Expand downtown parking.
- Seismic retrofit program.

Goal 2. Create Opportunities for Development of 505 Industrial Area

- Develop infrastructure master plan for eastern area of City.
- Develop a plan for making development along the 505 more feasible, by:
 - Explore possible annexation and sphere of influence expansion both to the North and to the East.
 - Explore the potential for specific planning of the area which would include land use, infrastructure financing options and phasing.

Goal 3. Community Development Agency/Redevelopment

Utilize redevelopment financing and the Agency's Implementation Plan to spur economic development along the Grant and Railroad Ave. corridors. This may include:

- Development and Implementation of a capital improvement plan to strategically locate public improvements which make it easier for job producing industry to locate.
- Consider development agreements with property owners and developers interested in producing industrial and commercial sites.
- Actively work to market and attract developments to Winters.

Appendix

1. Desired land uses map
2. Demographics-All
 - Workforce
3. Jobs/Housing balance comparison
4. Employment breakdown

Strengths/Weaknesses

1. Available land supply
2. Labor Force
3. Proximity to UC Davis and Vacaville

City of Winters
2009-2010 Budgeted Training and Travel Costs
General Fund Departments

	Registration & Tuition	Travel (Including Meetings)	Total Budgeted Expenditures	% of Expenditure in General Fund	Amount of Expenditure in General Fund
City Council	6,575.00	7,320.00	13,895.00	49%	6,808.55
City Manager	1,225.00	2,280.00	3,505.00	13%	455.65
Administrative Services	2,000.00	2,250.00	4,250.00	85%	3,612.50
Finance	585.00	875.00	1,460.00	13%	189.80
Police*	9,490.00	6,070.00	15,560.00	100%	15,560.00
Fire	440.00	590.00	1,030.00	100%	1,030.00
Public Works	1,600.00	1,520.00	3,120.00	41%	1,279.20
Recreation	600.00	500.00	1,100.00	92%	1,012.00
Community Development	2,310.00	950.00	3,260.00	90%	2,934.00
Building Inspection	500.00	1,300.00	1,800.00	100%	1,800.00
	<u>25,325.00</u>	<u>23,655.00</u>	<u>48,980.00</u>		<u>34,681.70</u>

*This includes Post Remibursable amount of \$3,500.00