

Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at [www.oxnard.org](http://www.oxnard.org).



AGENDA  
OXNARD CITY COUNCIL  
OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY  
OXNARD FINANCING AUTHORITY  
OXNARD HOUSING AUTHORITY  
Council Chambers, 305 West Third Street  
September 15, 2020  
**Appointment Items - 5:30 PM**  
**Regular Meeting - 6:00 PM**

This meeting is held pursuant to the State Emergency Services Act, the Governor's Emergency Declaration, and Governor's Executive Order N-29-20 to allow members of the City Council or staff to participate via teleconference.

Pursuant to the Ventura County Public Health Official's order and Governor's Executive Order N-33-20, all city buildings are temporarily closed to the public. The public is encouraged to view the meeting from home on the City's website at [Oxnard.org/city-meetings](http://Oxnard.org/city-meetings), Spectrum channel 10, Frontier channel 35, or YouTube at [Youtube.com/oxnardnews](http://Youtube.com/oxnardnews). Video recordings are typically available online immediately following the meeting.

The public may provide comments to the City Council via email at [cityclerk@oxnard.org](mailto:cityclerk@oxnard.org) no later than 3:00 p.m. on the day of the meeting. Please identify the meeting date and agenda item in the Subject line.

A telephone option for public comments is also available at this time due to the State of California "Stay At Home" order. Requests to speak must be submitted no later than 3:00 p.m. on the day of the meeting. Use the form on the city's website to submit your request: [Oxnard.org/city-meetings](http://Oxnard.org/city-meetings), or call the City Clerk's Office at (805) 385-7803, or email your request to [cityclerk@oxnard.org](mailto:cityclerk@oxnard.org).

A. ROLL CALL, POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council

B. APPOINTMENT ITEMS (5:30 PM)

1. Cultural & Community Services Department

SUBJECT: Senior Services Commission Annual Report. (15/10/10)

RECOMMENDATION: That City Council receive the Senior Services Commission annual report.

Legislative Body: City Council

Contact: Terrel Harrison, (805) 385-7994

C. OPENING CEREMONIES (6:00 PM)

Pledge of allegiance to the flag of the United States.

D. CEREMONIAL ITEMS

1. SUBJECT: Presentation of a Proclamation Designating the Week of September 17-23, 2020 as "Constitution Week."

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

**Agenda Item time estimates: (Staff Presentation / Council Discussion / Public Comment)**

E. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of thirty minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker requests shall be submitted as set forth on the first page of this agenda. Based on the number of speaker requests submitted, the presiding officer may impose time limits per speaker. Typically, speakers are limited to three minutes, but shorter time may be established as deemed necessary. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager/ Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing.

F. REPORT OF CITY MANAGER/EXECUTIVE DIRECTOR/SECRETARY

The City Manager/Executive Director/Secretary shall report on items of interest to the legislative body occurring since the last meeting. The legislative body cannot enter into detailed discussion or take action on any item presented during this report. Such items may only be referred to the City Manager/Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion.

1. City Manager Department

SUBJECT: COVID-19 Update from Director of Emergency Services. (10/5/5)

RECOMMENDATION: That the City Council receive and file an update from the Director of Emergency Services on the COVID-19 Local Emergency.

Legislative Body: City Council

Contact: Alexander Nguyen, (805) 385-7430

G. CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY/FINANCING AUTHORITY  
BUSINESS/COMMITTEE REPORTS

At this time, a member of the legislative body may make a brief announcement, or make a brief report on his or her activities. Further, members of the legislative body may request to schedule consideration of whether to place an item on a future agenda. The legislative body cannot enter into detailed discussion or take action on any item presented during this report. The member's report shall not exceed three minutes, unless additional time is granted by the presiding officer.

H. REVIEW OF INFORMATION/CONSENT AGENDA

The members of the legislative body will consider whether to remove Information/Consent Agenda items for discussion later during the meeting.

I. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

At this time, a person may address the legislative body only on matters appearing on the information/consent agenda. The presiding officer shall limit public comments to three minutes.

## J. INFORMATION/CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

**RECOMMENDATION:** That the City Council approve the minutes of the September 1, 2020 regular meeting as presented.

Legislative Body: City Council

Contact: Michelle Ascencion, (805) 385-7805

## 2. City Attorney Department

SUBJECT: Third Amendment to Agreement for Special Counsel on Water Issues.

**RECOMMENDATION:** That City Council approve and authorize the Mayor to execute a Third Amendment to the Attorney Services Agreement with Meyers, Nave, Riback, Silver & Wilson (“Meyers Nave”) (Agreement No. 8603-19-CA) for services relating to water issues for an increase of \$450,000 for a total contract amount not to exceed \$1,030,000.

Legislative Body: City Council

Contact: Stephen Fischer, (805) 385-7483

### 3. Community Development Department

**SUBJECT:** Replace and Amend Resolutions, to be consistent with the Department of Housing and Community Development (HCD) Resolution Template, for the SB2 Planning Grant and Local Early Action Planning (LEAP) Grant Program Applications.

**RECOMMENDATION:** That the City Council:

1. Repeal Resolution No. 15,273, and adopt a new resolution amending the authority identified in the resolution to authorize the City Manager, or designee to execute contracts and related documents for the SB2 Planning Program grant; and
2. Repeal Resolution No. 15,366, and adopt a new resolution amending the authority identified in the resolution to authorize the City Manager, or designee to execute contracts and related documents for the LEAP Planning Program.

Legislative Body: City Council

Contact: Ashley Golden, (805) 385-7478

#### 4. Public Works Department

SUBJECT: Notice of Completion for OWTP Cogeneration Engine Refurbishment Project PW 19-42.

**RECOMMENDATION:** That the City Council receive an update following a Notice of Completion for the OWTP Cogeneration Engine Refurbishment Project recorded on March 10, 2020.

Legislative Body: City Council

Contact: Rosemarie Gaglione, (805) 385-8055

## K. REPORTS

### 1. Community Development Department

SUBJECT: Cannabis Equity Program and Cannabis Cultivation. (15/15/15)

RECOMMENDATION: That the City Council:

1. Provide input and comments on the Oxnard Cannabis Equity Program, with consideration on how to allocate the 1% local equity donation, including programs and recommended percentages; and
2. Provide input on advancing a cannabis cultivation ordinance.

Legislative Body: City Council

Contact: Jeff Pengilley, (805) 385-8208

### 2. City Manager Department

SUBJECT: State Water Resources Control Board Approval of the Ormond Beach Generating Station Three-Year Extension, Triggering the Process for the City of Oxnard and GenOn to Establish the \$25M Trust Fund with the Ventura County Community Foundation (VCCF) to Dismantle the Power Plant, and Continue the Effort to Achieve the Ormond Beach Restoration and Access Plan. (10/5/5)

RECOMMENDATION: That the City Council receive and file the update on the effort to dismantle the Ormond Beach Power Plant and effort to achieve the Ormond Beach Restoration and Access Plan.

Legislative Body: City Council

Contact: Alexander Nguyen, (805) 385-7430

### 3. City Manager Department

SUBJECT: Informational Presentation regarding Measure E: "Funding for Services Like Oxnard 911 Safety, Medical Response, Financial Recovery and Accountability Measure," a local 1.5 cent sales tax to collect funds to be used only for Oxnard. (30/20/40)

RECOMMENDATION: That the City Council receive a public information presentation regarding the Measure E transactions and use (sales) tax measure on the November 3, 2020 ballot ("Funding for Services Like Oxnard 911 Safety, Medical Response, Financial Recovery and Accountability Measure, a local 1.5 cent sales tax to collect funds to be used only for Oxnard").

Legislative Body: City Council

Contact: Alexander Nguyen, (805) 385-7430

## L. ADJOURNMENT





**CITY COUNCIL AGENDA REPORT**  
**APPOINTMENT ITEMS (5:30 PM)**  
**AGENDA ITEM NO. B.1**

**DATE:** September 15, 2020

**TO:** City Council

**FROM:** Terrel Harrison, Cultural & Community Services Director, (805) 385-7994, terrel.harrison@oxnard.org

**SUBJECT:** Senior Services Commission Annual Report. (15/10/10)

**RECOMMENDATION**

That City Council receive the Senior Services Commission annual report.

**BACKGROUND**

The Senior Services Commission's annual report to Council traditionally is given the month of May to highlight Older American's Month and the great programs offered through Oxnard Senior Services. We come to you with this presentation after a short delay due to COVID-19. The presentation will include highlights of various programs and services offered in 2019 that strengthen the emotional, cognitive, physical, and social health of the Oxnard's senior residents. The presentation will highlight programs and services covering the following areas:

- 1) Education - Support information and assistance to older adults on topics such as financial, legal, insurance, employment, advocacy and policy issues
- 2) Housing - Support accessible, affordable and safe housing for older adults;
- 3) Mental and Physical Health - Support programs and services designed to enhance cognitive, emotional and physical health of older adults;
- 4) Recreation and Leisure Programs - Promote physical and social health in older adults through recreation and leisure opportunities; and
- 5) Transportation - Support effective local and regional transportation services among public and private sources that provide transportation for older adults

The Senior Services Commission will also present the long-term goals such as the building of a new senior center, developing support for new and ongoing senior programs and creating awareness of the senior population and their needs to the public, government officials and community groups.

**STRATEGIC PRIORITIES**

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to build relationships and create opportunities within the community for safe and vibrant neighborhoods, which will showcase the promising future of Oxnard. This item supports the following goals and objectives:

Goal 3. Strengthen neighborhood development, and connect City, community and culture.

Objective 3a. Create a renewed focus on establishing a positive outlook and orientation of our City, neighborhoods and overall community.

Objective 3b. Empower and connect our Inter-Neighborhood Council Organizations (INCOs), Community Advisory Groups (CAGs) and Neighborhood Watch Program.

**FINANCIAL IMPACT**

There is no financial impact.

**COMMITTEE OUTCOME**

This item did not originate in Committee.

*Prepared by: Renee Rakestraw, Community Services Manager*

**ATTACHMENTS**

1. Senior Services Presentation\_20

# OXNARD SENIOR SERVICES COMMISSION

Annual Report to City Council

2019 Highlights



## SENIOR SERVICES COMMISSION

### The Senior Services Commission

- District base appointments by City Council members and the Mayor.
- Serve as an advocate for seniors in our community.

According to Census data, in **2010** over **33,338** (16.8%) residents in Oxnard were 55 years of age and older.

- Based on the population of residents in Oxnard between the ages of 40-55 in 2010 that number could grow to over **60,000** by **2020**.
- California's 85+ population is estimated to **increase** by over **70 percent** by **2030**.

## SENIOR SERVICES COMMISSIONERS



Alice Sweetland  
Chairperson



Jeffery Nevitt  
Vice Chairperson



LaRita Montgomery



Victor Gallardo



Kay Brainard



Clark Owens



Lourdes Villareal Yu

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## SENIOR SERVICES RECAP VIDEO



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## SENIOR NUTRITION PROGRAM

### Total Meals Served in July 2019 – June 2020

- Congregate Meals: 18,034
- Home Delivered Meals: 28,315

### Cost per meal

- Suggested donation: \$3 (60 years of age and older)
- \$6.75 for those younger than 60

### Currently serving...

- Congregate Hot Meals To-Go: Monday through Friday @ 11:30pm
- Home-Delivered Meals: 805-385-8029

### Funded by:



&



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## RSVP – RETIRED & SENIOR VOLUNTEER PROGRAM

### Volunteer Stats

- 26 Partner Agencies
- 473 Volunteers
- 44,363 Hours Served
- Approximate value: \$1,328,672

### STOP – Senior Tackling Opioid Problem

- Partnership with Ventura County Behavior Health and Oxnard Police Department
- Monthly drug take back events at all three senior centers

### Bone Builders

- 703 participants

### Tai Chi Moving for Better Balance

- 225 participants

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## SENIOR SERVICES COMMISSION 2020 GOALS

### Long Term Goals:

1. Move forward with plans to build a new state of the art senior center
2. Support new and ongoing senior programs including renewing services in the Colonia area
3. Create an awareness of the senior population, their needs and available resources to the public, government and community

### Ongoing Goals:

1. Create annual report on community services and senior needs
2. Continue to collaborate with local agencies to provide services to senior residents of Oxnard

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## OXNARD RECREATION CENTER FOR ADULTS AND SENIORS - ORCAS



### Mission Statement

To generate interest and to raise funds to build a state-of-the-arts Senior and Community recreation center in Oxnard, California.

### Vision Statement

To create an energy efficient facility that offers educational, social, and nutritional resources to our culturally diverse adult and senior community.

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## 2019 ORCAS ACCOMPLISHMENTS

**New Senior Center Accomplishments**

1. Valentine's dinner fundraiser
2. ORCAS website and brochure
3. Conceptual design
4. Partnerships with Pepperdine and Ventura County Community Foundation

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## NEW SENIOR CENTER CONCEPTUAL DESIGN VIDEO



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## ORCAS 2020 GOALS

1. Continue Fundraising Efforts
2. Continue Community Outreach



**HELP US BUILD OUR DREAM SENIOR CENTER**

ORCASOXNARD.ORG

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## SENIOR SERVICES



**OFFICE:** 350 N. C ST.  
**PHONE:** (805) 385-8019

**DAYS & HOURS OF OPERATION:**  
 MONDAY-FRIDAY 8:00AM – 5:00PM

**E-MAIL:** SENIORS@OXNARD.ORG



@oxnardseniors  
 @oxnardsvp





**CITY COUNCIL AGENDA REPORT  
INFORMATION/CONSENT AGENDA  
AGENDA ITEM NO. J.1**

**DATE:** September 15, 2020

**TO:** City Council

**FROM:** Michelle Ascencion, City Clerk, (805) 385-7805, michelle.ascencion@oxnard.org

**SUBJECT:** Approval of Minutes.

**RECOMMENDATION**

That the City Council approve the minutes of the September 1, 2020 regular meeting as presented.

**BACKGROUND**

Not applicable.

**STRATEGIC PRIORITIES**

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016. This agenda item does provide transparency of Council meetings to the public.

**FINANCIAL IMPACT**

There is no financial impact.

**COMMITTEE OUTCOME**

This item did not originate in Committee.

*Prepared by: Michelle Ascencion, City Clerk*

**ATTACHMENTS**

1. Minutes 09.01.2020 CC,HA,SA regular meeting

MINUTES  
 OXNARD CITY COUNCIL  
 Regular Meeting  
 September 1, 2020

A. ROLL CALL, POSTING OF AGENDA

At 5:09 p.m., Mayor Flynn called to order the regular meeting of the Oxnard City Council (concurrently with the Oxnard Housing Authority and Oxnard Community Development Successor Agency) in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Councilmembers Vianey Lopez, Bryan A. MacDonald, Oscar Madrigal, Bert E. Perello, Mayor Pro Tem Carmen Ramirez, and Mayor Tim Flynn were present via videoconference. Councilwoman Gabriela Basua arrived at 5:17 p.m. via videoconference. Housing Commissioners Jose Andrade arrived at 6:07 p.m. via videoconference. Commissioner Francisco Vega was absent.

Staff members present were Alexander Nguyen, City Manager; Stephen M. Fischer, City Attorney; Ashley Golden, Assistant City Manager; Shiri Klima, Deputy City Manager; Kevin Riper, Chief Financial Officer; Christine Williams, Senior Manager of Internal Controls; Terrell Harrison, Cultural and Community Services Director; Emilio Ramirez, Housing Director; and Michelle Ascencion, City Clerk.

B. APPOINTMENT ITEM

Finance Department

1. SUBJECT: Presentation of Internal Control - Integrated Framework.  
RECOMMENDATION: That the City Council:
  1. Receive a presentation on the Internal Control – Integrated Framework (ICIF).
  2. Adopt **Resolution No. 15,379** adopting four framework implementing policies, approving the ICIF, and amending Council Committee Bylaws to delegate internal control duties and responsibilities to the Finance and Governance Committee.  
 (Finance and Governance Committee approved 3-0)

The Senior Manager of Internal Controls gave a report. Public comments were received from James Aragon. Discussion ensued among the Council and staff.

*It was moved by Councilmember Perello, seconded by Mayor Pro Tem Ramirez, to approve the recommended action as presented. VOTE: Basua, Flynn, Lopez, MacDonald, Madrigal, Perello, and Ramirez voted in favor; the motion carried 7-0.*

The Council took a brief recess at 5:48 p.m.; the meeting resumed at 6:03 p.m.

C. OPENING CEREMONIES

The flag salute was followed by a moment of silence.

#### D. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received from James Aragon (compliance audits), Lucy Cartagena (upcoming census and “little library” event), Lauraine Effress (recent Coastal Commission vote on Fisherman’s Wharf), Zuleth (rent control), Cecilia (rent control), Ana Mari (rent control), Noemi (rent control), Lucila (rent control), Adriana (rent control), Irendi (rent control), Jose (rent control), Soledad (rent control), Diego (rent control), Daniel (rent control), and Benito (rent control).

Written comments were received from Daniel Gonzalez (rent control), Marisol Mendoza (rent control), Jeremy Meyer (rent control), Rick Sanchez (rent control), Karla Ramirez (rent control), Sandy Diaz (rent control), Aura (rent control), Nancy (rent control), Colyn Messacar (rent control), and Tom Holstein (state controller compensation report).

When the allotted 30 minutes had expired, Mayor Flynn announced that the remaining public comments would be heard at the end of the meeting.

#### E. REPORT OF CITY MANAGER

The City Manager announced recent developments with the power plant removal trust fund, shared information about the COVID-19 pandemic, announced an upcoming public meeting on a “Project HomeKey” proposed purchase of the Vagabond Inn, gave an update on the 2020 U.S. Census, and announced the new Interim Fire Chief Alexander Hamilton.

##### City Manager Department

1. SUBJECT: COVID-19 Update, Ratification of Director of Emergency Services Orders.  
RECOMMENDATION: That the City Council:
  1. Receive an update from the Director of Emergency Services;
  2. Adopt **Resolution No. 15,380** ratifying orders issued by the Director in response to the COVID-19 Local Emergency.

The City Attorney gave a report. Discussion ensued among the Council and staff.

*It was moved by Councilman MacDonald, seconded by Mayor Pro Tem Ramirez, to approve the recommended action as presented. VOTE: Basua, Flynn, Lopez, MacDonald, Madrigal, Perello, and Ramirez voted in favor; the motion carried 7-0.*

##### Cultural and Community Services Department

2. SUBJECT: Cultural and Community Services Update on Department Response to COVID-19.  
RECOMMENDATION: That the City Council receive an update on the Cultural and Community Services Department’s response efforts related to COVID-19.

The Cultural and Community Services Director gave a report. Discussion ensued among the Council and staff. No formal action was required.

## F. CITY COUNCIL REPORTS

Councilmember Lopez commented on the public comments on rent control and requested a future agenda item to discuss the issue. She commended community members who have volunteered to help others during the COVID-19 pandemic.

Councilmember Perello acknowledged the recent deaths of local labor leader Tony Skinner and community volunteer Eileen Tracy, and commented on the danger of early endorsements. He later acknowledged the coordinators of the citywide cleanup event and requested a future agenda item to discuss project labor agreements.

Mayor Pro Tem Ramirez acknowledged Tony Skinner's and Eileen Tracy's deaths. She commented on COVID-19 related deaths, the importance of wearing masks, and requested that Code Enforcement look into large gatherings at short-term rentals at the beach. She commented on County assistance programs for farmworkers. She congratulated the City Clerk on her new position at the County of Ventura and the incoming City Clerk. She thanked volunteers who participated in recent community cleanup events.

Councilwoman Basua reported on a recent tour of the Gabriel's House shelter, the recent Southwinds neighborhood cleanup event, and expressed interest in discussing the issue of rent control.

Councilmember Madrigal wished his sister a happy birthday, commented on remote learning for the new school year, encouraged people to continue exercising caution to prevent the spread of COVID-19, commented on the citywide cleanup event, gave an update on the Las Cortes replacement project, and expressed condolences to the families of Tony Skinner and former Oaks Christian students Ryan Breau and Ezekial Bishop.

Mayor Flynn acknowledged the successful citywide cleanup event and commented on the recent failure of Senate Bill 1120 pertaining to accessory dwelling units.

## G. REVIEW OF INFORMATION/CONSENT AGENDA

Items I-2, I-3, I-7, I-10, I-11 were discussed among the Council and staff.

## H. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

Public comments were received from Lucy Cartagena, Ray Blattell, and James Aragon. Written comments were received from Matthew Gelfand, Roger Poirier, Abel Magana, Connie Heagy, and Ray Blattell.

## I. INFORMATION/CONSENT AGENDA

### City Clerk Department

#### 1. SUBJECT: Approval of Minutes.

RECOMMENDATION: That the City Council approve the minutes of the of the July 17, 2020 special meeting; July 21, 2020 regular meeting; July 29, 2020 regular meeting; and August 5, 2020 special meeting as presented.

City Manager Department

2. SUBJECT: League of California Cities Annual Conference Voting Delegate/Alternate 2020.  
RECOMMENDATION: That the City Council designate Mayor Flynn as the voting delegate and Mayor Pro Tem Ramirez as the voting alternate as Oxnard's representatives to the 2020 League Annual Business Meeting at the League of California Cities Annual Conference.

Community Development Department

3. SUBJECT: Second Reading and Adoption of **Ordinance No. 2984 and No. 2985** - Updates to Oxnard City Code Chapters 11 and 16: to Create Consistency with Accessory Dwelling Units State Law; Incorporate Certain Cannabis Activities into the Zone Use Tables and Correct Typographical Errors (Chapter 16 Divisions 10 and 11); and Related to Cannabis Uses (Chapter 11).  
RECOMMENDATION: That the City Council approve for second reading (by title only and waive further reading) and adoption of Ordinance No. 2984 and No. 2985 regarding updates to Oxnard City Code Chapters 11 and 16: to create consistency with Accessory Dwelling Units state law; incorporate certain cannabis activities into the zone use tables and correct typographical errors (Chapter 16 Divisions 10 and 11); and related to cannabis uses (Chapter 11).
4. SUBJECT: Planning and Zoning Permit No. 19-680-01 (Mills Act Agreement-Henry T. Oxnard-Landmark No. 161), Murray J. Wineman House at 121 South F Street (APN 202-0-030-140). Filed by Robin Roy, Successor Trustee on behalf of Property Owner.  
RECOMMENDATION: That the City Council approve a recommendation by the City of Oxnard Cultural Heritage Review Board to authorize the Mayor to execute a Mills Act Contract (Agreement No. A-8200) to maintain and preserve a historic property located at 121 South F Street (Oxnard-Landmark No. 161).
5. SUBJECT: Amended Recognized Obligation Payment Schedule 2020-21B.  
RECOMMENDATION: That the Community Development Commission Successor Agency (Successor Agency) adopt **Resolution No. 37** adopting an Amended Fifth Annual Recognized Obligation Payment Schedule for January 1, 2021 - June 30, 2021 (ROPS 20-21B).
6. SUBJECT: Planning and Zoning Permit No. 18-300-10 (Final Parcel Map for 18-310-10) for the Lockwood Subdivision. Filed by Eric Widmer for Sunbelt Enterprises, LLC, 5715 Mesmer Avenue, Los Angeles, CA 90230.  
RECOMMENDATION: That the City Council:  
1. Accept Final Parcel Map 18-300-10 for the Lockwood Subdivision;  
2. Receive and file a "Notice of Pending Approval" for Parcel Map 18-300-10 by the Interim Community Development Director including signature of "City Council's Certificate" on the title sheet; and  
3. Adopt **Resolution No. 15,381** approving a Subdivision Improvement Agreement and Accepting the water rights offered in dedication to the City of Oxnard and accepting public access and utility easements associated with Parcel Map 18-300-10.

