

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.



AMENDED AGENDA

Section A – Added Legislative Body: Oxnard Financing Authority
Appointment Item D.1 - Revised Legislative Body: Housing Authority
Added Public Hearings Section & Moved Report Item M.1 to Public Hearings (Item L.1)

AGENDA

**OXNARD CITY COUNCIL
OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY
OXNARD FINANCING AUTHORITY
OXNARD HOUSING AUTHORITY**

Meeting Location: Council Chambers, 305 West Third Street

October 18, 2022

Closed Session - 4:30 PM

Appointment Items - 5:00 PM

Regular Meeting - 6:00 PM

Zoom details to call-in for public comment during a meeting:

- 1. Dial Phone Number: (888) 475-4499**
- 2. Enter Meeting ID: 885 1969 9611**
- 3. Passcode: 072057**

If you wish to speak during public comments or a particular item on the agenda, please sign-on by following the zoom calling in steps listed above. Once the presiding officer calls for public speakers, **press *9 to raise your hand to inform the City Clerk you would like to speak during the public speaking section for that particular item on the agenda, while in the zoom waiting room.**

IN ACCORDANCE WITH ASSEMBLY BILL 361 AND IN RESPONSE TO THE DECLARED STATE AND LOCAL EMERGENCIES DUE TO THE NOVEL CORONAVIRUS, THE LEGISLATIVE BODY WILL MEET IN-PERSON AND REMOTELY. TO PARTICIPATE REMOTELY VISIT WWW.OXNARD.ORG.

To find out how you may provide public comment, please refer to the instructions below or at [www.https://www.oxnard.org/city-meetings/](https://www.oxnard.org/city-meetings/).

The public may view the meeting from home on Spectrum channel 10, Frontier channel 35, or YouTube at [Youtube.com/oxnardnews](https://www.youtube.com/oxnardnews). Video recordings of the meeting are typically available online following the meeting at the City's website at www.oxnard.org/city-meetings.

*Please see the link for the Measure M pre-recorded presentation video for each item listed on this agenda.

YOU MAY PARTICIPATE IN THE MEETING IN THE FOLLOWING WAYS:

- 1. ATTEND THE MEETING AT THE LOCATION LISTED ABOVE:** Submit a speaker card to the City Clerk.
- 2. EMAIL COMMENTS OR SIGN UP TO SPEAK REMOTELY BEFORE THE MEETING**
 - a. Submit a request to speak remotely by no later than 3 p.m. on the day of the meeting by using the form available at www.oxnard.org/citymeetings.
 - b. Submit an email to cityclerk@oxnard.org no later than 3 p.m. on the day of the meeting (indicate the agenda item number in the subject line). All email correspondence will be forwarded to the legislative body prior to the start of the meeting and made part of the legislative record.
 - c. Contact the City Clerk's Office at (805) 385-7803 to submit your request.

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: (Presentation / Council Discussion / Public Comment)

3. PROVIDING PUBLIC COMMENTS REMOTELY DURING THE MEETING

- a. To provide public comment during the meeting dial (888) 475-4499 and enter the Meeting ID and Passcode listed above as the Zoom details for this meeting. When the presiding officer announces the particular item on the agenda you want to speak on, **press *9 to raise your hand** while in the zoom waiting room. Once called on, **press *6 to unmute** your phone.
- b. Public comments on agenda items will be taken following the announcement of the item. After the item is announced, members of the public may register or otherwise be recognized for the purpose of providing public comment.

Please review the Zoom instructions on the registration page to help ensure there are no technical difficulties during your comments and help you understand public comment procedures using Zoom. Detailed participation instructions can be found at www.oxnard.org/city-meetings.

In the event of a disruption which prevents a legislative body of the City of Oxnard from broadcasting a meeting using a call-in option or internet-based service option, or in the event of a disruption within the City's control which prevents members of the public from offering public comment using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on a meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. However, if any of the broadcast options are disrupted, but any of the other broadcast options is still available to the public, the legislative body may take further action on items appearing on a meeting agenda without waiting for the disrupted broadcast option(s) to be restored.

* The City has filed pre-election and post-election lawsuits regarding the validity of Measure M.

A. ROLL CALL, POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council, Housing Authority, and Oxnard Financing Authority.

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

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

C. CLOSED SESSION (4:30 PM)

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 pertaining to groundwater allocation that may impact the City's water supply, in *OPV Coalition; et al. v. Fox Canyon Groundwater Management Agency; et al.* (SBSC Case No. VENCI00555357)
Legislative Body: City Council

D. APPOINTMENT ITEMS (5:00 PM)

1. Housing Department

SUBJECT: The Role of the Public Housing Authorities in Homelessness. (0/15/15)

RECOMMENDATION: That the Board of Commissioners of the Housing Authority of the City of Oxnard:

1. Receive a Report on the United States Department of Housing and Urban Development's Housing Choice Voucher Programs progression over time to respond to changing housing needs; and

2. Direct staff to prepare and present to the Oxnard Housing Authority Board of Commissioners a comprehensive proposal for adoption of a homeless services program including the continued solicitation of special purpose vouchers, future voucher project-based commitments and adoption of a local preference in support of homeless individuals.

Legislative Body: Housing Authority

Contact: Emilio Ramirez, (805) 385-8094

2. Housing Department

SUBJECT: Public Housing Agency (PHA) Governance and Financial Management Training. (10/15/5)

RECOMMENDATION: That the Board of Commissioners of the Housing Authority of the City of Oxnard receive a presentation by William M. Rhodes, Portfolio Management Specialist/UPCS/UPCS-V SME, for the United States Department of Housing and Urban Development on governance training, "Lead the Way" and "Whistleblower Protection".

(This item did not originate in Committee.)

Legislative Body: Housing Authority

Contact: Emilio Ramirez, (805) 385-8094

E. OPENING CEREMONIES (6:00 PM)

Pledge of allegiance to the flag of the United States.

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

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. Speakers are limited to three minutes. After 30 minutes, if all speakers have not had the opportunity to speak, the remaining speakers will be given an opportunity to speak prior to adjournment of the meeting. 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.

G. 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. Public Works Department

SUBJECT: Ratification of Director Orders regarding the water shortage emergency and mandatory water conservation measures.

RECOMMENDATION: That the City Council adopt a resolution ratifying orders issued by the Director in response to the previously proclaimed water shortage emergency and mandatory water conservation measures.

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

H. 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.

I. 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.

J. 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.

K. INFORMATION/CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the City Council approve the minutes of the September 6, 2022 regular meeting as presented.

Legislative Body: City Council

Contact: Rose Chaparro, (805) 385-7805

2. Public Works Department

SUBJECT: First Amendment to Professional Services Agreement A-8303 with Kennedy Jenks Consultants for the Central Trunk Sewer Main Replacement Project PW 21-27.

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute a First Amendment to Professional Services Agreement A-8303 with Kennedy Jenks Consultants in the amount of \$317,104 for a new not to exceed contract amount of \$676,998 for additional design work required for the Central Trunk Sewer Main Replacement Project PW 21-27 (Project No. 206602).

This item did not originate in Committee as this is a capital improvement project specifically listed in the City's Capital Improvement Program budget, which was previously approved by the City Council.

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

3. Public Works Department

SUBJECT: Agreement A-8493 with BPR, Inc. for On-Call Sidewalk, Curb and Gutter, and Spandrel Grinding Services Project, Specification No. PW 22-130.

RECOMMENDATION: That the City Council approve and authorize Agreement A-8493 with BPR, Inc. for a total amount not to exceed \$800,000 for a three year term for the On-call Sidewalk, Curb and Gutter and Spandrel Grinding Services Project, Specification No. PW 22-130 (Project No. MO3102).

(Public Works and Transportation Committee approved 3-0.)

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

4. Public Works Department

SUBJECT: Memorandum of Understanding and Caltrans Cooperative Agreements for the Village Specific Plan (Wagon Wheel) Berm/Flood Protection and U.S.101 Ventura Road Off-Ramp Projects.

RECOMMENDATION: That the City Council approve and authorize the following:

1. The Mayor to execute a Memorandum of Understanding with Oxnard CRFL Partners, LLC, for Caltrans Right of Way Improvements (Agreement No. A-8497);
2. The Mayor to execute Caltrans Cooperative Agreement 07-5237 for Berm Construction (Agreement No. A-8348); and
3. Adopt a Resolution Authorizing the Mayor to Execute forthcoming Caltrans Cooperative Agreement 07-5238 for U.S. 101 Exit 63A Off-Ramp Construction (Agreement No. A-8349).

(Public Works and Transportation Committee approved 3-0.)

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

5. Public Works Department

SUBJECT: Amend Department-Wide Blanket Purchase Orders that have Not to Exceed (NTE) Amounts Greater than \$200,000 Each.

RECOMMENDATION: That the City Council approve and authorize the Purchasing Agent to amend the following:

1. Purchase Order #8797 with Consolidated Electrical Distributors for an additional \$100,000 for a new not to exceed amount of \$300,000 through June 30, 2023;
2. Purchase Order #8831 with Napa dba Ventura County Auto Supply for an additional \$200,000 for a new not to exceed amount of \$400,000 through June 30, 2023;
3. Purchase Order #8841 with Ferguson Enterprise, LLC for an additional \$150,000 for a new not to exceed amount of \$350,000 through June 30, 2023;
4. Purchase Order #8842 with Famcon Pipe & Supply Inc. for an additional \$400,000 for a new not to exceed amount of \$600,000 through June 30, 2023; and
5. Purchase Order #8859 with O'Reilly Auto Parts for an additional \$100,000 for a new not to exceed amount of \$300,000 through June 30, 2023.

(Public Works and Transportation Committee approved 3-0.)

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

6. Community Development Department

SUBJECT: M6 Contract Amendment.

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute a First Amendment to Agreement Number A-8418 with M6 Consulting, Inc for on-call development plan check services, increasing the agreement amount by \$1,500,000.00 for a total agreement amount of \$2,000,000.00 through February 1, 2025.

(Community Services, Public Safety, Housing & Development Committee approved 3-0.)

Legislative Body: City Council

Contact: Ashley Golden, (805) 385-7478

7. Police Department

SUBJECT: Southern California High Technology Task Force Service Agreement.

RECOMMENDATION: That City Council approve and authorize the Mayor to execute a two-year service agreement (Agreement #A-8490) with the County of Ventura and the Ventura County Sheriff's Office for services with the Southern California High Technology Task Force (SCHTTF) in an amount not to exceed \$250,000.

(The Community Services, Public Safety, Housing & Development Committee approved 3-0 on September 27, 2022.)

Legislative Body: City Council

Contact: Jason Benites, (805) 385-7624

L. PUBLIC HEARINGS

1. Finance Department

SUBJECT: Approval of 2022 Lease Revenue Bonds, Series A and B. (0/15/15)

RECOMMENDATION: 1) That the City Council conduct a public hearing and approve a resolution approving the issuance by the City of Oxnard Financing Authority of (I) not to exceed \$36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed \$9,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto.

2) That the City of Oxnard Financing Authority's Board of Directors approve a resolution authorizing the issuance of (I) not to exceed \$36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed \$9,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto.

Please click the following link to view the required Measure M pre-recorded presentation video:

<https://youtu.be/XVVlaQEB-ds>

Legislative Body: City Council and Oxnard Financing Authority

Contact: Betsy George, (805) 200-5400

M. REPORTS

1. Community Development Department

SUBJECT: Climate Action and Adaptation Plan and an Addendum to the 2030 General Plan Program Environmental Impact Report (PEIR; SCH # 2007041024). (15/10/10)

RECOMMENDATION: That the City Council:

1. Approve the associated Addendum to the PEIR;

2. Approve the Draft CAAP with recommended edits and any further Council edits; and
3. Direct staff to produce the Final CAAP.

(Community Services, Public Safety, Housing & Development Committee and Public Works & Transportation Committee both received a presentation and provided feedback on the City's Draft CAAP. No formal vote taken.)

(Presentation will be live upon consultant's request.)

Legislative Body: City Council

Contact: Ashley Golden, (805) 385-7478

2. City Attorney Department

SUBJECT: Options to Fill Council Vacancy. (10/15/20)

RECOMMENDATION: That the City Council receive a report regarding the vacancy in the District 6 City Council seat and take one of the following actions to fill the vacancy:

1. Call a special election for March 7, 2023 to fill the remainder of the District 6 City Council term (which runs until November 2024) by adopting the following resolutions:
 - a. A resolution calling and giving notice of a special election on March 7, 2023 to fill the remainder of the District 6 City Council term;
 - b. A resolution requesting the Ventura County Board of Supervisors authorize the Ventura County Elections Division to render specified services to conduct the March 7, 2023 special election; and
 - c. A resolution adopting regulations for candidates for elective office pertaining to candidate statements submitted to the voters at the special election to be held on March 7, 2023.

OR

2. Direct staff to: a) commence the process to appoint the District 6 Councilmember on or before November 29, 2022, with a term to run until November 7, 2023; and b) on or before November 29, 2022 return to the City Council for the appointment of the District 6 Councilmember and the adoption of a resolution calling and giving notice of holding a special election on November 7, 2023, to fill the remainder of the District 6 term, which runs until November 2024. (Any potential appointee or candidate must be a resident of District 6, at least 18 years of age, and a registered voter.)

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/rkE9o-FSC_w

Legislative Body: City Council

Contact: Stephen Fischer, (805) 385-7483

3. Public Works Department

SUBJECT: Proposed Speed Hump Program. (0/15/15)

RECOMMENDATION: That the City Council:

1. Approve the proposed speed hump program as outlined in this staff report; and
2. Direct the City Manager or his designee to implement procedures to effectuate the Program as

outlined in the staff report.

(Public Works and Transportation Committee approved 3-0 at a Special Meeting on September 17, 2022)

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/n0-Fpo_MouA

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

4. Public Works Department

SUBJECT: Consideration of Naming a Sports Field at Durley Park the "Helen Lopez Field". (0/10/10)

RECOMMENDATION: That the City Council:

1. Review and consider the request from the Sunset Little League, along with the recommendation from the Parks, Recreation, and Community Services Commission, to name a sports field at Durley Park the "Helen Lopez Field"; and
2. Direct staff to install appropriate signage to effectuate the naming, should it be approved, taking into consideration upcoming park improvements.

(Public Works and Transportation Committee approved 3-0.)

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/vbE4ZGRgcKo>

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

5. Public Works Department

SUBJECT: Professional Services Agreement A-8500 with Tetra Tech, Inc. for Oxnard Conduit Replacement and Rehabilitation Project PW 22-105. (0/5/5)

RECOMMENDATION: That the City Council approve and authorize the following for a total of \$2,497,312 in Project funds for the Oxnard Conduit Replacement and Rehabilitation Project, Specification No. PW 22-105 (Project No. 226501):

1. The Mayor to execute Professional Services Agreement A-8500 with Tetra Tech, Inc. in the amount of \$2,270,284 for the Project;
2. A Project contingency amount of \$227,028 for the Project; and
3. Authorize the Finance Director or designee to approve a budget appropriation in the amount of \$1,027,312 from the available fund balance from the Water Operating Fund (601) for use in this Project.

This item did not originate in Committee as this is a capital improvement project specifically listed in the City's Capital Improvement Program budget, which was previously approved by the City Council.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/tE9mX9OhwJU>

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

N. ADJOURNMENT



CITY COUNCIL AGENDA REPORT

APPOINTMENT ITEMS (5:00 PM) AGENDA ITEM NO. D.1

DATE: October 18, 2022

TO: Housing Authority

FROM: Emilio Ramirez, Housing Director, (805) 385-8094, emilio.ramirez@oxnard.org

SUBJECT: The Role of the Public Housing Authorities in Homelessness. (0/15/15)

RECOMMENDATION

That the Board of Commissioners of the Housing Authority of the City of Oxnard:

1. Receive a Report on the United States Department of Housing and Urban Development's Housing Choice Voucher Programs progression over time to respond to changing housing needs; and
2. Direct staff to prepare and present to the Oxnard Housing Authority Board of Commissioners a comprehensive proposal for adoption of a homeless services program including the continued solicitation of special purpose vouchers, future voucher project-based commitments and adoption of a local preference in support of homeless individuals.

BACKGROUND

EXECUTIVE SUMMARY

The United States Department of Housing and Urban Development (HUD) Housing Choice Voucher Program (HCV) is a key tool to addressing the housing crisis and is in alignment with a Housing First model the City Council formally supported in July of 2021. Housing First is based on the simple idea that housing paired with supportive services can more successfully lead to recovery from homelessness. This model can be implemented in several ways, including with the provision of housing by use of a housing choice voucher which is then paired with in-unit supportive services.

The idea of combining supportive services with a housing voucher is the basic tenet of many of the special purpose vouchers which will be described in this report. Having acknowledged the benefits of a Housing First model, HUD encourages the use of housing vouchers for homeless services.

The Oxnard Housing Authority has 1,840 vouchers, and a waiting list of more than 5,700. The 2022 Point in Time Homeless Count (PIT) identified 793 homeless persons, 463 of which were unsheltered. This is an increase in the numbers of individuals experiencing homelessness in Oxnard. There was not an unsheltered PIT in 2021 due to COVID restrictions.

In alignment with the Housing First model and HUD's mission to assist very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market, staff recommends that the Board of Commissioners amend the HCV Program Administrative Plan and the Annual Agency Plan in the following areas:

1. Adoption of a local Homeless Preference to the HCV Administrative Plan; and
2. Amendment to the 2021 Annual Plan to undertake new activities related to project-based vouchers

These recommendations are an efficient and effective way to address the housing crisis by immediately increasing the number of affordable units and providing support services to individuals once they are housed.

This report will provide a brief history of HUD and an overview of the HCV program, as well as recommendations on opportunities to utilize this program in support of the Housing First Model to address the housing crisis.

BACKGROUND

Congress enacted the Housing Act in 1937 establishing the United States Housing Authority for “the provision of decent, safe, and sanitary dwellings for families of low income” among other purposes. In doing so, the United States started offering public housing opportunities.

Soon thereafter, housing policies in the United States changed in order to reflect the changing needs of the population, including the Housing Act of 1949, the Civil Rights Act (Fair Housing Act) of 1965, and finally the Housing and Community Development Act which created the HCV program (or most commonly known as the Section 8 program). The largest component of today's HCV program was first authorized by the Housing and Urban-Rural Recovery Act of 1983. It was originally a demonstration program, but was made permanent in 1988. During this period of transition, the United States Housing Authority became the independent cabinet department of Housing and Urban Development. The responsibility to operate the Public Housing and HCV programs was assumed by local public housing authorities, where funding for program operations was granted by HUD.

The HCV program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. In short, the subsidy is tied to the family, rather than to a unit of housing.

Housing choice vouchers are administered locally by public housing authorities who receive federal funds from the HUD to administer the HCV program. A family that is issued a housing choice voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. Rental units must meet minimum health and safety standards.

A housing subsidy is paid to the landlord directly by the local public housing authority on behalf of the participating household. The household then pays the difference between the actual rent charged by the landlord and the amount subsidized by the HCV program.

Program regulations are found in 24 CFR Part 982.

THE HOUSING CHOICE VOUCHER PROGRAM

Since the beginning of housing public policy, HUD has been responsive to the changing needs of the community including very clear shifts from public housing to the HCV program because of the demonstrated need to deconcentrate poverty and offering fair housing choices to impoverished households. Today, the HCV Program offers seven types of special voucher programs, all of which can help Oxnard address the housing crisis and support the Housing First Model. First, this report will define the types of vouchers and how Oxnard is utilizing the vouchers, and make recommendations on additional ways Oxnard can utilize vouchers to address the housing crisis and implement the Housing First Model.

Special Population Housing Choice Voucher Programs

Emergency Housing Vouchers	Non-Elderly Disabled
Family Unification Program	Tenant Protection Vouchers
Foster Youth to Independence Initiative	Veterans Affairs Supportive Housing
Mainstream Vouchers	

Emergency Housing Vouchers

The Emergency Housing Voucher (EHV) program is available through the American Rescue Plan Act (ARPA). Through EHV, HUD is providing 70,000 housing choice vouchers to local public housing authorities in order to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

(<https://www.hud.gov/ehv>).

The Oxnard Housing Authority was awarded a total of forty-six EHV vouchers and partnered with the Ventura County Continuum of Care to establish a formal referral process and with United Way's Forward Home program to offer housing navigation support. Several of the families referred for the program will be able to lease in place. Without the EHV vouchers, their current subsidized assistance will terminate and they will be homeless in the very near future. EHV is not funded through the same funds as the HCV program and utilization has a positive impact (meaning it is in addition to the 1,840 Section 8 or HCV program the Authority currently operates) on the agency's overall utilization success rate.

As of the date of drafting of this report, of the forty-six EHV vouchers, sixteen have been issued.

Family Unification Program Vouchers

The Family Unification Program (FUP) is a program under which vouchers to two different populations including:

1. Families for whom the lack of adequate housing is a primary factor in:
 - a. The imminent placement of the family's child or children in out-of-home care, or
 - b. The delay in the discharge of the child or children to the family from out-of-home care.
2. For a period not to exceed thirty-six months, otherwise eligible youths who have attained at least eighteen years and not more than twenty-four years of age and who have left foster care, or will leave foster care within ninety days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act, and is homeless or is at risk of becoming homeless at age sixteen or older.

Public housing authorities administer the FUP in partnership with Public Child Welfare Agencies (PCWAs), who are responsible for referring FUP families and youths to the public housing authority for determination of eligibility for rental assistance. Once the PCWA makes the referral, the public housing authority places the FUP applicant on its waiting list, determines whether the family or youth meets HCV program eligibility requirements, and conducts all other processes relating to voucher issuance and administration.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/family)

The Oxnard Housing Authority was awarded ten FUP vouchers and partnered with the County of Ventura Human Services Agency (HSA) to establish a formal referral process. The HSA verifies eligibility for the FUP program and provides full-service case management. The Oxnard Housing Authority verifies eligibility for the HCV program and administers the vouchers.

The Foster Youth to Independence

The Foster Youth to Independence (FYI) initiative makes HCV assistance available to public housing authorities in partnership with Public Child Welfare Agencies (PCWAs). Under FYI, public housing authorities provide housing assistance on behalf of youth at least eighteen years and not more than twenty-four years of age who left foster care, or will leave foster care within ninety days, in accordance with a transition plan described in Section 475(5)(H) of the Social Security Act, and are homeless or are at risk of becoming homeless at age sixteen or older. As required by statute, an FYI voucher issued to such a youth may only be used to provide housing assistance for the youth for a maximum of thirty-six months.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fyi)

The Housing Authority does not get a direct allocation of FYI vouchers.

Mainstream Vouchers

Mainstream vouchers assist non-elderly persons with disabilities. Aside from serving a special population, Mainstream vouchers are administered using the same rules as other housing choice vouchers. Funding and financial reporting for Mainstream vouchers is separate from the regular tenant-based voucher program.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/mainstream)

Although the Oxnard Housing Authority serves the non-elderly persons with disabilities through its regular HCV program, there is no program available for families who are in critical need of housing services. The Oxnard Housing Authority contacted local agencies to identify 1). the need for a targeted preference for homeless families and 2). opportunities to leverage resources. An overwhelming response was received from agencies who serve individuals in the City of Oxnard, including but not limited to: Mercy House, the Salvation Army, the Lighthouse for Women and Children, the Kingdom Center, Ventura County Behavioral Health, Ventura County Rescue Mission, the National Health Foundation, and Casa Aliento (former Vagabond Inn). The Oxnard Housing Authority was allocated forty Mainstream vouchers, of which thirteen have been issued.

Staff is working on issuing the remaining vouchers to eligible families. The partnering agencies are providing supportive services and housing navigation support to each applicant. Similar to the EHVs, this program does not reduce the Section 8 voucher allocation and it is funded through a separate source of funds. However, effective utilization will positively impact funding for the Section 8 program.

Recommendations to utilize these vouchers are contained later in this report.

Non-Elderly Disabled

Non-Elderly Disabled (NED) vouchers enable non-elderly disabled families, who would have been eligible for a public housing unit if occupancy of the unit or entire project had not been restricted to elderly families only through an approved Designated Housing Plan, to receive rental assistance. These vouchers may also assist non-elderly disabled families living in a designated unit, project, or building to move from that project if they so choose. The family does not have to be listed on the voucher waiting list. Instead, they may be admitted to the program as a special admission.

https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/ned

The Housing Authority does not get a direct allocation of NED vouchers

Tenant Protection or Enhanced Vouchers

Another type of voucher, called a tenant protection voucher, is given to families that were already receiving assistance through another HUD housing program, before being displaced. These would be given when public housing is demolished, similar to what the City of Oxnard provided with “The Courts” was demolished. Another example is when a landlord terminates a Section 8 project-based rental assistance contract.

Families that risk being displaced from project-based Section 8 units are eligible to receive a special form of tenant-protection voucher, called an enhanced voucher. The "enhanced" feature of the voucher allows the maximum value of the voucher to grow to be equal to the new rent charged in the property, as long as it is reasonable in the market, even if it is higher than the payment standard. This allows a family to stay in their homes; but if they choose to move, then the enhanced feature is lost and the voucher becomes subject to the normal payment standard.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/tenant_protection_vouchers)

Veterans Affairs Supportive Housing

Beginning in 1992, through a collaboration between HUD and the VA, Section 8 vouchers have been made available for use by homeless veterans. The HUD-Veterans Affairs Supportive Housing (HUD-VASH) program combines HUD's Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs.

(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/vash)

In 2010, the Oxnard Housing Authority ventured into homeless services with its first allocation of VASH vouchers in service of homeless veterans. Currently, the Oxnard Housing Authority has seventy-seven VASH vouchers, of which thirty-six are utilized.

This year, the U.S. Department of Veteran Affairs Ventura and Santa Barbara County HealthCare System, which operates in the City of Oxnard, doubled its capacity to increase the number of Veterans referred for a VASH voucher. The Oxnard Housing Authority's goal is to increase voucher utilization to at least ninety percent.

Recommendations to utilize these vouchers are contained later in this report.

HUD Project-Based Vouchers

Separate from the types of vouchers, the use or application of vouchers allows for the vouchers to be tied to a specific housing unit or project. When a voucher is tied to a specific unit or project, it is termed "Project Based." In order to project-base vouchers, a landlord must sign a contract with the local public housing authority agreeing to set-aside up to twenty-five of the units in a development for low-income families. Each of those set-aside units then receives voucher assistance as long as a family that is eligible for a voucher lives there. Public housing authorities can choose to project-base up to twenty-percent of their voucher allocation.

AMENDMENTS TO OXNARD'S HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN & ANNUAL AGENCY

The Oxnard Housing Authority proposes to amend the HCV Program Administrative Plan and the Annual Agency Plan.

The Five-Year Administrative Plan describes the mission of the Oxnard Housing Authority and long-range goals and objectives for achieving the mission over the course of the five-year period. The Annual Agency Plan coincides with the current fiscal year and provides details about the Oxnard Housing Authority's immediate operations, program participants, programs, services, and strategies for handling operation and resident concerns in the upcoming fiscal year.

HUD permits amendments to the Annual Plan or Five-Year Administrative plan at any time, subject to approval by the Los Angeles Housing and Urban Development Field Office.

In alignment with the Housing First model and HUD's mission to assist very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market, staff recommends that the Board of Commissioners amend the HCV Program Administrative Plan and the Annual Agency Plan in the following areas:

1. Adoption of a local Homeless Preference to the HCV Administrative Plan.
2. Amendment to the 2021 Annual Agency Plan to undertake new activities related to project-based vouchers.

Regulations permit an amendment to the Agency Plan at any time. Any "significant amendment or modification" to the Agency Plan requires a forty-five-day public comment period and a public hearing.

The proposed amendments have been presented to the Resident Advisory Board (RAB) consisting of tenant commissioners, public housing residents, and Housing Choice Voucher Program participants. The RAB did not object to these amendments. The forty-five-day comment period was also completed without any objection received.

Existing HCV Preferences in the Administrative Plan and Annual Agency Plan

The demand for housing assistance often exceeds the limited resources available to HUD and the Oxnard Housing Authority, therefore long wait lists are common. One tool that public housing authorities use to select applicants from a waiting list is the establishment of preferences. The Oxnard Housing Authority has 1,840 vouchers, and a waiting list of 5,700. The waiting list has been closed since February 1, 2019.

The adopted preferences by the Oxnard Housing Authority include:

1. Residency preference
2. Public Housing residents on the Section 8 waitlist in need of a reasonable accommodation
3. Veterans
4. Involuntary displacement by a natural disaster or the Oxnard Housing Authority
5. Homeless (adopted in 2015, 15 vouchers)
6. Farm Worker (adopted in 2022)

The language for the fifteen set aside Section 8 vouchers for homeless was adopted in 2015 by the Board of Commissioners and has had the same language every year since.

“Homelessness Preference – The PHA has a local preference for homeless families or those at risk of being homeless. The PHA must offer the opportunity to current applicants on the HCV waiting list and who are receiving supportive services. The eligibility criteria will be determined by local service agencies partnering with the PHA in an effort to address homelessness. The PHA will issue vouchers to the first fifteen (15) referrals received from local service agencies to eligible families. The PHA will assist families when a Homeless Set Aside Voucher becomes available. If the PHA does not have enough applicants on the waiting list who qualify for the preference, the PHA will open its waiting list strictly for families to which the preference applies.”

There has been some confusion on if the fifteen vouchers are on a per year, meaning fifteen new vouchers per year, or fifteen total vouchers. Currently, fifty of the 1,840 Section 8 vouchers were utilized using this preference, and additional twenty-five have been selected and are pending eligibility review. Staff recommends that the Administrative Plan be amended to clearly state that the fifteen vouchers are an annual allocation.

In 2021, the Resident Advisory Board (RAB) reviewed the creation of a farm worker preference and a homeless preference. The language for both of these preferences was included at public meetings on September 23, 2021 and October 28, 2021.

The farm worker preference language reads as follows:

Applicants in which the head of household, spouse or cohead are currently employed as farm worker(s) in the OHA’s jurisdiction will receive this preference. The OHA limits the number of families that qualify for the farmworker preference to fifteen (15) families annually. Once the OHA is serving (15) families under the preference in a given year, and one family leaves the program, the next family on the waitlist who meets the preference criteria will be served.

The Homeless preference proposed language is:

Applicants and families who meet the McKinney-Vento definition of “homeless” will be eligible for the homeless individuals and families preference. The OHA limits the number of families that qualify for the homeless preference to fifteen families annually. Once the OHA is serving newly admitted families under the preference in a given year, and one family leaves the program, the next eligible family on the waitlist who meets the preference criteria will be selected. A certification of homelessness completed by a homeless services provider is required.

The farm worker preference was approved by the Board of Commissioners on March 15, 2022. Although the RAB supported the homeless preferences and no concerns were received during the public review period, staff tabled the

homeless preference until additional research could be completed to verify if a homeless preference met the goals and mission of the housing choice voucher program. That research has now been completed and is summarized below.

The research concludes that public housing authorities throughout the country have been engaged in housing and homeless services for well over a decade. In a 2013 publication of the Council of Large Public Housing Authorities entitled *Housing Authorities: Essential Partners in Ending Homelessness*, Sunia Zaterman, Executive Director, of the Council of Large Public Housing Authorities, expressed that the “largest and most forward-thinking housing authorities in the country committed to an effort to reshape the way that the housing system works with other systems . . . as evidenced by their local level work on homelessness.” (Publication attached)

The publication featured several public housing authorities throughout the country committed to ending homelessness in their communities, including six from California. The public housing authorities from Fresno, Marin County, Santa Clara County, Oakland, Los Angeles and San Diego featured innovative programs. Additional research and examples demonstrating public housing authorities creating homeless preferences and engaging in homeless services are included in the attachments to this report. As an example, taken directly from the HCV Fact Sheet (https://www.hud.gov/topics/housing_choice_voucher_program_section_8) “PHAs may give a preference to a family who is (1) homeless or living in substandard housing, (2) paying more than 50% of its income for rent, or (3) involuntarily displaced. Families who qualify for any such local preferences move ahead of other families on the list who do not qualify for any preference. Each PHA has the discretion to establish local preferences to reflect the housing needs and priorities of its particular community.”

The Section 8 regulations (previously referenced and attached hereto) expressly state that a public housing authority “may adopt a preference for admission of single persons who are age 62 or older, displaced, homeless, or persons with disabilities over other single persons.” §982.207(b)(5)

In 2013, Department of Housing and Urban Development published PIH Notice 2013-15 offering “Guidance on housing individuals and families experiencing homelessness through the Public Housing and Housing Choice Voucher programs.” Additionally, the Housing and Urban Development website (Housing Choice Voucher Program Section 8 | HUD.gov / U.S. Department of Housing and Urban Development (HUD)) offers a summary fact sheet on the use of housing choice vouchers which acknowledges that each public housing authority “has the discretion to establish local preferences to reflect the housing needs and priorities of its particular community.” The same section declares that public housing authorities may establish local preferences for selecting Section 8 applicants from their waitlist.

Most recently, Housing and Urban Development Secretary Marcia Fudge declared that housing is a human right and pledged that she is ready to fight homelessness.

Adoption of a homeless preference to the Administrative Plan

The Oxnard Housing Authority proposes to adopt a limited homeless preference for the Mainstream vouchers and the existing Homeless Set Aside Section 8 Vouchers.

The homeless preference would be applied to applicants and families who meet the McKinney-Vento Homeless Assistance Act definition of homelessness as applied to the general population. A certification of homelessness completed by a homeless service provider will be required. For the purposes of the Oxnard Housing Authority’s tenant selection policies, the following definition of “homeless” shall apply to all families, including single adults and families with or without children:

An individual or family who lacks a fixed, regular, and adequate nighttime residence; or

Any individual or family who:

1. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual’s or family’s primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; and

2. Has no other residence; and
3. Lacks the resource or support networks, e.g., family, friends and faith-based or other social networks, to obtain other permanent housing.

Project Based Vouchers in Oxnard

HUD does not require Board of Commissioners approval to project base vouchers. However, in recent history, in order to be transparent, and because it is not explicitly called out in the Administrative Plan or Annual Agency Plan, the Housing Director has presented and sought approval of the Board of Commissioners to project base the vouchers. Most recently, the Commissioners have authorized project-based vouchers for the following projects:

1. Homeless Solutions Center
2. The Central Terrace Apartments
3. Ormond Beach Villas
4. Casa Aliento
5. The Etting Road Apartments

Currently, our VASH and Mainstream Vouchers are underutilized. One of the greatest challenges in exhausting the special purpose voucher allocations is the limited housing inventory coupled with a high rent market. The Oxnard Housing Authority staff proposed solution to address the underutilization of these vouchers is to partner with developers to "project base" vouchers, meaning vouchers would be tied to specific units. Since project-based vouchers are tied to a specific unit, the landlord is required to rent only to an eligible family. This requirement increases the number of affordable housing units available to participants. Additionally, the project must then offer supportive services on-site, which allows providers to work more efficiently with residents and improves access to services. This increases the likelihood that the participants remain housed.

Oftentimes, the need to project base vouchers is tied to a real estate transaction or financing deadlines. Because of these deadlines, it is not always possible to present to the Board of Commissions in time for the deadlines. Coupling the need to commit the resources quickly with the fact that HUD does not require the Board of Commissioners' approval, staff is seeking the inclusion of the ability to project base vouchers within the Annual Agency Plan. If this is supported, the Oxnard Housing Authority proposes to convert twenty-five of the seventy-seven Veteran Assisted Supportive Housing Vouchers and all forty of the Mainstream Vouchers to project-based vouchers. The project-based vouchers will continue to serve the target population for each program accordingly. The Oxnard Housing Authority will review proposals to confirm compliance with the Housing Choice Voucher Administrative plan policies and program regulations and requirements, including a determination that the property is eligible housing, compliance with the maximum limit on the number of project-based voucher units per project, site selection standards, and proposal selection requirements.

The Mainstream Voucher program provides vouchers for low-income households that include a person(s) with disabilities. Both programs are eligible for families who are or have experienced homelessness, and meet the other parameters of Veteran and Mainstream.

IMPACT OF THE RECOMMENDATIONS TO CITY HOUSING DEPARTMENT AND OXNARD COMMUNITY

This item will result in a higher utilization rate of voucher assistance programs, which will trigger higher administrative funds being granted to the Oxnard Housing Authority. In addition, it will allow the Oxnard Housing Authority to fully realize its mission, which is to house the most vulnerable. The overall benefit to the residents of the city of Oxnard is that its residents who currently find themselves without a home will be afforded an opportunity to once again find and maintain a home.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

This item has no financial impact to the General Fund; however, implementation of the recommendations will trigger higher administrative funds being granted to the Oxnard Housing Authority.

COMMITTEE OUTCOME

The Community Services, Public Safety, and Housing & Development Committee approved 3-0 on May 24, 2022 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Emilio Ramirez, Housing Director

ATTACHMENTS

1. Housing Choice Voucher Program Regulations (24 CFR Part 982)
2. PIH Notice 2013-15
3. Housing Choice Vouchers Fact Sheet from the Housing and Urban Development website (www.hud.gov/topics/housing_choice_voucher_program_section_8)
4. Housing Authorities: Essential Partners in ending Homelessness
5. Presentation

Asst. Secy., for Public and Indian Housing, HUD

Pt. 982

but a slightly different methodology (use of residual value as a public housing cost, inflating forward the discount numbers), the ratio of public housing costs to voucher costs would be 1.16 for the 20-year amortization period, 1.03 for the 30-year amortization period, and .97 for the 20-year amortization period. Thus, in voluntary conversion, the appropriate amortization period would decide whether public housing is more costly or is slightly more costly, or less than vouchers. Under a 20-year amortization assumption and possibly under a 30-year amortization period, the PHA would have the option of preparing a conversion plan for the development under subpart B of this part. Different sets of data would yield different conclusions for required and voluntary conversion determinations.

[71 FR 14336, Mar. 21, 2006]

PART 982—SECTION 8 TENANT-BASED ASSISTANCE: HOUSING CHOICE VOUCHER PROGRAM

Subpart A—General Information

- Sec.
- 982.1 Programs: Purpose and structure.
- 982.2 Applicability.
- 982.3 HUD.
- 982.4 Definitions.
- 982.5 Notices required by this part.

Subpart B—HUD Requirements and PHA Plan for Administration of Program

- 982.51 PHA authority to administer program.
- 982.52 HUD requirements.
- 982.53 Equal opportunity requirements and protection for victims of domestic violence, dating violence, sexual assault, or stalking.
- 982.54 Administrative plan.

Subpart C—Funding and PHA Application for Funding

- 982.101 Allocation of funding.
- 982.102 Allocation of budget authority for renewal of expiring CACC funding increments.
- 982.103 PHA application for funding.
- 982.104 HUD review of application.

Subpart D—Annual Contributions Contract and PHA Administration of Program

- 982.151 Annual contributions contract.
- 982.152 Administrative fee.
- 982.153 PHA responsibilities.
- 982.154 ACC reserve account.
- 982.155 Administrative fee reserve.
- 982.156 Depositary for program funds.
- 982.157 Budget and expenditure.

- 982.158 Program accounts and records.
- 982.159 Audit requirements.
- 982.160 HUD determination to administer a local program.
- 982.161 Conflict of interest.
- 982.162 Use of HUD-required contracts and other forms.
- 982.163 Fraud recoveries.

Subpart E—Admission to Tenant-Based Program

- 982.201 Eligibility and targeting.
- 982.202 How applicants are selected: General requirements.
- 982.203 Special admission (non-waiting list): Assistance targeted by HUD.
- 982.204 Waiting list: Administration of waiting list.
- 982.205 Waiting list: Different programs.
- 982.206 Waiting list: Opening and closing; public notice.
- 982.207 Waiting list: Local preferences in admission to program.

Subpart F [Reserved]

Subpart G—Leasing a Unit

- 982.301 Information when family is selected.
- 982.302 Issuance of certificate or voucher; Requesting PHA approval of assisted tenancy.
- 982.303 Term of voucher.
- 982.304 Illegal discrimination: PHA assistance to family.
- 982.305 PHA approval of assisted tenancy.
- 982.306 PHA disapproval of owner.
- 982.307 Tenant screening.
- 982.308 Lease and tenancy.
- 982.309 Term of assisted tenancy.
- 982.310 Owner termination of tenancy.
- 982.311 When assistance is paid.
- 982.312 Absence from unit.
- 982.313 Security deposit: Amounts owed by tenant.
- 982.315 Family break-up.
- 982.316 Live-in aide.
- 982.317 Lease-purchase agreements.

Subpart H—Where Family Can Live and Move

- 982.351 Overview.
- 982.352 Eligible housing.
- 982.353 Where family can lease a unit with tenant-based assistance.
- 982.354 Move with continued tenant-based assistance.
- 982.355 Portability: Administration by initial and receiving PHA.

Subpart I—Dwelling Unit: Housing Quality Standards, Subsidy Standards, Inspection and Maintenance

- 982.401 Housing quality standards (HQS).

Pt. 982

24 CFR Ch. IX (4–1–21 Edition)

- 982.402 Subsidy standards.
- 982.403 Terminating HAP contract when unit is too small.
- 982.404 Maintenance: Owner and family responsibility; PHA remedies.
- 982.405 PHA initial and periodic unit inspection.
- 982.406 Use of alternative inspections.
- 982.407 Enforcement of HQS.

Subpart J—Housing Assistance Payments Contract and Owner Responsibility

- 982.451 Housing assistance payments contract.
- 982.452 Owner responsibilities.
- 982.453 Owner breach of contract.
- 982.454 Termination of HAP contract: Insufficient funding.
- 982.455 Automatic termination of HAP contract.
- 982.456 Third parties.

Subpart K—Rent and Housing Assistance Payment

- 982.501 Overview.
- 982.503 Payment standard amount and schedule.
- 982.504 Payment standard for family in restructured subsidized multifamily project.
- 982.505 How to calculate housing assistance payment.
- 982.506 Negotiating rent to owner.
- 982.507 Rent to owner: Reasonable rent.
- 982.508 Maximum family share at initial occupancy.
- 982.509 Rent to owner: Effect of rent control.
- 982.510 Other fees and charges.
- 982.514 Distribution of housing assistance payment.
- 982.515 Family share: Family responsibility.
- 982.516 Family income and composition: Annual and interim examinations.
- 982.517 Utility allowance schedule.
- 982.521 Rent to owner in subsidized project.

Subpart L—Family Obligations; Denial and Termination of Assistance

- 982.551 Obligations of participant.
- 982.552 PHA denial or termination of assistance for family.
- 982.553 Denial of admission and termination of assistance for criminals and alcohol abusers.
- 982.554 Informal review for applicant.
- 982.555 Informal hearing for participant.

Subpart M—Special Housing Types

- 982.601 Overview.

SINGLE ROOM OCCUPANCY (SRO)

- 982.602 SRO: Who may reside in an SRO?

- 982.603 SRO: Lease and HAP contract.
- 982.604 SRO: Voucher housing assistance payment.
- 982.605 SRO: Housing quality standards.

CONGREGATE HOUSING

- 982.606 Congregate housing: Who may reside in congregate housing.
- 982.607 Congregate housing: Lease and HAP contract.
- 982.608 Congregate housing: Voucher housing assistance payment.
- 982.609 Congregate housing: Housing quality standards.

GROUP HOME

- 982.610 Group home: Who may reside in a group home.
- 982.611 Group home: Lease and HAP contract.
- 982.612 Group home: State approval of group home.
- 982.613 Group home: Rent and voucher housing assistance payment.
- 982.614 Group home: Housing quality standards.

SHARED HOUSING

- 982.615 Shared housing: Occupancy.
- 982.616 Shared housing: Lease and HAP contract.
- 982.617 Shared housing: Rent and voucher housing assistance payment.
- 982.618 Shared housing: Housing quality standards.

COOPERATIVE

- 982.619 Cooperative housing.

MANUFACTURED HOME

- 982.620 Manufactured home: Applicability of requirements.
- 982.621 Manufactured home: Housing quality standards.

MANUFACTURED HOME SPACE RENTAL

- 982.622 Manufactured home space rental: Rent to owner.
- 982.623 Manufactured home space rental: Housing assistance payment.
- 982.624 Manufactured home space rental: Utility allowance schedule.

HOMEOWNERSHIP OPTION

- 982.625 Homeownership option: General.
- 982.626 Homeownership option: Initial requirements.
- 982.627 Homeownership option: Eligibility requirements for families.
- 982.628 Homeownership option: Eligible units.
- 982.629 Homeownership option: Additional PHA requirements for family search and purchase.

- 982.630 Homeownership option: Homeownership counseling.
- 982.631 Homeownership option: Home inspections, contract of sale, and PHA disapproval of seller.
- 982.632 Homeownership option: Financing purchase of home; affordability of purchase.
- 982.633 Homeownership option: Continued assistance requirements; Family obligations.
- 982.634 Homeownership option: Maximum term of homeownership assistance.
- 982.635 Homeownership option: Amount and distribution of monthly homeownership assistance payment.
- 982.636 Homeownership option: Portability.
- 982.637 Homeownership option: Move with continued tenant-based assistance.
- 982.638 Homeownership option: Denial or termination of assistance for family.
- 982.639 Homeownership option: Administrative fees.
- 982.641 Homeownership option: Applicability of other requirements.
- 982.642 Homeownership option: Pilot program for homeownership assistance for disabled families.
- 982.643 Homeownership option: Downpayment assistance grants.

AUTHORITY: 42 U.S.C. 1437f and 3535(d).

SOURCE: 59 FR 36682, July 18, 1994, unless otherwise noted.

EDITORIAL NOTE: Nomenclature changes to part 982 appear at 64 FR 26640, May 14, 1999.

Subpart A—General Information

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.1 Programs: purpose and structure.

(a) *General description.* (1) In the HUD Housing Choice Voucher (HCV) program, HUD pays rental subsidies so eligible families can afford decent, safe, and sanitary housing. The HCV program is generally administered by State or local governmental entities called public housing agencies (PHAs). HUD provides housing assistance funds to the PHA. HUD also provides funds for PHA administration of the program.

(2) Families select and rent units that meet program housing quality standards. If the PHA approves a family's unit and tenancy, the PHA contracts with the owner to make rent subsidy payments on behalf of the fam-

ily. A PHA may not approve a tenancy unless the rent is reasonable.

(3) Subsidy in the HCV program is based on a local "payment standard" that reflects the cost to lease a unit in the local housing market. If the rent is less than the payment standard, the family generally pays 30 percent of adjusted monthly income for rent. If the rent is more than the payment standard, the family pays a larger share of the rent.

(b) *Tenant-based and project-based assistance.* (1) Section 8 assistance may be "tenant-based" or "project-based". In project-based programs, rental assistance is paid for families who live in specific housing developments or units. With tenant-based assistance, the assisted unit is selected by the family. The family may rent a unit anywhere in the United States in the jurisdiction of a PHA that runs a voucher program.

(2) To receive tenant-based assistance, the family selects a suitable unit. After approving the tenancy, the PHA enters into a contract to make rental subsidy payments to the owner to subsidize occupancy by the family. The PHA contract with the owner only covers a single unit and a specific assisted family. If the family moves out of the leased unit, the contract with the owner terminates. The family may move to another unit with continued assistance so long as the family is complying with program requirements.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26640, May 14, 1999; 80 FR 8245, Feb. 17, 2015]

§ 982.2 Applicability.

Part 982 contains the program requirements for the tenant-based housing assistance program under Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f). The tenant-based program is the HCV program.

[80 FR 8245, Feb. 17, 2015]

§ 982.3 HUD.

The HUD field offices have been delegated responsibility for day-to-day administration of the program by HUD. In exercising these functions, the field offices are subject to HUD regulations and other HUD requirements issued by HUD headquarters. Some functions are

§ 982.4

24 CFR Ch. IX (4-1-21 Edition)

specifically reserved to HUD headquarters.

§ 982.4 Definitions.

(a) *Definitions found elsewhere*—(1) *General definitions.* The following terms are defined in part 5, subpart A of this title: 1937 Act, covered person, drug, drug-related criminal activity, federally assisted housing, guest, household, HUD, MSA, other person under the tenant's control, public housing, Section 8, and violent criminal activity.

(2) *Definitions concerning family income and rent.* The terms “adjusted income,” “annual income,” “extremely low income family,” “tenant rent,” “total tenant payment,” “utility allowance,” “utility reimbursement,” and “welfare assistance” are defined in part 5, subpart F of this title. The definitions of “tenant rent” and “utility reimbursement” in part 5, subpart F of this title do not apply to the HCV program under part 982.

(b) In addition to the terms listed in paragraph (a) of this section, the following definitions apply:

Absorption. For purposes of subpart H, the point at which a receiving PHA starts making assistance payments with funding under its consolidated ACC, rather than billing, the initial PHA.

Administrative fee. Fee paid by HUD to the PHA for administration of the program. See § 982.152.

Administrative fee reserve (formerly “operating reserve”). Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes. See § 982.155.

Administrative plan. The plan that describes PHA policies for administration of the HCV program. See § 982.54.

Admission. The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in the tenant-based program.

Applicant (applicant family). A family that has applied for admission to the HCV program but is not yet a program participant.

Budget authority. An amount authorized and appropriated by the Congress for payment to PHAs under the HCV

program. For each funding increment in the program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

Common space. In shared housing: Space available for use by the assisted family and other occupants of the unit.

Congregate housing. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see § 982.606 to § 982.609.

Continuously assisted. An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Act program when the family is admitted to the HCV program.

Cooperative. Housing owned by a corporation or association, and where a member of the corporation or association has the right to reside in a particular unit, and to participate in management of the housing.

Cooperative member. A family of which one or more members owns membership shares in a cooperative.

Domicile. The legal residence of the household head or spouse as determined in accordance with State and local law.

Downpayment assistance grant. A form of homeownership assistance in the homeownership option: A single downpayment assistance grant for the family. If a family receives a downpayment assistance grant, a PHA may not make monthly homeownership assistance payments for the family. A downpayment assistance grant is applied to the downpayment for purchase of the home or reasonable and customary closing costs required in connection with purchase of the home.

Fair market rent (FMR). The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the FEDERAL REGISTER in accordance with 24 CFR part 888.

Family. A person or group of persons, as determined by the PHA consistent

with 24 CFR 5.403, approved to reside in a unit with assistance under the program. See “family composition” at § 982.201(c).

Family rent to owner. In the voucher program, the portion of rent to owner paid by the family. For calculation of family rent to owner, see § 982.515(b).

Family self-sufficiency program (FSS program). The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

Family share. The portion of rent and utilities paid by the family. For calculation of family share, see § 982.515(a).

Family unit size. The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.

First-time homeowner. In the homeownership option: A family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term “first-time homeowner” includes a single parent or displaced homemaker (as those terms are defined in 12 U.S.C. 12713) who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.

Funding increment. Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

Gross rent. The sum of the rent to owner plus any utility allowance.

Group home. A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). A special housing type: see § 982.610 to § 982.614.

HAP contract. Housing assistance payments contract.

Home. In the homeownership option: A dwelling unit for which the PHA pays homeownership assistance.

Homeowner. In the homeownership option: A family of which one or more members owns title to the home.

Homeownership assistance. Assistance for a family under the homeownership option. There are two alternative and mutually exclusive forms of homeownership assistance by a PHA for a family: monthly homeownership assistance payments, or a single downpayment assistance grant. Either form of homeownership assistance may be paid to the family, or to a mortgage lender on behalf of the family.

Homeownership expenses. In the homeownership option: A family’s allowable monthly expenses for the home, as determined by the PHA in accordance with HUD requirements (see § 982.635).

Homeownership option. Assistance for a homeowner or cooperative member under § 982.625 to § 982.641. A special housing type.

Housing assistance payment. The monthly assistance payment by a PHA, which includes:

- (1) A payment to the owner for rent to the owner under the family’s lease; and
- (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing quality standards (HQS). The HUD minimum quality standards for housing assisted under the HCV program. See § 982.401.

Initial PHA. In portability, the term refers to both:

- (1) a PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and
- (2) a PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

Initial payment standard. The payment standard at the beginning of the HAP contract term.

Initial rent to owner. The rent to owner at the beginning of the HAP contract term.

Interest in the home. In the homeownership option:

- (1) In the case of assistance for a homeowner, “interest in the home” includes title to the home, any lease or other right to occupy the home, or any other present interest in the home.
- (2) In the case of assistance for a cooperative member, “interest in the home” includes ownership of membership shares in the cooperative, any

lease or other right to occupy the home, or any other present interest in the home.

Jurisdiction. The area in which the PHA has authority under State and local law to administer the program.

Lease. (1) A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA.

(2) In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member's cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA. For purposes of this part 982, the cooperative is the Section 8 "owner" of the unit, and the cooperative member is the Section 8 "tenant."

Manufactured home. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type: see § 982.620 and § 982.621.

Manufactured home space. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See § 982.622 to § 982.624.

Membership shares. In the homeownership option: shares in a cooperative. By owning such cooperative shares, the share-owner has the right to reside in a particular unit in the cooperative, and the right to participate in management of the housing.

Merger date. October 1, 1999, which is the effective date of the merger of the two tenant-based programs (the housing voucher and housing certificate programs) into the Housing Choice Voucher (HCV) program.

Notice of Funding Availability (NOFA). For budget authority that HUD distributes by competitive process, the FEDERAL REGISTER document that invites applications for funding. This document explains how to apply for assist-

ance and the criteria for awarding the funding.

Owner. Any person or entity with the legal right to lease or sublease a unit to a participant.

Participant (participant family). A family that has been admitted to the PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).

Payment standard. The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

PHA plan. The annual plan and the 5-year plan as adopted by the PHA and approved by HUD in accordance with part 903 of this chapter.

Portability. Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA.

Premises. The building or complex in which the dwelling unit is located, including common areas and grounds.

Present homeownership interest. In the homeownership option: "Present ownership interest" in a residence includes title, in whole or in part, to a residence, or ownership, in whole or in part, of membership shares in a cooperative. "Present ownership interest" in a residence does not include the right to purchase title to the residence under a lease-purchase agreement.

Private space. In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

Program. The Section 8 HCV program under this part.

Program receipts. HUD payments to the PHA under the consolidated ACC, and any other amounts received by the PHA in connection with the program.

Public housing agency (PHA). PHA includes both:

(1) Any State, county, municipality, or other governmental entity or public body which is authorized to administer the program (or an agency or instrumentality of such an entity), and

(2) Any of the following:

(i) A consortium of housing agencies, each of which meets the qualifications in paragraph (1) of this definition, that

HUD determines has the capacity and capability to efficiently administer the program (in which case, HUD may enter into a consolidated ACC with any legal entity authorized to act as the legal representative of the consortium members);

(ii) Any other public or private non-profit entity that was administering a Section 8 tenant-based assistance program pursuant to a contract with the contract administrator of such program (HUD or a PHA) on October 21, 1998; or

(iii) For any area outside the jurisdiction of a PHA that is administering a tenant-based program, or where HUD determines that such PHA is not administering the program effectively, a private non-profit entity or a governmental entity or public body that would otherwise lack jurisdiction to administer the program in such area.

Reasonable rent. A rent to owner that is not more than rent charged:

(1) For comparable units in the private unassisted market; and

(2) For comparable unassisted units in the premises.

Receiving PHA. In portability: A PHA that receives a family selected for participation in the HCV program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

Renewal units. The number of units, as determined by HUD, for which funding is reserved on HUD books for a PHA's program. This number is used in calculating renewal budget authority in accordance with § 982.102.

Rent to owner. The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

Residency preference. A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area ("residency preference area").

Residency preference area. The specified area where families must reside to qualify for a residency preference.

Shared housing. A unit occupied by two or more families. The unit consists

of both common space for shared use by the occupants of the unit and separate private space for each assisted family. A special housing type: see § 982.615 to § 982.618.

Single room occupancy housing (SRO). A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. A special housing type: see § 982.602 to § 982.605.

Special admission. Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

Special housing types. See subpart M of this part 982. Subpart M of this part states the special regulatory requirements for: SRO housing, congregate housing, group home, shared housing, manufactured home (including manufactured home space rental), cooperative housing (rental assistance for cooperative member) and homeownership option (homeownership assistance for cooperative member or first-time homeowner).

Statement of homeowner obligations. In the homeownership option: The family's agreement to comply with program obligations.

Subsidy standards. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension. The term on the family's voucher stops from the date that the family submits a request for PHA approval of the tenancy, until the date the PHA notifies the family in writing whether the request has been approved or denied.

Tenant. The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Utility reimbursement. The portion of the housing assistance payment which exceeds the amount of the rent to owner. (See § 982.514(b)).

Voucher holder. A family holding a voucher with an unexpired term (search time).

Voucher (rental voucher). A document issued by a PHA to a family selected for admission to the voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The

§ 982.5

voucher also states obligations of the family under the program.

Waiting list admission. An admission from the PHA waiting list.

Welfare-to-work (WTW) families. Families assisted by a PHA with voucher funding awarded to the PHA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose).

[63 FR 23857, Apr. 30, 1998; 63 FR 31625, June 10, 1998, as amended at 64 FR 26641, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 64 FR 56887, 56911, Oct. 21, 1999; 65 FR 16821, Mar. 30, 2000; 65 FR 55161, Sept. 12, 2000; 66 FR 28804, May 24, 2001; 66 FR 33613, June 22, 2001; 67 FR 64492, Oct. 18, 2002; 77 FR 5675, Feb. 3, 2012; 80 FR 8245, Feb. 17, 2015; 80 FR 50572, Aug. 20, 2015]

§ 982.5 Notices required by this part.

Where part 982 requires any notice to be given by the PHA, the family or the owner, the notice must be in writing.

Subpart B—HUD Requirements and PHA Plan for Administration of Program

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.51 PHA authority to administer program.

(a) The PHA must have authority to administer the program. The PHA must provide evidence, satisfactory to HUD, of its status as a PHA, of its authority to administer the program, and of the PHA jurisdiction.

(b) The evidence submitted by the PHA to HUD must include enabling legislation and a supporting legal opinion satisfactory to HUD. The PHA must submit additional evidence when there is a change that affects its status as a PHA, its authority to administer the program, or its jurisdiction.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26641, May 14, 1999; 80 FR 8245, Feb. 17, 2015]

§ 982.52 HUD requirements.

(a) The PHA must comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, FEDERAL REGISTER no-

24 CFR Ch. IX (4–1–21 Edition)

tices or other binding program directives.

(b) The PHA must comply with the consolidated ACC and the PHA's HUD-approved applications for program funding.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.53 Equal opportunity requirements and protection for victims of domestic violence, dating violence, sexual assault, or stalking.

(a) The tenant-based program requires compliance with all equal opportunity requirements imposed by contract or federal law, including the authorities cited at 24 CFR 5.105(a) and title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.*

(b) *Civil rights certification.* The PHA must submit a signed certification to HUD that:

(1) The PHA will administer the program in conformity with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act.

(2) The PHA will affirmatively further fair housing in the administration of the program.

(c) *Obligation to affirmatively further fair housing.* The PHA shall affirmatively further fair housing as required by § 903.7(o) of this title.

(d) *State and local law.* Nothing in part 982 is intended to pre-empt operation of State and local laws that prohibit discrimination against a Section 8 voucher-holder because of status as a Section 8 voucher-holder. However, such State and local laws shall not change or affect any requirement of this part, or any other HUD requirements for administration or operation of the program.

(e) *Protection for victims of domestic violence, dating violence, sexual assault, or stalking.* The PHA must apply the requirements in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking). For purposes of compliance with HUD's regulations in 24 CFR part 5, subpart L, the covered housing provider is the PHA or owner,

as applicable given the responsibilities of the covered housing provider as set forth in 24 CFR part 5, subpart L. For example, the PHA is the covered housing provider responsible for providing the Notice of occupancy rights under VAWA and certification form described at 24 CFR 5.2005(a). In addition, the owner is the covered housing provider that may choose to bifurcate a lease as described at 24 CFR 5.2009(a), while the PHA is the covered housing provider responsible for complying with emergency transfer plan provisions at 24 CFR 5.2005(e).

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23859, Apr. 30, 1998; 64 FR 26641, May 14, 1999; 64 FR 56911, Oct. 21, 1999; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 80 FR 8245, Feb. 17, 2015; 81 FR 80816, Nov. 16, 2016]

§ 982.54 Administrative plan.

(a) The PHA must adopt a written administrative plan that establishes local policies for administration of the program in accordance with HUD requirements. The administrative plan and any revisions of the plan must be formally adopted by the PHA Board of Commissioners or other authorized PHA officials. The administrative plan states PHA policy on matters for which the PHA has discretion to establish local policies.

(b) The administrative plan must be in accordance with HUD regulations and requirements. The administrative plan is a supporting document to the PHA plan (part 903 of this title) and must be available for public review. The PHA must revise the administrative plan if needed to comply with HUD requirements.

(c) The PHA must administer the program in accordance with the PHA administrative plan.

(d) The PHA administrative plan must cover PHA policies on these subjects:

(1) Selection and admission of applicants from the PHA waiting list, including any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list;

(2) Issuing or denying vouchers, including PHA policy governing the voucher term and any extensions of the voucher term. If the PHA decides to allow extensions of the voucher term, the PHA administrative plan must describe how the PHA determines whether to grant extensions, and how the PHA determines the length of any extension.

(3) Any special rules for use of available funds when HUD provides funding to the PHA for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families;

(4) Occupancy policies, including:

(i) Definition of what group of persons may qualify as a “family”;

(ii) Definition of when a family is considered to be “continuously assisted”;

(iii) Standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with § 982.553;

(5) Encouraging participation by owners of suitable units located outside areas of low income or minority concentration;

(6) Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit;

(7) Providing information about a family to prospective owners;

(8) Disapproval of owners;

(9) Subsidy standards;

(10) Family absence from the dwelling unit;

(11) How to determine who remains in the program if a family breaks up;

(12) Informal review procedures for applicants;

(13) Informal hearing procedures for participants;

(14) The process for establishing and revising payment standards, including policies on administering decreases in the payment standard during the HAP contract term (see § 982.505(d)(3)).

(15) The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract);

(16) Special policies concerning special housing types in the program (e.g., use of shared housing);

§ 982.101

24 CFR Ch. IX (4–1–21 Edition)

(17) Policies concerning payment by a family to the PHA of amounts the family owes the PHA;

(18) Interim redeterminations of family income and composition;

(19) Restrictions, if any, on the number of moves by a participant family (see § 982.354(c));

(20) Approval by the Board of Commissioners or other authorized officials to charge the administrative fee reserve;

(21) Procedural guidelines and performance standards for conducting required HQS inspections; and

(22) PHA screening of applicants for family behavior or suitability for tenancy.

(23) Policies concerning application of Small Area FMRs to project-based voucher units (see § 888.113(h)).

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 27163, May 30, 1996; 63 FR 23859, Apr. 30, 1998; 64 FR 26641, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 64 FR 56911, Oct. 21, 1999; 66 FR 28804, May 24, 2001; 80 FR 8245, Feb. 17, 2015; 80 FR 50572, Aug. 20, 2015; 81 FR 80582, Nov. 16, 2016]

Subpart C—Funding and PHA Application for Funding

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.101 Allocation of funding.

(a) *Allocation of funding.* HUD allocates available budget authority for the tenant-based assistance program to HUD field offices.

(b) *Section 213(d) allocation.* (1) Section 213(d) of the HCD Act of 1974 (42 U.S.C. 1439) establishes requirements for allocation of assisted housing budget authority. Some budget authority is exempt by law from allocation under section 213(d). Unless exempted by law, budget authority for the tenant-based programs must be allocated in accordance with section 213(d).

(2) Budget authority subject to allocation under section 213(d) is allocated in accordance with 24 CFR part 791, subpart D. There are three categories of section 213(d) funding allocations under part 791 of this title:

(i) Funding retained in a headquarters reserve for purposes specified by law;

(ii) funding incapable of geographic formula allocation (e.g., for renewal of expiring funding increments); or

(iii) funding allocated by an objective fair share formula. Funding allocated by fair share formula is distributed by a competitive process.

(c) *Competitive process.* For budget authority that is distributed by competitive process, the Department solicits applications from PHAs by publishing one or more notices of funding availability (NOFAs) in the FEDERAL REGISTER. See 24 CFR part 12, subpart B; and 24 CFR 791.406. The NOFA explains how to apply for assistance, and specifies the criteria for awarding the assistance. The NOFA may identify any special program requirements for use of the funding.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26642, May 14, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.102 Allocation of budget authority for renewal of expiring consolidated ACC funding increments.

(a) *Applicability.* This section applies to the renewal of consolidated ACC funding increments in the program (as described in § 982.151(a)(2)) that expire after December 31, 1999 (including any assistance that the PHA has attached to units for project-based assistance under 24 CFR part 983). This section implements section 8(dd) of the 1937 Act (42 U.S.C. 1437f(dd)).

(b) *Renewal Methodology.* HUD will use the following methodology to determine the amount of budget authority to be allocated to a PHA for the renewal of expiring consolidated ACC funding increments in the program, subject to the availability of appropriated funds. If the amount of appropriated funds is not sufficient to provide the full amount of renewal funding for PHAs, as calculated in accordance with this section, HUD may establish a procedure to adjust allocations for the shortfall in funding.

(c) *Determining the amount of budget authority allocated for renewal of an expiring funding increment.* Subject to availability of appropriated funds, as determined by HUD, the amount of

budget authority allocated by HUD to a PHA for renewal of each program funding increment that expires during a calendar year will be equal to:

(1) *Number of renewal units.* The number of renewal units assigned to the funding increment (as determined by HUD pursuant to paragraph (d) of this section); multiplied by

(2) *Adjusted annual per unit cost.* The adjusted annual per unit cost (as determined by HUD pursuant to paragraph (e) of this section).

(d) *Determining the number of renewal units—(1) Number of renewal units.* HUD will determine the total number of renewal units for a PHA's program as of the last day of the calendar year previous to the calendar year for which renewal funding is calculated. The number of renewal units for a PHA's program will be determined as follows:

(i) *Step 1: Establishing the initial baseline.* HUD will establish a baseline number of units ("baseline") for each PHA program. The initial baseline equals the number of units reserved by HUD for the PHA program as of December 31, 1999.

(ii) *Step 2: Establishing the adjusted baseline.* The adjusted baseline equals the initial baseline with the following adjustments from the initial baseline as of the last day of the calendar year previous to the calendar year for which renewal funding is calculated:

(A) *Additional units.* HUD will add to the initial baseline any additional units reserved for the PHA after December 31, 1999.

(B) *Units removed.* HUD will subtract from the initial baseline any units de-reserved by HUD from the PHA program after December 31, 1999.

(iii) *Step 3: Determining the number of renewal units.* The number of renewal units equals the adjusted baseline minus the number of units supported by contract funding increments that expire after the end of the calendar year.

(2) *Funding increments.* HUD will assign all units reserved for a PHA program to one or more funding increment(s).

(3) *Correction of errors.* HUD may adjust the number of renewal units to correct errors.

(e) *Determining the adjusted per unit cost.* HUD will determine the PHA's adjusted per unit cost when HUD processes the allocation of renewal funding for an expiring contract funding increment. The adjusted per unit cost calculated will be determined as follows:

(1) *Step 1: Determining monthly program expenditure—(i) Use of most recent HUD-approved year end statement.* HUD will determine the PHA's monthly per unit program expenditure for the HCV program (including project-based assistance under such program) under the consolidated ACC with HUD using data from the PHA's most recent HUD-approved year end statement.

(ii) *Monthly program expenditure.* The monthly program expenditure equals:

(A) *Total program expenditure.* The PHA's total program expenditure (the total of housing assistance payments and administrative costs) for the PHA fiscal year covered by the approved year end statement; divided by

(B) *Total unit months leased.* The total of unit months leased for the PHA fiscal year covered by the approved year end statement.

(2) *Step 2: Determining annual per unit cost.* HUD will determine the PHA's annual per unit cost. The annual per unit cost equals the monthly program expenditures (as determined under paragraph (e)(1)(ii) of this section) multiplied by 12.

(3) *Step 3: Determining adjusted annual per unit cost.* (i) HUD will determine the PHA's adjusted annual per unit cost. The adjusted annual per unit cost equals the annual per unit cost (as determined under paragraph (e)(2) of this section) multiplied cumulatively by the applicable published Section 8 housing assistance payments program annual adjustment factors in effect during the period from the end of the PHA fiscal year covered by the approved year end statement to the time when HUD processes the allocation of renewal funding.

