

**CONCURRENT REGULAR MEETINGS OF THE  
SONOMA CITY COUNCIL  
&  
SONOMA CITY COUNCIL AS THE SUCCESSOR AGENCY TO THE  
DISSOLVED SONOMA COMMUNITY DEVELOPMENT AGENCY**

**Community Meeting Room, 177 First Street West, Sonoma CA**



**Monday, October 5, 2015  
6:00 p.m.**

\*\*\*\*

**AGENDA**

City Council  
David Cook, Mayor  
Laurie Gallian, Mayor Pro Tem  
Madolyn Agrimonti  
Gary Edwards  
Rachel Hundley

Be Courteous - **TURN OFF** your cell phones and pagers while the meeting is in session.

**OPENING**

**CALL TO ORDER & PLEDGE OF ALLEGIANCE**  
**ROLL CALL** (Edwards, Gallian, Hundley, Agrimonti, Cook)

**1. COMMENTS FROM THE PUBLIC**

*At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the City Council at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Council consideration. Upon being acknowledged by the Mayor, please step to the podium and speak into the microphone. Begin by stating and spelling your name.*

**2. MEETING DEDICATIONS**

**3. PRESENTATIONS**

**Item 3A: Domestic Violence Awareness Month Proclamation**

**4. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL**

*All items listed on the Consent Calendar are considered to be routine and will be acted upon by a single motion. There will be no separate discussion of these items unless members of the Council, staff, or public request specific items to be removed for separate action. At this time Council may decide to change the order of the agenda.*

**Item 4A: Waive Further reading and Authorize Introduction and/or Adoption of Ordinances by Title Only.** (Standard procedural action - no backup information provided)

**Item 4B: Approval of the Minutes of the September 21, 2015 City Council Meeting.**  
Staff Recommendation: Approve the minutes.

**Item 4C: Adoption of an ordinance relating to the automatic appointment of commission alternates.**

Staff Recommendation: Adopt the ordinance.

**4. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL, Continued**

**Item 4D:** Approval of the allocation of a City funded rental at the Sonoma Veteran’s Memorial Building as requested by Sonoma/Petaluma State Historic Parks Association.

Staff Recommendation: Approve.

**Item 4E:** Adoption of a Resolution for the Amendment and Restatement of VALIC Retirement Services Company Retirement Plan for Government Employers.

Staff Recommendation: Adopt the resolution.

**Item 4F:** Adoption of an ordinance amending the Development Code to define “Prescribed Grazing” and identify it as a conditionally-allowed use in the Park zone.

Staff Recommendation: Adopt the ordinance.

**Item 4G:** Adoption of a resolution upholding the Planning Commission’s decision to deny the application of Richard Konecky for an Exception to the garage setback requirements associated with a residence located at 753 Third Street East.

Staff Recommendation: Adopt the resolution.

**5. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL AS SUCCESSOR AGENCY**

*All items listed on the Consent Calendar are considered to be routine and will be acted upon by a single motion. There will be no separate discussion of these items unless members of the Council, staff, or public request specific items to be removed for separate action. At this time Council may decide to change the order of the agenda.*

**Item 5A:** Approval of the Portions of the Minutes of September 21, 2015 City Council Meeting Pertaining to the Successor Agency.

Staff Recommendation: Approve the minutes.

**Item 5B:** Adoption of a Resolution of the City Council as Successor Agency to the Former Sonoma Community Development Agency approving the execution and delivery of a preliminary official statement and bond purchase agreement in connection with refunding of 2003 Tax Allocation Bonds (TAB) and other related actions.

Staff Recommendation: Adopt the resolution.

**6. PUBLIC HEARING - None**

**7. REGULAR CALENDAR – CITY COUNCIL**

*(Matters requiring discussion and/or action by the City Council)*

**Item 7A:** Discussion, consideration and possible action to conduct the first reading and introduction of an Ordinance adding Chapter 9.60 of the Sonoma Municipal Code to regulate and prohibit the use of leaf blowers within the City limits. (City Manager)

Staff Recommendation: Council direction.

**Item 7B:** Request for Proposals for the preparation of a housing impact fee nexus study, as called for in the City of Sonoma Housing Element. (Planning Director)

Staff Recommendation: Authorize circulation of the RFP.

**8. REGULAR CALENDAR – CITY COUNCIL AS THE SUCCESSOR AGENCY**

*(Matters requiring discussion and/or action by the Council as the Successor Agency)*

**9. COUNCILMEMBERS' REPORTS AND COMMENTS**

**10. CITY MANAGER COMMENTS AND ANNOUNCEMENTS INCLUDING ANNOUNCEMENTS FROM SUCCESSOR AGENCY STAFF**

**11. COMMENTS FROM THE PUBLIC**

*At this time, members of the public may comment on any item not appearing on the agenda*

**12. ADJOURNMENT**

I do hereby certify that a copy of the foregoing agenda was posted on the City Hall bulletin board on October 1, 2015. Gay Johann, Assistant City Manager/City Clerk

***Copies of all staff reports and documents subject to disclosure that relate to any item of business referred to on the agenda are normally available for public inspection the Wednesday before each regularly scheduled meeting at City Hall, located at No. 1 The Plaza, Sonoma CA. Any documents subject to disclosure that are provided to all, or a majority of all, of the members of the City Council regarding any item on this agenda after the agenda has been distributed will be made available for inspection at the City Clerk's office, No. 1 The Plaza, Sonoma CA during regular business hours.***

***If you challenge the action of the City Council in court, you may be limited to raising only those issues you or someone else raised at the public hearing described on the agenda, or in written correspondence delivered to the City Clerk, at or prior to the public hearing.***

***In accordance with the Americans With Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk (707) 933-2216. Notification 48-hours before the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.***



*City of Sonoma*  
**City Council**  
**Agenda Item Summary**

**City Council Agenda Item: 3A**

**Meeting Date: 10/05/2015**

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**Department**

Administration

**Staff Contact**

Gay Johann, Assistant City Manager/City Clerk

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**Agenda Item Title**

Domestic Violence Awareness Month Proclamation.

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**Summary**

Alison Dunbar, YWCA Sonoma County, requested a proclamation recognizing the month of October 2015 as Domestic Violence Awareness Month. She will be present at the meeting to receive the proclamation.

In keeping with City practice, proclamation recipients have been asked to keep the total length of their follow-up comments and/or announcements to not more than 10 minutes.

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**Recommended Council Action**

Mayor Cook to present the proclamation.

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**Alternative Actions**

N/A

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**Financial Impact**

N/A

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**Environmental Review**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

**Status**

- Approved/Certified
- No Action Required
- Action Requested

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**Attachments:**

Proclamation

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**cc:**

Alison Dunbar, YWCA (via email)

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# City of Sonoma



## Proclamation

### DOMESTIC VIOLENCE AWARENESS MONTH

WHEREAS, the City of Sonoma recognizes that the crime of domestic violence violates an individual's privacy, dignity, and security due to the systematic use of emotional, physical, sexual, psychological, and economic control of abuse; and

WHEREAS, the YWCA Sonoma County is a community-based organization affiliated with the YWCA USA. 2015 marks the 40<sup>th</sup> anniversary of YWCA Sonoma County and honors their mission to empower, educate, and support domestic violence survivors and their children who are unsafe in their own homes. YWCA Sonoma County operates our community's ONLY confidential safe house shelter, ONLY 24/7 domestic violence crisis hotline and the ONLY therapeutic preschool serving one of our most vulnerable populations: children ages 3-5 years old; and

WHEREAS, domestic violence is a serious crime that affects people of all races, genders, ages, sexual orientation and income levels. Stopping the cycle of vicious criminal assault in the home requires a coordinated effort between the criminal justice system and the agencies that provide services to victims as well as the resolve and courage of abuse survivors; and

WHEREAS, only a collaborative community effort will put an end to the cycle of domestic violence.

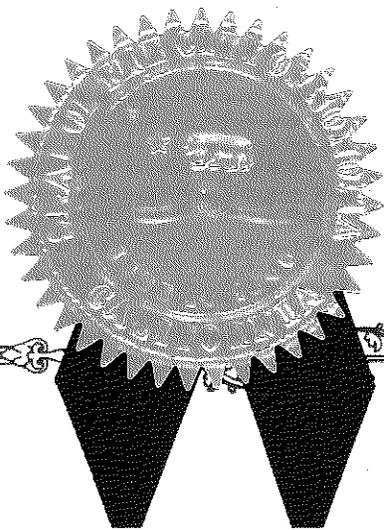
NOW, THEREFORE, I, David Cook, Mayor of the City of Sonoma, do hereby proclaim October 2015

### DOMESTIC VIOLENCE AWARENESS MONTH

in the City of Sonoma and do hereby encourage members of our community to participate in YWCA's scheduled events and programs to support their mission to eliminate domestic violence in Sonoma County through awareness, education and empowerment.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Sonoma to be affixed this 5<sup>th</sup> day of October 2015.

\_\_\_\_\_  
David Cook, Mayor





**CITY OF SONOMA**  
**City Council**  
**Agenda Item Summary**

City Council Agenda Item: 4B

Meeting Date: 10/05/2015

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**Department**

Administration

**Staff Contact**

Gay Johann, Assistant City Manager/City Clerk

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**Agenda Item Title**

Approval of the Minutes of the September 21, 2015 City Council Meeting.

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**Summary**

The minutes have been prepared for Council review and approval.

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**Recommended Council Action**

Approve the minutes.

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**Alternative Actions**

Correct or amend the minutes prior to approval.

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**Financial Impact**

N/A

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**Environmental Review**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

**Status**

- Approved/Certified
  - No Action Required
  - Action Requested
- 

**Attachments:**

Minutes

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**Alignment with Council Goals:** N/A

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**cc:** N/A

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**CONCURRENT REGULAR MEETINGS OF THE  
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&  
SONOMA CITY COUNCIL AS THE SUCCESSOR AGENCY TO THE  
DISSOLVED SONOMA COMMUNITY DEVELOPMENT AGENCY**

**Community Meeting Room, 177 First Street West, Sonoma CA**



**Monday, September 21, 2015**

**6:00 p.m.**

**\*\*\*\***

**MINUTES**

City Council

David Cook, Mayor

Laurie Gallian, Mayor Pro Tem

Madolyn Agrimonti

Gary Edwards

Rachel Hundley

**OPENING**

Mayor Cook called the meeting to order at 6:00 p.m. Bruce Cohn led the Pledge of Allegiance.

CITY COUNCILMEMBERS PRESENT: Edwards, Gallian, Hundley, Agrimonti and Mayor Cook

ABSENT: None

OTHERS PRESENT: City Manager Giovanatto, Assistant City Manager/City Clerk Johann, City Attorney Walter, Planning Director Goodison, Public Works Director Takasugi, Finance Director Hilbrandts.

**1. COMMENTS FROM THE PUBLIC**

Frank Windes, Michelle Richey, Dave Ransom and Christine Missmer spoke about the lack of affordable housing and urged the City Council to address the matter.

Lin Marie deVincent, Bonnie Joy Kaslan and Gary Hermes urged the City Council to continue their support of the Mobilehome Park Rent Control ordinance.

Paul Watts stated his concern that Caltrans was not using the Continental Crosswalk model in Sonoma and requested the City Council to put pressure on them to do so.

Matt Metzler asked the City Council to revisit the issue of the Newcomb Street bicycle bridge.

**2. MEETING DEDICATIONS**

Mayor Cook dedicated the meeting to all those who were helping the Lake County fire victims.

**3. PRESENTATIONS**

**Item 3A: Sonoma Music Festival Weekend Proclamation**

Mayor Cook read aloud the proclamation naming October 2-4, 2015 Sonoma Music Festival Weekend and presented it to Bruce Cohn.

**4. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL**

- Item 4A:** Waive Further reading and Authorize Introduction and/or Adoption of Ordinances by Title Only.
- Item 4B:** Approval of the Minutes of the September 9, 2015 City Council Meeting.
- Item 4C:** Adoption of a resolution distributing Growth Management allocations for the 2015-16 development year. (Res. No. 33-2015)
- Item 4D:** Adoption of a Resolution denying an appeal of the Planning Commission’s decision to approve the application of Darrel Jones for an Exception to the FAR standards associated with a residential addition at 348 Patten Street. (Removed from consent, see below)
- Item 4E:** Adoption of a Resolution upholding an appeal of the Planning Commission’s approval of an amendment to the Use Permit for Williams-Sonoma (605 Broadway) allowing events subject to a one-year review, among other conditions. (Res. No. 35-2015)
- Item 4F:** Adopt Resolution Approving a Program Supplement Agreement 011-N to Administering Agency-State Agreement No. 04-5114R between the City of Sonoma and the State of California related to the Reimbursement of \$250,000 in Federal Aid Funding for the Napa Road Rehabilitation Project. (Res. No. 36-2015)
- Item 4G:** Approve a Resolution Authorizing the City Manager to Acquire and Certify Right-of-Way and to Execute Utility Agreements for Federally Funded Projects Administered by Caltrans. (Res. No. 37-2015)
- Item 4H:** Approve the Job Specification for the Classification of a Public Works Administrative Manager Position to the City’s Classification Plan and Establish a Salary Range. (Res. No. 38-2015)

Cm. Agrimonti removed item 4D for separate discussion. The public comment period was opened and closed with none received. It was moved by Cm. Gallian, seconded by Cm. Agrimonti, to approve the items remaining on the consent calendar. The motion carried unanimously.