7. SUBJECT: Budget Appropriation for previously endorsed projects using the Downtown Improvement Program Settlement Funds (DIPSF)/Fund 481 City-Downtown Improvement.  
RECOMMENDATION: That the City Council approve a budget appropriation, as previously endorsed at Council's December 3, 2019 meeting, in the amount of \$200,000 to Downtown Targeted Police Deployment and \$100,000 to Homeless Outreach from the fund balance of the City-Downtown Improvement Fund 481.

#### Cultural and Community Services Department

8. SUBJECT: Ratification of the Agreement for Hueneme Elementary Afterschool Program Services to Provide COVID-19 Support Services.  
RECOMMENDATION: That the City Council
1. Ratify an amendment to Agreement No. 8069 between the City and Hueneme Elementary School District to operate the FY20-21 Homework Support Center and provide extended learning program services in a Hybrid/Blended Learning program not to exceed the amount of \$215,265 and
  2. Approve a budget appropriation in the amount of \$215,265 in FY 20-21 to ASES funding (272-5511/Project AS0951).

#### Human Resources Department

9. SUBJECT: Side Letter of Agreement Amending the Memorandum of Understanding (Agreement No. A-8237) with the Oxnard Mid-Managers Association to Extend Post Retirement Medical Benefits Earned through the Oxnard Police Officers Association to a Promoted Employee.  
RECOMMENDATION: That the City Council adopt **Resolution No. 15,382** approving the side letter agreement between the City of Oxnard and the Oxnard Mid-Managers Association and authorizing the City Manager or Designee to take the necessary administrative actions to implement the attached side letter.

#### Housing Department

10. SUBJECT: License Agreement for Development Visioning and Temporary Use for Housing Authority Property Located at 610 Cuesta del Mar.  
RECOMMENDATION: That the Oxnard Housing Authority Board of Commissioners approve and authorize the Housing Director to execute the proposed License Agreement A-8233 with LUCHA, for an initial term of three years.

#### Public Works Department

11. SUBJECT: Notice of Completion for Fire Station 6 Roof Replacement and Remodel Project FD 19-89.  
RECOMMENDATION: That the City Council receive an update following a Notice of Completion for the Fire Station 6 Roof Replacement and Remodel Project executed on June 16, 2020.
12. SUBJECT: Automatic Public Toilets as Standard for Future Restroom Projects.  
RECOMMENDATION: That the City Council approve and authorize City staff to adopt

prefabricated self-cleaning Automatic Public Toilets (APT) as the standard restroom for future park restroom projects. (Public Works and Transportation Committee approved 3-0)

13. SUBJECT: Grant Resolution for Active Transportation Program, Highway Safety Improvement Program, and Allocation of Funding for Local Road Safety Plan and Sustainable Communities Grant Projects.

RECOMMENDATION: That the City Council approve and authorize:

1. The adoption of **Resolution No. 15,383** authorizing the City Manager to submit grant applications and execute grant agreements, if awarded, for Active Transportation Program, an Active Transportation Program Quick Build project in partnership with the Southern California Association of Governments (SCAG), and Highway Safety Improvement Program, authorizing the Finance Director to submit financial reports and claims for the use of the grant funds, and authorizing the Public Works Director or designee to submit non-financial reports;

2. The budget appropriation recognizing grant revenue in the amount of \$72,000 of Transportation State Grant Funds (Fund 210), and \$7,200 of Traffic Safety matching funds (Fund 182) to the Local Road Safety Plan Project (213102); and

3. The budget appropriation recognizing grant revenue in the amount of \$410,000 of Transportation State Grant Funds (Fund 210), and \$53,121 of Roadway Maintenance and Rehabilitation Account matching funds (Fund 185) to the Mobility Plan for Sustainable Communities Project (213103).

(Public Works and Transportation Committee approved 3-0)

14. SUBJECT: Reclassification of Project Appropriation Allocations and Expenditures from State Gas Tax Fund to Roadway Maintenance and Rehabilitation Account Fund.

RECOMMENDATION: That the City Council authorize and approve the City Manager to:

1. Approve a Fiscal Year 2019-20 budget appropriation to: A) Reclassify budget appropriation allocations of \$390,000 for Rice Avenue Street Resurfacing project 183113, and \$132,383 for Annual Pavement System Update project 19IN01 from State Gas Tax Fund (181) to Roadway Maintenance and Rehabilitation Account (RMRA) Fund (185); B) Decrease \$204,000 from State Gas Tax Fund (181) for Cooper Street Resurfacing project 183109; and C) Recognize revenue of \$750,000 in State Gas Tax Fund (181) and appropriate to RMRA Fund (185) for Public Works Road and Signal Maintenance Project 203009; and

2. Approve a Fiscal Year 2020-21 budget appropriation recognizing revenue of \$1,000,000 in State Gas Tax Fund (181) and appropriating to RMRA Fund (185) for Public Works Road and Signal Maintenance Project 203009.

(Public Works and Transportation Committee approved 3-0)

### Housing Department

15. SUBJECT: Application for the U.S. Department of Housing and Urban Development (HUD) Choice Neighborhoods Planning Grant.

RECOMMENDATION: That the Board of Commissioners authorize the Housing Director to prepare, and the Chair to submit, an application to the U. S. Department of Housing and Urban Development (HUD) for a \$450,000 grant under the Choice Neighborhoods Planning Grants (CNPG) program.

Fire Department

16. **SUBJECT:** National Institute of Health Grant for Early COVID-19 Detection Through Wastewater Testing.  
**RECOMMENDATION:** That the City Council adopt **Resolution No. 15,384** authorizing:
1. The City Manager to submit a two-year grant application by September 15, 2020, to the National Institute of Health grant for early COVID-19 detection through wastewater testing in the amount of \$800,000;
  2. The City Manager or designee to execute the grant agreement if funds are awarded to the City;
  3. The Chief Financial Officer or designee to submit financial reports and grant claims, approve budget appropriations during FY2020-21 and FY2021-22 for the use of grant funds and perform all other required financial actions; and
  4. The Fire Chief or designee to submit non-financial reports.

*It was moved by Mayor Pro Tem Ramirez, seconded by Councilmember Lopez, to approve the Information/Consent items as presented. VOTE: Basua, Lopez, MacDonald, Madrigal, Perello, and Ramirez voted in favor; Flynn voted against item I-3. The motion carried 6-1 on item I-3, and 7-0 on the remaining items.*

J. REPORTSFinance Department

1. **SUBJECT:** Reduce Budget Appropriations to Reflect Employee Givebacks.  
**RECOMMENDATION:** That the City Council reduce FY 20-21 budget appropriations by a total of \$2,836,913 across all funds other than grant funds to reflect employee givebacks. \$1,821,031 would be returned collectively to the General Fund and Measure O (\$1,693,362 to the General Fund and \$127,669 to Measure O).

The Chief Financial Officer gave a report. Written comments were received from Ray Blattel. Discussion ensued among the Council and staff.

*It was moved by Councilmember Lopez, seconded by Mayor Pro Tem Ramirez, to approve the recommended action as presented. VOTE: Basua, Flynn, Lopez, MacDonald, Madrigal, Perello, and Ramirez voted in favor; the motion carried 7-0.*

CONTINUATION OF PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Public comments were received from Olga (rent control), Arturo (rent control), Antonio (rent control), Yesenia (rent control), Cristel (rent control), Soledad (rent control), Manuel (rent control), Johnathan (rent control), Estela (rent control), Adelina (rent control), Victorina (rent control), Odette Moran (rent control), Mayra Munguia (rent control), Suly Salazar (rent control), Nidia Bello (rent control), Dr. Martin Alberto Gonzalez (rent control, citations against street vendors), Jorge (rent control), Nicolas (rent control), Kimberly (rent control), Amadeo (rent control), Gregory Runyon (urged civility during the election, acknowledged Eileen Tracy's passing), Ezequiel (rent control), Erbino Mateo (rent control), and Yesenia (rent control).



K. PUBLIC COMMENTS ON CLOSED SESSION ITEMS (None received.)

L. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
(Government Code section 54956.9(d)(2))

Based on existing facts and circumstances, there is significant exposure to litigation against the City in one potential case.

Legislative Body: City Council

Mayor Flynn read the following closed session statement:

“The City Council will recess to a closed session, pursuant to Government Code section 54956.9(d)(2), based on the existing facts and circumstances, there is significant exposure to litigation against the City in one potential case.”

At 9:38 p.m., the City Council recessed to a closed session. At 10:31 p.m. the City Council reconvened in open session in the Council Chambers. The City Attorney announced that there were no reportable actions out of closed session.

M. ADJOURNMENT

There being no further business on the agenda, and without objection, Mayor Flynn adjourned the meeting at 10:31 p.m.

---

MICHELLE ASCENCION, CMC  
City Clerk

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TIM FLYNN  
Mayor



**CITY COUNCIL AGENDA REPORT  
INFORMATION/CONSENT AGENDA  
AGENDA ITEM NO. J.2**

**DATE:** September 15, 2020

**TO:** City Council

**FROM:** Stephen Fischer, City Attorney, (805) 385-7483, [stephen.fischer@oxnard.org](mailto:stephen.fischer@oxnard.org)

**SUBJECT:** Third Amendment to Agreement for Special Counsel on Water Issues.

**RECOMMENDATION**

That City Council approve and authorize the Mayor to execute a Third Amendment to the Attorney Services Agreement with Meyers, Nave, Riback, Silver & Wilson (“Meyers Nave”) (Agreement No. 8603-19-CA) for services relating to water issues for an increase of \$450,000 for a total contract amount not to exceed \$1,030,000.

**BACKGROUND**

The City Attorney’s office, in conjunction with the Public Works Department, entered into an agreement with Meyers Nave in March 2019 for services including, but not limited to, acting as the City’s legal representative in connection with the GREAT program, negotiating and drafting agreements for the sale, delivery storage and injection of recycled water, assisting with environmental review, regulatory compliance efforts, serving as City’s legal representative at meetings of the United Water Conservation District and the Fox Canyon Groundwater Management Agency on a regular basis, and other matters. The services also include participation in development of local water management policy in compliance with the Sustainable Groundwater Management Act among other statewide mandates.

On November 5, 2019, a First Amendment was approved by City Council for an increase of \$300,000, and on July 27, 2020, a Second Amendment was entered into for an increase of \$80,000, for a total contract amount not to exceed \$580,000. These amendments covered expenses related to ongoing work effort on the wastewater pre-treatment program update, the Fox Canyon GMA, groundwater sustainability plan, and water allocation ordinance for the remainder of FY 2019-20. These are ongoing matters of critical importance to the City’s water supply and environmental health, and the budget approved by the Council on June 30 includes funding for these special counsel services for FY 2020-21. Mid-year adjustments to the agreement will be made based on the amount of legal services provided on these matters.

**STRATEGIC PRIORITIES**

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016.

**FINANCIAL IMPACT**

The cost for this amendment is \$450,000. The Water Operating Fund Contractual Legal Counsel Services (Accounts 601-6010-842-8204 and 601-6012-842-8204) and Wastewater Operating Fund Contractual Legal Counsel Services (Account 621-6202-842-8204) will fund \$428,000 and \$22,000, respectively. Sufficient funds are available in the FY 2020-21 budget.

## **COMMITTEE OUTCOME**

This item did not originate in Committee.

*Prepared by: Stephen Fischer, City Attorney*

## **ATTACHMENTS**

1. Meyers Nave 3rd Amendment
2. Meyers Second
3. Meyers First
4. Meyers Original Agreement

## Agreement No. 8603-19-CA

**THIRD AMENDMENT TO ATTORNEY SERVICES AGREEMENT**

This Third Amendment ("Third Amendment") to the Attorney Services Agreement ("Agreement") is made and entered into in the County of Ventura, State of California, this 15th day of September 2020, by and between the City of Oxnard, a municipal corporation ("City"), and Meyers, Nave, Riback, Silver & Wilson, PLC ("Special Counsel"). This Third Amendment amends the Agreement entered into on March 27, 2019, by City and Special Counsel. The Agreement was previously amended by a First Amendment on October 7, 2019, and on July 27, 2020, by a Second Amendment.

City and Special Counsel agree as follows:

1. In Section 10.a.(1) Compensation and Reimbursement the figure "\$580,000" is deleted and replaced with the figure "\$1,030,000".
2. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]

Agreement No. 8603-19-CA

IN WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

CITY OF OXNARD

MEYERS, NAVE, RIBACK, SILVER &  
WILSON, PLC

\_\_\_\_\_  
Tim Flynn, Mayor<sup>1</sup>

\_\_\_\_\_  
Date

\_\_\_\_\_  
David W. Skinner, CEO

\_\_\_\_\_  
09/01/20

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Gregory J. Newmark,  
Board Secretary

\_\_\_\_\_  
09/1/2020

\_\_\_\_\_  
Date

\_\_\_\_\_  
Michelle Ascencion,  
City Clerk

\_\_\_\_\_  
Date

APPROVED AS TO FORM &amp; CONTENT:

\_\_\_\_\_  
Stephen M. Fischer,  
City Attorney

\_\_\_\_\_  
9/2/2020  
Date

<sup>1</sup> A purchase order, contract, or task order for legal services or services relating to legal matters may be awarded and executed by the city attorney, up to an annual authorization in the amount listed in Cal. Pub. Con. Code, Section 22032(b), as may be changed from time to time, or may be awarded and executed jointly by the city attorney and the most senior available member of the city council if over that amount.

Agreement No. 8603-19-CA

**SECOND AMENDMENT TO ATTORNEY SERVICES AGREEMENT**

This Second Amendment ("Second Amendment") to the Attorney Services Agreement ("Agreement") is made and entered into in the County of Ventura, State of California, this 27th day of July 2020, by and between the City of Oxnard, a municipal corporation ("City"), and Meyers, Nave, Riback, Silver & Wilson, PLC ("Special Counsel"). This Second Amendment amends the Agreement entered into on March 27, 2019, by City and Special Counsel. The Agreement was previously amended by a First Amendment on October 7, 2019.

City and Special Counsel agree as follows:

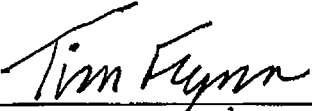
1. In Section 10.a.(1) Compensation and Reimbursement the figure "\$500,000" is deleted and replaced with the figure "\$580,000".

2. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

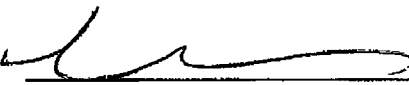
**CITY OF OXNARD****MEYERS, NAVE, RIBACK, SILVER &  
WILSON, PLC**

  
\_\_\_\_\_  
Tim Flynn, Mayor<sup>1</sup>      7/30/20  
Date

  
\_\_\_\_\_  
David W. Skinner, CEO      07/29/2020  
Date

  
\_\_\_\_\_  
Gregory J. Newmark,  
Board Secretary      07/29/2020  
Date

**APPROVED AS TO FORM & CONTENT:**

  
\_\_\_\_\_  
Stephen M. Fischer,  
City Attorney      7/27/2020  
Date

<sup>1</sup> A purchase order, contract, or task order for legal services or services relating to legal matters may be awarded and executed by the city attorney, up to an annual authorization in the amount listed in Cal. Pub. Con. Code, Section 22032(b), as may be changed from time to time, or may be awarded and executed jointly by the city attorney and the most senior available member of the city council if over that amount.

Agreement No. 8603-19-CA

**FIRST AMENDMENT TO ATTORNEY SERVICES AGREEMENT**

This First Amendment ("First Amendment") to the Attorney Services Agreement ("Agreement") is made and entered into in the County of Ventura, State of California, this 7th day of October, 2019, by and between the City of Oxnard, a municipal corporation ("City"), and Meyers, Nave, Riback, Silver & Wilson, PLC ("Special Counsel"). This First Amendment amends the Agreement entered into on March 27, 2019, by City and Special Counsel.

City and Special Counsel agree as follows:

1. In Section 10.a.(1) Compensation and Reimbursement the figure "\$200,000" is deleted and replaced with the figure "\$500,000".
2. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]



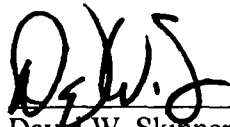
Agreement No. 8603-19-CA

IN WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

CITY OF OXNARD

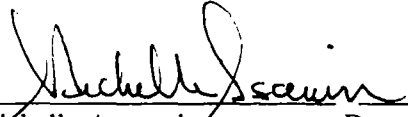
MEYERS, NAVE, RIBACK, SILVER &  
WILSON, PLC

  
Tim Flynn, Mayor      11/5/19  
 Date

  
David W. Skinner, CEO      10.24.19  
 Date

  
Gregory J. Newmark,      10/24/19  
 Board Secretary      Date

ATTEST:

  
Michelle Ascencion,      11/6/19  
 City Clerk      Date

APPROVED AS TO FORM &amp; CONTENT:

  
Stephen M. Fischer,      10/23/19  
 City Attorney      Date

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<sup>1</sup> The City Council must authorize and the Mayor must sign the amendment if the original contract and all amendments collectively total over \$200,000 annually. The City Manager may authorize and sign the amendment if the original contract and all amendments collectively total over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign the amendment if the original contract and all amendments collectively total up to \$100,000 annually. A Buyer may authorize and sign the amendment if the original contract and all amendments collectively total up to \$25,000 annually.

## Agreement No. 8603-19-CA

**ATTORNEY SERVICES AGREEMENT**

This Attorney Services Agreement ("Agreement") is made and entered into in the County of Ventura, State of California, by and between the City of Oxnard, a municipal corporation ("City"), and Meyers, Nave, Riback, Silver & Wilson, a professional law corporation engaged in the practice of law in the state of California ("Special Counsel").

WHEREAS, City desires to engage Special Counsel to represent City's interests and to provide legal advice and services to City in a variety of legal matters as determined by the City Attorney; and

WHEREAS, Special Counsel represents that Special Counsel's personnel possess the skills, qualifications and experience necessary to properly perform such services.

NOW, THEREFORE, City and Special Counsel hereby agree as follows:

1. Scope of Services

a. Special Counsel is hereby retained as special counsel for City to perform the following legal services:

i. *Sustainable Groundwater Management Act* – Special Counsel will provide advice to, and representation of, the City regarding application and implementation of the Sustainable Groundwater Management Act, including advocacy before the Fox Canyon Groundwater Management Agency and representation in any related litigation;

ii. *Santa Clara Waste Water Co. Site* – Special Counsel will provide advice, and representation of, the City regarding industrial pretreatment permitting of a waste treatment facility located on Mission Rock Road;

iii. *Tyler Technologies, Inc. Contract* – Special Counsel will provide advice regarding the City's negotiations of a contract for the purchase of an Enterprise Resource Planning System from Tyler Technologies, Inc., including review of draft contract language; and,

iv. *Additional Matters* – upon written agreement of Special Counsel and the City Attorney, the parties may agree to have Special Counsel perform legal services regarding additional matters as provided under this Agreement.

b. In litigation matters, the City Attorney is responsible for the ultimate resolution, amounts of damage awards, if any, and defense fees and costs of all cases. Special Counsel shall inform the City Attorney of the status of each case prior to arbitrations, voluntary settlement conferences, mandatory settlement conferences, motions for summary judgment, trial, settlement negotiations and of any significant developments during discovery.

c. Special Counsel shall regularly and reasonably discuss and review with

the City Attorney investigation issues, discovery, and case tactics and strategy.

d. Special Counsel shall send case evaluations, correspondence and status reports to the City Attorney.

e. Special Counsel shall inform the City Attorney of the legal staff assigned to cases and matters and shall promptly advise the City Attorney of any significant change in assignments. Upon request Special Counsel shall provide the City Attorney with resumes of legal staff.

f. If settlement authority is required from City Council, upon request, Special Counsel shall timely prepare and submit to the City Attorney a Confidential Briefing Report for City Council review.

g. Special Counsel shall use the expertise of City staff in lieu of outside experts whenever feasible and practical.

h. Special Counsel shall handle all significant aspects of the litigation or matter. If Special Counsel intends to assign other special counsels to assist the primary Special Counsel, Special Counsel shall notify the City Attorney in advance. Only those special counsels assigned and approved in advance in writing by the City Attorney may work on cases or matters.

## 2. Special Counsel Representative

Gregory J. Newmark shall be Special Counsel's representative and shall be personally responsible for the performance and/or coordination of legal services under this Agreement.

## 3. Nonexclusive Services

This Agreement shall not be interpreted to prevent or preclude Special Counsel from rendering any services for Special Counsel's own account or to any other person or entity as Special Counsel in its sole discretion shall determine. Special Counsel agrees that performing such services will not materially interfere with services to be performed for the City.

## 4. Direction and Coordination

The City Attorney is responsible for providing management and direction to Special Counsel. Special Counsel shall coordinate the services to be provided with the City Attorney to the extent required by the City Attorney, and such services shall be performed to the satisfaction of the City Attorney.

## 5. Place of Work

Special Counsel shall perform the services provided for in this Agreement at any place or location and at such times as the Special Counsel shall determine.

6. Permits, Licenses, Certificates

Special Counsel, at its sole expense, shall obtain and maintain during the term of this Agreement all permits, licenses, and certificates required in connection with the performance of services under this Agreement, including a City business tax certificate.

7. City's Responsibilities

Through the City Attorney, City staff will cooperate with Special Counsel and will furnish any required information and materials as expeditiously as necessary for the orderly progress of the services. The City Attorney may examine documents submitted by Special Counsel and render decisions pertaining thereto promptly to avoid unreasonable delay in the progress of Special Counsel's services.

8. Term of Agreement

The term of this Agreement shall commence on March 27, 2019, and shall continue until terminated pursuant to this Agreement.

9. Termination of Agreement and Legal Services

This Agreement may be terminated at any time by written notice from either party to the other with or without cause. In such event, all finished or unfinished documents, data and reports in Special Counsel's possession regarding legal services under this contract (excluding drafts, work not billed, and Special Counsel's administrative documents, data and reports such as proprietary and financial/billing/accounting information) shall immediately be turned over to the City Attorney. In the event of such termination, City shall pay Special Counsel for all satisfactory services and costs unless such termination is made for cause, in which event compensation, if any, shall be adjusted in light of the particular facts and circumstances involved in such termination.

10. Compensation and Reimbursement

a. Compensation

(1) City shall pay Special Counsel in an amount not to exceed \$200,000 annually for services provided under this Agreement.

(2) City shall pay for all services provided by attorneys under this Agreement at the following hourly rates:

|                |       |
|----------------|-------|
| Practice Chair | \$450 |
| Principal      | \$395 |
| Of Counsel     | \$350 |

|           |       |
|-----------|-------|
| Associate | \$295 |
| Paralegal | \$190 |

(3) The above hourly rate includes reimbursement to Special Counsel of the ordinary and usual expenses, except for those expenses listed in Section 10(b).

(4) Special Counsel charges for travel time to and from Oxnard for internal meetings with City staff shall not exceed one hour each way.

(5) All billing shall be for work done for the City's direct benefit. Work for the benefit of multiple clients shall be apportioned accordingly.