(ii) *Use of annual adjustment factor applicable to PHA jurisdiction.* For this purpose, HUD will use the annual adjustment factor from the notice published annually in the FEDERAL REGISTER pursuant to part 888 that is applicable to the jurisdiction of the PHA. For a PHA whose jurisdiction spans

multiple annual adjustment factor areas, HUD will use the highest applicable annual adjustment factor.

(iii) *Use of annual adjustment factors in effect subsequent to most recent Year End Statement.* HUD will use the Annual Adjustment Factors in effect during the time period subsequent to the time covered by the most recent HUD approved Year End Statement and the time of the processing of the contract funding increment to be renewed.

(iv) *Special circumstances.* At its discretion, HUD may modify the adjusted annual per unit cost based on receipt of a modification request from a PHA. The modification request must demonstrate that because of special circumstances application of the annual adjustment factor will not provide an accurate adjusted annual per unit cost.

(4) *Correction of errors.* HUD may correct for errors in the adjusted per unit cost.

(f) *Consolidated ACC amendment to add renewal funding.* HUD will reserve allocated renewal funding available to the PHA within a reasonable time prior to the expiration of the funding increment to be renewed and establish a new expiration date one-year from the date of such expiration.

(g) *Modification of allocation of budget authority—(1) HUD authority to conform PHA program costs with PHA program finances through Federal Register notice.* In the event that a PHA's costs incurred threaten to exceed budget authority and allowable reserves, HUD reserves the right, through FEDERAL REGISTER notice, to bring PHA program costs and the number of families served, in line with PHA program finances.

(2) *HUD authority to limit increases of per unit cost through Federal Register notice.* HUD may, by FEDERAL REGISTER notice, limit the amount or percentage of increases in the adjusted annual per unit cost to be used in calculating the allocation of budget authority.

(3) *HUD authority to limit decreases to per unit costs through Federal Register notice.* HUD may, by FEDERAL REGISTER notice, limit the amount or percentage of decreases in the adjusted annual per unit cost to be used in calculating the allocation of budget authority.

(4) *Contents of Federal Register notice.* If HUD publishes a FEDERAL REGISTER notice pursuant to paragraphs (g)(1), (g)(2) or (g)(3) of this section, it will describe the rationale, circumstances and procedures under which such modifications are implemented. Such circumstances and procedures shall, be consistent with the objective of enabling PHAs and HUD to meet program goals and requirements including but not limited to:

- (i) Deconcentration of poverty and expanding housing opportunities;
- (ii) Reasonable rent burden;
- (iii) Income targeting;
- (iv) Consistency with applicable consolidated plan(s);
- (v) Rent reasonableness;
- (vi) Program efficiency and economy;
- (vii) Service to additional households within budgetary limitations; and
- (viii) Service to the adjusted baseline number of families.

(5) *Public consultation before issuance of Federal Register notice.* HUD will design and undertake informal public consultation prior to issuing FEDERAL REGISTER notices pursuant to paragraphs (g)(1) or (g)(2) of this section.

(h) *Ability to prorate and synchronize contract funding increments.* Notwithstanding paragraphs (c) through (g) of this section, HUD may prorate the amount of budget authority allocated for the renewal of funding increments that expire on different dates throughout the calendar year. HUD may use such proration to synchronize the expiration dates of funding increments under the PHA's consolidated ACC.

(i) *Reallocation of budget authority.* If a PHA has performance deficiencies, such as a failure to adequately lease units, HUD may reallocate some of its budget authority to other PHAs. If HUD determines to reallocate budget authority, it will reduce the number of units reserved by HUD for the PHA program of the PHA whose budget authority is being reallocated and increase the number of units reserved by HUD for the PHAs whose programs are receiving the benefit of the reallocation, so that such PHAs can issue vouchers. HUD will publish a notice in

Asst. Secy., for Public and Indian Housing, HUD

§ 982.151

the FEDERAL REGISTER that will describe the circumstances and procedures for reallocating budget authority pursuant to this paragraph.

[64 FR 56887, Oct. 21, 1999; 65 FR 16818, Mar. 30, 2000; 80 FR 8246, Feb. 17, 2015]

§ 982.103 PHA application for funding.

(a) A PHA must submit an application for program funding to HUD at the time and place and in the form required by HUD.

(b) For competitive funding under a NOFA, the application must be submitted by a PHA in accordance with the requirements of the NOFA.

(c) The application must include all information required by HUD. HUD requirements may be stated in the HUD-required form of application, the NOFA, or other HUD instructions.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23859, Apr. 30, 1998. Redesignated at 64 FR 56887, Oct. 21, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.104 HUD review of application.

(a) *Competitive funding under NOFA.* For competitive funding under a NOFA, HUD must evaluate an application on the basis of the selection criteria stated in the NOFA, and must consider the PHA's capacity and capability to administer the program.

(b) *Approval or disapproval of PHA funding application.* (1) HUD must notify the PHA of its approval or disapproval of the PHA funding application.

(2) When HUD approves an application, HUD must notify the PHA of the amount of approved funding.

(3) For budget authority that is distributed to PHAs by competitive process, documentation of the basis for provision or denial of assistance is available for public inspection in accordance with 24 CFR 12.14(b).

(c) *PHA disqualification.* HUD will not approve any PHA funding application (including an application for competitive funding under a NOFA) if HUD determines that the PHA is disbarred or

otherwise disqualified from providing assistance under the program.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26642, May 14, 1999. Redesignated at 64 FR 56887, Oct. 21, 1999]

Subpart D—Annual Contributions Contract and PHA Administration of Program

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.151 Annual contributions contract.

(a) *Nature of ACC.* (1) An annual contributions contract (ACC) is a written contract between HUD and a PHA. Under the ACC, HUD agrees to make payments to the PHA, over a specified term, for housing assistance payments to owners and for the PHA administrative fee. The ACC specifies the maximum payment over the ACC term. The PHA agrees to administer the program in accordance with HUD regulations and requirements.

(2) HUD's commitment to make payments for each funding increment in the PHA program constitutes a separate ACC. However, commitments for all the funding increments in a PHA program are listed in one consolidated contractual document called the consolidated annual contributions contract (consolidated ACC). A single consolidated ACC covers funding for the PHA's HCV program.

(b) *Budget authority.* (1) Budget authority is the maximum amount that may be paid by HUD to a PHA over the ACC term of a funding increment. Before adding a funding increment to the consolidated ACC for a PHA program, HUD reserves budget authority from amounts authorized and appropriated by the Congress for the program.

(2) For each funding increment, the ACC specifies the term over which HUD will make payments for the PHA program, and the amount of available budget authority for each funding increment. The amount to be paid to the PHA during each PHA fiscal year (including payment from the ACC reserve

§ 982.152

account described in § 982.154) must be approved by HUD.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26642, May 14, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.152 Administrative fee.

(a) *Purposes of administrative fee.* (1) HUD may approve administrative fees to the PHA for any of the following purposes:

- (i) Ongoing administrative fee;
- (ii) Costs to help families who experience difficulty finding or renting appropriate housing under the program;
- (iii) The following types of extraordinary costs approved by HUD:

(A) Costs to cover necessary additional expenses incurred by the PHA to provide reasonable accommodation for persons with disabilities in accordance with part 8 of this title (e.g., additional counselling costs), where the PHA is unable to cover such additional expenses from ongoing administrative fee income or the PHA administrative fee reserve;

(B) Costs of audit by an independent public accountant;

(C) Other extraordinary costs determined necessary by HUD Headquarters;

(iv) Preliminary fee (in accordance with paragraph (c) of this section);

(v) Costs to coordinate supportive services for families participating in the family self-sufficiency (FSS) program.

(2) For each PHA fiscal year, administrative fees are specified in the PHA budget. The budget is submitted for HUD approval. Fees are paid in the amounts approved by HUD. Administrative fees may only be approved or paid from amounts appropriated by the Congress.

(3) PHA administrative fees may only be used to cover costs incurred to perform PHA administrative responsibilities for the program in accordance with HUD regulations and requirements.

(b) *Ongoing administrative fee.* (1) The PHA ongoing administrative fee is paid for each program unit under HAP contract on the first day of the month. The amount of the ongoing fee is determined by HUD in accordance with Sec-

24 CFR Ch. IX (4-1-21 Edition)

tion 8(q)(1) of the 1937 Act (42 U.S.C. 1437f(q)(1)).

(2) If appropriations are available, HUD may pay a higher ongoing administrative fee for a small program or a program operating over a large geographic area. This higher fee level will not be approved unless the PHA demonstrates that it is efficiently administering its HCV program, and that the higher ongoing administrative fee is reasonable and necessary for administration of the program in accordance with HUD requirements.

(3) HUD may pay a lower ongoing administrative fee for PHA-owned units.

(c) *Preliminary fee.* (1) If the PHA was not administering a program of Section 8 tenant-based assistance prior to the merger date, HUD will pay a one-time fee in the amount of \$500 in the first year the PHA administers a program. The fee is paid for each new unit added to the PHA program by the initial funding increment under the consolidated ACC.

(2) The preliminary fee is used to cover expenses the PHA incurs to help families who inquire about or apply for the program, and to lease up new program units.

(d) *Reducing PHA administrative fee.* HUD may reduce or offset any administrative fee to the PHA, in the amount determined by HUD, if the PHA fails to perform PHA administrative responsibilities correctly or adequately under the program (for example, PHA failure to enforce HQS requirements; or to reimburse a receiving PHA promptly under portability procedures).

[60 FR 23695, July 3, 1995, as amended at 63 FR 23860, Apr. 30, 1998; 64 FR 26642, May 14, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.153 PHA responsibilities.

The PHA must comply with the consolidated ACC, the application, HUD regulations and other requirements, and the PHA administrative plan.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 13627, Mar. 27, 1996; 63 FR 23860, Apr. 30, 1998]

§ 982.154 ACC reserve account.

(a) HUD may establish and maintain an unfunded reserve account for the PHA program from available budget authority under the consolidated ACC. This reserve is called the "ACC reserve account" (formerly "project reserve"). There is a single ACC reserve account for the PHA program.

(b) The amount in the ACC reserve account is determined by HUD. HUD may approve payments for the PHA program, in accordance with the PHA's HUD-approved budget, from available amounts in the ACC reserve account.

[64 FR 26642, May 14, 1999]

§ 982.155 Administrative fee reserve.

(a) The PHA must maintain an administrative fee reserve (formerly "operating reserve") for the program. There is a single administrative fee reserve for the PHA program. The PHA must credit to the administrative fee reserve the total of:

(1) The amount by which program administrative fees paid by HUD for a PHA fiscal year exceed the PHA program administrative expenses for the fiscal year; plus

(2) Interest earned on the administrative fee reserve.

(b)(1) The PHA must use funds in the administrative fee reserve to pay program administrative expenses in excess of administrative fees paid by HUD for a PHA fiscal year. If funds in the administrative fee reserve are not needed to cover PHA administrative expenses (to the end of the last expiring funding increment under the consolidated ACC), the PHA may use these funds for other housing purposes permitted by State and local law. However, HUD may prohibit use of the funds for certain purposes.

(2) The PHA Board of Commissioners or other authorized officials must establish the maximum amount that may be charged against the administrative fee reserve without specific approval.

(3) If the PHA has not adequately administered any Section 8 program, HUD may prohibit use of funds in the administrative fee reserve, and may direct the PHA to use funds in the reserve to improve administration of the

program or to reimburse ineligible expenses.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26642, May 14, 1999]

§ 982.156 Depositary for program funds.

(a) Unless otherwise required or permitted by HUD, all program receipts must be promptly deposited with a financial institution selected as depositary by the PHA in accordance with HUD requirements.

(b) The PHA may only withdraw deposited program receipts for use in connection with the program in accordance with HUD requirements.

(c) The PHA must enter into an agreement with the depositary in the form required by HUD.

(d)(1) If required under a written freeze notice from HUD to the depositary:

(i) The depositary may not permit any withdrawal by the PHA of funds held under the depositary agreement unless expressly authorized by written notice from HUD to the depositary; and

(ii) The depositary must permit withdrawals of such funds by HUD.

(2) HUD must send the PHA a copy of the freeze notice from HUD to the depositary.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.157 Budget and expenditure.

(a) *Budget submission.* Each PHA fiscal year, the PHA must submit its proposed budget for the program to HUD for approval at such time and in such form as required by HUD.

(b) *PHA use of program receipts.* (1) Program receipts must be used in accordance with the PHA's HUD-approved budget. Such program receipts may only be used for:

(i) Housing assistance payments; and
(ii) PHA administrative fees.

(2) The PHA must maintain a system to ensure that the PHA will be able to make housing assistance payments for all participants within the amounts

§ 982.158

contracted under the consolidated ACC.

(c) *Intellectual property rights.* Program receipts may not be used to indemnify contractors or subcontractors of the PHA against costs associated with any judgment of infringement of intellectual property rights.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26642, May 14, 1999]

§ 982.158 Program accounts and records.

(a) The PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. The records must be in the form required by HUD, including requirements governing computerized or electronic forms of record-keeping. The PHA must comply with the financial reporting requirements in 24 CFR part 5, subpart H.

(b) The PHA must furnish to HUD accounts and other records, reports, documents and information, as required by HUD. For provisions on electronic transmission of required family data, see 24 CFR part 908.

(c) HUD and the Comptroller General of the United States shall have full and free access to all PHA offices and facilities, and to all accounts and other records of the PHA that are pertinent to administration of the program, including the right to examine or audit the records, and to make copies. The PHA must grant such access to computerized or other electronic records, and to any computers, equipment or facilities containing such records, and shall provide any information or assistance needed to access the records.

(d) The PHA must prepare a unit inspection report.

(e) During the term of each assisted lease, and for at least three years thereafter, the PHA must keep:

- (1) A copy of the executed lease;
- (2) The HAP contract; and
- (3) The application from the family.

(f) The PHA must keep the following records for at least three years:

24 CFR Ch. IX (4-1-21 Edition)

(1) Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;

(2) An application from each ineligible family and notice that the applicant is not eligible;

(3) HUD-required reports;

(4) Unit inspection reports;

(5) Lead-based paint records as required by part 35, subpart B of this title.

(6) Accounts and other records supporting PHA budget and financial statements for the program;

(7) Records to document the basis for PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and

(8) Other records specified by HUD.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 27163, May 30, 1996; 63 FR 23860, Apr. 30, 1998; 63 FR 46593, Sept. 1, 1998; 64 FR 50229, Sept. 15, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.159 Audit requirements.

(a) The PHA must engage and pay an independent public accountant to conduct audits in accordance with HUD requirements.

(b) The PHA is subject to the audit requirements in 2 CFR part 200, subpart F.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 80 FR 75943, Dec. 7, 2015]

§ 982.160 HUD determination to administer a local program.

If the Assistant Secretary for Public and Indian Housing determines that there is no PHA organized, or that there is no PHA able and willing to implement the provisions of this part for an area, HUD (or an entity acting on behalf of HUD) may enter into HAP contracts with owners and perform the functions otherwise assigned to PHAs

Asst. Secy., for Public and Indian Housing, HUD

§ 982.201

under this part with respect to the area.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.161 Conflict of interest.

(a) Neither the PHA nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the HCV program in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

(1) Any present or former member or officer of the PHA (except a participant commissioner);

(2) Any employee of the PHA, or any contractor, subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs;

(3) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs; or

(4) Any member of the Congress of the United States.

(b) Any member of the classes described in paragraph (a) of this section must disclose their interest or prospective interest to the PHA and HUD.

(c) The conflict of interest prohibition under this section may be waived by the HUD field office for good cause.

[60 FR 34695, July 3, 1995, as amended at 80 FR 8246, Feb. 17, 2015]

§ 982.162 Use of HUD-required contracts and other forms.

(a) The PHA must use program contracts and other forms required by HUD headquarters, including:

(1) The consolidated ACC between HUD and the PHA;

(2) The HAP contract between the PHA and the owner; and

(3) The tenancy addendum required by HUD (which is included both in the HAP contract and in the lease between the owner and the tenant).

(b) Required program contracts and other forms must be word-for-word in the form required by HUD headquarters. Any additions to or modifica-

tions of required program contracts or other forms must be approved by HUD headquarters.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26642, May 14, 1999]

§ 982.163 Fraud recoveries.

Under 24 CFR part 792, the PHA may retain a portion of program fraud losses that the PHA recovers from a family or owner by litigation, court-order or a repayment agreement.

[60 FR 34695, July 3, 1995; 60 FR 43840, Aug. 23, 1995]

Subpart E—Admission to Tenant-Based Program

§ 982.201 Eligibility and targeting.

(a) *When applicant is eligible: General.* The PHA may admit only eligible families to the program. To be eligible, an applicant must be a “family;” must be income-eligible in accordance with paragraph (b) of this section and 24 CFR part 5, subpart F; and must be a citizen or a noncitizen who has eligible immigration status as determined in accordance with 24 CFR part 5, subpart E. If the applicant is a victim of domestic violence, dating violence, sexual assault, or stalking, 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking) applies.

(b) *Income—(1) Income-eligibility.* To be income-eligible, the applicant must be a family in any of the following categories:

(i) A “very low income” family;

(ii) A low-income family that is “continuously assisted” under the 1937 Housing Act;

(iii) A low-income family that meets additional eligibility criteria specified in the PHA administrative plan. Such additional PHA criteria must be consistent with the PHA plan and with the consolidated plans for local governments in the PHA jurisdiction;

(iv) A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing homeownership) or HOPE 2 (HOPE for homeownership of multifamily units) project. (Section 8(o)(4)(D) of the 1937 Act (42 U.S.C. 1437f(o)(4)(D));

(v) A low-income or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing as defined in § 248.101 of this title;

(vi) A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a project subject to a resident homeownership program under § 248.173 of this title.

(2) *Income-targeting.* (i) Not less than 75 percent of the families admitted to a PHA's HCV program during the PHA fiscal year from the PHA waiting list shall be extremely low income families. Annual income of such families shall be verified within the period described in paragraph (e) of this section.

(ii) A PHA may admit a lower percent of extremely low income families during a PHA fiscal year (than otherwise required under paragraph (b)(2)(i) of this section) if HUD approves the use of such lower percent by the PHA, in accordance with the PHA plan, based on HUD's determination that the following circumstances necessitate use of such lower percent by the PHA:

(A) The PHA has opened its waiting list for a reasonable time for admission of extremely low income families residing in the same metropolitan statistical area (MSA) or non-metropolitan county, both inside and outside the PHA jurisdiction;

(B) The PHA has provided full public notice of such opening to such families, and has conducted outreach and marketing to such families, including outreach and marketing to extremely low income families on the Section 8 and public housing waiting lists of other PHAs with jurisdiction in the same MSA or non-metropolitan county;

(C) Notwithstanding such actions by the PHA (in accordance with paragraphs (b)(2)(ii)(A) and (B) of this section), there are not enough extremely low income families on the PHA's waiting list to fill available slots in the program during any fiscal year for which use of a lower percent is approved by HUD; and

(D) Admission of the additional very low income families other than extremely low income families to the PHA's tenant-based voucher program

will substantially address worst case housing needs as determined by HUD.

(iii) If approved by HUD, the admission of a portion of very low income welfare-to-work (WTW) families that are not extremely low income families may be disregarded in determining compliance with the PHA's income-targeting obligations under paragraph (b)(2)(i) of this section. HUD will grant such approval only if and to the extent that the PHA has demonstrated to HUD's satisfaction that compliance with such targeting obligations with respect to such portion of WTW families would interfere with the objectives of the welfare-to-work voucher program. If HUD grants such approval, admission of that portion of WTW families is not counted in the base number of families admitted to a PHA's tenant-based voucher program during the fiscal year for purposes of income targeting.

(iv) Admission of families as described in paragraphs (b)(1)(ii) or (b)(1)(v) of this section is not subject to targeting under paragraph (b)(2)(i) of this section.

(v) If the jurisdictions of two or more PHAs that administer the HCV program cover an identical geographic area, such PHAs may elect to be treated as a single PHA for purposes of targeting under paragraph (b)(2)(i) of this section. In such a case, the PHAs shall cooperate to assure that aggregate admissions by such PHAs comply with the targeting requirement. If such PHAs do not have a single fiscal year, HUD will determine which PHA's fiscal year is used for this purpose.

(vi) If a family initially leases a unit outside the PHA jurisdiction under portability procedures at admission to the HCV program, such admission shall be counted against the targeting obligation of the initial PHA (unless the receiving PHA absorbs the portable family into the receiving PHA's HCV program from the point of admission).

(3) The annual income (gross income) of an applicant family is used both for determination of income-eligibility under paragraph (b)(1) of this section and for targeting under paragraph (b)(2)(i) of this section. In determining annual income of an applicant family that includes a person with disabilities,

the determination must include the disallowance of increase in annual income as provided in 24 CFR 5.617, if applicable.

(4) The applicable income limit for issuance of a voucher when a family is selected for the program is the highest income limit (for the family size) for areas in the PHA jurisdiction. The applicable income limit for admission to the program is the income limit for the area where the family is initially assisted in the program. At admission, the family may only use the voucher to rent a unit in an area where the family is income eligible.

(c) *Family composition*. See definition of “family” in 24 CFR 5.403.

(d) *Continuously assisted*. (1) An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

(2) The PHA must establish policies concerning whether and to what extent a brief interruption between assistance under one of these programs and admission to the voucher program will be considered to break continuity of assistance under the 1937 Housing Act.

(e) *When PHA verifies that applicant is eligible*. The PHA must receive information verifying that an applicant is eligible within the period of 60 days before the PHA issues a voucher to the applicant.

(f) *Decision to deny assistance*—(1) *Notice to applicant*. The PHA must give an applicant prompt written notice of a decision denying admission to the program (including a decision that the applicant is not eligible, or denying assistance for other reasons). The notice must give a brief statement of the reasons for the decision. The notice must also state that the applicant may request an informal review of the decision, and state how to arrange for the informal review.

(2) For description of the grounds for denying assistance because of action or inaction by the applicant, see § 982.552(b) and (c) (requirement and au-

thority to deny admission) and § 982.553(a) (crime by family members).

[59 FR 36682, July 18, 1994, as amended at 60 FR 34717, July 3, 1995; 61 FR 13627, Mar. 27, 1996; 64 FR 26642, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 64 FR 56911, Oct. 21, 1999; 66 FR 6226, Jan. 19, 2001; 66 FR 8174, Jan. 30, 2001; 67 FR 6820, Feb. 13, 2002; 70 FR 77744, Dec. 30, 2005; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 77 FR 5676, Feb. 3, 2012; 80 FR 8246, Feb. 17, 2015; 81 FR 80816, Nov. 16, 2016]

§ 982.202 How applicants are selected: General requirements.

(a) *Waiting list admissions and special admissions*. The PHA may admit an applicant for participation in the program either:

(1) As a special admission (see § 982.203).

(2) As a waiting list admission (see § 982.204 through § 982.210).

(b) *Prohibited admission criteria*—(1) *Where family lives*. Admission to the program may not be based on where the family lives before admission to the program. However, the PHA may target assistance for families who live in public housing or other federally assisted housing, or may adopt a residency preference (see § 982.207).

(2) *Where family will live*. Admission to the program may not be based on where the family will live with assistance under the program.

(3) *Family characteristics*. The PHA preference system may provide a preference for admission of families with certain characteristics from the PHA waiting list. However, admission to the program may not be based on:

(i) Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;

(ii) Discrimination because a family includes children (familial status discrimination);

(iii) Discrimination because of age, race, color, religion, sex, or national origin;

(iv) Discrimination because of disability; or

(v) Whether a family decides to participate in a family self-sufficiency program.

(c) *Applicant status*. An applicant does not have any right or entitlement to be listed on the PHA waiting list, to any particular position on the waiting list,

§ 982.203

or to admission to the programs. The preceding sentence does not affect or prejudice any right, independent of this rule, to bring a judicial action challenging an PHA violation of a constitutional or statutory requirement.

(d) *Admission policy.* The PHA must admit applicants for participation in accordance with HUD regulations and other requirements, including, but not limited to, 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and with PHA policies stated in the PHA administrative plan and the PHA plan. The PHA admission policy must state the system of admission preferences that the PHA uses to select applicants from the waiting list, including any residency preference or other local preference.

[59 FR 36682, July 18, 1994, as amended at 60 FR 34717, July 3, 1995; 61 FR 9048, Mar. 6, 1996; 61 FR 27163, May 30, 1996; 64 FR 26643, May 14, 1999; 65 FR 16821, Mar. 30, 2000; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 81 FR 80816, Nov. 16, 2016]

§ 982.203 Special admission (non-waiting list): Assistance targeted by HUD.

(a) If HUD awards a PHA program funding that is targeted for families living in specified units:

(1) The PHA must use the assistance for the families living in these units.

(2) The PHA may admit a family that is not on the PHA waiting list, or without considering the family's waiting list position. The PHA must maintain records showing that the family was admitted with HUD-targeted assistance.

(b) The following are examples of types of program funding that may be targeted for a family living in a specified unit:

(1) A family displaced because of demolition or disposition of a public housing project;

(2) A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;

(3) For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990 (41 U.S.C. 4101 *et seq.*);

24 CFR Ch. IX (4–1–21 Edition)

(i) A non-purchasing family residing in a project subject to a homeownership program (under 24 CFR 248.173); or

(ii) A family displaced because of mortgage prepayment or voluntary termination of a mortgage insurance contract (as provided in 24 CFR 248.165);

(4) A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and

(5) A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

[59 FR 36682, July 18, 1994, as amended at 64 FR 26643, May 14, 1999]

§ 982.204 Waiting list: Administration of waiting list.

(a) *Admission from waiting list.* Except for special admissions, participants must be selected from the PHA waiting list. The PHA must select participants from the waiting list in accordance with admission policies in the PHA administrative plan.

(b) *Organization of waiting list.* The PHA must maintain information that permits the PHA to select participants from the waiting list in accordance with the PHA admission policies. The waiting list must contain the following information for each applicant listed:

(1) Applicant name;

(2) Family unit size (number of bedrooms for which family qualifies under PHA occupancy standards);

(3) Date and time of application;

(4) Qualification for any local preference;

(5) Racial or ethnic designation of the head of household.

(c) *Removing applicant names from the waiting list.* (1) The PHA administrative plan must state PHA policy on when applicant names may be removed from the waiting list. The policy may provide that the PHA will remove names of applicants who do not respond to PHA requests for information or updates.

(2) An PHA decision to withdraw from the waiting list the name of an applicant family that includes a person with disabilities is subject to reasonable accommodation in accordance with 24 CFR part 8. If the applicant did not respond to the PHA request for information or updates because of the family member's disability, the PHA

must reinstate the applicant in the family's former position on the waiting list.

(d) *Family size.* (1) The order of admission from the waiting list may not be based on family size, or on the family unit size for which the family qualifies under the PHA occupancy policy.

(2) If the PHA does not have sufficient funds to subsidize the family unit size of the family at the top of the waiting list, the PHA may not skip the top family to admit an applicant with a smaller family unit size. Instead, the family at the top of the waiting list will be admitted when sufficient funds are available.

(e) *Funding for specified category of waiting list families.* When HUD awards an PHA program funding for a specified category of families on the waiting list, the PHA must select applicant families in the specified category.

(f) *Number of waiting lists.* A PHA must use a single waiting list for admission to its Section 8 tenant-based assistance program. However, the PHA may use a separate single waiting list for such admissions for a county or municipality.

(Approved by the Office of Management and Budget under OMB control number 2577-0169)

[59 FR 36682, July 18, 1994, as amended at 60 FR 34717, July 3, 1995; 63 FR 23860, Apr. 30, 1998; 64 FR 26643, May 14, 1999; 65 FR 16821, Mar. 30, 2000]

§ 982.205 Waiting list: Different programs.

(a) *Merger and cross-listing—(1) Merged waiting list.* A PHA may merge the waiting list for tenant-based assistance with the PHA waiting list for admission to another assisted housing program, including a federal or local program. In admission from the merged waiting list, admission for each federal program is subject to federal regulations and requirements for the particular program.

(2) *Non-merged waiting list: Cross-listing.* If the PHA decides not to merge the waiting list for tenant-based assistance with the waiting list for the PHA's public housing program, project-based voucher program or moderate rehabilitation program:

(i) If the PHA's waiting list for tenant-based assistance is open when an

applicant is placed on the waiting list for the PHA's public housing program, project-based voucher program or moderate rehabilitation program, the PHA must offer to place the applicant on its waiting list for tenant-based assistance.

(ii) If the PHA's waiting list for its public housing program, project-based voucher program or moderate rehabilitation program is open when an applicant is placed on the waiting list for its tenant-based program, and if the other program includes units suitable for the applicant, the PHA must offer to place the applicant on its waiting list for the other program.

(b) *Other housing assistance: Effect of application for, receipt or refusal.* (1) For purposes of this section, "other housing subsidy" means a housing subsidy other than assistance under the voucher program. Housing subsidy includes subsidy assistance under a federal housing program (including public housing), a State housing program, or a local housing program.

(2) The PHA may not take any of the following actions because an applicant has applied for, received, or refused other housing assistance:

(i) Refuse to list the applicant on the PHA waiting list for tenant-based assistance;

(ii) Deny any admission preference for which the applicant is currently qualified;

(iii) Change the applicant's place on the waiting list based on preference, date and time of application, or other factors affecting selection under the PHA selection policy; or

(iv) Remove the applicant from the waiting list.

[59 FR 36682, July 18, 1994, as amended at 61 FR 27163, May 30, 1996; 63 FR 23860, Apr. 30, 1998; 64 FR 26643, May 14, 1999; 65 FR 16821, Mar. 30, 2000; 80 FR 8246, Feb. 17, 2015]

§ 982.206 Waiting list: Opening and closing; public notice.

(a) *Public notice.* (1) When the PHA opens a waiting list, the PHA must give public notice that families may apply for tenant-based assistance. The public notice must state where and when to apply.

(2) The PHA must give the public notice by publication in a local newspaper of general circulation, and also by minority media and other suitable means. The notice must comply with HUD fair housing requirements.

(3) The public notice must state any limitations on who may apply for available slots in the program.

(b) *Criteria defining what families may apply.* (1) The PHA may adopt criteria defining what families may apply for assistance under a public notice.

(2) If the waiting list is open, the PHA must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance because of action or inaction by members of the family) for the grounds stated in §§ 982.552 and 982.553.

(c) *Closing waiting list.* If the PHA determines that the existing waiting list contains an adequate pool for use of available program funding, the PHA may stop accepting new applications, or may accept only applications meeting criteria adopted by the PHA.

(Approved by the Office of Management and Budget under control number 2577-0169)

[59 FR 36682, July 18, 1994, as amended at 60 FR 34717, July 3, 1995; 60 FR 45661, Sept. 1, 1995; 63 FR 23860, Apr. 30, 1998; 64 FR 26643, May 14, 1999]

§ 982.207 Waiting list: Local preferences in admission to program.

(a) *Establishment of PHA local preferences.* (1) The PHA may establish a system of local preferences for selection of families admitted to the program. PHA selection preferences must be described in the PHA administrative plan.

(2) The PHA system of local preferences must be based on local housing needs and priorities, as determined by the PHA. In determining such needs and priorities, the PHA shall use generally accepted data sources. The PHA shall consider public comment on the proposed public housing agency plan (as received pursuant to § 903.17 of this chapter) and on the consolidated plan for the relevant jurisdiction (as received pursuant to part 91 of this title).

(3) The PHA may limit the number of applicants that may qualify for any local preference.

(4) The PHA shall not deny a local preference, nor otherwise exclude or penalize a family in admission to the program, solely because the family resides in a public housing project. The PHA may establish a preference for families residing in public housing who are victims of a crime of violence (as defined in 18 U.S.C. 16).

(b) *Particular local preferences—*(1) *Residency requirements or preferences.* (i) Residency requirements are prohibited. Although a PHA is not prohibited from adopting a residency preference, the PHA may only adopt or implement residency preferences in accordance with non-discrimination and equal opportunity requirements listed at § 5.105(a) of this title.

(ii) A residency preference is a preference for admission of persons who reside in a specified geographic area (“residency preference area”). A county or municipality may be used as a residency preference area. An area smaller than a county or municipality may not be used as a residency preference area.

(iii) Any PHA residency preferences must be included in the statement of PHA policies that govern eligibility, selection and admission to the program, which is included in the PHA annual plan (or supporting documents) pursuant to part 903 of this title. Such policies must specify that use of a residency preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family.

(iv) A residency preference must not be based on how long an applicant has resided or worked in a residency preference area.

(v) Applicants who are working or who have been notified that they are hired to work in a residency preference area must be treated as residents of the residency preference area. The PHA may treat graduates of, or active participants in, education and training programs in a residency preference area as residents of the residency preference area if the education or training program is designed to prepare individuals for the job market.

(2) *Preference for working families.* The PHA may adopt a preference for admission of working families (families where the head, spouse or sole member is employed). However, an applicant shall be given the benefit of the working family preference if the head and spouse, or sole member is age 62 or older, or is a person with disabilities.

(3) *Preference for person with disabilities.* The PHA may adopt a preference for admission of families that include a person with disabilities. However, the PHA may not adopt a preference for admission of persons with a specific disability.

(4) *Preference for victims of domestic violence, dating violence, sexual assault, or stalking.* The PHA should consider whether to adopt a local preference for admission of families that include victims of domestic violence, dating violence, sexual assault, or stalking.

(5) *Preference for single persons who are elderly, displaced, homeless, or persons with disabilities.* The PHA may adopt a preference for admission of single persons who are age 62 or older, displaced, homeless, or persons with disabilities over other single persons.

(c) *Selection among families with preference.* The PHA system of preferences may use either of the following to select among applicants on the waiting list with the same preference status:

(1) Date and time of application; or
(2) A drawing or other random choice technique.

(d) *Preference for higher-income families.* The PHA must not select families for admission to the program in an order different from the order on the waiting list for the purpose of selecting higher income families for admission to the program.

(e) *Verification of selection method.* The method for selecting applicants from a preference category must leave a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in the administrative plan.

[64 FR 26643, May 14, 1999, as amended at 64 FR 56912, Oct. 21, 1999; 65 FR 16821, Mar. 30, 2000; 81 FR 80816, Nov. 16, 2016]

Subpart G—Leasing a Unit

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.301 Information when family is selected.

(a) *PHA briefing of family.* (1) When the PHA selects a family to participate in a tenant-based program, the PHA must give the family an oral briefing. The briefing must include information on the following subjects:

(i) A description of how the program works;

(ii) Family and owner responsibilities; and

(iii) Where the family may lease a unit, including renting a dwelling unit inside or outside the PHA jurisdiction, and any information on selecting a unit that HUD provides.

(2) An explanation of how portability works. The PHA may not discourage the family from choosing to live anywhere in the PHA jurisdiction, or outside the PHA jurisdiction under portability procedures, unless otherwise expressly authorized by statute, regulation, PIH Notice, or court order. The family must be informed of how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process which may affect the family's assistance.

(3) The briefing must also explain the advantages of areas that do not have a high concentration of low-income families.

(4) In briefing a family that includes any disabled person, the PHA must take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6.

(5) In briefing a welfare-to-work family, the PHA must include specification of any local obligations of a welfare-to-work family and an explanation that failure to meet these obligations is grounds for PHA denial of admission or termination of assistance.

(b) *Information packet.* When a family is selected to participate in the program, the PHA must give the family a packet that includes information on the following subjects:

Subpart F [Reserved]

§ 982.302

24 CFR Ch. IX (4–1–21 Edition)

(1) The term of the voucher, voucher suspensions, and PHA policy on any extensions of the term. If the PHA allows extensions, the packet must explain how the family can request an extension;

(2) How the PHA determines the amount of the housing assistance payment for a family, including:

(i) How the PHA determines the payment standard for a family; and

(ii) How the PHA determines the total tenant payment for a family.

(3) How the PHA determines the maximum rent for an assisted unit;

(4) Where the family may lease a unit and an explanation of how portability works, including information on how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process which may affect the family's assistance.

(5) The HUD-required "tenancy addendum" that must be included in the lease;

(6) The form that the family uses to request PHA approval of the assisted tenancy, and an explanation of how to request such approval;

(7) A statement of the PHA policy on providing information about a family to prospective owners;

(8) PHA subsidy standards, including when the PHA will consider granting exceptions to the standards;

(9) Materials (*e.g.*, brochures) on how to select a unit and any additional information on selecting a unit that HUD provides.

(10) Information on federal, State and local equal opportunity laws, and a copy of the housing discrimination complaint form;

(11) A list of landlords known to the PHA who may be willing to lease a unit to the family or other resources (*e.g.*, newspapers, organizations, online search tools) known to the PHA that may assist the family in locating a unit. PHAs must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration.

(12) Notice that if the family includes a disabled person, the family may request a current listing of accessible

units known to the PHA that may be available;

(13) Family obligations under the program;

(14) Family obligations under the program, including any obligations of a welfare-to-work family.

(15) The advantages of areas that do not have a high concentration of low-income families.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 27163, May 30, 1996; 64 FR 26644, May 14, 1999; 64 FR 50229, Sept. 15, 1999; 64 FR 56912, Oct. 21, 1999; 80 FR 50572, Aug. 20, 2015; 80 FR 52619, Sept. 1, 2015]

§ 982.302 Issuance of voucher; Requesting PHA approval of assisted tenancy.

(a) When a family is selected, or when a participant family wants to move to another unit, the PHA issues a voucher to the family. The family may search for a unit.

(b) If the family finds a unit, and the owner is willing to lease the unit under the program, the family may request PHA approval of the tenancy. The PHA has the discretion whether to permit the family to submit more than one request at a time.

(c) The family must submit to the PHA a request for approval of the tenancy and a copy of the lease, including the HUD-prescribed tenancy addendum. The request must be submitted during the term of the voucher.

(d) The PHA specifies the procedure for requesting approval of the tenancy. The family must submit the request for approval of the tenancy in the form and manner required by the PHA.

[64 FR 26644, May 14, 1999]

§ 982.303 Term of voucher.

(a) *Initial term.* The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher.

(b) *Extensions of term.* (1) At its discretion, the PHA may grant a family one or more extensions of the initial voucher term in accordance with PHA policy as described in the PHA administrative plan. Any extension of the term is granted by PHA notice to the family.

(2) If the family needs and requests an extension of the initial voucher term as a reasonable accommodation, in accordance with part 8 of this title, to make the program accessible to a family member who is a person with disabilities, the PHA must extend the voucher term up to the term reasonably required for that purpose.

(c) *Suspension of term.* The PHA must provide for suspension of the initial or any extended term of the voucher from the date that the family submits a request for PHA approval of the tenancy until the date the PHA notifies the family in writing whether the request has been approved or denied.

(d) *Progress report by family to the PHA.* During the initial or any extended term of a voucher, the PHA may require the family to report progress in leasing a unit. Such reports may be required at such intervals or times as determined by the PHA.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23860, Apr. 30, 1998; 64 FR 26644, May 14, 1999; 64 FR 56913, Oct. 21, 1999; 80 FR 50573, Aug. 20, 2015]

§ 982.304 Illegal discrimination: PHA assistance to family.

A family may claim that illegal discrimination because of race, color, religion, sex, national origin, age, familial status or disability prevents the family from finding or leasing a suitable unit with assistance under the program. The PHA must give the family information on how to fill out and file a housing discrimination complaint.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.305 PHA approval of assisted tenancy.

(a) *Program requirements.* The PHA may not give approval for the family of the assisted tenancy, or execute a HAP contract, until the PHA has determined that all the following meet program requirements:

- (1) The unit is eligible;
- (2) The unit has been inspected by the PHA and passes HQS;

(3) The lease includes the tenancy addendum;

(4) The rent to owner is reasonable; and

(5) At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share does not exceed 40 percent of the family's monthly adjusted income.

(b) *Actions before lease term.* (1) All of the following must always be completed before the beginning of the initial term of the lease for a unit:

(i) The PHA has inspected the unit and has determined that the unit satisfies the HQS;

(ii) The landlord and the tenant have executed the lease (including the HUD-prescribed tenancy addendum, and the lead-based paint disclosure information as required in § 35.92(b) of this title); and

(iii) The PHA has approved leasing of the unit in accordance with program requirements.

(2)(i) The PHA must inspect the unit, determine whether the unit satisfies the HQS, and notify the family and owner of the determination:

(A) In the case of a PHA with up to 1250 budgeted units in its tenant-based program, within fifteen days after the family and the owner submit a request for approval of the tenancy.

(B) In the case of a PHA with more than 1250 budgeted units in its tenant-based program, within a reasonable time after the family submits a request for approval of the tenancy. To the extent practicable, such inspection and determination must be completed within fifteen days after the family and the owner submit a request for approval of the tenancy.

(ii) The fifteen day clock (under paragraph (b)(2)(i)(A) or paragraph (b)(2)(i)(B) of this section) is suspended during any period when the unit is not available for inspection.

(3) In the case of a unit subject to a lease-purchase agreement, the PHA must provide written notice to the family of the environmental requirements that must be met before commencing homeownership assistance for the family (see § 982.626(c)).

(c) *When HAP contract is executed.* (1) The PHA must use best efforts to execute the HAP contract before the beginning of the lease term. The HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

(2) The PHA may not pay any housing assistance payment to the owner until the HAP contract has been executed.

(3) If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the PHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

(4) Any HAP contract executed after the 60 day period is void, and the PHA may not pay any housing assistance payment to the owner.

(d) *Notice to family and owner.* After receiving the family's request for approval of the assisted tenancy, the PHA must promptly notify the family and owner whether the assisted tenancy is approved.

(e) *Procedure after PHA approval.* If the PHA has given approval for the family of the assisted tenancy, the owner and the PHA execute the HAP contract.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26644, May 14, 1999; 64 FR 56913, Oct. 21, 1999; 64 FR 59622, Nov. 3, 1999; 65 FR 16818, Mar. 30, 2000; 65 FR 55161, Sept. 12, 2000; 69 FR 34276, June 21, 2004; 80 FR 8246, Feb. 17, 2015]

§ 982.306 PHA disapproval of owner.

(a) The PHA must not approve an assisted tenancy if the PHA has been informed (by HUD or otherwise) that the owner is debarred, suspended, or subject to a limited denial of participation under 2 CFR part 2424.

(b) When directed by HUD, the PHA must not approve an assisted tenancy if:

(1) The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal

equal opportunity requirements, and such action is pending; or

(2) A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

(c) In its administrative discretion, the PHA may deny approval of an assisted tenancy for any of the following reasons:

(1) The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);

(2) The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

(3) The owner has engaged in any drug-related criminal activity or any violent criminal activity;

(4) The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;

(5) The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

(i) Threatens the right to peaceful enjoyment of the premises by other residents;

(ii) Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing;

(iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or

(iv) Is drug-related criminal activity or violent criminal activity; or

(6) The owner has a history or practice of renting units that fail to meet State or local housing codes; or

(7) The owner has not paid State or local real estate taxes, fines or assessments.

(d) The PHA must not approve a unit if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless the PHA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities. This restriction against PHA approval of a unit only applies at the time a family initially receives tenant-based assistance for occupancy of a particular unit, but does not apply to PHA approval of a new tenancy with continued tenant-based assistance in the same unit.

(e) Nothing in this rule is intended to give any owner any right to participate in the program.

(f) For purposes of this section, "owner" includes a principal or other interested party.

[60 FR 34695, July 3, 1995, as amended at 63 FR 27437, May 18, 1998; 64 FR 26644, May 14, 1999; 64 FR 56913, Oct. 21, 1999; 65 FR 16821, Mar. 30, 2000; 72 FR 73496, Dec. 27, 2007]

§ 982.307 Tenant screening.

(a) *PHA option and owner responsibility.* (1) The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. However, the PHA may opt to screen applicants for family behavior or suitability for tenancy. The PHA must conduct any such screening of applicants in accordance with policies stated in the PHA administrative plan.

(2) The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner.

(3) The owner is responsible for screening of families on the basis of their tenancy histories. An owner may consider a family's background with respect to such factors as:

- (i) Payment of rent and utility bills;
- (ii) Caring for a unit and premises;
- (iii) Respecting the rights of other residents to the peaceful enjoyment of their housing;
- (iv) Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and

(v) Compliance with other essential conditions of tenancy.

(b) *PHA information about tenant.* (1) The PHA must give the owner:

(i) The family's current and prior address (as shown in the PHA records); and

(ii) The name and address (if known to the PHA) of the landlord at the family's current and prior address.

(2) When a family wants to lease a dwelling unit, the PHA may offer the owner other information in the PHA possession, about the family, including information about the tenancy history of family members, or about drug-trafficking by family members.

(3) The PHA must give the family a statement of the PHA policy on providing information to owners. The statement must be included in the information packet that is given to a family selected to participate in the program. The PHA policy must provide that the PHA will give the same types of information to all families and to all owners.

(4) In cases involving a victim of domestic violence, dating violence, sexual assault, or stalking, 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking) applies.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 27163, May 30, 1996; 64 FR 26645, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 81 FR 80816, Nov. 16, 2016]

§ 982.308 Lease and tenancy.

(a) *Tenant's legal capacity.* The tenant must have legal capacity to enter a lease under State and local law. "Legal capacity" means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

(b) *Form of lease.* (1) The tenant and the owner must enter a written lease for the unit. The lease must be executed by the owner and the tenant.

(2) If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form (plus the HUD-prescribed tenancy addendum). If the owner does not use a

standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PHA model lease (including the HUD-prescribed tenancy addendum). The HAP contract prescribed by HUD will contain the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease is in such standard form.

(c) *State and local law.* The PHA may review the lease to determine if the lease complies with State and local law. The PHA may decline to approve the tenancy if the PHA determines that the lease does not comply with State or local law.

(d) *Required information.* The lease must specify all of the following:

(1) The names of the owner and the tenant;

(2) The unit rented (address, apartment number, and any other information needed to identify the contract unit);

(3) The term of the lease (initial term and any provisions for renewal);

(4) The amount of the monthly rent to owner; and

(5) A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

(e) *Reasonable rent.* The rent to owner must be reasonable (see § 982.507).

(f) *Tenancy addendum.* (1) The HAP contract form required by HUD shall include an addendum (the "tenancy addendum"), that sets forth:

(i) The tenancy requirements for the program (in accordance with this section and §§ 982.309 and 982.310); and

(ii) The composition of the household as approved by the PHA (family members and any PHA-approved live-in aide).

(2) All provisions in the HUD-required tenancy addendum must be added word-for-word to the owner's standard form lease that is used by the owner for unassisted tenants. The tenant shall have the right to enforce the tenancy addendum against the owner, and the terms of the tenancy addendum shall prevail over any other provisions of the lease.

(g) *Changes in lease or rent.* (1) If the tenant and the owner agree to any changes in the lease, such changes

must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must be in accordance with the requirements of this section.

(2) In the following cases, tenant-based assistance shall not be continued unless the PHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner:

(i) If there are any changes in lease requirements governing tenant or owner responsibilities for utilities or appliances;

(ii) If there are any changes in lease provisions governing the term of the lease;

(iii) If the family moves to a new unit, even if the unit is in the same building or complex.

(3) PHA approval of the tenancy, and execution of a new HAP contract, are not required for changes in the lease other than as specified in paragraph (g)(2) of this section.

(4) The owner must notify the PHA of any changes in the amount of the rent to owner at least sixty days before any such changes go into effect, and any such changes shall be subject to rent reasonableness requirements (see § 982.503).

[64 FR 26645, May 14, 1999, as amended at 64 FR 56913, Oct. 21, 1999]

§ 982.309 Term of assisted tenancy.

(a) *Initial term of lease.* (1) Except as provided in paragraph (a)(2) of this section, the initial lease term must be for at least one year.

(2) The PHA may approve a shorter initial lease term if the PHA determines that:

(i) Such shorter term would improve housing opportunities for the tenant; and

(ii) Such shorter term is the prevailing local market practice.

(3) During the initial term of the lease, the owner may not raise the rent to owner.

(4) The PHA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC.

(b) *Term of HAP contract.* (1) The term of the HAP contract begins on the first day of the lease term and ends on the last day of the lease term.

(2) The HAP contract terminates if any of the following occurs:

(i) The lease is terminated by the owner or the tenant;

(ii) The PHA terminates the HAP contract; or

(iii) The PHA terminates assistance for the family.

(c) *Family responsibility.* (1) If the family terminates the lease on notice to the owner, the family must give the PHA a copy of the notice of termination at the same time. Failure to do this is a breach of family obligations under the program.

(2) The family must notify the PHA and the owner before the family moves out of the unit. Failure to do this is a breach of family obligations under the program.

[64 FR 26645, May 14, 1999]

§ 982.310 Owner termination of tenancy.

(a) *Grounds.* During the term of the lease, the owner may not terminate the tenancy except on the following grounds:

(1) Serious violation (including but not limited to failure to pay rent or other amounts due under the lease) or repeated violation of the terms and conditions of the lease;

(2) Violation of federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or

(3) Other good cause.

(b) *Nonpayment by PHA: Not grounds for termination of tenancy.* (1) The family is not responsible for payment of the portion of the rent to owner covered by the housing assistance payment under the HAP contract between the owner and the PHA.

(2) The PHA failure to pay the housing assistance payment to the owner is not a violation of the lease between the tenant and the owner. During the term of the lease the owner may not terminate the tenancy of the family for nonpayment of the PHA housing assistance payment.

(c) *Criminal activity—(1) Evicting drug criminals due to drug crime on or near the*

premises. The lease must provide that drug-related criminal activity engaged in, on or near the premises by any tenant, household member, or guest, or such activity engaged in on the premises by any other person under the tenant's control, is grounds for the owner to terminate tenancy. In addition, the lease must provide that the owner may evict a family when the owner determines that a household member is illegally using a drug or when the owner determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(2) *Evicting other criminals.* (i) *Threat to other residents.* The lease must provide that the owner may terminate tenancy for any of the following types of criminal activity by a covered person:

(A) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises);

(B) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or

(C) Any violent criminal activity on or near the premises by a tenant, household member, or guest, or any such activity on the premises by any other person under the tenant's control.

(ii) *Fugitive felon or parole violator.* The lease must provide that the owner may terminate the tenancy if a tenant is:

(A) Fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or

(B) Violating a condition of probation or parole imposed under Federal or State law.

(3) *Evidence of criminal activity.* The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person in accordance with this section if the

owner determines that the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. (See part 5, subpart J, of this title for provisions concerning access to criminal records.)

(d) *Other good cause.* (1) “Other good cause” for termination of tenancy by the owner may include, but is not limited to, any of the following examples:

- (i) Failure by the family to accept the offer of a new lease or revision;
- (ii) A family history of disturbance of neighbors or destruction of property, or of living or housekeeping habits resulting in damage to the unit or premises;
- (iii) The owner’s desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or
- (iv) A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rental).

(2) During the initial lease term, the owner may not terminate the tenancy for “other good cause”, unless the owner is terminating the tenancy because of something the family did or failed to do. For example, during this period, the owner may not terminate the tenancy for “other good cause” based on any of the following grounds: failure by the family to accept the offer of a new lease or revision; the owner’s desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or a business or economic reason for termination of the tenancy (see paragraph (d)(1)(iv) of this section).

(e) *Owner notice*—(1) *Notice of grounds.*

(i) The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

(ii) The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

(2) *Eviction notice.* (i) Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under State or local law to commence an eviction action.

(ii) The owner must give the PHA a copy of any owner eviction notice to the tenant.

(f) *Eviction by court action.* The owner may only evict the tenant from the unit by instituting a court action.

(g) *Regulations not applicable.* 24 CFR part 247 (concerning evictions from certain subsidized and HUD-owned projects) does not apply to a tenancy assisted under this part 982.

(h) *Termination of tenancy decisions*—

(1) *General.* If the law and regulation permit the owner to take an action but do not require action to be taken, the owner may take or not take the action in accordance with the owner’s standards for eviction. The owner may consider all of the circumstances relevant to a particular eviction case, such as:

- (i) The seriousness of the offending action;
- (ii) The effect on the community of denial or termination or the failure of the owner to take such action;
- (iii) The extent of participation by the leaseholder in the offending action;
- (iv) The effect of denial of admission or termination of tenancy on household members not involved in the offending activity;
- (v) The demand for assisted housing by families who will adhere to lease responsibilities;
- (vi) The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
- (vii) The effect of the owner’s action on the integrity of the program.

(2) *Exclusion of culpable household member.* The owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

(3) *Consideration of rehabilitation.* In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the

owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

(4) *Nondiscrimination limitation and protection for victims of domestic violence, dating violence, sexual assault, or stalking.* The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions of 24 CFR 5.105, and with the provisions for protection of victims of domestic violence, dating violence, sexual assault, or stalking in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking).

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26645, May 14, 1999; 64 FR 56913, Oct. 21, 1999; 66 FR 28804, May 24, 2001; 73 FR 72344, Nov. 28, 2008; 75 FR 66263, Oct. 27, 2010; 81 FR 80816, Nov. 16, 2016]

§982.311 When assistance is paid.

(a) *Payments under HAP contract.* Housing assistance payments are paid to the owner in accordance with the terms of the HAP contract. Housing assistance payments may only be paid to the owner during the lease term, and while the family is residing in the unit.

(b) *Termination of payment: When owner terminates the lease.* Housing assistance payments terminate when the lease is terminated by the owner in accordance with the lease. However, if the owner has commenced the process to evict the tenant, and if the family continues to reside in the unit, the PHA must continue to make housing assistance payments to the owner in accordance with the HAP contract until the owner has obtained a court judgment or other process allowing the owner to evict the tenant. The PHA may continue such payments until the

family moves from or is evicted from the unit.

(c) *Termination of payment: Other reasons for termination.* Housing assistance payments terminate if:

- (1) The lease terminates;
- (2) The HAP contract terminates; or
- (3) The PHA terminates assistance for the family.

(d) *Family move-out.* (1) If the family moves out of the unit, the PHA may not make any housing assistance payment to the owner for any month after the month when the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

(2) If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

[60 FR 34695, July 3, 1995, as amended at 80 FR 8246, Feb. 17, 2015]

§982.312 Absence from unit.

(a) The family may be absent from the unit for brief periods. For longer absences, the PHA administrative plan establishes the PHA policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days in any circumstance, or for any reason. At its discretion, the PHA may allow absence for a lesser period in accordance with PHA policy.

(b) Housing assistance payments terminate if the family is absent for longer than the maximum period permitted. The term of the HAP contract and assisted lease also terminate.

(The owner must reimburse the PHA for any housing assistance payment for the period after the termination.)

(c) Absence means that no member of the family is residing in the unit.

(d)(1) The family must supply any information or certification requested by the PHA to verify that the family is residing in the unit, or relating to family

§ 982.313

24 CFR Ch. IX (4–1–21 Edition)

absence from the unit. The family must cooperate with the PHA for this purpose. The family must promptly notify the PHA of absence from the unit, including any information requested on the purposes of family absences.

(2) The PHA may adopt appropriate techniques to verify family occupancy or absence, including letters to the family at the unit, phone calls, visits or questions to the landlord or neighbors.

(e) The PHA administrative plan must state the PHA policies on family absence from the dwelling unit. The PHA absence policy includes:

(1) How the PHA determines whether or when the family may be absent, and for how long. For example, the PHA may establish policies on absences because of vacation, hospitalization or imprisonment; and

(2) Any provision for resumption of assistance after an absence, including readmission or resumption of assistance to the family.

§ 982.313 Security deposit: Amounts owed by tenant.

(a) The owner may collect a security deposit from the tenant.

(b) The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

(c) When the tenant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owes under the lease.

(d) The owner must give the tenant a written list of all items charged against the security deposit, and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant.

(e) If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

§ 982.315 Family break-up.

(a)(1) The PHA has discretion to determine which members of an assisted family continue to receive assistance in the program if the family breaks up. The PHA administrative plan must state PHA policies on how to decide who remains in the program if the family breaks up.

(2) If the family break-up results from an occurrence of domestic violence, dating violence, sexual assault, or stalking as provided in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), the PHA must ensure that the victim retains assistance.

(b) The factors to be considered in making this decision under the PHA policy may include:

(1) Whether the assistance should remain with family members remaining in the original assisted unit.

(2) The interest of minor children or of ill, elderly, or disabled family members.

(3) Whether family members are forced to leave the unit as a result of actual or threatened domestic violence, dating violence, sexual assault, or stalking.

(4) Whether any of the family members are receiving protection as victims of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, and whether the abuser is still in the household.

(5) Other factors specified by the PHA.

(c) If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the PHA is bound by the court's determination of which family members continue to receive assistance in the program.

[60 FR 34695, July 3, 1995, as amended at 75 FR 66264, Oct. 27, 2010; 80 FR 8246, Feb. 17, 2015; 81 FR 80816, Nov. 16, 2016]

§ 982.316 Live-in aide.

(a) A family that consists of one or more elderly, near-elderly or disabled persons may request that the PHA approve a live-in aide to reside in the

unit and provide necessary supportive services for a family member who is a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR part 8 to make the program accessible to and usable by the family member with a disability. (See § 982.402(b)(6) concerning effect of live-in aide on family unit size.)

(b) At any time, the PHA may refuse to approve a particular person as a live-in aide, or may withdraw such approval, if:

(1) The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

(2) The person commits drug-related criminal activity or violent criminal activity; or

(3) The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

[63 FR 23860, Apr. 30, 1998; 63 FR 31625, June 10, 1998]

§ 982.317 Lease-purchase agreements.

(a) A family leasing a unit with assistance under the program may enter into an agreement with an owner to purchase the unit. So long as the family is receiving such rental assistance, all requirements applicable to families otherwise leasing units under the tenant-based program apply. Any homeownership premium (e.g., increment of value attributable to the value of the lease-purchase right or agreement such as an extra monthly payment to accumulate a downpayment or reduce the purchase price) included in the rent to the owner that would result in a higher subsidy amount than would otherwise be paid by the PHA must be absorbed by the family.

(b) In determining whether the rent to owner for a unit subject to a lease-purchase agreement is a reasonable amount in accordance with § 982.503, any homeownership premium paid by the family to the owner must be excluded when the PHA determines rent reasonableness.

[65 FR 55162, Sept. 12, 2000]

Subpart H—Where Family Can Live and Move

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.351 Overview.

This subpart describes what kind of housing is eligible for leasing, and the areas where a family can live with tenant-based assistance. The subpart covers:

(a) Assistance for a family that rents a dwelling unit in the jurisdiction of the PHA that originally selected the family for tenant-based assistance.

(b) “Portability” assistance for a family PHA rents a unit outside the jurisdiction of the initial PHA.

§ 982.352 Eligible housing.

(a) *Ineligible housing.* The following types of housing may not be assisted by a PHA in the tenant-based programs:

(1) A public housing or Indian housing unit;

(2) A unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f);

(3) Nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services;

(4) College or other school dormitories;

(5) Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;

(6) A unit occupied by its owner or by a person with any interest in the unit.

(7) For provisions on PHA disapproval of an owner, see § 982.306.

(b) *PHA-owned housing.* (1) A unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA) may only be assisted under the tenant-based program if all the following conditions are satisfied:

(i) The PHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease, and a PHA-owned unit is freely selected by the family, without PHA pressure or steering.

(ii) The unit is not ineligible housing.

§ 982.353

24 CFR Ch. IX (4-1-21 Edition)

(iii) During assisted occupancy, the family may not benefit from any form of housing subsidy that is prohibited under paragraph (c) of this section.

(iv)(A) The PHA must obtain the services of an independent entity to perform the following PHA functions as required under the program rule:

(1) To determine rent reasonableness in accordance with § 982.507. The independent agency shall communicate the rent reasonableness determination to the family and the PHA.

(2) To assist the family negotiate the rent to owner in accordance with § 982.506.

(3) To inspect the unit for compliance with the HQS in accordance with § 982.305(a) and § 982.405 (except that § 982.405(e) is not applicable). The independent agency shall communicate the results of each such inspection to the family and the PHA.

(B) The independent agency used to perform these functions must be approved by HUD. The independent agency may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government), or may be another HUD-approved independent agency.

(C) The PHA may compensate the independent agency from PHA ongoing administrative fee income for the services performed by the independent agency. The PHA may not use other program receipts to compensate the independent agency for such services. The PHA and the independent agency may not charge the family any fee or charge for the services provided by the independent agency.

(c) *Prohibition against other housing subsidy.* A family may not receive the benefit of tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

(1) Public or Indian housing assistance;

(2) Other Section 8 assistance (including other tenant-based assistance);

(3) Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing

and Community Development Act of 1974);

(4) Section 101 rent supplements;

(5) Section 236 rental assistance payments;

(6) Tenant-based assistance under the HOME Program;

(7) Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);

(8) Any local or State rent subsidy;

(9) Section 202 supportive housing for the elderly;

(10) Section 811 supportive housing for persons with disabilities;

(11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or

(12) Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, “housing subsidy” does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23860, Apr. 30, 1998; 64 FR 13057, Mar. 16, 1999; 64 FR 26645, May 14, 1999; 65 FR 55162, Sept. 12, 2000]

§ 982.353 Where family can lease a unit with tenant-based assistance.

(a) *Assistance in the initial PHA jurisdiction.* The family may receive tenant-based assistance to lease a unit located anywhere in the jurisdiction (as determined by State and local law) of the initial PHA. HUD may nevertheless restrict the family’s right to lease such a unit anywhere in such jurisdiction if HUD determines that limitations on a family’s opportunity to select among available units in that jurisdiction are appropriate to achieve desegregation goals in accordance with obligations generated by a court order or consent decree.

(b) *Portability: Assistance outside the initial PHA jurisdiction.* Subject to paragraph (c) of this section, and to § 982.552 and § 982.553, a voucher-holder or participant family has the right to receive tenant-based voucher assistance, in accordance with requirements of this part, to lease a unit outside the initial

PHA jurisdiction, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based program under this part. The initial PHA must not provide such portable assistance for a participant if the family has moved out of the assisted unit in violation of the lease except as provided for in this subsection. If the family moves out in violation of the lease in order to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believes him- or herself to be threatened with imminent harm from further violence by remaining in the dwelling unit (or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's move or request to move), and has otherwise complied with all other obligations under the Section 8 program, the family may receive a voucher from the initial PHA and move to another jurisdiction under the Housing Choice Voucher Program.

(c) *Nonresident applicants.* (1) This paragraph (c) applies if neither the household head nor spouse of an assisted family already had a "domicile" (legal residence) in the jurisdiction of the initial PHA at the time when the family first submitted an application for participation in the program to the initial PHA.

(2) The following apply during the 12 month period from the time when a family described in paragraph (c)(1) of this section is admitted to the program:

(i) The family may lease a unit anywhere in the jurisdiction of the initial PHA;

(ii) The family does not have any right to portability;

(iii) The initial PHA may choose to allow portability during this period.

(3) If the initial PHA approves, the family may lease a unit outside the PHA jurisdiction under portability procedures.

(4) Paragraph (c) of this section does not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L (Protection

for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and the move is needed to protect the health or safety of the family or family member, or any family member who has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move.

(d) *Income eligibility.* (1) For admission to the program, a family must be income eligible in the area where the family initially leases a unit with assistance under the program.

(2) If a family is a participant in the initial PHA's voucher program, income eligibility is not redetermined when the family moves to the receiving PHA program under portability procedures.

(e) *Freedom of choice.* The PHA may not directly or indirectly reduce the family's opportunity to select among available units, except as provided in paragraph (a) of this section, or elsewhere in this part 982 (e.g., prohibition on the use of ineligible housing, housing not meeting HQS, or housing for which the rent to owner exceeds a reasonable rent). However, the PHA must provide families the information required in § 982.301 for both the oral briefing and the information packet to ensure that they have the information they need to make an informed decision on their housing choice.

[60 FR 34695, July 3, 1995, as amended at 61 FR 27163, May 30, 1996; 61 FR 42131, Aug. 13, 1996; 64 FR 26646, May 14, 1999; 73 FR 72344, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 50573, Aug. 20, 2015; 81 FR 80816, Nov. 16, 2016]

§ 982.354 Move with continued tenant-based assistance.

(a) *Applicability.* This section states when a participant family may move to a new unit with continued tenant-based assistance:

(b) *When family may move.* A family may move to a new unit if:

(1) The assisted lease for the old unit has terminated. This includes a termination because:

(i) The PHA has terminated the HAP contract for the owner's breach; or

(ii) The lease has terminated by mutual agreement of the owner and the tenant.

(2) The owner has given the tenant a notice to vacate, or has commenced an

action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant.

(3) The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner, for owner breach, or otherwise).

(4) The family or a member of the family, is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and the move is needed to protect the health or safety of the family or family member, or if any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move. A PHA may not terminate assistance if the family, with or without prior notification to the PHA, moves out of a unit in violation of the lease, if such move occurs to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed he or she was threatened with imminent harm from further violence if he or she remained in the dwelling unit. However, any family member that has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's move or request to move is not required to believe that he or she was threatened with imminent harm from further violence if he or she remained in the dwelling unit.

(c) *How many moves.* (1) A participant family may move with continued assistance under the program, either inside the PHA jurisdiction, or under the portability procedures (See § 982.353) in accordance with the PHA's policies.

(2) Consistent with applicable civil rights laws and regulations, the PHA may establish policies that:

(i) Prohibit any move by the family during the initial lease term;

(ii) Prohibit more than one move by the family during any one-year period; and

(iii) The above policies do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, and the move is needed to protect the health or safety of the family or family member, or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move.

(d) *Notice that family wants to move.* If the family wants to move to a new unit, the family must notify the PHA and the owner before moving from the old unit. If the family wants to move to a new unit that is located outside the initial PHA jurisdiction, the notice to the initial PHA must specify the area where the family wants to move. See portability procedures in subpart H of this part.

(e) *When the PHA may deny permission to move.* (1) The PHA may deny permission to move if the PHA does not have sufficient funding for continued assistance. The PHA must provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves to a higher-cost unit based on insufficient funding.

(2) At any time, the PHA may deny permission to move in accordance with § 982.552 (grounds for denial or termination of assistance).

[60 FR 34695, July 3, 1995, as amended at 64 FR 56913, Oct. 21, 1999; 75 FR 66263, Oct. 27, 2010. Redesignated and amended at 80 FR 50573, Aug. 20, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.355 Portability: Administration by initial and receiving PHA.

(a) *General.* When a family moves under portability (in accordance with § 982.353(b)) to an area outside the initial PHA jurisdiction, the receiving PHA must administer assistance for the family if a PHA with a HCV program has jurisdiction in the area where the unit is located.

(b) *Requirement to administer assistance.* A receiving PHA cannot refuse to assist incoming portable families or direct them to another neighboring PHA for assistance. If there is more than one such PHA, the initial PHA provides

the family with the contact information for the receiving PHAs that serve the area, and the family selects the receiving PHA. The family must inform the initial PHA which PHA it has selected as the receiving PHA. In cases where the family prefers not to select the receiving PHA, the initial PHA selects the receiving PHA on behalf of the family. HUD may determine in certain instances that a PHA is not required to accept incoming portable families, such as a PHA in a declared disaster area. However, the PHA must have approval in writing from HUD before refusing any incoming portable families.

(c) *Portability procedures.* The following portability procedures must be followed:

(1) When the family decides to use the voucher outside of the PHA jurisdiction, the family must notify the initial PHA of its desire to relocate and must specify the location where it wants to live.

(2) The initial PHA must determine the family's eligibility to move in accordance with §§ 982.353 and 982.354.

(3) Once the receiving PHA is determined in accordance with paragraph (b) of this section, the initial PHA must contact the receiving PHA, via email or other confirmed delivery method, prior to approving the family's request to move in order to determine whether the voucher will be absorbed or billed by the receiving PHA. The receiving PHA must advise the initial PHA in writing, via email or other confirmed delivery method, of its decision.

(4) If the receiving PHA notifies the initial PHA that it will absorb the voucher, the receiving PHA cannot reverse its decision at a later date without consent of the initial PHA.

(5) If the receiving PHA will bill the initial PHA for the portability voucher and the cost of the HAP will increase due to the move, the initial PHA may deny the move if it does not have sufficient funding for continued assistance in accordance with § 982.354 (e)(1).

(6) If a billing arrangement is approved by the initial PHA or if the voucher is to be absorbed by the receiving PHA, the initial PHA must issue the family a voucher to move, if it has not already done so, and advise the

family how to contact and request assistance from the receiving PHA.