- Item 4D:** Adoption of a Resolution denying an appeal of the Planning Commission’s decision to approve the application of Darrel Jones for an Exception to the FAR standards associated with a residential addition at 348 Patten Street.

Cm. Agrimonti stated that she felt the appeal situation would have been a good opportunity for conflict resolution. It was moved by Cm. Gallian, seconded by Cm. Agrimonti, to adopt Res. No. 34-2015 entitled A RESOLUTION OF THE SONOMA CITY COUNCIL DENYING THE APPEAL OF DENNIS AND JOYCE DONNELLY REGARDING THE PLANNING COMMISSION DECISION TO APPROVE AN EXCEPTION TO FLOOR AREA RATIO STANDARDS IN ORDER TO LEGALIZE A RESIDENTIAL ADDITION ON THE PROPERTY LOCATED AT 348 PATTEN STREET. The motion carried unanimously.

**5. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL AS SUCCESSOR AGENCY**

- Item 5A:** Approval of the Portions of the Minutes of September 9, 2015 City Council Meeting Pertaining to the Successor Agency.

**Item 5B: Adoption of the FY 15-16B Recognized Obligation Payment Schedule [ROPS] for the period January 1, 2016 through June 30, 2016.**

The public comment period was opened and closed with none received. It was moved by Clm. Hundley, seconded by Clm. Gallian, to approve the consent calendar as presented. The motion carried unanimously.

**6. PUBLIC HEARINGS**

**Item 6A: Discussion, consideration and possible action on an appeal of the Planning Commission's decision to deny the application of Richard Konecky for an Exception to the garage setback requirements associated with a residence located at 753 Third Street East.**

**Clm. Edwards recused.** Clm. Edwards stated he would have to recuse because of a conflict of interest due to proximity. He stepped down from the dais and left the room.

Planning Director Goodison reported that in August 2014 the Planning Commission approved an application for exceptions to side yard setback requirements in conjunction with a proposal to substantially remodel and expand the residence located at 753 Third Street East. As presented to the Planning Commission, the project called for increasing the gross living area of the home from ±1,200 to ±2,320 square feet. The project design, as approved by the Planning Commission, included an attached carport on the north side of the property in line with the front of the home. The carport fulfilled a requirement for covered parking, as the garage associated with the residence was to be converted to living space as part of the remodel project. A carport was proposed at that time, rather than a garage, because the Development Code required that in new construction garages be placed 20 feet back from the face of the residence, a requirement that did not apply to carports. In February 2015, while the project was under construction, the applicant applied for an exception to enclose the carport as a garage. Although the applicant was able to demonstrate broad neighbor support for the proposal, it was ultimately not supported by the Planning Commission, which voted 5-0 to deny the application. That decision was not appealed. Subsequently, the applicant filed a second application to enclose the carport. Although this limitation was not specifically set forth in the Development Code, staff routinely discouraged the reapplication for a proposal that had been denied, especially during the first 12 months following the decision. However, because the applicant modified the request by changing the design of the proposed garage enclosure and raised a second and previously not considered alternative, the application was accepted and reviewed by the Planning Commission at its meeting of August 13, 2015. After holding a public hearing on the matter, the Commission voted 6-1 to deny the application. That decision was appealed by the property owner. Goodison stated that, in accordance with the standard practice of supporting Commission decisions, staff recommended that the City Council deny the appeal, thereby upholding the decision of the Planning Commission. Goodison read a letter of support for the appeal from a neighboring property owner that had been received after the agenda packet was prepared.

Clm. Hundley confirmed that the setback requirement had been added to the Development Code in 2003 after the development of most of the homes in that area.

Mayor Cook invited comments from the public. Appellant Richard Konecky stated that his goal had been to enlarge the home in keeping with the style and feel of the neighborhood. He noted

that although he could have, he did not build to the maximum Floor Area Ratio and did not construct a second story. He explained that that after construction began a robbery occurred at the property causing security to become a paramount concern and he felt the carport was no longer a good idea. Konecky stated that he had the overwhelming support of his neighbors who would prefer to see an enclosed garage rather than the carport. He asked the Council to look at the common sense of his proposal and to consider the security of the future residents of the home.

Paula Parks stated her support for the appeal. She noted other instances of burglaries in the neighborhood and stated that she had to install a security system at her home.

Kathy O'Neil supported the appeal. She also stated the need for security in the neighborhood and felt a garage would be an esthetic improvement.

Andrew Fenton stated his concern about security and that a garage would look better.

Matt McGinty stated he did not understand why the Planning Commission did not approve the request for a garage.

In response to the question by Clm. Agrimonti, Goodison explained that the second exception application was accepted because they had made design changes. Clm. Gallian commented that the garage should have been included with the first application enabling the Planning Commission to consider the full scope of the project. She stated her agreement with the Planning Commission's decision.

Clm. Hundley stated she also agreed with the Planning Commission and could not think of a reason to overturn their decision. Mayor Cook agreed. It was moved by Clm. Gallian, seconded by Clm. Hundley, to deny the appeal. The motion carried unanimously, Edwards absent.

**Clm. Edwards returned.** Clm. Edwards returned to the dais.

**Item 6B:      Discussion, consideration and possible action on an Ordinance amending the Development Code to define "Prescribed Grazing" and identify it as a conditionally-allowed use in the Park zone.**

Planning Director Goodison provided the history of the Montini Preserve and explained that a code amendment was necessary to allow the continued grazing of the land. The proposed ordinance would identify Prescribed Grazing as a conditionally-allowed use in the "Park" zone. Prescribed Grazing refers to the practice of grazing as a means of vegetation management. The Planning Commission reviewed the ordinance and recommended its adoption.

In response to the question from Clm. Agrimonti, Goodison explained that grazing was authorized in the Montini Preserve Management Plan. The public comment period was opened and closed with none received. It was moved by Clm. Edwards, seconded by Clm. Gallian, to introduce the ordinance entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONOMA AMENDING TITLE 19 OF THE SONOMA MUNICIPAL CODE BY ESTABLISHING 'PRESCRIBED GRAZING' AS A CONDITIONALLY-ALLOWED USE IN THE "PARK" ZONE. The motion carried unanimously.

**7. REGULAR CALENDAR – CITY COUNCIL**

**Item 7A: Discussion, consideration and possible action to introduce an ordinance relating to the automatic appointment of commission alternates**

City Manager Giovanatto reported that the ordinance had been prepared pursuant to Council’s June 1, 2015 direction to make appointment of alternate commissioners automatic. She explained that when the alternate position was created, the Council determined that alternates must be qualified electors of the City {an elector is a US citizen, 18 years of age and a resident of the City}. For that reason staff drafted the ordinance to effectuate the automatic appointment of an alternate only when the vacancy was that of an elector position. To do otherwise would, in some instances, result in there not being any non-electoral representation on the commissions.

Mayor Cook invited comments from the public. Jack Wagner spoke in favor of the change.

Clm. Hundley stated that she felt Alternates should be bumped up in all instances not just when the position was for a City resident. It was moved by Clm. Gallian, seconded by Clm. Edwards, to introduce the ordinance entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONOMA AMENDING SECTION 2.40 OF THE SONOMA MUNICIPAL CODE RELATING TO THE APPOINTMENT OF ALTERNATE COMMISSIONERS. The motion carried four to one, Clm. Hundley dissented.

**8. REGULAR CALENDAR – CITY COUNCIL AS THE SUCCESSOR AGENCY**

**9. COUNCILMEMBERS’ REPORTS AND COMMENTS**

Clm. Hundley reported on the Legislative Committee meeting.

Clm. Edwards requested discussion of additional restrictions of vacation rentals be on a future agenda.

Clm. Gallian reported on the Transportation and Regional Climate Protection Authority meetings.

Clm. Agrimonti also reported on the Transportation Authority meeting.

Clm. Edwards reported on his trip to Penglai China with the Sonoma Penglai Sister City group and display gifts to the City that had been sent back with him.

Mayor Cook reported on the Library Advisory Committee meeting.

**10. CITY MANAGER COMMENTS AND ANNOUNCEMENTS INCLUDING ANNOUNCEMENTS FROM SUCCESSOR AGENCY STAFF**

City Manager Giovanatto reported that the CDC released an RFP for development of affordable housing on the Broadway property previously owned by the Sonoma Community Development Agency. She also reported the kickoff of the 2015 slurry seal project and on the vacation rental monitoring program.

**11. COMMENTS FROM THE PUBLIC - None**

**12. ADJOURNMENT**

The meeting was adjourned at 7:45 p.m. Mayor Cook dedicated the meeting to all those who were helping the Lake County fire victims.

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the Sonoma City Council on the        day of        2015.

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Gay Johann  
Assistant City Manager / City Clerk



**City of Sonoma**  
**City Council**  
**Agenda Item Summary**

**City Council Agenda Item: 4C**

**Meeting Date: 10/05/2015**

**Department**

Administration

**Staff Contact**

Carol Giovanatto, City Manager

**Agenda Item Title**

Adoption of an ordinance relating to the automatic appointment of commission alternates.

**Summary**

At the June 1, 2015 meeting the City Council discussed procedures pertaining to appointments to City boards and commissions. As a result of that discussion, the Council voted to make appointment of alternate commissioners automatic. On September 21<sup>st</sup>, staff presented for first an ordinance for introduction and first reading.

Per the Sonoma Municipal Code, non-City, Sonoma Valley residents may fill positions on the various commissions as follows:

- Planning Commission: Seven members of which six shall be qualified electors of the City plus one Alternate
- Design Review and Historic Preservation Commission: Five members of which four shall be qualified electors of the City plus one Alternate
- Cultural and Fine Arts Commission: Seven members of which five shall be qualified electors of the City plus one Alternate
- Community Services and Environment Commission: Nine members of which five be qualified electors of the City plus one Alternate
- Traffic Safety Committee: Five members of which four shall be qualified electors of the City plus one Alternate

When the alternate position was created, the Council determined that alternates must be qualified electors of the City.

The City Council approved the ordinance as presented for first reading and directed that it return for second reading and adoption.

**Recommended Council Action**

Conduct the second reading and adopt the ordinance.

**Alternative Actions**

Do not adopt the ordinance.

**Financial Impact:** N/A

**Environmental Review**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

**Status**

- Approved/Certified
- No Action Required
- Action Requested

**Attachments:**

Ordinance

**Alignment with Council Goals:** N/A

# CITY OF SONOMA

ORDINANCE NO. 07 - 2015

## AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONOMA AMENDING SECTION 2.40 OF THE SONOMA MUNICIPAL CODE RELATING TO THE APPOINTMENT OF ALTERNATE COMMISSIONERS

THE CITY COUNCIL OF THE CITY OF SONOMA DOES ORDAIN AS FOLLOWS:

**Section 1.** Section 2.40.010 of the City of Sonoma Municipal Code (“SMC”) is amended to read as follows:

### **2.40.010 Attendance.**

Attendance by members at the regular and special meetings of all boards, commissions, and advisory or assisting groups of the city (hereinafter sometimes collectively referred to as “commissions” or “commission” and their members referred to as “commissioners” or “commissioner”) appointed by the city council now in existence, or hereafter established, shall be subject to the following rule:

If a member of any board or commission of the city fails to attend the regular or special meetings of such a board or commission for three consecutive meetings or one-third of any calendar year’s meetings, the office becomes vacant automatically, without any declaration to that effect, and shall thereafter be filled as any other vacancy. Upon request by a commissioner, the council may waive the attendance rules due to special circumstances.

**Section 2.** Section 2.40.100 of the SMC, shall be amended to read as follows:

### **2.40.100 Appointments.**

Except when filling a vacancy on a commission of a city elector position as described in Section 2.40.110.D below, appointments to city commissions shall be filled by nomination of the mayor and ratification by the city council.

**Section 3.** Section 2.40.110.D of the SMC, shall be amended to read as follows:

### **D. Appointment to fill vacancies.**

1. The alternate to a commission, if willing to accept the position, shall automatically fill a vacancy of a position on the commission when said vacancy is created by the resignation, removal or expiration of the term of office of a commissioner who is an elector of the city without further recruitment, application, nomination or Council action. If an alternate who is otherwise qualified to fill such a vacancy declines to do so, then that vacant position shall be filled pursuant to the procedures established under SMC 2.40.100.
2. The alternate may apply for and be considered for appointment to fill a vacancy of a position of the commission designated as one which may be filled by a non-electro of the City; however non-electro applicants shall be given preference for the appointment.

**Section 4.** Existing SMC Section 2.40.110.D shall be re-lettered as Section 2.40.110.E and shall read as follows:

E. For the purpose of determining the term of office pursuant to SMC 2.40.070, the time served as an alternate member shall not be counted toward the term to be served as a regular member. An alternate who declines to fill a vacancy shall continue serving as an alternate to the commission on which s/he sits under the same terms and conditions upon which s/he began her/his service.