(6) The above hourly rate may be altered by a writing signed by the City Attorney. Notwithstanding the provisions of Section 33, the City Attorney's written approval under this Section may be provided by electronic mail and will be effective upon transmission.

b. Reimbursement

(1) In addition to the compensation provided above, the City shall reimburse Special Counsel as follows:

(A) Actual Cost to Special Counsel:

Air travel (other than to and from City) - coach

Consultant fees

Extraordinary (in excess of \$100) copying/printing services fees

Extraordinary (in excess of \$100) in-house copying costs

Court reporting services fees

Expert fees

Service of process fees

Court/filing fees

Out of basic plan legal research

Witness fees

(B) Items with Maximums:

Lodging per night at current IRS rate

Mileage (other than to and from City) at current IRS rate

(2) Any reimbursement over \$1,000 requires preapproval in writing by the City. Please send all such requests to the City Attorney's Office Manager at [leanne.daly@oxnard.org](mailto:leanne.daly@oxnard.org).

# 11. Method of Payment

a. Special Counsel shall submit monthly a statement of account which clearly sets forth by dates the designated items of services and respective time for each item for which the statement is submitted and the identity of the attorney performing the services in a form similar to Exhibit A, attached hereto and incorporated in full herein by this reference.

b. Special Counsel shall mail the invoice for payment to City of Oxnard—Office of the City Attorney, 305 W. Third Street, Suite 100E, Oxnard, California 93030, Attention: Stephen M. Fischer, City Attorney.

c. City shall timely pay Special Counsel for services rendered and costs incurred at the rates and in the amounts provided on a monthly basis in accordance with the statements as approved by the City Attorney.

# 12. Responsibility for Expenses

Except as otherwise expressly provided in this Agreement, City shall not be responsible for expenses incurred by Special Counsel in performing services under this Agreement. All expenses incident to the performance of services under this Agreement shall be borne by Special Counsel, including but not limited to rent, vehicle, entertainment, promotion, general liability insurance, health insurance, workers' compensation insurance, and all compensation and benefits of employees or agents engaged by Special Counsel. Special Counsel shall, at its own cost and expense, supply all personal property necessary or appropriate to perform the services provided for under this Agreement, including but not limited to any personal property used by employees and agents of Special Counsel in the performance of such services.

# 13. Non-Appropriation of Funds

Payments to be made to Special Counsel by City for services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted and unencumbered appropriation of City. In the event City does not appropriate sufficient funds for payment of Special Counsel's services beyond the current fiscal year, this Agreement shall cover payment for Special Counsel's services only up to the conclusion of the last fiscal year in which City appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.

# 14. Approved Attorneys and Paralegals

a. The following attorneys shall be the only attorneys assigned to perform services for City:

|                |                   |
|----------------|-------------------|
| Practice Chair | Amrit S. Kulkarni |
| Practice Chair | John D. Bakker    |

|            |                    |
|------------|--------------------|
| Principal  | Gregory J. Newmark |
| Principal  | Julia Bond         |
| Principal  | Tim Cremin         |
| Principal  | Richard Pio Roda   |
| Principal  | Sky Woodruff       |
| Of Counsel | Viviana Heger      |
| Associate  | Vidya Venugopal    |
| Associate  | Trevor Taniguchi   |
| Associate  | Kris Kokotaylo     |
| Paralegal  | Patricia McBride   |
| Paralegal  | Julie Pfister      |
| Paralegal  | Chris McNeese      |

b. This list of approved attorneys may be altered by a writing approved by the City Attorney. The writing may add paralegals to those professionals authorized to perform services and provide for rates to be paid for such paralegals. Notwithstanding the provisions of Section 33, the City Attorney's written approval under this Section may be provided by electronic mail and will be effective upon transmission.

15. Engagement of Other Counsel, Specialists or Experts

Special Counsel shall not engage or otherwise incur an obligation to pay other legal counsel, specialists or experts for services in connection with this Agreement without the prior written approval of the City Attorney. City shall not pay a mark-up for outside services obtained by Special Counsel.

## 16. Confidentiality

Any documents and materials given to or prepared or assembled by Special Counsel under this Agreement shall be confidential and shall not be made available to any third person or organization by Special Counsel without prior written approval of the City Attorney.

## 17. Indemnity and Defense

a. To the fullest extent permitted by law, Special Counsel shall (1) immediately defend; (2) indemnify; and (3) hold harmless City, its City Council, each member thereof, and its directors, officers, and employees (the “**Indemnified Party**”) from and against all liabilities regardless of nature, type, or cause, arising out of or resulting from or in connection with Special Counsel’s reckless or negligent performance of this Agreement or Special Counsel’s failure to comply with any of its obligations contained in this Agreement. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments, associated investigation and administrative expenses, defense costs including but not limited to reasonable attorneys’ fees, court costs, and costs of alternative dispute resolution. Special Counsel’s obligation to indemnify applies unless it is adjudicated that any of the liabilities covered by this Section are the result of the sole active negligence or sole willful misconduct of the Indemnified Party. If it is finally adjudicated that liability is caused by the comparative negligence or willful misconduct of any Indemnified Party, Special Counsel’s indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

b. The duty to defend is a separate and distinct obligation from Special Counsel’s duty to indemnify. Special Counsel shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the Indemnified Party immediately upon tender to Special Counsel of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination of negligence or willful misconduct by the Indemnified Party shall not relieve Special Counsel from its separate and distinct obligation to defend the Indemnified Party. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes the obligation to provide independent defense counsel if Special Counsel asserts that liability is caused in whole or in part by the negligence or willful misconduct of the Indemnified Party. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of the Indemnified Party, Special Counsel may submit a claim to City for reimbursement of reasonable attorneys’ fees and defense costs.

c. The review, acceptance or approval of Special Counsel’s work or work product by the Indemnified Party shall not affect, relieve or reduce Special Counsel’s indemnification or defense obligations. This Section shall survive completion of the Services or termination of this Agreement. The provisions of this Section shall not be restricted by and do not affect the provisions of this Agreement relating to insurance.

## 18. Insurance

a. Special Counsel shall obtain and maintain during the performance of any



services under this Agreement the insurance coverages as specified in Exhibit INS-A, attached hereto and incorporated herein by this reference, issued by a company satisfactory to the Risk Manager, unless the Risk Manager waives in writing the requirement that Special Counsel obtain and maintain such insurance coverages.

b. Special Counsel shall, prior to performance of any services, file with the Risk Manager evidence of insurance coverage as specified in Exhibit INS-A. Evidence of insurance coverage shall be forwarded to the Risk Manager, addressed as specified in Exhibit INS-A.

c. Maintenance of proper insurance coverages by Special Counsel is a material element of this Agreement. Special Counsel's failure to maintain or renew insurance coverages or to provide evidence of renewal may be considered as a material breach of this Agreement.

#### 19. Independent Contractor

a. In the performance of the services, Special Counsel shall be, and is, an independent contractor, and Special Counsel and its employees are not employees of City. Special Counsel has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons assisting Special Counsel.

b. Special Counsel shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Special Counsel's employees, agents, subcontractors and subconsultants, including compliance with social security requirements, federal and State income tax withholding and all other regulations governing employer-employee relations.

c. Special Counsel and its employees are not entitled to receive from City any of the benefits or rights afforded employees of City, including but not limited to reserve leave, sick leave, vacation leave, holiday leave, compensatory leave, Public Employees Retirement System benefits, or health, life, dental, long-term disability and workers' compensation insurance benefits.

#### 20. Special Counsel Not Agent

Except as provided for in this Agreement, Special Counsel shall have no authority, expressed or implied, to act on behalf of City Attorney in any capacity whatsoever as agents or otherwise. Special Counsel shall have no authority, expressed or implied, unless pursuant to this Agreement to bind the City to any obligation whatsoever.

#### 21. Conflict of Interest

Special Counsel shall scrupulously avoid performing services for any party or entering into any contractual or other relationship with any party which might create a conflict with the rendering of services under this Agreement. Special counsel shall immediately inform the City Attorney of any conflict of interest or potential conflict of interest which may arise during the term of this Agreement by virtue of any past, present, or prospective act or omission of Special

Counsel.

22. Assignability of Agreement

This Agreement contemplates personal performance by Special Counsel's personnel and is based upon a determination of the unique competence and experience of Special Counsel's personnel and upon the specialized personal knowledge of Special Counsel's personnel. Assignment of any or all rights, duties or obligations of Special Counsel under this Agreement shall be permitted only with the express written consent of the City Attorney.

23. Fair Employment Practices

a. All persons employed by Special Counsel shall be treated equally by Special Counsel without regard to or because of race, color, religion, ancestry, national origin, disability, sex, marital status, age, or any other status protected by law, and in compliance with all antidiscrimination laws of the United States of America, the State of California, and City.

b. During the performance of this Agreement, Special Counsel and any other parties with whom Special Counsel may subcontract shall adhere to equal opportunity employment practices to assure that applicants and employees are treated equally and are not discriminated against because of their race, color, religion, ancestry, national origin, disability, sex, marital status, age, or any other status protected by law.

c. Special Counsel shall state in all of its solicitations or advertisements for applicants for employment that all qualified applicants shall receive consideration for employment without regard to their race, color, religion, ancestry, national origin, disability, sex, marital status, age, or any other status protected by law.

d. Special Counsel shall provide City with access to and, upon request, provide copies to City of all of Special Counsel's records pertaining or relating to Special Counsel's employment practices, to the extent such records are not confidential or privileged under State or federal law.

e. Special Counsel shall recruit vigorously from protected classes and to encourage businesses owned by persons in a protected class to bid subcontracts.

24. Time of Essence

Time is of the essence in regard to performance of, or lack of performance of, any of the terms and conditions of this Agreement.

25. Covenants and Conditions

Each term and each provision of this Agreement to be performed by Special Counsel shall be construed to be both a covenant and a condition.

26. Governing Law; Venue

The construction and interpretation of this Agreement and the rights and duties of City and Special Counsel hereunder shall be governed by the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to this Agreement shall be in the Ventura County Superior Court.

27. Compliance with Laws

Special Counsel shall comply with all federal, state and local laws, rules, and regulations, now or hereafter in force, pertaining to the services performed pursuant to this Agreement.

28. Severability

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

29. Waiver

No waiver of a breach of any provision of this Agreement by either Special Counsel or City shall constitute a waiver of any other breach of the same provision or any other provision of this Agreement. Failure of either City or Special Counsel to enforce at any time, or from time to time, any provision of this Agreement, shall not be construed as a waiver of such provision or breach.

30. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, when taken together, shall be deemed to be one and the same agreement. A signed copy of this Agreement transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

31. Arbitration

In the event of any dispute with regard to the provisions of this Agreement, the services rendered or the amount of Special Counsel's compensation, the dispute may be submitted to arbitration upon the mutual agreement of the parties, under such procedures as the parties may agree upon, or, if the parties cannot agree, then under the Rules of the American Arbitration Association.

32. Authority to Execute

a. The person or persons executing this Agreement has or have been duly authorized by the City Council to do so on behalf of the City.

b. The person or persons executing this Agreement has or have been duly authorized by Special Counsel to do so on behalf of Special Counsel.

### 33. Notices

Except as otherwise required by law, a notice or communication authorized or required by this Agreement shall be in writing and shall be deemed received on (i) the day of delivery if delivered by hand or overnight courier service during City's regular business hours or (ii) on the third business day following deposit in the United States mail, postage prepaid, to the addresses listed below or at such other address as one party may notify the other in writing:

a. Any notice to Special Counsel shall be addressed to Meyers Nave, 707 Wilshire Blvd., 24th Floor, Los Angeles, CA 90017 Attention: Gregory J. Newmark.

b. Any notice to City shall be addressed to City of Oxnard—Office of the City Attorney, 305 W. Third Street, Suite 100E, Oxnard, California 93030, Attn: Stephen M. Fischer, City Attorney.

### 34. Amendment

This Agreement may be amended at any time in writing by the City Attorney and Special Counsel.

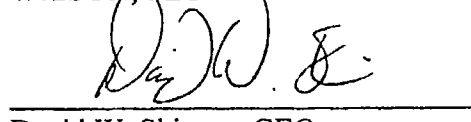
### 35. Entire Agreement

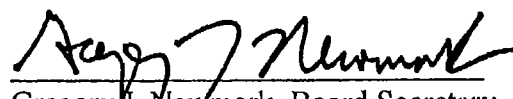
This Agreement constitutes the entire Agreement of the parties with respect to the subject matter described herein and supersedes all prior communications, agreements and promises, either oral or written.

CITY OF OXNARD

  
Stephen M. Fischer, City Attorney

MEYERS, NAVE, RIBACK, SILVER &  
WILSON, PLC

  
David W. Skinner, CEO

  
Gregory J. Newmark, Board Secretary

The City requires the following for any agreement:

- For a corporation, two signatures: (1) the Board President, CEO or Vice President; and (2) the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, two signatures, both of whom must be managers of the LLC; or
- For a partnership or limited partnership, the signatures of all partners.

If your entity has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally-binding documentation stating who can sign and bind Special Counsel.

**EXHIBIT A:**

[LAW FIRM]  
[Address]  
[Telephone Number]  
[Date]

Stephen M. Fischer  
City Attorney  
City of Oxnard—Office of the City Attorney

Invoice No.

305 W. Third Street, Suite 100E  
Oxnard, CA 93030

Client/Matter No:  
Re:

**For Professional Services Rendered Through \*\*/\*\*/\*\*\*\***  
**Summary of Fees and Costs**

|                      |                              |
|----------------------|------------------------------|
| <b>Total Fees</b>    | <b>\$*****</b>               |
| <b>Total Costs</b>   | <b><u>\$*****</u></b>        |
| <b>Total Charges</b> | <b><u><u>\$*****</u></u></b> |

**Privileged and Confidential – Do not store with publicly accessible documents**

**INSURANCE REQUIREMENTS FOR CONSULTANTS  
(WITH ERRORS AND OMISSIONS REQUIREMENT)**

1. Consultant shall obtain and maintain during the performance of any services under this Agreement the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by Consultant, its agents, representatives, employees or subconsultants.

a. Commercial General Liability Insurance, including Contractual Liability, in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for general liability with coverage equivalent to Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001). If a general aggregate limit is used, that limit shall apply separately to the project or shall be twice the occurrence amount;

b. Business automobile liability insurance in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for automobile liability with coverage equivalent to Insurance Services Office automobile liability coverage (Occurrence Form CA0001) covering Code No. 1, "any auto;"

c. Professional liability/errors and omissions insurance appropriate to Consultant's profession to a minimum coverage of \$1,000,000, with neither Consultant nor listed subconsultants having less than \$500,000 individually. The professional liability/errors and omissions insurance must be project specific with at least a one year extended reporting period, or longer upon request.

d. Workers' compensation insurance in compliance with the laws of the State of California, and employer's liability insurance in an amount not less than \$1,000,000 per claimant. Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City.

2. Consultant shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-A. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before commencement of services. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be sent via email (or fax if necessary) to the Risk Manager, addressed as follows (do not send hard copies):

City of Oxnard  
Insurance Compliance  
Reference No. 8609-19-CA  
P.O. Box 100085 – OX  
Duluth, GA 30096  
Via Email: [cityofoxnard@ebix.com](mailto:cityofoxnard@ebix.com)  
Via Fax: 678-259-1007

3. Consultant agrees that all insurance coverages shall be provided by a California admitted insurance carrier with an A.M. Best rating of A:VII or better and shall be endorsed to state that coverage may not be suspended, voided, canceled, or reduced in coverage or limits without 30 days' prior written notice to the Risk Manager. The Risk Manager shall not approve or accept any endorsement if the endorsement contains "best effort" modifiers or if the insurer is relieved from the responsibility to give such notice.

4. Consultant agrees that the commercial general liability and business automobile liability insurance policies shall be endorsed to name City, its City Council, officers, employees, agents and volunteers as additional insureds as respects: liability arising out of activities performed by or on behalf of Consultant; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, its City Council, officers, employees, agents and volunteers. **The General Liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-A or substitute forms containing the same information and acceptable to the Risk Manager shall be used to provide the endorsements (ISO form CG 2010 11/85 or if not available, CG 2010 with an edition date prior to 01/04 and CG 2037).**

5. The coverages provided to City shall be primary and not contributing to or in excess of any existing City insurance or self-insurance coverages (**this must be endorsed**). Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its City Council, officers, employees and volunteers. The insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6. The insurer shall declare any deductibles or self-insured retentions to and be approved by the Risk Manager. At the option of the Risk Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its City Council, officers, employees and volunteers, or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

7. All insurance standards applicable to Consultant shall also be applicable to Consultant's subconsultants. Consultant agrees to maintain appropriate agreements with subconsultants and to provide proper evidence of coverage upon receipt of a written request from the Risk Manager.

**INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS*****Certificates of Insurance***

The sample accord form on the following page is provided to facilitate your preparation and submission of certificates of insurance. You may use this or any industry form that shows coverage as broad as that shown on the attached sample. **Please note the certificate holder address must be as shown on the attached sample accord form with the contract number and insurance exhibit identification information completed.** Improperly addressed certificates may delay the contract start-up date because the City's practice is to return unidentifiable insurance certificates to the insured for clarification as to the contract number. **Cancellation provisions must be endorsed to the policy. Modifying the certificate does not change coverage or obligate the carrier to provide notice of cancellation.**

***Endorsement Forms***

Original endorsements are required for commercial general liability and business automobile liability insurance policies and must be attached to the applicable certificate of insurance. City preference is that the Consultant/insurer use the endorsement forms which are attached. Substitute forms will be accepted, however, as long as they include provisions comparable to the sample accord form.

INS-A.doc

**ACORD CERTIFICATE OF INSURANCE**

ISSUE DATE (MM/DD/YY)

|                 |          |                                                                                                                                                                                                             |                                     |
|-----------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <b>PRODUCER</b> |          | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. |                                     |
| CODE            | SUB-CODE | <b>COMPANIES AFFORDING INSURANCE COVERAGE</b>                                                                                                                                                               |                                     |
| INSURED         |          | COMPANY<br>LETTER A                                                                                                                                                                                         | SPECIFY COMPANY NAMES IN THIS SPACE |
|                 |          | COMPANY<br>LETTER B                                                                                                                                                                                         |                                     |

**COVERAGES**

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

| CO<br>LTR | TYPE OF INSURANCE                                                                                                                       | POLICY<br>NUMBER | POLICY<br>EFFECTIVE<br>DATE<br>(MM/DD/YY) | POLICY<br>EXPIRATION<br>DATE<br>(MM/DD/YY) | LIMITS                                                                                                                                                                                                       |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A         | <b>GENERAL LIABILITY</b><br>[x] COMMERCIAL GENERAL<br>LIABILITY [ ] CLAIMS<br>MADE [x] OCCUR.<br>[x] OWNER'S &<br>CONTRACTOR'S PROT.    |                  |                                           |                                            | GENERAL AGGREGATE \$1,000,000<br>PRODUCTS COMP/OP AGG. \$1,000,000<br>PERSONAL & ADV. INJURY \$1,000,000<br>EACH OCCURRENCE \$1,000,000<br>FIRE DAMAGE (Any one fire) \$<br>MED. EXPENSE (Any one person) \$ |
| A         | <b>AUTOMOBILE LIABILITY</b><br>[x] ANY AUTO<br>ALL OWNED AUTOS<br>SCHEDULED AUTOS<br>HIRED AUTOS<br>NON-OWNED AUTOS<br>GARAGE LIABILITY |                  |                                           |                                            | COMBINED SINGLE \$1,000,000<br>LIMIT<br>BODILY INJURY \$<br>(Per person)<br>BODILY INJURY \$<br>(Per accident)<br>PROPERTY DAMAGE \$                                                                         |
| A         | <b>EXCESS LIABILITY</b><br>UMBRELLA FORM<br>OTHER THAN UMBRELLA<br>FORM                                                                 |                  |                                           |                                            | EACH OCCURRENCE \$<br>AGGREGATE \$                                                                                                                                                                           |
| A         | <b>WORKERS'<br/>COMPENSATION<br/>AND<br/>EMPLOYERS' LIABILITY</b>                                                                       |                  |                                           |                                            | STATUTORY LIMITS<br>EACH ACCIDENT \$1,000,000<br>DISEASE-POLICY LIMIT \$1,000,000<br>DISEASE-EACH EMPLOYEE \$1,000,000                                                                                       |
| A         | <b>OTHER</b><br>Errors and omissions insurance or malpractice insurance available for the<br>insured's profession                       |                  |                                           |                                            | Minimum coverage \$1,000,000<br>Each consultant/<br>& listed sub-consultant \$500,000                                                                                                                        |

## DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS

|                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CERTIFICATE HOLDER</b><br><br><b>CITY OF OXNARD</b><br><b>Attn: Insurance Compliance</b><br><b>Reference No. 8603-19-CA_</b><br><b>P.O. Box 100085 – OX</b><br><b>Duluth, GA 30096</b><br><b>Via Email: <a href="mailto:cityofoxnard@ebix.com">cityofoxnard@ebix.com</a></b><br><b>Via Fax: 678-259-1007</b> | <b>CANCELLATION</b><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.<br><br>AUTHORIZED REPRESENTATIVE |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



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**CITY COUNCIL AGENDA REPORT  
INFORMATION/CONSENT AGENDA  
AGENDA ITEM NO. J.3**

**DATE:** September 15, 2020

**TO:** City Council

**FROM:** Ashley Golden, Assistant City Manager, (805) 385-7478, ashley.golden@oxnard.org

**SUBJECT:** Replace and Amend Resolutions, to be consistent with the Department of Housing and Community Development (HCD) Resolution Template, for the SB2 Planning Grant and Local Early Action Planning (LEAP) Grant Program Applications.

### **RECOMMENDATION**

That the City Council:

1. Repeal Resolution No. 15,273, and adopt a new resolution amending the authority identified in the resolution to authorize the City Manager, or designee to execute contracts and related documents for the SB2 Planning Program grant; and
2. Repeal Resolution No. 15,366, and adopt a new resolution amending the authority identified in the resolution to authorize the City Manager, or designee to execute contracts and related documents for the LEAP Planning Program.

### **BACKGROUND**

On November 5, 2019, the City Council adopted Resolution No. 15,273 authorizing the submission of the City's SB2 Planning Grant application, authorized the City Manager to execute a contract and accept the award, and approved a budget appropriation in the amount of \$625,000. HCD accepted the SB2 application, the SB2 grant contract was executed, and the SB2 planning projects are in progress.

On June 2, 2020, the City Council adopted Resolution 15,366 authorizing submission of the City's LEAP grant application, named the City Manager to execute a contract and accept the award, and approved a budget appropriation in the amount of \$500,000. The LEAP application was submitted to HCD on June 17, 2020 and is progressing through the HCD review and contracting process. On July 8, 2020, HCD staff requested a change in the LEAP grant resolution replacing "The City Council of the City of Oxnard" text with "The City Manager or designee" as authorizing submission of the grant application. Staff is also proposing to amend SB2 Grant Resolution No. 15,273 in a similar manner to authorize staff other than the City Manager to approve SB2 Grant invoices and other subsequent grant-related documents.

Both changes to the Council approved resolutions are a result of changes in HCD's resolution template and are non-substantive.