(7) The initial PHA must promptly notify the receiving PHA to expect the family. The initial PHA must give the receiving PHA the form HUD-52665, the most recent form HUD 50058 (Family Report) for the family, and all related verification information.

(8) The family must promptly contact the receiving PHA in order to be informed of the receiving PHA's procedures for incoming portable families and comply with these procedures. The family's failure to comply may result in denial or termination of the receiving PHA's voucher.

(9) The receiving PHA does not redetermine eligibility for a participant family. However, for a family that was not already receiving assistance in the PHA's HCV program, the initial PHA must determine whether the family is eligible for admission to the receiving PHA's HCV program. In determining income eligibility, the receiving PHA's income limits are used by the initial PHA.

(10) When a receiving PHA assists a family under portability, administration of the voucher must be in accordance with the receiving PHA's policies. This requirement also applies to policies of Moving to Work agencies. The receiving PHA procedures and preferences for selection among eligible applicants do not apply to the family, and the receiving PHA waiting list is not used.

(11) If the receiving PHA opts to conduct a new reexamination for a current participant family, the receiving PHA may not delay issuing the family a voucher or otherwise delay approval of a unit.

(12) The receiving PHA must determine the family unit size for the family, and base its determination on the subsidy standards of the receiving PHA.

(13) The receiving PHA must issue a voucher to the family. The term of the receiving PHA voucher may not expire before 30 calendar days from the expiration date of the initial PHA voucher. If the voucher expires before the family arrives at the receiving PHA, the receiving PHA must contact the initial

PHA to determine if it will extend the voucher.

(14) Once the receiving PHA issues the portable family a voucher, the receiving PHA's policies on extensions of the voucher term apply. The receiving PHA must notify the initial PHA of any extensions granted to the term of the voucher.

(15) The family must submit a request for tenancy approval to the receiving PHA during the term of the receiving PHA voucher. As required in § 982.303, if the family submits a request for tenancy approval during the term of the voucher, the PHA must suspend the term of that voucher.

(16) The receiving PHA must promptly notify the initial PHA if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher.

(17) At any time, either the initial PHA or the receiving PHA may make a determination to deny or terminate assistance to the family in accordance with § 982.552 and 982.553.

(d) *Absorption by the receiving PHA.* (1) If funding is available under the consolidated ACC for the receiving PHA's HCV program, the receiving PHA may absorb the family into the receiving PHA's HCV program. After absorption, the family is assisted with funds available under the consolidated ACC for the receiving PHA's HCV program.

(2) HUD may require that the receiving PHA absorb all, or a portion of, incoming portable families. Under circumstances described in a notice published in the FEDERAL REGISTER, HUD may determine that receiving PHAs, or categories of receiving PHAs, should absorb all or a portion of incoming portable families. If HUD makes such a determination, HUD will provide an opportunity for public comment, for a period of no less than 60 calendar days, on such policy and procedures. After consideration of public comments, HUD will publish a final notice in the FEDERAL REGISTER advising PHAs and the public of HUD's final determination on the subject of mandatory absorption of incoming portable families.

(3) HUD may provide financial or nonfinancial incentives (or both) to PHAs that absorb portability vouchers.

(e) *Portability billing.* (1) To cover assistance for a portable family that was not absorbed in accordance with paragraph (d) of this section, the receiving PHA may bill the initial PHA for housing assistance payments and administrative fees.

(2) The initial PHA must promptly reimburse the receiving PHA for the full amount of the housing assistance payments made by the receiving PHA for the portable family. The amount of the housing assistance payment for a portable family in the receiving PHA program is determined in the same manner as for other families in the receiving PHA program.

(3) The initial PHA must promptly reimburse the receiving PHA for the lesser of 80 percent of the initial PHA ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under HAP contract on the first day of the month for which the receiving PHA is billing the initial PHA under this section. If administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill under this section (e.g., the receiving PHA may bill for the lesser of 80 percent of the initial PHA's prorated ongoing administrative fee or 100 percent of the receiving PHA's prorated ongoing administrative fee). If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

(4) When a portable family moves out of the HCV program of a receiving PHA that has not absorbed the family, the PHA in the new jurisdiction to which the family moves becomes the receiving PHA, and the first receiving PHA is no longer required to provide assistance for the family.

(5) In administration of portability, the initial PHA and the receiving PHA must comply with financial procedures required by HUD, including the use of HUD-required billing forms. The initial and receiving PHA must also comply with billing and payment deadlines under the financial procedures.

(6) A PHA must manage the PHA HCV program in a manner that ensures that the PHA has the financial ability to provide assistance for families that move out of the PHA's program under the portability procedures, and that have not been absorbed by the receiving PHA, as well as for families that remain in the PHA's program.

(7) HUD may reduce the administrative fee to an initial or receiving PHA if the PHA does not comply with HUD portability requirements.

(f) *Portability funding.* (1) HUD may transfer units and funds for assistance to portable families to the receiving PHA from funds available under the initial PHA ACC.

(2) HUD may provide additional funding (e.g., funds for incremental units) to the initial PHA for funds transferred to a receiving PHA for portability purposes.

(3) HUD may provide additional funding (e.g., funds for incremental units) to the receiving PHA for absorption of portable families.

(4) HUD may require the receiving PHA to absorb portable families.

(g) *Special purpose vouchers.* (1) The initial PHA must submit the codes used for special purpose vouchers on the form HUD-50058, Family Report, and the receiving PHA must maintain the codes on the Family Report, as long as the Receiving PHA chooses to bill the initial PHA.

(2) Initial and receiving PHAs must administer special purpose vouchers, such as the HUD-Veterans Affairs Supportive Housing vouchers, in accordance with HUD-established policy in cases where HUD has established alternative program requirements of such special purpose vouchers.

[80 FR 50573, Aug. 20, 2015]

Subpart I— Dwelling Unit: Housing Quality Standards, Subsidy Standards, Inspection and Maintenance

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.401 Housing quality standards (HQS).

(a) *Performance and acceptability requirements.* (1) This section states the housing quality standards (HQS) for housing assisted under the HCV program.

(2)(i) The HQS consist of:

(A) Performance requirements; and

(B) Acceptability criteria or HUD approved variations in the acceptability criteria.

(ii) This section states performance and acceptability criteria for these key aspects of housing quality:

(A) Sanitary facilities;

(B) Food preparation and refuse disposal;

(C) Space and security;

(D) Thermal environment;

(E) Illumination and electricity;

(F) Structure and materials;

(G) Interior air quality;

(H) Water supply;

(I) Lead-based paint;

(J) Access;

(K) Site and neighborhood;

(L) Sanitary condition; and

(M) Smoke detectors.

(3) All program housing must meet the HQS performance requirements both at commencement of assisted occupancy, and throughout the assisted tenancy.

(4)(i) In addition to meeting HQS performance requirements, the housing must meet the acceptability criteria stated in this section, unless variations are approved by HUD.

(ii) HUD may approve acceptability criteria variations for the following purposes:

(A) Variations which apply standards in local housing codes or other codes adopted by the PHA; or

(B) Variations because of local climatic or geographic conditions.

(iii) Acceptability criteria variations may only be approved by HUD pursuant to paragraph (a)(4)(ii) of this section if such variations either:

(A) Meet or exceed the performance requirements; or

(B) Significantly expand affordable housing opportunities for families assisted under the program.

(iv) HUD will not approve any acceptability criteria variation if HUD believes that such variation is likely to

adversely affect the health or safety of participant families, or severely restrict housing choice.

(b) *Sanitary facilities*—(1) *Performance requirements.* The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition, and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.

(2) *Acceptability criteria.* (i) The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

(ii) The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.

(iii) The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.

(iv) The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

(c) *Food preparation and refuse disposal*—(1) *Performance requirement.* (i) The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.

(ii) There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

(2) *Acceptability criteria.* (i) The dwelling unit must have an oven, and a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. The equipment may be supplied by either the owner or the family. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.

(ii) The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain

into an approvable public or private system.

(iii) The dwelling unit must have space for the storage, preparation, and serving of food.

(iv) There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

(d) *Space and security*—(1) *Performance requirement.* The dwelling unit must provide adequate space and security for the family.

(2) *Acceptability criteria.* (i) At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

(ii) The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

(iii) Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

(iv) The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

(e) *Thermal environment*—(1) *Performance requirement.* The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

(2) *Acceptability criteria.* (i) There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

(ii) The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

(f) *Illumination and electricity*—(1) *Performance requirement.* Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

(2) *Acceptability criteria.* (i) There must be at least one window in the living room and in each sleeping room.

(ii) The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

(iii) The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

(g) *Structure and materials*—(1) *Performance requirement.* The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

(2) *Acceptability criteria.* (i) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.

(ii) The roof must be structurally sound and weathertight.

(iii) The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

(iv) The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

(v) Elevators must be working and safe.

(h) *Interior air quality*—(1) *Performance requirement.* The dwelling unit must be free of pollutants in the air at levels

that threaten the health of the occupants.

(2) *Acceptability criteria.* (i) The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

(ii) There must be adequate air circulation in the dwelling unit.

(iii) Bathroom areas must have one openable window or other adequate exhaust ventilation.

(iv) Any room used for sleeping must have at least one window. If the window is designed to be openable, the window must work.

(i) *Water supply*—(1) *Performance requirement.* The water supply must be free from contamination.

(2) *Acceptability criteria.* The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

(j) *Lead-based paint performance requirement.* The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851–4856), and implementing regulations at part 35, subparts A, B, M, and R of this title apply to units assisted under this part.

(k) *Access performance requirement.* The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

(l) *Site and Neighborhood*—(1) *Performance requirement.* The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

(2) *Acceptability criteria.* The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

(m) *Sanitary condition*—(1) *Performance requirement*. The dwelling unit and its equipment must be in sanitary condition.

(2) *Acceptability criteria*. The dwelling unit and its equipment must be free of vermin and rodent infestation.

(n) *Smoke detectors performance requirement*—(1) Except as provided in paragraph (n)(2) of this section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

(2) For units assisted prior to April 24, 1993, owners who installed battery-operated or hard-wired smoke detectors prior to April 24, 1993 in compliance with HUD's smoke detector requirements, including the regulations published on July 30, 1992, (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (i.e., the owner would not be required to install a smoke detector in a basement not used for living purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).

[60 FR 34695, July 3, 1995, as amended at 61 FR 27163, May 30, 1996; 63 FR 23861, Apr. 30, 1998; 64 FR 26646, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 64 FR 50230, Sept. 15, 1999; 80 FR 8246, Feb. 17, 2015]

§ 982.402 Subsidy standards.

(a) *Purpose*. (1) The PHA must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions.

(2) For each family, the PHA determines the appropriate number of bedrooms under the PHA subsidy standards (family unit size).

(3) The family unit size number is entered on the voucher issued to the family. The PHA issues the family a voucher for the family unit size when a family is selected for participation in the program.

(b) *Determining family unit size*. The following requirements apply when the PHA determines family unit size under the PHA subsidy standards:

(1) The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.

(2) The subsidy standards must be consistent with space requirements under the housing quality standards (See § 982.401(d)).

(3) The subsidy standards must be applied consistently for all families of like size and composition.

(4) A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.

(5) A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.

(6) Any live-in aide (approved by the PHA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size;

(7) Unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person must be either a zero or one-bedroom unit, as determined under the PHA subsidy standards.

(8) In determining family unit size for a particular family, the PHA may grant an exception to its established subsidy standards if the PHA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances. (For a single person other than a disabled or elderly person or remaining family member, such PHA exception may not override the limitation in paragraph (b)(7) of this section.)

(c) *Effect of family unit size-maximum subsidy in voucher program*. The family unit size as determined for a family under the PHA subsidy standard is used

to determine the maximum rent subsidy for a family assisted in the voucher program. For a voucher tenancy, the PHA establishes payment standards by number of bedrooms. The payment standard for a family shall be the lower of:

(1) The payment standard amount for the family unit size; or

(2) The payment standard amount for the unit size of the unit rented by the family.

(3) *Voucher program.* For a voucher tenancy, the PHA establishes payment standards by number of bedrooms. The payment standards for the family must be the lower of:

(i) The payment standards for the family unit size; or

(ii) The payment standard for the unit size rented by the family.

(d) *Size of unit occupied by family.* (1) The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the family unit size. However, the dwelling unit must meet the applicable HQS space requirements.

(2) The family may lease an otherwise acceptable dwelling unit with more bedrooms than the family unit size. However, utility allowances must follow § 982.517(d).

[60 FR 34695, July 3, 1995, as amended at 63 FR 23861, Apr. 30, 1998; 64 FR 26646, May 14, 1999; 81 FR 12375, Mar. 8, 2016]

§ 982.403 Terminating HAP contract when unit is too small.

(a) *Violation of HQS space standards.*

(1) If the PHA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible.

(2) If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms.

(b) *Termination.* When the PHA terminates the HAP contract under paragraph (a) of this section:

(1) The PHA must notify the family and the owner of the termination; and

(2) The HAP contract terminates at the end of the calendar month that fol-

lows the calendar month in which the PHA gives such notice to the owner.

(3) The family may move to a new unit in accordance with § 982.354.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26647, May 14, 1999; 80 FR 8246, Feb. 17, 2015; 80 FR 50575, Aug. 20, 2015]

§ 982.404 Maintenance: Owner and family responsibility; PHA remedies.

(a) *Owner obligation.* (1) The owner must maintain the unit in accordance with HQS.

(2) If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations. PHA remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.

(3) The PHA must not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any PHA-approved extension).

(4) The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible (as provided in § 982.404(b) and § 982.551(c)). (However, the PHA may terminate assistance to a family because of HQS breach caused by the family.)

(b) *Family obligation.* (1) The family is responsible for a breach of the HQS that is caused by any of the following:

(i) The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;

(ii) The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or

§ 982.405

24 CFR Ch. IX (4–1–21 Edition)

(iii) Any member of the household or guest damages the dwelling unit or premises (damages beyond ordinary wear and tear).

(2) If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any PHA-approved extension).

(3) If the family has caused a breach of the HQS, the PHA must take prompt and vigorous action to enforce the family obligations. The PHA may terminate assistance for the family in accordance with § 982.552.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§ 982.405 PHA initial and periodic unit inspection.

(a) The PHA must inspect the unit leased to a family prior to the initial term of the lease, at least biennially during assisted occupancy, and at other times as needed, to determine if the unit meets the HQS. (See § 982.305(b)(2) concerning timing of initial inspection by the PHA.)

(b) The PHA must conduct supervisory quality control HQS inspections.

(c) In scheduling inspections, the PHA must consider complaints and any other information brought to the attention of the PHA.

(d) The PHA must notify the owner of defects shown by the inspection.

(e) The PHA may not charge the family for an initial inspection or reinspection of the unit.

(f) The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. The PHA may establish a reasonable fee to owners for a reinspection if an owner notifies the PHA that a repair has been made or the allotted time for repairs has elapsed and a reinspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing pursuant to § 982.404(a) was not corrected. The owner may not pass this fee along to the family. Fees collected under this paragraph will be

included in a PHA's administrative fee reserve and may be used only for activities related to the provision of Section 8 Tenant-Based Rental Assistance.

(g) If a participant family or government official reports a condition that is life-threatening (*i.e.*, the PHA would require the owner to make the repair within no more than 24 hours in accordance with § 982.404(a)(3)), then the PHA must inspect the housing unit within 24 hours of when the PHA received the notification. If the reported condition is not life-threatening (*i.e.*, the PHA would require the owner to make the repair within no more than 30 calendar days in accordance with § 982.404(a)(3)), then the PHA must inspect the unit within 15 days of when the PHA received the notification. In the event of extraordinary circumstances, such as if a unit is within a Presidentially declared disaster area, HUD may waive the 24-hour or the 15-day inspection requirement until such time as an inspection is feasible.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999; 64 FR 56914, Oct. 21, 1999; 81 FR 12375, Mar. 8, 2016]

§ 982.406 Use of alternative inspections.

(a) *In general.* (1) A PHA may comply with the inspection requirement in § 982.405(a) by relying on an alternative inspection (*i.e.*, an inspection conducted for another housing assistance program) only if the PHA is able to obtain the results of the alternative inspection.

(2) If an alternative inspection method employs sampling, then a PHA may rely on such alternative inspection method to comply with the requirement in § 982.405(a) only if HCV units are included in the population of units forming the basis of the sample.

(3) Units in properties that are mixed-finance properties assisted with project-based vouchers may be inspected at least triennially pursuant to 24 CFR 983.103(g).

(b) *Administrative plans.* A PHA relying on an alternative inspection to fulfill the requirement in § 982.405(a) must identify the alternative inspection method being used in the PHA's administrative plan. Such a change may be a significant amendment to the plan, in

which case the PHA must follow its plan amendment and public notice requirements, in addition to meeting the requirements in § 982.406(c)(2), if applicable, before using the alternative inspection method.

(c) *Eligible inspection methods.* (1) A PHA may rely upon inspections of housing assisted under the HOME Investment Partnerships (HOME) program or housing financed using Low-Income Housing Tax Credits (LIHTCs), or inspections performed by HUD, with no action other than amending its administrative plan.

(2) If a PHA wishes to rely on an inspection method other than a method listed in paragraph (c)(1) of this section, then, prior to amending its administrative plan, the PHA must submit to the Real Estate Assessment Center (REAC) a copy of the inspection method it wishes to use, along with its analysis of the inspection method that shows that the method “provides the same or greater protection to occupants of dwelling units” as would HQS.

(i) A PHA may rely upon such alternative inspection method only upon receiving approval from REAC to do so.

(ii) A PHA that uses an alternative inspection method approved under this paragraph must monitor changes to the standards and requirements applicable to such method. If any change is made to the alternative inspection method, then the PHA must submit to REAC a copy of the revised standards and requirements, along with a revised comparison to HQS. If the PHA or REAC determines that the revision would cause the alternative inspection to no longer meet or exceed HQS, then the PHA may no longer rely upon the alternative inspection method to comply with the inspection requirement at § 982.405(a).

(d) *Results of alternative inspection.* (1) In order for a PHA to rely upon the results of an alternative inspection to comply with the requirement at § 982.405(a), a property inspected pursuant to such method must meet the standards or requirements regarding housing quality or safety applicable to properties assisted under the program using the alternative inspection method. To make the determination of whether such standards or require-

ments are met, the PHA must adhere to the following procedures:

(i) If a property is inspected under an alternative inspection method, and the property receives a “pass” score, then the PHA may rely on that inspection to demonstrate compliance with the inspection requirement at § 982.405(a).

(ii) If a property is inspected under an alternative inspection method, and the property receives a “fail” score, then the PHA may not rely on that inspection to demonstrate compliance with the inspection requirement at § 982.405(a).

(iii) If a property is inspected under an alternative inspection method that does not employ a pass/fail determination—for example, in the case of a program where deficiencies are simply identified—then the PHA must review the list of deficiencies to determine whether any cited deficiency would have resulted in a “fail” score under HQS. If no such deficiency exists, then the PHA may rely on the inspection to demonstrate compliance with the inspection requirement at § 982.405(a); if such a deficiency does exist, then the PHA may not rely on the inspection to demonstrate such compliance.

(2) Under any circumstance described above in which a PHA is prohibited from relying on an alternative inspection method for a property, the PHA must, within a reasonable period of time, conduct an HQS inspection of any units in the property occupied by voucher program participants and follow HQS procedures to remedy any identified deficiencies.

(e) *Records retention.* As with all other inspection reports, and as required by § 982.158(f)(4), reports for inspections conducted pursuant to an alternative inspection method must be obtained by the PHA. Such reports must be available for HUD inspection for at least three years from the date of the latest inspection.

[81 FR 12375, Mar. 8, 2016]

§ 982.407 Enforcement of HQS.

Part 982 does not create any right of the family, or any party other than HUD or the PHA, to require enforcement of the HQS requirements by HUD or the PHA, or to assert any claim against HUD or the PHA, for damages,

§ 982.451

injunction or other relief, for alleged failure to enforce the HQS.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 80 FR 8246, Feb. 17, 2015. Redesignated at 81 FR 12375, Mar. 8, 2016]

Subpart J—Housing Assistance Payments Contract and Owner Responsibility

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.451 Housing assistance payments contract.

(a)(1) The HAP contract must be in the form required by HUD.

(2) The term of the HAP contract is the same as the term of the lease.

(b)(1) The amount of the monthly housing assistance payment by the PHA to the owner is determined by the PHA in accordance with HUD regulations and other requirements. The amount of the housing assistance payment is subject to change during the HAP contract term.

(2) The monthly housing assistance payment by the PHA is credited toward the monthly rent to owner under the family's lease.

(3) The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the PHA.

(4)(i) The part of the rent to owner which is paid by the tenant may not be more than:

(A) The rent to owner; minus

(B) The PHA housing assistance payment to the owner.

(ii) The owner may not demand or accept any rent payment from the tenant in excess of this maximum, and must immediately return any excess rent payment to the tenant.

(iii) The family is not responsible for payment of the portion of rent to owner covered by the housing assistance payment under the HAP contract between the owner and the PHA. See § 982.310(b).

24 CFR Ch. IX (4-1-21 Edition)

(5)(i) The PHA must pay the housing assistance payment promptly when due to the owner in accordance with the HAP contract.

(ii)(A) The HAP contract shall provide for penalties against the PHA for late payment of housing assistance payments due to the owner if all the following circumstances apply:

(1) Such penalties are in accordance with generally accepted practices and law, as applicable in the local housing market, governing penalties for late payment of rent by a tenant;

(2) It is the owner's practice to charge such penalties for assisted and unassisted tenants; and

(3) The owner also charges such penalties against the tenant for late payment of family rent to owner.

(B) The PHA is not obligated to pay any late payment penalty if HUD determines that late payment by the PHA is due to factors beyond the PHA's control. The PHA may add HAP contract provisions which define when the housing assistance payment by the PHA is deemed received by the owner (*e.g.*, upon mailing by the PHA or actual receipt by the owner).

(iii) The PHA may only use the following sources to pay a late payment penalty from program receipts under the consolidated ACC: administrative fee income for the program; or the administrative fee reserve for the program. The PHA may not use other program receipts for this purpose.

[60 FR 34695, July 3, 1995, as amended at 61 FR 27163, May 30, 1996; 63 FR 23861, Apr. 30, 1998; 64 FR 26647, May 14, 1999; 64 FR 56914, Oct. 21, 1999]

§ 982.452 Owner responsibilities.

(a) The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.

(b) The owner is responsible for:

(1) Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit. The fact that an applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking is not an appropriate basis for denial of tenancy if the applicant otherwise qualifies for tenancy.

(2) Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance. For provisions on family maintenance responsibilities, see § 982.404(a)(4).

(3) Complying with equal opportunity requirements.

(4) Preparing and furnishing to the PHA information required under the HAP contract.

(5) Collecting from the family:

(i) Any security deposit.

(ii) The tenant contribution (the part of rent to owner not covered by the housing assistance payment).

(iii) Any charges for unit damage by the family.

(6) Enforcing tenant obligations under the lease.

(7) Paying for utilities and services (unless paid by the family under the lease).

(c) For provisions on modifications to a dwelling unit occupied or to be occupied by a disabled person, see 24 CFR 100.203.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23861, Apr. 30, 1998; 64 FR 26647, May 14, 1999; 73 FR 72345, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 8246, Feb. 17, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.453 Owner breach of contract.

(a) Any of the following actions by the owner (including a principal or other interested party) is a breach of the HAP contract by the owner:

(1) If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.

(2) If the owner has violated any obligation under any other HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

(3) If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

(4) For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note,

or with the regulatory agreement; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan.

(5) If the owner has engaged in drug-related criminal activity.

(6) If the owner has committed any violent criminal activity.

(b) The PHA rights and remedies against the owner under the HAP contract include recovery of overpayments, abatement or other reduction of housing assistance payments, termination of housing assistance payments, and termination of the HAP contract.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999; 64 FR 56914, Oct. 21, 1999; 65 FR 16821, Mar. 30, 2000]

§ 982.454 Termination of HAP contract: Insufficient funding.

The PHA may terminate the HAP contract if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999]

§ 982.455 Automatic termination of HAP contract.

The HAP contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.

[64 FR 26647, May 14, 1999]

§ 982.456 Third parties.

(a) Even if the family continues to occupy the unit, the PHA may exercise any rights and remedies against the owner under the HAP contract.

(b)(1) The family is not a party to or third party beneficiary of the HAP contract. Except as provided in paragraph (b)(2) of this section, the family may not exercise any right or remedy against the owner under the HAP contract.

(2) The tenant may exercise any right or remedy against the owner under the lease between the tenant and the owner, including enforcement of the owner's obligations under the tenancy addendum (which is included both in the HAP contract between the PHA

and the owner; and in the lease between the tenant and the owner.)

(c) The HAP contract shall not be construed as creating any right of the family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the PHA or the owner under the HAP contract.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999]

Subpart K—Rent and Housing Assistance Payment

SOURCE: 63 FR 23861, Apr. 30, 1998, unless otherwise noted.

§ 982.501 Overview.

This subpart describes program requirements concerning the housing assistance payment and rent to owner under the HCV program.

[80 FR 8246, Feb. 17, 2015]

§ 982.503 Payment standard amount and schedule.

(a) *Payment standard schedule.* (1) HUD publishes the fair market rents for each market area in the United States (see part 888 of this title). The PHA must adopt a payment standard schedule that establishes voucher payment standard amounts for each FMR area in the PHA jurisdiction. For each FMR area, the PHA must establish payment standard amounts for each “unit size.” Unit size is measured by number of bedrooms (zero-bedroom, one-bedroom, and so on).

(2) The payment standard amounts on the PHA schedule are used to calculate the monthly housing assistance payment for a family (§ 982.505).

(3) The PHA voucher payment standard schedule shall establish a single payment standard amount for each unit size. For each unit size, the PHA may establish a single payment standard amount for the whole FMR area, or may establish a separate payment standard amount for each designated part of the FMR area.

(b) *Establishing payment standard amounts.* (1)(i) The PHA may establish the payment standard amount for a unit size at any level between 90 percent and 110 percent of the published

FMR for that unit size. HUD approval is not required to establish a payment standard amount in that range (“basic range”). The PHA must revise the payment standard amount no later than 3 months following the effective date of the published FMR if a change is necessary to stay within the basic range.

(ii) The PHA may establish a separate payment standard amount within the basic range for a designated part of an FMR area.

(iii) A PHA that is not in a designated Small Area FMR area or has not opted to voluntarily implement Small Area FMRs under 24 CFR 888.113(c)(3) may establish exception payment standards for a ZIP code area above the basic range for the metropolitan FMR based on the HUD published Small Area FMRs. The PHA may establish an exception payment standard up to 110 percent of the HUD published Small Area FMR for that ZIP code area. The PHA must notify HUD if it establishes an exception payment standard based on the Small Area FMR. The exception payment standard must apply to the entire ZIP code area.

(iv) At the request of a PHA administering the HCV program under Small Area FMRs under § 888.113(c)(3), HUD may approve an exception payment standard for a Small Area FMR area above the 110 percent of the published FMR in accordance with conditions set forth by Notice in the FEDERAL REGISTER. The requirements of paragraph (c) of this section do not apply to these exception payment standard requests and approvals.

(v) The PHA may establish an exception payment standard of not more than 120 percent of the published FMR if required as a reasonable accommodation in accordance with 24 CFR part 8 for a family that includes a person with a disability. Any unit approved under an exception payment standard must still meet the reasonable rent requirements found at § 982.507.

(vi) The PHA may establish an exception payment standard of more than 120 percent of the published FMR if required as a reasonable accommodation in accordance with 24 CFR part 8 for a family that includes a person with a disability after approval from HUD. Any unit approved under an exception

payment standard must still meet the reasonable rent requirements found at § 982.507.

(2) Except as described in paragraphs (b)(1)(iii) through (v) of this section, the PHA must request HUD approval to establish a payment standard amount that is higher or lower than the basic range. HUD has sole discretion to grant or deny approval of a higher or lower payment standard amount. Paragraphs (c) and (e) of this section describe the requirements for approval of a higher payment standard amount ("exception payment standard amount").

(c) *HUD approval of exception payment standard amount*—(1) *HUD discretion*. At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the fair market rent area (called an "exception area"). HUD may approve an exception payment standard amount in accordance with this paragraph (c) of this section for all units, or for all units of a given unit size, leased by program families in the exception area. Any PHA with jurisdiction in the exception area may use the HUD-approved exception payment standard amount.

(2) *Above 110 percent of FMR to 120 percent of published FMR*. The HUD Field Office may approve an exception payment standard amount from above 110 percent of the published FMR to 120 percent of the published FMR (upper range) if the HUD Field Office determines that approval is justified by the median rent method or the 40th percentile rent or the Small Area FMR method as described in paragraph (c)(2)(ii) of this section (and that such approval is also supported by an appropriate program justification in accordance with paragraph (c)(4) of this section).

(i) *Median rent method*. In the median rent method, HUD determines the exception payment standard amount by multiplying the FMR times a fraction of which the numerator is the median gross rent of the exception area and the denominator is the median gross rent of the entire FMR area. In this method, HUD uses median gross rent data from the most recent decennial United States census, and the exception area may be any geographic entity

within the FMR area (or any combination of such entities) for which median gross rent data is provided in decennial census products.

(ii) *40th percentile rent or Small Area FMR method*. In this method, HUD determines that the area exception payment standard amount equals application of the 40th percentile of rents for standard quality rental housing in the exception area or the Small Area FMR. HUD determines whether the 40th percentile rent or Small Area FMR applies in accordance with the methodology described in 24 CFR 888.113 for determining FMRs. A PHA must present statistically representative rental housing survey data to justify HUD approval.

(3) *Above 120 percent of FMR*. (i) At the request of a PHA, the Assistant Secretary for Public and Indian Housing may approve an exception payment standard amount for the total area of a county, PHA jurisdiction, or place if the Assistant Secretary determines that:

(A) Such approval is necessary to prevent financial hardship for families;

(B) Such approval is supported by statistically representative rental housing survey data to justify HUD approval in accordance with the methodology described in § 888.113 of this title; and

(C) Such approval is also supported by an appropriate program justification in accordance with paragraph (c)(4) of this section.

(ii) For purposes of paragraph (c)(3) of this section, the term "place" is an incorporated place or a U.S. Census designated place. An incorporated place is established by State law and includes cities, boroughs, towns, and villages. A U.S. Census designated place is the statistical counterpart of an incorporated place.

(4) *Program justification*. (i) HUD will only approve an exception payment standard amount (pursuant to paragraph (c)(2) or paragraph (c)(3) of this section) if HUD determines that approval of such higher amount is needed either:

(A) To help families find housing outside areas of high poverty, or

(B) Because voucher holders have trouble finding housing for lease under

the program within the term of the voucher.

(ii) HUD will only approve an exception payment standard amount (pursuant to paragraph (c)(3) of this section) after six months from the date of HUD approval of an exception payment standard pursuant to paragraph (c)(2) of this section for the area.

(5) *Population.* The total population of HUD-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area, except when applying Small Area FMR exception areas under paragraph (b)(1)(iii) of this section.

(6) *Withdrawal or modification.* At any time, HUD may withdraw or modify approval to use an exception payment standard amount.

(d) *HUD approval of payment standard amount below the basic range.* HUD may consider a PHA request for approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve PHA establishment of a payment standard lower than the basic range. In determining whether to approve the PHA request, HUD will consider appropriate factors, including rent burden of families assisted under the program. HUD will not approve a lower payment standard if the family share for more than 40 percent of participants in the PHA's voucher program exceeds 30 percent of adjusted monthly income. Such determination may be based on the most recent examinations of family income.

(e) *HUD approval of success rate payment standard amounts.* In order to increase the number of voucher holders who become participants, HUD may approve requests from PHAs whose FMRs are computed at the 40th percentile rent to establish higher, success rate payment standard amounts. A success rate payment standard amount is defined as any amount between 90 percent and 110 percent of the 50th percentile rent, calculated in accordance with the methodology described in § 888.113 of this title.

(1) A PHA may obtain HUD Field Office approval of success rate payment standard amounts provided the PHA demonstrates to HUD that it meets the following criteria:

(i) Fewer than 75 percent of the families to whom the PHA issued rental vouchers during the most recent 6 month period for which there is success rate data available have become participants in the voucher program;

(ii) The PHA has established payment standard amounts for all unit sizes in the entire PHA jurisdiction within the FMR area at 110 percent of the published FMR for at least the 6 month period referenced in paragraph (e)(1)(i) of this section and up to the time the request is made to HUD; and

(iii) The PHA has a policy of granting automatic extensions of voucher terms to at least 90 days to provide a family who has made sustained efforts to locate suitable housing with additional search time.

(2) In determining whether to approve the PHA request to establish success rate payment standard amounts, HUD will consider whether the PHA has a SEMAP overall performance rating of "troubled". If a PHA does not yet have a SEMAP rating, HUD will consider the PHA's SEMAP certification.

(3) HUD approval of success rate payment standard amounts shall be for all unit sizes in the FMR area. A PHA may opt to establish a success rate payment standard amount for one or more unit sizes in all or a designated part of the PHA jurisdiction within the FMR area.

(f) *Payment standard protection for PHAs that meet deconcentration objectives.* Paragraph (f) of this section applies only to a PHA with jurisdiction in an FMR area where the FMR had previously been set at the 50th percentile rent to provide a broad range of housing opportunities throughout a metropolitan area, pursuant to § 888.113(i)(3), but is now set at the 40th percentile rent.

(1) Such a PHA may obtain HUD Field Office approval of a payment standard amount based on the 50th percentile rent if the PHA scored the maximum number of points on the deconcentration bonus indicator in § 985.3(h) in the prior year, or in two of the last three years.

(2) HUD approval of payment standard amounts based on the 50th percentile rent shall be for all unit sizes in the FMR area that had previously been

set at the 50th percentile rent pursuant to § 888.113(i)(3). A PHA may opt to establish a payment standard amount based on the 50th percentile rent for one or more unit sizes in all or a designated part of the PHA jurisdiction within the FMR area.

(g) *HUD review of PHA payment standard schedules.* (1) HUD will monitor rent burdens of families assisted in a PHA's voucher program. HUD will review the PHA's payment standard for a particular unit size if HUD finds that 40 percent or more of such families occupying units of that unit size currently pay more than 30 percent of adjusted monthly income as the family share. Such determination may be based on the most recent examinations of family income.

(2) After such review, HUD may, at its discretion, require the PHA to modify payment standard amounts for any unit size on the PHA payment standard schedule. HUD may require the PHA to establish an increased payment standard amount within the basic range.

[64 FR 26648, May 14, 1999; 64 FR 49658, Sept. 14, 1999, as amended at 64 FR 56914, Oct. 21, 1999; 65 FR 16822, Mar. 30, 2000; 65 FR 58874, Oct. 2, 2000; 66 FR 30568, June 6, 2001; 67 FR 56688, Sept. 4, 2002; 80 FR 8246, Feb. 17, 2015; 81 FR 12376, Mar. 8, 2016; 81 FR 80582, Nov. 16, 2016]

§ 982.504 Payment standard for family in restructured subsidized multi-family project.

(a) This section applies to HCV assistance if all the following conditions are applicable:

(1) Such HCV assistance is provided to a family pursuant to 24 CFR 401.421 when HUD has approved a restructuring plan, and the participating administrative entity has approved the use of tenant-based assistance to provide continued assistance for such families. Such tenant-based voucher assistance is provided for a family previously receiving project-based assistance in an eligible project (as defined in § 401.2 of this title) at the time when the project-based assistance terminates.

(2) The family chooses to remain in the restructured project with HCV assistance under the program and leases a unit that does not exceed the family unit size;

(3) The lease for such assisted tenancy commences during the first year after the project-based assistance terminates.

(b) The initial payment standard for the family under such initial lease is the sum of the reasonable rent to owner for the unit plus the utility allowance for tenant-paid utilities. (Determination of such initial payment standard for the family is not subject to paragraphs (c)(1) and (c)(2) of § 982.505. Except for determination of the initial payment standard as specifically provided in paragraph (b) of this section, the payment standard and housing assistance payment for the family during the HAP contract term shall be determined in accordance with § 982.505.)

[64 FR 26649, May 14, 1999, as amended at 80 FR 8247, Feb. 17, 2015]

§ 982.505 How to calculate housing assistance payment.

(a) *Use of payment standard.* A payment standard is used to calculate the monthly housing assistance payment for a family. The "payment standard" is the maximum monthly subsidy payment.

(b) *Amount of monthly housing assistance payment.* The PHA shall pay a monthly housing assistance payment on behalf of the family that is equal to the lower of:

(1) The payment standard for the family minus the total tenant payment; or

(2) The gross rent minus the total tenant payment.

(c) *Payment standard for family.* (1) The payment standard for the family is the lower of:

(i) The payment standard amount for the family unit size; or

(ii) The payment standard amount for the size of the dwelling unit rented by the family.

(2) If the PHA has established a separate payment standard amount for a designated part of an FMR area in accordance with § 982.503 (including an exception payment standard amount as determined in accordance with § 982.503(b)(2) and § 982.503(c)), and the dwelling unit is located in such designated part, the PHA must use the appropriate payment standard amount

for such designated part to calculate the payment standard for the family. The payment standard for the family shall be calculated in accordance with this paragraph and paragraph (c)(1) of this section.

(3) *Decrease in the payment standard amount during the HAP contract term.* If the amount on the payment standard schedule is decreased during the term of the HAP contract, the PHA is not required to reduce the payment standard amount used to calculate the subsidy for the families under HAP contract for as long as the HAP contract remains in effect.

(i) If the PHA chooses to reduce the payment standard for the families currently under HAP contract during the HAP contract term in accordance with their administrative plan, the initial reduction to the payment standard amount used to calculate the monthly housing assistance payment for the family may not be applied any earlier than the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard amount.

(ii) The PHA may choose to reduce the payment standard amount for families that remain under HAP contract to the current payment standard amount in effect on the PHA voucher payment standard schedule, or may reduce the payment standard amount to an amount that is higher than the normally applicable payment standard amount on the PHA voucher payment standard schedule. The PHA may further reduce the payment standard amount for the families during the term of the HAP contract, provided the subsequent reductions continue to result in a payment standard amount that meets or exceeds the normally applicable payment standard amount on the PHA voucher payment standard schedule.

(iii) The PHA must provide the family with at least 12 months' notice that the payment standard is being reduced during the term of the HAP contract before the effective date of the change.

(iv) The PHA shall administer decreases in the payment standard amount during the term of the HAP contract in accordance with the PHA

policy as described in the PHA administrative plan. The PHA may establish different policies for designated areas within their jurisdiction (e.g., for different zip code areas), but the PHA administrative policy on decreases to payment standards during the term of the HAP contract applies to all families under HAP contract at the time of the effective date of decrease in the payment standard within that designated area. The PHA may not limit or otherwise establish different protections or policies for certain families under HAP contract.

(4) *Increase in the payment standard amount during the HAP contract term.* If the payment standard amount is increased during the term of the HAP contract, the increased payment standard amount shall be used to calculate the monthly housing assistance payment for the family beginning at the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard amount.

(5) *Change in family unit size during the HAP contract term.* Irrespective of any increase or decrease in the payment standard amount, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard amount for the family beginning at the family's first regular reexamination following the change in family unit size.

(d) *PHA approval of higher payment standard for the family as a reasonable accommodation.* If the family includes a person with disabilities and requires a payment standard above the basic range, as a reasonable accommodation for such person, in accordance with part 8 of this title, the PHA may establish a payment standard for the family of not more than 120 percent of the FMR. A PHA may establish a payment standard greater than 120 percent of the FMR by submitting a request to HUD.

[64 FR 26649, May 14, 1999, as amended at 64 FR 56914, Oct. 21, 1999; 65 FR 16822, Mar. 30, 2000; 65 FR 42509, July 10, 2000; 66 FR 30568, June 6, 2001; 67 FR 56689, Sept. 4, 2002; 80 FR 8247, Feb. 17, 2014; 81 FR 12376, Mar. 8, 2016; 81 FR 80582, Nov. 16, 2016]

§ 982.506 Negotiating rent to owner.

The owner and the family negotiate the rent to owner. At the family's request, the PHA must help the family negotiate the rent to owner.

[63 FR 23861, Apr. 30, 1998. Redesignated at 64 FR 26648, May 14, 1999]

§ 982.507 Rent to owner: Reasonable rent.

(a) *PHA determination.* (1) Except as provided in paragraph (c) of this section, the PHA may not approve a lease until the PHA determines that the initial rent to owner is a reasonable rent.

(2) The PHA must redetermine the reasonable rent:

(i) Before any increase in the rent to owner;

(ii) If there is a 10 percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect 1 year before the contract anniversary.

(iii) If directed by HUD.

(3) The PHA may also redetermine the reasonable rent at any other time.

(4) At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the PHA.

(b) *Comparability.* The PHA must determine whether the rent to owner is a reasonable rent in comparison to rent for other comparable unassisted units. To make this determination, the PHA must consider:

(1) The location, quality, size, unit type, and age of the contract unit; and

(2) Any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

(c) *Units assisted by low-income housing tax credits or assistance under HUD's HOME Investment Partnerships (HOME) program.* (1) *General.* For a unit receiving low-income housing tax credits (LIHTCs) pursuant to section 42 of the Internal Revenue Code of 1986 or receiving assistance under HUD's HOME Program (for which the regulations are found in 24 CFR part 92), a rent comparison with unassisted units is not required if the voucher rent does not exceed the rent for other LIHTC- or HOME-assisted units in the project

that are not occupied by families with tenant-based assistance.

(2) *LIHTC.* If the rent requested by the owner exceeds the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations and the rent shall not exceed the lesser of the:

(i) Reasonable rent as determined pursuant to a rent comparability study; and

(ii) The payment standard established by the PHA for the unit size involved.

(3) *HOME Program.* [Reserved]

(d) *Owner certification of rents charged for other units.* By accepting each monthly housing assistance payment from the PHA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner must give the PHA information requested by the PHA on rents charged by the owner for other units in the premises or elsewhere.

[63 FR 23861, Apr. 30, 1998. Redesignated at 64 FR 26648, May 14, 1999; 79 FR 36164, June 25, 2014; 81 FR 80583, Nov. 16, 2016]

§ 982.508 Maximum family share at initial occupancy.

At the time the PHA approves a tenancy for initial occupancy of a dwelling unit by a family with tenant-based assistance under the program, and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share must not exceed 40 percent of the family's adjusted monthly income. The determination of adjusted monthly income must be based on verification information received by the PHA no earlier than 60 days before the PHA issues a voucher to the family.

[64 FR 59622, Nov. 3, 1999]

§ 982.509 Rent to owner: Effect of rent control.

In addition to the rent reasonableness limit under this subpart, the amount of rent to owner also may be subject to rent control limits under State or local law.

[63 FR 23861, Apr. 30, 1998. Redesignated and amended at 64 FR 26648, May 14, 1999]

§ 982.510

§ 982.510 Other fees and charges.

(a) The cost of meals or supportive services may not be included in the rent to owner, and the value of meals or supportive services may not be included in the calculation of reasonable rent.

(b) The lease may not require the tenant or family members to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

(c) The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises.

[63 FR 23861, Apr. 30, 1998. Redesignated at 64 FR 26648, May 14, 1999]

§ 982.514 Distribution of housing assistance payment.

The monthly housing assistance payment is distributed as follows:

(a) The PHA pays the owner the lesser of the housing assistance payment or the rent to owner.

(b) If the housing assistance payment exceeds the rent to owner, the PHA may pay the balance of the housing assistance payment (“utility reimbursement”) either to the family or directly to the utility supplier to pay the utility bill on behalf of the family. If the PHA elects to pay the utility supplier directly, the PHA must notify the family of the amount paid to the utility supplier.

(c) The PHA may elect to establish policies regarding the frequency of utility reimbursement payments for payments made to the family.

(1) The PHA will have the option of making utility reimbursement payments not less than once per calendar-year quarter, for reimbursements totaling \$45 or less per quarter. In the event a family leaves the program in advance of its next quarterly reimbursement, the PHA would be required to reimburse the family for a prorated share of the applicable reimbursement. PHAs exercising this option must have a hardship policy in place for tenants.

(2) If the PHA elects to pay the utility supplier directly, the PHA must no-

24 CFR Ch. IX (4–1–21 Edition)

tify the family of the amount paid to the utility supplier.

[63 FR 23861, Apr. 30, 1998, as amended at 64 FR 56914, Oct. 21, 1999; 65 FR 16822, Mar. 30, 2000; 81 FR 12376, Mar. 8, 2016]

§ 982.515 Family share: Family responsibility.

(a) The family share is calculated by subtracting the amount of the housing assistance payment from the gross rent.

(b) The family rent to owner is calculated by subtracting the amount of the housing assistance payment to the owner from the rent to owner.

(c) The PHA may not use housing assistance payments or other program funds (including any administrative fee reserve) to pay any part of the family share, including the family rent to owner. Payment of the whole family share is the responsibility of the family.

[63 FR 23861, Apr. 30, 1998, as amended at 64 FR 56915, Oct. 21, 1999]

§ 982.516 Family income and composition: Annual and interim examinations.

(a) *PHA responsibility for reexamination and verification.* (1) The PHA must conduct a reexamination of family income and composition at least annually.

(2) Except as provided in paragraph (a)(3) of this section, the PHA must obtain and document in the tenant file third-party verification of the following factors, or must document in the tenant file why third-party verification was not available:

(i) Reported family annual income;

(ii) The value of assets;

(iii) Expenses related to deductions from annual income; and

(iv) Other factors that affect the determination of adjusted income.

(3) For a family with net assets equal to or less than \$5,000, a PHA may accept a family’s declaration that it has net assets equal to or less than \$5,000, without taking additional steps to verify the accuracy of the declaration.

(i) The declaration must state the amount of income the family expects to receive from such assets; this amount must be included in the family’s income.

(ii) A PHA must obtain third-party verification of all family assets every 3 years.

(b) *Streamlined income determination—*

(1) *General.* A PHA may elect to apply a streamlined income determination to families receiving fixed income as described in paragraph (b)(3) of this section.

(2) *Definition of “fixed income”.* For purposes of this section, “fixed income” means periodic payments at reasonably predictable levels from one or more of the following sources:

(i) Social Security, Supplemental Security Income, Supplemental Disability Insurance.

(ii) Federal, state, local, or private pension plans.

(iii) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts.

(iv) Any other source of income subject to adjustment by a verifiable COLA or current rate of interest.

(3) *Method of streamlined income determination.* A PHA using the streamlined income determination must adjust a family's income according to the percentage of a family's unadjusted income that is from fixed income.

(i) When 90 percent or more of a family's unadjusted income consists of fixed income, PHAs using streamlined income determinations must apply a COLA or COLAs to the family's fixed-income sources, provided that the family certifies both that 90 percent or more of their unadjusted income is fixed income and that their sources of fixed income have not changed from the previous year. For non-fixed income, the PHA is not required to make adjustments pursuant to paragraph (a) of this section.

(ii) When less than 90 percent of a family's unadjusted income consists of fixed income, PHAs using streamlined income determinations must apply a COLA to each of the family's sources of fixed income individually. The PHA must determine all other income pursuant to paragraph (a) of this section.

(4) *COLA rate applied by PHAs.* PHAs using streamlined income determinations must adjust a family's fixed income using a COLA or current interest rate that applies to each specific

source of fixed income and is available from a public source or through tenant-provided, third-party-generated documentation. If no public verification or tenant-provided documentation is available, then the owner must obtain third-party verification of the income amounts in order to calculate the change in income for the source.

(5) *Triennial verification.* For any income determined pursuant to a streamlined income determination, a PHA must obtain third-party verification of all income amounts every 3 years.

(c) *Interim reexaminations.* (1) At any time, the PHA may conduct an interim reexamination of family income and composition.

(2) At any time, the family may request an interim determination of family income or composition because of any changes since the last determination. The PHA must make the interim determination within a reasonable time after the family request.

(3) Interim examinations must be conducted in accordance with policies in the PHA administrative plan.

(d) *Family reporting of change.* The PHA must adopt policies prescribing when and under what conditions the family must report a change in family income or composition.

(e) *Effective date of reexamination.* (1) The PHA must adopt policies prescribing how to determine the effective date of a change in the housing assistance payment resulting from an interim redetermination.

(2) At the effective date of a regular or interim reexamination, the PHA must make appropriate adjustments in the housing assistance payment in accordance with §982.505.

(f) *Accuracy of family income data.* The PHA must establish procedures that are appropriate and necessary to assure that income data provided by applicant or participant families is complete and accurate.

(g) *Execution of release and consent.* (1) As a condition of admission to or continued assistance under the program, the PHA shall require the family head, and such other family members as the

PHA designates, to execute a HUD-approved release and consent form (including any release and consent as required under § 5.230 of this title) authorizing any depository or private source of income, or any Federal, State or local agency, to furnish or release to the PHA or HUD such information as the PHA or HUD determines to be necessary.

(2) The PHA and HUD must limit the use or disclosure of information obtained from a family or from another source pursuant to this release and consent to purposes directly in connection with administration of the program.

(Information collection requirements contained in this section have been approved by the Office of Management and Budget under control number 2577-0169.)

[63 FR 23861, Apr. 30, 1998, as amended at 64 FR 13057, Mar. 16, 1999; 64 FR 26649, May 14, 1999; 64 FR 56915, Oct. 21, 1999; 65 FR 16822, Mar. 30, 2000; 80 FR 8247, Feb. 17, 2015; 81 FR 12376, Mar. 8, 2016; 82 FR 58341, Dec. 12, 2017; 85 FR 27139, May 7, 2020]

EDITORIAL NOTE: At 64 FR 26649, May 14, 1999, § 982.516 was amended in paragraph (e) by removing the reference to “and family unit size”; however paragraph (e) does not contain this phrase.

§ 982.517 Utility allowance schedule.

(a) *Maintaining schedule.* (1) The PHA must maintain a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse)).

(2) The PHA must give HUD a copy of the utility allowance schedule. At HUD’s request, the PHA also must provide any information or procedures used in preparation of the schedule.

(b) *How allowances are determined.* (1) The utility allowance schedule must be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the PHA must use normal patterns of consumption for the community as a whole and current utility rates.

(2)(i) A PHA’s utility allowance schedule, and the utility allowance for

an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. However, the PHA may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

(ii) In the utility allowance schedule, the PHA must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection (disposal of waste and refuse); other electric; refrigerator (cost of tenant-supplied refrigerator); range (cost of tenant-supplied range); and other specified housing services. The PHA must provide a utility allowance for tenant-paid air-conditioning costs if the majority of housing units in the market provide centrally air-conditioned units or there is appropriate wiring for tenant-installed air conditioners.

(3) The cost of each utility and housing service category must be stated separately. For each of these categories, the utility allowance schedule must take into consideration unit size (by number of bedrooms), and unit types (e.g., apartment, row-house, town house, single-family detached, and manufactured housing) that are typical in the community.

(4) The utility allowance schedule must be prepared and submitted in accordance with HUD requirements on the form prescribed by HUD.

(c) *Revisions of utility allowance schedule.* (1) A PHA must review its schedule of utility allowances each year, and must revise its allowance for a utility category if there has been a change of 10 percent or more in the utility rate since the last time the utility allowance schedule was revised. The PHA must maintain information supporting its annual review of utility allowances and any revisions made in its utility allowance schedule.

(2) At HUD’s direction, the PHA must revise the utility allowance schedule to correct any errors, or as necessary to update the schedule.

(d) *Use of utility allowance schedule.* The PHA must use the appropriate utility allowance for the lesser of the

size of dwelling unit actually leased by the family or the family unit size as determined under the PHA subsidy standards. In cases where the unit size leased exceeds the family unit size as determined under the PHA subsidy standards as a result of a reasonable accommodation, the PHA must use the appropriate utility allowance for the size of the dwelling unit actually leased by the family.

(e) *Higher utility allowance as reasonable accommodation for a person with disabilities.* On request from a family that includes a person with disabilities, the PHA must approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation in accordance with 24 CFR part 8 to make the program accessible to and usable by the family member with a disability.

(Information collection requirements contained in this section have been approved by the Office of Management and Budget under control number 2577-0169.)

[63 FR 23861, Apr. 30, 1998, as amended at 80 FR 8247, Feb. 17, 2015; 81 FR 12377, Mar. 8, 2016]

§ 982.521 Rent to owner in subsidized project.

(a) *Applicability to subsidized project.* This section applies to a program tenancy in any of the following types of federally subsidized project:

- (1) An insured or non-insured Section 236 project;
- (2) A Section 202 project;
- (3) A Section 221(d)(3) below market interest rate (BMIR) project; or
- (4) A Section 515 project of the Rural Development Administration.

(b) *How rent to owner is determined.* The rent to owner is the subsidized rent as determined in accordance with requirements for the applicable federal program listed in paragraph (a) of this section. This determination is not subject to the prohibition against increasing the rent to owner during the initial lease term (see § 982.309).

[65 FR 16822, Mar. 30, 2000, as amended at 80 FR 8247, Feb. 17, 2015]

Subpart L—Family Obligations; Denial and Termination of Assistance

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.551 Obligations of participant.

(a) *Purpose.* This section states the obligations of a participant family under the program.

(b) *Supplying required information—*(1) The family must supply any information that the PHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 5). “Information” includes any requested certification, release or other documentation.

(2) The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

(3) The family must disclose and verify social security numbers (as provided by part 5, subpart B, of this title) and must sign and submit consent forms for obtaining information in accordance with part 5, subpart B, of this title.

(4) Any information supplied by the family must be true and complete.

(c) *HQS breach caused by family.* The family is responsible for an HQS breach caused by the family as described in § 982.404(b).

(d) *Allowing PHA inspection.* The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice.

(e) *Violation of lease.* The family may not commit any serious or repeated violation of the lease. Under 24 CFR 5.2005(c), an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated lease violation by the victim, or threatened victim, of the domestic violence, dating violence, sexual assault, or stalking, or as good cause to terminate the tenancy, occupancy rights, or assistance of the victim.

(f) *Family notice of move or lease termination.* The family must notify the PHA and the owner before the family moves out of the unit, or terminates the lease on notice to the owner. See § 982.354(d).

(g) *Owner eviction notice.* The family must promptly give the PHA a copy of any owner eviction notice.

(h) *Use and occupancy of unit*—(1) The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

(2) The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit. No other person [i.e., nobody but members of the assisted family] may reside in the unit (except for a foster child or live-in aide as provided in paragraph (h)(4) of this section).

(3) The family must promptly notify the PHA if any family member no longer resides in the unit.

(4) If the PHA has given approval, a foster child or a live-in-aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residence by a foster child or a live-in-aide, and defining when PHA consent may be given or denied.

(5) Members of the household may engage in legal profitmaking activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family.

(6) The family must not sublease or let the unit.

(7) The family must not assign the lease or transfer the unit.

(i) *Absence from unit.* The family must supply any information or certification requested by the PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any PHA-requested information or certification on the purposes of family absences. The family must cooperate with the PHA for this purpose. The family must promptly notify the PHA of absence from the unit.

(j) *Interest in unit.* The family must not own or have any interest in the unit.

(k) *Fraud and other program violation.* The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.

(l) *Crime by household members.* The members of the household may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety, or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises (see § 982.553). Under 24 CFR 5.2005(b)(2), criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a tenant's household, or any guest or other person under the tenant's control, shall not be cause for termination of tenancy, occupancy rights, or assistance of the victim, if the tenant or an affiliated individual of the tenant, as defined in 24 CFR 5.2003, is the victim.

(m) *Alcohol abuse by household members.* The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

(n) *Other housing assistance.* An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

(Approved by the Office of Management and Budget under control number 2577–0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 11119, Mar. 18, 1996; 61 FR 13627, Mar. 27, 1996; 61 FR 27163, May 30, 1996; 64 FR 26650, May 14, 1999; 66 FR 28805, May 24, 2001; 73 FR 72345, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 50575, Aug. 20, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.552 PHA denial or termination of assistance for family.

(a) *Action or inaction by family.* (1) A PHA may deny assistance for an applicant or terminate assistance for a participant under the programs because of the family's action or failure to act as described in this section or § 982.553. The provisions of this section do not affect denial or termination of assistance for grounds other than action or failure to act by the family.

(2) Denial of assistance for an applicant may include any or all of the following: denying listing on the PHA waiting list, denying or withdrawing a voucher, refusing to enter into a HAP contract or approve a lease, and refusing to process or provide assistance under portability procedures.

(3) Termination of assistance for a participant may include any or all of the following: refusing to enter into a HAP contract or approve a lease, terminating housing assistance payments under an outstanding HAP contract, and refusing to process or provide assistance under portability procedures.

(4) This section does not limit or affect exercise of the PHA rights and remedies against the owner under the HAP contract, including termination, suspension or reduction of housing assistance payments, or termination of the HAP contract.

(b) *Requirement to deny admission or terminate assistance.* (1) For provisions on denial of admission and termination of assistance for illegal drug use, other criminal activity, and alcohol abuse that would threaten other residents, see § 982.553.

(2) The PHA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

(3) The PHA must deny admission to the program for an applicant, or terminate program assistance for a participant, if any member of the family fails to sign and submit consent forms for obtaining information in accordance with part 5, subparts B and F of this title.

(4) The family must submit required evidence of citizenship or eligible immigration status. See part 5 of this title for a statement of circumstances in which the PHA must deny admission

or terminate program assistance because a family member does not establish citizenship or eligible immigration status, and the applicable informal hearing procedures.

(5) The PHA must deny or terminate assistance if any family member fails to meet the eligibility requirements concerning individuals enrolled at an institution of higher education as specified in 24 CFR 5.612.

(c) *Authority to deny admission or terminate assistance—*(1) *Grounds for denial or termination of assistance.* The PHA may at any time deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following grounds:

(i) If the family violates any family obligations under the program (see § 982.551). See § 982.553 concerning denial or termination of assistance for crime by family members.

(ii) If any member of the family has been evicted from federally assisted housing in the last five years;

(iii) If a PHA has ever terminated assistance under the program for any member of the family.

(iv) If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program (see also § 982.553(a)(1));

(v) If the family currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

(vi) If the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

(vii) If the family breaches an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA. (The PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a PHA or amounts paid to an owner by a PHA. The PHA may prescribe the terms of the agreement.)

(viii) If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.

(ix) If the family has engaged in or threatened abusive or violent behavior toward PHA personnel.

(x) If a welfare-to-work (WTW) family fails, willfully and persistently, to fulfill its obligations under the welfare-to-work voucher program.

(xi) If the family has been engaged in criminal activity or alcohol abuse as described in § 982.553.

(2) *Consideration of circumstances.* In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

(i) The PHA may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

(ii) The PHA may impose, as a condition of continued assistance for other family members, a requirement that other family members who participated in or were culpable for the action or failure will not reside in the unit. The PHA may permit the other members of a participant family to continue receiving assistance.

(iii) In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the PHA may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the PHA may require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

(iv) If the family includes a person with disabilities, the PHA decision concerning such action is subject to consideration of reasonable accommodation in accordance with part 8 of this title.

(v) *Nondiscrimination limitation and protection for victims of domestic violence, dating violence, sexual assault, or stalking.* The PHA's admission and termination actions must be consistent with fair housing and equal opportunity provisions of 24 CFR 5.105, and with the requirements of 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking).

(d) *Information for family.* The PHA must give the family a written description of:

(1) Family obligations under the program.

(2) The grounds on which the PHA may deny or terminate assistance because of family action or failure to act.

(3) The PHA informal hearing procedures.

(e) *Applicant screening.* The PHA may at any time deny program assistance for an applicant in accordance with the PHA policy, as stated in the PHA administrative plan, on screening of applicants for family behavior or suitability for tenancy.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 13627, Mar. 27, 1996; 63 FR 23865, Apr. 30, 1998; 64 FR 26650, May 14, 1999; 64 FR 49659, Sept. 14, 1999; 64 FR 56915, Oct. 21, 1999; 65 FR 16823, Mar. 30, 2000; 66 FR 28805, May 24, 2001; 70 FR 77744, Dec. 30, 2005; 73 FR 72345, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 8247, Feb. 17, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.553 Denial of admission and termination of assistance for criminals and alcohol abusers.

(a) *Denial of admission—(1) Prohibiting admission of drug criminals.* (i) The PHA must prohibit admission to the program of an applicant for three years from the date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity. However, the PHA may admit the household if the PHA determines:

(A) That the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the PHA; or

(B) That the circumstances leading to eviction no longer exist (for example, the criminal household member has died or is imprisoned).

(ii) The PHA must establish standards that prohibit admission if:

(A) The PHA determines that any household member is currently engaging in illegal use of a drug;

(B) The PHA determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents; or

(C) Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

(2) *Prohibiting admission of other criminals—(i) Mandatory prohibition.* The PHA must establish standards that prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In this screening of applicants, the PHA must perform criminal history background checks necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the State where the housing is located and in other States where the household members are known to have resided.

(ii) *Permissive prohibitions.* (A) The PHA may prohibit admission of a household to the program if the PHA determines that any household member is currently engaged in, or has engaged in during a reasonable time before the admission:

(1) Drug-related criminal activity;

(2) Violent criminal activity;

(3) Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or

(4) Other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor or agent).

(B) The PHA may establish a period before the admission decision during which an applicant must not have engaged in the activities specified in paragraph (a)(2)(i) of this section ("reasonable time").

(C) If the PHA previously denied admission to an applicant because a member of the household engaged in criminal activity, the PHA may reconsider the applicant if the PHA has sufficient evidence that the members of the household are not currently engaged in, and have not engaged in, such criminal activity during a reasonable period, as determined by the PHA, before the admission decision.

(1) The PHA would have "sufficient evidence" if the household member submitted a certification that she or he is not currently engaged in and has not engaged in such criminal activity during the specified period and provided supporting information from such sources as a probation officer, a landlord, neighbors, social service agency workers and criminal records, which the PHA verified.

(2) For purposes of this section, a household member is "currently engaged in" criminal activity if the person has engaged in the behavior recently enough to justify a reasonable belief that the behavior is current.

(3) *Prohibiting admission of alcohol abusers.* The PHA must establish standards that prohibit admission to the program if the PHA determines that it has reasonable cause to believe that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

(b) *Terminating assistance—(1) Terminating assistance for drug criminals.* (i) The PHA must establish standards that allow the PHA to terminate assistance for a family under the program if the PHA determines that:

(A) Any household member is currently engaged in any illegal use of a drug; or

(B) A pattern of illegal use of a drug by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(ii) The PHA must immediately terminate assistance for a family under the program if the PHA determines that any member of the household has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

(iii) The PHA must establish standards that allow the PHA to terminate assistance under the program for a family if the PHA determines that any family member has violated the family's obligation under § 982.551 not to engage in any drug-related criminal activity.

(2) *Terminating assistance for other criminals.* The PHA must establish standards that allow the PHA to terminate assistance under the program for a family if the PHA determines that any household member has violated the family's obligation under § 982.551 not to engage in violent criminal activity.

(3) *Terminating assistance for alcohol abusers.* The PHA must establish standards that allow termination of assistance for a family if the PHA determines that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

(c) *Evidence of criminal activity.* The PHA may terminate assistance for criminal activity by a household member as authorized in this section if the PHA determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.

(d) *Use of criminal record*—(1) *Denial.* If a PHA proposes to deny admission for criminal activity as shown by a criminal record, the PHA must provide the subject of the record and the applicant with a copy of the criminal record. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record, in the informal review process in accordance with § 982.554. (See part 5, subpart J for provision concerning access to criminal records.)

(2) *Termination of assistance.* If a PHA proposes to terminate assistance for

criminal activity as shown by a criminal record, the PHA must notify the household of the proposed action to be based on the information and must provide the subject of the record and the tenant with a copy of the criminal record. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record in accordance with § 982.555.

(3) *Cost of obtaining criminal record.* The PHA may not pass along to the tenant the costs of a criminal records check.

(e) The requirements in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking) apply to this section.

[66 FR 28805, May 24, 2001, as amended at 73 FR 72345, Nov. 28, 2008; 75 FR 66264, Oct. 27, 2010; 80 FR 8247, Feb. 17, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.554 Informal review for applicant.

(a) *Notice to applicant.* The PHA must give an applicant for participation prompt notice of a decision denying assistance to the applicant. The notice must contain a brief statement of the reasons for the PHA decision. The notice must also state that the applicant may request an informal review of the decision and must describe how to obtain the informal review.

(b) *Informal review process.* The PHA must give an applicant an opportunity for an informal review of the PHA decision denying assistance to the applicant. The administrative plan must state the PHA procedures for conducting an informal review. The PHA review procedures must comply with the following:

(1) The review may be conducted by any person or persons designated by the PHA, other than a person who made or approved the decision under review or a subordinate of this person.

(2) The applicant must be given an opportunity to present written or oral objections to the PHA decision.

(3) The PHA must notify the applicant of the PHA final decision after the informal review, including a brief statement of the reasons for the final decision.

(c) *When informal review is not required.* The PHA is not required to provide the applicant an opportunity for an informal review for any of the following:

(1) Discretionary administrative determinations by the PHA.

(2) General policy issues or class grievances.

(3) A determination of the family unit size under the PHA subsidy standards.

(4) A PHA determination not to approve an extension of the voucher term.

(5) A PHA determination not to grant approval of the tenancy.

(6) An PHA determination that a unit selected by the applicant is not in compliance with HQS.

(7) An PHA determination that the unit is not in accordance with HQS because of the family size or composition.

(d) *Restrictions on assistance for non-citizens.* The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 13627, Mar. 27, 1996; 64 FR 26650, May 14, 1999; 80 FR 50575, Aug. 20, 2015]

§ 982.555 Informal hearing for participant.

(a) *When hearing is required.* (1) A PHA must give a participant family an opportunity for an informal hearing to consider whether the following PHA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations and PHA policies:

(i) A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.

(ii) A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the PHA utility allowance schedule.

(iii) A determination of the family unit size under the PHA subsidy standards.

(iv) A determination to terminate assistance for a participant family be-

cause of the family's action or failure to act (see § 982.552).

(v) A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and HUD rules.

(2) In the cases described in paragraphs (a)(1) (iv), (v) and (vi) of this section, the PHA must give the opportunity for an informal hearing before the PHA terminates housing assistance payments for the family under an outstanding HAP contract.

(b) *When hearing is not required.* The PHA is not required to provide a participant family an opportunity for an informal hearing for any of the following:

(1) Discretionary administrative determinations by the PHA.

(2) General policy issues or class grievances.

(3) Establishment of the PHA schedule of utility allowances for families in the program.

(4) A PHA determination not to approve an extension of the voucher term.

(5) A PHA determination not to approve a unit or tenancy.

(6) A PHA determination that an assisted unit is not in compliance with HQS. (However, the PHA must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in § 982.551(c).)

(7) A PHA determination that the unit is not in accordance with HQS because of the family size.

(8) A determination by the PHA to exercise or not to exercise any right or remedy against the owner under a HAP contract.

(c) *Notice to family.* (1) In the cases described in paragraphs (a)(1) (i), (ii) and (iii) of this section, the PHA must notify the family that the family may ask for an explanation of the basis of the PHA determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.

(2) In the cases described in paragraphs (a)(1) (iv), (v) and (vi) of this section, the PHA must give the family prompt written notice that the family

may request a hearing. The notice must:

- (i) Contain a brief statement of reasons for the decision,
- (ii) State that if the family does not agree with the decision, the family may request an informal hearing on the decision, and
- (iii) State the deadline for the family to request an informal hearing.

(d) *Expeditious hearing process.* Where a hearing for a participant family is required under this section, the PHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

(e) *Hearing procedures*—(1) *Administrative plan.* The administrative plan must state the PHA procedures for conducting informal hearings for participants.

(2) *Discovery*—(i) *By family.* The family must be given the opportunity to examine before the PHA hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

(ii) *By PHA.* The PHA hearing procedures may provide that the PHA must be given the opportunity to examine at PHA offices before the PHA hearing any family documents that are directly relevant to the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

(iii) *Documents.* The term “documents” includes records and regulations.

(3) *Representation of family.* At its own expense, the family may be represented by a lawyer or other representative.

(4) *Hearing officer: Appointment and authority.* (i) The hearing may be conducted by any person or persons designated by the PHA, other than a person who made or approved the decision under review or a subordinate of this person.

(ii) The person who conducts the hearing may regulate the conduct of

the hearing in accordance with the PHA hearing procedures.