**Section 5. Posting.** This ordinance shall be published in accordance with applicable provisions of law, by either:

- publishing the entire ordinance once in the Sonoma Index Tribute, a newspaper of general circulation, published in the City of Sonoma, within fifteen (15) days after its passage and adoption, or
- publishing the title or appropriate summary in the Sonoma Index Tribune at least five (5) days prior to adoption, and a second time within fifteen (15) days after its passage and adoption with the names of those City Councilmembers voting for and against the ordinance.

**Section 6. Severability.** If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance.

The City Council hereby declares that it would have passed this and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrase or clauses be declared unconstitutional on their face or as applied.

**Section 7. Effective Date.**

This ordinance shall become effective thirty (30) days from and after the date of its passage. PASSED, APPROVED AND ADOPTED by the City Council of the City of Sonoma this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

\_\_\_\_\_  
David Cook, Mayor

ATTEST:

\_\_\_\_\_  
Gay Johann  
Assistant City Manager/City Clerk

State of California )  
County of Sonoma )  
City of Sonoma )

I, Gay Johann, Assistant City Manager/City Clerk of the City of Sonoma, do hereby certify that the foregoing ordinance was adopted on the \_\_\_\_\_ day of \_\_\_\_\_ 2015 by the following vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
Gay Johann  
Assistant City Manager/City Clerk



**CITY OF SONOMA**  
**City Council**  
**Agenda Item Summary**

City Council Agenda Item: 4D

Meeting Date: 10/05/2015

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**Department**

Administration

**Staff Contact**

Gay Johann, Assistant City Manager/City Clerk

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**Agenda Item Title**

Approval of the allocation of a City funded rental at the Sonoma Veteran's Memorial Building as requested by Sonoma/Petaluma State Historic Parks Association.

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**Summary**

Per the City's agreement with the County for fiscal year 2015/16 the City is granted fifteen facility rentals for a fee of \$1,000 per rental. The City frequently allocates City funded rentals to local nonprofit, school, and charitable organizations. A City funded rental allows a group use of the facility for up to twelve hours on the date of their event at no cost to them as long as the building is left clean and is secured upon departure. All use of the facility is subject to the terms and conditions of the County's standard use agreement for the building. Groups are required to provide a refundable security and cleaning deposit at the time of booking.

Ten of the City funded rentals were allocated for weekend days (Friday 5 p.m. thru Sunday midnight), the remaining five must be used mid-week. City funded rental events may not be held on a County-observed holiday or any day that the use would conflict with use of the building by a Veterans organization.

Ari DeMarco requested a City funded rental for Sonoma/Petaluma State Historic Parks Association's annual Volunteer Appreciation Dinner on Thursday October 29, 2015. If this request is approved the City will have one weekend and three weekday City funded rentals available for the remainder of the fiscal year.

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**Recommended Council Action**

Approve the request for a City funded rental day.

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**Alternative Actions**

Council discretion.

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**Financial Impact**

\$15,000 has been included in the 2015/16 budget to cover the cost of fifteen rentals.

\$1,000 is remitted to the County for each City funded rental approved by Council.

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**Environmental Review**

**Status**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

- Approved/Certified
  - No Action Required
  - Action Requested
- 

**Attachments:**

Email from Ari DeMarco

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**Alignment with Council Goals:**

*Provide continuing leadership as elected officials and residents of the community by taking steps to assure a safe and vibrant community.*

---

cc: Via email: Ari DeMarco

## Gay Johann

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**From:** Pickett, Robert@Parks <Robert.Pickett@parks.ca.gov>  
**Sent:** Wednesday, September 23, 2015 10:01 AM  
**To:** Gay Johann  
**Cc:** Ari  
**Subject:** Reserving a space for our Volunteer Appreciation Dinner

September 23, 2015

Dear Gay Johann and City of Sonoma,

I am writing on behalf of *Sonoma Petaluma Parks* (a non-profit organization and a cooperating association of the California State Parks) to request a rental fee waiver at the Sonoma Veterans Memorial Building. We are renting the building to host our annual Volunteer Appreciation Dinner. This is an event in which the State Parks staff thanks their dedicated volunteers for all of the work they do to further the interpretive and educational activity and experience for visitors to the Sonoma State Historic Park and the Petaluma Adobe State Historic Park. Our event will be held on Thursday, October 29th, from 2pm to 8pm. We will serve dinner and feature a short talk on a subject relevant to State Parks and volunteerism. A rental fee waiver will go a long way towards helping the Sonoma Petaluma Parks organization to fund this event. As the Volunteer Coordinator, I can attest to the sincere appreciation that State Parks staff feels towards our amazing volunteers, and our dedication to hosting this event for them.

Thank you for your consideration,

Ari DeMarco  
Volunteer Coordinator, Sonoma/Petaluma State Historic Parks Association  
707-540-5030



**CITY OF SONOMA**  
**City Council**  
**Agenda Item Summary**

City Council Agenda Item: 4E

Meeting Date: 10/05/2015

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**Department**

Administration

**Staff Contact**

Cathy Lanning, Administrative Services Manager

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**Agenda Item Title**

Adoption of a Resolution for the Amendment and Restatement of VALIC Retirement Services Company Retirement Plan for Government Employers

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**Summary**

Internal Revenue Service regulations require retirement plan documents be updated periodically to incorporate law changes. The law changes incorporated in this restatement include:

- Pension Protection Act ("PPA")
- Final regulations under Internal Revenue Code Section 415
- Heroes Earnings Assistance and Relief Tax Act ("HEART")
- Worker, Retiree and Employer Recovery Act ("WRERA")
- Small Business Jobs Act ("JOBS")

In order for the plan to remain compliant we need to amend and restate the retirement plan and adopt the Resolution of the City Council of The City of Sonoma authorizing amendment and restatement of the VALIC Retirement Services Company Retirement Plan for Government Employers.

---

**Recommended Council Action**

Adopt Resolution No. XX

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**Alternative Actions**

Request additional information.

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**Financial Impact**

N/A

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**Environmental Review**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

**Status**

- Approved/Certified
- No Action Required
- Action Requested

**Attachments:**

Resolution No. XX

---

**Alignment with Council Goals:**

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cc:

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**CITY OF SONOMA**

**RESOLUTION NO. XX - 2015**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SONOMA AUTHORIZING AMENDMENT AND RESTATEMENT OF RETIREMENT  
PLAN VIA ADOPTION OF VALIC RETIREMENT SERVICES COMPANY  
RETIREMENT PLAN FOR GOVERNMENT EMPLOYERS**

WHEREAS, the City of Sonoma (hereinafter, the “Employer”), previously established the City of Sonoma STARS Retirement Plan (hereinafter, the “Plan”) for the exclusive benefit of its employees and their beneficiaries, which Plan was originally effective as of November 1, 2002; and

WHEREAS, the Employer retained the power to amend and/or terminate the Plan; and

WHEREAS, the Employer now desires to amend and restate the Plan by adopting the VALIC Retirement Services Company Retirement Plan for Government; and

NOW, THEREFORE, BE IT RESOLVED that the Employer hereby amends and restates that Plan, effective January 1, 2015, by adopting the document titled “VALIC Retirement Services Company Retirement Plan for Governmental Employers,” in the form and substance as the document heretofore presented to the governing body of the Employer; and

RESOLVED FURTHER, that the appropriate representatives of the Employer be, and the same hereby are, authorized and directed to: (i) execute the adoption agreement to the VALIC Retirement Services Company Retirement Plan for Governmental Employers document as approved; (ii) execute all other documents and to do all other things as may be necessary or appropriate to make the VALIC Retirement Services Company Retirement Plan for Governmental Employers document effective January 1, 2015, including the execution of any amendments required by the Internal Revenue Service in order to continue and maintain the qualified and exempt status of the Plan; and (iii) execute any other documents required to obtain reliance on advisory letters issued to the VALIC Retirement Services Company Retirement Plan for Governmental Employers by the Internal Revenue Service.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Sonoma this 5<sup>th</sup> day of October 2015.

\_\_\_\_\_  
David Cook, Mayor

ATTEST:

\_\_\_\_\_  
Gay Johann  
Assistant City Manager / City Clerk

State of California )  
County of Sonoma )  
City of Sonoma )

I, Gay Johann, City Clerk of the City of Sonoma, do hereby certify that the foregoing resolution was adopted on the 5<sup>th</sup> day of October 2015 by the following vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
Gay Johann  
Assistant City Manager / City Clerk



**City of Sonoma**  
**City Council**  
**Agenda Item Summary**

City Council Agenda Item: 4F

Meeting Date: 10/05/15

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**Department**

Planning

**Staff Contact**

Planning Director Goodison

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**Agenda Item Title**

Adoption of an Ordinance amending the Development Code to define “Prescribed Grazing” and identify it as a conditionally-allowed use in the Park zone.

---

**Summary**

The Montini Preserve encompasses approximately 98 acres of open space lands, including a significant portion of Sonoma’s hillside backdrop. The Sonoma County Agricultural Preservation and Open Space District (SCAPOD) acquired the Preserve from the Montini family in 2005, with financial assistance from the California State Coastal Conservancy and the City of Sonoma. Ownership of the Preserve was transferred to the City of Sonoma in 2014. The parcels comprising the Preserve have been grazed for many years. Grazing is not only a historic agricultural use of the Preserve, it also has benefits in terms of vegetation management and fire protection. In the acquisition of the Preserve, it was anticipated that grazing would continue and this activity is specifically authorized in the approved Management Plan for the Preserve. However, grazing is not recognized as an allowed use in the “Park” zone, which means that it is a legal non-conforming use that cannot be expanded and cannot be re-instituted if the activity lapses for one year. Because the City Council has stated that it wishes to allow for the continued grazing of the Preserve, staff developed a draft ordinance that would identify “Prescribed Grazing” as a conditionally-allowed use in the “Park” zone. “Prescribed Grazing” refers to the practice of grazing as a means of vegetation management. This activity, as defined, would not conflict with the prohibition on dairies, stockyards, and animal farms established by Section 8.08.020 of the Municipal Code. The draft Ordinance was reviewed by the Planning Commission at its meeting of August 13, 2015, at which time the Commission voted 7-0 to recommend to the City Council that the ordinance be adopted. The City Council considered the draft on September 21, 2015. After holding a public hearing on the matter, the Council voted 5-0 to introduce the ordinance.

---

**Recommended Council Action**

Adopt the Ordinance.

---

**Alternative Actions**

Council discretion.

---

**Financial Impact**

N.A.

---

**Environmental Review**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

**Status**

- Approved/Certified
  - No Action Required
  - Action Requested
- 

**Attachments:**

1. Draft Ordinance
- 

**Alignment with Council Goals:**

This item relates to the Council’s goal regarding “City Character”, in that it is intended to preserve an element of Sonoma’s unique character, incorporate a historical activity into current operations, and strengthen Sonoma’s sense of place.

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**cc:** Bill Montini  
18950 Fifth Street West  
Sonoma, CA 95476

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# CITY OF SONOMA

## ORDINANCE NO. X - 2015

### AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONOMA AMENDING TITLE 19 OF THE SONOMA MUNICIPAL CODE BY ESTABLISHING ‘PRESCRIBED GRAZING’ AS A CONDITIONALLY-ALLOWED USE IN THE “PARK” ZONE

The City Council of the City of Sonoma does ordain as follows:

**Section 1.** Amendments to “Zones and Allowable Uses” (Title 19, Section 19.10.050) of the Sonoma Municipal Code.

Table 2-4 (Special Purpose Uses and Permit Requirements) is hereby amended as follows:

<i>Allowed Uses and Permit Requirements for Special Purpose Zoning Districts</i>	<i>Permit Required by District</i>				<i>P</i>	<i>Use Permitted</i>
	<i>A</i>	<i>Pk</i>	<i>P</i>	<i>W</i>	<i>UP</i>	<i>Use Permit required</i>
					<i>L</i>	<i>License required</i>
					<i>—</i>	<i>Use not allowed</i>
<i>Land Use (1)</i>	<i>A</i>	<i>Pk</i>	<i>P</i>	<i>W</i>		<i>Specific Use Regulations</i>
<i>Agricultural and Open Space Uses</i>						
<i>Crop Production and Horticulture</i>	<i>P</i>	<i>—</i>	<i>—</i>	<i>P</i>		
<i>Livestock Raising</i>	<i>P</i>	<i>—</i>	<i>—</i>	<i>—</i>		
<i>Prescribed Grazing</i>	<i>—</i>	<i>UP</i>	<i>—</i>	<i>—</i>		<i>19.50.020</i>
<i>Produce Stands for On-site Production</i>	<i>P</i>	<i>—</i>	<i>—</i>	<i>—</i>		
<i>Trails, Hiking, and Bicycling</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>—</i>		<i>19.50.070</i>
<i>Notes:</i>						
<i>1. See Section 19.10.050.C regarding uses not listed. See Division VIII for definitions of the listed land uses.</i>						
<i>2. New residential developments subject to the City’s Growth Management Ordinance (SMC 19.94).</i>						
<i>3. Supportive and transitional housing shall be subject to those restrictions that apply to other residential dwellings of the same type in the same zone.</i>						

**Section 2.** Amendments to “Definitions” (Title 19, Division VIII) of the Sonoma Municipal Code.

Section 19.92.020 (Definitions of Specialized Terms and Phrases) is hereby amended as follows:

“Prescribed Grazing: The application of livestock (cattle, sheep or goats) to feed on standing forage as a landscape management technique to control invasive plant species and reduce wildland fire hazards in a manner that preserves desirable natural characteristics.”