### **DISCUSSION**

Recently, HCD started to require that only City officers and/or named person(s) identified in the grant application resolution are authorized to request invoice payment and reimbursement. The Council approved resolutions for both SB2 and LEAP did not contain the newly required HCD information. Therefore, amendments to the SB2 and LEAP grant resolutions are required. The only change to the prior Council approved resolutions is to name the City of Oxnard City Manager, Community Development Director, and Planning and Sustainability Manager in the resolution. This will

allow City representatives to submit the signed grant applications, execute the contract, and submit and accept grant reimbursements. Without these names identified on both resolutions, the City Council would be involved in all grant execution and reimbursement processes.

The requested action is to repeal both previously identified resolutions and adopt new resolutions with the HCD identified resolution content.

### **ENVIRONMENTAL IMPACT**

Application for grant funds is not considered a project under the California Environmental Quality Act (CEQA). CEQA review will occur as part of any subsequent discretionary actions.

### **STRATEGIC PRIORITIES**

This agenda item is a routine operational item or does not related to the four strategic plans adopted by City Council on May 17, 2016.

### **FINANCIAL IMPACT**

The two grants total \$1,125,000 without any financial matching requirement.

### **COMMITTEE OUTCOME**

The grant applications were previously approved by the City Council during the November 5, 2019 and June 2, 2020 meetings.

*Prepared by: Kathleen Mallory, Planning & Sustainability Manager*

### **ATTACHMENTS**

1. Resolution of Approval for SB2 Grant
2. Resolution of Approval for LEAP Grant

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD  
AUTHORIZING APPLICATION FOR, AND RECEIPT OF, SB 2 PLANNING  
GRANTS PROGRAM FUNDS. FILED BY CITY OF OXNARD.

WHEREAS, City Council Resolution No. 12,053 sets out the procedures by which City staff may submit grant applications, following approval by resolution of the City Council; and

WHEREAS, the State of California, Department of Housing and Community Development (Department) has issued a Notice of Funding Availability (NOFA) dated March 28, 2019, for its Planning Grants Program (PGP); and

WHEREAS, on November 5, 2019, the City Council adopted Resolution No. 15,273 and was subsequently advised that the resolution template and invoice authority identified in the resolution needed to be amended.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OXNARD:

SECTION 1. Resolution No. 15,273 is hereby repealed and replaced with a new resolution which authorizes the City Manager, or designee to execute contracts and related documents for the SB2 Planning Grant Program.

SECTION 2. The City Manager or designee (Community Development Director or Planning & Sustainability Manager) is hereby authorized and directed to apply for and submit to the Department the 2019 Planning Grants Program application released March 28, 2019 in the amount of \$625,000.

SECTION 3. In connection with the PGP grant, if the application is approved by the Department, the City Manager or designee (Community Development Director or Planning & Sustainability Manager) is authorized to enter into, execute, and deliver a State of California Agreement (Standard Agreement) for the amount of \$625,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the PGP grant, the City's obligations related thereto, and all amendments thereto (collectively, the "PGP Grant Documents").

SECTION 4. The City shall be subject to the terms and conditions as specified in the Standard Agreement, the SB 2 Planning Grants Program Guidelines, and any applicable PGP guidelines published by the Department. Funds are to be used for allowable expenditures as specifically identified in the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application will be enforceable through the executed Standard Agreement. The City Council hereby agrees to use the funds for eligible uses in the manner presented in the application as approved by the Department and in accordance with the Planning Grants NOFA, the Planning Grants Program Guidelines, and 2019 Planning Grants Program Application.

*Resolution No.  
SB2 Application  
City Council Meeting  
September 15, 2020  
Page 2*

SECTION 5. The City Manager or designee (Community Development Director or Planning & Sustainability Manager) is authorized to execute the City of Oxnard Planning Grants Program application, the PGP Grant Documents, and any amendments thereto, on behalf of the City as required by the Department for receipt of the PGP Grant.

PASSED AND ADOPTED by the City Council of the City of Oxnard on this 15<sup>th</sup> day of September, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Tim Flynn, Mayor

ATTEST:

---

Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

---

Stephen Fischer, City Attorney

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD AUTHORIZING APPLICATION FOR AND RECEIPT OF LOCAL EARLY ACTION PLANNING (LEAP) GRANT PROGRAM FUNDS. FILED BY CITY OF OXNARD.

WHEREAS, City Council Resolution No. 12,053 sets out the procedures by which City staff may submit grant applications, following approval by resolution of the City Council; and

WHEREAS, pursuant to Health and Safety Code Section 50515 *et. seq.*, the Department of Housing and Community Development (Department) is authorized to issue a Notice of Funding Availability (NOFA) as part of the Local Government Planning Support Grants Program (hereinafter referred to by the Department as the Local Early Action Planning Grants program or LEAP); and

WHEREAS, the City Council of the City of Oxnard desires to submit a LEAP grant application package ("Application"), on the forms provided by the Department, for approval of grant funding for projects that assist in the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing need assessment; and

WHEREAS, the Department has issued a NOFA and Application on January 27, 2020 in the amount of \$119,040,000 for assistance to all California Jurisdictions; and

WHEREAS, the Department is authorized to provide up to \$119 million under the LEAP Grants Program from the 2019-2020 Budget Act related to the LEAP Program; and

WHEREAS, the purpose of the LEAP Program is to enable cities and counties to proactively prepare and adopt plans and take related actions that enable and enhance development of housing, especially affordable housing, to ease the declared Statewide housing crisis; and

WHEREAS, on June 2, 2020, the City Council adopted Resolution 15,366 and City staff was subsequently advised that the resolution template and invoice authority identified in the resolution needed to be amended.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OXNARD:

SECTION 1. Resolution No. 15,366, is hereby repealed and replaced with a new resolution which authorizes the City Manager, or designee to execute contracts and related documents for the LEAP Planning Program.

SECTION 2. The City Manager or designee (Community Development Director or Planning & Sustainability Manager) is hereby authorized and directed to apply for and submit to

*Resolution No.  
LEAP Application  
City Council Meeting  
September 15, 2020  
Page 2*

the Department the 2020 LEAP Grants Program application released January 27, 2020 in the amount of \$500,000.

SECTION 3. In connection with the LEAP grant, if the application is approved by the Department, the City Manager or designee (Community Development Director or Planning & Sustainability Manager) is authorized to enter into, execute, and deliver a State of California Agreement (Standard Agreement) for the amount of \$500,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the LEAP grant, the City's obligations related thereto, and all amendments thereto (collectively, the "LEAP Grant Documents").

SECTION 4. The City shall be subject to the terms and conditions as specified in the Standard Agreement, the LEAP Grants Program Guidelines, and any applicable guidelines published by the Department. Funds are to be used for allowable expenditures as specifically identified in the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application will be enforceable through the executed Standard Agreement. The City Council hereby agrees to use the funds for eligible uses in the manner presented in the application as approved by the Department and in accordance with the LEAP NOFA, the LEAP Program Guidelines, and 2020 LEAP Grants Program Application.

SECTION 5. The City Manager or designee (Community Development Director or Planning & Sustainability Manager) is authorized to execute the City of Oxnard LEAP Grants Program application, the LEAP Grant Documents, and any amendments thereto, on behalf of the City as required by the Department for receipt of the LEAP Grant; the Finance Director or designee is authorized to submit financial reports and grant claims and approve special budget appropriations for the use of grant funds, and the City Manager or designee is authorized to submit non-financial reports.

[Remainder of Page Left Intentionally Blank]



*Resolution No.  
LEAP Application  
City Council Meeting  
September 15, 2020  
Page 3*

PASSED AND ADOPTED by the City Council of the City of Oxnard on this 15<sup>th</sup> day of September, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Tim Flynn, Mayor

ATTEST:

---

Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

---

Stephen Fischer, City Attorney



**CITY COUNCIL AGENDA REPORT  
INFORMATION/CONSENT AGENDA  
AGENDA ITEM NO. J.4**

**DATE:** September 15, 2020

**TO:** City Council

**FROM:** Rosemarie Gaglione, Public Works Director, (805) 385-8055, rosemarie.gaglione@oxnard.org

**SUBJECT:** Notice of Completion for OWTP Cogeneration Engine Refurbishment Project PW 19-42.

**RECOMMENDATION**

That the City Council receive an update following a Notice of Completion for the OWTP Cogeneration Engine Refurbishment Project recorded on March 10, 2020.

**BACKGROUND**

The Oxnard Wastewater Treatment Plant (OWTP) Cogeneration Engine Refurbishment Project (Project) was part of the Wastewater Division five (5) year capital improvement program. Power supply to the OWTP comes from two (2) sources - Southern California Edison (SCE) and an on-site cogeneration power facility. The existing cogeneration facility produces up to 35% of the energy necessary to operate the OWTP. The energy budget for the plant is approximately \$1 million per year.

Power is produced at the OWTP facility through three cogenerator (cogen) units that were installed in 1975. The units produce power from a combination of digester gas (produced on-site) and natural gas purchased from the grid. In addition to providing the plant with power, heat generated by the cogen units is recovered and used to maintain the operating temperature of the anaerobic digesters.

Because of their age, the units required increased maintenance and became unreliable. On two (2) occasions in 2017, the OWTP lost SCE power while the cogen facility was off-line due to failures. The SCE power outage and cogen failure caused plant flow to bypass the secondary treatment process resulting in regulatory permit violations.

At the time of this contract, two (2) of the existing three (3) cogen engines had been recently refurbished. This contract was for the overhaul of the third and final cogen engine and the work included in-frame overhaul and on site inspection of the engines and generators.

**CIP Reference**

Project No. **186610** - Oxnard Wastewater Treatment Plant Cogeneration Rehabilitation

**DISCUSSION**

The notice inviting formal bids (NIFB) on this Project was published on April 11, 2019, and all bids were due on April 30, 2019. On July 2, 2019, Council approved Agreement A-8145 with GI Endurant, LLC in the amount of \$499,632 and also approved a project contingency of \$49,963.

The NIFB required bidders to be qualified to work on GE Waukesha Engines and Emerson/Kato Generators in order to bid on this Project. While the bids were received in April 2019, the project start date was delayed to October so that the OWTP could run all three (3) cogenerators through the peak summer months for cost savings. Peak rates were in effect until September 30th.

Construction on this project began on October 3, 2019 and was completed on January 16, 2020.

### **STRATEGIC PRIORITIES**

This item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to establish, preserve and improve the City's infrastructure and natural resources through effective planning, prioritization, and efficient use of available funding. This item supports the following goals and objectives:

Goal 4. Ensure proper construction and maintenance of infrastructure to provide maximum benefit with lowest life cycle cost following CIP plans.

### **FINANCIAL IMPACT**

There is no financial impact to receiving this update report. The overall budget for the project was \$1,511,558.00 which included a total of three (3) cogenerators.

This Wastewater Treatment Plant Cogeneration Rehabilitation Project No. 186610 included one (1) of the three (3) cogenerators and was funded from the Wastewater Treatment Fund. The construction phase of this project was awarded to GI Endurant, LLC for \$499,632. This project was completed under budget.

The overall project included all three (3) cogenerator engines to be refurbished and was completed under budget for a total of \$1,374,903.00.

### **COMMITTEE OUTCOME**

This item did not originate in Committee, as this is a capital improvement project.

*Prepared by: Tatiana Arnaout, City Engineer*

### **ATTACHMENTS**

1. A-8145 Notice of Completion
2. Project Images

RECORDING REQUESTED BY

## CITY OF OXNARD

WHEN RECORDED, MAIL TO:

Renee Hatcher, Public Works  
305 W. 3<sup>rd</sup> Street, East Wing, 3<sup>rd</sup> Floor  
OXNARD, CA. 93030



20200310-00035583-0 1/1

Ventura County Clerk and Recorder

MARK A. LUNN

03/10/2020 03:10:35 PM

1593253 \$.00 BA

REQUEST RECORDING WITHOUT FEE. RECORD FOR THE BENEFIT OF THE  
CITY OF OXNARD PURSUANT TO SEC. 27383 OF THE GOVERNMENT CODE.

**NOTICE OF COMPLETION OF CONTRACT****CERTIFICATION BY PROGRAM PROJECT MANAGER**

I hereby certify that the work called for in Contract No. A-8145 dated July 2, 2019 has been completed in accordance with City Standards and Specifications.

DATED: 3/3/2020

*Jorge E Espinoza*  
JORGE ESPINOZA, PROJECT MANAGER

**NOTICE OF COMPLETION OF CONTRACT**

In accordance with Civil Code Section 3093, NOTICE IS HEREBY GIVEN that the City of Oxnard, 305 W. 3<sup>rd</sup> Street, Oxnard, CA 93030, as owner in fee with all interest and rights for contract, has caused the following work of improvement to be constructed.

CONTRACT NO. A-8145 DATED July 2, 2019 FOR Oxnard Wastewater Treatment Plant Cogeneration Engine Refurbishment Project LOCATED at the Oxnard Wastewater Treatment Plant IN CONFORMANCE WITH PROJECT SPECIFICATION NO. PW 19-42 said work was completed on January 16, 2020, by:

G.I. Endurant, LLC dba GI Energy  
Contractor

1196 N. Grove Street, Anaheim, CA 92806  
Address

The Washington International Insurance Company is surety under a Public Contract Bond. California Bond No. 9191004 for the obligation of said contractor to the City under said contract. Total Contract Dollar Amount, including Change Orders is \$499,632.00.

Said bond is on file in the Office of the City Clerk.

3/5/20  
DATE

*Tatiana Arnaout*  
TATIANA ARNAOUT  
CITY ENGINEER  
FOR CITY OF OXNARD

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
COUNTY OF VENTURA ) ss

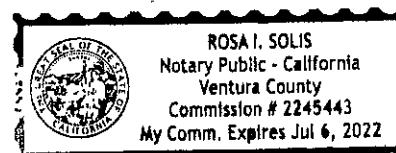
Subscribed and sworn to (or affirmed) before me on this 5th day of March, 2020, by

Tatiana Arnaout, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

WITNESS my hand and official seal.

NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

SEAL



OWTP Cogeneration Engine Refurbishment Project PW 19-42 Images

BEFORE



AFTER





**CITY COUNCIL AGENDA REPORT**  
**REPORTS**  
**AGENDA ITEM NO. K.1**

**DATE:** September 15, 2020

**TO:** City Council

**FROM:** Jeff Pengilley, Interim Community Development Director, (805) 385-8208, jeff.pengilley@oxnard.org

**SUBJECT:** Cannabis Equity Program and Cannabis Cultivation. (15/15/15)

**RECOMMENDATION**

That the City Council:

1. Provide input and comments on the Oxnard Cannabis Equity Program, with consideration on how to allocate the 1% local equity donation, including programs and recommended percentages; and
2. Provide input on advancing a cannabis cultivation ordinance.

**BACKGROUND**

On July 30, 2019, the City Council received a presentation regarding the City's conceptual Cannabis Equity Program. During this meeting, Council provided comments regarding the conceptual program with direction to conduct a community meeting to discuss the conceptual program with members of the community and cannabis industry.

In October 2018, and then again in July 2019, Council expressed support for the following number of cannabis applications/timeframes:

Year 1

- Permit up to eight (8) Retail Dispensaries and Permit up to eight (8) Manufacturers.
- Allow six (6) retail dispensaries and five (5) manufacturers to be permitted regardless of residency or income status.
- Hold back two (2) of the eight (8) retail dispensaries for the application of the Oxnard Cannabis Equity Program.
- Hold back three (3) of the five (5) manufacturer permits for application of the Oxnard Cannabis Equity Program.
- Develop a Oxnard Cannabis Equity Program.
- For all permits, regardless of elements of an equity proposal, require a Community Benefits Agreement.

Year 2

- Permit two (2) cannabis retail dispensary permits and three (3) manufacturer permits as part of the Oxnard Cannabis Equity Program requirements.

Years 3-5

- Permit additional retail dispensaries, based upon conceptual market growth. Consider: six (6) retail dispensaries (Year 3); and four (4) retail dispensaries (Year 5). Consider allowing additional Cannabis Manufacturing uses

based upon Cannabis Equity Program requirements and recommendations.

In July 2019, Staff recommended that Council wait to develop a cannabis cultivation ordinance pending permitting of other cannabis uses in the City.

Based upon the City Council approved cannabis business tax/Resolution (No. 15,134) and the number of approved business types for the next three years, the following anticipated revenues will be allocated to the City's General Fund (see Attachment A - Summary of City Tax Rates):

| Business Types | Number | Low Tax Rate | Anticipated Revenue | High Tax Rate | Anticipated Revenue |
|----------------|--------|--------------|---------------------|---------------|---------------------|
| Retailer       | 8      | 4.0%         | \$852,733           | 6.0%          | \$1,279,100         |
| Manufacturer   | 5      | 2.5%         | \$250,000           | 4.0%          | \$400,000           |
| Distributor    | 3      | 2.0%         | \$120,000           | 3.0%          | \$180,000           |
| Testing Lab    | 0      | 1.0%         | \$0                 | 2.5%          | \$0                 |
| Cultivation    | 0      | 1.4%         | \$0                 | 2.0%          | \$0                 |
| <b>Total</b>   |        |              | <b>\$1,222,733</b>  |               | <b>\$1,859,100</b>  |

#### Status - Cannabis Manufacturing, Testing, and Distribution Applications

The City opened the cannabis manufacturing, testing, and distribution window in November 2019. During the approximately 60 day application window, no testing applications were received. The City received five distribution applications and six manufacturing applications. On January 17, 2020, the City selected five manufacturing applicants and three distribution applicants (the max per type based on Council's July 30, 2019 direction). Of those eight applications, five applicants have submitted for a development design review (DDR permit).

#### Status - Cannabis Retail Applications

The City opened the retail cannabis and re-opened the testing application window on February 18, 2020. No applications for testing were received.

The City's cannabis consultant, HdL, reviewed approximately 50 retail cannabis applications and interviews of the retail cannabis applications will occur in late September. After the interview, applicants will be notified and provided with a deadline to submit their application for a Special Use Permit. Pursuant to Council authorization, only eight (8) retail cannabis permits / Special Use Permit, can be granted at this time, but additional permits may be considered in program years 3-5.

#### **ANALYSIS**

On October 2, 2019, staff conducted a community meeting with members of the cannabis industry and residents interested in the development of a Cannabis Equity Program. This in person meeting was well attended, with over 40 participating, followed by a cannabis survey. Over 30 surveys were completed; however, not everyone completed the questions asked on the survey therefore a statistically valid survey and percentage query cannot be generated.

In general, common themes from the surveys and public input at the cannabis equity community meeting were as follows:

- Don't give "local permit" to residents based upon residency. Inexperienced applicants will fail. How you define "residency" is fraught with problems.
- Access to capital and lack of experience is a common problem and concern with those entering the cannabis market.
- Grow "local" cannabis retail operators by requiring a local hire percentage. This will create pathways to improved job opportunities to improve the local economy and provide for upward mobility.
- Partnerships (between experienced retail cannabis operators and inexperienced operators ) don't work well.



Furthermore, companies don't want to give up "trade secrets" or train their competitor.

- City should direct a business incubation program, and/or business accelerator revolving loan funded by cannabis taxes or fees.
- City should consider developing a Community Reinvestment Fund, to focus on funding to improve job creation and community revitalization. A program like this can provide funding for education, youth development, childcare, mental health, and other community needs.
- Community Benefits Agreements (CBAs) work. City should require CBAs to memorialize agreement on what an operator is paying and submittal of reporting to document their hiring practices.
- A one time donation of \$25,000 for all cannabis industries is too low.
- Trade training programs are a good idea for a community. Consider assistance programs through start up small business information regarding accounting, financial management insurance and legal services. This would be a good area for City assistance.

### Recommended City of Oxnard Cannabis Local Equity Program

As a result of discussions with community members, the cannabis industry, HdL, and research from other cities, staff is recommending a Cannabis Equity Program that is different than initially discussed in July 2019, but will still provide the community and local benefits discussed by Council. There would be no change to the voter approved cannabis business tax program and funds directly allocated to the City's General Fund. In summary, the recommended Cannabis Equity Program includes: a one-time payment (\$25,000 - \$250,000), 50%-75% local hire requirement, and an ongoing donation of 1% of an operator's annual gross receipts. A comparison of the July 30, 2019, Cannabis Local Equity and staff's recommended 2020 Cannabis Equity program is as follows:

| Equity Components                               | June 30, 2019                                                                      | 2020 Local Equity Proposal                                                                                                                                                                                                                                                                                                                                                                                  | Rationale                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| One-time cash payment.                          | \$25,000 for all cannabis business types.                                          | <p>\$25,000 for manufacturing and distribution.<br/> \$250,000 for retail<br/> \$50,000 for testing and cultivation applicants (in future)</p> <p>Suggested priority areas for spending these one-time funds:<br/> -\$75,000 - \$100,000 for South Oxnard Property Based Improvement District (PBID) Formation &amp; Implementation<br/> -1500 Camino del Sol Improvements (Multi-Service Center Bldg.)</p> | <p>Fee should stay at \$25,000 for manufacturing and distribution applicants since they are already in the DDR permit process.</p> <p>Retail applicants are well resourced. Fee for retail applicants was not problematic based upon community meetings.</p> <p>Allocation of funds to targeted areas addresses disadvantaged areas and raises funds to initiate community wide programs.</p> |
| Local hiring preference.                        | 50% of workers for retail dispensaries and manufacturing.                          | <p>75% local hire for retail dispensaries and manufacturing.</p> <p>50% local hire for cultivation.</p> <p>No local hire requirement for distribution and testing.</p>                                                                                                                                                                                                                                      | <p>Applicants expressed support for local hire for staff/proximity benefit, community brand/loyalty, and convenience.</p> <p>Distribution is a specialized field and should not require a local hire percentage.</p>                                                                                                                                                                          |
| Training of residents on dispensary operations. | Yearly workshops and training for local residents on retail dispensary operations. | Each business will train their own employees which will be between 50%-75% local residents.                                                                                                                                                                                                                                                                                                                 | Rather than training a competitor, businesses would train their own employees. Goals of improving lives can be achieved with local hiring preference = trained employees.                                                                                                                                                                                                                     |
| <b>Equity</b>                                   | <b>June 30, 2019</b>                                                               | <b>2020 Local Equity Proposal</b>                                                                                                                                                                                                                                                                                                                                                                           | <b>Rationale</b>                                                                                                                                                                                                                                                                                                                                                                              |



| Components                                                              |                                                                                                                                   |                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Yearly donation of funds(1% of gross revenue above voter tax rate).     | 1% of gross revenue donated to local charities.                                                                                   | 1% of gross revenue donated for Homeless Service programs (estimated at \$373,200 annually) | <p>Combined with the City's voter approved tax structure, the one time donation amount of 1% is generally in alignment with other jurisdictions. The City's consultant, HdL recommended a finance structure (tax rate and yearly donation) which does not exceed 6% for all cannabis types.</p> <p>This donation amount is consistent with the City of Port Hueneme's approach for community contributions.</p> <p><i>This is equivalent to a Community Reinvestment Fund as identified by the Cannabis Industry.</i></p> |
| Hold back permits for local residents (dispensaries and manufacturing). | <p>Hold back 2 retail dispensary licenses for local residents.</p> <p>Hold back 3 manufacturing licenses for local residents.</p> | Do not hold back any licenses for local residents.                                          | <p>Residency is hard to define and a moving target.</p> <p>Market and financial resources will dictate if applicants can apply for a permit.</p> <p>For the overall benefit of the City, the best applicants/operators should be selected regardless of residency.</p> <p>Upward mobility can be achieved through local hire, and training.</p> <p>Mandating a license to an applicant who is local but not financially resourced is problematic.</p>                                                                     |
| Require a Community Benefit Agreement.                                  | Require a Community Benefit Agreement.                                                                                            | Require a Community Benefit Agreement.                                                      | <p>This is consistent with what is required in other communities, for example the City of Thousand Oaks. There are a number of other examples where community benefits agreements are executed for cannabis operators, such as the cities of Long Beach and Oakland, for example.</p> <p>A Community Benefits Plan is required by the City's cannabis application guidelines.</p>                                                                                                                                         |

### One Time Funds

Based upon staff's recommended donation structure, one time funds would result in approximately \$2.2 million:

| Business Type/Recommended Donation Amount Per Business | Number           | One Time Revenue   |
|--------------------------------------------------------|------------------|--------------------|
| Retailer - \$250,000                                   | 8                | \$2,000,000        |
| Manufacturer - \$25,000                                | 5                | \$125,000          |
| Distributor - \$25,000                                 | 3                | \$75,000           |
| Testing Lab - \$50,000                                 | 0 - at this time | -                  |
| Cultivation - To be Determined                         | 0 - at this time | -                  |
| <b>Total</b>                                           |                  | <b>\$2,200,000</b> |

These one-time funds are recommended to go into the formation and implementation of the South Oxnard Property Based Improvement District and improvements to 1500 Camino Del Sol (Multi-Service Center Bldg.).