(5) *Evidence.* The PHA and the family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

(6) *Issuance of decision.* The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished promptly to the family.

(f) *Effect of decision.* The PHA is not bound by a hearing decision:

(1) Concerning a matter for which the PHA is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the person conducting the hearing under the PHA hearing procedures.

(2) Contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

(3) If the PHA determines that it is not bound by a hearing decision, the PHA must promptly notify the family of the determination, and of the reasons for the determination.

(g) *Restrictions on assistance to noncitizens.* The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 13627, Mar. 27, 1996; 64 FR 26650, May 14, 1999; 65 FR 16823, Mar. 30, 2000; 80 FR 8247, Feb. 17, 2015; 80 FR 50575, Aug. 20, 2015]

Subpart M—Special Housing Types

SOURCE: 63 FR 23865, Apr. 30, 1998, unless otherwise noted.

§ 982.601 Overview.

(a) *Special housing types.* This subpart describes program requirements for

special housing types. The following are the special housing types:

- (1) Single room occupancy (SRO) housing;
- (2) Congregate housing;
- (3) Group home;
- (4) Shared housing;
- (5) Manufactured home;
- (6) Cooperative housing (excluding families that are not cooperative members); and
- (7) Homeownership option.

(b) *PHA choice to offer special housing type.* (1) The PHA may permit a family to use any of the following special housing types in accordance with requirements of the program: single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home when the family owns the home and leases the manufactured home space, cooperative housing or homeownership option.

(2) In general, the PHA is not required to permit families (including families that move into the PHA program under portability procedures) to use any of these special housing types, and may limit the number of families using special housing types.

(3) The PHA must permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8.

(4) For occupancy of a manufactured home, see § 982.620(a).

(c) *Program funding for special housing types.* (1) HUD does not provide any additional or designated funding for special housing types, or for a specific special housing type (e.g., the homeownership option). Assistance for special housing types is paid from program funding available for the PHA's tenant-based program under the consolidated annual contributions contract.

(2) The PHA may not set aside program funding or program slots for special housing types or for a specific special housing type.

(d) *Family choice of housing and housing type.* The family chooses whether to use housing that qualifies as a special housing type under this subpart, or as any specific special housing type, or to use other eligible housing in accordance with requirements of the pro-

gram. The PHA may not restrict the family's freedom to choose among available units in accordance with § 982.353.

(e) *Applicability of requirements.* (1) Except as modified by this subpart, the requirements of other subparts of this part apply to the special housing types.

(2) Provisions in this subpart only apply to a specific special housing type. The housing type is noted in the title of each section.

(3) Housing must meet the requirements of this subpart for a single special housing type specified by the family. Such housing is not subject to requirements for other special housing types. A single unit cannot be designated as more than one special housing type.

[63 FR 23865, Apr. 30, 1998, as amended at 65 FR 55162, Sept. 12, 2000; 67 FR 64493, Oct. 18, 2002; 80 FR 8247, Feb. 17, 2015]

SINGLE ROOM OCCUPANCY (SRO)

§ 982.602 SRO: Who may reside in an SRO?

A single person may reside in an SRO housing unit.

[64 FR 26650, May 14, 1999]

§ 982.603 SRO: Lease and HAP contract.

For SRO housing, there is a separate lease and HAP contract for each assisted person.

§ 982.604 SRO: Voucher housing assistance payment.

(a) For a person residing in SRO housing, the payment standard is 75 percent of the zero-bedroom payment standard amount on the PHA payment standard schedule. For a person residing in SRO housing in an exception area, the payment standard is 75 percent of the HUD-approved zero-bedroom exception payment standard amount.

(b) The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

[64 FR 26650, May 14, 1999]

§ 982.605

24 CFR Ch. IX (4-1-21 Edition)

§ 982.605 SRO: Housing quality standards.

(a) *HQS standards for SRO.* The HQS in § 982.401 apply to SRO housing. However, the standards in this section apply in place of § 982.401(b) (sanitary facilities), § 982.401(c) (food preparation and refuse disposal), and § 982.401(d) (space and security). Since the SRO units will not house children, the housing quality standards in § 982.401(j), concerning lead-based paint, do not apply to SRO housing.

(b) *Performance requirements.* (1) SRO housing is subject to the additional performance requirements in this paragraph (b).

(2) Sanitary facilities, and space and security characteristics must meet local code standards for SRO housing. In the absence of applicable local code standards for SRO housing, the following standards apply:

(i) *Sanitary facilities.* (A) At least one flush toilet that can be used in privacy, lavatory basin, and bathtub or shower, in proper operating condition, must be supplied for each six persons or fewer residing in the SRO housing.

(B) If SRO units are leased only to males, flush urinals may be substituted for not more than one-half the required number of flush toilets. However, there must be at least one flush toilet in the building.

(C) Every lavatory basin and bathtub or shower must be supplied at all times with an adequate quantity of hot and cold running water.

(D) All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.

(E) Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them. These facilities may not be located more than one floor above or below the SRO unit. Sanitary facilities may not be located below grade unless the SRO units are located on that level.

(ii) *Space and security.* (A) No more than one person may reside in an SRO unit.

(B) An SRO unit must contain at least one hundred ten square feet of floor space.

(C) An SRO unit must contain at least four square feet of closet space for each resident (with an unobstructed height of at least five feet). If there is less closet space, space equal to the amount of the deficiency must be subtracted from the area of the habitable room space when determining the amount of floor space in the SRO unit. The SRO unit must contain at least one hundred ten square feet of remaining floor space after subtracting the amount of the deficiency in minimum closet space.

(D) Exterior doors and windows accessible from outside an SRO unit must be lockable.

(3) *Access.* (i) Access doors to an SRO unit must have locks for privacy in proper operating condition.

(ii) An SRO unit must have immediate access to two or more approved means of exit, appropriately marked, leading to safe and open space at ground level, and any means of exit required by State and local law.

(iii) The resident must be able to access an SRO unit without passing through any other unit.

(4) *Sprinkler system.* A sprinkler system that protects all major spaces, hard wired smoke detectors, and such other fire and safety improvements as State or local law may require must be installed in each building. The term “major spaces” means hallways, large common areas, and other areas specified in local fire, building, or safety codes.

CONGREGATE HOUSING

§ 982.606 Congregate housing: Who may reside in congregate housing.

(a) An elderly person or a person with disabilities may reside in a congregate housing unit.

(b)(1) If approved by the PHA, a family member or live-in aide may reside with the elderly person or person with disabilities.

(2) The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24

CFR part 8. See § 982.316 concerning occupancy by a live-in aide.

§ 982.607 Congregate housing: Lease and HAP contract.

For congregate housing, there is a separate lease and HAP contract for each assisted family.

§ 982.608 Congregate housing: Voucher housing assistance payment.

(a) Unless there is a live-in aide:

(1) For a family residing in congregate housing, the payment standard is the zero-bedroom payment standard amount on the PHA payment standard schedule. For a family residing in congregate housing in an exception area, the payment standard is the HUD-approved zero-bedroom exception payment standard amount.

(2) However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family residing in congregate housing is the one-bedroom payment standard amount.

(b) If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

[63 FR 23865, Apr. 30, 1998, as amended at 64 FR 26650, May 14, 1999]

§ 982.609 Congregate housing: Housing quality standards.

(a) *HQS standards for congregate housing.* The HQS in § 982.401 apply to congregate housing. However, the standards in this section apply in place of § 982.401(c) (food preparation and refuse disposal). Congregate housing is not subject to the HQS acceptability requirement in § 982.401(d)(2)(i) that the dwelling unit must have a kitchen area.

(b) *Food preparation and refuse disposal: Additional performance requirements.* The following additional performance requirements apply to congregate housing:

(1) The unit must contain a refrigerator of appropriate size.

(2) There must be central kitchen and dining facilities on the premises. These facilities:

(i) Must be located within the premises, and accessible to the residents;

(ii) Must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner;

(iii) Must be used to provide a food service that is provided for the residents, and that is not provided by the residents; and

(iv) Must be for the primary use of residents of the congregate units and be sufficient in size to accommodate the residents.

(3) There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.

GROUP HOME

§ 982.610 Group home: Who may reside in a group home.

(a) An elderly person or a person with disabilities may reside in a State-approved group home.

(b)(1) If approved by the PHA, a live-in aide may reside with a person with disabilities.

(2) The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See § 982.316 concerning occupancy by a live-in aide.

(c) Except for a live-in aide, all residents of a group home, whether assisted or unassisted, must be elderly persons or persons with disabilities.

(d) Persons residing in a group home must not require continual medical or nursing care.

(e) Persons who are not assisted under the tenant-based program may reside in a group home.

(f) No more than 12 persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

§ 982.611 Group home: Lease and HAP contract.

For assistance in a group home, there is a separate HAP contract and lease for each assisted person.

§ 982.612 Group home: State approval of group home.

A group home must be licensed, certified, or otherwise approved in writing

§ 982.613

by the State (e.g., Department of Human Resources, Mental Health, Retardation, or Social Services) as a group home for elderly persons or persons with disabilities.

§ 982.613 Group home: Rent and voucher housing assistance payment.

(a) *Meaning of pro-rata portion.* For a group home, the term “pro-rata portion” means the ratio derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any PHA-approved live-in aide.

(b) *Rent to owner: Reasonable rent limit.* (1) The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

(2) The reasonable rent for a group home is determined in accordance with § 982.507. In determining reasonable rent for the group home, the PHA must consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private facilities.

(c) *Payment standard—(1) Family unit size.* (i) Unless there is a live-in aide, the family unit size is zero or one bedroom.

(ii) If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

(2) The payment standard for a person who resides in a group home is the lower of:

(i) The payment standard amount on the PHA payment standard schedule for the family unit size; or (ii) The pro-rata portion of the payment standard amount on the PHA payment standard schedule for the group home size.

(iii) If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

(d) *Utility allowance.* The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

[63 FR 23865, Apr. 30, 1998, as amended at 64 FR 26651, May 14, 1999]

24 CFR Ch. IX (4–1–21 Edition)

§ 982.614 Group home: Housing quality standards.

(a) *Compliance with HQS.* The PHA may not give approval to reside in a group home unless the unit, including the portion of the unit available for use by the assisted person under the lease, meets the housing quality standards.

(b) *Applicable HQS standards.* (1) The HQS in § 982.401 apply to assistance in a group home. However, the standards in this section apply in place of § 982.401(b) (sanitary facilities), § 982.401(c) (food preparation and refuse disposal), § 982.401(d) (space and security), § 982.401(g) (structure and materials) and § 982.401(l) (site and neighborhood).

(2) The entire unit must comply with the HQS.

(c) *Additional performance requirements.* The following additional performance requirements apply to a group home:

(1) *Sanitary facilities.* (i) There must be a bathroom in the unit. The unit must contain, and an assisted resident must have ready access to:

(A) A flush toilet that can be used in privacy;

(B) A fixed basin with hot and cold running water; and

(C) A shower or bathtub with hot and cold running water.

(ii) All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.

(iii) The unit may contain private or common sanitary facilities. However, the facilities must be sufficient in number so that they need not be shared by more than four residents of the group home.

(iv) Sanitary facilities in the group home must be readily accessible to and usable by residents, including persons with disabilities.

(2) *Food preparation and service.* (i) The unit must contain a kitchen and a dining area. There must be adequate space to store, prepare, and serve foods in a sanitary manner.

(ii) Food preparation and service equipment must be in proper operating condition. The equipment must be adequate for the number of residents in

the group home. The unit must contain the following equipment:

- (A) A stove or range, and oven;
- (B) A refrigerator; and
- (C) A kitchen sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.

(iii) There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.

(iv) The unit may contain private or common facilities for food preparation and service.

(3) *Space and security.* (i) The unit must provide adequate space and security for the assisted person.

(ii) The unit must contain a living room, kitchen, dining area, bathroom, and other appropriate social, recreational or community space. The unit must contain at least one bedroom of appropriate size for each two persons.

(iii) Doors and windows that are accessible from outside the unit must be lockable.

(4) *Structure and material.* (i) The unit must be structurally sound to avoid any threat to the health and safety of the residents, and to protect the residents from the environment.

(ii) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, loose surface materials, severe buckling or noticeable movement under walking stress, missing parts or other significant damage. The roof structure must be firm, and the roof must be weathertight. The exterior or wall structure and exterior wall surface may not have any serious defects such as serious leaning, buckling, sagging, cracks or large holes, loose siding, or other serious damage. The condition and equipment of interior and exterior stairways, halls, porches, walkways, etc., must not present a danger of tripping or falling. Elevators must be maintained in safe operating condition.

(iii) The group home must be accessible to and usable by a resident with disabilities.

(5) *Site and neighborhood.* The site and neighborhood must be reasonably free from disturbing noises and reverbera-

tions and other hazards to the health, safety, and general welfare of the residents. The site and neighborhood may not be subject to serious adverse environmental conditions, natural or man-made, such as dangerous walks or steps, instability, flooding, poor drainage, septic tank back-ups, sewage hazards or mud slides, abnormal air pollution, smoke or dust, excessive noise, vibrations or vehicular traffic, excessive accumulations of trash, vermin or rodent infestation, or fire hazards. The unit must be located in a residential setting.

SHARED HOUSING

§ 982.615 Shared housing: Occupancy.

(a) *Sharing a unit.* An assisted family may reside in shared housing. In shared housing, an assisted family shares a unit with the other resident or residents of the unit. The unit may be a house or an apartment.

(b) *Who may share a dwelling unit with assisted family?* (1) If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See § 982.316 concerning occupancy by a live-in aide.

(2) Other persons who are assisted under the tenant-based program, or other persons who are not assisted under the tenant-based program, may reside in a shared housing unit.

(3) The owner of a shared housing unit may reside in the unit. A resident owner may enter into a HAP contract with the PHA. However, housing assistance may not be paid on behalf of an owner. An assisted person may not be related by blood or marriage to a resident owner.

[63 FR 23865, Apr. 30, 1998, as amended at 80 FR 8247, Feb. 17, 2015]

§ 982.616 Shared housing: Lease and HAP contract.

For assistance in a shared housing unit, there is a separate HAP contract and lease for each assisted family.

§ 982.617

24 CFR Ch. IX (4-1-21 Edition)

§ 982.617 Shared housing: Rent and voucher housing assistance payment.

(a) *Meaning of pro-rata portion.* For shared housing, the term “pro-rata portion” means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

(b) *Rent to owner: Reasonable rent.* (1) The rent to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit.

(2) The reasonable rent is determined in accordance with § 982.507.

(c) *Payment standard.* The payment standard for a family that resides in a shared housing is the lower of:

(1) The payment standard amount on the PHA payment standard schedule for the family unit size; or

(2) The pro-rata portion of the payment standard amount on the PHA payment standard schedule for the size of the shared housing unit.

(d) *Utility allowance.* The utility allowance for an assisted family residing in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

[63 FR 23865, Apr. 30, 1998, as amended at 64 FR 26651, May 14, 1999]

§ 982.618 Shared housing: Housing quality standards.

(a) *Compliance with HQS.* The PHA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.

(b) *Applicable HQS standards.* The HQS in § 982.401 apply to assistance in shared housing. However, the HQS standards in this section apply in place of § 982.401(d) (space and security).

(c) *Facilities available for family.* The facilities available for the use of an assisted family in shared housing under the family’s lease must include (whether in the family’s private space or in the common space) a living room, sanitary facilities in accordance with

§ 982.401(b), and food preparation and refuse disposal facilities in accordance with § 982.401(c).

(d) *Space and security: Performance requirements.* (1) The entire unit must provide adequate space and security for all its residents (whether assisted or unassisted).

(2)(i) Each unit must contain private space for each assisted family, plus common space for shared use by the residents of the unit. Common space must be appropriate for shared use by the residents.

(ii) The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family may not be less than the family unit size.

(iii) A zero or one bedroom unit may not be used for shared housing.

COOPERATIVE

§ 982.619 Cooperative housing.

(a) *Assistance in cooperative housing.* This section applies to rental assistance for a cooperative member residing in cooperative housing. However, this section does not apply to:

(1) Assistance for a cooperative member under the homeownership option pursuant to §§ 982.625 through 982.641; or

(2) Rental assistance for a family that leases a cooperative housing unit from a cooperative member (such rental assistance is not a special housing type, and is subject to requirements in other subparts of this part 982).

(b) *Rent to owner.* (1) The reasonable rent for a cooperative unit is determined in accordance with § 982.507. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

(2) The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. The carrying charge includes the member’s share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose.

(3) Gross rent is the carrying charge plus any utility allowance.

(4) Adjustments are applied to the carrying charge as determined in accordance with this section.

(5) The occupancy agreement/lease and other appropriate documents must provide that the monthly carrying charge is subject to Section 8 limitations on rent to owner.

(c) *Housing assistance payment.* The amount of the housing assistance payment is determined in accordance with subpart K of this part.

(d) *Maintenance.* (1) During the term of the HAP contract between the PHA and the cooperative, the dwelling unit and premises must be maintained in accordance with the HQS. If the dwelling unit and premises are not maintained in accordance with the HQS, the PHA may exercise all available remedies, regardless of whether the family or the cooperative is responsible for such breach of the HQS. PHA remedies for breach of the HQS include recovery of overpayments, abatement or other reduction of housing assistance payments, termination of housing assistance payments and termination of the HAP contract.

(2) The PHA may not make any housing assistance payments if the contract unit does not meet the HQS, unless any defect is corrected within the period specified by the PHA and the PHA verifies the correction. If a defect is life-threatening, the defect must be corrected within no more than 24 hours. For other defects, the defect must be corrected within the period specified by the PHA.

(3) The family is responsible for a breach of the HQS that is caused by any of the following:

(i) The family fails to perform any maintenance for which the family is responsible in accordance with the terms of the cooperative occupancy agreement between the cooperative member and the cooperative;

(ii) The family fails to pay for any utilities that the cooperative is not required to pay for, but which are to be paid by the cooperative member;

(iii) The family fails to provide and maintain any appliances that the cooperative is not required to provide, but

which are to be provided by the cooperative member; or

(iv) Any member of the household or guest damages the dwelling unit or premises (damages beyond ordinary wear and tear).

(4) If the family has caused a breach of the HQS for which the family is responsible, the PHA must take prompt and vigorous action to enforce such family obligations. The PHA may terminate assistance for violation of family obligations in accordance with § 982.552.

(5) Section 982.404 does not apply to assistance for cooperative housing under this section.

(e) *Live-in aide.* (1) If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See § 982.316 concerning occupancy by a live-in aide.

(2) If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

[63 FR 23865, Apr. 30, 1998, as amended at 64 FR 26651, May 14, 1999; 65 FR 55162, Sept. 12, 2000; 80 FR 8247, Feb. 17, 2015]

MANUFACTURED HOME

§ 982.620 Manufactured home: Applicability of requirements.

(a) *Assistance for resident of manufactured home.* (1) A family may reside in a manufactured home with assistance under the program.

(2) The PHA must permit a family to lease a manufactured home and space with assistance under the program.

(3) The PHA may provide assistance for a family that owns the manufactured home and leases only the space. The PHA is not required to provide such assistance under the program.

(b) *Applicability.* (1) The HQS in § 982.621 always apply when assistance is provided to a family occupying a manufactured home (under paragraph (a)(2) or (a)(3) of this section).

(2) Sections 982.622 to 982.624 only apply when assistance is provided to a manufactured home owner to lease a manufactured home space.

§ 982.621

(c) *Live-in aide.* (1) If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. See § 982.316 concerning occupancy by a live-in aide.

(2) If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

§ 982.621 Manufactured home: Housing quality standards.

A manufactured home must meet all the HQS performance requirements and acceptability criteria in § 982.401. A manufactured home also must meet the following requirements:

(a) *Performance requirement.* A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

(b) *Acceptability criteria.* A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

MANUFACTURED HOME SPACE RENTAL

§ 982.622 Manufactured home space rental: Rent to owner.

(a) *What is included.* (1) Rent to owner for rental of a manufactured home space includes payment for maintenance and services that the owner must provide to the tenant under the lease for the space.

(2) Rent to owner does not include the costs of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

(b) *Reasonable rent.* (1) During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined in accordance with this section. Section 982.503 is not applicable.

(2) The PHA may not approve a lease for a manufactured home space until the PHA determines that the initial

24 CFR Ch. IX (4–1–21 Edition)

rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the PHA must redetermine that the current rent to owner is a reasonable rent.

(3) The PHA must determine whether the rent to owner for the manufactured home space is a reasonable rent in comparison to rent for other comparable manufactured home spaces. To make this determination, the PHA must consider the location and size of the space, and any services and maintenance to be provided by the owner in accordance with the lease (without a fee in addition to the rent).

(4) By accepting each monthly housing assistance payment from the PHA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. The owner must give the PHA information, as requested by the PHA, on rents charged by the owner for other manufactured home spaces.

§ 982.623 Manufactured home space rental: Housing assistance payment.

(a) There is a separate fair market rent for a manufactured home space. The FMR for a manufactured home space is determined in accordance with § 888.113(e) of this title. The FMR for a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit.

(b) The payment standard shall be determined in accordance with § 982.505.

(c) The PHA shall pay a monthly housing assistance payment on behalf of the family that is equal to the lower of:

(1) The payment standard minus the total tenant payment; or

(2) The rent paid for rental of the real property on which the manufactured home owned by the family is located (“space rent”) minus the total tenant payment.

(d) The space rent is the sum of the following as determined by the PHA:

(1) Rent to owner for the manufactured home space;

(2) Owner maintenance and management charges for the space;

(3) The utility allowance for tenant-paid utilities.

[64 FR 26651, May 14, 1999; 64 FR 49659, Sept. 14, 1999; 64 FR 56915, Oct. 21, 1999; 80 FR 8247, Feb. 17, 2015]

§ 982.624 Manufactured home space rental: Utility allowance schedule.

The PHA must establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances must include a reasonable amount for utility hook-up charges payable by the family if the family actually incurs the expenses because of a move. Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place. Utility allowances for manufactured home space must not cover costs payable by a family to cover the digging of a well or installation of a septic system.

HOMEOWNERSHIP OPTION

SOURCE: 65 FR 55163, Sept. 12, 2000, unless otherwise noted.

§ 982.625 Homeownership option: General.

(a) The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family.

(b) A family assisted under the homeownership option may be a newly admitted or existing participant in the program.

(c) *Forms of homeownership assistance.*

(1) A PHA may provide one of two forms of homeownership assistance for a family:

(i) Monthly homeownership assistance payments; or

(ii) A single downpayment assistance grant.

(2) *Prohibition against combining forms of homeownership assistance.* A family may only receive one form of homeownership assistance. Accordingly, a family that includes a person who was an adult member of a family that previously received either of the two forms of homeownership assistance may not receive the other form of homeownership assistance from any PHA.

(d) *PHA choice to offer homeownership options.*

(1) The PHA may choose to offer either or both forms of homeownership assistance under this subpart, or choose not to offer either form of assistance. However, the PHA must offer either form of homeownership assistance if necessary as a reasonable accommodation for a person with disabilities in accordance with § 982.601(b)(3).

(2) It is the sole responsibility of the PHA to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. The PHA will determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. The PHA may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where the PHA has otherwise opted not to implement a homeownership program.

(e) *Family choice.* (1) The family chooses whether to participate in the homeownership option if offered by the PHA.

(2) If the PHA offers both forms of homeownership assistance, the family chooses which form of homeownership assistance to receive.

(f) The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and useable by persons with disabilities in accordance with part 8 of this title. (See § 982.316 concerning occupancy by a live-in aide.)

(g) The PHA must have the capacity to operate a successful Section 8 homeownership program. The PHA has the required capacity if it satisfies either paragraph (g)(1), (g)(2), or (g)(3) of this section.

(1) The PHA establishes a minimum homeowner downpayment requirement of at least 3 percent of the purchase price for participation in its Section 8 homeownership program, and requires that at least one percent of the purchase price come from the family's personal resources;

(2) The PHA requires that financing for purchase of a home under its Section 8 homeownership program:

(i) Be provided, insured, or guaranteed by the state or Federal government;

§ 982.626

24 CFR Ch. IX (4–1–21 Edition)

(ii) Comply with secondary mortgage market underwriting requirements; or
(iii) Comply with generally accepted private sector underwriting standards; or

(3) The PHA otherwise demonstrates in its Annual Plan that it has the capacity, or will acquire the capacity, to successfully operate a Section 8 homeownership program.

(h) *Recapture of homeownership assistance.* A PHA shall not impose or enforce any requirement for the recapture of voucher homeownership assistance on the sale or refinancing of a home purchased with assistance under the homeownership option.

(i) *Applicable requirements.* The following specify what regulatory provisions (under the heading “homeownership option”) are applicable to either or both forms of homeownership assistance (except as otherwise specifically provided):

(1) *Common provisions.* The following provisions apply to both forms of homeownership assistance:

- (i) Section 982.625 (General);
- (ii) Section 982.626 (Initial requirements);
- (iii) Section 982.627 (Eligibility requirements for families);
- (iv) Section 982.628 (Eligible units);
- (v) Section 982.629 (Additional PHA requirements for family search and purchase);
- (vi) Section 982.630 (Homeownership counseling);
- (vii) Section 982.631 (Home inspections, contract of sale, and PHA disapproval of seller);
- (viii) Section 982.632 (Financing purchase of home; affordability of purchase);
- (ix) Section 982.636 (Portability);
- (x) Section 982.638 (Denial or termination of assistance for family); and
- (xi) Section 982.641 (Applicability of other requirements).

(2) *Monthly homeownership assistance payments.* The following provisions only apply to homeownership assistance in the form of monthly homeownership assistance payments:

- (i) Section 982.633 (Continued assistance requirements; family obligations);
- (ii) Section 982.634 (Maximum term of homeownership assistance);

(iii) Section 982.635 (Amount and distribution of monthly homeownership assistance payment);

(iv) Section 982.637 (Move with continued tenant-based assistance); and

(v) Section 982.639 (Administrative fees).

(3) *Downpayment assistance grant.* The following provision only applies to homeownership assistance in the form of a downpayment assistance grant: Section 982.643 (Downpayment assistance grants).

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64493, Oct. 18, 2002; 80 FR 8247, Feb. 17, 2015]

§ 982.626 Homeownership option: Initial requirements.

(a) *List of initial requirements.* Before commencing homeownership assistance for a family, the PHA must determine that all of the following initial requirements have been satisfied:

(1) The family is qualified to receive homeownership assistance (see § 982.627);

(2) The unit is eligible (see § 982.628); and

(3) The family has satisfactorily completed the PHA program of required pre-assistance homeownership counseling (see § 982.630).

(b) *Additional PHA requirements.* Unless otherwise provided in this part, the PHA may limit homeownership assistance to families or purposes defined by the PHA, and may prescribe additional requirements for commencement of homeownership assistance for a family. Any such limits or additional requirements must be described in the PHA administrative plan.

(c) *Environmental requirements.* The PHA is responsible for complying with the authorities listed in § 58.6 of this title requiring the purchaser to obtain and maintain flood insurance for units in special flood hazard areas, prohibiting assistance for acquiring units in the coastal barrier resources system, and requiring notification to the purchaser of units in airport runway clear zones and airfield clear zones. In the case of units not yet under construction at the time the family enters into the contract for sale, the additional environmental review requirements referenced in § 982.628(e) of this part also

apply, and the PHA shall submit all relevant environmental information to the responsible entity or to HUD to assist in completion of those requirements.

[63 FR 23865, Apr. 30, 1998, as amended at 72 FR 59938, Oct. 22, 2007]

§ 982.627 Homeownership option: Eligibility requirements for families.

(a) *Determination whether family is qualified.* The PHA may not provide homeownership assistance for a family unless the PHA determines that the family satisfies all of the following initial requirements at commencement of homeownership assistance for the family:

(1) The family has been admitted to the Section 8 Housing Choice Voucher program, in accordance with subpart E of this part.

(2) The family satisfies any first-time homeowner requirements (described in paragraph (b) of this section).

(3) The family satisfies the minimum income requirement (described in paragraph (c) of this section).

(4) The family satisfies the employment requirements (described in paragraph (d) of this section).

(5) The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option (see paragraph (e) of this section).

(6) Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.

(7) Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with § 982.631(c).

(8) The family also satisfies any other initial requirements established by the PHA (see § 982.626(b)). Any such additional requirements must be described in the PHA administrative plan.

(b) *First-time homeowner requirements.* At commencement of homeownership assistance for the family, the family must be any of the following:

(1) A first-time homeowner (defined at § 982.4);

(2) A cooperative member (defined at § 982.4); or

(3) A family of which a family member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and usable by such person, in accordance with part 8 of this title.

(c) *Minimum income requirements.* (1) At commencement of monthly homeownership assistance payments for the family, or at the time of a downpayment assistance grant for the family, the family must demonstrate that the annual income, as determined by the PHA in accordance with § 5.609 of this title, of the adult family members who will own the home at commencement of homeownership assistance is not less than:

(i) In the case of a disabled family (as defined in § 5.403(b) of this title), the monthly Federal Supplemental Security Income (SSI) benefit for an individual living alone (or paying his or her share of food and housing costs) multiplied by twelve; or

(ii) In the case of other families, the Federal minimum wage multiplied by 2,000 hours.

(2)(i) Except in the case of an elderly family or a disabled family (see the definitions of these terms at § 5.403(b) of this title), the PHA shall not count any welfare assistance received by the family in determining annual income under this section.

(ii) The disregard of welfare assistance income under paragraph (c)(2)(i) of this section only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance in accordance with this section, but does not affect:

(A) The determination of income-eligibility for admission to the voucher program;

(B) Calculation of the amount of the family's total tenant payment (gross family contribution); or

(C) Calculation of the amount of homeownership assistance payments on behalf of the family.

(iii) In the case of an elderly or disabled family, the PHA shall include

welfare assistance for the adult family members who will own the home in determining if the family meets the minimum income requirement.

(3) A PHA may establish a minimum income standard that is higher than those described in paragraph (c)(1) of this section for either or both types of families. However, a family that meets the applicable HUD minimum income requirement described in paragraph (c)(1) of this section, but not the higher standard established by the PHA shall be considered to satisfy the minimum income requirement if:

(i) The family demonstrates that it has been pre-qualified or pre-approved for financing;

(ii) The pre-qualified or pre-approved financing meets any PHA established requirements under § 982.632 for financing the purchase of the home (including qualifications of lenders and terms of financing); and

(iii) The pre-qualified or pre-approved financing amount is sufficient to purchase housing that meets HQS in the PHA's jurisdiction.

(d) *Employment requirements.* (1) Except as provided in paragraph (d)(2) of this section, the family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance:

(i) Is currently employed on a full-time basis (the term "full-time employment" means not less than an average of 30 hours per week); and

(ii) Has been continuously so employed during the year before commencement of homeownership assistance for the family.

(2) The PHA shall have discretion to determine whether and to what extent interruptions are considered to break continuity of employment during the year. The PHA may count successive employment during the year. The PHA may count self-employment in a business.

(3) The employment requirement does not apply to an elderly family or a disabled family (see the definitions of these terms at § 5.403(b) of this title). Furthermore, if a family, other than an elderly family or a disabled family, includes a person with disabilities, the PHA shall grant an exemption from the

employment requirement if the PHA determines that an exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with part 8 of this title.

(4) A PHA may not establish an employment requirement in addition to the employment standard established by this paragraph.

(e) *Prohibition against assistance to family that has defaulted.* The PHA shall not commence homeownership assistance for a family that includes an individual who was an adult member of a family at the time when such family received homeownership assistance and defaulted on a mortgage securing debt incurred to purchase the home.

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64493, Oct. 18, 2002; 80 FR 8247, Feb. 17, 2015]

§ 982.628 Homeownership option: Eligible units.

(a) *Initial requirements applicable to the unit.* The PHA must determine that the unit satisfies all of the following requirements:

(1) The unit is eligible. (See § 982.352. Paragraphs (a)(6), (a)(7) and (b) of § 982.352 do not apply.)

(2) The unit is either a one-unit property (including a manufactured home) or a single dwelling unit in a cooperative or condominium.

(3) The unit has been inspected by a PHA inspector and by an independent inspector designated by the family (see § 982.631).

(4) The unit satisfies the HQS (see § 982.401 and § 982.631).

(b) *Purchase of home where family will not own fee title to the real property.* Homeownership assistance may be provided for the purchase of a home where the family will not own fee title to the real property on which the home is located, but only if:

(1) The home is located on a permanent foundation; and

(2) The family has the right to occupy the home site for at least forty years.

(c) *PHA disapproval of seller.* The PHA may not commence homeownership assistance for occupancy of a home if the PHA has been informed (by HUD or

otherwise) that the seller of the home is debarred, suspended, or subject to a limited denial of participation under 2 CFR part 2424.

(d) *PHA-owned units.* Homeownership assistance may be provided for the purchase of a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA), only if all of the following conditions are satisfied:

(1) The PHA must inform the family, both orally and in writing, that the family has the right to purchase any eligible unit and a PHA-owned unit is freely selected by the family without PHA pressure or steering;

(2) The unit is not ineligible housing;

(3) The PHA must obtain the services of an independent agency, in accordance with § 982.352(b)(1)(iv)(B) and (C), to perform the following PHA functions:

(i) Inspection of the unit for compliance with the HQS, in accordance with § 982.631(a);

(ii) Review of the independent inspection report, in accordance with § 982.631(b)(4);

(iii) Review of the contract of sale, in accordance with § 982.631(c); and

(iv) Determination of the reasonableness of the sales price and any PHA provided financing, in accordance with § 982.632 and other supplementary guidance established by HUD.

(e) *Units not yet under construction.* Families may enter into contracts of sale for units not yet under construction at the time the family enters into the contract for sale. However, the PHA shall not commence homeownership assistance for the family for that unit, unless and until:

(1) Either:

(i) The responsible entity completed the environmental review procedures required by 24 CFR part 58, and HUD approved the environmental certification and request for release of funds prior to commencement of construction; or

(ii) HUD performed an environmental review under 24 CFR part 50 and notified the PHA in writing of environmental approval of the site prior to commencement of construction;

(2) Construction of the unit has been completed; and

(3) The unit has passed the required Housing Quality Standards (HQS) inspection (see § 982.631(a)) and independent inspection (see § 982.631(b)).

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64494, Oct. 18, 2002; 67 FR 65865, Oct. 28, 2002; 67 FR 67522, Nov. 6, 2002; 72 FR 59938, Oct. 22, 2007; 72 FR 73496, Dec. 27, 2007]

§ 982.629 Homeownership option: Additional PHA requirements for family search and purchase.

(a) The PHA may establish the maximum time for a family to locate a home, and to purchase the home.

(b) The PHA may require periodic family reports on the family's progress in finding and purchasing a home.

(c) If the family is unable to purchase a home within the maximum time established by the PHA, the PHA may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

§ 982.630 Homeownership option: Homeownership counseling.

(a) Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by the PHA (pre-assistance counseling).

(b) Suggested topics for the PHA-required pre-assistance counseling program include:

(1) Home maintenance (including care of the grounds);

(2) Budgeting and money management;

(3) Credit counseling;

(4) How to negotiate the purchase price of a home;

(5) How to obtain homeownership financing and loan preapprovals, including a description of types of financing that may be available, and the pros and cons of different types of financing;

(6) How to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction;

(7) Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;

(8) Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and

(9) Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 *et seq.*) (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

(c) The PHA may adapt the subjects covered in pre-assistance counseling (as listed in paragraph (b) of this section) to local circumstances and the needs of individual families.

(d) The PHA may also offer additional counseling after commencement of homeownership assistance (ongoing counseling). If the PHA offers a program of ongoing counseling for participants in the homeownership option, the PHA shall have discretion to determine whether the family is required to participate in the ongoing counseling.

(e) If the PHA is not using a HUD-approved housing counseling agency to provide the counseling for families participating in the homeownership option, the PHA should ensure that its counseling program is consistent with the homeownership counseling provided under HUD's Housing Counseling program.

§ 982.631 Homeownership option: Home inspections, contract of sale, and PHA disapproval of seller.

(a) HQS inspection by PHA. The PHA may not commence monthly homeownership assistance payments or provide a downpayment assistance grant for the family until the PHA has inspected the unit and has determined that the unit passes HQS.

(b) *Independent inspection.* (1) The unit must also be inspected by an independent professional inspector selected by and paid by the family.

(2) The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

(3) The PHA may not require the family to use an independent inspector

selected by the PHA. The independent inspector may not be a PHA employee or contractor, or other person under control of the PHA. However, the PHA may establish standards for qualification of inspectors selected by families under the homeownership option.

(4) The independent inspector must provide a copy of the inspection report both to the family and to the PHA. The PHA may not commence monthly homeownership assistance payments, or provide a downpayment assistance grant for the family, until the PHA has reviewed the inspection report of the independent inspector. Even if the unit otherwise complies with the HQS (and may qualify for assistance under the PHA's tenant-based rental voucher program), the PHA shall have discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report.

(c) *Contract of sale.* (1) Before commencement of monthly homeownership assistance payments or receipt of a downpayment assistance grant, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the PHA a copy of the contract of sale (see also § 982.627(a)(7)).

(2) The contract of sale must:

(i) Specify the price and other terms of sale by the seller to the purchaser.

(ii) Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.

(iii) Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser.

(iv) Provide that the purchaser is not obligated to pay for any necessary repairs.

(3) In addition to the requirements contained in paragraph (c)(2) of this section, a contract for the sale of units not yet under construction at the time the family is to enter into the contract for sale must also provide that:

(i) The purchaser is not obligated to purchase the unit unless an environmental review has been performed and

the site has received environmental approval prior to commencement of construction in accordance with 24 CFR 982.628.

(ii) The construction will not commence until the environmental review has been completed and the seller has received written notice from the PHA that environmental approval has been obtained. Conduct of the environmental review may not necessarily result in environmental approval, and environmental approval may be conditioned on the contracting parties' agreement to modifications to the unit design or to mitigation actions.

(iii) Commencement of construction in violation of paragraph (c)(3)(ii) of this section voids the purchase contract and renders homeownership assistance under 24 CFR part 982 unavailable for purchase of the unit.

(d) *PHA disapproval of seller.* In its administrative discretion, the PHA may deny approval of a seller for any reason provided for disapproval of an owner in § 982.306(c).

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64494, Oct. 18, 2002; 72 FR 59938, Oct. 22, 2007; 72 FR 73497, Dec. 27, 2007; 80 FR 8247, Feb. 17, 2015]

§ 982.632 Homeownership option: Financing purchase of home; affordability of purchase.

(a) The PHA may establish requirements for financing purchase of a home to be assisted under the homeownership option. Such PHA requirements may include requirements concerning qualification of lenders (for example, prohibition of seller financing or case-by-case approval of seller financing), or concerning terms of financing (for example, a prohibition of balloon payment mortgages, establishment of a minimum homeowner equity requirement from personal resources, or provisions required to protect borrowers against high cost loans or predatory loans). A PHA may not require that families acquire financing from one or more specified lenders, thereby restricting the family's ability to secure favorable financing terms.

(b) If the purchase of the home is financed with FHA mortgage insurance, such financing is subject to FHA mortgage insurance requirements.

(c) The PHA may establish requirements or other restrictions concerning debt secured by the home.

(d) The PHA may review lender qualifications and the loan terms before authorizing homeownership assistance. The PHA may disapprove proposed financing, refinancing or other debt if the PHA determines that the debt is unaffordable, or if the PHA determines that the lender or the loan terms do not meet PHA qualifications. In making this determination, the PHA may take into account other family expenses, such as child care, unreimbursed medical expenses, homeownership expenses, and other family expenses as determined by the PHA.

(e) All PHA financing or affordability requirements must be described in the PHA administrative plan.

[65 FR 55163, Sept. 12, 2000, as amended at 66 FR 33613, June 22, 2001]

§ 982.633 Homeownership option: Continued assistance requirements; Family obligations.

(a) *Occupancy of home.* Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the PHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the PHA the homeownership assistance for the month when the family moves out.

(b) *Family obligations.* The family must comply with the following obligations.

(1) *Ongoing counseling.* To the extent required by the PHA, the family must attend and complete ongoing homeownership and housing counseling.

(2) *Compliance with mortgage.* The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of such debt).

(3) *Prohibition against conveyance or transfer of home.* (i) So long as the family is receiving homeownership assistance, use and occupancy of the home is subject to § 982.551(h) and (i).

(ii) The family may grant a mortgage on the home for debt incurred to finance purchase of the home or any refinancing of such debt.

§ 982.634

24 CFR Ch. IX (4-1-21 Edition)

(iii) Upon death of a family member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members in accordance with § 982.551(h).

(4) *Supplying required information.* (i) The family must supply required information to the PHA in accordance with § 982.551(b).

(ii) In addition to other required information, the family must supply any information as required by the PHA or HUD concerning:

(A) Any mortgage or other debt incurred to purchase the home, and any refinancing of such debt (including information needed to determine whether the family has defaulted on the debt, and the nature of any such default), and information on any satisfaction or payment of the mortgage debt;

(B) Any sale or other transfer of any interest in the home; or

(C) The family's homeownership expenses.

(5) *Notice of move-out.* The family must notify the PHA before the family moves out of the home.

(6) *Notice of mortgage default.* The family must notify the PHA if the family defaults on a mortgage securing any debt incurred to purchase the home.

(7) *Prohibition on ownership interest on second residence.* During the time the family receives homeownership assistance under this subpart, no family member may have any ownership interest in any other residential property.

(8) *Additional PHA requirements.* The PHA may establish additional requirements for continuation of homeownership assistance for the family (for example, a requirement for post-purchase homeownership counseling or for periodic unit inspections while the family is receiving homeownership assistance). The family must comply with any such requirements.

(9) *Other family obligations.* The family must comply with the obligations of a participant family described in

§ 982.551. However, the following provisions do not apply to assistance under the homeownership option: § 982.551(c), (d), (e), (f), (g) and (j).

(c) *Statement of homeowner obligations.* Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD. In the statement, the family agrees to comply with all family obligations under the homeownership option.

§ 982.634 Homeownership option: Maximum term of homeownership assistance.

(a) *Maximum term of assistance.* Except in the case of a family that qualifies as an elderly or disabled family (see paragraph (c) of this section), the family members described in paragraph (b) of this section shall not receive homeownership assistance for more than:

(1) Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or

(2) Ten years, in all other cases.

(b) *Applicability of maximum term.* The maximum term described in paragraph (a) of this section applies to any member of the family who:

(1) Has an ownership interest in the unit during the time that homeownership payments are made; or

(2) Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

(c) *Exception for elderly and disabled families.* (1) As noted in paragraph (a) of this section, the maximum term of assistance does not apply to elderly and disabled families.

(2) In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

(3) If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable

from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance in accordance with this part).

(d) *Assistance for different homes or PHAs.* If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in paragraph (a) of this section.

§ 982.635 Homeownership option: Amount and distribution of monthly homeownership assistance payment.

(a) *Amount of monthly homeownership assistance payment.* While the family is residing in the home, the PHA shall pay a monthly homeownership assistance payment on behalf of the family that is equal to the *lower of*:

(1) The payment standard minus the total tenant payment; or

(2) The family's monthly homeownership expenses minus the total tenant payment.

(b) *Payment standard for family.* (1) The payment standard for a family is the lower of:

(i) The payment standard for the family unit size; or

(ii) The payment standard for the size of the home.

(2) If the home is located in an exception payment standard area, the PHA must use the appropriate payment standard for the exception payment standard area.

(3) The payment standard for a family is the greater of:

(i) The payment standard (as determined in accordance with paragraphs (b)(1) and (b)(2) of this section) at the commencement of homeownership assistance for occupancy of the home; or

(ii) The payment standard (as determined in accordance with paragraphs (b)(1) and (b)(2) of this section) at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

(4) The PHA must use the same payment standard schedule, payment standard amounts, and subsidy stand-

ards pursuant to §§ 982.402 and 982.503 for the homeownership option as for the rental voucher program.

(c) *Determination of homeownership expenses.* (1) The PHA shall adopt policies for determining the amount of homeownership expenses to be allowed by the PHA in accordance with HUD requirements.

(2) Homeownership expenses for a homeowner (other than a cooperative member) may only include amounts allowed by the PHA to cover:

(i) Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;

(ii) Real estate taxes and public assessments on the home;

(iii) Home insurance;

(iv) The PHA allowance for maintenance expenses;

(v) The PHA allowance for costs of major repairs and replacements;

(vi) The PHA utility allowance for the home;

(vii) Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person, in accordance with part 8 of this title; and

(viii) Land lease payments (where a family does not own fee title to the real property on which the home is located; see § 982.628(b)).

(3) Homeownership expenses for a cooperative member may only include amounts allowed by the PHA to cover:

(i) The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;

(ii) Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;

(iii) Home insurance;

(iv) The PHA allowance for maintenance expenses;

(v) The PHA allowance for costs of major repairs and replacements;

(vi) The PHA utility allowance for the home; and

(vii) Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person, in accordance with part 8 of this title.

(4) If the home is a cooperative or condominium unit, homeownership expenses may also include cooperative or condominium operating charges or maintenance fees assessed by the condominium or cooperative homeowner association.

(d) *Payment to lender or family.* The PHA must pay homeownership assistance payments either:

(1) Directly to the family or;

(2) At the discretion of the PHA, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

(e) *Automatic termination of homeownership assistance.* Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, a PHA has the discretion to grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64494, Oct. 18, 2002]

§ 982.636 Homeownership option: Portability.

(a) *General.* A family may qualify to move outside the initial PHA jurisdiction with continued homeownership assistance under the voucher program in accordance with this section.

(b) *Portability of homeownership assistance.* Subject to § 982.353(b) and (c), § 982.552, and § 982.553, a family determined eligible for homeownership assistance by the initial PHA may purchase a unit outside of the initial PHA's jurisdiction, if the receiving PHA is administering a voucher homeownership program and is accepting new homeownership families.

(c) *Applicability of Housing Choice Voucher program portability procedures.* In general, the portability procedures described in §§ 982.353 and 982.355 apply to the homeownership option and the administrative responsibilities of the initial and receiving PHA are not altered except that some administrative functions (e.g., issuance of a voucher or execution of a tenancy addendum) do not apply to the homeownership option.

(d) *Family and PHA responsibilities.* The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.

(e) *Continued assistance under § 982.637.* Such continued assistance under portability procedures is subject to § 982.637.

[65 FR 55163, Sept. 12, 2000, as amended at 80 FR 8247, Feb. 17, 2015]

§ 982.637 Homeownership option: Move with continued tenant-based assistance.

(a) *Move to new unit.* (1) A family receiving homeownership assistance may move to a new unit with continued tenant-based assistance in accordance with this section. The family may move either with voucher rental assistance (in accordance with rental assistance program requirements) or with voucher homeownership assistance (in accordance with homeownership option program requirements).

(2) The PHA may not commence continued tenant-based assistance for occupancy of the new unit so long as any

family member owns any title or other interest in the prior home. However, when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), and the move is needed to protect the health or safety of the family or family member (or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move), such family or family member may be assisted with continued tenant-based assistance even if such family or family member owns any title or other interest in the prior home.

(3) The PHA may establish policies that prohibit more than one move by the family during any one-year period. However, these policies do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, and the move is needed to protect the health or safety of the family or family member, or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move.

(b) *Requirements for continuation of homeownership assistance.* The PHA must determine that all initial requirements listed in § 982.626 (including the environmental requirements with respect to a unit not yet under construction) have been satisfied if a family that has received homeownership assistance wants to move to such a unit with continued homeownership assistance. However, the following requirements do not apply:

(1) The requirement for pre-assistance counseling (§ 982.630) is not applicable. However, the PHA may require that the family complete additional counseling (before or after moving to a new unit with continued assistance under the homeownership option).

(2) The requirement that a family must be a first-time homeowner (§ 982.627) is not applicable.

(c) *When PHA may deny permission to move with continued assistance.* The PHA may deny permission to move to a new unit with continued voucher assistance as follows:

(1) *Lack of funding to provide continued assistance.* The PHA may deny permission to move with continued rental or homeownership assistance if the PHA determines that it does not have sufficient funding to provide continued assistance. The PHA must provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves based on insufficient funding.

(2) *Termination or denial of assistance under § 982.638.* At any time, the PHA may deny permission to move with continued rental or homeownership assistance in accordance with § 982.638.

[63 FR 23865, Apr. 30, 1998, as amended at 72 FR 59938, Oct. 22, 2007; 80 FR 50575, Aug. 20, 2015; 81 FR 80817, Nov. 16, 2016]

§ 982.638 Homeownership option: Denial or termination of assistance for family.

(a) *General.* The PHA shall terminate homeownership assistance for the family, and shall deny voucher rental assistance for the family, in accordance with this section.

(b) *Denial or termination of assistance under basic voucher program.* At any time, the PHA may deny or terminate homeownership assistance in accordance with § 982.552 (Grounds for denial or termination of assistance) or § 982.553 (Crime by family members).

(c) *Failure to comply with family obligations.* The PHA may deny or terminate assistance for violation of participant obligations described in § 982.551 or § 982.633.

(d) *Mortgage default.* The PHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA-insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt. The PHA, in its discretion, may permit the family to move to a new unit with continued voucher rental assistance. However, the PHA must deny such permission, if:

§ 982.639

(1) The family defaulted on an FHA-insured mortgage; and

(2) The family fails to demonstrate that:

(i) The family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and

(ii) The family has moved, or will move, from the home within the period established or approved by HUD.

[65 FR 55163, Sept. 12, 2000, as amended at 66 FR 33613, June 22, 2001]

§ 982.639 Homeownership option: Administrative fees.

The ongoing administrative fee described in § 982.152(b) is paid to the PHA for each month that homeownership assistance is paid by the PHA on behalf of the family.

§ 982.641 Homeownership option: Applicability of other requirements.

(a) *General.* The following types of provisions (located in other subparts of this part) do not apply to assistance under the homeownership option:

(1) Any provisions concerning the Section 8 owner or the HAP contract between the PHA and owner;

(2) Any provisions concerning the assisted tenancy or the lease between the family and the owner;

(3) Any provisions concerning PHA approval of the assisted tenancy;

(4) Any provisions concerning rent to owner or reasonable rent; and

(5) Any provisions concerning the issuance or term of voucher.

(b) *Subpart G requirements.* The following provisions of subpart G of this part do not apply to assistance under the homeownership option:

(1) Section 982.302 (Issuance of voucher; Requesting PHA approval of assisted tenancy);

(2) Section 982.303 (Term of voucher);

(3) Section 982.305 (PHA approval of assisted tenancy);

(4) Section 982.306 (PHA disapproval of owner) (except that a PHA may disapprove a seller for any reason described in paragraph (c), see § 982.631(d)).

(5) Section 982.307 (Tenant screening);

(6) Section 982.308 (Lease and tenancy);

24 CFR Ch. IX (4-1-21 Edition)

(7) Section 982.309 (Term of assisted tenancy);

(8) Section 982.310 (Owner termination of tenancy);

(9) Section 982.311 (When assistance is paid) (except that § 982.311(c)(3) is applicable to assistance under the homeownership option);

(10) Section 982.313 (Security deposit: Amounts owed by tenant); and

(11) Section 982.354 (Move with continued tenant-based assistance).

(c) *Subpart H requirements.* The following provisions of subpart H of this part do not apply to assistance under the homeownership option:

(1) Section 982.352(a)(6) (Prohibition of owner-occupied assisted unit);

(2) Section 982.352(b) (PHA-owned housing); and

(3) Those provisions of § 982.353 (Where family can lease a unit with tenant-based assistance) and § 982.355 (Portability: Administration by receiving PHA) that are inapplicable per § 982.636;

(d) *Subpart I requirements.* The following provisions of subpart I of this part do not apply to assistance under the homeownership option:

(1) Section 982.403 (Terminating HAP contract when unit is too small);

(2) Section 982.404 (Maintenance: Owner and family responsibility; PHA remedies); and

(3) Section 982.405 (PHA initial and periodic unit inspection).

(e) *Subpart J requirements.* The requirements of subpart J of this part (Housing Assistance Payments Contract and Owner Responsibility) (§§ 982.451–456) do not apply to assistance under the homeownership option.

(f) *Subpart K requirements.* Except for those sections listed below, the requirements of subpart K of this part (Rent and Housing Assistance Payment) (§§ 982.501–521) do not apply to assistance under the homeownership option:

(1) Section 982.503 (Voucher tenancy: Payment standard amount and schedule);

(2) Section 982.516 (Family income and composition: Regular and interim reexaminations); and

(3) Section 982.517 (Utility allowance schedule).

(g) *Subpart L requirements.* The following provisions of subpart L of this part do not apply to assistance under the homeownership option:

- (1) Section 982.551(c) (HQS breach caused by family);
- (2) Section 982.551(d) (Allowing PHA inspection);
- (3) Section 982.551(e) (Violation of lease);
- (4) Section 982.551(g) (Owner eviction notice); and
- (5) Section 982.551(j) (Interest in unit).

(h) *Subpart M requirements.* The following provisions of subpart M of this part do not apply to assistance under the homeownership option:

- (1) Sections 982.602–982.619; and
- (2) Sections 982.622–982.624.

[65 FR 55163, Sept. 12, 2000, as amended at 67 FR 64494, Oct. 18, 2002; 80 FR 8247, Feb. 17, 2015; 80 FR 50575, Aug. 20, 2015]

§ 982.642 Homeownership option: Pilot program for homeownership assistance for disabled families.

(a) *General.* This section implements the pilot program authorized by section 302 of the American Homeownership and Economic Opportunity Act of 2000. Under the pilot program, a PHA may provide homeownership assistance to a disabled family residing in a home purchased and owned by one or more members of the family. A PHA that administers tenant-based assistance has the choice whether to offer homeownership assistance under the pilot program (whether or not the PHA has also decided to offer the homeownership option).

(b) *Applicability of homeownership option requirements.* Except as provided in this section, all of the regulations applicable to the homeownership option (as described in §§ 982.625 through 982.641) are also applicable to the pilot program.

(c) *Initial eligibility requirements.* Before commencing homeownership assistance under the pilot program for a family, the PHA must determine that all of the following initial requirements have been satisfied:

- (1) The family is a disabled family (as defined in § 5.403 of this title);

- (2) The family annual income does not exceed 99 percent of the median income for the area;

- (3) The family is not a current homeowner;

- (4) The family must close on the purchase of the home during the period starting on July 23, 2001 and ending on July 23, 2004; and

- (5) The family meets the initial requirements described in § 982.626; however, the following initial requirements do not apply to a family seeking to participate in the pilot program:

- (i) The income eligibility requirements of § 982.201(b)(1);

- (ii) The first-time homeowner requirements of § 982.627(b); and

- (iii) The mortgage default requirements of § 982.627(e), if the PHA determines that the default is due to catastrophic medical reasons or due to the impact of a federally declared major disaster or emergency.

(d) *Amount and distribution of homeownership assistance payments.* (1) While the family is residing in the home, the PHA shall calculate a monthly homeownership assistance payment on behalf of the family in accordance with § 982.635 and this section.

- (2) A family that is a low income family (as defined at 24 CFR 5.603(b)) as determined by HUD shall receive the full amount of the monthly homeownership assistance payment calculated under § 982.635.

- (3) A family whose annual income is greater than the low income family ceiling but does not exceed 89 percent of the median income for the area as determined by HUD shall receive a monthly homeownership assistance payment equal to 66 percent of the amount calculated under § 982.635.

- (4) A family whose annual income is greater than the 89 percent ceiling but does not exceed 99 percent of the median income for the area as determined by HUD shall receive a monthly homeownership assistance payment equal to 33 percent of the amount calculated under § 982.635.

- (5) A family whose annual income is greater than 99 percent of the median income for the area shall not receive homeownership assistance under the pilot program.

§ 982.643

24 CFR Ch. IX (4-1-21 Edition)

(e) *Assistance payments to lender.* The PHA must make homeownership assistance payments to a lender on behalf of the disabled family. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family. The provisions of § 982.635(d), which permit the PHA to make monthly homeownership assistance payments directly to the family, do not apply to the pilot program.

(f) *Mortgage defaults.* The requirements of § 982.638(d) regarding mortgage defaults are applicable to the pilot program. However, notwithstanding § 982.638(d), the PHA may, in its discretion, permit a family that has defaulted on its mortgage to move to a new unit with continued voucher homeownership assistance if the PHA determines that the default is due to catastrophic medical reasons or due to the impact of a federally declared major disaster or emergency. The requirements of §§ 982.627(a)(5) and 982.627(e) do not apply to such a family.

[66 FR 33613, June 22, 2001]

§ 982.643 Homeownership option: Downpayment assistance grants.

(a) *General.* (1) A PHA may provide a single downpayment assistance grant for a participant that has received tenant-based or project-based rental assistance in the Housing Choice Voucher Program.

(2) The downpayment assistance grant must be applied toward the downpayment required in connection with the purchase of the home and/or reasonable and customary closing costs in connection with the purchase of the home.

(3) If the PHA permits the downpayment grant to be applied to closing costs, the PHA must define what fees and charges constitute reasonable and customary closing costs. However, if the purchase of a home is financed with FHA mortgage insurance, such financing is subject to FHA mortgage insurance requirements, including any requirements concerning closing costs (see § 982.632(b) of this part regarding the applicability of FHA requirements to voucher homeownership assistance and § 203.27 of this title regarding al-

lowable fees, charges and discounts for FHA-insured mortgages).

(b) *Maximum downpayment grant.* A downpayment assistance grant may not exceed twelve times the difference between the payment standard and the total tenant payment.

(c) *Payment of downpayment grant.* The downpayment assistance grant shall be paid at the closing of the family's purchase of the home.

(d) *Administrative fee.* For each downpayment assistance grant made by the PHA, HUD will pay the PHA a one-time administrative fee in accordance with § 982.152(a)(1)(iii).

(e) *Return to tenant-based assistance.* A family that has received a downpayment assistance grant may apply for and receive tenant-based rental assistance, in accordance with program requirements and PHA policies. However, the PHA may not commence tenant-based rental assistance for occupancy of the new unit so long as any member of the family owns any title or other interest in the home purchased with homeownership assistance. Further, eighteen months must have passed since the family's receipt of the downpayment assistance grant.

(f) *Implementation of downpayment assistance grants.* A PHA may not offer downpayment assistance under this paragraph until HUD publishes a notice in the FEDERAL REGISTER.

[67 FR 64494, Oct. 18, 2002]

PART 983—PROJECT-BASED VOUCHER (PBV) PROGRAM

Subpart A—General

Sec.

983.1 When the PBV rule (24 CFR part 983) applies.

983.2 When the tenant-based voucher rule (24 CFR part 982) applies.

983.3 PBV definitions.

983.4 Cross-reference to other Federal requirements.

983.5 Description of the PBV program.

983.6 Maximum amount of PBV assistance.

983.7 Uniform Relocation Act.

983.8 Equal opportunity requirements.

983.9 Special housing types.

983.10 Project-based certificate (PBC) program.



**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

Special Attention:

NOTICE PIH 2013-15 (HA)

Public Housing Agencies administering the
Housing Choice Voucher and/or Public
Housing Programs; Public Housing Field Office
Directors

Issued: June 10, 2013

Expires: Effective until amended
superseded, or rescinded

Cross References:

PIH Notice 2012-34 (HA)

Subject: Guidance on housing individuals and families experiencing homelessness through the Public Housing and Housing Choice Voucher programs¹

1. **Applicability:** This Notice applies to public housing agencies (PHAs) that administer the Public Housing and/or Housing Choice Voucher (HCV) programs.
2. **Purpose:** The purpose of this Notice is to provide strategies that PHAs can pursue to expand housing opportunities for individuals and families experiencing homelessness through the Public Housing and HCV programs. This Notice clarifies the definition of homelessness for the purpose of IMS/PIC reporting, and provides guidance on HUD policies and program regulations related to the following topics: waiting list management and preferences; admissions policies regarding criminal activity, substance use/abuse, and rental history; program termination and eviction policies; and project-basing vouchers for Permanent Supportive Housing (PSH).
3. **Background:** On June 22, 2010, the United States Interagency Council on Homelessness (USICH) presented the nation's first comprehensive strategy to prevent and end homelessness titled, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* (Opening Doors), to the Office of the President and Congress. Opening Doors is focused on four key goals:
 - a. Finish the job of ending chronic homelessness by 2015;
 - b. Prevent and end homelessness among Veterans by 2015;
 - c. Prevent and end homelessness for families, youth, and children by 2020; and
 - d. Set a path to ending all types of homelessness.

¹ Throughout this Notice, when referring to people experiencing homelessness, the term 'individuals and families' is used to indicate both individual persons who are experiencing homelessness, as well as homeless families, which may include children. When referring to HCV or Public Housing applicants or participants, the following terms are used intentionally based on their definition and the relevant statute, regulation or rule being referenced: 1. Family – A person or group of persons with or without children approved by a PHA to reside in a unit with assistance under the HCV or Public Housing program. The number of family members is used to calculate subsidies and payments. 2. Household – includes everyone who lives in the unit, including foster children/adults and live-in aides. Household members are used to determine unit size.

The Office of Public and Indian Housing (PIH) is committed to working with our PHA partners to expand opportunities for individuals and families to access quality affordable rental homes, thereby achieving HUD's goal of utilizing housing as a platform for improving quality of life. PIH, in cooperation with the Office of Community Planning and Development (CPD) and USICH hosted two national convenings of PHAs and Continuums of Care (CoCs) titled, *Opening Doors: Expanding PHA Opportunities to House People Experiencing Homelessness*, one in Los Angeles on February 8, 2012, and the other in Washington, DC on May 24, 2012. These convenings allowed participants to: share best practices; identify barriers that PHAs encounter in meeting the needs of this population; and allow PHAs and Continuums of Care to provide feedback and ask questions of HUD.

This Notice builds on the lessons learned from the two convenings and seeks to provide guidance on issues related to serving individuals and families experiencing homelessness.

4. **Reporting Homelessness in IMS/PIC:** The HUD Form 50058 module in the IMS/PIC data system allows HUD to obtain information about participants in the Public Housing and HCV programs, including the homeless status of persons entering the program. The accuracy and reliability of this information is critical to tracking the collective progress in ending homelessness.

Based on a review of PIC reporting on 4C (homeless at admission), many PHAs are not reporting in this field accurately, or are reporting "no" for all applicants, whether homeless or not. For all new admissions, PHAs **must** determine whether an individual or family was homeless at admissions. This information **must** be reported at question 4C on HUD Form 50058. PHAs may need to verify that their IMS/PIC software is compliant with this reporting requirement. The following section provides guidance on how to determine whether an applicant is homeless at the time of admission, including questions that a PHA may ask an applicant in order to determine their homelessness status. For additional information on the Form 50058, please see the Form HUD 50058 Instruction Booklet at <http://portal.hud.gov/hudportal/documents/huddoc?id=50058i.pdf>

5. **Definition of Homeless for the Purpose of Completing Question 4C on Form 50058:** The definition of a homeless family currently provided in the Appendix of the Form HUD 50058 Instruction Booklet reflects the original McKinney-Vento Homeless Assistance Act definition. The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) revised the definition of homeless for HUD's homeless assistance programs, and on December 5, 2011, HUD published its final rule implementing this definition. This rule applies specifically to the Emergency Solutions Grants program, the Shelter Plus Care program, the Supportive Housing program and was incorporated into the Continuum of Care (CoC) Program interim rule, which HUD published on July 31, 2012; however, PIH is adopting only a portion of this new definition to apply to question 4C of the Form 50058 as well. While the HUD regulations maintain four categories for defining people who are homeless, the PIH definition for IMS-PIC reporting (Form 50058) is narrowed to the following two categories:

Category 1: An individual or family who ***lacks a fixed, regular, and adequate nighttime residence***, meaning:

- a. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; **or**

- b. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); **or**
- c. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

Category 4: Any individual or family who:

- i. Is ***fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking***, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; **and**
- ii. Has no other residence; **and**
- iii. Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing

This definition shall be effective as of this Notice, and the Form HUD 50058 Instruction Booklet will be updated accordingly. **Note:** A PHA is permitted to adopt an alternative or narrower definition of homeless for the purpose of a waiting list preference based on local need. PHA's that do this, however, will still be required to use the definition cited above for purposes of reporting homeless of new admissions on the Form HUD 50058.

In order for PHAs to accurately report a new admission's homelessness status on line 4c of the Form HUD 50058, the PHA may find the following list of questions helpful in determining the appropriate response. If the answer to any of the following questions is yes, the PHA would mark "Y" for yes in field 4C of the Form HUD 50058 (homeless at admission).

1. Are you currently living in a car, on the street, or another place not meant for human habitation?
2. Are you currently living in an emergency shelter, transitional housing, Safe Haven², or a hotel/motel paid for by a charitable organization or by federal, state or local government programs for low-income individuals?
3. Are you exiting an institution, including a hospital, substance abuse or mental health treatment facility, or jail/prison, where you stayed for 90 days or less? If so, were you living in an emergency shelter or place not meant for human habitation immediately before entering that institution?
4. Are you fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life threatening conditions for you or a family member, including a child, that has either taken place within your family's primary nighttime residence or has made the you afraid to return to your primary nighttime residence? If yes, do you currently have nowhere else to live and also lack the resources or support networks,

² A Safe Haven is a form of supportive housing that serves hard-to-reach homeless persons with severe mental illness who are on the street and have been unable or unwilling to participate in housing or supportive services

including family, friends, faith-based, or other social networks, to obtain other permanent housing?

Example 1: A family that was evicted from the home they owned because they were no longer able to make the mortgage payments and is living in their car **would** qualify as homeless.

Example 2: An individual that had previously lived in an emergency shelter and was admitted to the hospital for a 5-day stay **would** qualify as homeless.

Example 3: An individual being released from prison after a 3-year incarceration **would not** qualify as homeless based on the length of incarceration.

HUD does **not** require PHAs to collect documentation or third-party verification of any kind in order to verify an applicant's homelessness status for purposes of reporting in 4C of the 50058. Verbal self-verification by the applicant that any of the above criteria are true is sufficient. However, in order to verify homelessness status for a preference, PHAs must follow the verification requirements they establish in their written policies.

6. **Waiting List Management:** PHAs' waiting lists can be a barrier to individuals and families experiencing homelessness having access to the Public Housing and HCV programs. When waiting lists are long, an individual or family who lacks stable housing and reliable contact information may not be able to be reached when they come to the top of the waiting list or when waiting lists are purged, especially if it has been months or years after the application was submitted. Also, when PHAs reopen waiting lists for short periods of time, people experiencing homelessness can be left out of the application process due to a lack of information about the opportunity to apply.

PHAs can take a variety of actions to allow homeless populations better access to their programs, including establishing a strong outreach strategy through service providers, strengthening their process for contacting applicants on their waiting list (e.g., contacting applicants via email or phone), establishing flexible intake and briefing schedules (e.g., provide a window of time for appointments), and establishing nondiscriminatory preferences in their admissions policies for persons experiencing homelessness, or a subset of such persons (e.g., chronically homeless, homeless veterans, homeless identified as most vulnerable through community-based assessment strategies, etc.). All actions taken must be in compliance with all applicable fair housing and civil rights laws. See 24 CFR 5.105(a).

7. **Homeless Admissions Preference:** A PHA's greatest tool for increasing program access for individuals and families experiencing homelessness is establishing a preference in their admissions policies. This section describes the criteria that may be considered when setting preferences based on local housing needs and priorities, as well as the process for establishing preferences.

a) Assessing local housing needs. A PHA's system of local preferences must be based on local housing needs and priorities by using generally accepted data sources and information obtained through the PHA Plan public comment process³. HUD encourages PHAs to work collaboratively with health care providers, social service providers,

³ 24 CFR 960.206(a)(1) for Public Housing and 24 CFR 982.207 (a)(2) for the HCV program.

homeless services providers, Continuums of Care (CoCs), and local offices of government and community organizations to establish a system of preferences based on local housing needs collectively identified by the community. HUD recommends that a PHA's local housing needs assessment specifically include people experiencing homelessness. For example, PHAs may look to their Community Plan to End Homelessness, Consolidated Plans, HIV/AIDS Housing Plan (if available) and/or data from their jurisdiction's Continuum of Care (CoC) Homeless Management Information Systems (HMIS) and Point in Time (PIT) Counts to identify whether and to what extent there is need for a homeless preference.

b) Applying and limiting preferences. PHAs may apply preferences for admission to the HCV, Project-based Voucher (PBV), and/or Public Housing programs, or to a particular public housing or project-based voucher development (or set number of units within a development). PHAs may limit the number of applicants that may qualify for a particular preference. PHAs must incorporate such a preference into their HCV program Administrative Plan and/or their Public Housing program Admission and Continued Occupancy Policy (ACOP). If adopting the preference constitutes a significant amendment to the PHA Plan as defined by the PHA, the PHA must comply with the amendment provisions of 24 CFR 903.21, including soliciting public comment and consulting with the resident advisory board.

c) Opening waiting lists and public notice. All recipients of public housing or HCV assistance must be selected from the PHA's waiting list(s). If a PHA does not have enough applicants on its waiting list who qualify for a preference, the PHA may open its waiting list strictly to people to whom the preference applies. When opening a waiting list, PHAs must give public notice. See Section 12 for more information on opening separate waiting lists for project-based voucher units.