**Section 3.** Exemption from Environmental Review.

The amendments to the Municipal Code effected by this ordinance are exempt from environmental review pursuant to Section (b)(3) of title 14 of the California Code of Regulations, as it can be determined with certainty that there is no possibility that the proposed revisions to the Development Code will not have any significant impact on the environment.

**Section 4.** Effective Date.

This ordinance shall become effective thirty (30) days from and after the date of its passage.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Sonoma this XX day of XX, 2015.



**City of Sonoma**  
**City Council**  
**Agenda Item Summary**

City Council Agenda Item: 4G

Meeting Date: 10/05/15

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**Department**

Planning

**Staff Contact**

Planning Director Goodison

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**Agenda Item Title**

Adoption of a Resolution upholding the Planning Commission's decision to deny the application of Richard Konecky for an Exception to the garage setback requirements associated with a residence located at 753 Third Street East.

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**Summary**

On August 13, 2014, the Planning Commission approved an application for Exceptions to side yard setback requirements in conjunction with a proposal to substantially remodel and expand a residence located at 753 Third Street East. As presented to the Planning Commission, the project called for increasing the gross living area of the home from  $\pm 1,200$  to  $\pm 2,320$  square feet. The project design, as approved by the Planning Commission, included an attached carport on the north side of the property in line with the front of the home. The carport fulfilled a requirement for covered parking, as the garage associated with the residence was to be converted to living space as part of the remodel project. A carport was proposed at that time, rather than a garage, because the Development Code requires that in new construction garages be placed 20 feet back from the face of the residence, a requirement that does not apply to carports. (The original garage on the property met this standard.) In February 2015, while the project was under construction, the applicant applied for an Exception to enclose the carport as a garage. The Planning Commission voted 5-0 to deny the application, a decision that was not appealed. Subsequently, the applicant filed a second application to enclose the carport. Although this limitation is not specifically set forth in the Development Code, staff discourages the re-application for a proposal that has been denied, especially during the first 12 months following the decision. However, because the applicant modified the request by changing the design of the proposed garage enclosure and raised a second and previously un-discussed alternative, the application was accepted and reviewed by the Planning Commission at its meeting of August 13, 2015. After holding a public hearing on the matter, the Commission voted 6-1 to deny the application (Comm. Coleman dissenting). This decision was appealed by the property owner. When the City Council heard the appeal at its meeting of September 21, 2015, it voted 5-0 to deny the appeal and to direct staff to prepare a Resolution formalizing that decision.

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**Recommended Council Action**

Adopt Resolution denying the appeal and upholding the Planning Commission's decision to deny the application for an Exception.

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**Alternative Actions**

Council discretion.

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**Financial Impact**

N.A.

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**Environmental Review**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

**Status**

- Approved/Certified
  - No Action Required
  - Action Requested
- 

**Attachments:**

1. Draft Resolution
-

**Alignment with Council Goals:**

N.A.

---

**cc:** Richard Konecky (via email)

Matt McGinty (via email)

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# CITY OF SONOMA

## RESOLUTION NO.

### A RESOLUTION OF THE SONOMA CITY COUNCIL DENYING THE APPEAL OF RICHARD KONECKY REGARDING THE PLANNING COMMISSION'S DECISION TO DENY AN EXCEPTION TO GARAGE SETBACK STANDARDS IN ORDER TO ENCLOSE A CARPORT ON THE PROPERTY LOCATED AT 753 THIRD STREET EAST

WHEREAS, in June of 2014, Richard Konecky, the owner of a parcel located at 753 Third Street East, applied for Exceptions to side-yard setback requirements in order to accommodate the remodeling/addition of a residence on the subject property; and

WHEREAS, this proposal included converting a garage that was set back 20 feet from the front of the residence, in conformance with the requirements of the City's Development Code, to living area; and

WHEREAS, in order to provide covered parking as required by the Development Code, the application called for the construction of a carport aligned with the face of the residence; and

WHEREAS, the Development Code provides that garages must be setback 20 feet from the face of the residence, in contrast to carports which may be aligned with the face of the residence; and

WHEREAS, at its meeting of August 14, 2014, the Planning Commission voted to approve the Exception application for the remodel/addition, including the conversion of the garage into living space and the construction of a carport; and

WHEREAS, in January of 2015, while the remodeling/addition project was under construction, the property owner applied for an Exception to convert the carport into a garage; and

WHEREAS, the Planning Commission considered this application at its meeting of February 12, 2015, at which time it voted 5-0 to deny the application; and

WHEREAS, in July of 2015, while the, the property owner filed a revised application for an Exception to convert the carport into a garage; and

WHEREAS, when the Planning Commission considered the application for an Exception at its meeting of August 13, 2015, it voted 6-1 to deny the application; and

WHEREAS, this decision was subsequently appealed to the City Council by Dennis and Joyce Donnelly; and

WHEREAS, the City Council considered the appeal in a duly noticed public hearing held on September 21, 2015.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sonoma hereby finds, determines and declares as follows:

Section 1. The City Council hereby finds and declares that the circumstances of the project do not comply with the findings specified in SMC 19.48.050.E, all of which are required to be made in order to approve an Exception, as follows:

A. The adjustment authorized by the Exception is inconsistent with the overall objectives of the Development Code in that the use in that the proposed conversion of the carport to a garage would not comply with setback requirements.

B. Granting an exception to the normal standards of the Development Code is not justified by environmental features or site conditions, historic development patterns of the property or neighborhood, or the interest in promoting creativity and personal expression in site planning and development, in that the property, as originally developed, had a garage that met the setback requirements of the Development Code.

C. Granting the Exception will be detrimental to the public health, safety, or welfare, or injurious to the property or improvements in the vicinity and in the same zoning district because the approval of multiple Exceptions, as requested by the applicant, undermines the objectives of the Development Code.

Section 2. Based on the findings and determinations set forth above, the City Council hereby denies the appeal, thereby upholding the decision of the Planning Commission to deny the Exception.

Section 3. The project is exempt from the California Environmental Quality Act (CEQA), because the project application has been denied.

The foregoing Resolution was duly adopted this 5<sup>th</sup> day of October 2015, by the following roll call vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
David Cook, Mayor

ATTEST:

\_\_\_\_\_  
Gay Johann, CMC  
City Clerk



**CITY OF SONOMA**  
**City Council/Successor Agency**  
Agenda Item Summary

City Council Agenda Item: 5A

Meeting Date: 10/05/2015

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**Department**

Administration

**Staff Contact**

Gay Johann, Assistant City Manager/City Clerk

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**Agenda Item Title**

Approval of the Portions of the Minutes of September 21, 2015 City Council Meeting Pertaining to the Successor Agency.

---

**Summary**

The minutes have been prepared for Council review and approval.

---

**Recommended Council Action**

Approve the minutes.

---

**Alternative Actions**

Correct or amend the minutes prior to approval.

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**Financial Impact**

N/A

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**Environmental Review**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

**Status**

- Approved/Certified
- No Action Required
- Action Requested

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**Attachments:**

See Agenda Item 4B for the minutes

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**Alignment with Council Goals:** N/A

**cc:** NA

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***CITY OF SONOMA***  
***City Council as Successor***  
***Agency***  
**Agenda Item Summary**

City Council Agenda Item: 5B

Meeting Date: 10/05/2015

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**Department**

Administration

**Staff Contact**

DeAnna Hilbrants, Finance Director

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**Agenda Item Title**

Adoption of a Resolution of the City Council as Successor Agency to the Former Sonoma Community Development Agency approving the execution and delivery of a preliminary official statement and bond purchase agreement in connection with refunding of 2003 Tax Allocation Bonds (TAB) and other related actions.

---

**Summary**

Prior to its dissolution, the Community Development Agency of the City of Sonoma issued several bonds to finance redevelopment activities in the City. In 2012, as a result of State legislative action, the Sonoma Community Development Agency was dissolved. Ongoing debt service payments are made from RDA (Redevelopment Agency) Property Tax Trust Fund (RPTTF).

Staff has identified that interest savings are available to the City by refunding some of the outstanding bonds. On July 20, 2015; the City Council acting as Successor Agency to the Former Community Development Agency adopted a resolution approving the issuance of refunding bonds and related activities. This action was approved by the Oversight Board to the Former Sonoma Community Development Agency and forwarded to the State Department of Finance for approval. During the review process, staff determined that, due to ongoing litigation around the use of the proceeds from the 2011 Tax Allocation Bonds, those bonds should not be refunded. Therefore, only the 2003 Tax Allocation Bond is proposed for refunding. The Department of Finance has approved the refunding of the 2003 Tax Allocation Bonds.

Additional background and information is attached.

---

**Recommended Council Action**

Adopt resolution of the City Council as Successor Agency to the Former Sonoma Community Development Agency approving the execution and delivery of a preliminary official statement and bond purchase agreement in connection with refunding of agency bonded debt and providing for other matters related thereto and authorizing the City Manager to sign all documents related to this action.

---

**Alternative Actions**

Council discretion.

---

**Financial Impact**

While interest rates will fluctuate until the financing is completed, overall savings is anticipated to exceed \$1 Million over 18 years. This savings will be passed through the RPTTF and the City will realize additional RPTTF funds with the remainder going to other taxing entities including Sonoma Valley Unified School District, Sonoma County Junior College, and the County.

---

**Environmental Review**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

**Status**

- Approved/Certified
- No Action Required
- Action Requested

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**Alignment with Council Goals:**

Fiscal Management: Maintain high level fiscal accountability that ensures short and long-term sustainability of City's financial position; provide for effective and efficient management of local taxpayers' dollars; apply prudent internal policies and practices to assure the most cost-effective methods are utilized; be wise with our resources.

---

**Attachments:**

Supplemental Report

Resolution

Financial Advisor's Analysis

Additional attachments on file with the City Clerk

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## SUPPLEMENTAL REPORT

### Refunding of the Community Development Agency of the City of Sonoma Tax Allocation Bonds Series 2003 and 2011

*For the Meeting of October 5, 2015*

#### **BACKGROUND:**

Redevelopment has been an overwhelmingly positive tool in this City since the Community Development Agency's inception in 1983. Especially in the post-Prop 13 era, cities such as Sonoma have had to increasingly rely on redevelopment as a funding mechanism for economic development and capital projects. While there have been other agencies throughout the State that have used CDA funds for "questionable" projects, this is not the case in Sonoma. Sonoma has been very diligent in making CDA dollars work for the community. The money has provided numerous business and façade improvement loans that have resulted in increases in tax revenues such as Transient Occupancy Tax and Sales Taxes and has contributed to the historic preservation of buildings around the Plaza. None of this would have been possible absent Redevelopment.

The Redevelopment Plan for the Sonoma Redevelopment Project (the "Project Area") was originally adopted on November 28, 1983, encompassing approximately 380 acres, including most of the central core of the City (the "Original Area"). On November 5, 1997 the City Council adopted Ordinance No. 1997-7 which added the territory to the Original Area (the "Amendment Area"). The Amendment Area contains 272 acres of land in the south end of the City.

#### Total Current Indebtedness

As shown in the table below, the total principal indebtedness for all of the Tax Allocation Bond issuances (Series 2003, 2010, 2011) is \$38.96 million.

	<b>Outstanding Principal</b>	<b>2016 Debt Service</b>
Series 2003	15,290,000	1,201,740
Series 2010	8,435,000	748,797
Series 2011	15,235,000	1,199,069
<b>Total</b>	<b>\$38,960,000</b>	<b>\$3,149,606</b>

#### Structure of Debt Repayment

Repayment of the debt is secured by property taxes (Property Tax Increment ("TI") collected in the project area in accordance with the Former Redevelopment Agency's Loan Agreements. As of June 30, 2014, \$3,462,059 is available from the RDA (Redevelopment Agency) Property Tax Trust Fund (RPTTF).

#### **ISSUE AND DISCUSSION:**

Staff recommends that the Council as Successor Agency adopt the resolution, approving the execution and delivery of a Preliminary Official Statement and Bond Purchase Agreement in connection with refunding of Agency bonded debt. The Successor Agency will execute supplements to certain existing agreements to provide for the incurrence of refunding debt (the "2015 Refunding Bonds").

The Redevelopment Dissolution Law provides that the issuance of the 2015 Refunding Bonds must meet the following conditions:

- (i) The total interest cost to maturity on the 2015 Refunding Bonds, plus the principal amount of the 2015 Refunding Bonds, must not exceed the total remaining interest cost to maturity on the 2003, plus the principal amount of the 2015 Refunding Bonds; and
- (ii) The principal amount of the 2015 Refunding Bonds must not exceed the amount necessary to pay off the 2003 Bonds, plus the amounts for the establishment of customary debt service reserves and payment of costs of issuance.

The 2015 Refunding Bonds are expected to satisfy these conditions.