### *Property Based Improvement District (PBID)*

The Oxnard City Council and community have expressed interest in revitalizing the commercial corridor in South Oxnard. City councilmembers and City Manager Nguyen have met with three of the largest property owners in the area

to discuss the concept of establishing a Property Based Improvement District (PBID) on Saviers Road between Elm Street and Yucca Street. PBIDs are a tool to strengthen small business communities, attract new businesses, and revitalize commercial corridors. The cost of forming the PBID is approximately \$75,000.00 - \$100,000.00.

#### *Multi-Service Building- 1550 Camino Del Sol*

This building hosts a multitude of services, including the Colonia Library, two child care programs, community art classes, tutoring and afterschool programs, and Foodshare. Approximately 1,500 sq. ft. of the building remains unutilized and there has been discussion of using this space for a future medical clinic. A non-comprehensive list of renovation ideas include: sidewalks, landscaping, security improvements, interior lighting, flooring, roofing improvements, and HVAC upgrades.

#### **1% Annual Gross Receipt Revenue Donation, Recommended Program(s)**

Based upon the number of City approved cannabis business types, and estimates from the City's consultant (HdL), requiring a 1% of annual gross receipts as an annual donation from these businesses would yield the following yearly revenue which could be distributed for the specific benefit of Oxnard residents and businesses (these funds are in addition to one time donation funds as summarized earlier in this staff report (estimated at \$2.2M) and the voter approved tax:

#### **Anticipated Annual 1% Gross Receipts Donation**

| Business Type | Number | Average Gross Receipts | Total Gross Receipts | Contribution Rate | Total Revenue    |
|---------------|--------|------------------------|----------------------|-------------------|------------------|
| Retailer      | 8      | \$2,665,000            | \$21,320,000         | 1.0%              | \$213,200        |
| Manufacturer  | 5      | \$2,000,000            | \$10,000,000         | 1.0%              | \$100,000        |
| Distributor   | 3      | \$2,000,000            | \$6,000,000          | 1.0%              | \$60,000         |
| Testing Lab   | 0      |                        | \$0                  | 1.0%              | \$0              |
| Cultivation   | 0      |                        | \$0                  | 1.0%              | \$0              |
| <b>Total</b>  |        |                        | <b>\$37,320,000</b>  |                   | <b>\$373,200</b> |

When having initial conversations with cannabis stakeholders, staff anticipated being able to direct 1% of gross receipts funding to various programs. For example programs considered were:

- South Oxnard Commercial Façade improvement grant.
- Business Grants & Loans targeted to low income areas.
- Grants Making for the benefit of Oxnard residents.
- Homeless Services and programs.

However, if we simply divided the \$373,200 money equally amongst four programs (approximately \$93,000/program, minus program administration costs) the positive impact would not be as great as selecting one program that is Citywide, such as Homeless Services. Therefore staff is recommending that the 1% of gross receipts funding be dedicated to Homeless Services for the next 10 years. Five years into the program, staff will report back to the City Council to get further direction on continuing the funding for Homeless Services or the development of other programs to be the recipient of the 1% monetary donation.

#### **Community Benefit Agreement (CBA)**

The Cannabis Equity components include: a one-time payment (\$25,000 - \$250,000), 50%-75% local hire requirement, and an ongoing donation of 1% of annual gross receipts. In addition to the Cannabis Equity Program, operators must propose a Community Benefit Agreement. A CBA allows the cannabis businesses to provide greater benefits to the community, is consistent with what is required in many other cities, and is part of the City's "Cannabis Application Procedures Guidelines" that will be considered in the City's cannabis evaluation process. As required by the City's

Cannabis Application Procedures Guidelines, the applicant must outline the benefits they will provide to the local community. Benefits may be in the form of volunteer services, monetary donations to local non-profit organizations, financial support of City sponsored activities or organizations, in kind donations to the City or other charitable organizations and/or any other economic incentives to the City.

The CBA would be included as part of the permit process (SUP/DDR) and will also be a tool to memorialize the various Cannabis Equity Program components.

See Attachment B for summary of tax rates/benefit agreement details, as well as upcoming ballot measures, from other Ventura County jurisdictions. In general Oxnard's tax rate and staff's proposed Cannabis Equity Program and CBA requirement is in alignment with what is required in other jurisdictions.

## **Cultivation**

Staff is also seeking HEDC input pertaining to advancing commercial cultivation. Cultivation is currently not permitted within the City. Due to Oxnard's climate and due to security concerns, it is recommended that cultivation occur within buildings and not within green houses or outdoor grow houses. Staff recommends that indoor cultivation be considered, with the creation of a cultivation ordinance. Crafting of a cultivation ordinance could occur in the year 2021. Cultivation will need to consider water and energy usage, environmental issues, and neighborhood compatibility. Based upon a market analysis performed by HdL in October 2018, it is envisioned that the City could accommodate up to two cultivators. Based upon data from 2018, anticipated revenue to the City is between \$224,000-\$320,000 annually. Staff recommends that cultivation be confined to indoors and be permitted within the industrial land use categories of the City. The City Council previously considered cultivation areas which were identified on the easterly portions of the City (see Attachment C). Staff recommends that future cultivation applicants be subject to the City's Cannabis Equity program as identified above. Staff will continue to investigate the cannabis testing laboratory market to initiate a solicitation when the time is right.

## **STRATEGIC PRIORITIES**

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to strengthen and stabilize the organizational foundation of the City in the areas of Finance, Information Technology, and Human Resources, and to improve workforce quality while increasing transparency to the public. This item supports the following goals and objectives:

Goal 1. To help foster a healthy and accountable corporate foundation by strengthening the support functions of the organization, which include Finance, Information Technology and Human Resources.

Goal 2. Increase transparency with Council, community and staff related to the City's budget and financial management processes.

## **FINANCIAL IMPACT**

Staff projects that the current number of applications (50 retail) are the best indicator of the number of businesses the City may attract at this point. Based on these changes, it is projected that the City could see General Fund revenues in the range of \$1.2 million to \$1.9 million per year, depending upon the tax rates. Those base revenues are unaffected by the recommendations in this staff report.

Instead, the recommended Cannabis Equity Program would be funded by a projected \$2,200,000 of one-time, up-front, donations by retailers, manufacturers, and distributors, and by projected annual revenue (1% donation) of \$373,200 going forward and memorialized through a community benefits agreement.

The number of retailers may vary over time, as some businesses succeed and gain market share while others fail, but the overall amount of sales (and resulting revenue) should remain fairly constant.

**COMMITTEE OUTCOME**

At the time of publication, this item is scheduled to be presented to the Housing and Economic Development Committee on September 8, 2020.

*Prepared by: Kathleen Mallory, Planning & Sustainability Manager*

**ATTACHMENTS**

1. Attachment A - Summary of Voter Approved City Tax Rates
2. Attachment B - Summary of Tax Rates and Community Benefit Requirements Donations in Ventura County
3. Attachment C - Cultivation Map from July 30 2019 City Council Staff Report
4. Cannabis Equity Presentation

## Attachment A - Summary of Voter Approved City Tax Rates

In November 2018, the Oxnard voters approved a sliding scale tax on various cannabis business types. The voter approved tax rates (are based upon gross receipts) and are as follows:

**Jan. 1, 2019 - Dec. 31, 2021:**

| <b>Business Type</b> | <b>Amount of Gross Receipts</b> |
|----------------------|---------------------------------|
| Testing Lab          | 1%                              |
| Retailer             | 4%                              |
| Distributor          | 2%                              |
| Manufacturer         | 2.5%                            |

Through January 1, 2021 (and every year thereafter), the maximum rate for every person who is engaged in commercial cannabis cultivation in the City shall be:

- Ten dollars (\$10.00) annually per square foot of canopy space in a facility that uses exclusively artificial lighting.
- Seven dollars (\$7.00) annually per square foot of canopy space in a facility that uses a combination of natural and supplemental artificial lighting.
- Four dollars (\$4.00) annually per square foot of canopy space in a facility that uses no artificial lighting.
- Two dollars (\$2.00) annually per square foot of canopy space for any nursery.

On January 1, 2022 and on each January 1 thereafter, the maximum annual tax rate per square foot of each type of canopy space shall increase by the percentage change between January of the calendar year prior to such increase and January of the calendar year of the increase in the Consumer Price Index ("CPI").

**Jan. 1, 2022 and each Jan. thereafter**

| <b>Business Type</b> | <b>Amount of Gross Receipts</b> |
|----------------------|---------------------------------|
| Testing Lab          | 2.5%                            |
| Retailer             | 6%                              |
| Distributor          | 3%                              |
| Manufacturer         | 4%                              |

## Attachment B

### Summary of Tax Rates and Community Benefit Requirements/Donations in Ventura County

- City of Port Hueneme - The City of Port Hueneme requires a Development Agreement for each cannabis business (no matter which type), which allows the ability to impose greater flexibility in fund collection. It is staff's understanding that a 1% donation is required for cannabis operators in addition to the required business tax rates. Based upon information from September 16, 2019, the City of Port Hueneme adopted the following tax rates:
  - Cultivation: \$7 per square foot of cultivation area.
  - Manufacturing: 2% of gross revenues.
  - Distribution: 2% of gross revenues.
  - Retail sales (storefront and/or delivery): 5% of gross revenues.
  - Microbusiness, wholesale sales: 2% of gross revenues.
  - Microbusiness, retail sales: 5% of gross revenues.
- City of Thousand Oaks - Initially, the City required a financial operational community benefit agreement since they did not pass a ballot measure/cannabis tax in a prior general election. The operational agreement required a community benefit fee of 6% of gross receipts on retail cannabis. With adoption of recent cannabis tax, the community benefits agreement sunsetted. The voter approved ballot measure imposed a retail cannabis tax rate on gross revenue between 4% -6% depending upon the year of operation; the testing lab tax rate approved was 1% - 2.5% also depending upon the year of operation. Thousand Oaks requires each applicant to offer their own version of Community Benefit and, based on individual applications, they are rated and scored by our outside Consultant. There is no set percentage/payment that is required of them. However, the City does ask applicants to describe the benefits that the business would provide to the local community, such as employment for residents of the City, community contributions in both in-kind contributions and financial assistance, or economic incentives to the City of Thousand Oaks. The City granted approval for two cannabis retail dispensaries; and two testing labs. However, due to a variety of reasons, no cannabis businesses are currently operational in the City at this time.
- City of Moorpark - Delivery of cannabis into the City is permitted, as allowed by State law. Other than this, no other cannabis uses are permitted within the City.
- City of Simi Valley - Although cannabis is currently not permitted in the City, Measure Q (approved in 2018) taxes cannabis businesses at annual rates not to exceed \$10.00 per canopy square foot for cultivation (adjustable for inflation), 6% of gross receipts for retail cannabis businesses, and 4% or less for all other cannabis businesses. The funding generated from Measure Q was to fund, for unrestricted general revenue purposes such as public safety, infrastructure, and streets.
- City of Santa Paula - The City only allows testing labs, all other cannabis operations are prohibited. The City passed Measure N which was a voter initiative that sets a rate of \$25 per sq. ft/ and a 10%

**Attachment B - Summary of Tax Rates and Community Benefit Requirements/Donations in Ventura County****Page 2 of 2**

on gross receipts for lab testing operations. There is one testing lab in the City. In the future, the City will be evaluating other cannabis operations.

- City of Fillmore -The City passed a cultivation tax in 2016. The tax varies between \$30 and \$35 per sq. ft. and canopy space. No businesses operational at this time.

**There are a variety of cannabis ballot measures on the November 2020 ballot. A summary of these ballot measures as of July 31, 2020 from the County Clerk Recorder is as follows:**

- City of Ojai - Measure G - 3% of gross revenue on cannabis businesses to fund City services. The Measure allows for an increase of the tax on cannabis businesses up to 10% of gross receipts.
- City of Ventura - Measure I - City tax on cannabis and hemp businesses at annual rates not to exceed \$10.00 per canopy sq. ft. for cultivation (adjustable for inflation), 8% of gross receipts for retail cannabis businesses, and 4% for all other cannabis businesses. The money generated is intended for public safety, roads, parks, etc. The City currently only has a delivery regulatory ordinance (out of town). Should the City legalize cannabis uses in the future and Measure I passes, these rates would apply.
- County of Ventura - Measure O - Allow commercial cultivation, processing, distribution and sales of cannabis. No tax rate specified to date.

# CULTIVATION MAP

ITEM #K-1





# Cannabis Equity Program and Cannabis Cultivation

Kathleen Mallory, Planning & Sustainability Manager  
Jeff Pengilley, Interim Community Development Director  
Community Development Department

City Council  
September 15, 2020



## Background

### July 30, 2019 - Council supported :

- Year 1 -
  - 8 Retail dispensaries & 8 manufacturers.
    - Hold 2 of the 8 retail dispensary licenses for local applicants
    - Hold 3 of the 8 manufacturing licenses for local applicants
- Year 2 -
  - Issue 2 retail dispensary permits and 3 manufacturer permits to local residents/organizations based upon Oxnard Cannabis Equity Program requirements (to be developed during years<sup>69</sup> 1-2).

**July 30, 2019 - Council supported, continued:**

- Years 3-5 - Allow Additional Retail Dispensaries based upon conceptual market growth.
  - Consider 6 retail dispensaries (Year 3); 4 retail dispensaries (Year 5); and allowing additional Cannabis Manufacturing uses based upon Cannabis Equity Program requirements and recommendations.
- Direction to conduct community meeting with cannabis industry and interested parties to discuss local equity options.

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**Background, continued**

Cannabis business tax/Resolution (No. 15,134); revenues will be allocated to the City's General Fund:

**Projected Cannabis Business Tax**

| Business Types | Number | Low Tax Rate | Anticipated Revenue | High Tax Rate | Anticipated Revenue |
|----------------|--------|--------------|---------------------|---------------|---------------------|
| Retailer       | 8      | 4.0%         | \$852,733           | 6.0%          | \$1,279,100         |
| Manufacturer   | 5      | 2.5%         | \$250,000           | 4.0%          | \$400,000           |
| Distributor    | 3      | 2.0%         | \$120,000           | 3.0%          | \$180,000           |
| Testing Lab    | 0      | 1.0%         | \$0                 | 2.5%          | \$0                 |
| Cultivation    | 0      | 1.4%         | \$0                 | 2.0%          | \$0                 |
| <b>Total</b>   |        |              | <b>\$1,222,733</b>  |               | <b>\$1,859,100</b>  |

- **October 2, 2019:** Cannabis Equity Program Community Meeting
  - Over 40 industry reps and community members
- **Common themes from the surveys and public input at the cannabis community form were as follows:**
  - Don't give "local permit" to residents based upon residency.
  - Grow local cannabis operators through a local hire requirement
  - Community Benefits Agreements (CBAs) work
  - \$25k one time donation very low
  - Directing cannabis business revenues to benefits that support community needs is supported by operators

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## 2019 vs 2020 Cannabis Equity Program Concepts

| 2019                                                                                                                                                                                                                                                 | 2020                                                                                                                                                                                                                                                                                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>■ Reserve some permits for local residents</li> <li>■ Require a \$25,000 one-time payment</li> <li>■ 50% Local hire requirement</li> <li>■ 1% of gross revenue funds targeted to specific programs</li> </ul> | <ul style="list-style-type: none"> <li>■ No permits "reserved" for a local resident</li> <li>■ Increased one-time payment amount for retail, testing and cultivation</li> <li>■ Increased local hire requirement (up to 75%)</li> <li>■ 1% of gross revenue funds targeted to specific program</li> </ul> |

- A one-time payment (\$25,000 - \$250,000)
- A 50%-75% local hire
- Ongoing donation of 1% of an operators annual gross receipts

*In addition to the Equity Program components a CBA is required and is a voter approved tax.*

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## One Time Funds

| Business Type/Recommended Donation Amount Per Business | Number           | One Time Revenue   |
|--------------------------------------------------------|------------------|--------------------|
| Retailer - \$250,000                                   | 8                | \$2Million         |
| Manufacturer - \$25,000                                | 5                | \$125,000          |
| Distributor - \$25,000                                 | 3                | \$75,000           |
| Testing Lab - \$50,000                                 | 0 - at this time | -                  |
| Cultivation - To be Determined                         | 0 - at this time | -                  |
| <b>Total</b>                                           |                  | <b>\$2,200,000</b> |

- Total funds anticipated to be \$2.2 Million
- One time funds flexible for use
- Funds proposed to be allocated to:
  - Property based improvement district creation (\$75k-\$100k) and implementation (cost varies)
  - Renovation of 1550 Camino Del Sol, Multi-Service Building



9

## Donation of 1% annual gross revenue

- Anticipated to be \$373,200

| Business Type | Number | Average Gross Receipts | Total Gross Receipts | Contribution Rate | Total Revenue    |
|---------------|--------|------------------------|----------------------|-------------------|------------------|
| Retailer      | 8      | \$2,665,000            | \$21,320,000         | 1.0%              | \$213,200        |
| Manufacturer  | 5      | \$2,000,000            | \$10,000,000         | 1.0%              | \$100,000        |
| Distributor   | 3      | \$2,000,000            | \$6,000,000          | 1.0%              | \$60,000         |
| Testing Lab   | 0      | -                      | \$0                  | 1.0%              | \$0              |
| Cultivation   | 0      | -                      | \$0                  | 1.0%              | \$0              |
| <b>Total</b>  |        |                        | <b>\$37,320,000</b>  |                   | <b>\$373,200</b> |

- **Ideas initially suggested for the \$373,200:**
  - South Oxnard Commercial Façade improvement grant
  - Business Grants & Loans targeted to low income areas
  - Grants Making for the benefit of Oxnard residents
  - Homeless Services and programs
- **Dividing funds equally amongst four programs:**
  - \$93,000 to each program, minus program admin costs
  - Positive impact of funds for programs reduced
- **Recommendation:**
  - Allocate all funds to Homeless Services for next 10 years; re-evaluate allocation in 5 years

11

## Community Benefit Agreement (CBA)

- Cannabis Application Procedures Guidelines requires CBA.
- Examples of elements may include:
  - Volunteer services, monetary donations to local non-profit organizations, financial support of City sponsored activities or organizations, in kind donations/ charitable organizations and/or any other economic incentives to the City.
- CBA required in the permit process (SUP/DDR).
- CBA requirement is common in other jurisdictions.

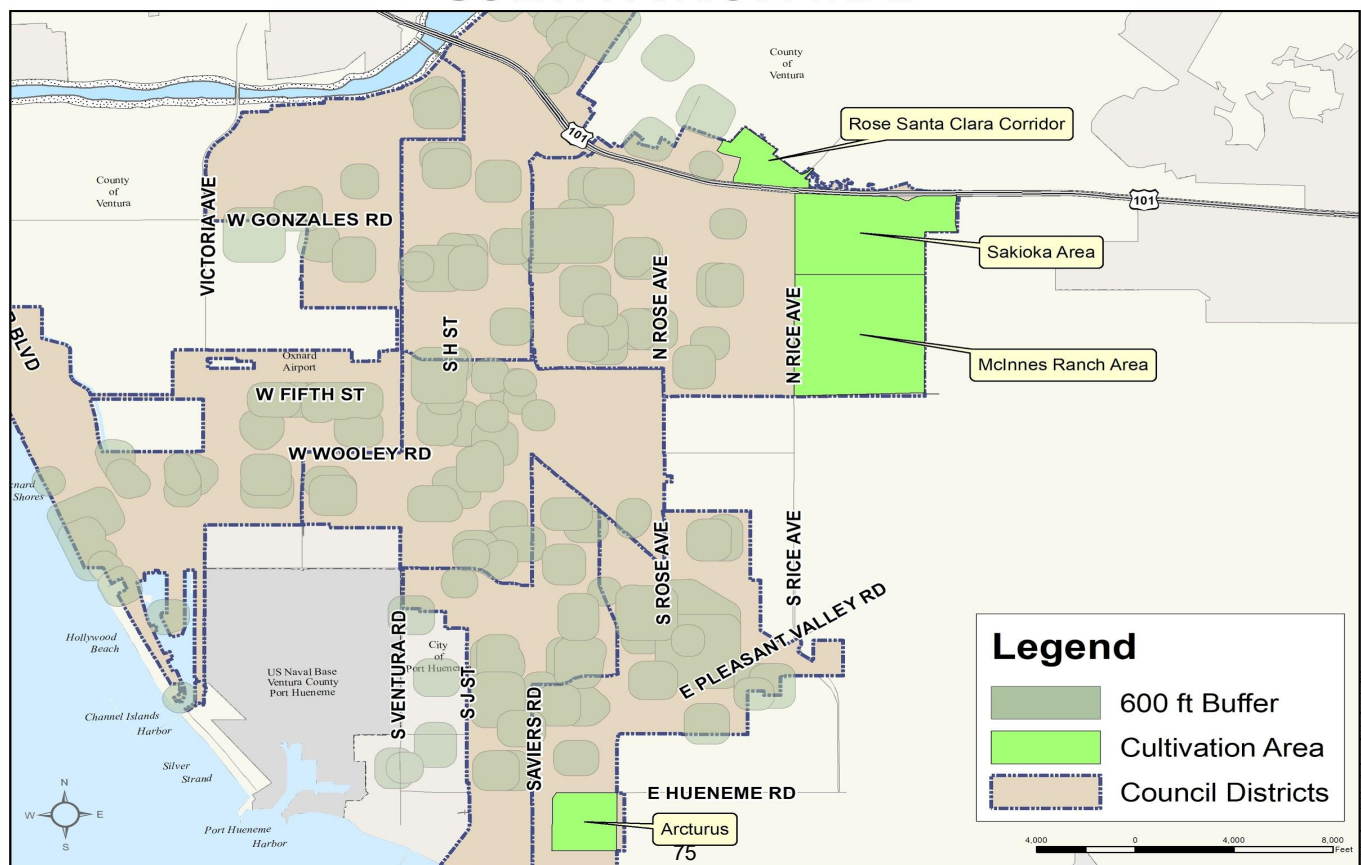


- October 2018: Council considered land use maps to consider cannabis locations throughout the City.
- Council reviewed cultivation map but did not direct the development of a cultivation ordinance.
- Staff recommends creation of indoor cultivation ordinance with consideration to odor, water, energy, sustainability, and safety needs and goals.
- Based HdL's 2018 market analysis it is envisioned that the City could accommodate up to two cultivators.
- Based upon data from 2018 voter tax rate anticipated revenue to the City is between \$224,000-\$320,000 annually.