Any public notice announcing a waiting list opening and application procedure should be simple, direct, and clear but with sufficient detail to inform applicants of the processes through which they can apply, any limitations on who may apply, and any other information the applicant may need to successfully submit the application. The notification process, as well as the preferences themselves, must also comply with HUD fair housing requirements, such as adopting suitable means to assure that the notice reaches eligible individuals with disabilities and those with limited-English proficiency. HCV program regulations require the public notice to appear in a local newspaper of general circulation, minority media, and other suitable means (24 CFR 982.206). These practices are strongly encouraged in the Public Housing program.

When trying to reach people experiencing homelessness to apply to the program(s), PHAs could consider reaching out to shelters, homeless service providers, agencies that work closely with people experiencing homelessness and homeless consumer advocacy groups to assist with advertising the opening of the waiting list, to seek referrals, and/or to provide assistance with application processes. The CoC Program interim rule requires Continuums of Care to establish and operate a centralized or coordinated assessment system that provides an initial, comprehensive assessment of the needs of individuals and families for housing and services with the intention of matching the homeless individual or family with the most appropriate resources. PHAs are strongly encouraged to participate in the coordinated assessment system that covers the PHA's geographic location in order to establish a means for referrals once the coordinated assessment has been established.

Once an adequate number of persons experiencing homelessness meeting the preference have been placed on the waiting list, the PHA may choose to close the waiting list. A PHA may leave the waiting list open only for the population qualified for the preference (i.e., continue to accept applications only from applicants that qualify for the preference), while keeping it closed for all other applicants. HUD recommends the PHAs maintain up-to-date information on the PHA's website as to whether the waiting list is open or closed, who may currently apply for assistance, and specific information regarding the application process.

d) Identifying preference-qualified applicants currently on the waiting list. When adopting a new preference in the Public Housing program, PHAs must offer the opportunity for current applicants on the waiting list who qualify for the preference to receive the benefit of the preference and move up on the waiting list accordingly. This practice is strongly encouraged in the HCV program. The PHA should specify on any public notice of a waiting list opening that current waiting list applicants will also be given the benefit of the preference. The notice should also include any other information new applicants and current applicants on the waiting list will need to know about how to successfully apply and establish their preference status, including any partnering agencies with whom the PHA may be working to receive referrals or determine preference eligibility. PHAs and partnering referral agencies may consider sharing waiting list data in order to cross-check for eligible applicants, if allowed under applicable program requirements and privacy laws.

e) Limiting preferences to people referred by a partnering organization. PHAs may create a preference or limited preference specifically for people who are referred by a partnering homeless service organization or consortia of organizations (for example, an organization that refers people transitioning out of a shelter, transitional housing program, or rapid re-housing program). The PHA may not limit the source of referrals to an agency, organization, or consortia that denies its services to members of any Federally protected class under fair housing laws, i.e., race, color, religion, national origin, sex, disability, or familial status. See section 12 of this Notice for information on preferences in the PBV program.

A PHA may also have a preference for individuals and families transitioning, or “moving up,” from Permanent Supportive Housing (PSH) units. These are persons that were previously homeless prior to entry into the PSH program but who no longer need that level of supportive services. While these persons would not be considered homeless for reporting purposes on the Form HUD 50058, creating such a “move up” preference will contribute significantly to the community's overall efforts to end homelessness by freeing up units for currently homeless families and individuals with disabilities who need housing combined with services.

Example of a homeless limited preference process: A PHA limits the number of families that qualify for a homeless preference to 100 families. The PHA administrative plan/ACOP clearly states the criteria to qualify for the preference, including any partnering service agencies from whom the PHA will be taking referrals, and whether the preference is restricted to those referrals. The PHA opens the waiting list and provides public notice, but restricts who can apply to those that meet the preference criteria. Once the PHA is serving 100 families under the preference, and one family leaves the program, the next family on the waiting list who meets the preference criteria will be served. If there is no one on the waiting list that meets the preference criteria, the PHA would issue the voucher to the next family on the waiting list. The PHA reaches out to local partners for referrals, and the waiting list is kept open (or re-opened for applicants that qualify for the preference) in order to accept

these new referrals. If the PHA has not limited the preference to only people referred by certain organizations or agencies, then the PHA also accepts applications from anyone who self-identifies as qualified to meet the preference criteria.

f) Verifying preference eligibility. If a PHA adopts a preference or limited preference for people experiencing homelessness, or for a particular subset of this population, the PHA may require the individual or family to provide documentation to prove that they qualify for the preference, or may rely on a partnering homeless service organization (for example, the Continuum of Care designated collaborative applicant) to verify that the individual or family qualifies for the preference. When a PHA establishes a partnership for referrals from a homeless service organization, they may allow the partnering organization to verify the individual's or family's preference qualification, before the individual or family is referred to the PHA.

g) Ensuring Fair Housing compliance. When adopting a preference or limited preference for people experiencing homelessness, and opening the waiting list only for families and individuals that qualify for the preference, a PHA must ensure that the preference would not have the purpose or effect of excluding other eligible families from the program on the basis of race, color, national origin, religion, sex, disability, or familial status, or would have the effect of creating, increasing, or perpetuating segregation. A PHA must ensure that the adoption of a homeless preference and the opening of the waiting list, including site-based waiting lists, only to homeless families and individuals that qualify for the preference is done in a manner that is consistent with all fair housing and civil rights laws and affirmatively furthers fair housing.

h) Residency preference. PHAs that have a residency preference as allowed under the regulations at 24 CFR 960.206(b) and 24 CFR 982.207(b) may include in their definition of the term, "residence," shelters and other dwelling places where homeless people may be living or sleeping. PHAs may also consider the circumstances leading to a family's current dwelling place when defining residency for homeless applicants. For example, in some communities, there may be a lack of suitable shelters in the community covered by the PHA's residency preference forcing the family or individual to seek shelter in another community. If an applicant family or individual is residing in a shelter located outside of the area covered by the PHA's residency preference, the PHA may establish policies considering the applicant's previous residency and circumstances. PHAs with a residency preference may need to change their definition of residency in their Administrative Plan and ACOP for the purpose of allowing such flexibility.

For additional guidance related to waiting list administration, please see Notice PIH 2012-34 *Waiting List Administration*.

8. Admissions Policies Regarding Criminal Activity, Substance Use/Abuse, and Rental

History: Under federal laws and HUD regulations, there are certain policies for admission to a PHA's HCV or Public Housing program which are mandatory for all PHAs, and other policies which the PHAs have authority/discretion to adopt, but are not required.

The following is a complete list of statutorily mandated prohibitions of admissions regarding criminal activity and substance use/abuse to the HCV and PH programs:

1. ***Lifetime sex offender registrant.*** A PHA **must** prohibit admission for any household that includes a person subject to a lifetime registration requirement under a State sex offender registration program.⁴
2. ***Methamphetamine production in federally assisted housing.*** A PHA **must** prohibit admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.⁵
3. ***Within 3 years of federally assisted housing eviction for drug-related crime.*** A PHA **must** prohibit admission for three years from date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity (the PHA **may** admit if the PHA determines the member successfully completed a supervised drug rehabilitation program approved by the PHA, or the circumstances leading to the eviction no longer exist).⁶
4. ***Currently engaged in illegal drug use or threatening activity.*** A PHA **must** prohibit admission of households with a member who:
 - a. The PHA determines is currently engaging in illegal use of a drug,⁷ or
 - b. The PHA determines that it has reasonable cause to believe that a household member's illegal drug use, pattern of illegal drug use, abuse of alcohol, or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.⁸

Where the HCV or public housing applicants' conduct or activities falls outside the scope of the statutorily mandated prohibitions, PHAs have wide discretion whether to admit or deny admissions to these individuals. Unfortunately, PHAs' discretionary admissions policies can sometimes be a barrier for vulnerable populations, including people who are homeless, to accessing the programs. For example, a PHA may have strict policies related to criminal backgrounds and previous rental housing history which can have the effect of screening out the most vulnerable people experiencing homelessness who are more likely to have past convictions, past evictions, or previous debts, due to a variety of reasons, including mental illness and substance use disorders.

In June 2011, Secretary Donovan wrote a letter to PHAs⁹ across the country to encourage more flexible, reasonable admissions policies for people re-entering communities following incarceration. Incarceration and homelessness are highly interrelated as the difficulties in reintegrating into the community increase the risk of homelessness for released prisoners, and homelessness in turn increases the risk for subsequent re-incarceration. PHAs wishing to serve more people experiencing homelessness may consider amending their discretionary admissions policies regarding criminal activity and substance use/abuse to be more inclusive of vulnerable

⁴ 42 U.S.C § 13663 (a); 24 CFR 982.553(a)(2)(i) for HCV, and 960.204(a)(4) for public housing

⁵ 42 U.S.C § 1437n (f)(1); 24 CFR 982.553(a)(1)(ii)(C) for HCV, and 960.204(a)(3) for public housing

⁶ 42 U.S.C § 13661 (a); 24 CFR 982.553(a)(1)(i) for HCV, and 960.204(a)(1) for public housing

⁷ 42 U.S.C § 13661 (b)(1); 24 CFR 982.553(a)(1)(ii)(A) for HCV, and 960.204(a)(2)(i) for public housing

⁸ 42 U.S.C § 13661 (b)(1); 24 CFR 982.553(a)(1)(ii)(B) and 24 CFR 982.553(a)(3) for HCV; 960.204(a)(2)(ii) and 960.204(b) for public housing

⁹ <http://portal.hud.gov/hudportal/documents/huddoc?id=sohudreentryltr.pdf>

populations who may have criminal backgrounds or histories of incarceration. PHAs are encouraged to establish strong partnerships with homeless service providers to ensure that those vulnerable individuals and families admitted to the program are provided the services necessary to remain stably housed and compliant with the family obligations and other requirements of the program.

A PHA wishing to serve more people experiencing homelessness may consider reviewing their discretionary admission policies to determine if any changes can be made to remove barriers. It is important to note that all discretionary admission (and program termination) policies must be applied to all applicants broadly. In other words, a PHA cannot have a certain set of admission/termination policies that apply specifically to a certain population, such as the homeless population, which are different than the admission/termination policies for all other applicants, unless there is express legal authority to do so (e.g. HUD-VASH program). Therefore, if a PHA is not comfortable or willing to revise its general discretionary policies, the PHA is strongly encouraged to consider relevant circumstances as described in Section 10 of this Notice.

9. **Program Termination and Eviction Policies:** Federal law and HUD regulations provide only limited instances where a PHA must terminate assistance or evict a family¹⁰. Outside of those limited instances, PHAs or owners may terminate program assistance or evict a family only for serious or repeated violations of material terms of the lease. Many of the policies for termination of assistance and eviction are in fact at the discretion of the PHA or owner. A PHA or owner's discretionary policies for termination of assistance and eviction for lease violations is an important consideration in the effort to prevent homelessness.

HUD encourages PHAs to review their termination and eviction policies in light of their discretionary authority. HUD recommends that PHAs work with homeless service providers to establish discretionary termination and eviction policies best suited to the community and to develop partnerships that can implement effective eviction prevention strategies.

Additionally, PHAs should be aware of protections for victims of domestic violence, dating violence, or stalking to ensure that they do not face eviction because of the lease violations of their abusers. 24 CFR 5.2005 (c) states that an incident of actual or threatened domestic violence, dating violence or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of the domestic violence, dating violence, or stalking, or as good cause to terminate the tenancy or, occupancy rights of, or assistance to the victim.

As mentioned in Section 7 of this Notice, PHAs are encouraged to establish strong partnerships with healthcare, supportive services, and homeless service providers to make services available to vulnerable individuals and families admitted to the program. PHAs are also strongly encouraged to consider relevant circumstances when considering the termination or eviction of any family, as described in Section 10 of this Notice.

10. **Consideration of Circumstances Regarding Admissions and Terminations/Evictions:** As discussed in Section 7 of this notice, a PHA cannot establish separate admissions/termination

¹⁰ 24 CFR 982.553(a)(2)(i), 24 CFR 982.553(b)(1)(ii) and 24 CFR.553(e) for HCV, and 24 CFR 960.204(a)(3) and 960.204(a)(4) for Public Housing

policies for a certain population, such as the homeless population, which are different from the admissions/termination policies for all other applicants, unless there is express legal authority to do so (e.g. HUD-VASH program). However, the public housing regulation at 24 C.F.R. 960.203(a) (Standards for PHA tenant selection criteria) and the HCV program regulation at 24 C.F.R. 982.552(c)(2) (Consideration of circumstances) imply that **individual consideration of factors** should be a basis for a PHA's decision to deny or terminate assistance. For example, in the HCV program, in determining whether to deny admission or terminate assistance because of an action of a family member that would normally screen the family out or cause the family to lose their assistance, under the PHA's policy, the following **may** be considered:

- All relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action.¹¹
- The PHA **may** impose, as a condition of admittance or continued assistance for other family members, a requirement that family members who participated in or were culpable for the action will not reside in the unit. The PHA **may** permit the other members of a participant family to receive or continue receiving assistance.¹²

In public housing, in the event of receipt of unfavorable information about an applicant, consideration **must** be given to the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). Consideration **may** be given to factors which might indicate a reasonable probability of favorable future conduct, including: evidence of rehabilitation, and applicant's willingness to participate in social services.¹³

For both the HCV and Public Housing program, in determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the PHA **may** consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully.¹⁴

For both the HCV and Public Housing program, if the family includes a person with disabilities, the PHA decision regarding denial of admission or termination of assistance is subject to reasonable accommodation requirements in accordance with Section 504 of the Rehabilitation Act of 1973, the Fair Housing Act, Title II of the Americans with Disabilities Act, and their implementing regulations at 24 CFR part 8, 24 CFR part 100, and 28 CFR part 35, respectively.

11. Service Provider as a Resource in Continued Occupancy: Service providers are important resources in ensuring housing stability, including compliance with program and family obligations and other program requirements, for homeless individuals and families newly admitted to the program.

¹¹ 24 CFR 982.552(c)(2)(i) for HCV

¹² 24 CFR 982.552(c)(2)(ii) for HCV, and 960.203(c)(3)(i) for public housing

¹³ 24 CFR 960.203(d)

¹⁴ 42 U.S.C § 13661 (b)(2); 24 CFR 982.552(c)(2)(iii)

PHAs may establish working relationships or consider service agreements with the service providers to provide greater access to services for tenants. The PHA may consider making available an empty office space or community space for the service provider to offer voluntary services to the residents.

12. **Project-Based Vouchers:** Under the HCV program, PHAs are allowed to project-base up to 20 percent of their budget authority. Project-based vouchers (PBVs) are a useful tool in the development of affordable housing, because the guaranteed rental income provided by the vouchers helps to finance project operating costs and secure capital investments. PBVs are also important in the development of projects that pair services for people who are formerly homeless with housing assistance. PHAs looking to increase the supply of affordable housing for people experiencing homelessness or other low-income families may consider project-basing. PHAs interested in working with a homeless service provider to develop housing for people experiencing homelessness may also consider project-basing for this purpose.

PHAs must select applicants for PBV units from the waiting list in accordance with the policies in the PHA administrative plan. The PHA may use a separate waiting list for its PBV units, or for PBV units in individual projects or buildings, or for sets of such units. The PHA may also adopt a different set of admissions preferences for each separate waiting list. A PHA that wishes to partner with a homeless service provider to project-base vouchers may consider creating a separate waiting list for this project and adopting a preference for people who are homeless. PHAs may also adopt a preference for services offered for families with disabilities that need services at a particular project. However, such a preference is limited to those individuals and families with disabilities that significantly interfere with their ability to obtain and maintain themselves in housing; who without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and for whom such services cannot be provided in a non-segregated setting. See 24 CFR 983.251(d).

If a PHA opens a site-based waiting list for PBV units, all new applicants and families or individuals currently on the PHA's tenant-based waiting list must be provided with the option to have their names placed on this list as well. As described in Notice PIH 2011-54, *Guidance on the Project-Based Voucher Program*, PHAs do not have to notify each family on the tenant-based waiting list by individual notice. A PHA could notify these applicants by the same means it would use in opening its waiting list under 24 CFR 982.206(a), including advertising through local and minority newspapers and the internet, posting at local post offices, libraries, and community center, and outreach to social service organizations, such as homeless shelters.

Normally, PHAs may not provide project-based assistance to more than 25 percent of the number of units (assisted or unassisted) in a project. See 24 CFR 983.56(a). However, a PHA that makes units in a project available specifically to elderly or families with disabilities or families receiving supportive services ("excepted units") may exceed this 25 percent cap with these excepted units only. In these circumstances a PHA may place project-based vouchers in up to 100 percent of the units in the project.

For units that are excepted because they are made available to elderly or disabled families, the PHA may not require participation in any type of services as a condition of tenancy, although services may be offered. For units that are excepted because they are made available to families receiving supportive services, a PHA may not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit; however, other supportive services as defined by the PHA, including Family Self-

Sufficiency (FSS) services, may be required as a condition of tenancy. The PHA Administrative Plan must describe the type of services offered to these families or individuals for a project to qualify for the exception to the 25 percent cap and the extent to which the services will be provided. See 24 CFR 983.56(b).

Note: PHAs are reminded that PBV projects with up to 100 percent of the units committed to people with disabilities continue to be allowed under federal statute at 42 U.S.C. 1437(f)(o)(13)(D)(ii) and the HUD regulations cited above. On the services side, policy direction related to health reform implementation, behavioral health care integration, and state *Olmstead* planning will shape how services are defined, delivered, and financed for different populations. HUD recommends that PHAs establish strong relationships with state and county Medicaid authorities and health services agencies to discuss how Medicaid services might work in different housing settings and for different population groups going forward.

For more details related to Project-based Vouchers, please see Notice PIH 2011-54, *Guidance on the Project Based Voucher Program*.

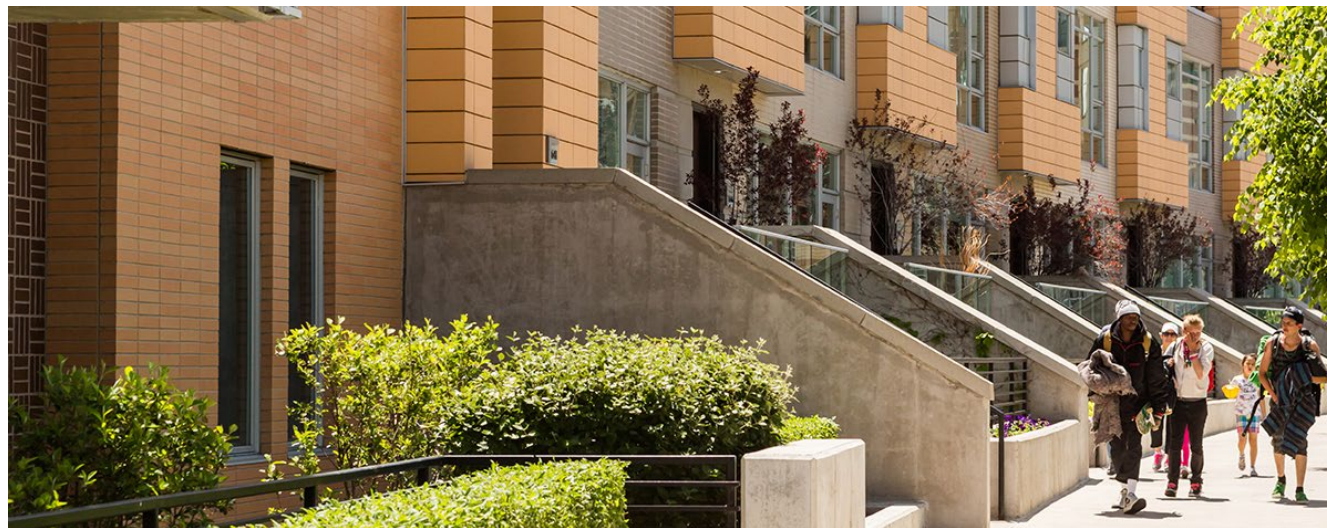
13. **Paperwork Reduction Act:** The information collection requirements contained in this document have been submitted to the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0083. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.
14. **Information Contact:** Inquiries about this Notice should be directed to Ryan Jones at Ryan.E.Jones@hud.gov for Public Housing or Amaris.Rodriguez@hud.gov for Housing Choice Vouchers.

/s/
Sandra B. Henriquez, Assistant Secretary for
Public and Indian Housing



[Home](#) / [What We Do](#) / Housing Choice Voucher Program Section 8

Housing Choice Vouchers Fact Sheet



On this page

- ⊕ [What are housing choice vouchers?](#)
- ⊕ [Am I eligible?](#)
- ⊕ [How do I apply?](#)
- ⊕ [Local preferences and waiting list - what are they and how do they affect me?](#)
- ⊕ [Housing vouchers - how do they function?](#)
- ⊕ [The rent subsidy](#)
- ⊕ [Can I move and continue to receive housing choice voucher assistance?](#)
- ⊕ [Roles - the tenant, the landlord, the housing agency and HUD](#)
- ⊕ [Additional Information and other subsidy programs](#)
- ⊕ [What regulations cover this program?](#)
- ⊕ [Are you a Landlord or PHA looking to increase landlord participation?](#)

What are housing choice vouchers?

The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.

Housing choice vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. [Rental units must meet minimum standards of health and safety](#), as determined by the PHA.

A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. Under certain circumstances, if authorized by the PHA, a family may use its voucher to purchase a modest home.

Am I eligible?

Eligibility for a housing voucher is determined by the PHA based on the total annual gross income and family size and is limited to US citizens and specified categories of non-citizens who have eligible immigration status. In general, the family's income may not exceed 50% of the median income for the county or metropolitan area in which the family chooses to live. By law, a PHA must provide 75 percent of its voucher to applicants whose incomes do not exceed 30 percent of the area median income. Median income levels are published by HUD and vary by location. The PHA serving your community can provide you with the income limits for your area and family size.

During the application process, the PHA will collect information on family income, assets, and family

composition. The PHA will verify this information with other local agencies, your employer and bank, and will use the information to determine program eligibility and the amount of the housing assistance payment.

If the PHA determines that your family is eligible, the PHA will put your name on a waiting list, unless it is able to assist you immediately. Once your name is reached on the waiting list, the PHA will contact you and issue to you a housing voucher.

How do I apply?

If you are interested in applying for a voucher, contact the [local PHA](#). For further assistance, please contact the [HUD Office](#) nearest to you.

Local preferences and waiting list - what are they and how do they affect me?

Since the demand for housing assistance often exceeds the limited resources available to HUD and the local housing agencies, long waiting periods are common. In fact, a PHA may close its waiting list when it has more families on the list than can be assisted in the near future.

PHAs may establish local preferences for selecting applicants from its waiting list. For example, PHAs may give a preference to a family who is (1) homeless or living in substandard housing, (2) paying more than 50% of its income for rent, or (3) involuntarily displaced. Families who qualify for any such local preferences move ahead of other families on the list who do not qualify for any preference. Each PHA has the discretion to establish local preferences to reflect the housing needs and priorities of its particular community.

Housing vouchers - how do they function?

The housing choice voucher program places the choice of housing in the hands of the individual family. A very low-income family is selected by the PHA to participate is encouraged to consider several housing choices to secure the best housing for the family needs. A housing voucher holder is advised of the unit size for which it is eligible based on family size and composition.

The housing unit selected by the family must meet an acceptable level of health and safety before the PHA can approve the unit. When the voucher holder finds a unit that it wishes to occupy and reaches an agreement with the landlord over the lease terms, the PHA must inspect the dwelling and determine that the rent requested is reasonable.

The PHA determines a payment standard that is the amount generally needed to rent a moderately-priced dwelling unit in the local housing market and that is used to calculate the amount of housing assistance a family will receive. However the payment standard does not limit and does not affect the amount of rent a landlord may charge or the family may pay. A family which receives a housing voucher can select a unit with a rent that is below or above the payment standard. The housing voucher family must pay 30% of its monthly adjusted gross income for rent and utilities, and if the unit rent is greater than the payment standard the family is required to pay the additional amount. By law, whenever a family moves to a new unit where the rent exceeds the payment standard, the family may not pay more than 40 percent of its adjusted monthly income for rent.

The rent subsidy

The PHA calculates the maximum amount of housing assistance allowable. The maximum housing assistance is generally the lesser of the payment standard minus 30% of the family's monthly adjusted income or the gross rent for the unit minus 30% of monthly adjusted income.

Can I move and continue to receive housing choice voucher assistance?

A family's housing needs change over time with changes in family size, job locations, and for other reasons. The housing choice voucher program is designed to allow families to move without the loss of housing assistance. Moves are permissible as long as the family notifies the PHA ahead of time, terminates its existing lease within the lease provisions, and finds acceptable alternate housing.

Under the voucher program, new voucher-holders may choose a unit anywhere in the United States if the family lived in the jurisdiction of the PHA issuing the voucher when the family applied for assistance. Those new voucher-holders not living in the jurisdiction of the PHA at the time the family applied for housing assistance must initially lease a unit within that jurisdiction for the first twelve months of assistance. A family that wishes to move to another PHA's jurisdiction must consult with the PHA that currently administers its housing assistance to verify the procedures for moving.

Roles - the tenant, the landlord, the housing agency and HUD

Once a PHA approves an eligible family's housing unit, the family and the landlord sign a lease and, at the same time, the landlord and the PHA sign a housing assistance payments contract that runs for the same term as the lease. This means that everyone -- tenant, landlord and PHA -- has obligations and responsibilities under the voucher program.

Tenant's Obligations: When a family selects a housing unit, and the PHA approves the unit and lease, the family signs a lease with the landlord for at least one year. The tenant may be required to pay a security deposit to the landlord. After the first year the landlord may initiate a new lease or allow the family to remain in the unit on a month-to-month lease.

When the family is settled in a new home, the family is expected to comply with the lease and the program requirements, pay its share of rent on time, maintain the unit in good condition and notify the PHA of any changes in income or family composition.

Landlord's Obligations: The role of the landlord in the voucher program is to provide decent, safe, and sanitary housing to a tenant at a reasonable rent. The dwelling unit must pass the program's housing quality standards and be maintained up to those standards as long as the owner receives housing assistance payments. In addition, the landlord is expected to provide the services agreed to as part of the lease signed with the tenant and the contract signed with the PHA.

Housing Authority's Obligations: The PHA administers the voucher program locally. The PHA provides a family with the housing assistance that enables the family to seek out suitable housing and the PHA enters into a contract with the landlord to provide housing assistance payments on behalf of the family. If the landlord fails to meet the owner's obligations under the lease, the PHA has the right to terminate assistance payments. The PHA must reexamine the family's income and composition at least annually and must inspect each unit at least annually to ensure that it meets minimum housing quality standards.

HUD's Role: To cover the cost of the program, HUD provides funds to allow PHAs to make housing assistance payments on behalf of the families. HUD also pays the PHA a fee for the costs of

administering the program. When additional funds become available to assist new families, HUD invites PHAs to submit applications for funds for additional housing vouchers. Applications are then reviewed and funds awarded to the selected PHAs on a competitive basis. HUD monitors PHA administration of the program to ensure program rules are properly followed.

Additional Information and other subsidy programs

For additional information about the voucher program, contact either the [local PHA](#) serving your community or the Office of Public Housing within your [local HUD office](#). There may be a long wait for assistance under the housing voucher program. If the PHA also administers the public housing program, applicants for the housing choice voucher program may also ask to be placed on the waiting list for the public housing program. HUD also administers other subsidized programs and you may obtain a list of programs in your area from the Office of Housing at your local HUD office.

What regulations cover this program?

Regulations are found in [24 CFR Part 982](#).

Are you a Landlord or PHA looking to increase landlord participation?

If you are interested in learning more about becoming a landlord, visit [HCV Landlord Resources website](#).

Agency

Resources

U.S. Department of Housing and Urban Development

451 7th Street, S.W., Washington, DC 20410
T: 202-708-1112
TTY: 202-708-1455

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HOUSING AUTHORITIES:

Essential Partners in Ending Homelessness

A publication of the Council of Large Public Housing Authorities

Table of Contents

1	Preface
2	Foreword by the U.S. Interagency Council on Homelessness
3	Increasing Leadership, Collaboration, and Civic Engagement
4	Houston, TX: Housing Houston's Heroes
6	Fresno, CA: Fresno Madera Continuum of Care
8	San Antonio, TX: Homeless Services Vouchers Program
10	Increasing Access to Stable and Affordable Housing
11	<i>Family Homelessness: Bill & Melinda Gates Foundation</i>
12	Snohomish County, WA: Project-Based Voucher Program for Homeless Families
14	King County, WA: Rapid Rehousing Demonstration
16	Tacoma, WA: Collaboration with the Child Welfare System
17	Increasing Economic Security
18	Santa Clara County, CA: The Opportunity Center
20	Charlotte, NC: Community Based Rental Assistance Program
22	Cuyahoga County, OH: Y-Haven and Open Door
24	<i>Youth Homelessness: National Alliance to End Homelessness</i>
25	Greensboro, NC: Family Unification Program
27	Improving Health and Stability
28	<i>Chronic Homelessness: CSH</i>
29	San Diego, CA: Home Again, Project 25
31	Oakland, CA: Sponsor-Based Housing Assistance Program
33	<i>Senior Homelessness: LeadingAge</i>
34	Los Angeles, CA: Permanent Supportive Housing Program
35	Marin County, CA: Shelter Plus Care Program
37	Retooling the Homeless Crisis Response System
38	Portland, OR: Short-Term Rent Assistance Program
40	Oklahoma City, OK: 100,000 Homes OKC
42	<i>Veteran Homelessness: National Coalition for Homeless Veterans</i>
43	Washington, DC: VASH Plus

Cover photo: Bruno, Siti, and Juliana, housed at YWCA Family Village in Mountlake Terrace through the Housing Authority of Snohomish County's project-based voucher program for homeless families

Preface

In 2013, CLPHA's members—some of the largest and most forward-thinking housing authorities in the country—committed to an effort to reshape the way that the housing system works with other systems at the federal level. It is CLPHA's view that investing in systems alignment will ultimately improve the delivery of services and will support low-income households by allocating scarce resources more effectively, leveraging other public and private resources, and institutionalizing best practices. Housing authorities' partnerships and innovation are already challenging rigid, compliance-driven programs and systems to be better aligned and integrated while refocusing on "people outcomes." In the current budget climate, systems alignment may be the answer to the challenges that housing authorities face in continuing to meet their missions and to serve their communities.

CLPHA members already know, from experience, that when local systems work together, outcomes for families and individuals living in poverty improve. At the heart of every housing authority's mission is bettering the lives of the families and individuals they serve. For many housing authorities, this means coordinating with the local education, workforce development, health care, transportation, and social services systems to provide supports and opportunities to residents, recognizing that housing quality and stability are inextricably linked to the "people outcomes" of those systems. On any given day, CLPHA members make both affordable housing and vital services available to more than one million low-income households.

Service partnerships enhance housing authorities' ability to meet the needs of their communities, as evidenced by local-level work on homelessness. Housing authorities have always assisted households previously experiencing or at risk of experiencing homelessness. By enabling extremely low-income households to afford their homes, housing subsidies serve to prevent and end homelessness as a matter of fact. Increasingly, however, housing authorities are bringing their subsidies into partnerships with the homeless services system. Such partnerships lead to more targeted efforts to address homelessness, such as the development of permanent supportive housing for populations with specific service needs. Those housing authorities with additional flexibility through Moving to Work have developed additional innovative approaches, such as sponsor-based vouchers, and are dedicating resources to evidence-based practices such as rapid rehousing.

Partnerships also enhance our work at CLPHA, and we are grateful to be able to include in this publication contributions from the U.S. Interagency Council on Homelessness, the Bill & Melinda Gates Foundation, the National Alliance to End Homelessness, CSH, LeadingAge, and the National Coalition for Homeless Veterans. We appreciate their sharing of their expertise and their recognition of the importance of housing authority work in this arena. We look forward to expanding our partnerships, on issues related to homelessness and for broader systems alignment, and encourage readers of this publication to contact us with ideas about how we can work together to improve outcomes for those living in poverty.

Thank you for your interest in the work of housing authorities to end homelessness.



Sunia Zatterman
Executive Director, Council of Large Public Housing Authorities

Foreword

Grit and ingenuity. These two words capture the unique value that public housing agencies across the country bring to the work of ending homelessness. I've had the chance to witness this grit and ingenuity among public housing agency leaders and staff first hand, originally in my work to end homelessness at the community level in Ohio, and now in my role as Executive Director of the United States Interagency Council on Homelessness (USICH). Time and time again, I've watched public housing agency leaders make and stand behind bold commitments, tackle bureaucratic and political hurdles, and come up with innovative solutions and partnerships to improve housing opportunities for individuals and families experiencing homelessness.

The qualities of grit and ingenuity are reflected in the Council of Large Public Housing Authorities' (CLPHA) publication, *Housing Authorities: Essential Partners in Ending Homelessness*, through the many examples of how public housing agencies are helping to end homelessness. Now more than ever, we need the grit, ingenuity, and leadership of public housing agencies in our effort to end homelessness in America. This effort is guided by *Opening Doors*, the first-ever Federal strategic plan to prevent and end homelessness, which is shepherded by USICH in partnership with the 19 Federal agencies that comprise the Council and valued partners like CLPHA. *Opening Doors* is a roadmap for joint action, providing a reference framework for the allocation of resources and the alignment of programs. It includes 10 objectives and 58 strategies that call upon the Federal government to work in partnership with State and local governments, as well as the private sector, to employ cost-effective, comprehensive solutions to end homelessness. Its objectives are organized according to five themes, which CLPHA has, in turn, used to organize this publication: increasing leadership, collaboration, and civic engagement; increasing access to stable and affordable housing; increasing economic security; improving health and stability; and retooling the homeless crisis response system. These themes build upon the lesson that mainstream housing, health, education, and human service programs must be fully engaged and coordinated to prevent and end homelessness.

Such engagement and coordination drives the real work of ending homelessness, which happens at the community level, through partnerships between homeless services providers, Continuum of Care leaders, municipal and State governments, philanthropy, community and business leaders, and public housing agencies. In the past three years, we've seen how these local partnerships have resulted in significant progress towards achieving the goals of ending chronic homelessness and homelessness among Veterans by 2015, and ending homelessness among families, youth and children by 2020. We've seen declines in homelessness overall, while achieving greater declines in homelessness among Veterans and people experiencing chronic homelessness.

But make no mistake: we still have a long way to go and much work ahead of us to reach our goals. And adding to our challenge is the extraordinarily difficult budgetary and political climate in which we now operate. As public housing agencies are well aware, Federal resources for affordable housing—the cornerstone of the Federal strategy to end homelessness—have shrunk due to budget cuts and sequestration. Meanwhile, despite compelling evidence that investing in affordable and supportive housing is cost-effective for low-income households, including people experiencing homelessness, the current political climate is not the most conducive to reasoned, evidence-informed policy arguments.

I remain firm in my conviction that we can achieve the goal of ending homelessness in America. Getting there entails leveraging every available resource—Federal, State, local, and philanthropic—to provide affordable housing and permanent supportive housing to individuals and families experiencing homelessness. It requires the continued leadership and commitment of CLPHA and public housing agency leaders everywhere. It necessitates that those of us in the Federal government support the ability of public housing agencies to adopt the policy changes and programs that increase housing opportunities for people experiencing homelessness, things like limited homelessness preferences, revised admissions policies, project-based vouchers to create permanent supportive housing, and participation in Continuum of Care planning efforts. It also requires more Federal, State, local and philanthropic strategic investments in public housing agencies and their partners to expand the supply of affordable and permanent supportive housing.

Most of all, ending homelessness means learning from the example of public housing agency leaders, who routinely face bureaucratic and political obstacles and must make tough choices about how to allocate scarce resources. By channeling the grit and ingenuity they exhibit, we can ensure that no child, adult, or family will experience homelessness, but instead will have a stable place to call home.



Barbara Poppe
Executive Director, U.S. Interagency Council on Homelessness

Increasing Leadership, Collaboration, and Civic Engagement

Communities need strong leadership and coordination of efforts across all sectors in order to establish, implement, and revise action plans to prevent and end homelessness. These plans must be locally driven and tailored to address the specific conditions of the locality. Since 1995, communities have organized local or regional Continuums of Care (CoC) to take a collaborative funding and planning approach to providing homeless services. Originating in a U.S. Department of Housing and Urban Development (HUD) requirement to submit a single community application for McKinney-Vento Homeless Assistance Grants, the CoC maintains as a central purpose the preparation of that application and the oversight of administration of those grants. The CoC also bears responsibility for developing a long-term strategic plan and managing a year-round planning effort regarding the provision of homeless services. To support their efforts, CoCs gather local data on homelessness, largely carried out through a biennial Point-in-Time (PIT) count of all persons experiencing homelessness and through year-round data collection from homeless assistance providers in a local Homeless Management Information System (HMIS).

Despite the traditional division at the federal level between housing and homelessness program administration, many housing authorities have strong relationships with their local CoCs, in some cases playing important leadership roles in the collaborative approach. Some housing authorities have been engaged with their CoC since the beginning, as many administer Shelter Plus Care vouchers or projects, funded through McKinney-Vento grants. Others may have become more involved in the first decade of the 21st century, as communities began writing local ten-year plans to end homelessness. Most of those plans include a strong focus on developing an adequate supply of affordable housing, and housing authorities can play an important role in increasing that stock, whether as part of a development team or by allocating subsidies to new units to make them deeply affordable.

The affordable housing that housing authorities administer has become an increasingly essential part of local collaborations as more communities adopt a Housing First approach to address homelessness. Housing First efforts center on preventing homelessness and providing people experiencing homelessness with housing as quickly as possible, with varying levels of wrap-around services offered once they are housed, depending on need. With this approach, households can focus their attention on addressing the issues that led to their experience of homelessness because they have the stability of housing. Housing authorities provide units, often through set-asides or admissions preferences, that enable housing to come first.

Houston Housing Authority

HOUSING HOUSTON'S HEROES

“We do so much more together than we could do on our own.”

– Mark Thiele, Houston Housing Authority's Vice President of the Housing Choice Voucher Program

Together with its governmental, non-profit, and private sector partners, the Houston Housing Authority (HHA) is well positioned to meet the ambitious goal of ending homelessness in Houston. On May 29, 2013, HHA celebrated the one-year anniversary of Housing Houston's Heroes, an initiative which successfully housed and provided supportive services to 148 homeless veterans, including 101 chronically homeless veterans, in 100 days. Throughout the first 100 days, HHA provided leadership through organization, engagement, community outreach, and agency performance.

In April 2013, HHA started another ambitious project—the goal this time to house 300 homeless veterans in 100 days. Together, the partnership surpassed this goal and housed 357 homeless veterans, including 195 chronically homeless veterans. Using HHA vouchers, Harris County Housing Authority vouchers, Supportive Services for Veteran Families (SSVF) funds, and other local HUD-funded Continuum of Care (CoC) units, this effort capitalized on an enduring sense of collaboration. HHA attributes its success to the coordinated access and outreach with its community partners. Working with its partners, HHA has hosted briefings that bring the homeless and homeless service providers together, in one room, in order to expedite the process of securing housing and supportive services for homeless individuals. Currently, Housing Houston's Heroes has housed over 830 homeless Houstonians.

“We do so much more together than we could do on our own,” affirms Mark Thiele, HHA's Vice President of the Housing Choice Voucher Program, who has been the effort's Team Leader.

Housing Houston's Heroes has facilitated many other positive changes, including: an amended administrative plan allowing for a homeless admissions preference with attached supportive services, creation of a new HHA position focused on homeless and housing initiatives, Houston's move towards Coordinated Access for units funded by both the U.S. Department of Veterans Affairs (VA) and the CoC, integration of triage tools to assess and place clients in housing with the correct level of care, troubleshooting of system barriers, enabling open dialogue on the definition of chronic homelessness, formation of a subcommittee to address housing retention, increased utilization of the Homeless Management Information System (HMIS) to track those housed, a dramatic shift toward VA implementation of Housing First principles, and HHA's participation in Houston Registry Week.

Houston Registry Week, the local effort of the national 100,000 Homes Campaign, was a citywide collaborative initiative to create a comprehensive database to identify Houston's most vulnerable homeless individuals. For three days, volunteers canvassed downtown Houston surveying Houston's homeless. Identifying and prioritizing the most vulnerable homeless individuals is the first of a three-step process to house 2,500 homeless Houstonians by 2016. The additional steps include placing the homeless into permanent housing, and providing them with needed services and treatments.

“It makes sense on a moral and financial level to get Houston's homeless off the streets and into permanent supportive housing,” says HHA President and CEO Tory Gunsolley. “We are committed to working with our partners to make sure that homeless veterans, individuals, and families in Houston get the help that they need.”



Veteran James Adams in his new apartment

Courtesy of Johnny Hanson, Houston Chronicle

The unprecedented collaboration among Houston's homeless service providers greatly impacts the lives of Houston's homeless veterans, such as Marine Corps veteran James Adams. James moved into his new apartment in southwest Houston on May 1, 2013 after being homeless for five years. He said that his life is now back on track. He is taking classes to become an electrician and expects to graduate from Everest Institute in fall 2013. "I got my own place, and my self-esteem is coming back," James says. "Life has many challenges, and sometimes it takes people a little longer to get back up when life knocks them down."



Veteran Burnell Bemiss in his new apartment

Single father Burnell Bemiss is as optimistic as Adams about his future as a result of help from Housing Houston's Heroes. Burnell, an Army veteran, was living in a shelter with his 15-year-old son before receiving a voucher. Now, the two live in a two-bedroom apartment and are both grateful for the newfound stability in their lives. Burnell's son is involved in ROTC and is excelling at his high school. He plans on attending college and then pursuing a career in the military. Burnell is proud of his son but also proud of his own accomplishments. He is currently attending classes to become a barber and hopes to open his own barber shop. "Taking care of my son and watching him grow up to become a responsible adult is important to me," Burnell says. "My son and I are in a good place, things are better."

HHA President and CEO Tory Gunsolley conducting homeless survey with Houston resident

Agencies participating in Housing Houston's Heroes include: HUD; VA; City of Houston, Office of the Mayor; Baxter Trust; The Beacon; Career and Recovery Resources, Inc.; Catholic Charities; City of Houston, Housing and Community Development Department; City of Houston, Office of Veterans Affairs; Cloudbreak Communities; Coalition for the Homeless of Houston/Harris County; Compassionate Houston; CSH; Goodwill Industries; Harris County Housing Authority; Harris County, Office of Housing and Community Development; The Housing Corporation; Houston Housing Authority; Houston Food Bank; Houston Police Department – Homeless Outreach Team; Mental Health and Mental Retardation Authority; Neighborhood Centers, Inc.; Salvation Army; SEARCH Homeless Services; U.S. Vets.



Fresno Housing Authority

FRESNO MADERA CONTINUUM OF CARE

Fresno Housing (FH) employs innovative Housing First strategies to end homelessness in Fresno County. Through partnerships in the non-profit, government, and medical arenas, FH offers a plethora of housing options with services to diverse populations. Enhanced work around garnering additional resources for housing the homeless has strengthened the excellent partnerships that FH had previously forged. Homelessness and its solutions are community issues that should be addressed collaboratively, and FH leads its community in doing so, in a number of ways.

As the Collaborative Applicant for the Fresno Madera Continuum of Care (FMCoC), FH is responsible for stewardship of HUD's extensive Continuum of Care Notice of Funding Availability (NOFA) process for supporting projects that alleviate homelessness, for both Fresno and Madera Counties. In 2012, FH worked closely with all FMCoC members and an outside consultant on a successful Collaborative Application, resulting in funding for all but two new projects. Currently, resources stand at \$5.7 million with 21 projects funded.

In addition, FH serves as the Homeless Management Information Systems (HMIS) Lead Agency, maintaining the system within its information technology purview and training all FMCoC members on superior data collection, quality, and analysis. As HMIS Lead, FH procures and analyzes data for the Annual Homeless Assessment Report and Housing Inventory Chart, which are reported to HUD.

FH embarked on participation in the 100,000 Homes Campaign in 2011. During Fresno's first registry in July 2011, 100 volunteers administered Health and Housing Surveys to approximately 250 homeless respondents over a three-day period. The resulting Vulnerability Index (VI) informed strategies on collaborative solutions to prioritize housing those most vulnerable. To date, utilizing VI data, Fresno has secured housing for 269 households of the area's most at-risk residents. In March 2013, Fresno participated in a Rapid Results Boot Camp, delving further into developing housing strategies for those most in need of assistance.

Building on its experience with the VI, FH along with FMCoC partners played an integral role in the 2013 Point-in-Time (PIT) count. With HUD's encouragement to incorporate the VI into the PIT, the FMCoC seized the opportunity to enhance its knowledge of characteristics of those it aims to serve. Over a three-day period in February 2013, volunteers surveyed the homeless community utilizing the Health and Housing instrument, resulting in the addition of 300 unsheltered individuals to the VI. One of the most important features of the PIT was civic engagement, and volunteers came from every part of the community—faith-based organizations, students, non-profit agencies, and concerned individuals.

“This is all just one part of a collaborative, community-wide effort focused on a long-term strategy to prevent and end homelessness in our area.”

– Preston Prince, Executive Director and CEO of Fresno Housing

Preston Prince, Executive Director and CEO of Fresno Housing notes, “This is all just one part of a collaborative, community-wide effort focused on a long-term strategy to prevent and end homelessness in our area.”

From its leadership position in the FMCoC, FH observed the scant supply of housing resources available to address homelessness, and the staff and Board of Commissioners responded by prioritizing the housing of homeless individuals and families. One of FH's proudest achievements is the establishment of 118 units of permanent supportive housing in partnership with the Fresno County Department of Behavioral Health (DBH). These “Renaissance” projects utilize a Housing First/Harm Reduction model with behavioral health services offered both on- and off-site. Such a model presents challenges, like dealing with behaviors antithetical to traditional housing models and teaching households that rent payment is the primary priority in maintaining housing. This is why case management is a vital element for success, and partnership with the dedicated professionals of DBH is invaluable. FH has developed the partnerships needed to take on the difficult and rewarding work of ending homelessness in Fresno County.



“I haven’t lived on my own for more than 27 years! I’m scared but know this is the step I need to move forward!”

– Jackie (left), moving into Renaissance at Santa Clara.

After eleven years of homelessness and dealing with substance abuse issues, Pearl was desperate for change but unable to make the transition to sobriety. Past trauma, coupled with life on the streets, was just too hard. Pearl utilized services at the local soup kitchen, the women’s day center, and sometimes spent nights at the women’s shelter.

She was fast losing hope of ever getting off the streets when she participated in a 100,000 Homes Health and Housing Survey. The volunteer performing the survey remembers Pearl sobbing as she recalled how long she had been on the streets and the trauma she faced throughout her life.

Pearl’s luck and life changed when she learned that she was eligible for a FH permanent housing program featuring subsidized housing payment and case management services. “I can’t remember a time when I have felt so blessed,” states Pearl, her smile and laugh infectious. Since moving into housing provided by FH, she has reconnected with her family, including her children and grandchildren. Today, Pearl has hope, love, and laughter—all because she has a place to call home.



Renaissance at Santa Clara

San Antonio Housing Authority

HOMELESS SERVICES VOUCHER PROGRAM

“We know that our partnership will continue to be vital as we work together to refine the housing strategy for people experiencing homelessness in our community.”

– Scott Ackerson, Haven for Hope’s Vice President of Strategic Relationships

The San Antonio Housing Authority (SAHA) serves 27,000 households through its 6,321 public housing units, 6,879 mixed-income units, and 13,417 Housing Choice Vouchers. While SAHA maximizes its HUD-funded, low-income housing programs, another 40,000 families are on the agency’s waiting lists for housing assistance, and as many as 3,000 individuals are homeless in San Antonio every day.

“SAHA is committed to reducing homelessness in our community, through programs that provide affordable, quality housing for more than 1,100 homeless individuals and families, while working with local service providers on issues that affect the participants’ quality of life,” says Lourdes Castro Ramírez, SAHA President and CEO.

The agency’s Homeless Services Voucher (HSV) program provides rental vouchers to homeless individuals through a partnership with Haven for Hope, a one-stop center for the homeless that features a multi-acre campus and a recovery-oriented system of care with comprehensive social services provided on-site by community agencies.

Haven for Hope is comprised of two major programs: Prospects Courtyard, a low-barrier, safe sleeping area that offers shelter and basic needs; and the Transformational Campus, a center that offers services and shelter with an emphasis on addressing the root causes of homelessness. The goal at the Transformational Campus is to help homeless individuals or families obtain the resources and support needed to attain permanent housing.

Through a collaborative process under SAHA’s HSV program, Haven for Hope refers Transformational Campus participants to the Housing Authority, which places eligible applicants on the Housing Choice Voucher waiting list. Upon selection from the waiting list and final eligibility screening, an HSV participant is issued a voucher by SAHA and receives continued case management and supportive services from Haven for Hope.

“SAHA has been an invaluable partner in our efforts to rehouse families,” says Scott Ackerson, Haven for Hope’s Vice President of Strategic Relationships. “We know that our partnership will continue to be vital as we work together to refine the housing strategy for people experiencing homelessness in our community.”

A total of 400 vouchers have been allotted for the HSV program, and 350 individuals are currently being assisted. Since its inception in July 2010, the program has helped 627 households, who rely on HSV assistance for an average of two years.

SAHA’s other homeless assistance efforts include: 435 Veterans Affairs Supportive Housing (VASH) program vouchers, which combine rental assistance with case management and clinical services provided by the U.S. Department of Veterans Affairs (VA) at VA Medical Centers and community-based outreach clinics; 200 Set-Aside Homeless Voucher Program vouchers, which utilize a collaborative referral process with local supportive service providers including SAMMinistries and the Center for Health Care Services; and 101 Shelter Plus Care (S+C) vouchers, providing rental assistance and supportive services for homeless families and individuals with serious mental illnesses, chronic problems due to alcohol or drug dependencies, and AIDS or related diseases. Additionally, SAHA has engaged CSH to assist in the development of a Permanent Supportive Housing Program.



Air Force veteran Adele Jamison-Jackson, housed through SAHA's VASH program, and her daughters

Leslie Serna, 35, lost her full-time job as a car dealership service manager and then lost her home— ultimately finding herself at Haven for Hope, along with her five children. “After selling everything I had to keep up with the bills, my kids and I showed up to Haven with just three bags of clothes,” says Leslie.

The following six months, which her family spent at Haven for Hope, required adjustments, especially for her children, who range in age from 11 months to 18 years. “You try to provide your children with as much as you can,” she says. “But the experience helped my children appreciate more what they have.”

After finding a job as a bartender, Leslie was able to save enough money to transition to her own home, upon receiving her voucher from SAHA. She credits the resources, programs, and advice given to her from the Haven for Hope representatives that helped her get back on her feet, provide for her children, and eventually buy a car.

Leslie just signed her second-year lease on her apartment and advises anyone who had a similar situation to take advantage of all that Haven for Hope has to offer. “Don’t be afraid to ask questions about anything. They are here to help, and they want to see you succeed.”

“After selling everything I had to keep up with the bills, my kids and I showed up to Haven with just three bags of clothes.”

– Leslie Serna, participant in the Homeless Services Voucher Program

Increasing Access to Stable and Affordable Housing

According to HUD's *Worst Case Housing Needs* report, in 2011 there were only 31 affordable, available, and adequate housing units for every 100 extremely low-income renters. These are households with incomes of no more than 30 percent of their Area Median Income (AMI). As a result of this affordable housing shortage, the number of households with "worst case needs"—very low-income renters (up to 50 percent of AMI) who do not receive housing assistance and either pay at least half of their income for housing or live in severely substandard housing—has been increasing at a record pace for a decade. Between 2001 and 2011, the incidence of worst case needs increased by 69 percent.

Families with children make up the greatest share of worst case needs, accounting for 38.2 percent of the total. Among very low-income renter families with children, 42.8 percent have worst case needs, an increase of 24 percent since 2007. Paying most of their income for housing, these families are extremely vulnerable. One study showed that 20 percent of households with children in the lowest-income quintile lose more than 50 percent of their income in any given year, with only about half fully recovering the loss within a one-year period.¹ Without the resources to cushion themselves from such income shocks, households may experience serious residential instability, and may become homeless.

Although we have made some progress, as a nation, we are still challenged by the problem of family homelessness. As homelessness has decreased overall, the number of persons in families with children who are experiencing homelessness has seen only a limited decline, 3.7 percent since 2007. Between 2011 and 2012, homelessness among persons in families actually increased by 1.4 percent. During the 2010-2011 school year, public schools identified 1,065,794 homeless students, the highest number on record and a 57 percent increase since the 2006-2007 school year.

Aware of the traumatic effects that housing instability and homelessness can have on children—physically, emotionally, and in terms of their educational progress—housing authorities have developed specific efforts to help families regain and maintain stable and affordable housing. Some families, including those involved in the child welfare system, may need long-term support services to achieve stability. Others may only need short-term assistance to get back on their feet and may be best served with rapid rehousing assistance. Rapid rehousing is a Housing First strategy through which households receive temporary assistance that allows them to obtain and retain housing. It can take the form of short-term rental assistance, security deposit assistance, utility payments, moving cost assistance, or other types of assistance. For some families, this will be enough to stabilize their households, while others may need the long-term rental assistance of the traditional housing authority programs.

FAMILY HOMELESSNESS

BILL & MELINDA GATES FOUNDATION

By David Wertheimer, Deputy Director, Pacific Northwest Initiative

Rental markets that put housing out of reach of lower-income workers, unstable employment, domestic violence, uninsured health crises, long-term debt, checkered rental histories and mortgage foreclosures—these are but a few of the reasons families in the United States can face housing instability and homelessness.

There are as many unique stories of family homelessness in America as there are homeless families. In 2012, families represented 37 percent of the overall homeless population in the United States. HUD's 2012 Point-in-Time homeless count identified more than 230,000 people in families in 77,000 American households. In Washington State, the focus of homelessness work by the Bill & Melinda Gates Foundation, the 2012 count identified 9,231 homeless family members in 2,871 households. Other counts produce even more stark statistics. The 2012 count of kids who are homeless in public schools across Washington, which includes those in doubled-up housing, identified more than 27,000 homeless children across the state.

With numbers like these, it is no surprise that housing authorities in Washington—and elsewhere across the nation—have been such essential partners in the ongoing work of ending homelessness. But, as housing authorities and others know well, successfully stabilizing families in housing frequently requires more than just a roof overhead and pat on the back. Although rapidly housing homeless families is the essential first step towards stability, families may present a range of complex needs that must be addressed on an individualized and tailored basis if their housing tenure is going to be successful over time.

Data from a cohort of more than 350 homeless families being studied as part of our work in King, Pierce, and Snohomish Counties (the central Puget Sound region) provides insights into the range of needs that must be considered by housing providers working with these families. Three quarters of the families are headed by single adults, and many have young children: 66 percent have at least one child under six years old, 38 percent have a child two or younger. At baseline (shelter entry), 68 percent of the heads of household in these families met the threshold criteria for moderate or severe psychological depression. A history of domestic violence and/or

BILL & MELINDA
GATES *foundation*

trauma was reported by 61 percent of the families. Unemployment was reported by 65 percent of the potential wage earners in these families; for those employed, the mean hourly wage was \$10.77, and families had a mean monthly income of \$633. An alarming 84 percent reported significant levels of debt; the mean debt level was \$14,117. A significant number of these families have been or are involved with the child welfare system.

Many of these families would benefit from help from a number of different sources. Yet the existing fragmentation of services and systems often complicates the experiences of these families, placing an even greater burden on shelter and housing providers to assume a coordinating role in service delivery. Working in partnership with housing authorities, housing can become the essential platform on which pathways to stability and success can be built. Pairing housing with the right mix of services—no more and no less than what each family needs—can make the difference between success and failure over time, both for individual families and for the systems that are assisting them.

Using tools like progressive engagement and formal linkages between housing, education, workforce training, employment supports and other services, partnerships with housing authorities have helped to reinforce how resilient families truly can be, and how the goal of stability and independence is within reach for many. In the current environment of limited resources that stretch every system's capacities to meet at times overwhelming demands, working with families to help them move up and out of subsidized housing supports the larger system goal of "through-put." That is, it frees up subsidies from the existing, limited pool and increases the number of families who can benefit from those subsidies. Over time, this actually increases the capacity of housing providers to meet the needs of the families whom they have not yet even met.

At the Bill & Melinda Gates Foundation, we rely on housing authority partnerships as critical to the shared goal of ending family homelessness.

Guided by the belief that every life has equal value, the Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people's health and giving them the chance to lift themselves out of hunger and extreme poverty. In the United States, it seeks to ensure that all people—especially those with the fewest resources—have access to the opportunities they need to succeed in school and life. Based in Seattle, Washington, the foundation is led by CEO Jeff Raikes and Co-chair William H. Gates Sr., under the direction of Bill and Melinda Gates and Warren Buffett.

Housing Authority of Snohomish County

PROJECT-BASED VOUCHER PROGRAM FOR HOMELESS FAMILIES

Of the 9,000 households on HASCO's Section 8 waiting list, 45 percent are homeless.

The Housing Authority of Snohomish County (HASCO) aims to provide housing opportunities that are as affordable as possible and that enhance quality of life for individuals and families of limited financial resources. HASCO owns and manages a portfolio of 5,500 subsidized and affordable units and vouchers, and covers a jurisdiction of 620,000 people and 15 school districts. Of the 9,000 households on HASCO's Section 8 waiting list, 45 percent are homeless.

HASCO began project-basing vouchers in 2001 as part of a regional initiative aimed at reducing homelessness for families with children. "Matching housing and supportive services for homeless families was a really good idea," says Bob Davis, HASCO Executive Director, "and we wanted to use our voucher resources to assist in that effort." HASCO understood that the educational and developmental outcomes of homeless children suffered due to lack of affordable housing and that the cycle of homelessness and poverty would continue without a housing and services intervention.

The agency's project-based voucher (PBV) program serving homeless families has grown to 243 units. In partnership with non-profit service providers, HASCO has been able to assist 1,055 families in the program since its inception, and among the households currently served by the program are 400 children. The average family in the program consists of a single parent with two children and has a household income of just \$750 per month. The average family pays \$118 per month to their landlord, and the PBV covers the balance.

HASCO's service provider partners screen homeless families for the program and provide wrap-around services including case management, mental health counseling, life skills classes, education and employment services, and youth programs. Service providers work closely with school district homeless liaisons to ensure educational needs are met for all children in the program. HASCO and other landlords provide the apartment units, and HASCO provides the rental assistance through PBVs. Once families complete their Supportive Services Housing Plan, they graduate from the program and receive a Housing Choice Voucher (HCV).

A recent evaluation of the program showed that, over a 2.5 year period, 86 percent of the participating families achieved housing stability, meaning they: (1) were still successfully participating in the PBV program, (2) had graduated and were successfully participating in the HCV Program, or (3) became self-sufficient and obtained their own housing.



Bruno, Juliana, and Siti

Siti and her two children, Bruno and Juliana, moved into the YWCA shelter in August 2010 after becoming homeless due to a family breakup caused by domestic violence. Siti's native country is Indonesia, and she has limited English proficiency, making it difficult for her to help her children with their school work. Bruno and Juliana attended homework club at the shelter for support with their school work, and Bruno received help from a YWCA Child Advocate. In addition, Siti attended Edmonds Community College to improve her English skills.

The family's dream of a safe and affordable home to begin their journey to self-sufficiency became a reality in April 2012, when they moved into their own three-bedroom apartment, a PBV unit at YWCA Family Village in Mountlake Terrace. This stable housing enabled Siti to obtain a job at the University of Washington in the janitorial department. In addition, Bruno and Juliana's school performance blossomed.

Bruno, age 12, just entered seventh grade and is thriving. Siti will enroll Bruno in Washington State's College Bound Scholarship Program, which combines with other state financial aid to cover college tuition for low-income seventh and eighth grade students who work hard in school, stay out of legal trouble, and successfully apply to higher education institutions.

Juliana, a 10-year-old in fifth grade, is an excellent reader and has received numerous awards for her reading accomplishments this past year. In addition, Juliana was able to receive McKinney-Vento transportation services from the Edmonds School District, allowing her to continue her education in her school of origin and avoid the school changes that often cause homeless students to fall behind.

“The collaboration between the YWCA, HASCO, and the Edmonds School District made it possible for this family to obtain the stable home they so desperately needed in order to thrive and to achieve their employment and educational goals.”

– Maria Bighaus, Director of Housing Services of YWCA Snohomish County.

King County Housing Authority

RAPID REHOUSING DEMONSTRATION

“Researchers have demonstrated that rehousing homeless children in stable, affordable housing allows them to ‘make up’ the learning and development they may have lost while homeless.”

– Casey Trupin, attorney with Columbia Legal Services

As homelessness increases among families, teachers and school administrators are witnessing its effects on children and their academic performance. School districts throughout Washington State are wrestling with this growing issue and recognizing its impact on the classroom. In 2012, school districts in King County alone reported more than 5,200 homeless children. This reflects an increase of 53 percent in just three years.

Being homeless affects how children learn. Kids who are sleeping on a relative's couch can't do their homework. Kids who change classrooms every two months because their parents don't have stable housing don't keep up with the curriculum for their grade.

Homelessness has been shown to affect the behavioral development, interpersonal relationships, and physical and mental health of students. Housing and classroom stability is increasingly associated with on-time grade advancement and graduation rates.

Under the federal McKinney-Vento Act, school districts are required to pay to transport students back to their school of origin, even if they have been forced to find emergency shelter outside the district. The purpose of this requirement is to support homeless students with classroom stability, keeping them connected to their teachers, peers, and a consistent curriculum. With no federal funding for this purpose, school districts must use limited education funds to provide cab fare, bus passes, or other means of transportation for these children. The cost is high and continues to grow: school districts in King County alone spent \$5.69 million on homeless student transportation during the 2011-2012 school year.

Back to School Fair for Highline Students in SeaTac



While the intention of the McKinney-Vento requirement is laudable—it is well documented that providing a stable classroom setting can reduce the negative impacts of homelessness on children—wouldn't it be more effective to prevent or limit homelessness in the first place? Shouldn't available resources be directed to providing housing stability rather than cab fares? The King County Housing Authority (KCHA) is exploring how it can cost-effectively help address these twin challenges.

"Providing long-term stable, affordable housing has the effect of stabilizing the lives of formerly homeless students at home and at school," says Casey Trupin, attorney with Columbia Legal Services and one of the editors of the study *Beds and Buses: How Affordable Housing Can Help Reduce School Transportation Costs*, commissioned by the National Law Center on Homelessness and Poverty. "Researchers have demonstrated that rehousing homeless children in stable, affordable housing allows them to 'make up' the learning and development they may have lost while homeless."

Working as a partner in the Road Map District Consortium, a network of seven school districts in King County collaborating on educational initiatives under a federal Race to the Top grant, KCHA is developing a program that links schools and housing. A pilot Rapid Rehousing Demonstration with one of these partners, the Highline School District—where 900 students were homeless during the 2012-2013 school year—is just getting underway. Rapid rehousing is increasingly being seen across the country as an effective strategy for returning homeless families to permanent housing.

Using the flexibility provided under its Moving to Work (MTW) contract, KCHA's program will provide short-term rental assistance to rapidly rehouse 40 homeless families who have at least one child attending school in the Highline School District. The District's McKinney-Vento school liaisons will identify and screen eligible families for referral to the pilot program. These families will be connected to rental subsidies, client assistance funds, employment, and other resources. Neighborhood House, a service provider with deep roots in the south King County community, will provide support as needed through housing search assistance, job training, employment, and financial case management. The expectation is that targeted families will only require assistance for a limited period of time (six months or less). The goal is to stably rehouse these families within the catchment areas of their existing schools.

Technical assistance on program design is being provided by CSH. Building Changes, a local non-profit that supports homeless family initiatives, is providing funds for employment connection services. Additional client assistance funds from the United Way and other community foundations are expected to expand the reach of the program. If the demonstration program is successful, KCHA hopes to expand the initiative to the other school districts in the Race to the Top consortium.



Highline's Kindergarten Jump Start program

The initiative is being evaluated by an outside consulting firm. KCHA and the Highline School District will be looking at four outcomes:

- 1) Reductions in the length of time families are homeless;
- 2) The success of the program in utilizing short term assistance to facilitate long term housing stability;
- 3) Reductions in the use of educational funds for transportation costs; and
- 4) Improvements in classroom stability and academic outcomes for the youth assisted.



The first day of school for students in the Highline District

Tacoma Housing Authority

COLLABORATION WITH THE CHILD WELFARE SYSTEM

In Washington State, seventeen housing authorities, four non-profit housing organizations, and the State's agency for child welfare services, Department of Social and Health Services (DSHS), have signed a Memorandum of Understanding (MOU) establishing a promising and innovative collaboration. They seek to better serve client households that need both housing and supportive services for one of three purposes: (1) to prevent the need for a child's foster care placement, (2) to shorten the length of a foster care placement, or (3) to allow a young person aging out of foster care to begin his or her adulthood without becoming homeless.

The collaboration aims to supplement and build upon the Family Unification Program (FUP) by committing 249 vouchers and units in addition to 912 FUP vouchers already designated for these purposes, with DSHS providing enhanced social services for as long as the household receives housing under the MOU. The service commitment may encourage a voucher landlord to take a risk on renting to a participating family or youth who may otherwise fail a landlord's screening, giving that landlord a caseworker to call if problems arise during a tenancy. The collaboration also takes advantage of the flexibility available to the four participating housing authorities with MTW status. For example, the Tacoma Housing Authority will limit the duration of its rental assistance for the non-FUP participants. Once the family is adequately stable and no longer needs the housing assistance to prevent or shorten a child's placement, DSHS could recycle the rental assistance to the next family who needs it for those purposes.

Along with others, Tacoma Housing Authority's Executive Director, Michael Mirra, helped develop this partnership as the housing representative on DSHS's Advisory Committee for fashioning a competitive application to the U.S. Department of Health and Human Services for a Title IV-E Waiver. Such a waiver allows more flexible use of federal foster care dollars. Mirra took the opportunity presented by the application process to move previous discussions forward and formally propose the housing-child welfare collaboration to the leadership of DSHS and to Representative Ruth Kagi, a leader on the issue in Washington's House of Representatives.

The proposal addressed two related problems. First, the nation's child welfare systems need housing resources to be effective. Conservative estimates indicate that, if DSHS child protection and child welfare workers had housing resources available to use when they judged it would work to prevent or shorten a child's foster care placement, the State could prevent about 5 percent of initial placements and significantly speed up reunification in 15 percent of placement cases. Other estimates suggest that nearly half of youth become homeless within two years of aging out of foster care. Second, many of these families and youth need more than housing.

They need supportive services to succeed not only as parents or transitioning youth but as tenants. Services may be necessary to help them find and keep housing. Notably, they may need these services beyond the duration of the child welfare services they are receiving.

"If these estimates are even partially correct, then the provision of housing resources and supportive services offers several appealing and valuable policy and fiscal benefits," says Mirra. "It would greatly increase the ability of the child welfare system to prevent or shorten placements that would otherwise be unnecessary. It would better reserve placements for the children whose need for them is unavoidable. It would give youth a better chance at a stable life after care. It would save money in averted foster care costs."