Savings

The purpose of refunding the callable bonds is to take advantage of lower interest rates in the current bond market to reduce debt service payments. When Property Tax Increment revenues exceed the amount needed for Enforceable Obligations, the excess is distributed to taxing entities. Given the low current level of interest rates, and the expectation of increasing rates, this appears to be the appropriate time to capture the benefit of this refunding. The 2003 Bonds are callable at any time.

**Estimated** refunding savings are summarized below.

Refunded Series	2003
Refunded Principal	\$14,755,000
Net Present Value Savings	638,940
<i>As % of Refunded Bonds</i>	<i>4.17%</i>
Gross Cash Flow Savings	1,062,471
<i>City's Portion (14.27%)</i>	<i>151,614</i>
Avg. Annual Gross Cash Flow Savings	8,423

Process Update

On July 20, 2015, City Council as Successor Agency adopted a resolution authorizing refunding of the 2003 and 2011 Tax Allocation Bonds (as noted, the 2011 bonds have since been removed from the refunding). The Oversight Board to the Former Sonoma Community Development Agency adopted a similar resolution. On September 23, 2015, Staff presented to Standard and Poors for bond credit rating. On September 24, 2015; the City received approval from the Department of Finance to proceed. Today, staff is returning to the Council as Successor Agency for approval of additional documents, including a preliminary official statement (an offering disclosure document) and a bond purchase agreement to be executed with Stinson Securities, the bond underwriter. Pending receipt of bond credit rating and approval from City Council as Successor Agency, bids will be obtained for bond issuance based on that rating.

Financing Team

The Successor Agency has been assisted by Stinson Securities (Lonnie Odom) as Underwriter; Public Financial Management (Robert Gamble), as the Financial Advisor; Jones Hall (David Fama) as Bond and Disclosure Counsel; HdL Coren & Cone (David Schey) as Fiscal Consultant. Each of these team members has been sourced due to their unique knowledge of post-redevelopment era financial and legal transaction requirements.

**CITY OF SONOMA**  
Successor Agency

**RESOLUTION NO. SA \_\_ 2015**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER SONOMA COMMUNITY DEVELOPMENT AGENCY APPROVING THE EXECUTION AND DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT AND BOND PURCHASE AGREEMENT IN CONNECTION WITH REFUNDING OF AGENCY BONDED DEBT AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO**

**WHEREAS**, the Community Development Agency of the City of Sonoma (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (the "Law");

**WHEREAS**, a redevelopment plan for the redevelopment project area designated as the "Sonoma Redevelopment Project" in the City of Sonoma, California (the "Redevelopment Project") were adopted in compliance with all requirements of the Law;

**WHEREAS**, for the purpose of financing redevelopment activities with respect to the Redevelopment Project the Former Agency issued its \$20,635,000 aggregate principal amount of Sonoma Redevelopment Project 2003 Tax Allocation Bonds (the "2003 Bonds") pursuant to a First Supplement to Indenture of Trust, dated as of June 1, 2003, which supplements an Indenture of Trust, dated as of June 1, 2000 (the "2000 Bonds Indenture"), by and between the Agency and BNY Western Trust Company, as such predecessor to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee");

**WHEREAS**, for the purpose of financing the refunding and repayment in full of bonds issued in 1997 and 2000, the Former Agency issued its \$10,120,000 aggregate principal amount of Sonoma Redevelopment Project 2010 Refunding Tax Allocation Bonds (the "2010 Bonds") pursuant to a Second Supplement to Indenture of Trust, dated as of October 1, 2010, by and between the Agency and the Trustee;

**WHEREAS**, for the purpose of financing additional redevelopment activities the Former Agency issued its \$15,750,000 aggregate principal amount of Sonoma Redevelopment Project 2011 Tax Allocation Bonds (the "2011 Bonds") pursuant to a Third Supplement to Indenture of Trust, dated as of March 1, 2011, by and between the Agency and the Trustee;

**WHEREAS**, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, Section references hereinafter being to such Code), the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the City of Sonoma (the "City") has become the successor entity to the Former Agency, known as the Successor Agency to the Former Sonoma Community Development Agency (the "Successor Agency");

**WHEREAS**, the 2000 Bonds Indenture permits the issuance of Parity Debt (within the meaning of the 2000 Bonds Indenture) payable from Tax Revenues (as defined in the 2000 Bonds Indenture) secured on parity with the 2010 Bonds, subject to certain conditions; and

**WHEREAS**, Assembly Bill X1 26, effective June 29, 2011, together with AB 1484, effective June 27, 2012 ("AB 1484" and, collectively, as further amended, the "Dissolution Act"), resulted in the dissolution of the Former Agency as of February 1, 2012, and the vesting in the Successor Agency of all of the authority, rights, powers, duties and obligations of the Former Agency;

**WHEREAS**, Section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters");

**WHEREAS**, the Successor Agency has determined that it is necessary and advisable to refund the 2003 Bonds (the "Prior Bonds") for savings through the issuance pursuant to the Law, the Dissolution Act, and the Refunding Law of its Sonoma Redevelopment Project 2015 Tax Allocation Refunding Bonds (the "Refunding Bonds") to provide funds to refund the outstanding Prior Bonds;

**WHEREAS**, on July 20, 2015, the Successor Agency adopted Resolution No. 23-2015 (the "Prior Successor Agency Resolution"), approving the issuance of the Refunding Bonds;

**WHEREAS**, pursuant to Sections 34177.5(f) and 34180 of the Law, the issuance of the Refunding Bonds are subject to the prior approval of the Oversight Board and the California State Department of Finance (the "DOF"); and

**WHEREAS**, on July 23, 2015, the Oversight Board adopted Resolution No. 02-2015 (the "Oversight Board Resolution"), approving the issuance of the Refunding Bonds; and

**WHEREAS**, subsequent to the adoption of the Prior Successor Agency Resolution and the Oversight Board Resolution, staff of the Successor Agency determined that refunding of the 2011 Bonds shall not proceed at this time, and the DOF was notified of that determination; and

**WHEREAS**, the Successor Agency has caused to be prepared a draft of the Official Statement for the Refunding Bonds (the "Preliminary Official Statement"), which contains, among other things, information regarding the Refunding Bonds, the Former Agency and the Successor Agency, the preliminary form of which is on file with the City Clerk, as the secretary (the "Secretary") of the Successor Agency; and

**WHEREAS**, the Successor Agency, with the aid of its staff, has reviewed the Preliminary Official Statement and wishes at this time to approve its use and distribution as in the public interests of the Successor Agency and applicable taxing entities; and

**WHEREAS**, the Successor Agency has been presented with a form of a Bond Purchase Agreement (the "Bond Purchase Agreement"), by and among the Successor Agency and Stinson Securities (the "Underwriter") setting forth the terms and conditions under which the Underwriter will purchase the Refunding Bonds; and

**WHEREAS**, this Board wishes to adopt this Resolution to approve the execution and delivery of the Bond Purchase Agreement and additional documents relating to the Refunding Bonds;

**NOW, THEREFORE, BE IT RESOLVED** by the Successor Agency to the Former Sonoma Community Development Agency, as follows:

1. Finding as to Recitals. The above recitals are true and correct and are a substantive part of this Resolution.

2. Affirmation of Issuance of the Bonds. The approval of issuance of the Refunding TA Notes and the issuance of the Refunding Bonds in the aggregate principal amount not exceeding \$35,000,000, pursuant to the Prior Successor Agency Resolution is hereby affirmed.

3. Approval of Preliminary Official Statement. The Successor Agency hereby approves the preliminary Official Statement in substantially the form on file with the Secretary. Distribution of the preliminary Official Statement by the Successor Agency and the Underwriter is hereby approved, and, prior to the distribution of the preliminary Official Statement, each Authorized Officer, acting alone, are authorized and directed, on behalf of the Successor Agency, to deem the preliminary Official Statement “final” pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”). The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by the Authorized Officer executing the same, and such information permitted to be excluded from the preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the Refunding Bonds, and each Authorized Officer, acting alone, is authorized and directed to execute and deliver the final Official Statement for and on behalf of the Successor Agency, to deliver to the Underwriter a certificate with respect to the information set forth therein and to deliver to the Underwriter a continuing disclosure undertaking substantially in the form appended to the final Official Statement.

4. Approval of Bond Purchase Agreement. The Bond Purchase Agreement, in the form on file with the Secretary, is hereby approved. Subject to the satisfaction of the savings requirement set forth in Section 34177.5(a) of the Law, the Mayor, the City Manager or the Finance Director, on behalf of the Successor Agency (each, an “Authorized Officer”), acting individually, is hereby authorized, for and in the name and on behalf of the Successor Agency, execute and deliver the Bond Purchase Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve (such approval to be conclusively evidenced by the execution and delivery thereof).

5. Approval of Department of Finance. Issuance of the Refunding Bonds as provided for in the Prior Successor Agency Resolution and herein shall be subject to receipt by the Successor Agency from the DOF of a letter of approval of the Oversight Board Resolution.

6. Issuance as Subordinate Bonds. To achieve maximum savings, the Successor Agency has determined that it would be beneficial to obtain a reserve fund surety from a bond insurance company in connection with the issuance of the Refunding Bonds. Under the 2000 Bonds Indenture such a surety is required to be issued by an insurer rated “AAA” by Moody’s and S&P. At the present time no bond insurer has such a rating. Accordingly, this Board finds and determines that it is in the public interests of the Successor Agency and applicable taxing entities that the Refunding Bonds be issued on a subordinate basis to the 2010 Bonds and 2011 Bonds so that a reserve surety may be used. In connection therewith, this Board hereby directs an Authorized Officer to cause the document authorizing and approving the issuance of the Refunding Bonds approved in the Prior Successor Agency Resolution to be revised to provide for the issuance of the Refunding Bonds on a subordinate basis, which revision may be in the form of a separate indenture in lieu of a supplement to the 2000 Bonds Indenture, on terms

similar to those contained in the documents approved in the Prior Successor Agency Resolution. Subject to the approval of the revision by an Authorized Officer, each Authorized Officer, acting individually, is hereby authorized, for and in the name and on behalf of the Successor Agency, execute and deliver the revised document, including a revision in the form of a separate indenture, and approval of said revision is hereby established and shall be conclusively evidenced by the execution and delivery thereof by an Authorized Officer.

7. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in the issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

8. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

**PASSED, ADOPTED AND APPROVED** at a regular meeting of the Successor Agency to the Former Sonoma Community Development Agency duly held on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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David Cook, Mayor

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Gay Johann, Assistant City Manager/City Clerk

SOURCES AND USES OF FUNDS

City of Sonoma Successor Agency  
Refunding of 2003 Tax Allocation Bonds

Dated Date 11/17/2015  
 Delivery Date 11/17/2015

Sources:

<b>Bond Proceeds:</b>	
Par Amount	13,870,000.00
Premium	1,370,028.55
	15,240,028.55
<b>Other Sources of Funds:</b>	
12/1/15 Payment	865,566.88
	16,105,595.43

Uses:

<b>Refunding Escrow Deposits:</b>	
Cash Deposit	15,613,220.94
<b>Delivery Date Expenses:</b>	
Cost of Issuance	175,000.00
Underwriter's Discount	138,700.00
Surety Policy (1.75%)	20,807.50
Insurance Premium (0.75%)	154,787.95
	489,295.45
<b>Other Uses of Funds:</b>	
Additional Proceeds	3,079.04
	16,105,595.43

BOND SUMMARY STATISTICS

City of Sonoma Successor Agency  
Refunding of 2003 Tax Allocation Bonds

Dated Date	11/17/2015
Delivery Date	11/17/2015
Last Maturity	06/01/2033
Arbitrage Yield	3.413554%
True Interest Cost (TIC)	3.620801%
Net Interest Cost (NIC)	3.871955%
All-In TIC	3.912910%
Average Coupon	4.732997%
Average Life (years)	10.310
Duration of Issue (years)	8.230
Par Amount	13,870,000.00
Bond Proceeds	15,240,028.55
Total Interest	6,768,393.89
Net Interest	5,537,065.34
Total Debt Service	20,638,393.89
Maximum Annual Debt Service	1,189,000.00
Average Annual Debt Service	1,176,721.86
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	10.000000
Total Underwriter's Discount	10.000000
Bid Price	108.877639

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bond	6,225,000.00	106.956	3.858%	5.373	3,189.25
Term Bond 2030	4,370,000.00	112.936	5.000%	12.645	4,107.80
Term Bond 2033	3,275,000.00	111.351	5.000%	16.580	3,045.75
	13,870,000.00			10.310	10,342.80

	TIC	All-In TIC	Arbitrage Yield
Par Value	13,870,000.00	13,870,000.00	13,870,000.00
+ Accrued Interest			
+ Premium (Discount)	1,370,028.55	1,370,028.55	1,370,028.55
- Underwriter's Discount	-138,700.00	-138,700.00	
- Cost of Issuance Expense		-175,000.00	
- Other Amounts		-175,595.45	-175,595.45
Target Value	15,101,328.55	14,750,733.10	15,064,433.10
Target Date	11/17/2015	11/17/2015	11/17/2015
Yield	3.620801%	3.912910%	3.413554%