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## Council Endorsed Cannabis Cultivation Areas, Oct. 2018

### CULTIVATION MAP



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Outcome from the September 8, 2020, Housing and Economic Development Committee meeting will be provided during the September 15, 2020 City Council meeting.

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## Recommendation

That the City Council:

1. Provide input and comments on the Oxnard Cannabis Equity Program, with consideration on how to allocate the 1% cannabis equity donation, including programs and recommended percentages; and
2. Provide input on advancing a cannabis cultivation ordinance.





**QUESTIONS?**



**CITY COUNCIL AGENDA REPORT**  
**REPORTS**  
**AGENDA ITEM NO. K.2**

**DATE:** September 15, 2020

**TO:** City Council

**FROM:** Alexander Nguyen, City Manager, (805) 385-7430, alexander.nguyen@oxnard.org

**SUBJECT:** State Water Resources Control Board Approval of the Ormond Beach Generating Station Three-Year Extension, Triggering the Process for the City of Oxnard and GenOn to Establish the \$25M Trust Fund with the Ventura County Community Foundation (VCCF) to Dismantle the Power Plant, and Continue the Effort to Achieve the Ormond Beach Restoration and Access Plan. (10/5/5)

**RECOMMENDATION**

That the City Council receive and file the update on the effort to dismantle the Ormond Beach Power Plant and effort to achieve the Ormond Beach Restoration and Access Plan.

**BACKGROUND**

On January 21, 2020, the City Council approved the agreement between the City and GenOn, owner of the Ormond Beach Generating Station (power plant) to address demolition and cleanup of the power plant once plant operations cease. This agreement hinged on approval by the State Water Resources Control Board of a three-year extension for plant operation.

The basic framework of the "Agreement for Demolition and Remediation of the Ormond Beach Generating Station" requires GenOn to demolish much of the OBGS facility, and GenOn contributing \$25M to a fund to be held in trust by the VCCF for demolition and other site remediation work. Contributions to the Trust Fund would be based on the level of "Resource Adequacy" or other market-based power generation contracts (RA Contracts) GenOn receives beginning in 2021.

Under the Agreement, the City commits to:

- Withdraw its opposition in the CPUC to a Once-Through-Cooling (OTC) extension for OBGS, and support GenOn's efforts to modify the CPUC decision to allow OBGS operations through 2023.
- Support regulatory objectives to increase the chance that GenOn will obtain Resource Adequacy (RA) Contracts for operations through 2023.
- Work to secure support for the objectives of the Agreement.
- Work with GenOn to obtain additional available public or private funding for the Trust Fund and post-demolition work.
- Work with GenOn on a plan for post-demolition ownership and use of the OBGS site.

GenOn's obligations include:

- Demolition of the OBGS facility.

- Remediation of soil and groundwater at the site.
- Financial contributions up to \$25 Million to the Trust Fund, depending on length of RA Contracts. (If demolition and remediation costs exceed the Trust Fund balance, GenOn must fund the remainder of the work.)

The timeline for completing demolition and remediation work ranges from 2025 (if GenOn receives RA Contracts for 2021, 2022, and 2023) to 2027 (if GenOn receives RA Contracts for only 2021, non-market contracts for post-2020 operations, or no contracts at all). However, the timeline could be extended if State regulators require OBGS to operate beyond 2023 for the sake of California's electric grid reliability.

## DISCUSSION

On September 01, 2020, Councilmember Vianey Lopez, Councilwoman Gabriela Basua, Mayor Pro Tem Carmen Ramirez, and Mayor Tim Flynn testified at the State Water Resources Control Board hearing to represent Oxnard's interests and advocate for the community of South Oxnard. The Board approved.

Now that the State Water Resources Board has approved the extension, our deal with GenOn is live; hence we have another major piece of the Ormond Beach puzzle in place -- after half a century, there is a funding plan to dismantle the power plant and remove it from Ormond Beach.

The Ormond Beach Partners – the State Coastal Conservancy, City of Oxnard, and The Nature Conservancy -- have been working together on the Ormond Beach Restoration and Access Plan (OBRAP) Preferred Alternative in order to move forward with public outreach to the community in early 2021, and complete the necessary steps that would enable the start of the restoration project.

In the next three years we have to work to fit this “plant dismantling trust fund” piece of the puzzle together with existing efforts of the Ormond Beach Partners, to fully restore, preserve, and enhance Ormond Beach, inclusive of the adoption of the OBRAP. The following is brief summary of the next steps:

1. OBRAP Preferred Alternative public outreach (early 2021).
2. Form, or select, a long term entity (such as an Oxnard Ormond Beach Conservancy) to acquire and oversee management of Ormond Beach (properties owned by the Ormond Beach Partners).
3. Environmental review process for the project (California Environmental Quality Act).
4. Complete OBRAP, including engineering plans.
5. Agency permitting of the OBRAP.
6. Commence restoration work (Fiscal Year 2024-2025).

During this same time period, the City will:

1. Establish the Trust Fund at the Ventura County Community Foundation to dismantle the power plant.
2. Begin the process to amend the Local Coastal Plan, General Plan, and zoning to make the power plant land consistent with the surrounding area to support the restoration and access plans.
3. Environmental review and clearance for dismantling the site.
4. Obtain demolition permits to dismantle the power plant including approvals from: Southern California Edison, Southern California Gas Company, Ventura County Air Pollution Control District, Certified Unified Program Agency (CUPA), and local utilities such as sewer, water, and so on.

Staff will bring updates and seek Council direction throughout this process via the Public Works and Transportation Committee.

## STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and

Natural Resources strategy is to establish, preserve and improve our infrastructure and natural resources through effective planning, prioritization, and efficient use of available funding. This item supports the following goals and objectives:

Goal 5. Ensure orderly development and long-range conservation and management of our natural resources and coastal assets.

Objective 5a. Develop and implement a sustainability program.

Objective 5b. Protect ocean and waterways.

### **FINANCIAL IMPACT**

There is no financial impact with the demolition of the structures.

### **COMMITTEE OUTCOME**

This item did not originate in Committee.

*Prepared by: Alexander Nguyen, City Manager*

### **ATTACHMENTS**

1. \$25M Trust Fund to Dismantle Ormond Beach Power Plant 9.15.20 Presentation

# \$25M Trust Fund to Dismantle Ormond Beach Power Plant

9/15/20



## MONUMENTS TO THE 20<sup>TH</sup> CENTURY



Delta Energy Center - 2016



Encina Power Plant - 2017



Gateway Generating Station - 2013



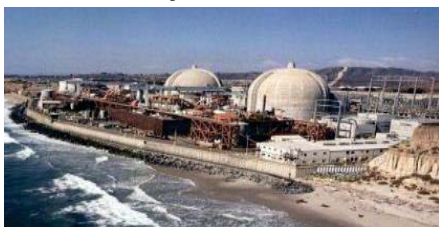
Humboldt Bay Power Plant - 2010



Morro Bay Power Plant - 2014



Potrero Generating Station - 2011



San Onofre Nuclear Generating  
Station - 2012



Daggett SCE Coal Water  
Gasification Plant - 1998

# RECLAIMING ORMOND BEACH



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## THE DEAL

### CITY'S COMMITMENTS

- Withdraw its opposition in the CPUC to an OTC extension for OBGS, and support GenOn's efforts to modify the CPUC decision to allow OBGS operations through 2023
- Support regulatory objectives to increase the chance that GenOn will obtain a RA Contracts for operations through 2023
- Work to secure support for the objectives of the agreement
- Work with GenOn to obtain additional available public or private funding for the Trust Fund and post-demolition work
- Work with GenOn on a plan for post-demolition ownership and use of the OBGS site

### GENON'S COMMITMENTS

- Demolition of the OBGS facility
- Remediation of soil and groundwater at the site
- Financial contributions up to \$25M to the Trust Fund, depending on lengths of RA contracts
  - If demolition and remediation costs exceed the Trust Fund balance, GenOn must fund the remainder of the work



# ORMOND BEACH RESTORATION PROJECT

**the job/department**

**CITY MANAGER IS AN AT-WILL POSITION** appointed by the City Council. This position serves as the top administrative officer of the City of Oxnard. Responsibilities include comprehensive management and leadership for the organization, including city development and interpretation, administration of programs, processes, policies, and oversight of a total budget of \$414 million and over 1,350 employees. The position oversees all phases of city operations while engaging and working closely with constituents, businesses and City Council members.

**CHALLENGES / OPPORTUNITIES**

- Oxnard has a small-town atmosphere but is a big older city (founded in 1903) and has some big city problems, like many cities in California.
- Finance improvements to aging infrastructure.
- Implement water supply sustainability programs, including a state of the art recycled water facility.
- Create opportunities to provide affordable housing, reduce poverty and alleviate homelessness.
- ▶ Lead the Ormond Beach Restoration Project, considered by wetland experts to be the most important wetland restoration opportunity in southern California.
- ▶ Spearhead the revitalization of the Historic Downtown District.
- ▶ Improve opportunities for all, including Oxnard's youth, to thrive and develop their potential.

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## STATE WATER RESOURCES CONTROL BOARD HEARING

September 01, 2020

- Councilmember Vianey Lopez
- Councilwoman Gabriela Basua
- Mayor Pro Tem Carmen Ramirez
- Mayor Tim Flynn

Testified at the State Water Resources Control Board hearing;

The Board approved!

## NEXT STEPS

### **Ormond Beach Restoration and Access Plan (OBRAP)**

The Ormond Beach Partners – the State Coastal Conservancy, City of Oxnard, and The Nature Conservancy.

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## NEXT STEPS CONTINUED

1. OBRAP Preferred Alternative public outreach (early 2021).
2. Form, or select, a long term entity (such as an Oxnard Ormond Beach Conservancy) to acquire and oversee management of Ormond Beach (properties owned by the Ormond Beach Partners).
3. Environmental review process for the project (California Environmental Quality Act).
4. Complete OBRAP, including engineering plans.
5. Agency permitting of the OBRAP.
6. Commence restoration work (Fiscal Year 2024-2025).



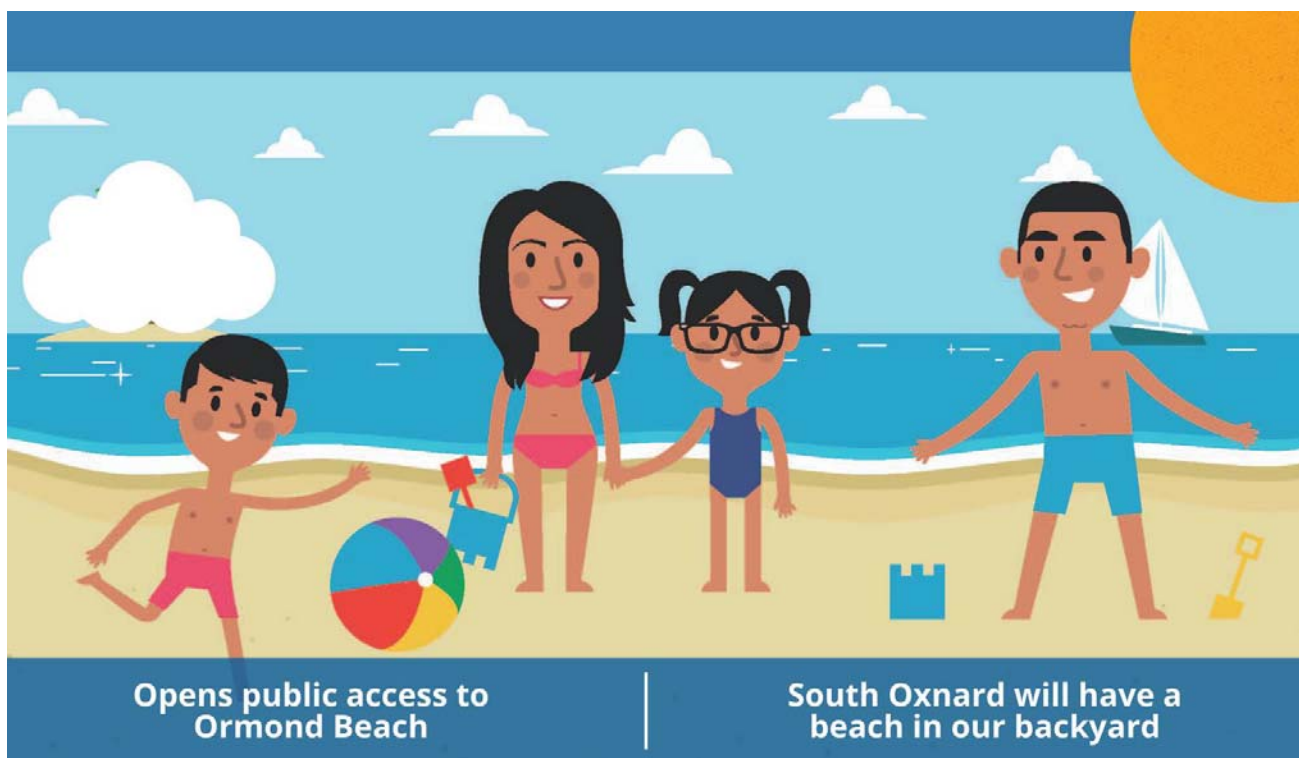
## NEXT STEPS CONTINUED

During this same time period, the City will:

1. Establish the Trust Fund at the Ventura County Community Foundation to dismantle the power plant.
2. Begin the process to amend the Local Coastal Plan, General Plan, and zoning to make the power plant land consistent with the surrounding area to support the restoration and access plans.
3. Environmental review and clearance for dismantling the site.
4. Obtain demolition permits to dismantle the power plant including approvals from: Southern California Edison, Southern California Gas Company, Ventura County Air Pollution Control District, Certified Unified Program Agency (CUPA), and local utilities such as sewer, water, and so on.

9

## RECLAIMING ORMOND BEACH





**CITY COUNCIL AGENDA REPORT**  
**REPORTS**  
**AGENDA ITEM NO. K.3**

**DATE:** September 15, 2020

**TO:** City Council

**FROM:** Alexander Nguyen, City Manager, (805) 385-7430, alexander.nguyen@oxnard.org

**SUBJECT:** Informational Presentation regarding Measure E: "Funding for Services Like Oxnard 911 Safety, Medical Response, Financial Recovery and Accountability Measure," a local 1.5 cent sales tax to collect funds to be used only for Oxnard. (30/20/40)

**RECOMMENDATION**

That the City Council receive a public information presentation regarding the Measure E transactions and use (sales) tax measure on the November 3, 2020 ballot ("Funding for Services Like Oxnard 911 Safety, Medical Response, Financial Recovery and Accountability Measure, a local 1.5 cent sales tax to collect funds to be used only for Oxnard").

**BACKGROUND**

On July 7, 2020, the Oxnard City Council unanimously placed Measure E on the November 2020 ballot for voter consideration. If enacted, Measure E would impose a locally controlled 1.5 cent sales tax.

If approved, Measure E could also be used for recovery and relief, and community- identified priorities including:

- Help maintain 911 emergency response times
- Fund fire stations
- Address homelessness
- Improve financial accountability and require public disclosure of all spending
- Retain and attract local businesses and jobs
- Aid Oxnard's long-term financial stability
- Keep public areas safe and clean

Measure E requires all funds to be used in Oxnard and also requires independent annual audits and public disclosure of spending to ensure funds are spent properly. All audits and spending reports will be available on the City website. Measure E would be a general sales tax paid for by residents, visitors, and workers in the City of Oxnard. All proceeds from the tax would go to the City's General Fund and would be available for any municipal purpose. To be adopted, Measure E must be approved by a simple majority of the voters.

Additional information regarding Measure E is available at: <https://www.oxnard.org/MeasureE>.

**STRATEGIC PRIORITIES**

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to build relationships and create opportunities within the community for safe and vibrant neighborhoods, which will showcase the promising future of Oxnard. This item supports the following goals and objectives:

Goal 1. Improve community safety and quality of life through a combination of prevention, intervention, and suppression efforts that address crime and underlying issues.

Goal 2. Address homelessness through the development and implementation of a multi-tiered strategy.

Objective 3a. Create a renewed focus on establishing a positive outlook and orientation of our City, neighborhoods and overall community.

Objective 3c. Improve our methods of communicating with residents, businesses and neighborhoods (e.g. leverage social media and tools like Nextdoor).

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to strengthen and stabilize the organizational foundation of the City in the areas of Finance, Information Technology, and Human Resources, and to improve workforce quality while increasing transparency to the public. This item supports the following goals and objectives:

Goal 1. To help foster a healthy and accountable corporate foundation by strengthening the support functions of the organization, which include Finance, Information Technology and Human Resources.

Goal 2. Increase transparency with Council, community and staff related to the City's budget and financial management processes.

Objective 2b. Prepare Quarterly Budget Updates and have month-end financial reports available via City's Website.

Objective 2c. Create a standardized template to present financial and other data to the general public.

## **FINANCIAL IMPACT**

There is no financial impact.

## **COMMITTEE OUTCOME**

This item did not originate in Committee.

*Prepared by: Alexander Nguyen, City Manager*

## **ATTACHMENTS**

1. 9.15.20\_Measure E City Council Presentation



# MEASURE E

**FUNDING FOR SERVICES LIKE OXNARD 911 SAFETY, MEDICAL RESPONSE, FINANCIAL RECOVERY AND ACCOUNTABILITY MEASURE**

**September 15, 2020**



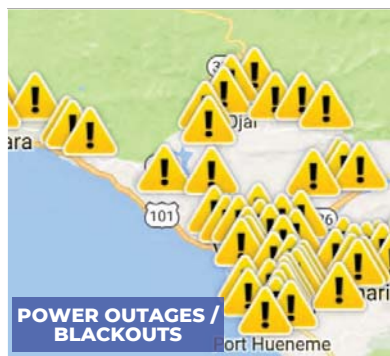
## MEASURE E

### **FUNDING FOR SERVICES LIKE OXNARD 911 SAFETY/MEDICAL RESPONSE, FINANCIAL RECOVERY/ACCOUNTABILITY MEASURE**

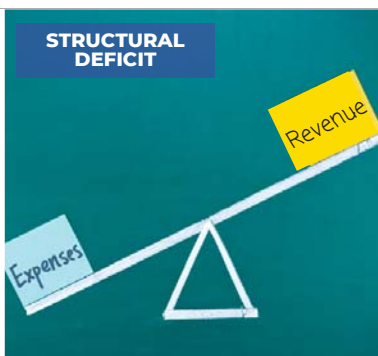
Shall an ordinance establishing 1 ½¢ sales tax to help maintain 911 emergency response times, natural disaster, public health/emergency preparedness; fund fire stations; address homelessness; attract /retain local businesses /jobs; keep public areas safe/clean; aid Oxnard's long-term financial stability; fund general services/infrastructure; requiring annual audits, public disclosure of all spending; providing \$40,000,000 annually until ended by voters, used only for Oxnard, be adopted?

YES

NO



POWER OUTAGES / BLACKOUTS



STRUCTURAL DEFICIT



FIRES



CORONAVIRUS PANDEMIC



## Fiscal Sustainability in the City in an Era of Multiple Emergencies



HOMELESS CRISIS



CA HOUSING CRISIS



EARTHQUAKE



RECESSION

## Pre- and Post-Pandemic Budget Impacts

WARNING: Estimates subject to changes

**FY 2019-2020  
PROJECTED  
-\$2M  
GENERAL FUND  
OPERATING DEFICIT**

**PRE-  
PANDEMIC**

**CORONAVIRUS  
BUDGET IMPACTS**

**FY 2019-2020  
-\$8.4M  
LOSS IN REVENUE**

**FY 2020-2021  
-\$8.1M  
LOSS IN REVENUE**

**POST-  
PANDEMIC**



**STABILITY**

**FY 2019-2020**

- Made tough choices
- \$5.3 million in permanent, ongoing budget cuts
- Staff prepared to propose a "status quo" budget for Fiscal Year 2020-2021



**RECESSION**

**FY 2019-2020**

- Coronavirus craters City revenues
- Halts all progress



**RECOVERY**

**FY 2020-2021**

- Projected revenue losses continue
- Many unknowns
- Use of General Fund reserves

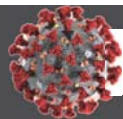


### BUDGET SUSTAINABILITY

- Fully staffed public safety services
- Properly maintained medians and trees
- Properly maintained parks
- Maintain 911 emergency response times
- Timely road maintenance
- Improving ability to respond quickly to natural disasters



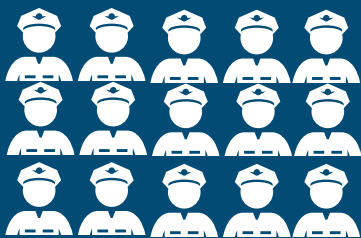
## Public Welfare, Health & Safety



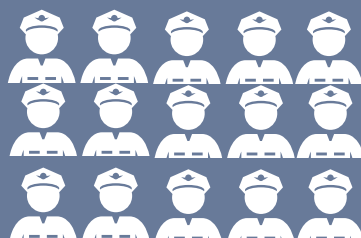
### CORONAVIRUS: STAFFING IMPACTS

Oxnard PD's patrol staffing is so critically low that a COVID-19 outbreak would cause nearly a one for one O.T. shift for every absence

#### SHIFT 1



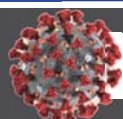
#### SHIFT 2



#### SHIFT 3



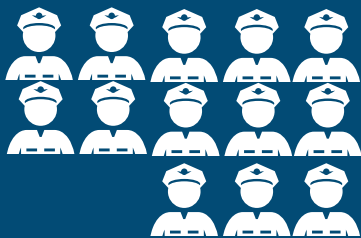
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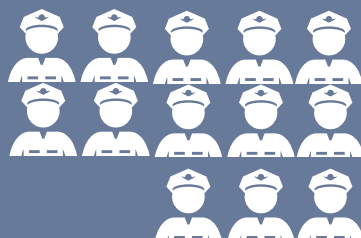
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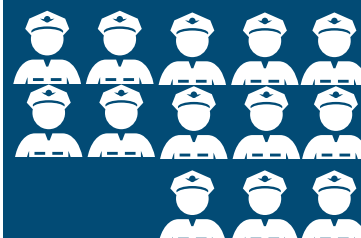
#### SHIFT 1



#### SHIFT 2



#### SHIFT 3



#### Coronavirus Two Week Quarantine



# Year-Over-Year Budget Cuts: 2015 - 2020



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## Budget Forecast - General Fund