Because of these promising advantages, DSHS and State Representative Kagi received the proposal very positively. "As Washington State embarks on a major reform of its child welfare system that involves keeping children safely at home whenever possible, and safely returning children home as soon as possible when removal is necessary, the cooperation and support of the public housers is critical to our success," explains Representative Kagi. The housing authorities, non-profit housing providers, and DSHS collaborated to develop the MOU, which the State of Washington then included as part of its successful Title IV-E waiver application. Representative Kagi credits the MOU as an important reason the State was successful in obtaining the waiver. Now, all partners work on implementation, expecting that the enhanced match of housing, child welfare services, and supportive services will make all three more effective and more cost-effective. The MOU provides for an evaluation of these possible outcomes, to be conducted by DSHS.

Increasing Economic Security

It is no surprise that households with the greatest financial insecurity are the most at risk of experiencing homelessness. In a country with 43 million people living in poverty, this fact leaves far too many people just one paycheck away from losing their homes.

Low-wage workers, for example, often find themselves in precarious housing situations. According to the National Low Income Housing Coalition's *Out of Reach* 2013 report, with only a handful of exceptions in states with higher minimum wages, there is no county in the United States where a one-bedroom unit priced at the Fair Market Rent is affordable to someone working full-time at the minimum wage. As a result of this mismatch between income and housing costs, low-wage workers must spend significantly greater percentages of their incomes for housing than their higher-income counterparts. Over three quarters of extremely low-income households spend more than half of their income on housing costs. This puts them at risk of losing their ability to pay for their housing as a result of reductions in working hours, job loss, or stagnating wages that do not keep pace with rent increases.

Unfortunately, this precariousness means that employment itself does not protect against homelessness. A startling number of those experiencing homelessness are actually employed. The New York Times recently reported that more than one out of four families in New York City shelters, 28 percent, include at least one employed adult, and 16 percent of single adults in shelters hold jobs. Hard-working, responsible people go to work each day, only to go back to a shelter at night because their wages are not sufficient to buy or rent adequate housing.

Those who face serious barriers to employment, such as ex-offenders trying to get back on their feet as productive community members, face an even greater risk of homelessness. Youth aging out of foster care, who are establishing independent households in the community for the first time without assets to fall back upon, are particularly vulnerable. Persons with disabilities who cannot work and those who have suffered long-term homelessness may need extra support to achieve economic and housing stability, including connections with mainstream assistance programs. These particularly disadvantaged populations require targeted resources and services to help bolster their economic security and prevent them from falling into or returning to homelessness. Housing authorities are helping to provide such assistance.

Still, most homelessness is situational, the result of an acute housing crisis, usually due to a sudden decrease in financial resources. Households experiencing situational homelessness spend relatively short amounts of time in the homeless assistance system, exit to housing, and rarely return. Due to their financial circumstances, they may need rental assistance to secure that housing, and supports such as case management and job search assistance to help them maintain it. Housing authorities are working with partners in their communities to provide these types of aid to those in need.

Housing Authority of the County of Santa Clara

THE OPPORTUNITY CENTER

In the heart of Silicon Valley, where the high cost of living is well beyond the means of many residents, the Housing Authority of the County of Santa Clara (HACSC) administers over 16,000 Section 8 vouchers and has a real estate portfolio of 2,700 tax credit and HUD-funded affordable units. Furthermore, HACSC has housed over 2,000 homeless families and seniors by using MTW funding flexibility to develop housing, and by dedicating new turnover vouchers and project-based vouchers to this population. These efforts are critical in Santa Clara County, where the 2013 Point-in-Time count found that more than 7,600 people are homeless on any given night—an increase of eight percent since 2011.

The Opportunity Center of the Midpeninsula, a Housing First facility within HACSC's real estate portfolio, was built in 2006 to provide permanent housing plus comprehensive services and personalized case management to homeless individuals and families. "The Housing Authority serves as developer, asset manager, and joint owner. We, along with key partners Community Working Group and InnVision Shelter Network, work with a broad coalition of citizens, charities, local governments, and educators," says Vanessa Cooper, HACSC Director of Real Estate Services. "The mixed-use center combines 88 units of extremely low-income permanent housing with an on-site, drop-in service center for those experiencing or at risk of homelessness." Numerous non-profit organizations provide services and resources that include case management, medical services, counseling, food distribution, education support, computer access, laundry facilities, showers, and lockers.

Located in downtown Palo Alto and near Stanford University, in one of the wealthiest and yet most unaffordable places to live in the nation, the Opportunity Center provides homeless households with homes of their own and assists many more individuals and families in finding their way back to productive, self-sufficient lives. Personal success stories of Center residents provide support that the Housing First strategy for reducing homelessness is as effective in Palo Alto as it has been in other areas, including New York, Santa Monica, Alameda County, and San Francisco.

Personalized case management is paramount to helping people secure permanent housing and self-sufficiency. Last year, 2,975 case management services were provided to Opportunity Center clients. The case managers, staff, and specialist volunteers assist clients and residents with a range of issues from housing to substance abuse to financial assistance to the justice system. Currently 130 people, including 23 children, reside at the Center. The tenants' average

"The Opportunity Center shows what can be done when a community and local governments work in partnership to solve homelessness and develop economic self-sufficiency."

– Alex Sanchez, Executive Director of the Housing Authority of the County of Santa Clara

stay of four years, with 20 percent of the tenants living at the Center for more than six years, demonstrates that these formerly homeless households have managed to stabilize their lives.

Equally important is the rental subsidy available to those who are unable to be housed due to insufficient or no income. Since its inception in 2006, the Center's rental subsidy program (provided by a local, community-driven non-profit) has aided 53 tenants, more than half of whom were disabled, chronically homeless, and without income. Funds provided amounted to \$485,000. Through intense case management, 45 of the 53 tenants now are receiving benefits, while eight are employed. Data show that on average, current households experience an increase in income of 20 percent during their stay. A further 22 households are assisted by direct subsidy from HACSC, which has contributed \$1,398,870 to date.

"The Opportunity Center shows what can be done when a community and local governments work in partnership to solve homelessness and develop economic self-sufficiency. This strategy is even more important as federal budget cuts continue to deplete funding for social services and affordable housing assistance," asserts Alex Sanchez, HACSC Executive Director.



Vanessa and Mae at the Center's six-year celebration

Mae Law, 50, has rented an Opportunity Center apartment for the past five years. She had been chronically homeless for 30 years, primarily in East Palo Alto. An InnVision Shelter Network client, Mae used all of the available services to get to where she is now—housed and employed. “I’m currently working as a dishwasher at Stanford University, and I’ve had that job for seven years this November,” Mae says proudly. Mae’s two months at the Hotel De Zink rotating emergency shelter, janitorial work with Palo Alto’s Downtown Streets Team, and the Opportunity Center’s rehabilitative and medical services all have enabled her to earn an income.

“Mae joins hundreds of Opportunity Center residents and service center clients who have moved into permanent housing or are taking huge steps toward self-sufficiency,” says Dr. Don Barr, Stanford University Professor of Pediatrics and Human Biology, and a founder of the Community Working Group. “The several hundred names on the Center’s housing wait list indicates a powerful need on the Peninsula for other centers like this one.”



The Opportunity Center

Charlotte Housing Authority

COMMUNITY BASED RENTAL ASSISTANCE PROGRAM

A report by the U.S. Conference of Mayors revealed that Charlotte's population of homeless families grew by more than 20 percent in 2012. The report predicted that the size of that population would continue to increase in 2013. In addition, with Charlotte's population expected to double by 2050, there is no doubt that there will be an increased need for affordable housing to assist families across the city. The Charlotte Housing Authority (CHA) continues to use its MTW flexibility to create unique programs to address this growing need.

In 2011, CHA entered into a collaborative partnership with Charlotte Family Housing (CFH), a shelter-to-housing program, through the Housing Authority's Community Based Rental Assistance Program (CBRA). Under this 50-unit pilot program, which CHA is able to implement because of its MTW status, CHA provides a flexible housing subsidy of up to \$500 per month to 50 homeless families: 10 to 15 families who need employment and 35 to 40 working households. The program targets extremely low-income families who are situationally or transitionally homeless. CFH submits the initial application packet to the Housing Authority, which then screens the applicant for eligibility requirements and processes the request for admission.

CBRA has requirements and processes similar to CFH's existing housing program. The goal is to help families achieve self-sufficiency within three to five years by providing comprehensive family development via social work, intensive case management, and access to services while the family is permanently housed in a stable apartment community. CFH established operating procedures, landlord relationships, and administrative staff to deliver wrap-around services. The partnership enables delivery of supportive services at no cost to CHA.

"We have been fortunate to work with partners like Charlotte Family Housing, who share in our mission of providing quality housing in sustainable communities of choice for residents of diverse incomes. This partnership allows CHA to leverage its resources to assist families beyond their housing needs," says A. Fulton Meachem, Jr., CHA's President and CEO.

CBRA participants receive intensive supportive services as a part of CFH's self-sufficiency program. Families are paired with a clinically trained social worker, who provides counseling and helps them create goals towards self-sufficiency. CFH social workers partner in all aspects of a family's life to give direction on reaching their goals, especially with financial literacy, vocational counseling, children's education, and health and wellness. The social worker connects families to resources in the community, such as Goodwill Industries of the Southern Piedmont's vocational training.

In addition, the self-sufficiency program includes help from social workers and volunteers trained to motivate and transact with families by offering interest-free microloans, interest-free and below-market car loans, matched savings accounts, and more, thereby preserving dignity and self-esteem, increasing personal accountability, and decreasing dependency.

Working families are expected to complete the self-sufficiency program within three years with a one-year extension, and non-working families are given a four-year program requirement with a one-year extension. Currently, 91 percent of the participating families have been successfully housed, graduated from CFH's program, and are maintaining permanent housing on their own without rental subsidy.

"This partnership with the Charlotte Housing Authority has allowed us to pull families out of their initial trauma and place them in stabilized housing, where they are able to benefit from our supportive services and empowerment-based strategies," states Darren Ash, founder of CFH.

"This partnership with the Charlotte Housing Authority has allowed us to pull families out of their initial trauma and place them in stabilized housing, where they are able to benefit from our supportive services and empowerment-based strategies."

– Darren Ash, founder of Charlotte Family Housing



Glendora in front of her house

After several bad relationships, Glendora was a 26-year-old single mother with five children living in New York. She decided to move south in 1998, eventually settling in Charlotte. Over the years, Glendora was able to get by on various jobs in retail and restaurants with the help of income from some of her children. Her circumstances changed when her 19-year-old son moved out and knee surgery forced her to stop working for a while. Unable to afford rent at her apartment, Glendora moved in with her oldest daughter and sent her two youngest children to live with their father.

Glendora realized she needed more permanent work and seized a job opportunity when it arose. “They told me I wasn’t qualified, but my spirit was so good that they gave me the job,” says Glendora, who began working at Burlington Coat Factory in 2011. Even with the new income, Glendora could not afford her own place, so she contacted CFH in early 2012. The CBRA program helped her obtain housing, and CFH helped her gain the skills needed to become self-sufficient. “Charlotte Family Housing has taught me a lot. Respect for money, planning ahead.”

With her social worker, Glendora budgeted and saved for a house. Once she bought her own home, she was able to bring her younger sons back to live with her. She also graduated from Getting Ahead, a program that teaches families the hidden rules of the middle class and evaluates their current resources. Glendora has a new understanding of finances. Every month she puts \$25 into savings, and she is saving to buy a car through CFH’s Jumpstart Automobile program.

“I am in poverty, and I need to be on my A game to get out. I don’t want a hand-out—I want a hand up,” Glendora says. “You can take a fall, but as long as you keep your head up, stay focused, be persistent and don’t be ashamed to ask for help, you’ll get to where you need to go.”

Cuyahoga Metropolitan Housing Authority

Y-HAVEN AND OPEN DOOR

“CMHA is proud of its partnership with Y-Haven, which focuses on helping residents with housing and obtaining the tools to achieve their goals.”

– Jeffery K. Patterson
CMHA’s CEO

Cuyahoga Metropolitan Housing Authority (CMHA) is committed to collaborating with local organizations addressing homelessness, as evidenced by its engagement with the Y-Haven and Open Door programs run by the YMCA of Greater Cleveland.

The Y-Haven program assists homeless men, 18 and older, to become self-sufficient, live free from drugs and alcohol, and achieve permanent housing. The average Y-Haven resident is a 38-year-old male with a seventh grade education. Approximately 99 percent of the clients have substance dependency issues, and nearly 40 percent have history of mental illness. Y-Haven provides transitional housing and a continuum of care beginning with primary treatment for substance dependency. When residents graduate from the primary counseling phase, case managers focus their treatment plan on continuing care, relapse prevention, and appropriate education and training programs.

The final phase of the treatment plan is finding suitable permanent housing for residents. CMHA provides priority permanent housing for all graduates of Y-Haven’s two-year program. To date it, this has resulted in hundreds of housing placements. In 2010, 170 men entered Y-Haven’s residential substance abuse program, and an 85 percent graduated from the 90-day Primary Treatment Phase. Of the 170 residents, 151 (89 percent) increased their employment readiness skills and income, and 70 percent secured permanent housing through family reunification, home ownership, or subsidized housing. More than 3,000 men have turned to Y-Haven for help since it first opened, and over 70 percent of those who complete the program successfully live drug and alcohol free in permanent housing.

“CMHA is proud of its partnership with Y-Haven, which focuses on helping residents with housing and obtaining the tools to achieve their goals,” says Jeffery K. Patterson, CMHA’s CEO. “The Y-Haven Program continues to have highly successful outcomes in helping the chronically homeless population.”

In 2011, CMHA, the YMCA, the Center for Families and Children, and Cuyahoga County’s Office of Re-entry partnered to establish the Open Door re-entry program. Managed by Y-Haven, Open Door offers formerly incarcerated men comprehensive case management, transitional housing, and permanent housing placement with CMHA. Men at least 18-years-old and released from a correctional institution within the last six months are eligible for the program.

Y-Haven also administers the Green Team Custodial program, a job training and placement program that addresses employment barriers for the homeless by offering participants the training and work experience needed to develop long-term, transferable skills; a consistent work history; and economic self-sufficiency. The ten-week hands-on, comprehensive instructional program teaches janitorial and floor technician skills. Graduates, all of whom obtain recognized industry-certified credentials, have enjoyed an 80 percent job placement rate. The YMCA is one of the major employers of the graduates.

One of the two Y-Haven locations, Open Door, and the Green Team are housed at CMHA’s Carl B. Stokes Social Service Mall, a one-stop shop for community needs managed by the Housing Authority. The Mall was formerly an elderly housing building that was redeveloped through a HOPE VI grant to house a full-service medical clinic, a large transitional housing program, a probation center, and additional social services. CMHA provides space, utilities, and security to maintain a drug-free environment, absorbing all capital cost in order to allow Y-Haven funds to pay for its direct services.



Reading at Alcoholics Anonymous support meeting



Y-Haven group session at the Stokes Social Services Mall

Bobby Nieves, 48, grew up in a Cleveland household with a bar as the focal point of family life, and by 13 he was into marijuana, speed, and alcohol. After high school, he relocated to South Carolina. “I was working for Coca-Cola first and then took a job in a mortuary. It was a very sad job, and I would drink away my sorrow,” he recalls.

Eventually, Bobby’s mom, disabled from diabetes and unable to care for herself, came to live with him. Growing stress from caretaking and work eventually led Bobby to try crack. Though he had been financially comfortable, he smoked his way through his money, neglecting his mother and his bills. His mom had to move back to Cleveland to be with his sister.

Bobby also moved back and eventually lost his apartment and nearly his life after getting into trouble with dealers. “I was in treatment a few times but then got addicted to Xanax. I felt helpless and hopeless,” he says. In an act of absolute desperation, he decided to rob a bank for drug money, hoping either to be caught or killed. “I didn’t think they’d give me the money and let me leave,” he says. But that’s what happened. And so Bobby smoked up the drugs bought with the stolen money and then turned himself in to the Justice Center.

Thirty months later, and after nine months of sobriety, he asked to come to Y-Haven. “Sobriety gave me enough sense to know what got me to prison in the first place.” He credits group therapy with turning his life around. He turned the mirror on himself and really looked at who he is and why.

After pursuing career counseling and then community mental health counseling, Bobby decided to focus on working in a support capacity. He worked at several social service agencies. Then his dream job opened up at Y-Haven. Today, in his role as Y-Haven’s Educational and Vocational Specialist, he helps clients find educational and employment opportunities. He helps them to prepare for interviews, write resumes and use the computer to search for job opportunities.

“People come here come as their last stop,” says Bobby. “But you can actually see their hopes and dreams come alive as they progress through the program. They actually look different. What they learn here they take with them out the door.”

YOUTH HOMELESSNESS

NATIONAL ALLIANCE TO END HOMELESSNESS

By Nan Roman, President and CEO, and Samantha Batko, Director,
Homelessness Research Institute

An estimated 530,000 unaccompanied youth under age 25 are homeless for a week or more each year. Of these, 380,000 are 18 or younger. If they are lucky, homeless youth get a shelter bed or sleep on a friend or family member's couch. If they are unlucky, they sleep on the streets, in cars, in abandoned buildings; they may ride public transit all night; or they may barter sex for a place to stay.

While most quickly return home, a smaller percentage of youth faces greater challenges and requires more support to reconnect with family or find another living arrangement. Approximately 52,000 youth under the age of 24 have more serious problems: they are disconnected from school and family, homeless repeatedly or for long periods of time, and/or suffering with a disabling condition. The population of homeless youth is sizable compared to the 1.5 million adults and children that are homeless every year.¹

There are a variety of reasons that so many youth become homeless. Housing affordability is a significant driver, although not as definitively as for homeless adults and families. Many young people become homeless when their families, unable to afford a place to live, split apart. Affordable housing can thus be cost-effective in allowing families to stay together and prevent foster care placement and youth homelessness.

Beyond causes related to housing, youth homelessness is often the result of family breakdown. Youth run away from home, are abandoned by their parents, or are rejected because of their sexual orientation. No matter what the appropriate housing intervention, family counseling and intervention are critical components of solutions to youth homelessness.

There are a number of distinct subpopulations of homeless youth. LGBTQ youth are over-represented. Youth who have aged out of foster care or “re-entered” from juvenile corrections and those from families with very young parents are at particular risk of homelessness.

Homelessness has serious consequences for young people. Unaccompanied homeless youth are at a higher risk for physical and



sexual assault, abuse, and physical illness. They suffer from anxiety disorders, depression, post-traumatic stress disorder, and risk of suicide because of increased exposure to violence. Homeless youth are highly vulnerable to sexual exploitation and trafficking, and they are more likely to become involved in prostitution, to abuse drugs, and to engage in dangerous and illegal behaviors.

Prevention of homelessness is particularly important for youth. The provision of affordable housing can help to prevent the family dissolution that can lead to youth homelessness. For youth who are exiting foster care or juvenile corrections, affordable housing is also a critical need, and programs such as the Family Unification Program help achieve stability while youth address the challenges of employment and self-sufficiency.

For youth who have become homeless, family intervention and counseling play a critical role, but housing is also important. They need stable, short-term housing linked to family counseling and intervention to ensure the homeless episode is as short as possible. For those with more serious disabilities and those who cannot return home, permanent supportive housing may be indicated, although the meaning of “permanent” is often different for youth than it is for adults. Youth may move frequently to be close to employment or support networks of family and friends. As such, non-project-based housing assistance may be a particularly useful tool when assisting this population.

Many young people under age 25 experience homelessness every year, but for most it is a short experience. Housing is an important component of the solution to youth homelessness, but it must be accompanied with developmentally appropriate services and a linkage back to family or to another caring adult.

The National Alliance to End Homelessness is a nonprofit, non-partisan, organization committed to preventing and ending homelessness in the United States. As a leading voice on the issue of homelessness, the Alliance analyzes policy and develops pragmatic, cost-effective policy solutions; works collaboratively with the public, private, and nonprofit sectors to build state and local capacity; and provides data and research to policymakers and elected officials in order to inform policy debates and educate the public and opinion leaders nationwide.

¹ Data on youth homelessness is imperfect at best. This information is from *An Emerging Framework for Ending Youth Homelessness* (2012), by the National Alliance to End Homelessness.

Greensboro Housing Authority

FAMILY UNIFICATION PROGRAM

According to the U.S. Department of Health and Human Services, over 25,000 youth between the ages of 18 and 21 left foster care in 2012. Housing stability is a key component in helping these youth successfully transition to adulthood and avoid homelessness. Through HUD's Family Unification Program (FUP), housing authorities and child welfare agencies partner to provide that stability, and the Greensboro Housing Authority (GHA) is among them.

Awarded 100 housing vouchers in 2010 through FUP, GHA quickly leased up the vouchers to families in need of rental assistance in Greensboro, North Carolina. FUP serves youth, ages 18 to 21, who have left foster care and who lack adequate housing. FUP vouchers used by youth are limited to 18 months of housing assistance. The program also serves families for whom the lack of adequate housing is a primary factor in the imminent placement of a child or children in out-of-home care or the delay of the unification of the family from out-of-home care.

"I see FUP as a permanent solution to a temporary problem," states Tina Gray, Vice President of Assisted Housing for GHA, "giving participants stability they never had."

Though administered by GHA, the program relies on the partnership between the state's Department of Social Services (DSS) and the Housing Authority to ensure that the vouchers go to eligible families and individuals, who also receive supportive services including money management skills, job preparation, educational counseling, and proper nutrition and meal preparation. This cooperative partnership is the key to the success of the program, which has served over 100 families since its inception. Among these are three young adults leaving foster care, whom GHA and DSS have helped to access stable and affordable housing.

"I see FUP as a permanent solution to a temporary problem...giving participants stability they never had."

— Tina Gray, Vice President of Assisted Housing for the Greensboro Housing Authority

Though the services for the youth have only been available since October 2010, one young man, Terrance, has shown how successful the program can be. After being part of the program for 18 months, Terrance is now self-sufficient with a full-time job due to his hard work and help through FUP.

Candace, the second youngest of seven children, was removed from her home at age two because of abuse and neglect. All six of her siblings were sent to live with family members, and Candace was placed in foster care. She bounced around from one foster home to another and can't remember how many homes she lived in while growing up. "Sometimes a worker from Department of Social Services would remove me because the foster parents didn't know what they were supposed to do, but sometimes it was because of me," states Candace.

At age ten, Candace began running away from her foster homes. "I had issues of trust, and I wanted to go home—I didn't understand." As she grew, life became more complicated as healthy relationships were hard to find. Candace dropped out of high school with only seven credits left for graduation. Though she tried returning to school at age 19, she felt uncomfortable because she was older than the other students and felt she didn't fit in.

Candace left the foster care program at 18 but remained connected to her DSS case worker. When funds became available through GHA's FUP to assist with her \$425 per month rent, Candace was referred to GHA to complete the paperwork, attend orientation, and become a part of the program.

Now 20-years-old and mother of a six-month-old, Candace loves going to church, singing, going to the park and seeing animals; things she shares with her daughter. "Without this program, I would be struggling. I'm not sure where my daughter and I would be." FUP has created stability for both of them. "The program helps me provide for my daughter and give her a better home than I had. I'm an overprotective mother and concerned for my daughter's well-being and safety. I want to make things better for her." Candace describes herself as independent, responsible, and a good mother. "Life experiences have made me stronger. I am very happy," she says.

Candace is currently looking to earn her GED and become self-sufficient. From there she plans to pursue her dreams of becoming a pediatrician or registered nurse. "My aunt is a pediatrician and has been my role model. I would like to help people just like she does."



Candace and her daughter

Improving Health and Stability

Health and housing stability are closely linked, with the quality and presence of each affecting the other. Poor health and disabling conditions can be precursors to homelessness. Medical events that lead to an inability to work, to personal bankruptcy, and to foreclosure can in turn lead to homelessness, as the affected individual can no longer afford to pay for housing.

At the same time, the experience of homelessness exacerbates existing health conditions and leaves people at risk of developing new ones. People experiencing homelessness struggle to manage chronic diseases such as diabetes, hypertension, or asthma, and they have difficulty healing from more acute conditions, such as infections or injuries. Living on the street or in shelters, individuals experience emotional trauma and may become victims of violence. With inadequate hygiene due to their living situation, they may contract communicable diseases. Though ever present, these challenges and risks grow more serious the longer that a person is without stable housing. Mental health concerns, which affect a significant percentage of those experiencing long-term homelessness, can also increase the risk of developing physical health conditions, as they may cause people to neglect taking proper care of themselves.

In trying to address their health concerns, individuals experiencing homelessness may repeatedly and excessively use hospital emergency departments and inpatient services as their primary source of medical care. As patients are discharged back to the street or to a shelter, without the stability needed to follow through on a treatment plan, their outcomes remain poor.

Evidence indicates that permanent housing integrated with health care—both physical and behavioral—serves as an effective alternative intervention for homeless persons with serious medical conditions. Integrating support services such as case management also helps. For example, the Chicago Housing

for Health Partnership, an 18-month randomized control trial, showed that providing housing and case management to adults with chronic illness who are experiencing homelessness creates housing and health stability and reduces the need for hospital care.

Since 2007, the number of permanent supportive housing beds in the United States has increased by 46 percent, or nearly 90,000 beds. These beds help ensure that their occupants have the stability they need to focus attention on managing their health and following medical treatment advice and instructions. In communities across the nation, housing authorities have provided subsidies essential to the development of permanent supportive housing for the most vulnerable members of their communities. They have helped to reduce chronic homelessness by more than 19 percent and to increase the quality of life for thousands of people.

CHRONIC HOMELESSNESS

CSH

By Deborah De Santis, President and CEO

For over twenty years, CSH has been providing housing solutions to communities across the country to meet the needs of the most vulnerable—with a significant focus on the chronically homeless. We have learned that housing coupled with services is the key to keeping individuals and families with disabilities and long histories of homelessness safe and stably housed, and improving their lives.

Seventeen percent of people who are homeless are experiencing chronic homelessness. An individual or family experiencing chronic homelessness typically has been homeless for more than one year or had multiple episodes of homelessness. Usually they also have one or more diagnosable disabilities such as a serious mental illness, substance use disorder, or a chronic physical health condition. The mortality rate for chronically homeless individuals is four to nine times higher than for the general population. Due to their intense needs, such persons or families often consume a disparate share of the resources in a given community. Many come to be “frequent users” or “high utilizers” of public services—facing the double jeopardy of having complex health and behavioral health problems but having no coordinated systems of care. This dynamic—coupled with a lack of stable housing—forces them through a revolving door of multiple, costly crisis and institutional settings such as emergency rooms, inpatient care, detox facilities, long-term care facilities, and correctional facilities.

These individuals’ personal crises become public crises as their frequent and persistent encounters with public systems drive up public spending (in such areas as Medicaid, corrections, and homeless services) and contribute to overcrowded jails and overburdened emergency departments. Moreover, these increased expenses do not result in positive health, housing, or community safety outcomes. The clear alternative is a more appropriate, more humane, and less expensive approach to integrated care that includes housing.

Supportive housing, affordable housing combined with services that help people who face the most complex challenges to live with stability, autonomy, and dignity, is thus an effective solution for ending chronic homelessness. It can be particularly cost-effective when made available to people who otherwise spend multiple nights in expensive public institutions such as hospitals and jails. Increasingly sophisticated data collection systems and analyses provide new opportunities to identify frequent users of healthcare, correctional, and emergency systems; show the ripple effect of avoidable public service use across systems; and target interventions to those most in need and most likely to benefit. Further, a growing body of research has demonstrated that targeted interventions employing cross-system strategies—including care coordination and housing—can interrupt patterns of repeated rounds of institutional and emergency care, thereby improving individual lives and

making better use of limited public resources. Supportive housing is a proven solution to the costly and tragic problem of chronic homelessness. Collectively, by increasing access to supportive housing, we are having an impact. According to HUD’s 2012 Point-in-Time count, the number of persons experiencing long-term or chronic homelessness has declined 6.8 percent (or 7,254 persons) from 2011 and 19.3 percent (or 23,939 persons) since 2007. Housing authorities have played a critical role in this success, providing much needed rental assistance, prioritizing chronically homeless people in their administrative plans, project-basing vouchers for supportive housing, partnering with community behavioral clinics, and so much more.

Housing authorities face significant challenges to playing such a role in ending chronic homelessness, including limited resources. Though supportive housing produces cost savings, it is difficult to harness those savings when they are accruing to another public system. Because policymakers seeking to reduce the cost of caring for complex beneficiaries of any one of these systems do not control the policies that ultimately affect spending for all systems, comprehensive solutions require broad-based approaches that consider the full range of public services. This requires leadership, vision, and coordination, from housing authorities and from their partners.

The resulting strong partnerships between housing authorities, local Continuums of Care, and supportive housing providers across the country are clearly producing results and improving lives. In the summer of 2013, CSH signed a Memorandum of Understanding with CLPHA to partner on even more efforts to create supportive housing opportunities for the chronically homeless and other extremely vulnerable populations. Together with its members, CLPHA and CSH are expanding our collective impact, engaging more housing authorities, providing the tools and knowledge to create supportive housing, and developing strategic partnerships. Supportive housing providers are looking for vouchers, for development partners, for project-based rental assistance, and for easier access and lower barriers to existing housing authority-controlled units. Housing authorities are looking for good relationships with landlords, high utilization rates, and competitive advantages when applying for grants or other forms of capital. Thus, when housing authorities and supportive housing providers collaborate, it is a win-win situation.

Even under adverse conditions, CLPHA members and other housing authorities around the country are helping to lead the way to ending chronic homelessness, providing critical rental assistance but also playing many other key roles in efforts to provide more supportive housing opportunities to the most vulnerable people in our communities. With this leadership, chronic homelessness will continue to decline, until it is ultimately ended.



CSH transforms how communities use housing solutions to improve the lives of the most vulnerable people. We offer capital, expertise, information and innovation that allow our partners

to use supportive housing to achieve stability, strength and success for the people in most need. CSH blends over 20 years of experience and dedication with a practical and entrepreneurial spirit, making us the source for housing solutions. CSH is an industry leader with national influence and deep connections in a growing number of local communities. We are headquartered in New York City with staff stationed in more than 20 locations around the country. Visit csh.org to learn how CSH has and can make a difference where you live.

San Diego Housing Commission

HOME AGAIN, PROJECT 25

The San Diego Housing Commission (SDHC) made a commitment to find solutions toward ending homelessness in the City of San Diego through innovation and partnerships. Both were used to launch the United Way of San Diego County's (United Way) Home Again, Project 25 (Project 25) campaign targeting 25 homeless individuals who had become the most frequent users of public services.

On July 1, 2010, SDHC became one of the first housing agencies in the nation to receive HUD approval to use federal Sponsor-Based Vouchers to provide long-term housing for chronically homeless individuals. When the United Way approached SDHC in December 2010, seeking help to address the problem of chronic homelessness through Project 25, SDHC was in a position to step in.

With its MTW designation, SDHC has the flexibility to test innovative programs for local housing needs. For Project 25, SDHC awarded Sponsor-Based Vouchers to St. Vincent de Paul Village, a local homeless rehabilitation agency that manages the program for the United Way, to place 25 homeless San Diegans into long-term housing.

"These federal housing vouchers have become an essential component in the success of this program and the significant savings it has meant for public services and safety," says SDHC President and CEO Richard C. Gentry. "These vouchers are making a profound difference for people who are struggling not just to get their lives in order, but to get a roof over their heads as well."

A three-year pilot program launched in January 2011, Project 25 focuses on adult men and women who account for some of the costliest demands on medical, law enforcement, and emergency services, frequently stemming from mental health or substance abuse issues. The campaign begins by providing them with a place to call home. Then, it builds on this critical component by providing participants access to mental and physical health services, substance abuse counseling, and other supportive resources needed to stabilize their lives.

St. Vincent de Paul Village, working off a list of the highest users of public services referred to them by hospitals and law enforcement, issues the vouchers in the individuals' names after SDHC confirms their eligibility. There's a waiting list for future participants. The County of San Diego awarded an additional 10 housing subsidies to the program, bringing to 35 the total number of participants in Project 25.

"The progress we are seeing with Project 25 is the direct result of the growing collaboration between the County of San Diego, the City of San Diego, the San Diego Housing Commission and the other partners we have, including St. Vincent de Paul and the United Way," says County Supervisor Greg Cox, Chairman of the San Diego County Board of Supervisors.

Additional partners include: Alpha Project, County of San Diego District Attorney, County of San Diego Health & Human Services Agency, Family Health Centers of San Diego, San Diego County Sheriff's Office, San Diego Medical Services Enterprise, San Diego Police Department, San Diego Rescue Mission, and UC San Diego Medical Center.

"These vouchers are making a profound difference for people who are struggling not just to get their lives in order, but to get a roof over their heads as well."

– Richard C. Gentry, President and CEO of the San Diego Housing Commission

In April 2012, Project 25 announced preliminary results of the program:

- Emergency room visits down 77 percent
- Ambulance transports down 72 percent
- In-patient medical stays down 73 percent
- Arrests down 69 percent
- Jail days down 43 percent

In April 2013, Project 25 updated the cost savings the program has provided. According to St. Vincent de Paul Village, the 35 people whom Project 25 has helped cost the community \$4.2 million in 2010. In 2012, the cost to the community was \$2 million. Including the operating cost, the program has saved the City more than \$1.4 million.



James, at his downtown San Diego apartment

The idea that “home is where you hang your hat” is no cliché for James, 48, an Army veteran who was homeless for almost 15 years before one of SDHC’s Sponsor-Based Vouchers through Project 25 helped him get an apartment.

The hallway of his apartment in downtown San Diego is lined with more than 30 baseball caps—the San Diego Padres, NASCAR’s Kyle Busch, Tapout, and “President Obama at Barnard Commencement,” among others. “I change my hats like the weather,” James says. Collecting them “is like a little hobby, it gives me something to do.”

James is now in recovery from alcoholism. His homelessness previously was a costly drain on public resources: 54 ambulance rides, 51 emergency room visits, and 34 jail days just in 2010. Then St. Vincent de Paul Village chose James for Project 25 from a list of the highest users of public services.

James says his apartment provides him with stability and a sense of purpose. “I feel like somebody again.” Off the streets, he returned to his love of cooking. He has a closet for his shirts and a place to iron them. He cleans obsessively.

He keeps a regular schedule of appointments with doctors, a case management worker, and a life skills coach. He attends Alcoholics Anonymous. With the emergency room visits and jail time behind him, James feels like he is on his way back up. “I’m advancing. I’m not taking steps backward. It’s been tremendous, the difference. And I can’t believe this myself.”

Oakland Housing Authority

SPONSOR-BASED HOUSING ASSISTANCE PROGRAM

In 2010, the Oakland Housing Authority (OHA) used its MTW designation to create a local Sponsor-Based Housing Assistance Program (SBHAP) to serve low-income clients who otherwise might not qualify or be successful in the traditional Public Housing and Section 8 programs. This initiative aims to assist a population of hard-to-house clients with special needs by leveraging additional funding and program expertise in the community.

In order to meet these goals, OHA established the Oakland PATH Rehousing Initiative (OPRI) through a partnership with the City of Oakland's Department of Human Services (DHS) and the City's Permanent Access to Housing Strategy (PATH) to end homelessness. As part of the agreement with the City, OHA allocates up to \$1,500,000 per year for rental housing assistance through OPRI providers to between 125 and 144 households who are also receiving services from providers working under contract with DHS.

Those served under the SBHAP agreement come from homeless encampments or are exiting the criminal justice system, including re-entering youth. Program eligibility was streamlined to best meet the needs of the target populations while maintaining program integrity. Households receiving assistance through the program pay no more than 30 percent of their income towards rent and must meet the same income limits as the Section 8 program.

OHA funding through SBHAP covers the direct housing subsidy costs, security deposits, monthly utility payments, repairs and cleaning, vacancy losses on master leased units, and housing locator assistance. Providers work under contract with the City of Oakland and are entitled to a 10 percent administrative fee. All funds received by the City under OPRI are passed through to the providers. The City does not receive any direct funding for the program and is not authorized to charge the Housing Authority for any costs associated with the administration of this agreement.

The City currently leverages social services funding of \$1,600,000 with OHA funds to administer the program using four providers. Abode Housing provides housing placement assistance to up to 124 adults in the program. The ongoing services for the homeless individuals coming from the encampments are provided by Lifelong Medical. Additionally, housing placement and ongoing services for youth coming out of the criminal justice system are provided by First Place Fund for Youth, while services for the adult re-entry population are provided by Volunteers of America.

As of May 31, 2013, 139 individuals were receiving housing assistance through the program, and 74 of them came from homeless encampments. The remaining 42 had recently exited the criminal justice system, including 23 youth. Since its inception, the program has assisted over 200 people: 116 individuals who were residing in an encampment, 20 of whom have a serious mental illness; and 53 re-entry individuals. Thus far, 95 percent of all persons who obtain housing through the program remain housed for more than six months, and 85 percent for more than a year.

"The first three years of our Sponsor-Based Housing Assistance Program and the OPRI partnership have demonstrated great success in connecting some of Oakland's most vulnerable and at-risk households to the housing and services they need to increase stability and self-sufficiency," says OHA Executive Director Eric Johnson. "However, federal funding cuts have caused a serious shortfall of available MTW funding, resulting in a current freeze on program enrollments. It is critical that Congress reverse this trend so that we can build on this promising start."

"The first three years of our Sponsor-Based Housing Assistance Program and the OPRI partnership have demonstrated great success in connecting some of Oakland's most vulnerable and at-risk households to the housing and services they need to increase stability and self-sufficiency."

– Eric Johnson, Executive Director of the Oakland Housing Authority

SENIOR HOMELESSNESS

LeadingAge

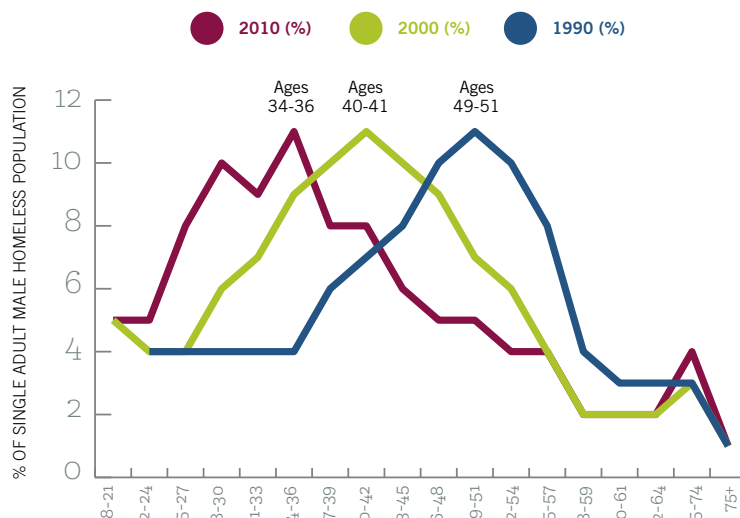
By Alisha Sanders, Managing Director, LeadingAge Center for Housing Plus Services

If you pass by a homeless shelter these days, you may notice that a large number of people coming or going from the shelter walk with canes, use a cart of some sort as a walker, or, frankly, just have a lot of wrinkles. This reflects what is happening in the homeless population across the nation; it's aging. While the general population is aging, the aging of the homeless population is actually a distinct phenomenon.

The median age of homeless single adults in 2010 was about 50, up from 35 in 1990. In 2011, over a quarter of individuals in shelters were age 51 and above. According to researcher Thomas Byrne and his colleagues, the aging of the homeless population is the result of a cohort effect. Persons born during the latter half of the baby boom era (i.e., 1955-1965) have consistently remained at the highest risk for homelessness as they have aged. The chart below shows how this segment of the homeless population is like a wave moving through time.

Because of this cohort effect, the homeless population is expected to continue aging. Byrne and colleagues predict that by 2025, the largest proportion of the single adult homeless population will be between the ages of 65 and 74.

In the context of homelessness, we label individuals as "elderly" starting at age 50 because living on the street prematurely ages people. Although chronologically younger, they develop chronic illnesses and geriatric conditions that rival those ages 65 and above. Chronic illnesses are things that persist for extended periods, like arthritis, diabetes and heart disease. Geriatric conditions include things such as functional impairment, cognitive impairment, hearing or visual impairment and urinary incontinence.



Combine the lack of stable housing with high levels of chronic disease and geriatric syndromes, and homeless elderly adults use health resources at a very high rate. For example, researchers have found that homeless adults age 50 and over use the emergency department at a rate nearly four times that of the broader population.

Although the reasons are often complex, studies suggest there are two primary pathways into elder homelessness. Some individual have been chronically homeless over many years, experiencing challenges such as mental illness, substance abuse, imprisonment and other instabilities. This is partially what is playing out in that cohort effect. Others are simply financially vulnerable. They may be living on a small fixed income, lose a job, not able to find affordable housing, have a precarious social support network, develop a debilitating illness without access to health insurance or, likely, experience a combination of many of these challenges.

Together, the shifting age of the homeless population and the premature aging of homeless adults have implications for serving this population, both in temporary shelter and permanent housing environments. Providers will need to consider a broad array of supportive services. In addition, to mental health and substance abuse services, providers will need to consider physical health services and resources to help individuals manage their chronic illnesses.

Coping with functional limitations is challenging enough without staying in a traditional shelter or on the street. Although all populations deserve to be housed, there should be a focus on rapid rehousing or permanent supportive housing for the elderly homeless population. As the population ages, many begin to become eligible for elderly-designated subsidized housing and other age-related programs. This opens new partnership potential between providers and opportunities to assist this vulnerable population.



To expand the world of possibilities for aging, LeadingAge members and affiliates touch the lives of 4 million individuals, families, employees and volunteers every day. The LeadingAge community includes 6,000 not-for-profit organizations in the United States, 39 state partners, hundreds of businesses, research partners, consumer organizations, foundations and a broad global network of aging services organizations that reach over 30 countries. The work of LeadingAge is focused on advocacy, education, and applied research. We promote home health, hospice, community-based services, senior housing, assisted living residences, continuing care communities, nursing homes as well as technology solutions and person-centered practices that support the overall health and wellbeing of seniors, children, and those with special needs.

Source: Culhane, D.P., Metraux, S., Byrne, T., Stino, M., & Bainbridge, J. (2013). The age structure of contemporary homelessness: Evidence and implications for public policy. *Analyses of Social Issues and Public Policy*. Online version ahead of print publication.

Housing Authority of the City of Los Angeles

PERMANENT SUPPORTIVE HOUSING PROGRAM

Los Angeles is known as the homeless capital of the country. To shed the city of this title, the Housing Authority of the City of Los Angeles (HACLA) has been collaborating with public and private partners to address the problem. The agency is playing a key role in an unprecedented effort to tackle chronic homelessness through the Permanent Supportive Housing Program (PSHP). To date, HACLA has committed over 2,500 Section 8 Project-Based Vouchers for homeless and chronically homeless individuals and families to this effort.

Permanent supportive housing combines affordable housing with comprehensive services such as mental health treatment, substance abuse prevention, employment opportunities, and life skills training. Studies in Los Angeles show that placing someone in permanent supportive housing is 40 percent less costly than leaving them on the streets, where they utilize a variety of public resources.

“Los Angeles has the largest homeless population in the United States. Those of us tasked with providing housing cannot ignore this fact. The Housing First model provides the stability that this population needs in order for them to receive proper treatment. Some of these individuals have been living on the streets for twenty, thirty years. Los Angeles’ Permanent Supportive Housing Program demonstrates that there is a solution, and I am pleased that HACLA can provide critical resources toward this effort,” says Douglas Guthrie, President and CEO of HACLA.

Seniors are one of the target populations assisted through the PSHP. While the elderly are assisted in projects across HACLA’s portfolio, several projects specially target this group. Among them is Parkview on the Park. Developed by Los Angeles Housing Partnership, Parkview on the Park is a transit-oriented community of affordable housing for seniors that features 79 fully-furnished efficiency units and approximately 8,000 square feet of on-site social service and community space.

In response to overwhelming need, 50 percent of the units at Parkview are set aside for the homeless and chronically homeless senior population in Los Angeles, including veterans, seniors at risk of being homeless, and seniors that are formerly homeless. To aid tenants in need of permanent supportive services, the building facilitates full-time, on-site and off-site mental health and homeless case management services, provided by partner agencies such as Affordable Living for the Aging (ALA).

Studies in Los Angeles show that placing someone in permanent supportive housing is 40 percent less costly than leaving them on the streets, where they utilize a variety of public resources.

In order to best target PSHP resources such as the units at Parkview on the Park, HACLA is participating in United Way of Greater Los Angeles’ Home for Good (HFG) effort, a five-year plan to end chronic and veteran homelessness in Los Angeles County by 2016. HFG has focused public agencies, community based organizations, businesses, and foundations on establishing a regional coordinated system to serve the most vulnerable by leveraging the resources of all the partners.

In March 2013, HACLA was among the core group of HFG partners that launched the Skid Row Coordinated Entry System (CES) Pilot—a single, accessible system that enables all local homeless service organizations to identify the homeless in a community by name, assess their vulnerability, and prioritize them for housing using a methodology that ensures the most vulnerable are housed first, then links them with the next available appropriate housing resource. The team streamlined the information and data required into a single document called the Rapid Universal Supportive Housing (RUSH) application and used it to house 37 of Skid Row’s most vulnerable, several in as soon as one day. The next step is to implement the CES in other parts of the County.

Collaboration with these partners, who share the agency’s vision and have committed resources, will enable HACLA to use the PSHP to house the most vulnerable members of the community in the most efficient way possible.



“This place enabled me to grow as a person, not just grow old and die.”

- Paul Davies, Parkview on the Park resident

For those who enter his immaculately-kept apartment and receive his warm hospitality, it is difficult to imagine that Paul Davies, 67, has lived such a tough life—most of it homeless. He grew up in San Diego with an alcoholic mother who beat Paul while her boyfriend held him down. “She told me that I had ruined her life,” he recalls. “A child questions his reality after a while. You are damaged, and you never really learn how to function in life.” The constant abuse led him to develop a stutter at the age of seven.

At age 16, he ran away. He was unable to hold down the job he found at a plastics plant due to flashbacks to his childhood. He was later hired by Aerospace to develop space locks for spacecraft, excelling in his work and contributing to Apollo 11’s landing on the moon. After being laid off, he took on odd jobs to get by, leading a carefree life and hitchhiking through several states.

When he tired of the hippie lifestyle, Paul enrolled in a junior college and eventually earned a Bachelor in Science. He met his wife and had twin girls, but things fell apart after his wife had a seizure and died. Paul’s girls were taken from him while he struggled to maintain a job and care for his daughters. He fell into depression and befriended cocaine.

Paul returned to California, where he became homeless. Declining health and lack of resources thwarted attempts to pull his life together, and he had no luck seeking housing through different social service providers. Paul was exhausted and losing hope when he was introduced to St. Barnabas Senior Center, where he was able to get a voucher for Parkview on the Park. “I couldn’t sleep the first night, I was afraid of something. When dawn came, I figured it out. I wanted to touch everything to make sure it wasn’t a dream. I jumped up and looked around and said, ‘Is this real?’” Paul recalls. “This place enabled me to grow as a person, not just grow old and die.”



Nick Sidebottom, a Parkview on the Park resident who was homeless before being housed through HACLA’s PSHP

Marin Housing Authority

SHELTER PLUS CARE PROGRAM

Marin County, California, known for its beauty and affluence, has one of the highest per capita incomes in the nation. It also has a significant wealth disparity that is challenging for the poorest citizens, including the mentally ill homeless. Affordable housing is a challenge for the wealthy county in general, and it is even more of a pronounced issue for those with mental illness. While the Fair Market Rent (FMR) for a two-bedroom unit is \$1,795 per month, many households on Supplemental Security Income (SSI) receive roughly \$866 and those on General Assistance receive roughly \$387 monthly.

Since 1994, Marin Housing Authority (Marin Housing) has partnered closely with the County of Marin Mental Health and Substance Use Services (MHSUS) Department to provide permanent supportive housing to homeless individuals and families with severe and persistent mental illness, 70 percent of whom have co-occurring substance use issues. Marin Housing's program combines HUD-funded tenant-based Shelter Plus Care (S+C) Program rental subsidies with in-house wrap-around intensive case management.

MHSUS approached the Housing Authority with operating funds to hire mental health and housing search case managers, along with a clinical supervisor, and access to the County's psychiatrist and mental health nurse practitioner. The intention was to help the mentally ill homeless not only obtain permanent housing through the S+C Program but also maintain the housing and avoid costly recidivism, hospitalizations, and incarceration. The program has expanded to include a team of Peer Advocates through Community Action Marin—the County's largest private social services agency, which, among other work, hires and provides job coaching to employees with mental illness.

What makes the Marin Housing's program unique from other S+C programs around the country is that the entire team, including the case managers, clinical supervisor, Peer Advocates, and the Housing Eligibility Specialist, sits together under one roof, cutting through the bureaucratic red tape. "Having a case management team within the Housing Authority organization has really streamlined the housing lease-up process for both the tenant and landlord. Landlords are more willing to accept a tenant with poor credit and no recent rental history because they know they can get help if there is a tenancy issue," states June Miyake, Director of Supportive Housing.

During the last reporting period, 95 percent of the households in Marin Housing's S+C Program retained housing for six months or longer, while 55 percent have been successfully housed for over five years. Of those who left during the reporting period, 90 percent had been housed for over six months. Some of the households who exited the program left because they received Section 8 vouchers and chose that program, creating opportunities for the Housing Authority to take in more homeless households through the S+C Program.

During the last reporting period, 95 percent of the households in Marin Housing's S+C Program retained housing for six months or longer, while 55 percent have been successfully housed for over five years.



Tiar and Randy, S+C participants enjoying the annual client picnic



Reed, a longtime S+C Peer Advocate, with Advocate Program supervisor Eileen

“Most of our clients are severely and persistently mentally ill and have been on the streets for years with little to no services. Sometimes it takes a few tries before they feel safe accepting wrap-around services.”

– Mimi Griffin,
S+C case manager
at Marin Housing

Bethany Powell, a S+C participant since 2002, states that the wrap-around intensive case management services for herself and two children kept her stable. Bethany was born to drug-addicted parents and suffered major early childhood trauma, resulting in post-traumatic stress disorder (PTSD), bipolar disorder, and major depression. As a young adult with two small children, she faced multiple obstacles including her own addiction to drugs, incarceration, and domestic violence. She ended up in a homeless shelter and eventually found herself in the S+C Program. Shortly after entering the Program, despite having a roof over her head, Bethany ended up relapsing, going to jail, losing custody of her kids, and losing her housing. After completing a residential treatment program for drug addiction, she was able to come back into the S+C Program. This time, she accepted the wrap-around support from the Shelter Plus Care Team and has remained sober, regained a positive relationship with her children, and has been successfully housed for over eight years.

Bethany's longtime S+C case manager, Mimi Griffin, states that Bethany's relapse and her nonlinear path to sobriety and housing stability is not unique. “Most of our clients are severely and persistently mentally ill and have been on the streets for years with little to no services. Sometimes it takes a few tries before they feel safe accepting wrap-around services. Living on the streets makes you hyper vigilant out there and distrusting of everyone.” Bethany says that the S+C Program provided her a safe place to be in order to stabilize her life. “I had to take a lot of side swings along the way, but I always made it back on track,” she states. Bethany is currently an active member of the Marin Housing's Shelter Plus Care Advisory Board and provides valuable insight and experience for setting policies and procedures.

Retooling the Homeless Crisis Response System

For decades, the homeless crisis response system has taken a linear form: street outreach to emergency shelter to transitional housing to permanent housing. People experiencing homelessness have progressed through the four levels of care as they have been deemed “ready.” For example, sobriety has been required for admission to shelters, and treatment compliance has been expected for admission to transitional housing. In the past decade, many communities have replaced this “housing ready” model with the Housing First approach, focused on preventing homelessness and rapidly returning people experiencing homelessness to housing. As communities make this shift, they are reassessing the ways that they use their resources.

Housing authorities, too, are adopting new priorities and taking on new roles. But retooling the crisis response system involves more than just adopting best practices of increased investments in permanent supportive housing and rapid rehousing for families. It means ensuring that all program administration is efficient and effective in helping people experiencing homelessness to achieve the outcome of permanent housing quickly and successfully. This requires consideration of potential barriers that people experiencing homelessness might face, whether in admissions, application processing, the housing search process, or any other point leading to securing housing. It entails adapting protocols and streamlining procedures to eliminate such barriers. In order to address the needs of those experiencing homelessness, housing authorities are transforming the ways that they do business.

Home Forward

SHORT-TERM RENT ASSISTANCE PROGRAM

“Housing is the key to everything. Because you can’t do anything until you have a place to live. It’s the foundation for everything.”

— Jenny Child, case manager at Independence Northwest

Designed to respond quickly when homelessness threatens an individual or family, Home Forward’s Short-Term Rent Assistance (STRA) program provides housing subsidies for up to two years to households experiencing or at risk of homelessness. STRA was created in 2006 to unify the short term rental assistance programs that were previously operated separately by Multnomah County, the cities of Portland and Gresham, and Home Forward. Now the four jurisdictions pool their money for the program, which is administered by Home Forward.

Funds are contracted to local agencies, which also are required to provide services to help families stabilize. In 2013, 18 non-profits and public agencies distributed \$4 million in rental assistance to the homeless and near-homeless. To participate in the program, households must have incomes at or below 50 percent of the annual area median income, which was \$34,700 for a family of four in 2012. Those who qualify are eligible for emergency hotel vouchers, rapid rehousing, and eviction prevention assistance.

The housing, in turn, provides stability and allows clients to get daycare, find jobs, and go to school. “Housing is the key to everything,” says Jenny Child, a case manager for service provider Independence Northwest who estimates that nearly two dozen of her clients have received rental assistance from the program. “Because you can’t do anything until you have a place to live. It’s the foundation for everything.”

The program’s goal is to ensure that at least 70 percent of families retain their housing for a year after their subsidy ends. From July 2006 through December 2011, 6,480 households received rent assistance for an average of three months. In 2013, 76 percent of participants were still housed 12 months after their assistance ended.

Local housing officials say the program has dramatically changed the way short term rental assistance is provided in the Portland area. Because STRA is administered by a single entity, instead of four, the distribution of funds is more efficient. Administrative costs have dropped significantly. And the agencies that provide assistance now have uniform goals, eligibility rules, and data collection requirements.

“Rent assistance is a flexible tool that can be used to tailor support for clients,” says Steve Rudman, Executive Director of Home Forward. “When we combine it with wrap-around services, families can stabilize much more quickly. And we end up spending less on rental assistance than in traditional programs.”

Short-term assistance won’t work for everyone. But focusing scarce resources on short-term subsidies, paired with services, provides help for more households over the long term. “When we opened up the Section 8 waiting list for the first time in years, we got 21,000 applications in the first week,” Rudman says. “We can maybe assist 3,000 in the next five years.” Through STRA, Home Forward and its partners can likely help another 6,500 households. Rudman acknowledges that STRA doesn’t offer permanent affordability. But given the reality of limited resources, he believes that housing stability is an equally important metric.



In August 2012, after his second layoff, Andre Nabors didn't have a job or enough money to pay the rent. But, with guidance from Self Enhancement Inc., he was buoyed by Home Forward's STRA program, which paid for his apartment while he looked for a new job. Andre, a 53-year-old father of two sons, is now a bus driver with good pay and benefits. The rent assistance program gave him time to find work without worrying about whether he would be evicted. It also allowed him to remain a part of his community. "I'm still with my neighbors," Andre says. "I'm still part of that building. We're a little tight-knit apartment complex."

In 2011, Jasmine¹ escaped her abusive husband with an infant, a toddler, and no safety net. She spoke limited English and had no family for support. "I was alone," she says, "without a job and with two daughters." But Jasmine was fortunate. When she sought help at Catholic Charities, the agency helped pay her rent for five months through Home Forward's STRA program. This allowed her to use her limited resources to pay for childcare and monthly bills while she secured stable employment, started community college, and, ultimately, turned her life around.

"What the rent assistance enabled me to do, it created space for me to organize my life for myself and my children," she says. Jasmine and her daughters, who are now 4 and 2, didn't require a long-term rent subsidy. By June 2012, she had a job and began to focus on career opportunities. She studied math and college-level English and hopes to learn more about accounting. Jasmine and her daughters live in a two-bedroom apartment in Gresham, east of Portland.

Now she tells her friends about the STRA program. She knows, first-hand, the difference it can make. "This help is very important for those of us who truly need it. It's saved many of us."

STRA INDIVIDUALS AND HOUSEHOLDS SERVED BY YEAR

YEAR	INDIVIDUALS	HOUSEHOLDS	HOUSING RETENTION All STRA 12-Months Post-Assistance
2008-2009 Full Year Total	3,911	1,715	78%
2009-2010 Full Year Total	5,605	2,299	74%
2010-2011 Full Year Total	5,728	2,365	73%
2011-2012 Full Year Total	5,787	2,416	78%
2012-2013 Full Year Total	6,666	2,655	76%

¹ Because she is a survivor of domestic violence, Jasmine is a pseudonym.

Oklahoma City Housing Authority

100,000 HOMES OKC

OCHA rigorously trained its team members on completing required paperwork so that, now, a 100,000 Homes OKC client can go to the Housing Authority with their case manager in the morning and walk out with a voucher in time to grab lunch.

In August 2012, the Oklahoma City Housing Authority (OCHA) joined a group of homeless service providers participating in a week-long boot camp in Kansas City to learn about the national 100,000 Homes Campaign. This national movement encourages the use of the Housing First model to move chronically homeless, medically vulnerable, unsheltered people directly into housing without preconditions. The Oklahoma City contingent included a major charitable foundation, as well as representatives from municipal government, a mental health and substance abuse provider, a homeless services provider, and the local Veterans Administration.

Oklahoma City spends \$28 million annually on homelessness and the chronically homeless—almost all of which are incurred by nontraditional providers, such as the police, fire department, ambulance service, local hospitals and their emergency departments, and the county jail. Other communities that have implemented Housing First have drastically reduced their cost of chronic homelessness, some by as much as 70 percent.

The most critical step to implementing the 100,000 Homes program in a community is lining up the supply of housing and services. This was where OCHA's leadership proved critical. Oklahoma City's team of 35 government, faith-based, and non-profit agencies—collectively 100,000 Homes OKC—would provide the services the homeless would need to sustain housing, but for the program to work, a community has to be able to quickly take someone directly from the streets and put them into housing. OCHA pledged up to seven Housing Choice Vouchers per month from its turnover pool to the effort, and then the Housing Authority took the bold step of waiving all but the federally-mandated requirements to qualify for housing. Moreover, OCHA rigorously trained its team members on completing required paperwork so that, now, a 100,000 Homes OKC client can go to the Housing Authority with their case manager in the morning and walk out with a voucher in time to grab lunch.

Perhaps equally important to the success of the initiative was simply the “moral authority” that OCHA's participation brought to the initiative. “Prior to 100,000 Homes, no agency in Oklahoma City was using the Housing First model, and many traditional providers felt strongly that it was destined to fail. To have the Housing Authority willing to roll the dice on the program in the face of not insignificant opposition not only enabled us to start the program but was key to recruiting the team we have now,” says OCHA Executive Director Mark Gillett.

The team began housing people immediately following the homelessness surveys in January 2013. As of July 31, 2013, 100,000 Homes OKC has housed 151 chronically homeless, medically vulnerable, previously unsheltered people. This represents 48 percent of Oklahoma City's total chronic homeless population. Only two have fallen out of the program. While there aren't valid cost data after only six months, anecdotally, the Oklahoma City experience appears to mirror the national trend of drastically reducing the cost of homelessness.



Aubrey Sutton, housed by 100,000 Homes OKC



Randy, Janet, and their daughter Christa, housed by 100,000 Homes OKC

Jeff Dillard, 44, was one of the first chronically homeless people housed under the 100,000 Homes program in Oklahoma City. Like Boopsie, the dog he took in from the streets, Jeff bears scars from the past. He has a mark on his shaved head from a brain injury suffered in a construction accident in Phoenix years ago. He also has a scar from when another homeless man attacked him with a knife after Jeff refused to hand over his cigarettes.

Being in a home—and being connected to services—has helped him focus on the future. “I couldn’t have told you before what day or month it was because my mind was more on where am I going to be tonight, what’s going to happen tomorrow?” Jeff says. “I was drinking a lot and was getting in trouble. Every day that was on my agenda—I had to drink, get drunk to forget about the way my life was,” he recalls. “You won’t find any liquor in here.”

Since entering housing and receiving supportive services, Jeff has reconnected with his family. “My family didn’t even matter to me,” Jeff recalls. “They weren’t helping me out unless it was my birthday. Now I understand why.” The goal now is to prove to his mother that he can stay housed. “I was aggravated. Now I know I’m lucky to have what I have,” he remarks, before turning to Boopsie, “Lucky to have friends.”

“I couldn’t have told you before what day or month it was because my mind was on more where am I going to be tonight, what’s going to happen tomorrow?”

– Jeff Dillard, housed under the 100,000 Homes Campaign in Oklahoma City

VETERAN HOMELESSNESS

NATIONAL COALITION FOR HOMELESS VETERANS

By Baylee Crone, Vice President, Operations and Programs

On a single night in January 2012, 62,619 veterans were homeless. Homeless veterans represent 13 percent of the adult homeless population and are highly concentrated in urban areas of California, New York, Texas, and Florida. In 2009, President Obama committed his Administration to ending homelessness, with a focus on rapidly ending homelessness among veterans. The 2010 *Federal Strategic Plan to Prevent and End Homelessness* provided an outline for meeting this goal within five years. VA Secretary Shinseki has operationalized this plan, defining concrete strategies to end veteran homelessness by 2015.

Since 2009, the number of homeless veterans has declined by 17.2 percent. Efforts to strategically build up major homeless assistance programs, increase VA staffing to meet targeted needs, and improve local collaboration between service providers and government partners have contributed to this decline.

In a challenging fiscal climate, HUD, the VA, and the U.S. Department of Labor have maintained and expanded federal grant programs offering housing, supportive services, and employment assistance. The VA has hired staff members at nearly every VA Medical Center or Regional Office to support Operation Iraqi Freedom and Operation Enduring Freedom (OIF/OEF) veterans, veterans with polytrauma, women veterans, and veterans in Grant and Per Diem (GPD) transitional or HUD-Veterans Affairs Supportive Housing (VASH) permanent supportive housing programs. National level data integration between HUD and the VA and local level coordinated planning initiatives mean that funding is better matched to local needs. These efforts continue to drive down homelessness numbers and are increasingly focused on the risk factors that precipitate homelessness for veterans.

Risk factors for veterans include those common among homeless populations, as well as those related more directly to military service. Experiences before entering the military and demographics can significantly impact the risk of homelessness for veterans. Childhood abuse, involvement with the foster care system, or other episodes of

trauma each increase the likelihood of experiencing homelessness later in life. Demographic factors, including being male, aged 40-64, and African American can also increase risk. Mental health diagnoses impact risk level; these include diagnosed schizophrenia, bipolar disorder, personality disorders, and alcohol or drug use disorders. These factors can contribute to but do not fully predict homelessness, especially for special needs subsets within the homeless and at-risk veteran population.

A subset of the veteran population with a complicated but critically important risk profile is aging low-income veterans. Americans over 50 experience more rapid increases in homelessness than any other age bracket. From 2002 to 2008, the percentage of homeless veterans in the 45-60 age bracket increased at a faster rate than this same age group within the overall veteran population, showing that as veterans age, increased numbers of them experience homelessness. This trend is expected to continue, with the largest subset of homeless veterans predicted to be the 70-74 age bracket by 2020. The service providers assisting these veterans must address barriers related to homelessness as well as aging. For aging veterans, loss of a loved one and atrophied social support networks increase risk, especially for those who are low-income and have dementia, depression, cardiovascular disease, obesity, or diabetes.

OIF/OEF veterans represent a second distinct subset of veterans who are experiencing or are at risk of homelessness. A diagnosis of bipolar disorder, depression, or schizophrenia among this population increases homelessness risk by up to three times. Many are living in urban areas and have low incomes, which increases risk. This group of veterans, especially the 18-24 and 25-29 age cohorts, experience high and fluctuating unemployment that fosters income instability.

A third special needs subset, women veterans, are three times more likely than women non-veterans to experience homelessness. This population may come from a larger group of unstably housed women veterans who more frequently enter and exit homelessness. Certain factors can contribute to homelessness for this group, including unemployment; poor health; trauma; and diagnosed anxiety, depression, or other disabling conditions. For those with military sexual trauma (MST), including the 53 percent of homeless women veterans who report experiencing this trauma during their service, preventing homelessness and providing a pathway out of homelessness requires targeted treatment planning and trauma-informed care services.

Veterans of all ages and backgrounds have dedicated themselves to the protection of our safety and freedoms. It is imperative that we serve those who served by working to end and prevent veteran homelessness.



The National Coalition for Homeless Veterans (NCHV) is the resource and technical assistance center for a national network of community-based service providers and local, state and federal agencies that provide emergency and supportive housing, food, health services, job training and placement assistance, legal aid and case management support for hundreds of thousands of homeless veterans each year.

District of Columbia Housing Authority

VASH PLUS

In just one day, the District of Columbia Housing Authority (DCHA) can find an eligible, homeless veteran a safe and comfortable place to call home—making it an award-winning national model that is studied by other housing authorities throughout the country.

The HUD-Veterans Affairs Supportive Housing (VASH) program combines Housing Choice Voucher (HCV) rental assistance with case management and clinical services provided by the VA at VA Medical Centers (VAMCs) and community-based outreach clinics. Homeless veterans in DC are screened by the VA and then referred to DCHA.

When the program was established in 2008, it could take up to six months from the point a homeless veteran was identified by the VA to the point where the veteran was able to secure a suitable dwelling utilizing their voucher. “We found many of the veterans were having trouble completing the required VASH paperwork,” says Ronald M. McCoy, Director of DCHA’s Housing Choice Voucher program. “We found they were not attending eligibility meetings and orientation briefings, and once a VASH voucher was issued, the veterans could not locate adequate housing on their own prior to their voucher time expiring.”

In response, DCHA partnered with other local agencies and community organizations to develop VASH Plus, a rapid VASH housing model that has dramatically reduced client wait time from application to voucher-issuance. Key to this success has been strategic collaboration and the effective use of technology and communication.

McCoy and his colleagues examined the VASH process and found ways to reduce administrative time, as well as ways to bring housing options to veterans instead of leaving them to find suitable housing on their own.

DCHA cross-trained the DC Department of Human Services (DHS) on applicant documentation processes, helping veterans to complete their paperwork prior to meeting with housing officials. DHS works in coordination with the VAMC to customize the delivery and scope of clinical and case management services, allowing both the ability to refer clients to DCHA’s VASH program.

The Housing Authority also partnered with the Community Partnership for the Prevention of Homelessness, an organization that manages DC’s Continuum of Care, and with DHS to conduct outreach with area landlords to create an inventory of units available to veterans. DCHA created a Landlord Advisory Committee, which

DCHA partnered with other local agencies and community organizations to develop VASH Plus, a rapid VASH housing model that has dramatically reduced client wait time from application to voucher-issuance.

now has 600 landlords representing thousands of rental units. DCHA routinely promotes VASH rentals with this group.

“Landlords with available units are now more receptive,” McCoy says. “That new relationship allowed us to ask landlords to lower their normal tenant screening criteria and/or security deposits to enable the veterans to be easily selected for tenancy. As a generous sign of support for the vets, some landlords waived security deposits altogether.”

In the District, the program pays an average of \$936 per month toward a veteran’s rent. DCHA was able to expedite leasing rent negotiations by developing a unique way of determining and posting reasonable rents to landlords in all areas of the city, which are then posted on its website.

To facilitate coordination and data tracking, DCHA worked with DHS and the District’s Office of the Chief Technology Officer to develop customized computer software that all of the coordinating agencies can access. The system tracks veteran identification, unit approvals, and client files moving throughout the process, reducing the time required to transfer files back and forth through agencies. Rather than the traditional linear approach, the voucher approval and lease-up processes can progress simultaneously.

As of 2013, more than 800 veterans in DC have been housed successfully with VASH vouchers. In addition to housing the veterans, DCHA hosts a myriad of events throughout the year to connect them with additional employment, case management, and skills training.



DCHA brings military veterans together with service agencies who offer employment, case management, and skills training.

Tricia Richardson served four and a half years in the Army, including one year in Iraq. During a military exercise, she sustained serious injuries that left her with five fractured bones in her face. After discharging from the Army, Tricia remained unemployed for three years, and she and her children lived out of her car for a year.

Their prospects changed when she learned about DCHA's VASH program. The Housing Authority and its partners were able to get her family into housing and provide supportive services. Tricia and her three sons now live in an apartment in Northeast DC.