SUMMARY OF REFUNDING RESULTS

City of Sonoma Successor Agency  
 Refunding of 2003 Tax Allocation Bonds

Dated Date	11/17/2015
Delivery Date	11/17/2015
Arbitrage yield	3.413554%
Escrow yield	0.000000%
Value of Negative Arbitrage	
Bond Par Amount	13,870,000.00
True Interest Cost	3.620801%
Net Interest Cost	3.871955%
Average Coupon	4.732997%
Average Life	10.310
Par amount of refunded bonds	15,290,000.00
Average coupon of refunded bonds	4.414915%
Average life of refunded bonds	10.328
PV of prior debt to 11/17/2015 @ 3.413554%	16,857,725.88
Net PV Savings	638,940.30
Percentage savings of refunded bonds	4.178812%

SAVINGS

City of Sonoma Successor Agency  
Refunding of 2003 Tax Allocation Bonds

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 11/17/2015 @ 3.4135540%
12/01/2015	865,566.88	865,566.88				
12/01/2016	1,201,740.00		1,201,740.00	1,133,918.89	67,821.11	56,973.82
12/01/2017	1,199,340.00		1,199,340.00	1,130,775.00	68,565.00	55,513.40
12/01/2018	1,196,140.00		1,196,140.00	1,134,125.00	62,015.00	47,395.36
12/01/2019	1,202,140.00		1,202,140.00	1,131,950.00	70,190.00	52,672.66
12/01/2020	1,201,940.00		1,201,940.00	1,131,250.00	70,690.00	50,997.30
12/01/2021	1,203,775.00		1,203,775.00	1,131,750.00	72,025.00	50,011.47
12/01/2022	1,199,320.00		1,199,320.00	1,136,150.00	63,170.00	40,935.79
12/01/2023	1,203,790.00		1,203,790.00	1,139,350.00	64,440.00	40,122.66
12/01/2024	1,206,755.00		1,206,755.00	1,141,350.00	65,405.00	39,091.78
12/01/2025	1,207,045.00		1,207,045.00	1,142,150.00	64,895.00	37,026.04
12/01/2026	1,205,777.50		1,205,777.50	1,147,625.00	58,152.50	30,645.57
12/01/2027	1,207,952.50		1,207,952.50	1,147,375.00	60,577.50	30,792.92
12/01/2028	1,208,347.50		1,208,347.50	1,150,000.00	58,347.50	27,848.85
12/01/2029	1,206,962.50		1,206,962.50	1,155,250.00	51,712.50	22,277.16
12/01/2030	1,213,797.50		1,213,797.50	1,158,000.00	55,797.50	23,492.75
12/01/2031	1,213,407.50		1,213,407.50	1,163,125.00	50,282.50	18,976.21
12/01/2032	1,211,015.00		1,211,015.00	1,175,250.00	35,765.00	9,584.96
12/01/2033	1,211,620.00		1,211,620.00	1,189,000.00	22,620.00	1,502.56
	22,566,431.88	865,566.88	21,700,865.00	20,638,393.89	1,062,471.11	635,861.26

Savings Summary

PV of savings from cash flow	635,861.26
Plus: Refunding funds on hand	3,079.04
Net PV Savings	638,940.30

AGGREGATE DEBT SERVICE

City of Sonoma Successor Agency  
Refunding of 2003 Tax Allocation Bonds

Date	Refunding of 2003 Tax Allocation Bonds	Parity Debt	Aggregate Debt Service
12/01/2015		1,251,133.13	1,251,133.13
06/01/2016	836,943.89	691,433.13	1,528,377.02
12/01/2016	296,975.00	1,256,433.13	1,553,408.13
06/01/2017	841,975.00	682,978.13	1,524,953.13
12/01/2017	288,800.00	1,267,978.13	1,556,778.13
06/01/2018	853,800.00	673,620.63	1,527,420.63
12/01/2018	280,325.00	1,278,620.63	1,558,945.63
06/01/2019	860,325.00	663,170.63	1,523,495.63
12/01/2019	271,625.00	1,283,170.63	1,554,795.63
06/01/2020	871,625.00	651,660.63	1,523,285.63
12/01/2020	259,625.00	1,296,660.63	1,556,285.63
06/01/2021	884,625.00	638,696.88	1,523,321.88
12/01/2021	247,125.00	1,303,696.88	1,550,821.88
06/01/2022	902,125.00	624,626.88	1,526,751.88
12/01/2022	234,025.00	1,324,626.88	1,558,651.88
06/01/2023	919,025.00	609,126.88	1,528,151.88
12/01/2023	220,325.00	1,334,126.88	1,554,451.88
06/01/2024	935,325.00	591,734.38	1,527,059.38
12/01/2024	206,025.00	1,346,734.38	1,552,759.38
06/01/2025	951,025.00	573,334.38	1,524,359.38
12/01/2025	191,125.00	1,368,334.38	1,559,459.38
06/01/2026	976,125.00	551,109.38	1,527,234.38
12/01/2026	171,500.00	1,391,109.38	1,562,609.38
06/01/2027	996,500.00	527,559.38	1,524,059.38
12/01/2027	150,875.00	1,412,559.38	1,563,434.38
06/01/2028	1,020,875.00	502,734.38	1,523,609.38
12/01/2028	129,125.00	1,437,734.38	1,566,859.38
06/01/2029	1,049,125.00	476,459.38	1,525,584.38
12/01/2029	106,125.00	1,466,459.38	1,572,584.38
06/01/2030	1,076,125.00	448,609.38	1,524,734.38
12/01/2030	81,875.00	1,483,609.38	1,565,484.38
06/01/2031	1,106,875.00	419,484.38	1,526,359.38
12/01/2031	56,250.00	1,514,484.38	1,570,734.38
06/01/2032	1,146,250.00	380,475.00	1,526,725.00
12/01/2032	29,000.00	1,555,475.00	1,584,475.00
06/01/2033	1,189,000.00	338,615.63	1,527,615.63
12/01/2033		1,598,615.63	1,598,615.63
06/01/2034		293,728.13	293,728.13
12/01/2034		2,853,728.13	2,853,728.13
06/01/2035		202,528.13	202,528.13
12/01/2035		2,947,528.13	2,947,528.13
06/01/2036		104,737.50	104,737.50
12/01/2036		3,044,737.50	3,044,737.50
	20,638,393.89	45,663,979.57	66,302,373.46

BOND DEBT SERVICE

City of Sonoma Successor Agency  
Refunding of 2003 Tax Allocation Bonds

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016	510,000	2.500%	326,943.89	836,943.89	
12/01/2016			296,975.00	296,975.00	1,133,918.89
06/01/2017	545,000	3.000%	296,975.00	841,975.00	
12/01/2017			288,800.00	288,800.00	1,130,775.00
06/01/2018	565,000	3.000%	288,800.00	853,800.00	
12/01/2018			280,325.00	280,325.00	1,134,125.00
06/01/2019	580,000	3.000%	280,325.00	860,325.00	
12/01/2019			271,625.00	271,625.00	1,131,950.00
06/01/2020	600,000	4.000%	271,625.00	871,625.00	
12/01/2020			259,625.00	259,625.00	1,131,250.00
06/01/2021	625,000	4.000%	259,625.00	884,625.00	
12/01/2021			247,125.00	247,125.00	1,131,750.00
06/01/2022	655,000	4.000%	247,125.00	902,125.00	
12/01/2022			234,025.00	234,025.00	1,136,150.00
06/01/2023	685,000	4.000%	234,025.00	919,025.00	
12/01/2023			220,325.00	220,325.00	1,139,350.00
06/01/2024	715,000	4.000%	220,325.00	935,325.00	
12/01/2024			206,025.00	206,025.00	1,141,350.00
06/01/2025	745,000	4.000%	206,025.00	951,025.00	
12/01/2025			191,125.00	191,125.00	1,142,150.00
06/01/2026	785,000	5.000%	191,125.00	976,125.00	
12/01/2026			171,500.00	171,500.00	1,147,625.00
06/01/2027	825,000	5.000%	171,500.00	996,500.00	
12/01/2027			150,875.00	150,875.00	1,147,375.00
06/01/2028	870,000	5.000%	150,875.00	1,020,875.00	
12/01/2028			129,125.00	129,125.00	1,150,000.00
06/01/2029	920,000	5.000%	129,125.00	1,049,125.00	
12/01/2029			106,125.00	106,125.00	1,155,250.00
06/01/2030	970,000	5.000%	106,125.00	1,076,125.00	
12/01/2030			81,875.00	81,875.00	1,158,000.00
06/01/2031	1,025,000	5.000%	81,875.00	1,106,875.00	
12/01/2031			56,250.00	56,250.00	1,163,125.00
06/01/2032	1,090,000	5.000%	56,250.00	1,146,250.00	
12/01/2032			29,000.00	29,000.00	1,175,250.00
06/01/2033	1,160,000	5.000%	29,000.00	1,189,000.00	
12/01/2033					1,189,000.00
	13,870,000		6,768,393.89	20,638,393.89	20,638,393.89

SUMMARY OF BONDS REFUNDED

City of Sonoma Successor Agency  
 Refunding of 2003 Tax Allocation Bonds

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2003, 2003:					
SERIAL	12/01/2015	3.625%	535,000.00	11/27/2015	100.000
	12/01/2016	4.000%	560,000.00	11/27/2015	100.000
	12/01/2017	4.000%	580,000.00	11/27/2015	100.000
	12/01/2018	4.000%	600,000.00	11/27/2015	100.000
	12/01/2019	4.000%	630,000.00	11/27/2015	100.000
TERM23	12/01/2020	4.300%	655,000.00	11/27/2015	100.000
	12/01/2021	4.300%	685,000.00	11/27/2015	100.000
	12/01/2022	4.300%	710,000.00	11/27/2015	100.000
	12/01/2023	4.300%	745,000.00	11/27/2015	100.000
TERM33	12/01/2024	4.450%	780,000.00	11/27/2015	100.000
	12/01/2025	4.450%	815,000.00	11/27/2015	100.000
	12/01/2026	4.450%	850,000.00	11/27/2015	100.000
	12/01/2027	4.450%	890,000.00	11/27/2015	100.000
	12/01/2028	4.450%	930,000.00	11/27/2015	100.000
	12/01/2029	4.450%	970,000.00	11/27/2015	100.000
	12/01/2030	4.450%	1,020,000.00	11/27/2015	100.000
	12/01/2031	4.450%	1,065,000.00	11/27/2015	100.000
	12/01/2032	4.450%	1,110,000.00	11/27/2015	100.000
	12/01/2033	4.450%	1,160,000.00	11/27/2015	100.000
			15,290,000.00		

**BOND PRICING**

City of Sonoma Successor Agency  
Refunding of 2003 Tax Allocation Bonds

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
<b>Serial Bond:</b>									
	06/01/2016	510,000	2.500%	0.730%	100.950				4,845.00
	06/01/2017	545,000	3.000%	1.210%	102.720				14,824.00
	06/01/2018	565,000	3.000%	1.530%	103.646				20,599.90
	06/01/2019	580,000	3.000%	1.790%	104.130				23,954.00
	06/01/2020	600,000	4.000%	2.030%	108.500				51,000.00
	06/01/2021	625,000	4.000%	2.300%	108.792				54,950.00
	06/01/2022	655,000	4.000%	2.480%	109.122				59,749.10
	06/01/2023	685,000	4.000%	2.630%	109.312				63,787.20
	06/01/2024	715,000	4.000%	2.740%	109.534				68,168.10
	06/01/2025	745,000	4.000%	2.850%	109.544				71,102.80
		<u>6,225,000</u>							<u>432,980.10</u>
<b>Term Bond 2030:</b>									
	06/01/2026	785,000	5.000%	3.520%	112.936 C	3.831%	06/01/2026	100.000	101,547.60
	06/01/2027	825,000	5.000%	3.520%	112.936 C	3.831%	06/01/2026	100.000	106,722.00
	06/01/2028	870,000	5.000%	3.520%	112.936 C	3.831%	06/01/2026	100.000	112,543.20
	06/01/2029	920,000	5.000%	3.520%	112.936 C	3.831%	06/01/2026	100.000	119,011.20
	06/01/2030	970,000	5.000%	3.520%	112.936 C	3.831%	06/01/2026	100.000	125,479.20
		<u>4,370,000</u>							<u>565,303.20</u>
<b>Term Bond 2033:</b>									
	06/01/2031	1,025,000	5.000%	3.690%	111.351 C	4.087%	06/01/2026	100.000	116,347.75
	06/01/2032	1,090,000	5.000%	3.690%	111.351 C	4.087%	06/01/2026	100.000	123,725.90
	06/01/2033	1,160,000	5.000%	3.690%	111.351 C	4.087%	06/01/2026	100.000	131,671.60
		<u>3,275,000</u>							<u>371,745.25</u>
		<u>13,870,000</u>							<u>1,370,028.55</u>

Dated Date	11/17/2015	
Delivery Date	11/17/2015	
First Coupon	06/01/2016	
Par Amount	13,870,000.00	
Premium	1,370,028.55	
Production	15,240,028.55	109.877639%
Underwriter's Discount	<u>-138,700.00</u>	<u>-1.000000%</u>
Purchase Price	15,101,328.55	108.877639%
Accrued Interest		
Net Proceeds	<u>15,101,328.55</u>	



**CITY OF SONOMA**  
**City Council**  
**Agenda Item Summary**

City Council Agenda Item: 7A

Meeting Date: 10/05/2015

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**Department**

Administration

**Staff Contact**

Carol E. Giovanatto, City Manager

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**Agenda Item Title**

Discussion, consideration and possible action to conduct the first reading and introduction of an Ordinance adding Chapter 9.60 of the Sonoma Municipal Code to regulate and prohibit the use of leaf blowers within the City limits

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**Summary**

On September 9th staff presented the draft of a standalone ordinance specifically related to the use of leaf blowers in the City of Sonoma. To assure complete transparency and understanding, the City Manager and the City Attorney presented each section of the draft ordinance allowing for detailed discussion and analysis. Following Council review and questions, the item was opened for public comment. Overall, 30 speakers expressed their views on the subject matter and draft ordinance to the Council. At the conclusion of public testimony, Council reconvened their discussion of the specific provisions of the draft ordinance to gain consensus to move forward with direction to staff for finalizing the ordinance.