Draft as of 6.22.20

|                                                       |  | Budget Forecast - General Fund       |                                     |                               |                      |                      |                      |                      |
|-------------------------------------------------------|--|--------------------------------------|-------------------------------------|-------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                                       |  | FY 2019-20<br>Pre-COVID<br>Estimated | FY 2019-20<br>Estimated<br>Year-End | FY20-21<br>PROPOSED<br>BUDGET | FY21-22<br>PROJECTED | FY22-23<br>PROJECTED | FY23-24<br>PROJECTED | FY24-25<br>PROJECTED |
| General Fund (\$ in Million)                          |  | Year-End                             | POST-COVID                          |                               |                      |                      |                      |                      |
| Property Tax                                          |  | 59.1                                 | 57.0                                | 61.2                          | 62.2                 | 63.8                 | 65.7                 | 67.7                 |
| Sales Tax                                             |  | 33.2                                 | 29.8                                | 29.9                          | 31.1                 | 32.6                 | 34.0                 | 35.4                 |
| Other Revenue                                         |  | 48.1                                 | 45.3                                | 43.8                          | 43.4                 | 44.1                 | 44.9                 | 45.7                 |
| <b>Total Revenue</b>                                  |  | <b>140.5</b>                         | <b>132.0</b>                        | <b>135.0</b>                  | <b>136.7</b>         | <b>140.6</b>         | <b>144.6</b>         | <b>148.8</b>         |
| <b>% Change of Revenue</b>                            |  |                                      |                                     | <b>2%</b>                     | <b>1%</b>            | <b>3%</b>            | <b>3%</b>            | <b>3%</b>            |
| Staff (exclude Pension)                               |  | 87.6                                 | 87.6                                | 87.6                          | 90.8                 | 94.1                 | 97.7                 | 101.3                |
| Pension                                               |  | 15.3                                 | 15.3                                | 15.2                          | 16.7                 | 17.9                 | 19.1                 | 20.2                 |
| Other O&M                                             |  | 33.4                                 | 33.4                                | 32.0                          | 31.2                 | 32.0                 | 32.8                 | 33.6                 |
| Debt Service                                          |  | 6.2                                  | 6.2                                 | 6.1                           | 6.0                  | 6.0                  | 6.0                  | 6.1                  |
| <b>Total Expenditures</b>                             |  | <b>142.4</b>                         | <b>142.4</b>                        | <b>140.8</b>                  | <b>144.7</b>         | <b>150.1</b>         | <b>155.5</b>         | <b>161.2</b>         |
| <b>% Change of Expense</b>                            |  |                                      |                                     | <b>-1%</b>                    | <b>3%</b>            | <b>4%</b>            | <b>4%</b>            | <b>4%</b>            |
| <b>Net Annual Operating</b>                           |  | <b>(2.0)</b>                         | <b>(10.4)</b>                       | <b>(5.8)</b>                  | <b>(7.9)</b>         | <b>(9.5)</b>         | <b>(10.9)</b>        | <b>(12.3)</b>        |
| <b>Beginning Balance</b>                              |  | <b>19.6</b>                          | <b>19.6</b>                         | <b>9.2</b>                    | <b>3.4</b>           | <b>3.4</b>           | <b>3.4</b>           | <b>3.4</b>           |
| <b>MO Anticipated Deficit Transfer</b>                |  |                                      |                                     |                               | <b>(.5)</b>          | <b>(1.5)</b>         | <b>(1.0)</b>         | <b>(.7)</b>          |
| <b>Required Budget Cuts to sustain \$3.4M reserve</b> |  |                                      |                                     |                               | <b>(8.5)</b>         | <b>(10.9)</b>        | <b>(11.9)</b>        | <b>(13.0)</b>        |
| <b>Ending Balance</b>                                 |  | <b>17.6</b>                          | <b>9.2</b>                          | <b>3.4</b>                    | <b>3.4</b>           | <b>3.4</b>           | <b>3.4</b>           | <b>3.4</b>           |
| <b>Projected Operating Reserve</b>                    |  | <b>12.4%</b>                         | <b>6.5%</b>                         | <b>2.4%</b>                   | <b>2.3%</b>          | <b>2.2%</b>          | <b>2.2%</b>          | <b>2.1%</b>          |
| Reserve Target                                        |  | 17.1                                 | 17.1                                | 16.9                          | 17.4                 | 18.0                 | 18.7                 | 19.3                 |
| <b>Above/ (Below) Reserve Target</b>                  |  | <b>.5</b>                            | <b>(7.9)</b>                        | <b>(13.5)</b>                 | <b>(14.0)</b>        | <b>(14.6)</b>        | <b>(15.3)</b>        | <b>(16.0)</b>        |

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# Budget Forecast - Measure O

## Budget Forecast - Measure O

Draft as of 6.22.20

| Measure O (\$ in Million)                                                           | FY19-20      | FY20/21        |              |              |              |             |
|-------------------------------------------------------------------------------------|--------------|----------------|--------------|--------------|--------------|-------------|
|                                                                                     | DEPARTMENT   | DEPARTMENT     |              |              |              |             |
|                                                                                     | YEAR-END     | ESTIMATE (Post |              |              |              |             |
|                                                                                     | CITY COUNCIL | PROPOSED       | FY21-22      | FY22-23      | FY23-24      | FY24-25     |
|                                                                                     | Update)      | BUDGET         | PROJECTED    | PROJECTED    | PROJECTED    | PROJECTED   |
| Sales Tax                                                                           | 13.5         | 13.2           | 14.4         | 15.0         | 15.7         | 16.3        |
| Other Revenue                                                                       | 2.1          | 2.1            | 1.9          | 1.9          | 1.9          | 1.9         |
| <b>Total Revenue</b>                                                                | <b>15.5</b>  | <b>15.2</b>    | <b>16.2</b>  | <b>16.9</b>  | <b>17.6</b>  | <b>18.2</b> |
| <b>% Change of Revenue</b>                                                          |              | -2%            | 6%           | 4%           | 4%           | 4%          |
| Personnel                                                                           | 8.5          | 8.3            | 8.6          | 8.9          | 9.3          | 9.7         |
| Debt Service                                                                        | 3.8          | 3.6            | 3.6          | 3.7          | 3.4          | 3.2         |
| Other O&M                                                                           | 7.5          | 5.5            | 5.6          | 5.7          | 5.8          | 5.9         |
| Capital Equipment & Projects                                                        | 1.5          | .1             | .1           | .1           | .1           | .1          |
| <b>Total Expenditures</b>                                                           | <b>21.3</b>  | <b>17.5</b>    | <b>17.9</b>  | <b>18.4</b>  | <b>18.6</b>  | <b>18.9</b> |
| <b>% Change of Expense</b>                                                          |              | -18%           | 2%           | 3%           | 1%           | 2%          |
| <b>Net Annual Operating</b>                                                         | <b>(5.8)</b> | <b>(2.2)</b>   | <b>(1.7)</b> | <b>(1.5)</b> | <b>(1.0)</b> | <b>(.7)</b> |
| Beginning Balance                                                                   | 12.3         | 6.5            | 1.2          | (.0)         | (.0)         | (.0)        |
| Estimated Multi-year Projects Carryover                                             |              | 3.1            |              |              |              |             |
| <b>Required Budget Cut or General Fund Subsidy to avoid negative ending balance</b> |              |                | <b>5</b>     | <b>1.5</b>   | <b>1.0</b>   | <b>.7</b>   |
| <b>Ending Balance</b>                                                               | <b>6.5</b>   | <b>1.2</b>     | <b>(.0)</b>  | <b>(.0)</b>  | <b>(.0)</b>  | <b>(.0)</b> |

9

## Fiscal Sustainability Factors

### Expenses > Revenue

- Staff Salaries/Benefits
- Pensions
- Supplies/Equipment
- Debt Service

### Economic Development

- Enhance Business Revenue

### COMPETITION

- Talent
- Businesses
- Residents

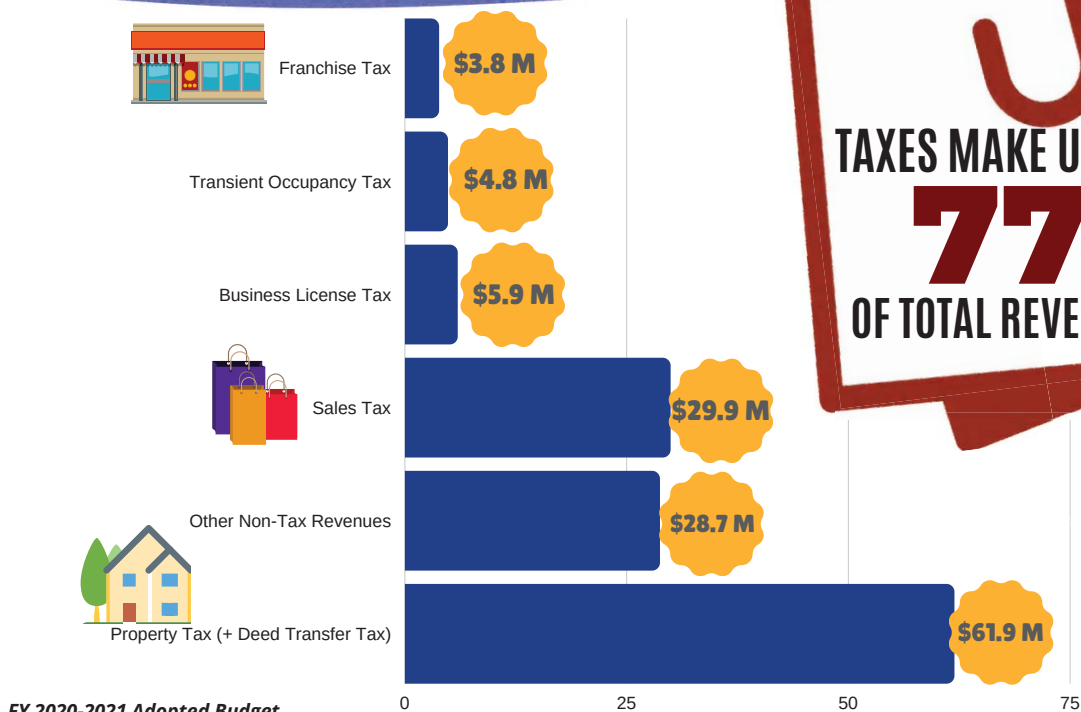
### Deepen Cuts

### Right Size Tax Revenue

10



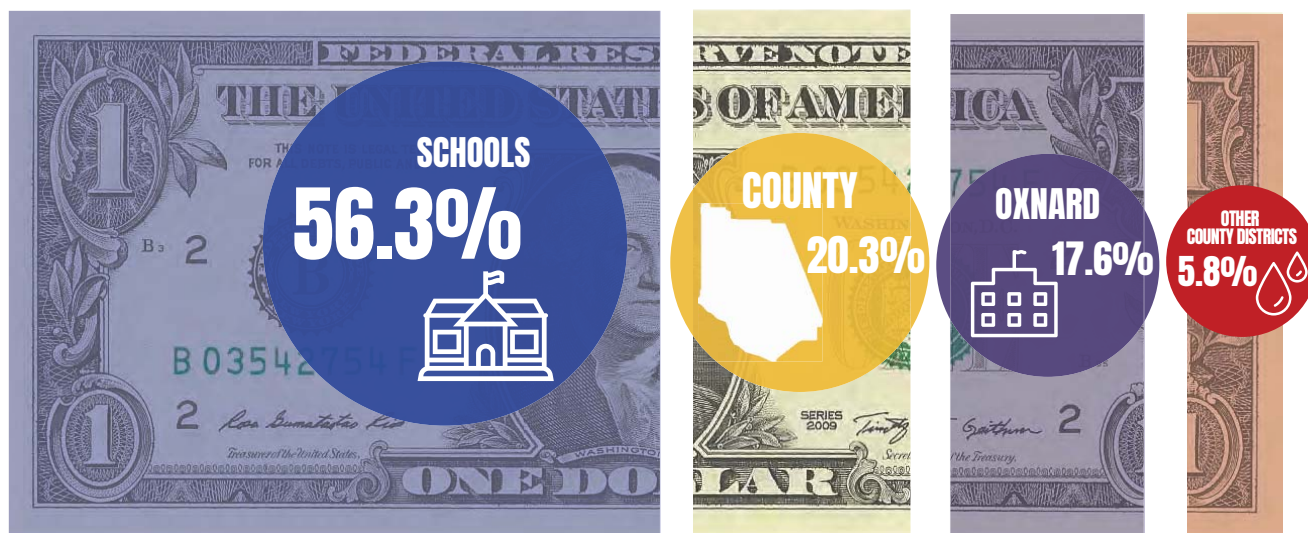
# How Local Government is Funded



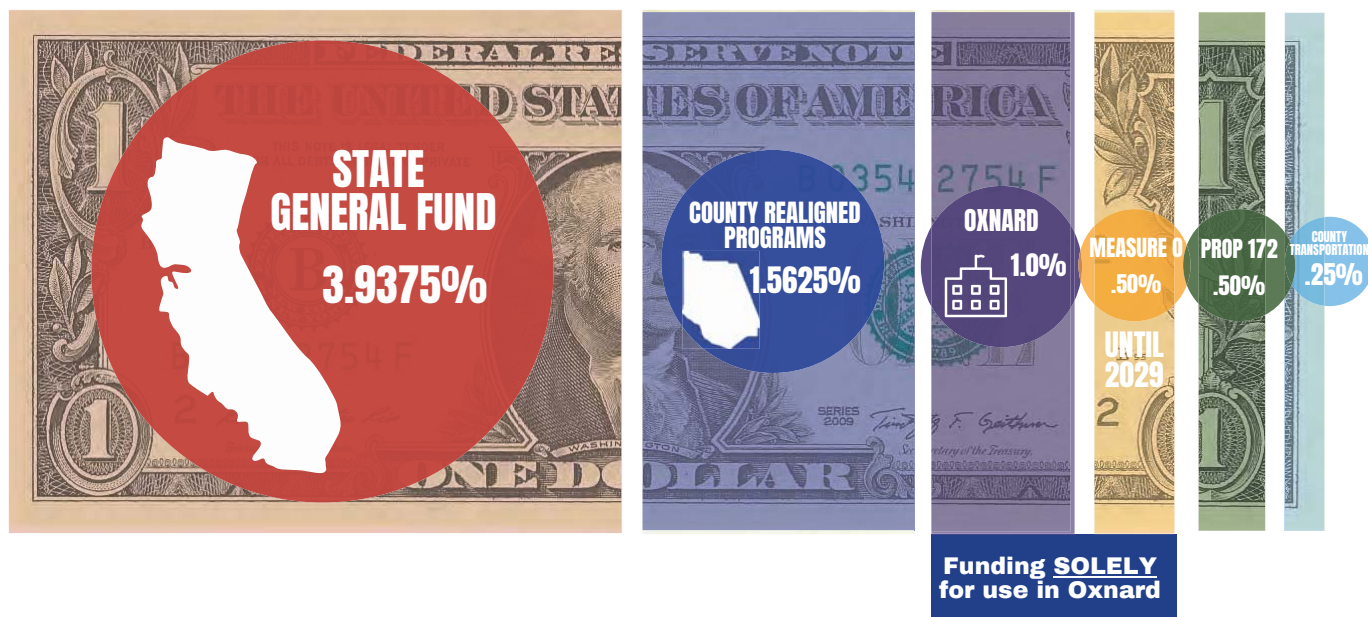
FY 2020-2021 Adopted Budget

11

## WHERE DO YOUR PROPERTY TAXES GO IN OXNARD?



# WHERE DO YOUR SALES TAXES CURRENTLY GO IN OXNARD?



13

## ALLOWABLE SALES TAX RATES



### State of California

#### Tax Brackets for All Incorporated Cities

**Maximum is 10.25**

|                |                   |
|----------------|-------------------|
| <b>10.00 +</b> | <b>42 cities</b>  |
| <b>9.00 +</b>  | <b>127 cities</b> |
| <b>8.00 +</b>  | <b>133 cities</b> |
| <b>7.25 +</b>  | <b>180 cities</b> |

**Minimum is 7.25**

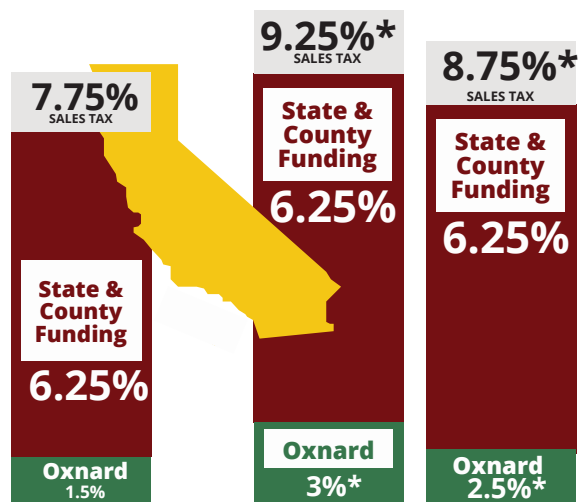
Source: State of California City & County Sales & Use Tax Rates (effective July 1, 2020)

14

# Where would Measure E money go?

## Measure E funds will remain local for Oxnard

Oxnard currently receives only 1.5% of sales tax revenues



\*Will change to 8.75% when Measure O expires and the City will receive 2.5%

- Measure E funds would help keep Oxnard self-reliant in the event of any future medical or catastrophic emergency
- Measure E funds cannot be taken by the County, State or Federal governments
- Measure E funds can only be used for and by the City of Oxnard, and contribute to the General Fund

15



## FREQUENTLY ASKED QUESTIONS REGARDING

## MEASURE E

16



# Why do we need a higher sales tax than Thousand Oaks or Camarillo?

|                                                                                   |  |  |                                                                                   |  |  |                                                                                     |  |  |
|-----------------------------------------------------------------------------------|--|--|-----------------------------------------------------------------------------------|--|--|-------------------------------------------------------------------------------------|--|--|
|  |  |  |  |  |  |  |  |  |
| INCORPORATION                                                                     |  |  |                                                                                   |  |  |                                                                                     |  |  |
| 1903                                                                              |  |  | 1964                                                                              |  |  | 1964                                                                                |  |  |
| POPULATION                                                                        |  |  |                                                                                   |  |  |                                                                                     |  |  |
| 208,881                                                                           |  |  | 126,813                                                                           |  |  | 69,888                                                                              |  |  |
| MEDIAN HOME VALUE                                                                 |  |  |                                                                                   |  |  |                                                                                     |  |  |
| \$427,900                                                                         |  |  | \$695,400                                                                         |  |  | \$578,100                                                                           |  |  |
| TAXABLE PROPERTY VALUE                                                            |  |  |                                                                                   |  |  |                                                                                     |  |  |
| \$96,536<br>per capita                                                            |  |  | \$240,061<br>per capita                                                           |  |  | \$187,634<br>per capita                                                             |  |  |
| SALES TAX                                                                         |  |  |                                                                                   |  |  |                                                                                     |  |  |
| 1.5% generates<br>\$232<br>per capita                                             |  |  | 1% generates<br>\$247<br>per capita                                               |  |  | 1% generates<br>\$219<br>per capita                                                 |  |  |

Source: U.S. Census Estimates (7/1/19)  
and City Financial Reports

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## Proposed Measure E Spending

The City Manager would recommend the following spending priorities to the City Council:

### MAINTAINING 911 SAFETY/ EMERGENCY RESPONSE



- Maintain 911 emergency response times
- Maintain fire protection services
- Restore and possibly increase paramedic squads

### KEEPING PUBLIC SPACES CLEAN AND SAFE



- Proper maintenance of City parks and public spaces
- Restore Neighborhood Police program
- Increase homeless intervention

### RESTORING CITY INFRASTRUCTURE



- Restore proper street paving cycle
- Maintain alleys
- Repair seawalls

### RESTORING LANDSCAPING SERVICES



- Proper maintenance of parkways and medians
- Proper tree trimming cycle
- Proper watering & maintenance of parks

### RETAINING & ATTRACTING LOCAL BUSINESSES & JOBS



- Create new Zócalo in South Oxnard
- Renovate 4th St. between Downtown and train station

### ADDRESSING HOMELESSNESS



- Increase ability to address homelessness in Oxnard
- Help families and residents in transition
- Fund enforcement programs to help get people off of streets and into appropriate housing and support programs

### SECURING LONG-TERM FINANCIAL SUSTAINABILITY



- Replenish the City's financial reserves
- Improve financial accountability & expand transparency
- Improve the City's ability to be self-sufficient and respond quickly and efficiently to natural disasters such as earthquakes and wildfires

### RESTORING YOUTH AND SENIORS PROGRAMS



- Restore youth and senior programs
- Build the Council-approved new Senior Center
- Renovate the multi-service center at Camino del Sol
- Reopen the Carnegie Art Museum

### RECOVERY AND RELIEF



- Improve public health emergency preparedness
- Prepare for emergencies like the COVID-19 outbreak through work with community health service providers

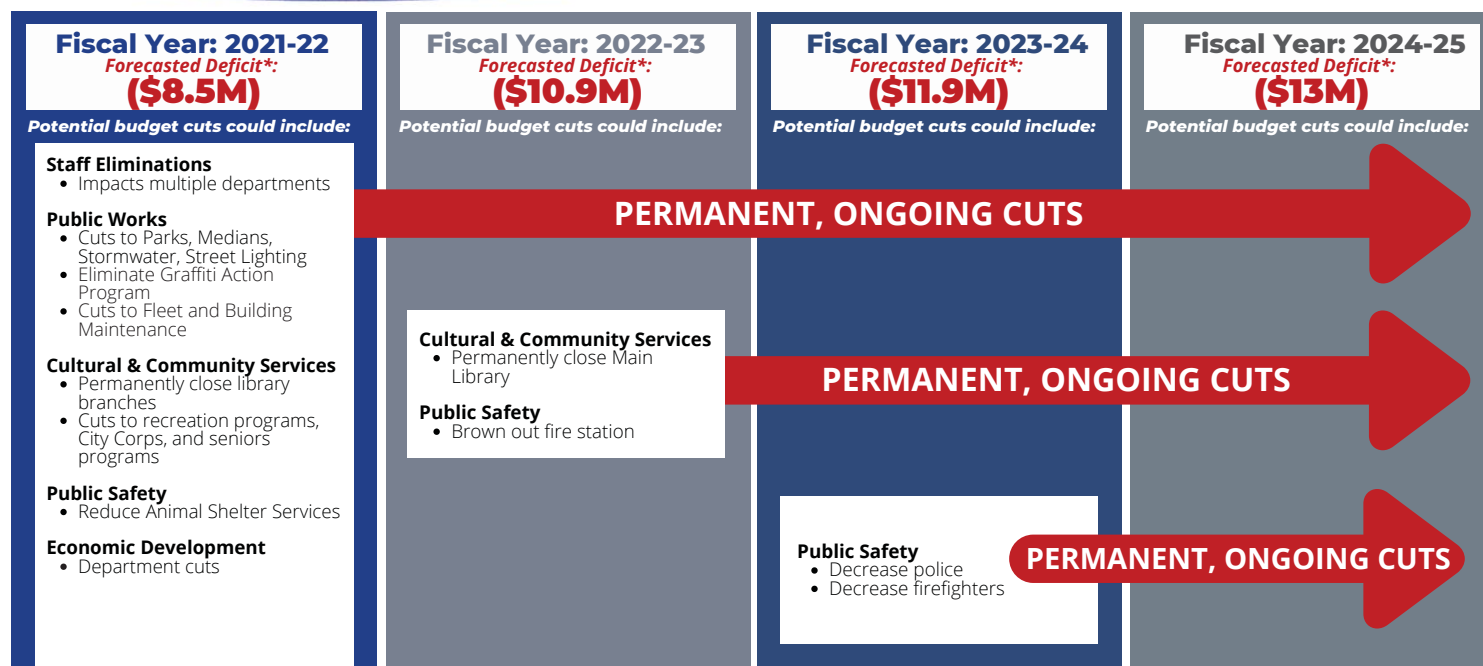
18

# Example of Likely Cuts With No Measure E



19

# Example of Likely City Manager Budget Recommendations



*\*This includes only 3.7% (\$5.1M) in the City's reserves. City's reserve policy is 12% (\$17.7M). **This is not good.***