CLPHA

The Council of Large Public Housing Authorities supports the nation's largest and most innovative housing authorities by advocating for the resources they need to solve local housing challenges and create communities of opportunity.

CLPHA is a non-profit organization that works to preserve and improve public and affordable housing through advocacy, research, policy analysis, and public education.

CLPHA's nearly 70 members represent virtually every major metropolitan area in the country. Together they manage almost half of the nation's multi-billion dollar public housing stock; administer a quarter of the Housing Choice Voucher program; and operate a wide array of other housing programs.

Housing authorities are the cornerstone of affordable housing and community development. CLPHA:

- Advocates for adequate public and assisted housing funding and policies that support local management and accountability.
- Develops and analyzes policies impacting the affordable housing community.
- Educates policymakers and the public about the critical role public housing and the voucher program play in meeting affordable housing needs.



Council of Large Public Housing Authorities
455 Massachusetts Ave, NW, Suite 425
Washington, DC 20001

202.638.1300 | www.clpha.org

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S ROLE IN ADDRESSING THE HOUSING CRISIS & HOMELESSNESS

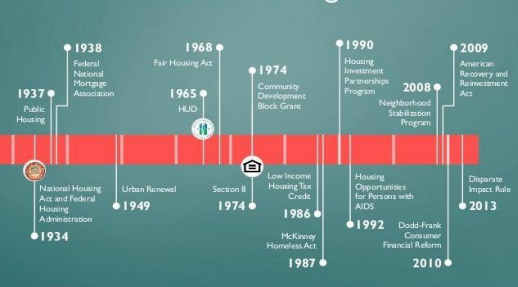
EMILIO RAMIREZ, DIRECTOR
HOUSING DEPARTMENT
CITY COUNCIL
OCTOBER 18, 2022



STARTING IN 1937

An act to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the eradication of slums, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes

Evolution of Affordable Housing Policies and Programs



In 1965, the Department of Housing and Urban Development Started out because of the U.S. Housing Act of 1937.



CHANGING WITH THE TIME

The Section 8 regulations expressly state that a public housing authority “may adopt a preference for admission of single persons who are age 62 or older, displaced, *homeless*, or persons with disabilities over other single persons” §982.207(b)(5)



3

VETERAN AFFAIRS SUPPORTIVE HOUSING

The VASH program combines Housing Choice Voucher rental assistance for homeless veterans with case management and clinical service support which is provided by the Veterans Affairs administration at its own medical centers and also in the community



4

MAINSTREAM

A Mainstream voucher is a type of rental assistance for families with an adult member age 18-61 who has a disability, and who is homeless, living in an institution such as a hospital or a nursing home, or at risk of being homeless or institutionalized

Mainstream Voucher Program



5

EMERGENCY HOUSING VOUCHERS

Emergency Housing Vouchers are specifically designed for households who are: Homeless; At Risk of Homelessness; Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking; Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability

EMERGENCY
HOUSING
VOUCHERS

Emergency
Housing
Assistance
Programs For
Homeless Families

CITY
EMERGENCY
HOUSING
VOUCHERS

PROVIDER
TRAINING
#1



6

FAMILY UNIFICATION VOUCHERS

Families who are in imminent danger of losing their children to foster care primarily due to housing problems

Families who are unable to regain custody of their children primarily due to housing problems

Youth who were in foster care any time after the age of 16 who are currently between the ages of 18-24 and are homeless or at risk of homelessness

HUD's Family Unification Program

- Prevent the separation of families by increasing available housing for child welfare involved families
- Ease the transition to adulthood for youth aging out of foster care
- Facilitate and expedite access to housing and supportive services through agency collaboration



Family Unification Program



7

PUBLIC HOUSING AUTHORITIES SERVING HOMELESSNESS

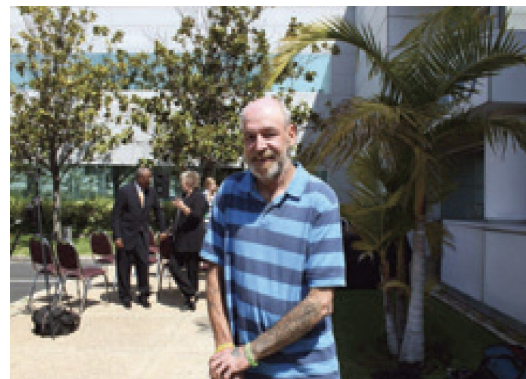
The idea that “home is where you hang your hat” is no cliché for James, 48, an Army veteran who was homeless for almost 15 years before one of San Diego Housing Commission’s Sponsor-Based Vouchers through Project 25 helped him get an apartment



In April 2012, Project 25 announced preliminary results of the program:

- Emergency room visits down 77 percent
- Ambulance transports down 72 percent
- In-patient medical stays down 73 percent
- Arrests down 69 percent
- Jail days down 43 percent

In April 2013, Project 25 updated the cost savings the program has provided. According to St. Vincent de Paul Village, the 35 people whom Project 25 has helped cost the community \$4.2 million in 2010. In 2012, the cost to the community was \$2 million. Including the operating cost, the program has saved the City more than \$1.4 million.



8

THE OXNARD HOUSING AUTHORITY

In 2010, the Oxnard Housing Authority ventured into homeless services with its first allocation of VASH vouchers in service of homeless veterans

Seven years ago the previous Housing Director engaged the Oxnard Housing Authority directly into the realm of homeless services with the creation of a homeless preference setting aside fifteen Section 8 vouchers



9

A POTENTIAL HOMELESS SERVICES PROGRAM

1. Housing navigation
2. Intake and eligibility support
3. Case Management
4. Training of homeless providers
5. Adopting a homeless preference
6. Project basing vouchers
7. Solicitation of special vouchers
8. Landlord engagement



10

RECOMMENDATION

That the City Council:

1. Receive a Report on the United States Department of Housing and Urban Development's Housing Choice Voucher Programs progression over time to respond to changing housing needs; and
2. Direct staff to prepare and present to the Oxnard Housing Authority Board of Commissioners a comprehensive proposal for adoption of a homeless services program including the continued solicitation of special purpose vouchers, future voucher project-based commitments and adoption of a local preference in support of homeless individuals.



CITY COUNCIL AGENDA REPORT

APPOINTMENT ITEMS (5:00 PM) AGENDA ITEM NO. D.2

DATE: October 18, 2022

TO: Housing Authority

FROM: Emilio Ramirez, Housing Director, (805) 385-8094, emilio.ramirez@oxnard.org

SUBJECT: Public Housing Agency (PHA) Governance and Financial Management Training. (10/15/5)

RECOMMENDATION

That the Board of Commissioners of the Housing Authority of the City of Oxnard receive a presentation by William M. Rhodes, Portfolio Management Specialist/UPCS/UPCS-V SME, for the United States Department of Housing and Urban Development on governance training, "Lead the Way" and "Whistleblower Protection".

(This item did not originate in Committee.)

BACKGROUND

In order to preserve the viability of its programs and increase the number of families assisted, the Housing Authority of the City of Oxnard (OHA) needs to identify opportunities to leverage funds, diversify services offered, and transition its current public housing stock to a more sustainable platform and increase capacity. In June of 2020, the OHA launched the "Rethink and Renew" effort to identify, plan, and implement organizational changes that will meet these goals. As a starting point, the OHA submitted a request for technical assistance to the Office of Public Housing (Los Angeles Field Office). The request was approved and CVR and Associates Inc. was assigned as the consultant. CVR and Associates finalized its assessment on December 22, 2021 and provided an asset repositioning report with target focus areas and action items for the OHA, inclusive of implementation strategies, an evaluation of staffing levels and capacity.

A topic area recommended in the report includes governance training, including the Lead the Way and Whistleblower Protection training modules. Lead the Way is a free, online self-paced training designed primarily for public housing agency board members and commissioners. The training covers the history and context of public housing; roles and responsibilities of a public housing agency board and staff; and key components of public housing. In addition, Lead the Way helps enhance skills in the following aspects of governance and financial management: asset management; housing choice voucher program (Section 8); budgets; ethics; assessing a public housing agency; and getting to know a public housing agency.

Lead the Way consists of video vignettes, audio case studies, interactive worksheets and online quizzes to reinforce learning using real public housing agency staff and settings. Lead the way can be completed on a computer, tablet, or smartphone. The training can be accessed online <https://www.hudexchange.info/trainings/courses/lead-the-way-pha-governance-and-financial-management/>

DISCUSSION

Lead the Way is an educational curriculum developed by the United States Department of Housing and Urban Development (HUD) for the benefit of housing authority board members and executive staff. The purpose of the training is to not only enhance public housing knowledge, but to also empower local housing leaders with the resources, knowledge, technical support, best practices, and tools that will enable leaders to better serve the community.

Another key element of the training is clarification of the executive director's role and the board of commissioners. The commissioner's role is governance-establishing policy and ensuring oversight. The executive director's role is management and serves as a bridge between the board, HUD, staff, residents, and community. The board delegates the authority and day-to-day responsibility for the overall operations of the housing authority to its executive staff. The board of commissions is the legally and financially responsible governing body of the housing authority. In the state of California, state code 34271 establishes the board of commissioners for a housing authority. Boards must include resident commissioners, which are individuals who are residents of public housing-elected to the board through open election (Quality Housing and Work Responsibility Act of 1998). The California Housing Authority Law further requires at least five commissioners, two commissioners who are tenants of the authority, and one such tenant commissioner shall be over the age of 62 years of age.

In addition to attending board meetings and being familiar with the OHA's strategic plan, programs, financials, and properties, board members are vital in providing:

Leadership- Board members are champions of the mission of the OHA, serve as civic trustees, and must make strategic decisions to ensure the financial solvency of the agency. The board has the ultimate authority and accountability of the OHA.

Compliance and Oversight-Includes monitoring of the OHA's ability to meet statutory, regulatory and contractual obligations and ensuring a system of approved internal controls is in place to safeguard assets.

Financial Oversight -The financial integrity of the OHA, preventing fraud, waste, mismanagement and abuse. Specifically, approving budgets, reviewing expenditures, oversight of annual audit process, and monthly financial reviews.

Operational Oversight-the Board is responsible to ensure ethical, legal and effective performance by: staying informed of subsidized housing industry rules and regulations, review of personnel policy for separation of duties to maintain adequate internal controls, know the procurement policy, and follow up on public audit deficiencies.

Whistleblower Protection Act (WPA)- A resource for the Board to effectively fulfill its fiduciary obligations, is the whistleblower protection policy. The State of California encourages employees to notify an appropriate government or law enforcement agency, person with authority over the employee, or another employee with authority to investigate, discover, or correct the violation or noncompliance, and to provide information to and testify before a public body conducting an investigation, hearing or inquiry, when they have reason to believe their employer is violating a state or federal statute, or violating or not complying with a local, state or federal rule or regulation.

The WPA was established to ensure that employees and applicants who disclose allegations of serious wrongdoing, violation of any rule, law, regulation, abuse of authority, substantial and specific danger of public health or safety, or gross mismanagement are free from fear of reprisal for their disclosure. The Act provides remedies if an employee is subjected to reprisal and penalties for supervisors who retaliate against whistleblowers.

Pursuant to California Labor Code Section 1102.5, employees are the protected class of individuals. "Employee" means any person employed by an employer, private or public, including, but not limited to, individuals employed by the state or any subdivision thereof, any county, city, city and county, including any charter city or county, and any school district, community college district, municipal or public corporation, political subdivision, or the University of California.

Completion of the "Lead the Way" training by each Public Housing Agency (PHA) board member and executive staff individually will have an impact in the PHA's overall annual performance, which in turn impacts the PHAs programs.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

No impact on the City's General Fund.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Emilio Ramirez, Housing Director

ATTACHMENTS

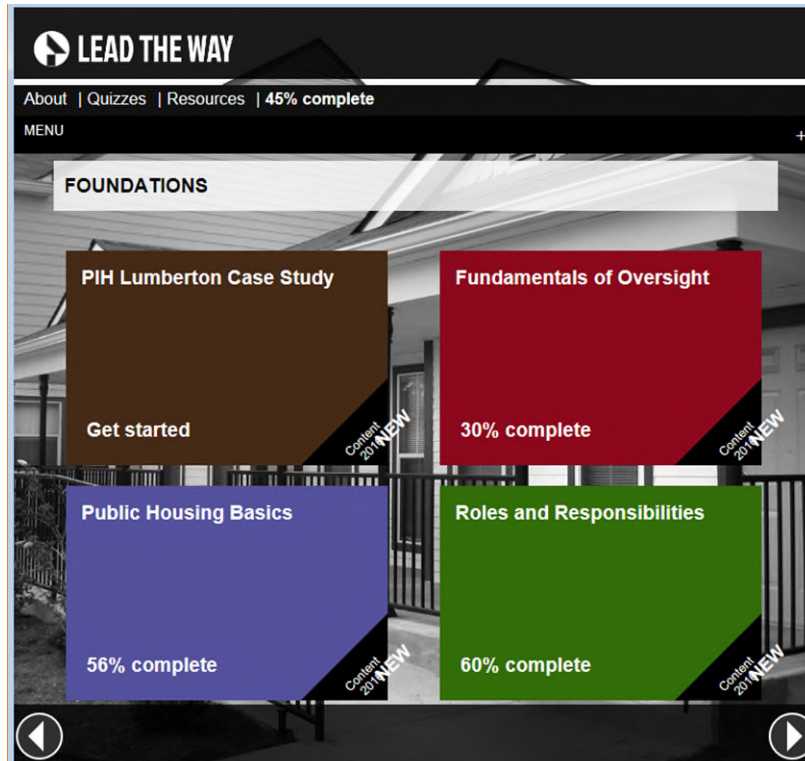
1. PowerPoint Presentation



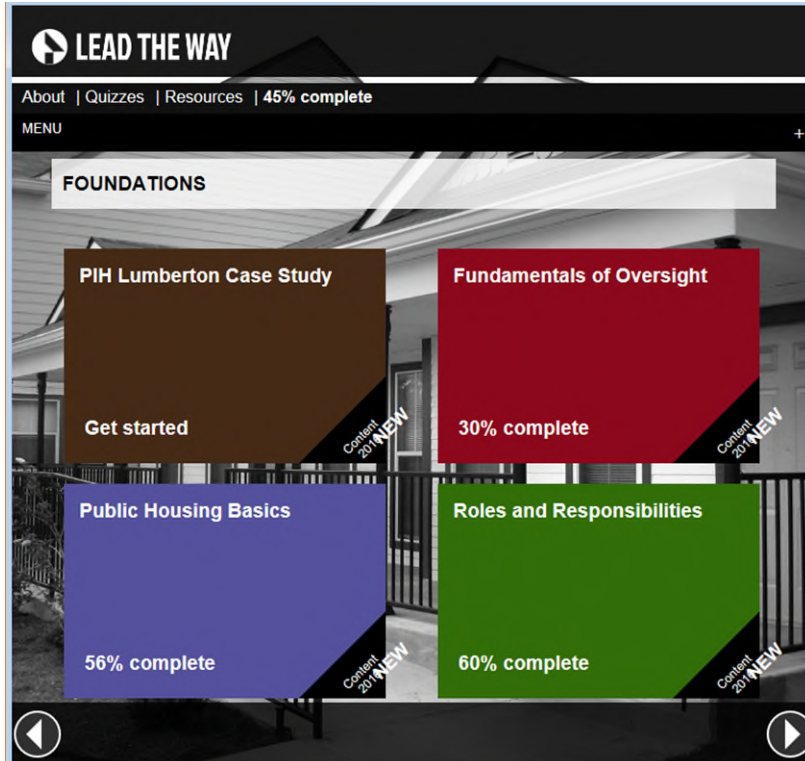
*Lead the Way:
PHA Governance and Financial Management
A Training for Board Members*



- Executive Director contacted HUD requesting technical assistance.
- HUD field office (LAOPH) drafted request for TA
- CVR & Associates selected TA provider for the purpose of repositioning from public housing to Section 8
- CVR final report recommended 5 topic areas to focus on
- Governance and Whistle Blower Protection
- LAOPH contacted PHA for action items
- LAOPH to provide Governance training – HUD Lead The Way



Lead the Way is a free, online self-paced training designed primarily for public housing agency (PHA) board members/commissioners. New and experienced board members alike can benefit from the curriculum. CEOs, CFOs, finance teams, program managers can use the tool to hone their skills and improve PHA operations.



The first three sections cover PHA foundations:

- **Fundamentals of Oversight** presents the history and context of public housing.
- **Roles and Responsibilities** addresses PHA board and staff functions.
- **Public Housing Basics** outlines key components of public housing.

Lead the Way then helps enhance skills in six key aspects of PHA governance and financial management:

Asset Management

Budgets

Assessing Your PHA

Housing Choice Voucher Program

Ethics

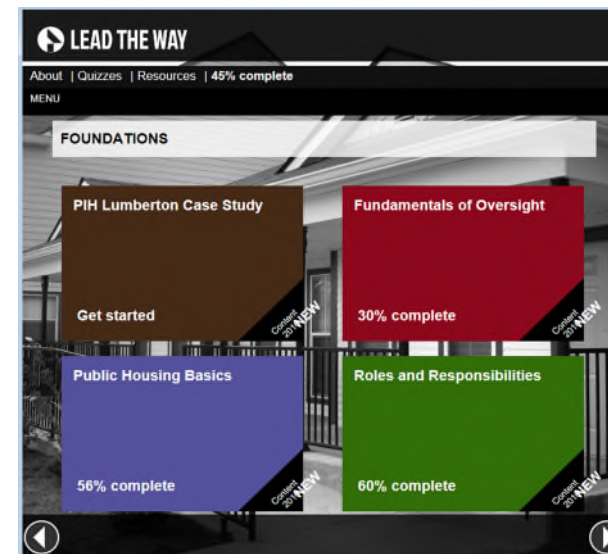
Know Your PHA

<https://www.hudexchange.info/trainings/courses/lead-the-way-pha-governance-and-financial-management/>

- **Access the Training, Get Credit, and Provide Feedback**

- **Access the Training**

1. Click Go to Training.
2. PHA Staff creates accounts for board members.
3. You will be prompted to either create or log into your HUD Exchange Learn account.
 1. If you need to create an account, Click **Create an Account**.
 2. Fill out the form, and click the **Create Account** button.
4. Your account has been created. You will receive a confirmation email.
5. After creating an account or logging in, the training will launch in a new window. Make sure your pop-up blockers are turned off.



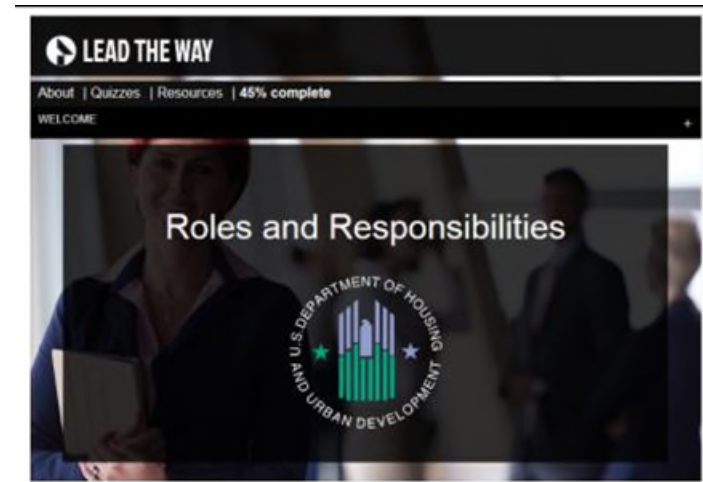
Learning Objectives

- Describe the role and functions of the board
- Discuss what boards should know, including the history of an agency, mission, developments and property, regulations and policies, and more.
- List the individual roles that make up the board of commissioners
- Summarize the relationship between commissioners and executive directors



Roles and Responsibilities

Role of the Board



The board of commissioners is the legally and financially responsible governing body of a public housing agency (PHA). The power of the board is vested in all members as a body, not individuals — so it is important that all members understand their roles and responsibilities on the board.

As a commissioner, you are charged with the governance of your local agency. You provide oversight of the PHA, which includes a fiduciary obligation to ensure that the agency remains financially viable. In this section, you'll learn more about who makes up a board, what members should know in order to provide effective financial management and oversight, and the responsibilities of each member. You'll also learn about the roles and responsibilities of the other key players in public housing, including the executive directors and other staff, HUD, residents, and the community.

Roles and Responsibilities

Role of the Board



Leadership

Through your leadership as a commissioner, the PHA can create a positive impact in the community. Your responsibility is to set and champion the mission of the PHA and to make strategic decisions to ensure the financial solvency of the agency — **the board has the ultimate authority and accountability of the PHA.**

The board is also a civic trustee and must adhere to the community's values. Community perception is also important — avoid negative press and headlines by approving prudent policies for your PHA. If the community has a negative perception of the PHA, it may ultimately harm your agency and the families it serves. Leadership also means speaking up when you have concerns and not just approving what is proposed at meetings. Not taking an active role is a poor excuse for allowing faulty housing policies to be approved and implemented

Roles and Responsibilities

Role of the Board



Compliance Oversight

Your oversight responsibilities include monitoring the agency's ability to meet statutory, regulatory, and contractual obligations. The board must ensure that the agency is in compliance with laws and regulations, meeting their obligations on any audit recommendations. It must also ensure that the management team has put a system of approved internal controls in place to safeguard the agency's assets

Roles and Responsibilities

Role of the Board



Financial Oversight

You are responsible for safeguarding the financial integrity of the PHA and preventing fraud, waste, mismanagement, and abuse. The financial health of the PHA is in the board's hands. Commissioners have the following responsibilities:

- Approving, reviewing, and monitoring budgets, contracts, and other financial documents
- The executive director draws up the budget for your review and approval
- Ensuring expenditures are in compliance with Federal, State, and local laws
- Conducting monthly reviews of budgets with actual expenses and revenues to ensure that expenditures do not exceed revenue
- Overseeing the annual audit process and reviewing the audit with the executive director
- Making decisions that reflect corrective action as it pertains to any issues and/or problems that were raised in the annual audit

Roles and Responsibilities

Role of the Board



Operational Oversight

Your responsibility is to ensure ethical, legal, and effective work performance. The following strategies will help you uphold this responsibility:

- Keep informed of subsidized housing industry rules and regulations
- Review personnel policy and position descriptions to ensure duties are separated to the point that adequate internal controls are maintained
- Review independent public audits for problems
- Be knowledgeable about your Procurement Policy
- Ensure that the board reviews and approves large procurements

Roles and Responsibilities

Role of the Board



Board Proceedings/Board Conduct

Attend and actively participate in all board meetings. Conducting and maintaining an accurate record of board proceedings is one of your key responsibilities as a commissioner.

Roles and Responsibilities

Role of the Board

What Should Boards Know?

Knowledge is power. Be informed about your PHA. Board members should be familiar with all governing documents, policies, and financial reports. Board members should also set aside time to periodically meet with all executive staff members to better understand their role and to establish a positive working relationship. It is also important to visit properties within the agency. Specifically, commissioners should know and review the following items:

- The agency's history, mission, vision, values, programs, financials, and current strategic plan
- Roles and responsibilities of the board and individuals
- Key staff roles in the programs of the agency
- Agency-owned developments and properties
- Agency records and documents
- Board and committee meeting processes, including open meeting requirements and confidentiality
- Agency-printed materials



Roles and Responsibilities

Role of the Board

PHA Roles

Who Makes Up Boards of Commissioners?

Upon assuming their office, commissioners take an oath to agree to uphold the constitution and the laws pertaining to the agency. Acceptance of an appointment as a commissioner is an agreement to meet the leadership responsibilities implicit in the office of commissioner and to give the time and energy required to carry out the demands made on a commissioner. You may be asked by your appointing official to participate in the recruitment and selection process for additional board members. Consider candidates that possess the recommended skills and experiences listed below:

Recommended Skills of a Commissioner:

- Administration (financial, reporting, legal)
- Outreach and marketing (speakers, media contacts)
- Service provision (service experts, training contacts)

Recommended Experience of a Commissioner:

- Past service to other agencies in the public, private, and nonprofit sectors
- Known positive reputation
- Community connection



Roles and Responsibilities



In California, the state code at §34271 establishes the board of commissioners for a housing authority

- Powers and authority of the PHA
- Purpose and responsibilities of the PHA
- Board member qualifications
- Appointments to, and removal from, the board; terms of office
- Other PHA requirements

Roles and Responsibilities

Role of Resident Commissioners



Each state has its own laws guiding the make-up of public housing boards of commissioners. Boards must have resident commissioners — individuals who are residents of public housing — elected to the board through open election. Resident commissioners not only bring their unique skills and assets to their role, but they also bring their perspective of living in public housing, and hearing the concerns of their fellow residents.

Quality Housing and Work Responsibility Act (QHWRA) of 1998:

Established the requirement for a resident appointment to the governing board of PHAs.

California Housing Authority Law

- At least five commissioners
- Two commissioners who are tenants of the authority
- One such tenant commissioner shall be over 62 years of age if the authority has tenants of such age.

Roles and Responsibilities

Role of Executive Director



The commissioners' role is governance — establishing policy and ensuring oversight. The executive director's role is management. Commissioners and executive directors need to be cognizant of one another's roles without overstepping or undermining the other. The executive director is the bridge between the board, HUD, PHA staff, residents, and the community. The board delegates the authority and day-to-day responsibility for the overall operations of the housing authority to its executive staff. All documentation from the PHA staff, residents, HUD, and other stakeholders goes to the executive director.

Specifically, the executive director has the following responsibilities:

- Disseminates information to the board and keeps commissioners informed of any problems (e.g., audit concerns, major resident issues, financial status, changes in law)
- Maintains decent, safe, and sanitary units and resident programs
- Develops, implements, and oversees the operating budgets and handles all fiscal functions for the board of commissioners
- Ensures compliance with all Federal laws, HUD guidelines (regulations, handbooks, notices, circulars, etc.)
- Signs all financial reports, contracts, and other official correspondence submitted to the board, HUD, or other appropriate agencies
- Manages the day-to-day operations of the PHA
- Hires, evaluates, trains, and terminates staff
- Executes board-approved policies

Roles and Responsibilities

Role of other Executive Staff

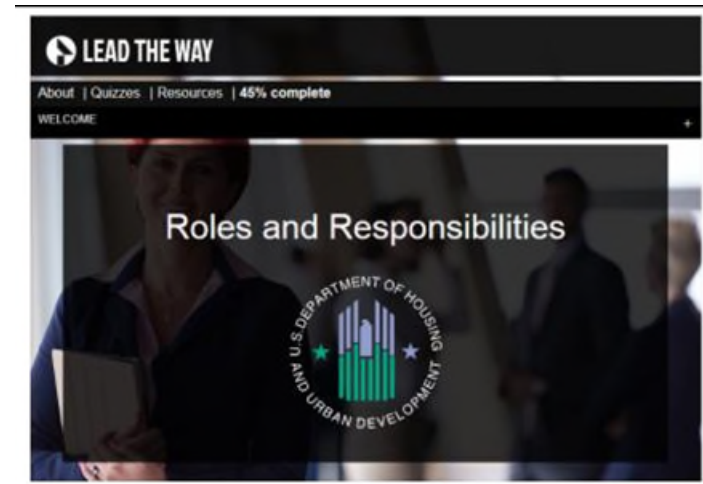


The executive team at a PHA includes more than the executive director or chief executive officer. Depending on the size of the agency, there may also be a chief operations officer, chief financial officer, director of housing operations, maintenance manager, manager of community development, director of communications, administrator of planning and sustainability, voucher program manager, and other equivalent staff.

These staff members are hired by the executive director and are concerned with the day-to-day management. As a commissioner, get to know these staff members — they can be important resources for your understanding of the PHA.

Roles and Responsibilities

Role of Residents



The most important voice in public housing is that of the residents. All PHAs must have a Resident Advisory Board (RAB) that consults on the agency's Annual and 5-Year Plans and other topics as they arise. PHAs may also have Resident Action Committees (RACs) or resident councils — organizations established by residents and completely independent of owners, management, and their representatives. These groups, along with your resident commissioner(s), can provide an important perspective on the most pressing issues facing the community of residents. You should also get out, walk around these communities, and get to know the people you serve.

Roles and Responsibilities

Role of HUD



HUD interprets the laws handed down by Congress, developing regulations to guide PHAs. These regulations are distilled in the Annual Contributions Contract, a legally binding contract between HUD and the PHA. It is through the ACC that the PHA and HUD set the terms for their Federal funds.

HUD is a resource for PHAs. HUD guidebooks, notices, and handbooks are important tools to guide your oversight. They are also available through the HUD Field Office, Regional Office, and Headquarters. If you're looking for HUD clarification or assistance on an issue, speak with your executive director first, as the PHA staff may already know the answer or may be able to help you find it.

WHISTLEBLOWER PROTECTION ACT

<https://www.hudoig.gov/fraud/whistleblower-rights/federal-employee-applicant-protections>



★ ★ OFFICE of ★ ★
INSPECTOR GENERAL
UNITED STATES DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT

- The Whistleblower Protection Act (WPA) (5 USC § 2302(b)(8)) was established to ensure that employees and applicants who disclose allegations of serious wrongdoing or gross mismanagement are free from fear of reprisal for their disclosures.
- The WPA also provides remedies if an employee is subjected to reprisal for covered disclosures, and provides penalties for supervisors who retaliate against Whistleblowers.

WHISTLEBLOWER PROTECTION ACT

^ What Is A Protected Disclosure?

A disclosure is protected under the WPA if the employee discloses information the employee reasonably believes to be true, in the following areas:

- a violation of any law, rule, or regulation,
- mismanagement,
- a gross waste of funds,
- an abuse of authority, or
- a substantial and specific danger to public health or safety.

WHISTLEBLOWER PROTECTION ACT

<https://www.dir.ca.gov/dlse/whistleblowersnotice.pdf>



Whistleblowers Are Protected

- It is the public policy of the State of California to encourage employees to notify an appropriate government or law enforcement agency, person with authority over the employee, or another employee with authority to investigate, discover, or correct the violation or noncompliance, and to provide information to and testify before a public body conducting an investigation, hearing or inquiry, when they have reason to believe their employer is violating a state or federal statute, or violating or not complying with a local, state or federal rule or regulation.

WHISTLEBLOWER PROTECTION ACT



Who Is Protected

- Pursuant to California Labor Code Section 1102.5, employees are the protected class of individuals. “Employee” means any person employed by an employer, private or public, including, but not limited to, individuals employed by the state or any subdivision thereof, any county, city, city and county, including any charter city or county, and any school district, community college district, municipal or public corporation, political subdivision, or the University of California.

[California Labor Code Section 1106]

WHISTLEBLOWER PROTECTION ACT



What Is A Whistleblower

- A “whistleblower” is an employee who discloses information to a government or law enforcement agency, person with authority over the employee, or to another employee with authority to investigate, discover, or correct the violation or noncompliance, or who provides information to or testifies before a public body conducting an investigation, hearing or inquiry, where the employee has reasonable cause to believe that the information discloses:
 - 1. A violation of a state or federal statute,
 - 2. A violation or noncompliance with a local, state or federal rule or regulation, or
 - 3. With reference to employee safety or health, unsafe working conditions or work practices in the employee’s employment or place of employment. A whistleblower can also be an employee who refuses to participate in an activity that would result in a violation of a state or federal statute, or a violation of or noncompliance with a local, state or federal rule or regulation.

WHISTLEBLOWER PROTECTION ACT



Whistleblower Protections

- 1. An employer may not make, adopt, or enforce any rule, regulation, or policy preventing an employee from being a whistleblower.
- 2. An employer may not retaliate against an employee who is a whistleblower.
- 3. An employer may not retaliate against an employee for refusing to participate in an activity that would result in a violation of a state or federal statute, or a violation or noncompliance with a state or federal rule or regulation.
- 4. An employer may not retaliate against an employee for having exercised his or her rights as a whistleblower in any former employment.
- Under California Labor Code Section 1102.5, if an employer retaliates against a whistleblower, the employer may be required to reinstate the employee's employment and work benefits, pay lost wages, and take other steps necessary to comply with the law.

WHISTLEBLOWER PROTECTION ACT



Reporting

- How to report improper acts If you have information regarding possible violations of state or federal statutes, rules, or regulations, or violations of fiduciary responsibility by a corporation or limited liability company to its shareholders, investors, or employees, call the California State Attorney General's Whistleblower Hotline at 1-800-952-5225. The Attorney General will refer your call to the appropriate government authority for review and possible investigation.



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.1

DATE: October 18, 2022

TO: City Council

FROM: Rose Chaparro, City Clerk, (805) 385-7805, rose.chaparro@oxnard.org

SUBJECT: Approval of Minutes.

RECOMMENDATION

That the City Council approve the minutes of the September 6, 2022 regular meeting as presented.

BACKGROUND

Approval of Minutes.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Rose Chaparro, City Clerk

ATTACHMENTS

1. MINUTES 09 06 2022 CC Regular Meeting

MINUTES
OXNARD CITY COUNCIL
Regular Meeting
September 6, 2022

A. ROLL CALL, POSTING OF AGENDA

At 4:31 p.m., Mayor John C. Zaragoza called to order the regular meeting of the Oxnard City Council (concurrently with the Oxnard Housing Authority), 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 Bert E. Perello, Gabriel (Gabe) Teran, Mayor Pro Tem Bryan A. MacDonald, and Mayor John C. Zaragoza were present.

Housing Authority Commissioner Jose Andrade and Commissioner Francisco Vega were absent.

Councilmember Gabriela Basua arrived at 4:36 p.m. Councilmembers Vianey Lopez and Oscar Madrigal joined the meeting at 4:40 p.m.

Staff members present in person were Alexander Nguyen, City Manager; Ashley Golden, Assistant City Manager; Shiri Klima, Deputy City Manager; Stephen M. Fischer, City Attorney; Kenneth Rozell, Chief Assistant City Attorney; Michelle (Elle) McCarron, Assistant City Attorney; Jason Benites, Police Chief; Delia Campbell, Police Finance Manager; Michael Wolfe, Public Works Director; Steve Howlett, Assistant Public Works Director; Joseph Marcinko, Assistant Public Works Director; Kumar Neppalli, Traffic Operations Engineer; Vyto Adomaitis, Community Development Director; Kathleen Mallory, Planning & Sustainability Manager; Emilio Ramirez, Housing Director; Terrel Harrison, Cultural & Community Services Director and Rose Chaparro, City Clerk.

Staff member Alexander Hamilton, Fire Chief and Brian Yanez, Assistant Public Works Director participated via videoconference.

Consultants with ELS Architecture and Urban Design Clarence D. Mamuyac, Jr., FAIA President/CEO (attended in person) and Dana Vollmer-Grant, AIA, WELL AP, CSM as well as Craig Hill, Managing Principal at NHA Advisors participated via videoconference.

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council and Housing Authority.

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

C. CLOSED SESSION (4:30 PM)

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – (Government Code section 54956.8)
Property: 300 West Fifth Street (APN 202-0-103-245)
Agency Negotiator: Emilio Ramirez, Housing Director; Ashley Golden, Assistant City Manager; Alex Nguyen, City Manager;
Negotiating Party: Guy Hamilton
Under Negotiation: Price and terms of payment
Legislative Body: City Council

At 4:35 p.m., the City Council recessed to a closed session. At 5:19 p.m., the City Council reconvened in open session in the Council Chambers. The City Attorney announced that City Council provided direction to the real-estate negotiators.

D. APPOINTMENT ITEMS (5:15 PM)

1. City Manager Department

SUBJECT: Presentation by Ventura County Director of Airports Regarding Oxnard Airport.
(15/15/10)

RECOMMENDATION: That the City Council receive a verbal report from the Ventura County Director of Airports regarding Oxnard Airport.

Legislative Body: City Council

Keith Freitas, A.A.E., C.A.E., Director of Airports and Dave Nafie, CM, AICP, Deputy Director, with the Ventura County Department of Airports (Oxnard & Camarillo), presented to Council, provided an overview of the airport operations, and answered questions. Public comments were received from Barbara Macri-Ortiz, Steve Tannehill, Alan Glen, Doug Tauber, Don Singer, Rob Harry, Barb Filking, Jon George, Warren Titremier, Doug Paris, Valerie Paris, Ben Di Benedetto, Rita Wyngarden, Susan Tatum, Joni Conterno, Walter Hagedohm, Nanette Meister, Austin Priester, Doug Partello, Eduardo Huerta, Joe Gosling, Steve Stack and Jennifer Slyhart.

E. OPENING CEREMONIES (6:00 PM)

The flag salute was followed by a moment of silence in memory of Supervisor Carmen Ramirez, Chair of the Ventura County Board of Supervisors and James “Jay” Francis Duncan III, Public Works Administration, 21+ years of public service, who recently passed.

F. CEREMONIAL ITEMS

1. SUBJECT: Update by Oxnard-Ocotlan Sister Cities Committee Visitation.

Principal Officer Debra Cordes, Carol Flores-Beck, and other members of the Oxnard-Ocotlan Sister City Committee gave a presentation to City Council and provided an update regarding the activities being held by the committee, to promote opportunities for the residents of Oxnard to experience and explore other cultures through long-term partnerships, as well as collaborating with other organizations, both in the United States and in other countries, that have similar visions and goals. Councilmembers followed with remarks.

2. SUBJECT: Presentation of a Proclamation Designating the Week of September 17 - 23, 2022 as "Constitution Week."

Mayor Zaragoza read the proclamation and presented it to Marc D. Anderson, Member of the Ventura County Bar Association which made some remarks.

G. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received from Robert O’Riley, Chief of Staff (Supervisor Carmen Ramirez), Angel Garcia (Supervisor Carmen Ramirez), Steven Auclair (Supervisor Carmen Ramirez), Bruce Dandy with the United Water Conservation District (water policy), Lawrence Stein (clean public restrooms at city parks), Doug Partello (homeless encampment, roads and streets need trash pick-up at Victoria Avenue to the Santa Clara River/street sweeper), Kevin White (lot concerns due to annexation of Rio Urbana project), Ariana Rivera (homeless, social services), and Steve Nash (Supervisor Carmen Ramirez).

H. REPORT OF CITY MANAGER/EXECUTIVE DIRECTOR/SECRETARY

City Manager Nguyen provided an update from the Director of Emergency Services on the COVID-19 pandemic and the mobile vaccine clinics available throughout the community. An update on the next round of Oxnard Employee Pipeline training classes available at Oxnard College which start on Monday, September 12, 2022. He also announced the EPA TASC (Technical Assistance Services for Communities (TASC) program meeting to discuss the Halaco Engineering Company Superfund Site in South Oxnard. At this meeting, the Superfund Process and the Site's Remedial Investigation will be discussed.

1. City Manager Department

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

RECOMMENDATION: That the City Council re-authorize remote teleconference meetings of the legislative bodies of the City of Oxnard in accordance with Assembly Bill 361 based on the following findings: (i) the current COVID-19 situation, particularly with its variants, is causing, and will continue to cause, imminent risks to the health and safety of persons within the City, including City Council members, City staff, appointed officials, and members of the public; (ii) state and local officials continue to impose or recommend measures to promote social distancing; and (iii) the Governor's COVID-19 State of Emergency is still in effect; and (iv) numerous public agencies throughout Ventura County are still operating in accordance with Assembly 361, for the reasons stated herein.

Alexander Nguyen, City Manager and Stephen M. Fischer, City Attorney presented and answered questions. No public comments were received.

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

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

1. City Manager Department

SUBJECT: Appointment of Members to Serve on the City's Citizen Advisory Groups (CAGs).

RECOMMENDATION: That the Mayor, with the approval of the City Council, make the following appointments:

1. To Senior Services Commission: Gloria Chinae (D3); and
2. To Planning Commission: Anna Marie Zielsdorf (D4).

Mayor Zaragoza and Mayor Pro Tem MacDonald introduced and presented the item. No public comments were received.

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

J. REVIEW OF INFORMATION/CONSENT AGENDA

Items L-1 through L-6 were discussed among the Council and staff. Consent item L.5 was pulled from

the agenda.

K. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

Public comments were received from Lawrence Stein (L.6).

L. INFORMATION/CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION:

That the City Council approve the minutes of the June 30, 2022 regular meeting as presented.

2. Public Works Department

SUBJECT: First Amendment to Agreement A-8192 for Custodial Services for the Oxnard Transit Center (OTC).

RECOMMENDATION:

That the City Council approve and authorize the Mayor to execute a First Amendment to Agreement A-8192 with PBC Commercial Cleaning Systems, Inc., to increase the not to exceed from \$436,425 to \$536,425, and approve the assignment and amend the company name to CCS Los Angeles Janitorial, Inc. (Public Works and Transportation Committee approved 3-0.)

3. Public Works Department

SUBJECT: Amendments to Agreements A-8344 and A-8346 with Garcia's Landscaping Maintenance, Inc. and Agreement A-8345 with Mariposa Landscapes, Inc. for Landscape Maintenance Services within the City's Medians and Parkways.

RECOMMENDATION:

That the City Council approve and authorize the Mayor to execute the:

1. First Amendment to Agreement A-8344 with Garcia's Landscaping Maintenance, Inc. increasing the not to exceed amount from \$1,900,000 to \$2,415,000 in Region 1;
 2. Second Amendment to Agreement A-8345 with Mariposa Landscapes, Inc. increasing the not to exceed amount from \$2,125,000 to \$2,535,000 in Region 2; and
 3. First Amendment to Agreement A-8346 with Garcia's Landscaping Maintenance, Inc. increasing the not to exceed amount from \$2,000,000 to \$2,575,000 in Region 3.
- (Public Works and Transportation Committee approved 3-0.)

4. Public Works Department

SUBJECT: Agreement A-8483 with Mariposa Landscapes, Inc. for Basic Landscape Services for Citywide General Fund Parks.

RECOMMENDATION:

That the City Council approve Agreement A-8483 with Mariposa Landscapes, Inc. in the amount not to exceed \$758,919 for a 22-month term ending June 30, 2024 for basic landscape services in the General Fund Parks. (The Public Works and Transportation Committee approved 3-0.)

5. Fire Department

SUBJECT: Purchase Order with Stonewell Bodies For Upfitting Eight (8) Command Vehicles in the

amount of \$869,632.

RECOMMENDATION:

That the City Council:

1. Authorize the Mayor to execute a purchase order in the amount of \$869,632 for the upfitting of eight (8) Battalion Chief Command vehicles by Stonewell Bodies; and
2. Adopt a resolution declaring the City's intent to be reimbursed for certain capital expenditures from the proceeds of indebtedness related to the purchase of eight (8) Battalion Chief Command vehicles. (Finance and Governance Committee approved 3-0.)

6. City Manager Department

SUBJECT: 2023 Meeting Schedule for Legislative Bodies.

RECOMMENDATION:

That City Council, Community Development Commission Successor Agency, Financing Authority, and Housing Authority:

1. Select the final Committee date in the month of December; and
2. Adopt the proposed meeting dates for the calendar year 2023.
(This item did not originate in Committee.)

Consent Items No. 1-4:

It was moved by Councilmember Perello, seconded by Councilmember Lopez, to approve the Information/Consent items as presented. VOTE: Basua, Lopez, MacDonald, Madrigal, Perello, Teran, and Zaragoza voted in favor; motion passed 7-0.

Consent Item No. 5:

This item was pulled from the agenda.

Consent Item No. 6:

After a brief discussion, Council made a motion to remove the December 21 and December 27 meetings from the 2023 Council and Committees meeting schedule.

It was moved by Councilmember Basua, seconded by Councilmember Madrigal, to approve the Information/Consent item as amended. VOTE: Basua, Lopez, MacDonald, Madrigal, Perello, Teran, and Zaragoza voted in favor; motion passed 7-0. Commissioners Andrade and Vega were absent.

M. PUBLIC HEARINGS

1. Police Department

SUBJECT: Edward Byrne Memorial Justice Assistance Grant Program FY2022 Local JAG.
(0/10/10)

RECOMMENDATION: That City Council conduct a public hearing and adopt **Resolution #15,629:**

1. Ratifying the prior execution and submission of an application for U.S. Department of Justice (DOJ) grant funds in the amount of \$99,611 from the Edward Byrne Memorial Justice Assistance

Grant (JAG) Program FY 2022 Local Solicitation with no matching fund requirement;

2. Authorizing the City Manager to execute a Memorandum of Understanding with the County of Ventura and the City of San Buenaventura designating the City of Oxnard as the lead agency and fiscal agent for the JAG;
3. Authorizing the City Manager or designee to execute grant agreements and appropriate funds upon notification of grant award;
4. Authorizing the Chief Financial Officer or designee to submit financial reports and grant claims and approve administrative budget appropriation for the use of JAG funds upon award; and
5. Authorizing the Chief of Police or designee to submit all program related progress or status reports.
(This item did not originate in Committee.)

The City Clerk stated that no written communications were received. Jason Benites, Police Chief, presented and answered questions.

Mayor Zaragoza opened the public testimony portion of the public hearing. No public comments were received.

Without objection, the Council approved closing the public testimony portion of the public hearing. Discussion ensued among the Council and staff.

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

2. Housing Department

SUBJECT: Family Self-Sufficiency Action Plan. (0/5/5)

RECOMMENDATION: That the Board of Commissioners:

1. Hold a public hearing to receive comments concerning the Oxnard Housing Authority Family Self-Sufficiency Action Plan; and
2. Adopt **Resolution # H.A. 1334** approving the Oxnard Housing Authority Family Self-Sufficiency Action Plan and authorizing the Housing Director to execute and submit all reports and documents required to comply with federal policies and procedures regarding the Family Self-Sufficiency Action Plan.
(This item did not originate in Committee.)

The City Clerk announced the affidavit of publication and stated that no written communications were received.

Emilio Ramirez, Housing Director, presented and answered questions.

Mayor Zaragoza opened the public testimony portion of the public hearing. No public comments were received.

Without objection, the Council approved closing the public testimony portion of the public hearing. Discussion ensued among the Council and staff.

It was moved by Councilmember Lopez, seconded by Councilmember Teran, to approve the recommended action as presented. VOTE: Basua, Lopez, MacDonald, Madrigal, Perello, Teran, and Zaragoza voted in favor; motion passed 7-0. Commissioners Andrade and Vega were absent.

At 9:58 p.m., City Council voted to continue the meeting past 10:00 p.m., and take action on the remainder of the items on the agenda.

It was moved by Councilmember Teran, seconded by Councilmember Basua, to approve the recommended action as presented. VOTE: Basua, Lopez, MacDonald, Madrigal, Perello, Teran, and Zaragoza voted in favor; motion passed 7-0.

N. REPORTS

1. Finance Department

SUBJECT: Authorize Execution and Delivery of Schedule of Property to the Banc of America Master Equipment Lease/Purchase Agreement A-7667 for the Financing, and Leasing of Certain Equipment. (10/5/5)

RECOMMENDATION: That the City Council:

1. Adopt a resolution approving and authorizing the execution of Equipment Schedule No. 26 to Agreement A-7667 Master Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp. in an amount not to exceed \$1.4 million to reimburse the City for the purchase of eight Fire Battalion Chief vehicle chassis and provide financing for the upfitting cost of the eight chassis, authorizing the execution and delivery of other documents required in connection therewith, and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by the resolution; and

2. Approve the additional proceeds of \$366,000 to 8 Command Vehicles Project 222202, for the total costs of \$1,326,000 of acquisition and upfitting costs of the eight chassis.

(Finance and Governance Committee approved 3-0.)

Presentation will be live upon Consultant's request.

This item was pulled from the meeting agenda. Public comments were received from Lawrence Stein.

2. Public Works Department

SUBJECT: Grant **Resolution #15,630** for Caltrans Highway Safety Improvement Program, U.S. Department of Transportation Reconnecting Communities Planning Grant Projects, and Ventura County Transportation Commission Call for Projects. (0/5/5)

RECOMMENDATION: That the City Council adopt **Resolution #15,630** authorizing the City Manager to submit grant applications and execute grant agreements, if awarded, for the Highway Safety Improvement Program for an amount not to exceed \$20,000,000 for two grants, Reconnecting Communities Pilot Program for an amount not to exceed \$2,000,000, and Ventura County Transportation Commission Call for Projects for an amount not to exceed \$5,000,000, and 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.
(This item did not originate in Committee.)

Michael Wolfe, Public Works Director, presented and answered questions. No public comments were received. Discussion ensued among the Council and staff.

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

3. Cultural & Community Services Department

SUBJECT: Approve the Conceptual Design for South Oxnard Aquatics Center. (15/10/10)

RECOMMENDATION: That the City Council approve the conceptual design, Recommended Option, for the South Oxnard Aquatics Center Improvement Project (Project No. 225502). The Aquatics Center will be located within College Park.

(This item did not originate in Committee as this is a capital improvement project specifically listed in the Capital Improvement Program budget, which was previously approved by the City Council.)

Presentation will be live upon consultant's request.

Ashley Golden, Assistant City Manager provided Council an update regarding the increased costs for this project and introduced Clarence D. Mamuyac, Jr., FAIA President/CEO and Dana Vollmer-Grant, AIA, WELL AP, CSM at ELS Architecture and Urban Design which presented and answered questions. Public comments were received from Molly McCarthy, David M. Vanderberg, Cori Raffaelli, Mike Giles, Doug Partello, Angela Whitecomb, Lawrence Stein, and Miguel Fernandez. Discussion ensued among the Council and staff.

It was moved by Mayor Pro Tem MacDonald, seconded by Councilmember Perello, to approve the recommended action as presented. VOTE: Basua, Lopez, MacDonald, Madrigal, Teran, and Zaragoza voted in favor; Perello voted against; motion passed 6-1.

O. ADJOURNMENT

There being no further business on the agenda, and without objection, Mayor Zaragoza adjourned the meeting at 11:42 p.m.

ROSE CHAPARRO

City Clerk

JOHN C. ZARAGOZA

Mayor



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.2

DATE: October 18, 2022

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: First Amendment to Professional Services Agreement A-8303 with Kennedy Jenks Consultants for the Central Trunk Sewer Main Replacement Project PW 21-27.

RECOMMENDATION

That the City Council approve and authorize the Mayor to execute a First Amendment to Professional Services Agreement A-8303 with Kennedy Jenks Consultants in the amount of \$317,104 for a new not to exceed contract amount of \$676,998 for additional design work required for the Central Trunk Sewer Main Replacement Project PW 21-27 (Project No. 206602).

This item did not originate in Committee as this is a capital improvement project specifically listed in the City's Capital Improvement Program budget, which was previously approved by the City Council.

BACKGROUND

On March 16, 2021, the City Council approved Agreement A-8303 with Kennedy Jenks Consultants (Kennedy Jenks), in the amount of \$359,894 for design services for the Central Trunk Sewer Main Replacement Project. The initial scope of work included:

- Development of a Preliminary Design Report (PDR) outlining options for rerouting part of the Central Trunk Sewer underneath the Union Pacific Railroad (UPRR)
- Development of design drawings and specifications
- Bid phase services
- Construction phase services
- Development of as-built drawings for City records

Capital Improvement Program (CIP) Reference:

Project No. **206602** - UPRR Central Trunk Sewer Main Replacement Project - CIP 2022-2027 - Adopted May 3, 2022 – Page 101.

DISCUSSION

As part of the original scope of work Kennedy Jenks developed a PDR that included a basis for design, alignment options, life cycle costs, and a preliminary construction cost estimate. Three workshops were held with the Wastewater Division, Public Works Engineering, and Kennedy Jenks. Through the PDR process, additional design parameters were identified as follows:

- In order to meet UPRR design requirements and maintain a gravity pipeline along the same alignment over 40,000 feet of pipeline would need to be constructed.
- Diverting flow to adjacent trunk sewers would result in surcharging in the near future.
- Diverting flow to adjacent trunk sewers would not eliminate the compliance issues with the sewer main currently located under the UPRR tracks.

Based on the cost benefit analysis, a sewer lift station was determined to be the most efficient and cost effective solution, differentiating from the original scope of work of a gravity sewer main design. Included in the revised scope of work is diverting the Desalter brine to existing gravity sewers and away from the proposed lift station. By diverting the brine the mechanical and electrical equipment within the lift station will not be subjected to the high salt concentrated brine.

The design and construction of a sewer lift station will conform with UPRR design standards and reduce the liability associated with the existing shallow sewer. In addition, the lift station will eliminate the need for Wastewater Collections staff to be onsite during rain events to continually monitor depth of flow and bypass pumping.

The proposal was reviewed by the Wastewater Division Manager, the Project Manager, and the Supervising Civil Engineer.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

The total amount of this First Amendment to Agreement A-8303 with Kennedy Jenks Consultants shall not exceed \$317,104 with a new not to exceed contract amount of \$676,998 for professional design services. The Central Trunk Sewer Main Replacement Project No. 206602 has an approximate available budget of \$2,800,000 (Wastewater Operating Fund #611).

COMMITTEE OUTCOME

This item did not originate in Committee as this is a capital improvement project specifically listed in the Capital Improvement Program budget, which was previously approved by the City Council.

Prepared by: Tatiana Arnaout, City Engineer

ATTACHMENTS

1. A-8303 First Amendment
2. A-8303

FIRST AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES

This First Amendment (“First Amendment”) to the Agreement for Professional Services (“Agreement”) is made and entered into in the County of Ventura, State of California, this 18th day of October, 2022, by and between the City of Oxnard, a municipal corporation (“City”), and Kennedy/Jenks Consultants, Inc. (“Consultant”). This First Amendment amends the Agreement entered into on March 16, 2021, by City and Consultant.

City and Consultant agree as follows:

1. The date in Section 5 of the Cover Page of the Agreement is hereby amended to “December 31, 2024.”
2. The amount in Section 6 of the Cover Page of the Agreement is hereby amended to “676,998.00.”
3. The reference to the Scope of Service Exhibit everywhere it is listed both on the Cover Page and in the Agreement is hereby amended to add also the Scope of Service A-1 Exhibit. The Scope of Service Exhibit A-1 is attached hereto and incorporated herein by this reference.
4. The reference to the Rates and Costs Exhibit everywhere it is listed both on the Cover Page and in the Agreement is hereby amended to the Rates and Costs Exhibit A-1. The Rates and Costs Exhibit is hereby disincorporated; instead, the Rates and Costs Exhibit A-1 is attached hereto and incorporated herein by this reference.
5. The following is attached hereto and incorporated herein by this reference into the Agreement: Schedule of Services Exhibit.
6. 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

KENNEDY/JENKS CONSULTANTS, INC.

☒ John C. Zaragoza, Mayor¹ _____ Date _____
☐ Alexander Nguyen, City Manager
☐ Jennifer Yates, Purchasing Manager
☐ _____, Buyer

 Keith A. London, CEO² _____ Date _____

 Gerald P. Cavaluzzi, Secretary _____ Date _____

ATTEST:

 Rose Chaparro, City Clerk _____ Date _____
 (only if Mayor signs)

APPROVED AS TO FORM:

 Stephen M. Fischer, City _____ Date _____
 Attorney (always required)

¹ 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.

² The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC (company directors, not lower-level managers); or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company 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 your company.

SCOPE OF SERVICES EXHIBIT A-1

This amendment includes the development of design drawings and specifications for a lift station and an additional 1,800 feet of 12-inch sewer pipeline to be included with the Central Trunk Sewer Main Replacement Project (PW21-27).

Task 8: Additional Program Management

1. Additional Project Management. Consultant shall coordinate design efforts for the additional work with the Project Team including representatives from the City of Oxnard's Public Works Department and Wastewater Division (City). Consultant assumes an additional six (6) months of additional project management is required.
2. Project Kick-off Meeting. Not applicable (refer to original scope of services).
3. Progress Meetings. Not applicable (refer to original scope of services).
4. Updated Project Schedule. Consultant shall develop an updated project schedule to incorporate the additional work that covers design drawings, specifications, construction cost estimate, bid documents, and bid/award support services.
5. Project Communication. Not applicable (refer to original scope of services).
6. Project Coordination. Not applicable (refer to original scope of services).
7. Updated Quality Assurance and Quality Control (QA/QC). The Consultant shall update the QA/QC plan to incorporate the additional work covered by this amendment and provide QA/QC reviews of project deliverables.
8. Additional Monthly Invoicing. The Consultant shall submit invoices on a monthly basis with all supporting documentation in a format acceptable to the City. Invoices requiring amendment shall be dated according to when the revised invoice is delivered to the City. Invoices shall be delivered electronically to the Project Manager and to PWInvoices@Oxnard.org.

Task 9: Additional Permitting

The Consultant shall update the Permit Plan that was previously developed for the original project. The Permit Plan will identify permits required for the design, construction, and operation of the facilities. The Consultant shall coordinate the permitting efforts with the City including deadlines for critical path permits and scheduled approval with the City Council.

Deliverable

Documents shall be delivered as editable MS Word and Project documents for City's review and comment.

Task 10: Preliminary Design

1. Pipeline Conceptual Design: Not applicable (refer to original scope of services).
2. Hydraulic Analysis: Not applicable (refer to original scope of services).
3. Site Survey: Not applicable (refer to original scope of services).
4. Geotechnical Borings (to be provided by City): The City will engage a geotechnical service firm to conduct a geotechnical analysis for the project. The City will provide the Consultant the results of the geotechnical investigation for Consultant's use in the design of the overall project.
5. Potholing: Refer to original scope of services. Subconsultant cost is updated to reflect current pricing.
6. Pipeline Alignment: Not applicable (refer to original scope of services).
7. Constructability Review: Not applicable (refer to original scope of services).
8. List of Drawings and Specification: Not applicable (refer to original scope of services).
9. Cost Estimate: Not applicable (refer to original scope of services).

Task 11: Additional 50% Design Services

The Consultant shall create a design, equivalent to the 50% design level, including various components such as design criteria, plan and profile drawings, connection details, cross sections, manhole configurations, site plans, sections, and wet well configuration for the additional work covered by this amendment.

This additional work includes the development of design drawings and specifications for a lift station and wet well to be constructed as recommended in the Alignment TM for the Oxnard Central Trunk Sewer dated December 28, 2021. The additional work also includes development of design drawings and specifications for approximately 1,800 feet of new 12-inch diameter sewer pipeline along with seven new manholes located south of the Third Street Bridge and north of the UPRR right-of-way. The new 12-inch sewer pipeline will span between existing manholes MH-021-121 and MH-022-120 and will parallel the existing sewer pipeline.

The new lift station will include small masonry wall canopy and perimeter wall similar to the City's existing Lift Station No. 23. The new lift station will be located in a City-owned parking lot between the UPRR right-of-way and 5th Street and include site security fencing as well as a standby generator. It is assumed that the existing water supply in the area of the new lift station is adequate for fire suppression needs.

Consultant shall coordinate with Southern California Edison (SCE) related to new electrical services for the new lift station.

The Consultant shall produce 50% design drawings and technical specifications for the additional work as indicated in the additional drawing list shown below.

Additional Drawing List:

Drawing No.	Description	50%	90%	Final
1	D-01 Lift Station Site Demolition Plan 1	X	X	X
2	C-01 12-inch Sewer Pipeline Plan and Profile 1	X	X	X
3	C-02 12-inch Sewer Pipeline Plan and Profile 2	X	X	X
4	C-03 12-inch Sewer Pipeline Plan and Profile 3	X	X	X
5	C-04 12-inch Sewer Pipeline Connection Details		X	X
6	C-05 12-inch Sewer Pipeline Manhole Details		X	X
7	C-06 Lift Station Horizontal Control and Paving 1		X	X
8	C-07 Lift Station Grading and Drainage 1	X	X	X
9	C-08 Lift Station Piping Plan and Profile 1		X	X
10	C-09 Lift Station Civil Details 1		X	X
11	S-01 Structural General Notes and Abbreviations	X	X	X
12	S-02 Special Inspections and Structural Observation	X	X	X
13	S-03 Concrete and Masonry Typical Details		X	X
14	S-04 Concrete Typical Details		X	X
15	S-05 Pump Station Foundation Plan	X	X	X
16	S-06 Canopy Plan	X	X	X
17	S-07 Sections		X	X
18	S-08 Details		X	X
19	M-01 Mechanical General Notes, Abbreviations, Symbols	X	X	X
20	M-02 Lift Station Plan	X	X	X
21	M-03 Lift Station Sections	X	X	X
22	M-04 Odor Control Plan and Sections	X	X	X
23	M-05 Misc. Details		X	X
24	M-06 HVAC and Plumbing Legends, Abbreviations, Notes	X	X	X
25	M-07 Fire Protection Plan	X	X	X
26	E-01 Abbreviations and Notes	X	X	X
27	E-02 Electrical Symbols – 1	X	X	X
28	E-03 Electrical Symbols – 2	X	X	X
29	E-04 Electrical Details		X	X
30	E-05 Overall Electrical Site Plan	X	X	X
31	E-06 Single Line and Equipment Elevations	X	X	X
32	E-07 Control Schematic		X	X
33	E-08 Luminaire and Panelboard Schedule		X	X
34	E-09 Title 24 Schedules		X	X
35	E-10 Conduit Block Diagram and Conduit/Cable Schedule		X	X
36	E-11 Lift Station Electrical Plan and Details		X	X
37	I-01 Instrumentation Symbols	X	X	X
38	I-02 Instrumentation Details		X	X
39	I-03 Control Panel Wiring Diagram and Details		X	X
40	I-04 P&ID – Lift Station	X	X	X
41	I-05 P&ID – Generator and Miscellaneous Systems		X	X

Deliverable

The Consultant shall provide the 50% design package containing the additional drawings and specifications for City and UPRR Review with the originally scoped 50% design package. The 50% design package will be provided electronically.

Task 12: Additional Final Design Services

Consultant shall provide final design services that include full preparation of drawings, specifications, general and special provisions associated with the work covered by this amendment. The Consultant shall incorporate the review comments from the preliminary design phase into the 100% design package with the intermediate 90% submittal. The 100% design package shall include all bid documents, front-end documents, technical specifications, and drawings suitable for public bid. Subtasks include:

1. 90% Design Submittal: Drawings and specifications from the preliminary design phase shall be modified to account for any remaining design changes as a result of the preliminary (50%) design review. At the end of the 90% design phase, drawings and specifications shall be complete. The following tasks are to be completed:
 - a. Lift station drawings and specifications
 - b. 12-inch sewer pipeline drawings and specifications
 - c. Construction cost estimate

Deliverable

The Consultant shall provide the 90% design package in electronic format.

2. Final Design Submittal: During the final design phase, minor comments from the 90 percent design submittal shall be incorporated into the drawings and specifications. This final submittal will not be reviewed by the City and will be considered the bid set. Tasks include:
 - a. Production of final engineering drawings
 - b. Production of final engineering specifications
 - c. The Consultant shall prepare a probable construction cost estimate to be transmitted along with the final 100% design package.

Deliverable

The Consultant shall provide the final design package. Final drawings shall be signed and sealed by a professional civil engineer registered by the State of California. The Consultant shall provide four (4) sets of 11" x 17" drawings, two (2) sets of 22" x 34" (D Size) drawings, four (4) sets of specifications, and one electronic copy in PDF format of the final design package to the City. All drawings shall be prepared using AutoCAD 2018 or later.

Task 13: Additional Bid Phase Services

The Consultant shall provide assistance to the City during the project advertisement and award period for the additional work covered by this amendment. Additional bid phase assistance shall include the following:

1. Preparation of additional addenda in response to requests for information (RFIs) and requests for clarification (RFCs) received during the bid period. The Consultant shall assume the preparation of two (2) additional addendums for budgeting purposes and budget a total of 16 hours for this effort.
2. Attendance and participation in the mandatory pre-bid meeting. Not applicable (refer to original scope of services).
3. The Consultant shall incorporate the additional addenda issued during the Bid Period into a conformed set of contract documents for the additional work covered by this amendment. The Consultant shall provide six (6) sets of 11" x 17" drawings, five (5) sets of 22" x 34" (D Size) drawings, six (6) sets of specifications, one (1) electronic copy in PDF format and one electronic copy in AutoCAD format (.DWG) of the conformed drawings within one (1) week of the Bid Opening for the additional work covered by this amendment.

Consultant shall provide the City with a written response to questions within two (2) business days of questions received during the bidding period. The responses shall be provided in short memorandum format with the question and response shown. Consultant shall also keep a log of the questions and responses.

Task 14 – Additional Construction Phase Services

Additional engineering services during construction (ESDC) shall include the following:

1. Preconstruction Conference: Not applicable (refer to original scope of services).
2. Project Meetings: Not applicable (refer to original scope of services).
3. Additional Submittal Review: Consultant shall review additional shop drawing and material submittals (up to a total of 40 submittals/resubmittals) transmitted by the construction contractor for the additional work covered by this amendment.
4. Additional Change Order Review: Consultant shall review up to five (5) additional change order requests submitted by the construction contractor for the additional work covered by this amendment. The Consultant shall review each request and make a formal statement regarding entitlement and the merit of the contractor's request.
5. Project Close-out: The Consultant shall assist in the development of Project punch lists and coordinate the delivery of Project-related documentation for the additional work covered by this amendment.

Additional Record Drawings

The Consultant shall prepare additional record drawing for the additional work covered by this amendment based on the red-line drawings submitted by the construction contractor. The record drawings shall be prepared using the version of AutoCAD 2018 or later and shall be transmitted to the City within 30 calendar days of receipt of the contractor's red-line drawings. Electronic

copies of the record drawings shall be submitted to the City in both AutoCAD and PDF formats. In addition, the Consultant shall submit three (3) hard copies of the record drawings on 22" x 34" (D Size) bond paper.

RATES AND COST EXHIBIT A-1

Schedule of Charges

PERSONNEL COMPENSATION

Classification	Hourly Rate
CAD-Technician	\$130
Senior CAD-Technician	\$145
CAD-Designer	\$160
Senior CAD-Designer	\$175
Engineer-Scientist-Specialist 1	\$135
Engineer-Scientist-Specialist 2	\$165
Engineer-Scientist-Specialist 3	\$190
Engineer-Scientist-Specialist 4	\$205
Engineer-Scientist-Specialist 5	\$220
Engineer-Scientist-Specialist 6	\$245
Engineer-Scientist-Specialist 7	\$275
Engineer-Scientist-Specialist 8	\$295
Engineer-Scientist-Specialist 9	\$310
Project Administrator	\$130
Administrative Assistant	\$110
Aide	\$90

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus ten percent for items such as:

- Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
- Consultants, soils engineers, surveyors, contractors, materials testing, specialty inspection firms and other outside services.
- Rented vehicles, local public transportation and taxis, travel, accommodations and subsistence.
- Project specific telecommunications and delivery charges.
- Special fees, insurance, permits, and licenses applicable to the work.
- Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

If prevailing wage rates apply, the above billing rates will be adjusted as appropriate.

Overtime for non-exempt employees will be billed at one and a half times the Hourly Rates specified above.

Rates for professional staff for legal proceedings or as expert witnesses will be at rates one and one-half times the Hourly Rates specified above.

Excise and gross receipts taxes, if any, will be added as a direct expense.