While full consensus was not reached on every section, direction was given to staff to return the ordinance for a first reading. Staff has prepared the final draft ordinance with the specific changes that received consensus of Council. The single issue, Section 9.60.030 (Use and Type of Leaf Blower), did not receive clear majority consensus and therefore is presented as written in the original language of the draft ordinance.

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**Recommended Council Action**

Council direction.

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**Alternative Actions**

Council discretion.

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**Financial Impact**

To be determined following adoption of ordinance. Enforcement costs for this ordinance will be combined into a comprehensive new Municipal Code Enforcement Program.

Estimated costs for Municipal Code Enforcement Program: \$75,000-\$150,000 annually

Source: General Fund Reserves

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**Environmental Review**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

**Status**

- Approved/Certified
  - No Action Required
  - Action Requested
- 

**Attachments:**

Supplemental Report  
Draft Ordinance

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**Alignment with Council Goals:**

POLICY & LEADERSHIP

Provide continuing leadership as elected officials and residents of the community.

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cc:

## SUPPLEMENTAL REPORT

Discussion, consideration and possible action to conduct the first reading and introduction of an Ordinance adding Chapter 9.60 of the Sonoma Municipal Code to regulate and prohibit the use of leaf blowers within the City limits

*For the Council meeting of October 5, 2015*

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On September 9th staff presented the draft of a standalone ordinance specifically related to the use of leaf blowers in the City of Sonoma. To assure complete transparency and understanding, the City Manager and the City Attorney presented each section of the draft ordinance allowing for detailed discussion and analysis. Following Council review and questions, the item was opened for public comment. Overall, 30 speakers expressed their views on the subject matter and draft ordinance to the Council. At the conclusion of public testimony, Council reconvened their discussion of the specific provisions of the draft ordinance to gain consensus to move forward with direction to staff for finalizing the ordinance.

While full consensus was not reached on every section, direction was given to staff to return the ordinance for a first reading. Staff has prepared the final draft ordinance with the specific changes that received consensus of Council. The single issue, Section 9.60.030 (Use and Type of Leaf Blower), did not receive clear majority consensus and therefore is presented as written in the original language of the draft ordinance.

The resulting sections contained in the final ordinance presented are as follows:

### **Section 9.60.030 - USE AND TYPE OF LEAF BLOWER**

The following provisions are contained in the proposed ordinance.

- The use of gas powered leaf blowers to be banned in all areas of the City of Sonoma by all users.
- The use of all other powered leaf blowers (battery & electric powered) to be banned in all areas of the City of Sonoma with the exception to:
  - commercial and mixed -use zones and,
  - (2) areas owned by the City of Sonoma and under the maintenance responsibilities of the City Public Works Department.

Council Vote: There was no clear majority consensus on this section of the draft ordinance.

- Straw voting: Mayor Pro Tem Gallian and Councilmember Agrimonti support for complete ban of all leaf blowers in all areas of Sonoma.
- Straw voting: Councilmember Hundley supported complete ban with exception of Commercial/Mixed Use and City/Public land due to heightened liability for public safety.
- Straw voting: Mayor Cook and Councilmember Edwards support for no ban in any area; keep regulations as stated in noise ordinance with exception of hours of operation.

### **Section 9.60.030 - DAYS/HOURS OF OPERATION**

Council discussed modifying the current hours of operation with respect to the commercial and mixed use zones and in City owned parcels. To assist in determining potential modifications on days and hours of

operation, staff had outreached to the business community on current landscape/maintenance hours through a survey created by the Sonoma Valley Chamber of Commerce. Following discussion of three potential options, Council reached majority consensus to include operating hours to be limited to Monday through Friday 8:00 a.m. to 3:00 p.m. This has been included in the ordinance as presented.

#### **Section 9.60.030 - DECIBEL LEVELS**

Council reached majority consensus to maintain consistency with the noise ordinance. The decibel level in the proposed ordinance shall remain at 70 dBA measured at 50 feet from the noise source. This is consistent with the noise ordinance for all other outdoor equipment.

#### **Section 9.60.050 - PROPERTY OWNER & OPERATOR TO RECEIVE CITATION/FINE**

Council reached majority consensus that both the property owner or tenant and the landscaper each be subject to the violation under the ordinance. At section 9.60.030, the ordinance's restrictions and prohibitions are made applicable to the property owner, the tenant and their employees and agents.

The fine that may be imposed for violation chapter 9.60 depends upon whether the violation is prosecuted as an infraction, misdemeanor or administratively. The ordinance states that a first violation would receive written/courtesy warning along with a summary of ordinance regulations. The next violation by the same person or at the same place will trigger the imposition of a fine. If the violation is prosecuted as an infraction, then the second violation brings a \$100 fine, the next violation within a year carries a \$250 fine and a third and subsequent violation(s) within a year carries a \$250 fine per violation. If the violator is prosecuted under the City's administrative fining procedures, the amount of the fine will depend upon the fine schedule adopted by Council Resolution which will be brought back as a separate action following final adoption of the ordinance. Finally, if prosecuted as a misdemeanor, the penalty cannot exceed \$1,000 per violation and 6 months incarceration. The ordinance's penalties and enforcement provision follows other such provisions found throughout the municipal code.

#### **Section 4 - TRANSITION PERIOD FOR IMPLEMENTATION**

Council reached majority consensus to provide a transition period for implementation. The ordinance provides for an effective date 30 days following the second reading but an implementation date for the provisions of the ordinance to be February 1, 2016. This will allow sufficient time for the City to (1) notify residents and commercial businesses regarding the ordinance's provisions and restrictions, and (2) prepare for the method of enforcement of new regulations.

#### **RECOMMENDATION**

Recommended Council action is to review the final ordinance as presented for first reading. Following that discussion, Council will open for public comment. Following public comment, Council may engage in further discussion and provide additional direction to staff or approve the first reading of the ordinance and direct to return for second reading and possible adoption.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONOMA  
ADDING CHAPTER 9.60 OF THE SONOMA MUNICIPAL CODE TO  
REGULATE AND PROHIBIT THE USE OF LEAF BLOWERS WITHIN THE  
**CITY'S LIMITS**

A. WHEREAS, the purpose of this ordinance is to regulate the use of leaf blowers within the city, so as to prevent the unreasonable and continuous disruption of the community due to associated mechanical noise and the propensity of the devices to broadcast dust and other airborne pollutants into the air and onto nearby properties.

B. WHEREAS, residential areas are being distinguished from other areas of the city because of the special maintenance needs for commercial and other public areas, and the particular sensitivity of residential uses to the impacts and effects resulting from the use of leaf blowers.

C. WHEREAS, the city has previously adopted restrictions on the operation of leaf blowers and now finds that strengthening those restrictions is appropriate.

D. WHEREAS, the City Council finds that this ordinance is necessary for the protection of the public health, safety, and welfare.

E. WHEREAS, the City Council finds that the amendments made by this ordinance are consistent with the goals and policies of the Sonoma General Plan and other adopted ordinances and regulations of the City of Sonoma.

F. WHEREAS, the City Council finds that the adoption of this ordinance is categorically exempt from the requirements of the California Environmental Quality Act under the "general rule", pursuant to Section 15061(b)(3) of the CEQA Guidelines and is also exempt pursuant to Section 15305 (Minor Alterations to Land Use Limitations) of the CEQA Guidelines.

Now, therefore, the City Council of the City of Sonoma does ordain as follows:

Section 1.

Chapter 9.60 is added to the City of Sonoma Municipal Code to read as follows:

Sections:

- 9.60.010 Title.**
- 9.60.015 Declaration of Nuisance
- 9.60.020 Definitions.**
- 9.60.030 Use Restricted.**
- 9.60.040 Exemptions.**
- 9.60.050 Violations, Penalties.**

**9.60.010 Title.**

This chapter shall be known as the "City of Sonoma Leaf Blower Ordinance" and may be so cited.

**9.60.015 Declaration of Nuisance.**

**A violation of this chapter shall constitute a public nuisance and, among other remedies available to the city, may be abated as provided in this code.**

**9.60.020 Definitions.**

For purposes of this chapter, the terms in this section shall have the following meaning:

- A. "Commercial property" means property zoned as "Commercial," "Gateway Commercial," or "Winery," as provided in the city of Sonoma development code.
  
- B. "Holidays, city-designated" mean those holidays designated as such by the city of Sonoma, including: New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, the day following Thanksgiving Day, Christmas Eve, and Christmas Day.
  
- C. "Leaf blower" means a portable machine, powered by a gasoline engine or electric motor, used to blow, displace, or vacuum leaves, dirt, and/or debris.
  - 1. "Electrically-powered leaf blower" means any leaf blower, leaf vacuum or other leaf gathering device powered by electric means, including but not

limited to battery-powered leaf blowers and cordless rechargeable leaf blowers.

2. **"Gas-powered leaf blower"** means any leaf blower, leaf vacuum or other leaf-gathering device directly powered by an internal combustion or rotary engine using gasoline, alcohol or other liquid or gaseous fluid. Lawn mowers, lawn edgers and electrically-powered leaf blowers are not included in this definition.

D. **"Mixed use property"** means property zoned as **"Mixed Use"** as provided in the city of Sonoma development code.

E. **"Public property"** means property zoned as **"Public"** or as **"Park"** as provided in the city of Sonoma development code, or any property owned by the city or other public street, right-of-way, or easement.

F. **"Residential property"** means property zoned for residential use as provided in the city of Sonoma development code, or where the principal use is residential.

**9.60.030 Use Restricted.**

A. In any and all properties and areas within the city's corporate boundaries:

1. It is unlawful for any property owner (including the city) or tenant or any employee, agent or contractor working for a property owner or tenant to operate or authorize the operation of a gas-powered leaf blower at any time for any purpose.

B. In any and all residential properties within the city's corporate boundaries:

1. It is unlawful for any property owner or tenant or any employee, agent or contractor working for a property owner or tenant to operate or authorize the operation of any type of leaf blower at any time for any purpose.

C. In any and all commercial and mixed use properties within the city's corporate boundaries:

1. It is unlawful for any property owner or tenant or any employee, agent or contractor working for a property owner or tenant to operate or authorize the operation of a gas-powered leaf blower at any time for any purpose; however, it shall be lawful to operate and/or authorize the operation of electrically-powered leaf blowers during the following days and hours: Monday through Friday, 8:00 a.m. to 3:00 p.m.; provided, further, that it shall be unlawful to operate and/or authorize the operation of electrically-powered leaf blowers on Saturdays, Sundays, and city-designated holidays.

2. The operation of leaf blowers shall comply with noise limits set by SMC 9.56.050.

**D. In any and all public properties within the city's corporate boundaries:**

1. It is unlawful for any property owner or tenant or any employee, agent or contractor working for a property owner or tenant to operate or authorize the operation of a gas-powered leaf blower at any time for any purpose; however, it shall be lawful to operate and/or authorize the operation of electrically-powered leaf blowers during the following days and hours: Monday through Friday, 8:00 a.m. to 3:00 p.m.; provided further, that it shall be unlawful to operate and/or authorize the operation of electrically-powered leaf blowers on Saturdays, Sundays, and city-designated holidays.

2. The operation of leaf blowers shall comply with noise limits set by SMC 9.56.050.

**9.60.040 Exemptions.**

The following shall be exempt from the provisions of this chapter:

A. Emergency vehicles and all necessary equipment, including leaf blowers, utilized for the purpose of responding to an emergency, or necessary to restore, preserve, protect or save lives or property from imminent danger of loss or harm;

B. Work on capital improvements or repairs and maintenance on public property by employees or contractors of the city; provided, however, that in performing such maintenance, SMC 9.60.030 shall be complied with;

C. Emergency repair work, including the use of leaf blowers, performed by, or at the request of, a property owner on his or her private property; provided, that such emergency work shall be subject to such reasonable conditions as may be imposed by authorized city employees to mitigate the noise level of the activity;

**9.60.050 Violations, penalties.**

A. Any violation of this chapter may be enforced either as an infraction or as a misdemeanor, or by any remedy available to the city under this code, or under state law.

B. Notwithstanding the foregoing to the contrary, for a first violation of SMC 9.60.030, the violator shall be provided a written cease and desist warning along with a copy of this chapter.