20

## Example of Items in Front of Us with No Funding



**Seawalls**



**Harbor Water Quality**



**Alleyways**



**Senior Center**



**Zócalo**



**Increased Homeless Intervention**

21

## Will the City misspend Measure E like it did with Measure O?

### MEASURE O TIMELINE

**2008**



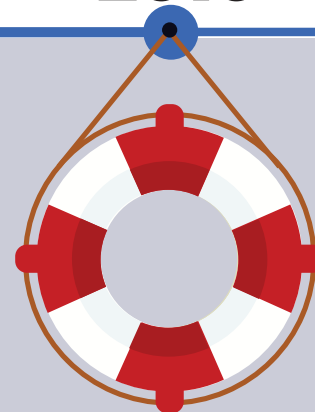
Measure O 1/2 cent sales tax passes during economic recession, offering enhanced City services

**2009**



City impacted by economic recession

**2010**



Measure O becomes a life preserver for the City

22

# Will the City misspend Measure E like it did with Measure O?

## FISCAL YEAR 2018-19

Measure O Funds of \$17.8M were spent on the following Council-approved priorities:



### FIRE DEPARTMENT

Paid for staff; an advanced life support and paramedic program to enhance medical emergency services; handheld radios and emergency equipment; and the operation of Fire Station 8

**Positions Funded:** 21 firefighters

**Total Spent: \$6 million**



### COMMUNITY DEVELOPMENT SERVICES

Paid for the Safe Homes, Safe Families relocation program and staff costs including funding a Code Compliance Inspector; also paid for support staff for the City's Local Coastal Program update

**Total Spent: \$187,000**



### PUBLIC WORKS

Paid for projects including dead tree removal; maintenance of College Park and East Village Park; water quality testing and analysis for the Channel Islands Harbor; tree trimming & maintenance services; purchase of two turf lawn mowers; various parks improvements; enhancement activities at Ormond Beach wetlands; and street repairs

**Total Spent: \$3.9 million**



### CULTURAL & COMMUNITY SERVICES

Paid for a portion of the after school & other recreation/City Corps programs; Police Activities League (PAL) recreation programs; Senior Nutrition Program; Pre-school to You program; Wi-Fi at public libraries; Homework Center at Main Library; Special Needs Program; and a one-time PACC subsidy payment

**Total Spent: \$2.3 million**



### HOUSING

Paid for the start-up & operational costs for a year-round 24-hour homeless shelter facility with medical referrals, social services and mental health services, along with bridge and permanent housing

**Total Spent: \$396,000**



### CITY MANAGER

Paid for the funding for Spanish language interpretation and translation services at City Council meetings; also includes the one-time appropriation for a Downtown Market Study to identify future development potential downtown

**Total Spent: \$78,000**



### POLICE DEPARTMENT

Paid for staff, purchase of new police dispatch consoles, and license plate readers

**Positions funded:** 16 police officers

**Total Spent: \$3.7 million**



### INFORMATION TECHNOLOGY

Paid for the City's emergency 911 computer aided dispatch system (CAD) and police records management (RMS) systems

**Total Spent: \$1 million**



### NON-DEPARTMENTAL

Paid for the Measure O audit and elevator project for City Hall Building 305 which brought elevator up to modern building standards and into compliance with current ADA requirements and State code

**Total Spent: \$245,000**

Visit [www.oxnard.org/finances](http://www.oxnard.org/finances) for more information about Measure O

23

# Can the City be trusted with increased revenue?

## Reforms & Improvements

|                                        |                                            |                                             |                                                |                                                              |                                          |                                          |                                      |                                      |                                                            |
|----------------------------------------|--------------------------------------------|---------------------------------------------|------------------------------------------------|--------------------------------------------------------------|------------------------------------------|------------------------------------------|--------------------------------------|--------------------------------------|------------------------------------------------------------|
| 1<br>Enacted Sunshine Ordinance        | 2<br>Enacted City Council/Committee System | 3<br>Streamlined Permit Review Process      | 4<br>Ending Golf Course Subsidy                | 5<br>Ending PACC Subsidy                                     | 6<br>Museum Closure                      | 7<br>S&P Outlook from Stable to Positive | 8<br>Bond Savings \$400K/yr          | 9<br>PUC Under-ground Credits \$1.7M | 10<br>1st Audit without new material weaknesses since 2014 |
| 11<br>Sakioka Farms across finish line | 12<br>Initiated Oxnard Employee Pipeline   | 13<br>Decrease Homeless Point in Time Count | 14<br>Decrease Violent Crime - 4 Years Running | 15<br>Completed Wastewater Treatment Plant Emergency Repairs | 16<br>Enacted Homeless Camping Ordinance | 17<br>STR Policy Approved                | 18<br>Development Impact Fee Updated | 19<br>Campus Park Grant              | 20<br>Oxnard Power Plant Dismantling Trust Fund \$25M      |

24

## Can the City be trusted with increased revenue?

### CITY'S IMPROVED FINANCIAL MANAGEMENT

#### FINANCE EXECUTIVE LEADERSHIP TEAM

Immediate, tangible results from **new CFO and Assistant CFO** hired in 2019

#### AUDIT

City achieved **no new "material weaknesses"** for the first time since 2014



#### GAS TAX BONDS

Secured **\$400K** in savings every year through bond refinancing



#### IMPROVED BOND OUTLOOK



S&P **revised its outlook** from "stable" to "**positive**" and affirmed its existing "**A**" **issuer credit rating**

#### AUDITOR LETTER

City's auditor issued "**Letter of Encouragement**" noting **City's significant progress addressing prior financial issues** and rebuilding, recovering & reconnecting with the community



25

## How is the City increasing financial transparency?

#### MAJOR SOFTWARE CHANGE

Council approved a new enterprise software system that will **replace the system installed in the '80s** and will increase transparency and minimize human error for many City operations



#### FINANCIAL TRANSPARENCY

Launched a **new financial portal** that provides the community with tools to learn more about the City's finances and access reports

#### MEASURE B

The Oxnard Government Accountability and Ethics Act was approved by voters to institutionalize **good governance and financial transparency**



[www.oxnard.org/finances](http://www.oxnard.org/finances)



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# Why doesn't the City focus on Economic Development instead of raising taxes?

## ECONOMIC DEVELOPMENT

### PUC CREDIT SALE

Council approved the sale of unused power line underground funds for a total of **\$1.77 million**



### BILLBOARDS

Four permits filed for billboards, which if approved will net the City an estimated **\$550K minimum per year**



### CANNABIS



Council approved the Manufacturing & Distribution of Cannabis. In 2021, **Manufacturing revenue** is estimated to be **\$75K** and **Distribution revenue** is estimated at **\$40k**

(Both estimates are 50% of annual estimate)

### SOUTH OXNARD

Efforts to form a Community Benefits District for the **Saviers Rd. corridor**

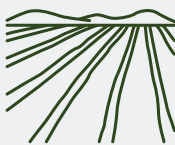


### DOWNTOWN

Made significant progress addressing the development of Downtown Oxnard prior to the pandemic



### SAKIOKA FARMS



Finalized the development agreement and map after eight years

### FEES

Council approved updated development impact fees, some of which haven't been updated since 1972



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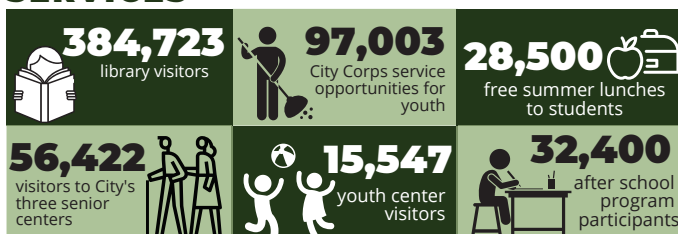


## 2019 BY THE NUMBERS Your Tax Dollars at Work

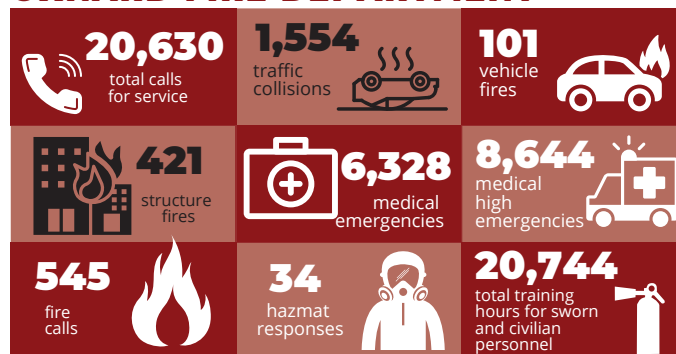
### OXNARD POLICE DEPARTMENT



### OXNARD CULTURAL & COMMUNITY SERVICES



### OXNARD FIRE DEPARTMENT



### OXNARD PUBLIC WORKS



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## ADDRESSING THE HOUSING CRISIS



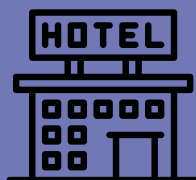
### OXNARD HOUSING DEPARTMENT

**110 beds**  
**56 housing units**



Oxnard's  
Comprehensive  
Homeless  
Solutions  
Center

**70  
Rooms**



to shelter 70 -140  
homeless through  
Project HomeKey

**58**

previously homeless  
persons placed in  
housing



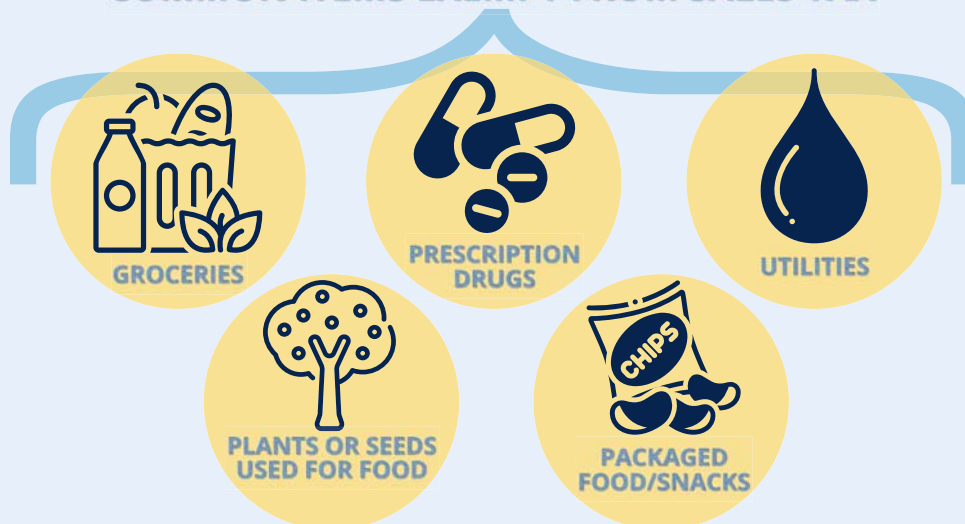
**454**

number of homeless  
individuals that were  
provided services by  
Mercy House and  
Salvation Army

## How would a higher sales tax impact lower income residents and those who are unemployed?

### WHAT IS NOT TAXED IN CALIFORNIA

#### COMMON ITEMS EXEMPT FROM SALES TAX



# How would a higher sales tax impact lower income residents and those who are unemployed?

## CONSEQUENCES OF BUDGET CUTS

## CULTURAL & COMMUNITY SERVICES



### REDUCED FUNDING

- Library Services



### REDUCED FUNDING

- City Corps
- Youth Programming & Sports



### REDUCED FUNDING

- Seniors



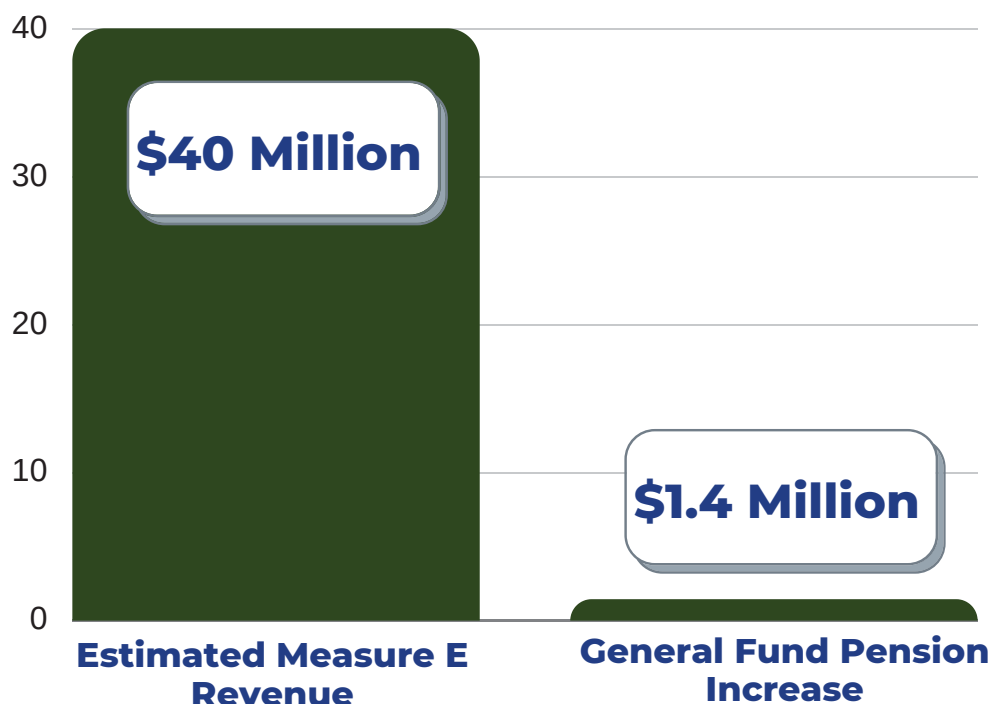
### CLOSED CARNEGIE ART MUSEUM

- Netted \$522,000 in savings

**OVER \$5 MILLION IN REDUCTIONS SINCE 2015**

31

## Is the sales tax just going towards pension obligations?



32

# Will Measure E address the City's street repairs?

## Public Works Streets & Alleys Maintenance



**1,032**  
Miles of Lanes

453 miles of streets  
= 1,032 miles of lanes

### FUNDING SOURCES

- Gas Tax
- General Fund (Measure O)



**650**  
Miles of Sidewalk

### FUNDING SOURCES

- Gas Tax
- General Fund (Measure O)



**70**  
Miles of Alleys

### FUNDING SOURCE

- General Fund (Measure O)

33

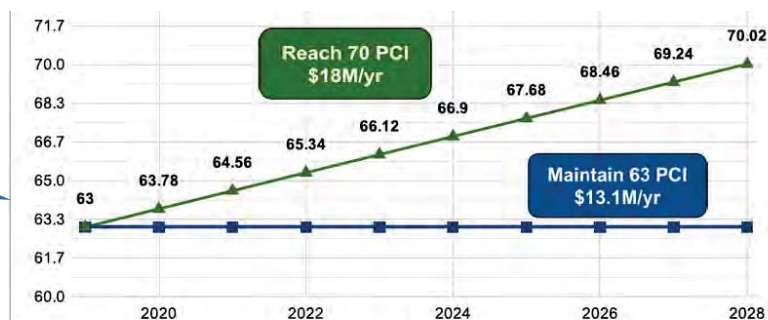
# Will Measure E address the City's street repairs?

## Public Works Streets & Alleys Maintenance



**63**

Current Oxnard  
Streets & Alleys PCI



- Score of 1 - 100
- 0 = Worst, 100 = Best

FY 2020-2021  
Approved CIP Budget

**\$9.7M**

What would it cost the City annually for improvements?

**70**  
PCI

**\$18M/yr.**  
to achieve by 2028

**80**  
PCI

Approximately  
**\$38.4M/yr.**  
to achieve by 2028

34



# What are the Measure E oversight provisions?

## MEASURE E

### ACCOUNTABILITY AND TRANSPARENCY PROTECTIONS

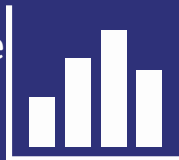
#### INDEPENDENT AUDITS

Annual audits will be performed on Measure E



#### OVERSIGHT

Regular review by the City Council Finance & Governance Committee



#### ALL AVAILABLE ONLINE

Public disclosure of all spending and audits will all be available on the City website



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# Why doesn't Measure E sunset?

Budget Forecast - General Fund

Draft as of 6.22.20

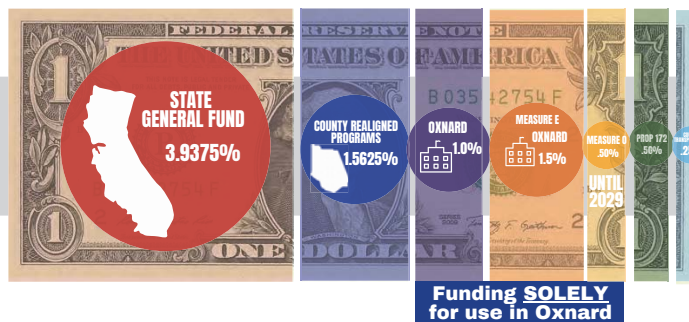
| General Fund (\$ in Million)                          | FY 2019-20<br>Pre-COVID<br>Estimated | FY 2019-20<br>Estimated<br>Year-End | FY20-21<br>PROPOSED<br>BUDGET | FY21-22<br>PROJECTED | FY22-23<br>PROJECTED | FY23-24<br>PROJECTED | FY24-25<br>PROJECTED |
|-------------------------------------------------------|--------------------------------------|-------------------------------------|-------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                                       | Year-End                             | POST-COVID                          |                               |                      |                      |                      |                      |
| Property Tax                                          | 59.1                                 | 57.0                                | 61.2                          | 62.2                 | 63.8                 | 65.7                 | 67.7                 |
| Sales Tax                                             | 33.2                                 | 29.8                                | 29.9                          | 31.1                 | 32.6                 | 34.0                 | 35.4                 |
| Other Revenue                                         | 48.1                                 | 45.3                                | 43.8                          | 43.4                 | 44.1                 | 44.9                 | 45.7                 |
| <b>Total Revenue</b>                                  | <b>140.5</b>                         | <b>132.0</b>                        | <b>135.0</b>                  | <b>136.7</b>         | <b>140.6</b>         | <b>144.6</b>         | <b>148.8</b>         |
| <b>% Change of Revenue</b>                            |                                      |                                     | <b>2%</b>                     | <b>1%</b>            | <b>3%</b>            | <b>3%</b>            | <b>3%</b>            |
| Staff (exclude Pension)                               | 87.6                                 | 87.6                                | 87.6                          | 90.8                 | 94.1                 | 97.7                 | 101.3                |
| Pension                                               | 15.3                                 | 15.3                                | 15.2                          | 16.7                 | 17.9                 | 19.1                 | 20.2                 |
| Other O&M                                             | 33.4                                 | 33.4                                | 32.0                          | 31.2                 | 32.0                 | 32.8                 | 33.6                 |
| Debt Service                                          | 6.2                                  | 6.2                                 | 6.1                           | 6.0                  | 6.0                  | 6.0                  | 6.1                  |
| <b>Total Expenditures</b>                             | <b>142.4</b>                         | <b>142.4</b>                        | <b>140.8</b>                  | <b>144.7</b>         | <b>150.1</b>         | <b>155.5</b>         | <b>161.2</b>         |
| <b>% Change of Expense</b>                            |                                      |                                     | <b>-1%</b>                    | <b>3%</b>            | <b>4%</b>            | <b>4%</b>            | <b>4%</b>            |
| <b>Net Annual Operating</b>                           | <b>(2.0)</b>                         | <b>(10.4)</b>                       | <b>(5.8)</b>                  | <b>(7.9)</b>         | <b>(9.5)</b>         | <b>(10.9)</b>        | <b>(12.3)</b>        |
| <b>Beginning Balance</b>                              | <b>19.6</b>                          | <b>19.6</b>                         | <b>9.2</b>                    | <b>3.4</b>           | <b>3.4</b>           | <b>3.4</b>           | <b>3.4</b>           |
| <b>MO Anticipated Deficit Transfer</b>                |                                      |                                     |                               | <b>(.5)</b>          | <b>(1.5)</b>         | <b>(1.0)</b>         | <b>(.7)</b>          |
| <b>Required Budget Cuts to sustain \$3.4M reserve</b> |                                      |                                     |                               | <b>(8.5)</b>         | <b>(10.9)</b>        | <b>(11.9)</b>        | <b>(13.0)</b>        |
| <b>Ending Balance</b>                                 | <b>17.6</b>                          | <b>9.2</b>                          | <b>3.4</b>                    | <b>3.4</b>           | <b>3.4</b>           | <b>3.4</b>           | <b>3.4</b>           |
| <b>Projected Operating Reserve</b>                    | <b>12.4%</b>                         | <b>6.5%</b>                         | <b>2.4%</b>                   | <b>2.3%</b>          | <b>2.2%</b>          | <b>2.2%</b>          | <b>2.1%</b>          |
| Reserve Target                                        | 17.1                                 | 17.1                                | 16.9                          | 17.4                 | 18.0                 | 18.7                 | 19.3                 |
| <b>Above/ (Below) Reserve Target</b>                  | <b>.5</b>                            | <b>(7.9)</b>                        | <b>(13.5)</b>                 | <b>(14.0)</b>        | <b>(14.6)</b>        | <b>(15.3)</b>        | <b>(16.0)</b>        |

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## If Measure E is Approved by Voters

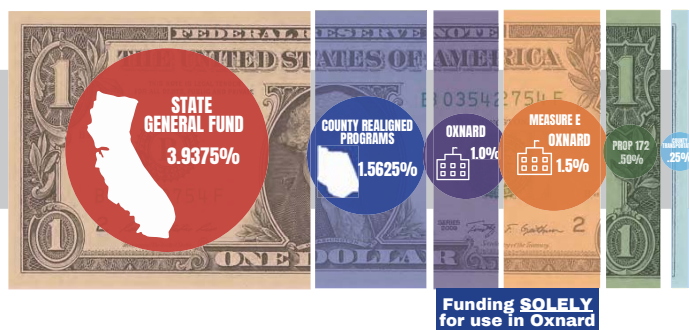
**2021 - 2029**

**9.25%**



**Beyond 2029**

**8.75%**



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## ALLOWABLE SALES TAX RATES



### State of California

#### Tax Brackets for All Incorporated Cities

**Maximum is 10.25**

|                |                   |
|----------------|-------------------|
| <b>10.00 +</b> | <b>42 cities</b>  |
| <b>9.00 +</b>  | <b>127 cities</b> |
| <b>8.00 +</b>  | <b>133 cities</b> |
| <b>7.25 +</b>  | <b>180 cities</b> |

← **OXNARD**

**Minimum is 7.25**

Source: State of California City & County Sales & Use Tax Rates (effective July 1, 2020)

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# More Voter Information

- For more information about Oxnard's Municipal Election or Measure E, visit: [www.oxnard.org/MeasureE](http://www.oxnard.org/MeasureE)
- For more information on voting procedures or mail-in ballots visit the Ventura County Registrar of Voters at: [recorder.countyofventura.org/elections](http://recorder.countyofventura.org/elections)
- The City does not advocate a yes or no vote on Measure E
- This presentation is provided for informational purposes only