1. Upon a second violation of SMC 9.60.030 at the same location or by the same person, should the city determine to enforce said section pursuant to SMC Chapter 1.30, a fine or penalty shall be imposed equal to the amount set forth in the Council Resolution adopted pursuant to SMC 1.12.010.D for a first violation. Upon a third violation of SMC 9.60.030 at the same location or by the same person, should the city determine to enforce said section pursuant to SMC Chapter 1.30, a fine or penalty shall be imposed equal to the amount set forth in the Council Resolution adopted pursuant to SMC 1.12.010.D for a second violation, and so on for each succeeding violation of SMC 9.60.030.

2. Upon a second violation of SMC 9.60.030 at the same location or by the same person, should the city determine to enforce said section pursuant to SMC 1.12.010.A, a fine shall be imposed equal to the amount set forth at SMC 1.12.010.A.1. Upon a third violation of SMC 9.60.030 at the same location or by the same person within one year, should the city determine to enforce said section pursuant to SMC 1.12.010.A, a fine shall be imposed equal to the amount set forth in SMC 1.12.010.A.2, and so on for each succeeding violation of SMC 9.60.030 within one year.

C. This chapter may be enforced by any city of Sonoma employee or agent of the city with the authority to enforce any provision of the Sonoma Municipal Code or city ordinance.

Section 2. Posting. This ordinance shall be published in accordance with applicable provisions of law, by either:

publishing the entire ordinance once in the Sonoma Index Tribute, a newspaper of general circulation, published in the City of Sonoma, within fifteen (15) days after its passage and adoption, or  
publishing the title or appropriate summary in the Sonoma Index Tribune at least five (5) days prior to adoption, and a second time within fifteen (15) days after its passage and adoption with the names of those City Councilmembers voting for and against the ordinance.

Section 3. Severability. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance.

The City Council hereby declares that it would have passed this and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrase or clauses be declared unconstitutional on their face or as applied.

Section 4. Effective Date.

This ordinance shall become effective thirty (30) days from and after the date of its passage. This ordinance shall be enforced commencing February 1, 2016.

THE FOREGOING ORDINANCE was first read and introduced at a regular meeting of the Sonoma City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, and was passed and adopted at a regular meeting of the Sonoma City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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David Cook

Mayor of the City of Sonoma

Attest:

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Gay Johann

Assistant City Manager/City Clerk of the City of Sonoma

Approved as to form:

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City Attorney of the City of Sonoma



**City of Sonoma**  
**City Council**  
**Agenda Item Summary**

City Council Agenda Item: 7B

Meeting Date: 10/05/15

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**Department**

Planning

**Staff Contact**

David Goodison, Planning Director

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**Agenda Item Title**

Request for Proposals (RFP) for the preparation of a housing impact fee nexus study, as called for in the City of Sonoma Housing Element.

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**Summary**

Sonoma's 2015–2013 Housing Element, adopted in March of this year, includes several implementation measures aimed at compensating for the loss of redevelopment, which had been the City's primary source of funding for its affordable housing programs. Specifically, implementation measures #1 and #8 suggest establishing a housing impact fee that could be levied upon various types of commercial and residential development. Under State law, any such fee would need to be validated through a nexus study demonstrating that proposed fees are reasonably related to development impacts. The preparation of a nexus study is a highly technical task that requires specialized technical expertise. For this reason, the City Council, as part of its FY 2015-16 Budget, allocated \$45,000 for consultant assistance. Attached for the City Council's review is a draft request for proposals soliciting consultant assistance intended to identify a process and key outcomes necessary to accomplish this work. The scope of work also includes an evaluation of the City's inclusionary housing program in light of the nexus study findings and the City's overall strategy for promoting the development of affordable housing.

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**Recommended Council Action**

Authorize the circulation of the RFP.

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**Alternative Actions**

Direct changes to the RFP.

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**Financial Impact**

The City Council, as part of its FY 2015-16 Budget, allocated \$45,000 for consultant assistance for the update of the Housing and Circulation Elements.

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**Environmental Review**

**Status**

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

- Approved/Certified
  - No Action Required
  - Action Requested
- 

**Alignment with Council Goals:**

The preparation of a housing impact fee nexus study aligns with the Housing goal "To analyze policy and programmatic tools suggested by the 2015 Housing Element update; implement strategies to facilitate creation of affordable rental and workforce housing"

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**Attachments:**

1. Request for Proposals
- 

**cc:**

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# **City of Sonoma Inclusionary Program Update and Nexus Study for Housing Impact Fee**

## **Request for Proposals**

**October 5, 2015**

### **Summary**

The City of Sonoma is seeking proposals from qualified consulting firms to: 1) prepare a nexus study that would establish a basis for imposing housing impact fees on residential and commercial development; and, 2) evaluate the City's inclusionary housing program and make recommendations for its update.

### **Background**

The City of Sonoma (population 10,731) is a historic community located in south Sonoma Valley, in the southeastern corner of Sonoma County, away from the Highway 101 corridor. The town has an area of approximately 2.4 square miles. Surrounded by agricultural land, the City of Sonoma has used growth management tools to prevent urban sprawl and preserve the surrounding landscape. Most new residential development in Sonoma occurs as infill, including multi-family developments within and adjoining commercial districts and single-family development on larger parcels within and adjoining established low-density neighborhoods. The City is committed to providing housing for all segments of the population, as well as retaining its small town feel and agricultural heritage.

An assessment of 2014 market rents and 2013/2014 sales prices in Sonoma reveals the following. Citywide median rents are well above the level affordable to very low and low income households (50% and 80% AMI), pricing many of the community's lower income occupations—such as restaurant workers, construction laborers, retail salespersons, home health aides, and agricultural workers—out of the rental market. Sales prices of single-family homes are generally beyond the level affordable to moderate-income (120% AMI) household, with the exception of some of the smaller units sold.

The City implements an inclusionary ordinance that applies to projects with five or more units, and requires 20 percent of the project's units to be provided at an affordable housing cost to at least moderate (120% AMI) income households. (Within the Sonoma Residential District, which generally applies to properties at least 3 acres in size, at least one-half of the inclusionary units must be affordable to low (80% AMI) income households.) Currently, the inclusionary ordinance mandates on-site development of required affordable units. There is no lieu-fee option.

### **Description of the Project—Base Scope of Work**

- A. *Prepare a Nexus Study for a Housing Impact Fee.* The City desires to study an alternative legal basis to support the inclusionary housing in-lieu fee program. The purpose of the study is to examine whether the program can be supported as a development exaction by demonstrating a connection (“nexus”) between the fee required of a development project and the potential impact the fee is intended to reduce (AB 1600; California Government Code sections 66000-66009).
  - Complete a nexus study to assess the direct and indirect effects of new market-rate multi-family housing and commercial development (including office space, retail, restaurants, and hotels) on the loss of and continued need for affordable housing in the City.

- Analyze the relationship between job growth, population growth, and the demand for affordable housing.
- Demonstrate the reasonable relationship between the housing impact fees required by the City and the type of development project on which the fee is imposed.
- Provide a basis and methodology for establishment of a housing impact fee that is consistent with the requirements of state and federal law.
- Submit recommendations in a report to the City regarding the appropriate structure and size of the affordable housing impact fees based on the nexus analysis.
- Attend a minimum of three meetings with City staff and one to two public presentations to City Council and/or other public bodies, as necessary.

*B. Review and Update the Inclusionary Program.* The Proposal shall set forth a methodology for evaluating the effectiveness of the current inclusionary requirement in light of the Nexus Fee study and the City’s overall strategy for providing affordable housing as set forth on the 2015 Housing Element and the development of recommendations addressing the following:

- The size threshold used to trigger the inclusionary requirement.
- Whether the affordability levels and percentage of required affordable units should be adjusted.
- Whether an in-lieu fee option should be utilized and whether in-lieu fees for fractional units should be required.

**Proposal Requirements**

Proposals shall include the following components:

- A letter of introduction.
- Summary of experience detailing the capability to effectively perform the requested service, including a list of the Proposer’s previous nexus study experience for other jurisdictions.
- A clear explanation of how the Scope of Services will be achieved.
- Outline of the approach and methodology that will be used to complete the nexus study, including what factors and data will be considered.
- Timeline and deliverables.
- A budget, detailing the total costs of the project, and costs for each deliverable.
- Hourly rates for all professionals, technical and support personnel, and all other charges related to the completion of the work.
- Three (3) client references from California cities or other public sector entities.

Consultants may team or joint venture with other firms in order to provide all of the resources necessary to carry out the project. For joint ventures, the lead or prime consultant must be identified.

**Budget**

The City Council has allocated \$45,000 for this task.

**Selection Process**

Proposals will be evaluated and the consultant selected by a committee comprised of City representatives, potentially including but not limited to the City Manager and Planning Director. Respondents may be asked to an interview by the selection team. Selection criteria will include, but are not limited to, the following:

- The experience and professional competence of the consultants and subconsultants, particularly key staff members, in similar projects.
- The quality, readability and organization of the proposal.
- The responsiveness of the proposal to the RFP.
- The satisfaction of the staff within communities for which the consultant team has completed previous work. Key issues in this regard include the quality of the work, the success of the project, and the ability of the consultant to complete projects on time and within budget.
- The ability of the consultant team to express themselves clearly and effectively in writing and in oral presentations.
- Availability to start and to implement the project in a timely manner.
- The perceived fit of the team with City staff.

No single criteria, including price, will dictate the City's ultimate selection. The relative importance of these factors involves judgment and will include both objective and subjective analysis. Proposals will be evaluated against the specifications as presented in the RFP. A Proposer may or may not be eliminated from consideration for failure to completely comply with one or more of the requirements depending on the critical nature of the requirements. The City reserves the right not to make a selection or award a contract.

### **Insurance**

If selected, consultant shall maintain the following insurance limits during the contract period:

- Workers Compensation.
- General Liability of \$1,000,000.
- Auto Liability of \$300,000 Combined Single Limit.
- Professional Liability of \$1,000,000.

### **Submittal Deadline**

Four copies of your proposal, along with a PDF version, should be submitted by XXX, XXX, 2015, to:

David Goodison, Planning and Community Services Director  
 City of Sonoma  
 No. 1 The Plaza  
 Sonoma, CA 95476

Emailed and faxed submittals shall not be accepted.

If you have any additional questions, please contact David Goodison, Planning Director, at (707) 938-3681, or by e-mail at [dgoodison@sonomacity.org](mailto:dgoodison@sonomacity.org).

### ***Attachment:***

2015-2023 Housing Element



**CITY OF SONOMA**  
 City Council  
 Agenda Item Summary

<b>Agenda Item:</b>	<b>9</b>
<b>Meeting Date:</b>	<b>10/05/2015</b>

<b>Department</b> Administration	<b>Staff Contact</b> Gay Johann, Assistant City Manager/City Clerk
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**Agenda Item Title**

Councilmembers' Reports on Committee Activities.

**Summary**

Council members will report on activities, if any, of the various committees to which they are assigned.

MAYOR COOK	MPT GALLIAN	CLM. AGRIMONTI	CLM. EDWARDS	CLM. HUNDLEY
City Audit Committee	ABAG Delegate	North Bay Watershed Association	ABAG Alternate	Sonoma Clean Power Alt.
City Facilities Committee	Cittaslow Sonoma Valley Advisory Council, Alt.	Sonoma County Health Action & SV Health Roundtable	Cittaslow Sonoma Valley Advisory Council	Sonoma County M & C Assoc. Legislative Committee
LOCC North Bay Division Liaison	City Audit Committee	Sonoma County Trans. & Regional Climate Protection Authority, Alternate	City Facilities Committee	S. V. Citizens Advisory Commission
Oversight Board to the Dissolved CDA	LOCC North Bay Division Liaison, Alternate	Sonoma County Waste Management Agency		S.V. Economic Dev. Steering Committee, Alt.
Sonoma Clean Power	Oversight Board to the Dissolved CDA, Alt.	VOM Water District Ad Hoc Committee, Alternate		S. V. Library Advisory Committee, Alternate
Sonoma County Mayors & Clm. Assoc. BOD	Marin/Sonoma Mosquito & Vector Control District	Water Advisory Committee, Alternate		
Sonoma Disaster Council	Sonoma County Mayors & Clm. Assoc. BOD, Alt.			
Sonoma Housing Corporation	Sonoma County M & C Assoc. Legislative Committee, Alt.			
Sonoma Valley Citizens Advisory Comm. Alt.	Sonoma County Trans. Authority & Regional Climate Protection Authority			
S.V.C. Sanitation District BOD	Sonoma Disaster Council, Alternate			
S.V. Economic Dev. Steering Committee	Sonoma Housing Corporation			
S.V. Fire & Rescue Authority Oversight Committee	S.V.C. Sanitation District BOD, Alt.			
S. V. Library Advisory Committee	S.V. Fire & Rescue Authority Oversight Committee			
	LOCC North Bay Division, LOCC E-Board (M & C Appointment)			
	Ag Preservation and Open Space (M & C Appointment)			
	VOM Water District Ad Hoc Committee			
	Water Advisory Committee			

**Recommended Council Action** – Receive Reports

**Attachments:** None