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January 1, 2020 Rates	Eng-Sci-9	Eng-Sci-8	Eng-Sci-6	Eng-Sci-3	Eng-Sci-2	CAD-Design	CAD-Tech	Project Administrator	Admin. Assist.	Total	KJ Labor	Sub Benner and Carpenter, Inc.	Sub Oakridge Geoscience	Sub USI	KJ Sub-Markup	KJ ODCs	KJ ODCs Markup	Total Labor	Total Subs	Total Expenses	Total Labor + Subs + Expenses
Classification:	\$310	\$295	\$245	\$190	\$165	\$160	\$130	\$130	\$90	Hours	Fees	Fees	Fees	Fees	10%	Fees	10%				Fees
Hourly Rate:																					
Constructability Review		1	4							5	\$1,270				\$0		\$0	\$1,270	\$0	\$0	\$1,270
List of Drawings and Specification			1	2						3	\$615				\$0		\$0	\$615	\$0	\$0	\$615
Cost Estimate		1	2	8						11	\$2,260				\$0		\$0	\$2,260	\$0	\$0	\$2,260
Task 3- Subtotal	0	18	55	130	40	76	0	0	4	323	\$61,565	\$26,610	\$25,000	\$5,025	\$5,684	\$200	\$20	\$61,565	\$62,299	\$220	\$124,084
Task 4 - Pipeline 50% Design Services																					
General/Civil Design		2	4	10		40			8	64	\$10,490				\$0	\$200	\$20	\$10,490	\$0	\$220	\$10,710
Pipeline Design		4	16	32		64				116	\$20,920				\$0		\$0	\$20,920	\$0	\$0	\$20,920
Traffic Control Spec			4							4	\$980				\$0		\$0	\$980	\$0	\$0	\$980
Specifications		2	8	20						30	\$6,240				\$0		\$0	\$6,240	\$0	\$0	\$6,240
Task 4- Subtotal	0	8	32	62	0	104	0	0	8	214	\$38,630	\$0	\$0	\$0	\$0	\$200	\$20	\$38,630	\$0	\$220	\$38,850
Task 5 - Pipeline Final Design Services																					
Constructability Review			8							8	\$1,960				\$0		\$0	\$1,960	\$0	\$0	\$1,960
90% Design Submittal		8	24	64		96			8	200	\$35,800				\$0	\$200	\$20	\$35,800	\$0	\$220	\$36,020
Final Design Submittal		2	4	12		16			8	42	\$7,140				\$0	\$300	\$30	\$7,140	\$0	\$330	\$7,470
Task 5- Subtotal	0	10	36	76	0	112	0	0	16	250	\$44,900	\$0	\$0	\$0	\$0	\$500	\$50	\$44,900	\$0	\$550	\$45,450
Task 6 - Pipeline Bid Phase Services																					
Addenda to Respond to RFI/RFI's (4)		4	8	20						32	\$6,820				\$0		\$0	\$6,820	\$0	\$0	\$6,820
Pre-Bid Meeting			3	3						6	\$1,290				\$0	\$25	\$3	\$1,290	\$0	\$28	\$1,318
Conformed Contract Documents			2	8			16			26	\$3,890				\$0	\$200	\$20	\$3,890	\$0	\$220	\$4,110
Task 6- Subtotal	0	4	13	31	0	0	16	0	0	64	\$12,000	\$0	\$0	\$0	\$0	\$225	\$23	\$12,000	\$0	\$248	\$12,248
Task 7 - Pipeline Construction Phase Services																					
Preconstruction Conference		2								2	\$580				\$0	\$25	\$3	\$580	\$0	\$28	\$608
Project Meetings (18)		36								36	\$10,440				\$0	\$450	\$45	\$10,440	\$0	\$495	\$10,935

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January 1, 2020 Rates	Eng-Sci-9	Eng-Sci-8	Eng-Sci-6	Eng-Sci-3	Eng-Sci-2	CAD-Design	CAD-Tech	Project Administrator	Admin. Assist.	Total	KJ Labor	Sub Benner and Carpenter, Inc.	Sub Oakridge Geoscience	Sub USI	KJ Sub-Markup	KJ ODCs	KJ ODCs Markup	Total Labor	Total Subs	Total Expenses	Total Labor + Subs + Expenses
Classification:										Hours	Fees	Fees	Fees	Fees	10%	Fees	10%				Fees
Hourly Rate:	\$310	\$295	\$245	\$190	\$165	\$160	\$130	\$130	\$90												
Submittal Review (20)		4	24	52						80	\$16,680				\$0		\$0	\$16,660	\$0	\$0	\$16,660
RFIs & RFCs (20)		2	12	36		18				60	\$11,550				\$0		\$0	\$11,550	\$0	\$0	\$11,550
Change Order Review (5)		4	12	24						40	\$8,540				\$0		\$0	\$8,540	\$0	\$0	\$8,540
Project Close-out		2	4	20						26	\$5,260				\$0		\$0	\$5,260	\$0	\$0	\$5,260
Record Drawings		1		8			28			37	\$5,130				\$0	\$200	\$20	\$5,130	\$0	\$220	\$5,350
Task 7- Subtotal	0	51	52	134	0	16	28	0	0	281	\$58,160	\$0	\$0	\$0	\$0	\$675	\$68	\$58,160	\$0	\$743	\$58,903
Task 1 - 7 Total	0	220	235	591	40	308	44	14	28	1480	\$295,230	\$26,610	\$25,000	\$5,025	\$5,684	\$2,150	\$215	\$295,230	\$62,299	\$2,365	\$359,894

January 1, 2021 Rates																											
Classification:	Eng-Sci-9	Eng-Sci-8	Eng-Sci-7	Eng-Sci-6	Eng-Sci-5	Eng-Sci-4	Eng-Sci-3	Eng-Sci-2	Eng-Sci-1	Sr. CAD-Design	CAD-Design	Sr. CAD-Tech	CAD-Tech	Project Administrator	Admin. Assist.	Total	KJ Labor	Sub Benner and Carpenter, Inc.	Sub Oakridge Geoscience	Sub USI	KJ Sub-Markup	KJ ODCs	KJ ODCs Markup	Total Labor	Total Subs	Total Expenses	Total Labor + Subs + Expenses
Hourly Rate:	\$310	\$295	\$275	\$245	\$220	\$205	\$190	\$165	\$135	\$175	\$160	\$145	\$130	\$130	\$110	Hours	Fees	Fees	Fees	Fees	10%	Fees	10%				Fees
12-inch Sewer Pipeline		2		8			16				32					58	\$10,710				\$0	\$100	\$10	\$10,710	\$0	\$110	\$10,820
																0	\$0				\$0		\$0	\$0	\$0	\$0	\$0
																0	\$0				\$0		\$0	\$0	\$0	\$0	\$0
Task 11- Subtotal	12	14	22	144	0	48	129	0	0	0	32	52	0	0	0	453	\$96,190	\$0	\$0	\$0	\$0	\$200	\$20	\$96,190	\$0	\$220	\$96,410
Task 12 - Additional Final Design Services																											
Additional Constructability Review				4												4	\$980				\$0		\$0	\$980	\$0	\$0	\$980
90% Design Submittal - Lift Station	9	9	16	95		34	80					37				280	\$60,655				\$0	\$100	\$10	\$60,655	\$0	\$110	\$60,765
90% Design Submittal - 12-inch Sewer Pipeline		4		12			32				48				4	100	\$18,320				\$0	\$100	\$10	\$18,320	\$0	\$110	\$18,430
Final Design Submittal - Lift Station	4	4	7	41		15	34					16				121	\$26,245				\$0	\$150	\$15	\$26,245	\$0	\$165	\$26,410
Final Design Submittal - 12-inch Sewer Pipeline		1		2			6				8				4	21	\$3,645				\$0	\$150	\$15	\$3,645	\$0	\$165	\$3,810
Task 12- Subtotal	13	18	23	154	0	49	152	0	0	0	56	53	0	0	8	526	\$109,845	\$0	\$0	\$0	\$0	\$500	\$50	\$109,845	\$0	\$550	\$110,395
Task 13 - Additional Bid Phase Services																											
Additional Addenda to Respond to RFI/RFC's (2)		2		4			10									16	\$3,470				\$0		\$0	\$3,470	\$0	\$0	\$3,470
Pre-Bid Meeting																0	\$0				\$0		\$0	\$0	\$0	\$0	\$0
Additional Conformed Contract Documents				4			16					32				52	\$8,180				\$0	\$400	\$40	\$8,180	\$0	\$440	\$8,620
Task 13- Subtotal	0	2	0	8	0	0	26	0	0	0	0	0	32	0	0	68	\$11,650	\$0	\$0	\$0	\$0	\$400	\$40	\$11,650	\$0	\$440	\$12,090
Task 14 - Additional Construction Phase Services																											
Preconstruction Conference																0	\$0				\$0		\$0	\$0	\$0	\$0	\$0
Project Meetings (18)																0	\$0				\$0		\$0	\$0	\$0	\$0	\$0
Additional Submittal Review (40)		8		48			104									160	\$33,880				\$0		\$0	\$33,880	\$0	\$0	\$33,880
Additional RFIs & RFCs (20)		2		12			30				16					60	\$11,790				\$0		\$0	\$11,790	\$0	\$0	\$11,790
Additional Change Order Review (5)		4		12			24									40	\$8,680				\$0		\$0	\$8,680	\$0	\$0	\$8,680
Additional Project Close-out		2		4			20									26	\$5,370				\$0		\$0	\$5,370	\$0	\$0	\$5,370
Additional Record Drawings		2					16					56				74	\$10,910				\$0	\$400	\$40	\$10,910	\$0	\$440	\$11,350
Task 14- Subtotal	0	18	0	76	0	0	194	0	0	0	16	0	56	0	0	360	\$70,630	\$0	\$0	\$0	\$0	\$400	\$40	\$70,630	\$0	\$440	\$71,070
Tasks 8 - 14 Total	53	70	45	401	0	97	519	0	0	0	104	105	88	8	8	1498	\$311,420	\$0	\$0	\$3,667	\$367	\$1,500	\$150	\$311,420	\$4,034	\$1,650	\$317,104
All Phases Total	\$ 676,998.00																										

SCHEDULE OF SERVICES EXHIBIT

Central Trunk Sewer Replacement

ID	Task Name	Duration	Start	Finish	3rd Quarter Jul Aug Sep	4th Quarter Oct Nov Dec	1st Quarter Jan Feb Mar	2nd Quarter Apr May Jun	3rd Quarter Jul Aug Sep	4th Quarter Oct Nov Dec	1st Quarter Jan Feb Mar	2nd Quarter Apr May Jun	3rd Quarter Jul Aug Sep	4th Quarter Oct Nov Dec
1	City of Council Meeting (Amendment Approval)	0 days	Tue 10/18/22	Tue 10/18/22		◆ 10/18								
2	Notice to Proceed (Amendment)	0 days	Mon 10/24/22	Mon 10/24/22		◆ 10/24								
3	Progress Meeting	0 days	Tue 11/1/22	Tue 11/1/22		◆ 11/1								
4	Update Permit Plan	11 days	Tue 11/1/22	Tue 11/15/22		■								
5	Site Survey Complete		Sat 10/1/22		□									
6	Geotechnical Investigation Complete (by City)		Tue 11/1/22		□									
7	50% Design Development	67 days	Tue 11/1/22	Wed 2/1/23										
8	Prepare 50% Design	55 days	Tue 11/1/22	Sun 1/15/23		■								
9	City Review	14 days	Sun 1/15/23	Wed 2/1/23			■							
10	Progress Meeting	0 days	Wed 2/1/23	Wed 2/1/23			◆ 2/1							
11	Potholing	24 days	Sun 1/15/23	Wed 2/15/23			■							
12	90% Design Development	64 days	Wed 2/1/23	Mon 5/1/23										
13	Prepare 90% Design	54 days	Wed 2/1/23	Sat 4/15/23			■							
14	City Review	12 days	Sat 4/15/23	Mon 5/1/23				■						
15	Progress Meeting	0 days	Mon 5/1/23	Mon 5/1/23				◆ 5/1						
16	100% Design Development	24 days	Tue 5/2/23	Fri 6/2/23				■						
17	Permitting	143 days	Tue 11/15/22	Thu 6/1/23										
18	UPRR	120 days	Tue 11/15/22	Mon 5/1/23		■								
19	Caltrans	143 days	Tue 11/15/22	Thu 6/1/23		■								
20	OSHA	44 days	Wed 2/1/23	Sat 4/1/23			■							
21	Bid Phase Services	67 days	Thu 6/1/23	Fri 9/1/23				■						
22	Construction Phase Service	262 days	Fri 9/1/23	Sun 9/1/24					■					
23	Project Closeout	23 days	Sun 9/1/24	Tue 10/1/24									■	

Project: 2144204.00 Date: Wed 8/24/22	Task	■	Inactive Task	□	Manual Summary Rollup	■	External Milestone	◆
	Split		Inactive Milestone	◆	Manual Summary	┌───┐	Deadline	↓
	Milestone	◆	Inactive Summary	┌───┐	Start-only	□	Progress	■
	Summary	┌───┐	Manual Task	■	Finish-only	□	Manual Progress	■
	Project Summary	┌───┐	Duration-only	■	External Tasks	■		

**AGREEMENT FOR PROFESSIONAL SERVICES
COVER PAGE**

- (1) Agreement Start Date: March 16, 2021
- (2) Consultant: Kennedy/Jenks Consultants, Inc.
- (3) Services: Design and Documentation for Central Trunk Sewer Replacement Project.
- (4) Schedule of Services: The services must be completed within 730 calendar days of the Agreement Start Date listed above.
- (5) Agreement Ending Date: March 15, 2023
- (6) Total Agreement Amount: \$359,894
- (7) City's Project Manager: Timothy Beaman, Project Manager
- (8) Consultant's Project Manager: Jeff Savard, Project Manager
- (9) Insurance Coverage: INS-A
- (10) Addresses for Notice:

FOR CONSULTANT:

2775 North Ventura Road, Suite 100
Oxnard, CA 93036
Attn: Jeff Savard, Project Manager

- (11) Contact Emails:

*CONSULTANT'S PROJECT
MANAGER:*

jeffsavard@kennedyjenks.com

FOR CITY:

305 West Third Street, East Wing, Second Floor
Oxnard, CA 93030
Attn: Timothy Beaman, Project Manager

CITY'S PROJECT MANAGER:

timothy.beaman@oxnard.org

The Agreement for Professional Services is attached hereto and incorporated herein by this reference. The following exhibits are also attached hereto and incorporated herein by this reference into the Agreement:

- ☒ Scope of Services Exhibit
- ☒ Rates and Costs Exhibit
- ☒ Insurance Exhibit (INS-A)



AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is entered into in Ventura County, California, on the date that is written as "(1) Agreement Start Date" on the Cover Page, which is attached hereto and incorporated herein by this reference. This Agreement is entered by and between the City of Oxnard ("City") and the person or entity listed as "(2) Consultant" on the Cover Page, subject to the following terms and conditions:

1. Scope of Services. Consultant shall provide to City the services listed as "(3) Services" on the Cover Page (the "Services"). Consultant shall provide the Services during the term of this Agreement, as set forth below, according to the schedule written as "(4) Schedule of Services" on the Cover Page, and as further explained in the Scope of Services Exhibit, which is attached hereto and incorporated herein by this reference. In the event of any conflict between the terms of this Agreement and any incorporated document(s), the terms of this Agreement shall control.
2. Standard of Performance. Consultant shall undertake and complete the Services to conclusion using the standard of care, skill and diligence normally provided by a professional person in the performance of similar consulting services.
3. Correction of Errors. Consultant shall correct, at its expense, all errors which may be disclosed during review of the Services. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be paid by Consultant.
4. Term. This Agreement shall begin on the date that is written as "(1) Agreement Start Date" on the Cover Page and shall end on the date that is written as "(5) Agreement Ending Date" on the Cover Page. Time is of the essence in this Agreement.
5. Compensation. For the Services performed during the term of this Agreement, City shall pay Consultant an amount not to exceed the amount that is listed as "(6) Total Agreement Amount" on the Cover Page, at the rates listed in Rates and Costs Exhibit, attached hereto and incorporated herein by this reference. The rates in Rates and Costs Exhibit shall be in effect through the end of this Agreement. Except as otherwise expressly provided in this Agreement, City shall not be responsible for expenses incurred by Consultant in performing the Services.
6. Invoices. Consultant shall submit a payment request to City by the end of each calendar month listing the Services provided, costs of those Services, and total amount due for the month. Each invoice must also list the current balance on the Agreement, including that invoice, as well as the months remaining on the term of the Agreement. Invoices may be emailed to: invoices@oxnard.org.
7. Acceptance of Payment. Consultant's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant for anything completed, finished or relating to the Services. City's payment shall not constitute nor be deemed a release of the responsibility and liability of Consultant for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Consultant and its employees, agents and subcontractors. Consultant shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Consultant or materials or products provided to City by Consultant, Consultant shall pay the sales tax. City shall not reimburse Consultant for sales taxes paid by Consultant.
8. Non-Appropriation of Funds. Payments to be made to Consultant by City for the 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 the Services beyond the current fiscal year, this Agreement shall cover payment for the Services only up to the

conclusion of the last fiscal year in which City appropriated sufficient funds and shall automatically terminate at that fiscal year's conclusion.

9. Coordination of Services. The Services shall be coordinated with the person in the position listed in "(7) City's Project Manager" on the Cover Page, subject to the direction of the City Manager and Department Director. Consultant hereby designates the person in the position listed in "(8) Consultant's Project Manager" on the Cover Page as the person responsible for the Services who shall coordinate with City's Project Manager in making binding decisions in line with this Agreement on behalf of Consultant.

10. Personnel. Consultant represents that it has, or shall secure at its own expense, all personnel required to perform the Services. Any person who performs engineering services pursuant to this Agreement shall be licensed as a Civil Engineer by the State of California and in good standing. Consultant shall make reasonable efforts to maintain the continuity of Consultant's staff who are assigned to perform the Services. Consultant may associate with or employ associates or subcontractors in the performance of the Services, but at all times shall Vendor be responsible for its associates and subcontractors' labor, advice or materials provided in furtherance of providing the Services. Should any of Consultant's employees, assigns or subcontractors not conduct him- or herself appropriately, as determined by the City's Project Manager, in the process of providing the Services or any portion thereof, the City's Project Manager may notify the Consultant's Project Manager, who shall immediately handle the problem, as determined appropriate by him or her, such that the problem does not persist.

11. Additional Work. City may request additional specified work under this Agreement. The City's Project Manager must authorize all such work in writing before commencement. Consultant shall perform such work, and City shall pay for such additional work, in accordance with Rates and Costs Exhibit. Should the work not fall under any such listed rate or cost, Consultant shall submit a quote for all additional work, which the City's Project Manager must approve in writing by before any such work may commence. The City shall compensate Consultant for any work that does not fall under a rate or cost listed in the Rates and Costs Exhibit, and for which Consultant did not obtain the City's Project Manager's written approval before work commenced, as determined by the City's Project Manager in his or her sole discretion.

12. Audit. City shall have the option of inspecting, auditing and/or reproducing all records and other written materials used by Consultant in preparing its billings to City as a condition precedent to any payment to Consultant. Consultant will promptly furnish all documents requested by City. Additionally, if this Agreement is in excess of \$10,000, the State Auditor may examine and audit Consultant for a period of 3 years after final payment under the Agreement. Regardless of whether a State audit is permitted, Consultant shall maintain and preserve all such records for a period of at least 3 years after final payment under the Agreement. Consultant shall include a copy of this Section 12 in all contracts with its subcontractors, and Consultant shall be responsible for immediately obtaining those records or other written material from its subcontractors upon a request by the State Auditor and/or City.

13. Termination. City may terminate this Agreement at any time, with or without cause and without penalty, upon 15 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice. Consultant may terminate this Agreement at any time, with or without cause and without penalty, upon 30 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice and only if all assignments accepted by Consultant have been completed before the date of termination. In the event of termination of this Agreement by either party due to no fault or failure of performance by Consultant, City shall pay Consultant compensation for all Services satisfactorily completed in accordance with all of the terms and provisions of this Agreement, as determined by the City, before the effective date of termination; provided, in no event shall the Consultant receive an amount exceeding that which would have been paid to Consultant for the full performance of the Services.

14. Hold Harmless, Defense and Indemnity.

If Consultant provides any architectural, landscape architectural, engineering or land surveying ("design professional") services, to the maximum extent permitted by law, Consultant shall hold harmless, defend, and

indemnify City, its legislative and advisory bodies, and the City's officials, directors, officers, employees, and agents (collectively, "Indemnitees") from and against any and all claims, demands, causes of action, damages, injuries, liabilities, losses, penalties, fines, judgments, costs or expenses, including reimbursement of attorneys' fees, court costs and costs of alternative dispute resolution, including but not limited to those relating to death or injury to any person and injury to any property (collectively, "Claims"), to the extent that the Claims arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant or of any of its officers, employees, subcontractors or agents in the performance of the Agreement or in the failure to comply with any of the obligations contained in this Agreement. Consultant's obligation to defend is a separate and distinct obligation from Consultant's duty to indemnify and applies through final judgment, including exhaustion of any appeals. Consultant shall be obligated to defend Indemnitees in all legal, equitable, administrative, or special proceedings, with counsel approved by the City Attorney, to the extent required herein immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding. The defense obligation includes the obligation to provide independent defense counsel if Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of any of the Indemnitees.

If Consultant provides no design professional services, to the maximum extent permitted by law, Consultant shall hold harmless, defend and indemnify the Indemnitees from and against any and all Claims, which arise out of, pertain to, or relate to the performance of this Agreement, or the failure to comply with any of the obligations contained in this Agreement, by Consultant or of any of its officials, directors, officers, employees, subcontractors, or agents. Consultant's obligation to defend is a separate and distinct obligation from Consultant's duty to indemnify and applies through final judgment, including exhaustion of any appeals. Consultant shall be obligated to defend Indemnitees in all legal, equitable, administrative, or special proceedings, with counsel approved by the City Attorney, immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding. The defense obligation includes the obligation to provide independent defense counsel if Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of any of the Indemnitees.

a. The review, acceptance or approval of Consultant's work or work product by any of the Indemnitees shall not affect, relieve or reduce Consultant's indemnification or defense obligations. This Section 14 shall survive completion of the Services or termination of this Agreement. The provisions of this Section 14 shall not be restricted by and does not affect the provisions of this Agreement relating to insurance.

15. Insurance. Consultant shall obtain and maintain during the performance of any services under this Agreement the insurance coverages listed within the insurance document stated in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit, which is attached hereto and incorporated herein by this reference, unless the City's Risk Manager waives, in writing, the requirement that Consultant obtain and maintain such insurance coverages. Consultant shall, before performance of any Services, file with the City's Risk Manager evidence of insurance coverage as specified in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit. Maintenance of insurance coverages by Consultant is a material element of this Agreement. Consultant's failure to maintain or renew insurance coverages or to provide renewal evidence, and any lapse in insurance coverage, may be considered a material breach of this Agreement.

16. Documents and Materials.

a. All final computations, exhibits, files, plans, correspondence, reports, drawings, designs, data, photographs, specifications, information, images, video files, media, or other deliverables prepared, created, drawn, calculated, photographed or developed by Consultant pursuant to this Agreement ("Documents and Materials") shall be the City's property without restriction or limitation upon its use, duplication or dissemination. All Documents and Materials shall be considered "works made for hire," and all Documents and Materials and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of the City without restriction or limitation upon their use, duplication or dissemination by the City. Consultant shall not obtain or attempt to obtain copyright protection as to any Documents and Materials. Consultant hereby assigns to the City all ownership and any and all intellectual property rights to the Documents and Materials that are not otherwise vested in the City pursuant to this Section 16.

b. Consultant shall deliver all Documents and Materials to City's Project Manager upon completion of the Services or termination of this Agreement without additional cost or expense to the City. Additionally, anytime at City's request, City shall be entitled to possession of, and Consultant shall furnish to City's Project Manager within 10 calendar days, any or all of the Documents and Materials without additional cost or expense to the City. In both situations, if Consultant prepares Documents and Materials on a computer, Consultant shall provide City with said Documents and Materials both in a printed format and in an electronic format that is acceptable to the City. Consultant may retain copies of these Documents and Materials but must request permission from the City before use, duplication or dissemination of these Documents and Materials for any purpose other than for the Services provided to the City pursuant to this Agreement.

c. Any substantive modification of the Documents and Materials by City staff or any use of the completed Documents and Materials for other City projects, or any use of incomplete Documents and Materials, without the written consent of Consultant, shall be at City's sole risk and without liability or legal exposure to Consultant.

d. Consultant warrants and represents that it has secured all necessary licenses, consents or approvals to use any instrumentality, thing or component as to which any intellectual property right exists, including computer software, used in the rendering of the Services and the production of all Documents and Materials, and that the City has full legal title to and the right to use, duplicate or disseminate the Documents and Materials. Consultant shall defend, indemnify and hold Indemnitees harmless from any loss, claim or liability in any way related to a claim that City's use of any of the Documents and Materials is violating federal, state or local laws, any contractual provisions, or any laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and/or interests in products or inventions. Consultant shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the services and Documents and Materials. In the event the use of any of the Documents and Materials by the City is held to constitute an infringement and the use of any of the same is enjoined, Consultant, at its own expense, shall: secure for City the right to continue using the Documents and Materials by suspension of any injunction, or by procuring a license or licenses for City; or modify the Documents and Materials so that they become non-infringing while remaining in compliance with the requirements of this Agreement.

e. This Section 16 shall survive the termination of this Agreement.

17. Confidentiality of Information.

a. For the purposes of this Agreement, "Confidential Information" means all information, in whatever form transmitted, relating to the past, present or future business affairs of the City, including without limitation, (i) technical information, including patent, copyright, trade secret, and other proprietary information, techniques, sketches, drawings, models, inventions, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulas; or (ii) non-technical information, including without limitation finances, financial and accounting data and information, suppliers, customers, customer lists, purchasing data and any other information belonging to the City or to a third party whose information is in the City's possession or control under obligations of confidentiality, and which is disclosed to Consultant or is developed by Consultant in whole or in part at the City's expense.

b. All Documents and Materials shall be considered Confidential Information and shall not be reproduced, transmitted, disclosed or used by the Consultant without the written consent of the City, except as may be necessary for Consultant to fulfill its obligations to the City.

c. Notwithstanding the above, these limitations shall not apply to information that (i) is already known to Consultant at the time of that information's disclosure or becomes publicly known through no wrongful act or omission of Consultant, (ii) is communicated to a third party with the express written consent of City and is not subject to restrictions on further use or disclosure, (iii) is independently developed by Consultant and has no relation to this Agreement, or (iv) is required by law, court order, court-issued subpoena or other legal process to be disclosed; provided, however, that before making such disclosure, Consultant shall immediately provide City with

written notice and a reasonable opportunity for City to object to the disclosure or to take action to maintain the confidentiality of the information, unless such prior disclosure is legally impermissible.

d. Consultant shall use reasonable care to protect the Confidential Information. In the event of a breach or threatened breach of this Agreement, City shall be entitled to obtain an injunction prohibiting any such breach, the costs of which shall be paid by Consultant. Any relief granted shall be in addition to and not in lieu of any other legal or equitable relief, including money damages. The parties acknowledge that Confidential Information is valuable and unique and that disclosure of the Confidential Information in breach of this Agreement may result in irreparable injury to the City.

e. Other than an obligation upon the City to deal in good faith, the City makes no warranties and shall bear no liability or responsibility for errors or omissions in any Confidential Information disclosed under this Agreement or for any business decisions made by Consultant in reliance on any Confidential Information disclosed under this Agreement.

f. This Section 17 shall survive the termination of this Agreement.

18. Independent Contractor. Consultant is and shall at all times remain, as to City, a wholly independent contractor. Neither City nor any of its employees or agents shall have control over the conduct of Consultant or any of its employees, except as stated in this Agreement. Consultant has and shall retain the right to exercise full control over the employment, direction, means of performance, location, compensation and discharge of all persons assisting Consultant, and it is free to dispose of all portions of its time which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations as Consultant wishes except as expressly provided in this Agreement. This Agreement shall not be interpreted to prevent or preclude Consultant from rendering any services for Consultant's own account or to any other person or entity as Consultant in its sole discretion shall determine; provided, however, that performing such services shall not materially interfere with the Services Consultant shall perform for the City. Except as City's Project Manager specifies in writing, Consultant and its employees and agents have no authority, express or implied, to act on behalf of City in any capacity, to incur any debt, obligation or liability on behalf of City, bind City in any manner, or otherwise act on behalf of City as an agent. Consultant and its employees are not employees of City. Consultant 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, and health, life, dental, long-term disability and workers' compensation insurance benefits. Consultant shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Consultant's subcontractors, material suppliers, directors, officers, employees, agents and representatives, including compliance with social security requirements, federal and State income tax withholding, and all other regulations governing employer-employee relations, as applicable. City shall have the right to offset against the amount of any compensation due to Consultant under this Agreement any amount due to City from Consultant as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section 18.

19. Nondiscriminatory Employment. Consultant shall not unlawfully discriminate against any individual based on race, color, religion or religious creed, national origin, ancestry, ethnic group identification, primary language, physical disability, mental disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, sex, sexual orientation, age, immigration status, citizenship or military and veteran status. Consultant understands and agrees that it is bound by and will comply with all legal nondiscrimination mandates. For every subcontractor who will perform Services, Consultant shall be responsible for such subcontractor's compliance with this Section 19.

20. Consultant's Representations. Consultant represents, covenants and guarantees that: a) Consultant is licensed, qualified, and capable of furnishing the labor, materials, and expertise necessary to perform the Services in accordance with the terms and conditions set forth in this Agreement; b) there are no obligations, commitments, or

impediments of any kind that will limit or prevent Consultant's full performance under this Agreement; c) to the extent required by the standard of practice, Consultant has investigated and considered the scope of Services performed, has carefully considered how the Services should be performed, and understands the facilities, difficulties and restrictions attending performance of the Services under this Agreement.

21. Compliance with Laws. In performing the Services under this Agreement, Consultant shall comply with all applicable laws, ordinances and regulations. Before providing any Services under this Agreement, Consultant shall, at its own expense, obtain and maintain all required certificates, licenses and permits, including a City business tax certificate.

22. Conflict of Interest. If, in performing the Services set forth in this Agreement, Consultant makes, or participates in, a "governmental decision" as described in Title 2, Section 18701(a)(2) of the California Code of Regulations, or performs the same or substantially all the same duties for City that would otherwise be performed by a City employee holding a position specified in City's conflict of interest code, Consultant shall be subject to City's conflict of interest code, the requirements of which include the filing of one or more statements of economic interests disclosing the relevant financial interests of Consultant's personnel providing the Services set forth in this Agreement. Furthermore, Consultant shall not to accept any employment or representation during the term of this Agreement or within 12 months after completion of the Services which is or may likely make Consultant "financially interested," as provided in California Government Code Sections 1090 and 87100, in any decisions made by City on any matter in connection with which Consultant has been retained pursuant to this Agreement.

23. Fictitious Name. If Consultant has a fictitious name, Consultant shall submit to City a new Fictitious Business Name Statement approved by any California county before Consultant's prior Fictitious Business Name Statement expires if such expiration may occur during the term of this Agreement, including any term amendment.

24. Non-Assignability. This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's personnel's unique competence, experience and specialized personal knowledge. Consultant shall not assign or transfer any interest in this Agreement or any part thereof, whether by assignment or novation, without City's prior written consent, which may be withheld for any reason or for no reason at all. Any purported assignment without written consent shall be null, void, and of no effect, and Consultant shall hold harmless, defend and indemnify Indemnitees from and against all Claims arising from or relating to any unauthorized assignment.

25. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Consultant.

26. Applicable Law; Venue. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to the Agreement shall be in the Ventura County Superior Court.

27. Titles. The titles used in this Agreement are for convenience only and shall in no way define, limit or describe the scope or intent of this Agreement or any part of it.

28. Force Majeure. Neither City nor Consultant shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include but are not be limited to acts of God, riots, acts of war, epidemics, fire, earthquakes, or other disasters.

29. Authority. Any person executing this Agreement on behalf of Consultant warrants and represents that s/he has the authority to execute this Agreement on behalf of Consultant and to bind it to the performance of these obligations.

30. Binding Agreement. The parties do not intend this Agreement to be binding upon them and shall not be held liable to its terms until it is fully executed by all required signers.

31. Integration; Amendment. This Agreement, including any other documents incorporated herein by specific reference, constitutes the entire and integrated agreement of City and Consultant regarding the subject matter described herein. This Agreement supersedes all prior oral or written communications, negotiations, representations, agreements and promises. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing, signed by both parties, that expressly refers to this Agreement.

32. Construction. In the event of any asserted ambiguity in or dispute regarding the interpretation of any matter herein, the interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or who drafted the Agreement in whole or in part.

33. No Waiver. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by City of any payment to Consultant constitute or be construed as a waiver by City of any breach of covenant, or any default that may then exist on the part of Consultant, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

34. Attorneys' Fees. The prevailing party shall be entitled to recover reasonable costs, attorneys' fees (including the reasonable value of the services rendered by the City Attorney's Office) and expenses, including investigation fees and expert witness fees, in addition to any other relieve to which that party may be entitled, in any legal action or other proceeding, including an action for declaratory relief, for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with this Agreement.

35. Notice. 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 (a) the day of delivery if delivered by hand or overnight courier service during City's regular business hours or (b) the third business day following deposit in the United States mail, postage prepaid—to the addresses listed as "(10) Addresses for Notice" on the Cover Page or at such other address as one party may notify the other in writing.

36. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be 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 to Project Managers' emails listed in "(11) Contact Emails" on the Cover Page 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.

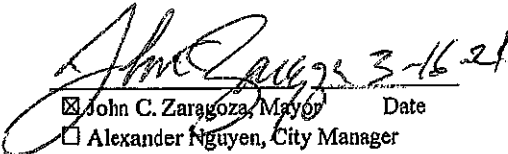
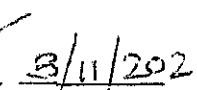
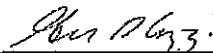
37. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

[Signatures on next page]

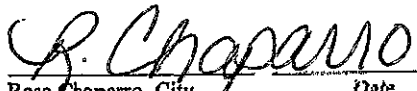
IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date that is written as "(1) Agreement Start Date" on the Cover Page.

CITY OF OXNARD

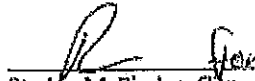
KENNEDY/JENKS CONSULTANTS, INC.

		
☒ John C. Zaragoza, Mayor	Jeffery Savard, Vice President ²	Date
☐ Alexander Nguyen, City Manager		
☐ Daniel Willhite, Purchasing Agent		3/11/2021
☐ Buyer	Gerard Cavaluzzi, Secretary	Date

ATTEST:

 3/16/21
 Rose Chaparro, City Clerk (only if Mayor signs) Date

APPROVED AS TO FORM:

 3/4/21
 Stephen M. Fischer, City Attorney (always required) Date

¹ The City Council must authorize and the Mayor must sign any agreement over \$200,000 annually. The City Manager may authorize and sign any agreement over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign any agreement up to \$100,000 annually. A Buyer may authorize and sign any agreement up to \$25,000 annually.

² The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC; or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company 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 your company.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date that is written as "(1) Agreement Start Date" on the Cover Page.

CITY OF OXNARD

KENNEDY/JENKS CONSULTANTS, INC.

☒ John C. Zaragoza, Mayor¹ _____ Date
☐ Alexander Nguyen, City Manager
☐ Daniel Willhite, Purchasing Agent
☐ Buyer

Jeffery Savard, Vice President² _____ Date

Gerard Cavaluzzi, Secretary _____ Date

ATTEST:

Rose Chaparro, City Clerk (only if Mayor signs) _____ Date

APPROVED AS TO FORM:

  3/4/21
 Stephen M. Fischer, City Attorney (always required) _____ Date

¹ The City Council must authorize and the Mayor must sign any agreement over \$200,000 annually. The City Manager may authorize and sign any agreement over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign any agreement up to \$100,000 annually. A Buyer may authorize and sign any agreement up to \$25,000 annually.

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- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company 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 your company.

SCOPE OF SERVICES EXHIBIT

This work includes the development of a preliminary design report, design drawings and specifications for a permanent solution to replace a failed sewer line in the UPRR Yard at the intersection of 5th Street and Richmond in the City of Oxnard. For budgeting purposes the Consultant shall assume design and documentation of 3,500 feet of gravity sewer line. A duration of nine (9) months is expected for the project's completion.

Task 1: Program Management

1. Project Management. Consultant shall coordinate all efforts of the Project Team including representatives from the City of Oxnard's Public Works Department and Wastewater Division (City). The Consultant shall facilitate regular Project progress meetings and provide monthly written updates on the Project status and budget.
2. Project Kick-off Meeting. At the commencement of the Project, the Consultant shall facilitate a "kick-off" meeting with the City's engineering and operations staff to discuss the scope and parameters of the Project. The Consultant shall prepare and distribute a draft agenda in advance of the meeting for review and comment by the City. The Consultant shall prepare and distribute meeting minutes within three (3) business days of the meeting. The Consultant shall assume four (4) hours for the kick-off meeting with staff members.
3. Progress Meetings. Consultant shall attend monthly meetings at the City for the duration of the project. As part of the effort, the Consultant is responsible for developing meeting information and an agenda prior to the meeting and meeting minutes within three (3) business days following the meeting with complete action tracking log. The Consultant shall assume four (4) hours for each meeting.
4. Project Schedule. Consultant shall develop a project schedule at the beginning of the project that covers preliminary design, recommendations, design drawings, specifications, construction cost estimate, bid documents, and bid/award support services. Project schedule shall be submitted with the proposal and shall be updated within two (2) weeks of the kickoff meeting.
5. Project Communication. Consultant shall develop a communications protocol to be followed by all team members to be submitted within one (1) week of starting the project. Communication protocol will include standard project communication as well as emergency communication protocols.
6. Project Coordination. Consultant shall coordinate all of the services of sub-consultants including site visits and site inspections, and shall ensure coordination with the City operations and engineering staff and other interested parties as outlined by the City.

7. Quality Assurance and Quality Control (QA/QC). The Consultant shall develop a QA/QC plan, to be followed for all submittals, within two (2) weeks of starting the project. The plan shall include the staff who are responsible for reviewing design and documentation as well as the means for integrating review comments from the City.
8. Monthly Invoicing. The Consultant shall submit invoices on a monthly basis with all supporting documentation in a format acceptable to the City. Invoices requiring amendment shall be dated according to when the revised invoice is delivered to the City. Invoices shall be delivered electronically to the Project Manager and to PWInvoices@Oxnard.org.

Task 2: Pipeline Permitting

The Consultant shall develop a Permit Plan for the proposed sewer pipeline. The Permit Plan will identify all permits required for the design, construction, and operation of the facilities. The Permit Plan shall include, at a minimum, the following:

1. Meetings with the Union Pacific Railroad.
2. A tabulation of all permits required for the design and construction of the sewer line along with a listing of the responsible party for obtaining each permit shall be provided to the City's Project Manager.
3. A narrative description of the documentation required and the fees associated with each permit shall be provided.
4. A Microsoft Project schedule detailing the estimated time required to obtain each permit. The permit schedule shall be incorporated into the Project Baseline Schedule when finalized.
5. All permits deemed to be the responsibility of the City shall be obtained by the Consultant on City's behalf. The City will provide payment for all permit fees.

The Consultant shall coordinate the permitting efforts with the City including deadlines for critical path permits and scheduled approval with the City Council.

Deliverable

The Consultant shall deliver the draft Permit Plan 30 calendar days from the notice to proceed. Documents shall be delivered as editable MS Word and Project documents for City's review and comment.

Task 3: Pipeline Preliminary Design Report

The Consultant shall develop a preliminary design report (PDR), equivalent to the 30-percent design level, for the proposed alignment, which includes various design criteria such as hydraulic calculations, size, material, geotechnical logs, survey, potholing, and impacts to the existing Wastewater Collection System. For budgeting purposes, the Consultant shall assume design and documentation of 3,500 feet of gravity sewer line. Specific project scope elements, which are to be evaluated in the PDR and ultimately incorporated into the final bid documents include the following:

1. Pipeline Conceptual Design: The Consultant shall create three conceptual pipeline alignment options, equivalent to the 10-percent design level. The Consultant shall perform a desktop study, obtaining existing utility as-built information from the appropriate utility companies. The Consultant shall conduct a field visit to collect information required for the conceptual site layout options. This will include presenting the options to City Staff. The Consultant shall provide the City with a technical memorandum (TM-1) and exhibits summarizing the findings and recommending an alignment. The summary shall include a narrative of advantages and challenges for each alignment along with an order of magnitude cost and recommendation of the preferred alignment and basis for recommendation. The Consultant shall deliver three (3) conceptual pipeline alignment options as part of TM-1 in plain view for presentation to the City and UPRR. Documents shall be delivered as editable MS Word document, PDF, and a version of AutoCAD 2018 or later for City review and comment. The City and UPRR shall make the final decision on the chosen alignment. The Consultant shall integrate City and UPRR Standards into the following steps for the chosen alignment.
2. Hydraulic Analysis: Consultant shall prepare hydraulic analysis that provides the basis for sizing the pipeline. The hydraulic analysis shall consider capacity for the existing system and the effects of additional flow, including max build out flows that will be provided by the City. The hydraulic analysis shall consider the following parameters and scenarios:
 - a. Length of proposed pipeline
 - b. Suitable point(s) of connection to the Wastewater System
 - c. Utility separation requirements
 - d. Pipeline minimum velocities
 - e. Manhole configuration
 - f. Pipeline sizing based on expected wet weather flow
 - g. Impacts to existing distribution system at the proposed connection point(s);

The Consultant shall use the City's existing hydraulic model as the basis for the hydraulic analysis. The model consists of all sewer lines within the City 10" and larger and based on Bentley modeling software. The Consultant shall be responsible for updating the model and running the necessary operational scenarios to provide a pipeline alignment connection point and size that support the future influent under all operations scenarios. The hydraulic analysis and subsequent pipeline design shall consider connection points to City's existing collection system and downstream impacts.

3. Site Survey: The Consultant shall include an allowance in its proposal to perform topographic and/or aerial surveys along the proposed pipeline route. Aerial photography shall be at a minimum of 1-foot intervals to be used on a 1" = 40' scale plan and profile drawings. Survey information shall include, at a minimum, elevations, northings and eastings of existing street infrastructure and all appurtenances (i.e. sidewalks, curb and gutter, utility boxes, access gates, rail lines, catch basins, utility covers, manholes, fences, driveways, medians, trees, vegetation, etc.). A benchmark and line of bearing shall be established and shall be tied to existing survey control. Electronic AutoCAD 2018 or later files (.DWF) of

each topographic survey shall be transmitted to the City and provided as a base map for the project.

4. Geotechnical Borings: The Consultant shall engage a geotechnical service firm to take three (3) bore log samples to a minimum depth of ten feet and determine the characteristics of the formation. A geotechnical analysis shall be completed by the Consultant and include the determination of needing imported backfill material and removal of unsuitable soil.
5. Potholing: The Consultant shall include an allowance in its proposal to perform exploratory excavations (i.e. "potholing") at three (3) locations, at a minimum depth of 10 feet, along the proposed pipeline.
6. Pipeline Alignment: Develop plan and profile drawings to the 30-percent design level. Include legal descriptions and exhibits for easement or encroachment permit from the UPRR.
7. Constructability Review: Consultant shall utilize the services of a licensed General Contractor to review plans and specifications and provide constructability input prior to initiation of the final design. The Contractor's feedback shall be incorporated into the 30% design deliverable.
8. List of Drawings and Specification: The preliminary design submittal shall include a list of anticipated technical specifications and drawings for all aspects of the facilities construction.
9. Cost Estimate: Prepare a preliminary cost estimate. This initial cost estimate will be updated throughout the final design process and shall include operating costs.

Deliverable

The PDR shall be organized in alignment with the subtasks of Task 3. Each subtask shall be a section of subsection in the PDR. Each section or subsection shall fully document the options considered, analysis performed, references used, assumptions made and basis of the assumptions, Consultant's recommendations, and basis of the recommendations. Each section and subsection of the PDR shall be presented in sufficient detail, including figures, tables, and other exhibits, to allow the City and UPRR to fully understand the design intent. All task scope elements must be included in the draft submittals for review before the final submittal is accepted.

Task 4: Pipeline 50% Design Services

The Consultant shall create a design, equivalent to the 50-percent design level, including various components such as design criteria, plan and profile drawings, connection details, cross sections, and manhole configuration. Under this subtask, the bulk of the preliminary design work shall be completed based on the results of the PDR recommendation. The City and UPRR will review and approve the concepts, criteria, and assumptions before the Consultant can complete the Final Design. The Consultant shall produce the following 50% design deliverables:

1. General/Civil Design:
 - a. Title Sheet
 - b. Vicinity and location maps with contacts
 - c. Drawing index, general notes, symbols, abbreviations, and legends

- d. Referenced Standards and Specifications
- 2. Pipeline Design:
 - a. Plan and Profile Drawings: The Consultant shall prepare plan and profiles drawings to the 50% design level based upon results of the PDR recommendations and containing aerial photographs
 - b. Pipeline and Utility Key Map
 - c. Details: Consultant shall design connection details, utility and railroad crossings, and relocations as required
 - d. Backfill: Consultant shall provide design mix for all backfill material per the geotechnical report and UPRR requirements
 - e. Asphalt Replacement: Consultant shall provide a standard design pavement section that adheres to the City and UPRR Standards. The design shall consider and include limits of replacement
 - f. Slip lining of existing 18" diameter line under rail tracks
 - g. Abandonment
- 3. Traffic Control:
 - a. Stipulate traffic control requirements per the City of standards and permitting requirements. Include requirements as a line item on the bid documents for the Contractor to complete
- 4. Specifications:
 - a. Preliminary technical specification with draft text in all sections

Deliverable

The Consultant shall provide the 50% design package containing drawings and specifications for City and UPRR Review.

Task 5: Pipeline Final Design Services

Consultant shall provide final design services that include full preparation of drawings, specifications, general and special provisions. The Consultant shall incorporate the review comments from the preliminary design phase into the 100% design package with the intermediate 90% submittal. The 100% design package shall include all bid documents, front-end documents, technical specifications, and drawings suitable for public bid. Subtasks include:

- 1. 90% Design Submittal: Drawings and specifications from the preliminary design phase shall be modified to account for any remaining design changes as a result of the preliminary (50%) design review. At the end of the 90 percent design phase, drawings and specifications shall be complete. The following tasks are to be completed:
 - a. Civil drawings and details
 - b. Pipeline drawings and details
 - c. Traffic control drawings (as required)
 - d. Specifications
 - e. Construction cost estimate

f. Construction schedule

Deliverable

The Consultant shall provide the 90% design package.

2. Final Design Submittal: During the final design phase, minor comments from the 90 percent design submittal shall be incorporated into the drawings and specifications. This final submittal will not be reviewed by the City and will be considered the bid set. Tasks include:
 - a. Production of final engineering drawings
 - b. Production of final engineering specifications
 - c. The Consultant shall prepare a probable construction cost estimate to be transmitted along with the final 100% design package.

Deliverable

The Consultant shall provide the final design package. Final drawings shall be signed and sealed by a professional civil engineer registered by the State of California. The Consultant shall provide four (4) sets of 11" x 17" drawings, two (2) sets of 22" x 34" (D Size) drawings, four (4) sets of specifications, and one electronic copy in PDF format of the final design package to the City. All drawings shall be prepared using AutoCAD 2018 or later.

Task 6: Pipeline Bid Phase Services

The Consultant shall provide assistance to the City during the project advertisement and award period. Bid phase assistance shall include, at a minimum, the following:

1. Preparation of addenda in response to requests for information (RFIs) and requests for clarification (RFCs) received during the bid period. The Consultant shall assume the preparation of four (4) addendums for budgeting purposes and budget a total of 32 hours for this effort.
2. Attendance and participation in the mandatory pre-bid meeting. The Consultant shall budget a total of six (6) hours for this meeting.
3. The Consultant shall incorporate all addenda issued during the Bid Period into a conformed set of contract documents. The Consultant shall provide six (6) sets of 11" x 17" drawings, five (5) sets of 22" x 34" (D Size) drawings, six (6) sets of specifications, one (1) electronic copy in PDF format and one electronic copy in AutoCAD format (.DWG) of the conformed drawings within one (1) week of the Bid Opening.

Consultant shall provide the City with a written response to questions within two (2) business days of questions received during the bidding period. The responses shall be provided in short memorandum format with the question and response shown. Consultant shall also keep a log of the questions and responses.

Task 7 – Pipeline Construction Phase Services

Engineering services during construction (ESDC) shall include, at a minimum, the following:

1. Preconstruction Conference: Attendance and participation in the Pre-Construction Conference.
2. Project Meetings: Attendance and participation in the Bi-Weekly Project Progress Meetings with the construction contractor and all Project stakeholders.
3. Submittal Review: Consultant shall review all shop drawing and material submittals transmitted by the construction contractor.
4. Change Order Review: Consultant shall review all change order requests submitted by the construction contractor. The Consultant shall review each request and make a formal statement regarding entitlement and the merit of the contractor's request.
5. Project Close-out: The Consultant shall assist in the development of Project punch lists and coordinate the delivery of all Project-related documentation.

Record Drawings

The Consultant shall prepare a record drawing set based on the red-line drawings submitted by the construction contractor. The record drawings shall be prepared using the version of AutoCAD 2018 or later and shall be transmitted to the City within 30 calendar days of receipt of the contractor's red-line drawings. Electronic copies of the record drawings shall be submitted to the City in both AutoCAD and PDF formats. In addition, the Consultant shall submit three (3) hard copies of the record drawings on 22" x 34" (D Size) bond paper.

RATES AND COSTS EXHIBIT

Schedule of Charges

PERSONNEL COMPENSATION

Classification	Hourly Rate
CAD-Technician	\$120
Senior CAD-Technician	\$140
CAD-Designer	\$155
Senior CAD-Designer	\$175
Engineer-Scientist-Specialist 1	\$130
Engineer-Scientist-Specialist 2	\$165
Engineer-Scientist-Specialist 3	\$185
Engineer-Scientist-Specialist 4	\$200
Engineer-Scientist-Specialist 5	\$220
Engineer-Scientist-Specialist 6	\$245
Engineer-Scientist-Specialist 7	\$270
Engineer-Scientist-Specialist 8	\$290
Engineer-Scientist-Specialist 9	\$305
Project Administrator	\$130
Administrative Assistant	\$110
Aide	\$85

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus ten percent for items such as:

- a. Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, contractors, materials testing, specialty inspection firms and other outside services.
- c. Rented vehicles, local public transportation and taxis, travel, accommodations and subsistence.
- d. Project specific telecommunications and delivery charges.
- e. Special fees, insurance, permits, and licenses applicable to the work.
- f. Outside computer processing, computation, and proprietary programs purchased for the work.

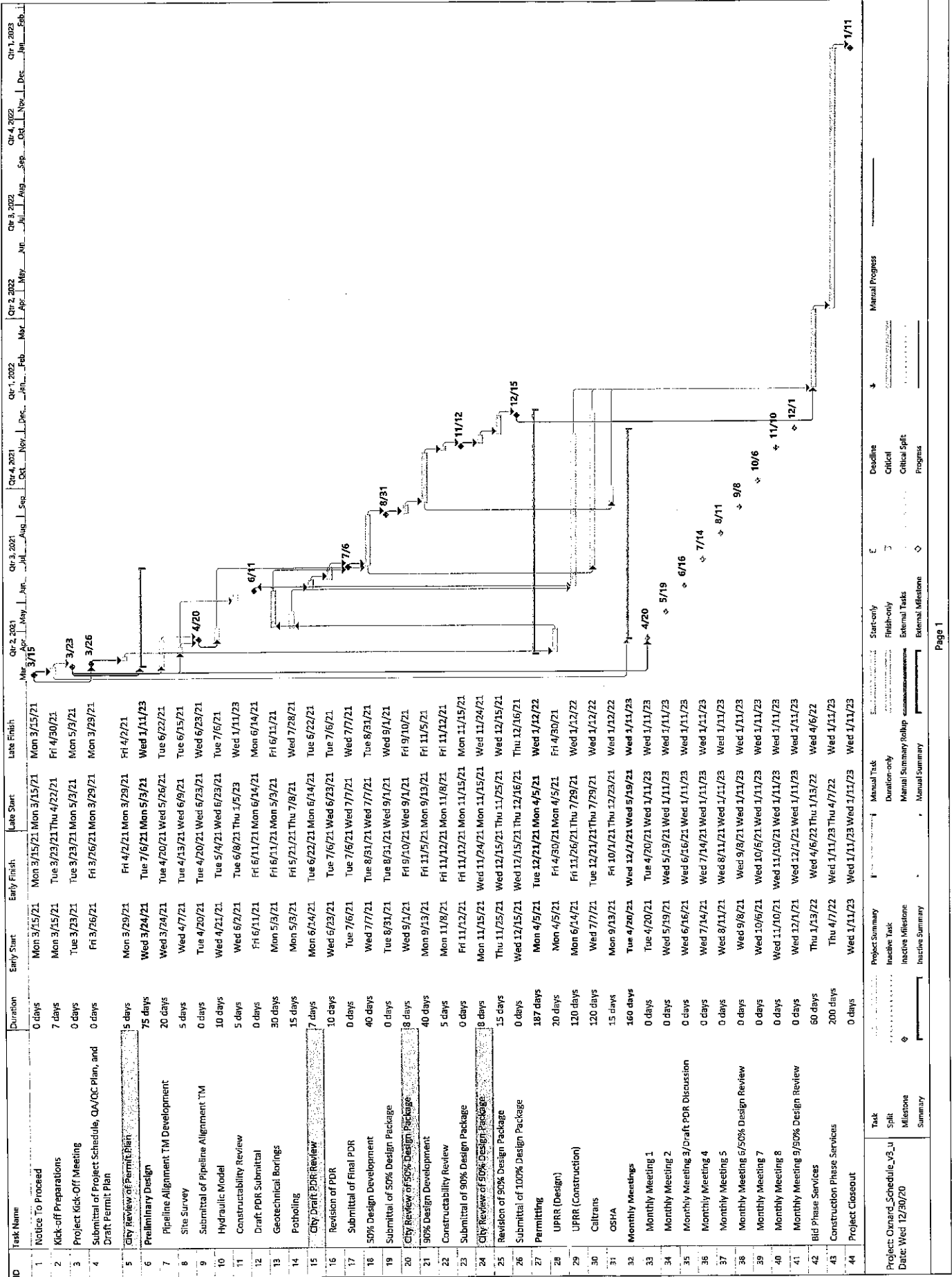
Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

If prevailing wage rates apply, the above billing rates will be adjusted as appropriate.

Overtime for non-exempt employees will be billed at one and a half times the Hourly Rates specified above.

Rates for professional staff for legal proceedings or as expert witnesses will be at rates one and one-half times the Hourly Rates specified above.

Excise and gross receipts taxes, if any, will be added as a direct expense.



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January 1, 2020 Rates																							
Classification:		Eng-Sci-9	Eng-Sci-8	Eng-Sci-6	Eng-Sci-3	Eng-Sci-2	CAD-Design	CAD-Tech	Project Administrator	Admin. Assist.	Total	KJ Labor	Sub Banner and Carpenter, Inc.	Sub Oakridge Geoscience	Sub USI	KJ Sub-Markup	KJ ODCs	KJ ODCs Markup	Total Labor	Total Subs	Total Expenses	Total Labor + Subs + Expenses	
Hourly Rate:		\$305	\$290	\$245	\$185	\$165	\$155	\$120	\$130	\$110	Hours	Fees	Fees	Fees	Fees	10%	Fees	10%	Fees			Fees	
Constructability Review			1	4							5	\$1,270				\$0			\$0	\$1,270	\$0	\$0	\$1,270
List of Drawings and Specification				1	2						3	\$615				\$0			\$0	\$615	\$0	\$0	\$615
Cost Estimate			1	2	8						11	\$2,260				\$0			\$0	\$2,260	\$0	\$0	\$2,260
Task 3- Subtotal		0	18	55	130	40	76	0	0	4	323	\$81,565	\$26,610	\$25,000	\$5,025	\$5,664	\$200	\$20	\$81,565	\$62,299	\$220	\$124,084	
Task 4 - Pipeline 50% Design Services																							
General/Civil Design			2	4	10		40		8		64	\$10,490				\$0	\$200	\$20	\$10,490	\$0	\$220	\$10,710	
Pipeline Design			4	16	32		64				116	\$20,920				\$0		\$0	\$20,920	\$0	\$0	\$20,920	
Traffic Control Spec				4							4	\$980				\$0		\$0	\$980	\$0	\$0	\$980	
Specifications			2	8	20						30	\$6,240				\$0		\$0	\$6,240	\$0	\$0	\$6,240	
Task 4- Subtotal		0	8	32	62	0	104	0	0	8	214	\$38,630	\$0	\$0	\$0	\$0	\$200	\$20	\$38,630	\$0	\$220	\$38,850	
Task 5 - Pipeline Final Design Services																							
Constructability Review				8							8	\$1,950				\$0		\$0	\$1,950	\$0	\$0	\$1,960	
90% Design Submittal			8	24	64		96		8		200	\$35,800				\$0	\$200	\$20	\$35,800	\$0	\$220	\$36,020	
Final Design Submittal			2	4	12		16		8		42	\$7,140				\$0	\$300	\$30	\$7,140	\$0	\$330	\$7,470	
Task 5- Subtotal		0	10	36	76	0	112	0	0	16	250	\$44,900	\$0	\$0	\$0	\$0	\$500	\$50	\$44,900	\$0	\$550	\$45,450	
Task 6 - Pipeline Bid Phase Services																							
Addenda to Respond to RF/RF's (4)			4	8	20						32	\$6,820				\$0		\$0	\$6,820	\$0	\$0	\$6,820	
Pre-Bid Meeting				3	3						6	\$1,290				\$0	\$25	\$3	\$1,290	\$0	\$28	\$1,318	
Conformed Contract Documents				2	8			16			26	\$3,930				\$0	\$200	\$20	\$3,930	\$0	\$220	\$4,110	
Task 6- Subtotal		0	4	13	31	0	0	16	0	0	64	\$12,000	\$0	\$0	\$0	\$0	\$225	\$23	\$12,000	\$0	\$248	\$12,248	
Task 7 - Pipeline Construction Phase Services																							
Preconstruction Conference			2								2	\$580				\$0	\$25	\$3	\$580	\$0	\$28	\$608	
Project Meetings (18)			36								36	\$10,440				\$0	\$450	\$45	\$10,440	\$0	\$495	\$10,935	

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January 1, 2020 Rates		Eng-Sc1-9	Eng-Sc1-8	Eng-Sc1-6	Eng-Sc1-3	Eng-Sc1-2	CAD-Design	CAD-Tech	Project Administrator	Admin. Assist.	Total Hours	KJ Labor	Sub Carpenter and Inc.	Sub Oakridge Geoscience	Sub USI	KJ Sub-Markup	KJ ODCs	KJ ODCs Markup	Total Labor	Total Subs	Total Expenses	Total Labor + Subs + Expenses
Classification:																						
Hourly Rate:		\$305	\$250	\$245	\$185	\$165	\$155	\$120	\$130	\$110												
Submital Review (20)			4	24	52						80	\$16,660				\$0		\$0	\$16,660	\$0	\$0	\$16,660
RFIs & RFCs (20)			2	12	30		18				60	\$11,550				\$0		\$0	\$11,550	\$0	\$0	\$11,550
Change Order Review (5)			4	12	24						40	\$8,540				\$0		\$0	\$8,540	\$0	\$0	\$8,540
Project Close-out			2	4	20						26	\$5,260				\$0		\$0	\$5,260	\$0	\$0	\$5,260
Record Drawings			1	8				28			37	\$5,130				\$0	\$200	\$200	\$5,130	\$0	\$220	\$5,350
Task 7- Subtotal		0	51	52	134	0	16	28	0	0	281	\$55,160	\$0	\$0	\$0	\$0	\$675	\$68	\$58,160	\$0	\$743	\$58,903
All Phases Total		0	220	235	531	40	308	44	14	28	1480	\$295,230	\$26,610	\$25,000	\$5,025	\$5,664	\$2,150	\$215	\$295,280	\$62,299	\$2,365	\$359,894

**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.

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. _____
P.O. Box 100085 -- OX
Duluth, GA 30096
Via Email: 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)

PRODUCER	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	COMPANIES AFFORDING INSURANCE COVERAGE
------	----------	---

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

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

CERTIFICATE HOLDER CITY OF OXNARD Attn: Insurance Compliance Reference No. _____ P.O. Box 100085 – OX Duluth, GA 30096 Via Email: cityofoxnard@ebix.com Via Fax: 678-259-1007	CANCELLATION 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. AUTHORIZED REPRESENTATIVE
---	---

SUBMIT IN DUPLICATE							
GENERAL LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")							
PRODUCER	<table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width: 60%; padding: 5px;">POLICY INFORMATION: Insurance Company: Policy No.: Policy Period: (from) _____ (to) _____ LOSS ADJUSTMENT EXPENSE ☐ Included in Limits ☐ In Addition to Limits</td><td style="width: 40%; padding: 5px;"><table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width: 50%; padding: 5px;">ENDORSEMENT NO.</td><td style="width: 50%; padding: 5px;">ISSUE DATE (MM/DD/YY)</td></tr></table></td></tr></table>	POLICY INFORMATION: Insurance Company: Policy No.: Policy Period: (from) _____ (to) _____ LOSS ADJUSTMENT EXPENSE ☐ Included in Limits ☐ In Addition to Limits	<table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width: 50%; padding: 5px;">ENDORSEMENT NO.</td><td style="width: 50%; padding: 5px;">ISSUE DATE (MM/DD/YY)</td></tr></table>	ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)		
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ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)						
Telephone: _____	☐ Deductible ☐ Self-Insured Retention (check which) of \$ with an _____ Aggregate of \$ _____ applies to coverage. ☐ Per Occurrence ☐ Per Claim (which)						
NAMED INSURED	APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered CITY AGREEMENTS/PERMITS						
TYPE OF INSURANCE							
<table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width: 60%; padding: 5px;">GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ COMPREHENSIVE GENERAL LIABILITY ☐ OWNERS & CONTRACTORS PROTECTIVE</td><td style="width: 40%; padding: 5px;">☐ Claims Made Retroactive Date _____ ☐ Occurrence</td></tr></table>	GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ COMPREHENSIVE GENERAL LIABILITY ☐ OWNERS & CONTRACTORS PROTECTIVE	☐ Claims Made Retroactive Date _____ ☐ Occurrence	OTHER PROVISIONS				
GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ COMPREHENSIVE GENERAL LIABILITY ☐ OWNERS & CONTRACTORS PROTECTIVE	☐ Claims Made Retroactive Date _____ ☐ Occurrence						
<table border="1" style="width:100%; border-collapse: collapse;"><tr><td rowspan="2" style="width: 30%; padding: 5px;">COVERAGES ☐ GENERAL ☐ PRODUCTS/COMPLETED OPERATIONS ☐ PERSONAL & ADVERTISING INJURY ☐ FIRE DAMAGE ☐ _____ ☐ _____</td><td colspan="2" style="padding: 5px;">LIABILITY LIMITS IN THOUSANDS \$</td></tr><tr><td style="width: 35%; padding: 5px;">EACH OCCURRENCE</td><td style="width: 35%; padding: 5px;">AGGREGATE</td></tr></table>	COVERAGES ☐ GENERAL ☐ PRODUCTS/COMPLETED OPERATIONS ☐ PERSONAL & ADVERTISING INJURY ☐ FIRE DAMAGE ☐ _____ ☐ _____	LIABILITY LIMITS IN THOUSANDS \$		EACH OCCURRENCE	AGGREGATE	CLAIMS: Underwriter's representative for claims pursuant to this insurance. Name: _____ Address: _____ Telephone: (____) _____	
COVERAGES ☐ GENERAL ☐ PRODUCTS/COMPLETED OPERATIONS ☐ PERSONAL & ADVERTISING INJURY ☐ FIRE DAMAGE ☐ _____ ☐ _____		LIABILITY LIMITS IN THOUSANDS \$					
	EACH OCCURRENCE	AGGREGATE					
In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows: 1. INSURED. The City, its officers, agents, employees and volunteers are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured. 2. CONTRIBUTION NOT REQUIRED. As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it. 3. SEVERABILITY OF INTEREST. This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included. 4. CANCELLATION NOTICE. With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City. 5. PROVISIONS REGARDING THE INSURED'S DUTIES. Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers. 6. SCOPE OF COVERAGE. This policy, if primary, affords coverage at least as broad as: a. Insurance Services Office Commercial General Liability Coverage, "occurrence" form CG0001; or b. If excess, affords coverage which is at least as broad as the primary insurance form CG0001. Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.							
ENDORSEMENT HOLDER							
CITY OF OXNARD Attn: Insurance Compliance Reference No. _____ P.O. Box 100085 – OX Duluth, GA 30096 Via Email: cityofoxnard@ebix.com Via Fax: 678-259-1007		AUTHORIZED REPRESENTATIVE ☐ Broker/Agent ☐ Underwriter ☐ _____ I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement. Signature _____ (original signature required) Telephone: (____) _____ Date Signed: _____					

[illegible]



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.3

DATE: October 18, 2022

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Agreement A-8493 with BPR, Inc. for On-Call Sidewalk, Curb and Gutter, and Spandrel Grinding Services Project, Specification No. PW 22-130.

RECOMMENDATION

That the City Council approve and authorize Agreement A-8493 with BPR, Inc. for a total amount not to exceed \$800,000 for a three year term for the On-call Sidewalk, Curb and Gutter and Spandrel Grinding Services Project, Specification No. PW 22-130 (Project No. MO3102).

(Public Works and Transportation Committee approved 3-0.)

BACKGROUND

The City of Oxnard has approximately 650 miles of sidewalks and 644 miles of curbs and gutters. The purpose of the grinding program is to systematically identify and mitigate any vertical sidewalk & gutter displacements (lifts). Lifts can be caused by some common factors such as age, poor or deteriorated subgrade material, deferred maintenance, and tree or vegetation roots. Sidewalk repairs are made City-wide and are prioritized depending on the severity of the issues.

Sidewalk grinding is the most common and cost effective method to mitigate lifted sidewalks. Grinding is less expensive than removal and replacement of concrete and can extend the life of sidewalks that otherwise might be prematurely replaced. Typically, grinding can resolve vertical lifts between a ¼ inch to 2 inches, and approximately 80 percent of all the City's sidewalk lifts fall within that range. Lifts exceeding 2 inches are usually resolved by replacing the sidewalk panels or ramping along with addressing the cause of the lift, such as tree roots. Ramping is also used as a temporary fix until staffing or funds become available.

The Project scope consists of furnishing all necessary labor, materials, equipment and other incidental and appurtenant work to provide on-call sidewalk, curb and gutter, and spandrel grinding services. The Agreement amount will not exceed \$800,000, with an allocation of \$500,000 for Streets and \$300,000 for Special Districts during the three-year term.

DISCUSSION

Streets Division & Special Districts have utilized contractor BPR, Inc. (BPR) to complete a total of 34,709 displacement grinds from 2020 to 2022, covering neighborhoods and various Special Districts. BPR supplies all the necessary equipment, materials, labor, and services to sidewalk, curb and gutter, and spandrel grinding assisting the Streets Division with the current and backlog of 311s for lifts. The three-year on-call agreement for concrete grinding services will be requested through Public Works task orders. Contractor will supply monthly reports identifying completed grind locations and where additional work is needed.

The notice inviting formal bids (NIFB) on the Project was published on June 30, 2022, and all bids were due and opened

on August 4, 2022. BPR was the only bidder and their bid is responsive to the City's NIFB.

ITEM NO.	UNIT	DESCRIPTION	EVALUATION QUANTITY	CONTRACT UNIT PRICE
1.	Per location as defined in the Special Provisions	Sidewalk Grinding	1 Location	\$28.75
2.	Per Linear Foot	Curb and Gutter Grinding	1 LF	\$5.00
3.	Per Linear Foot	Spandrel Grinding	1 LF	\$4.75
TOTAL BID PRICE:				\$38.50

BPR was the only vendor to respond to the City's Request for Proposal for on-call sidewalk, curb and gutter and spandrel grinding services when released on August 15, 2019. It was rebid on September 5, 2019 in an effort to obtain more bids, which resulted with two bidders and BPR being the lowest bidder.

Nine notices of invitations were sent directly to contractors that can perform this type of work and that have the appropriate licenses for this NIFB. The NIFB was also posted on EBID Board, Public Purchase, Dodge Analytic, TriCo Reprographics and Bid America to name a few and advertised in the Vida Newspaper.

Following this determination, procurement staff reviewed all documentation received from BPR Inc. and its subcontractors. Procurement staff verified possession of required currently valid licenses, reviewed the Federal Occupational Safety and Health Administration (OSHA) website for safety violations, and verified registration with the California Department of Industrial Relations (DIR). Based upon the available information and research performed to date, staff believes that the contractor is capable of satisfactorily completing the project.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

The total cost for this agreement with BPR shall not exceed \$800,000 with an allocation of \$500,000 for the Streets Division and \$300,000 for the Special Districts Division during the three-year term. This agreement will be used as needed, based on a task order process and funding availability for each fiscal year.

The estimated spending plan for FY 2022-23 from the Streets Division is \$120,000 and there are sufficient funds through the Measure O-Half Cent Sales Tax Fund (104-5704-803-8209), Project MO3102 for these services.

The estimated spending plan for FY 2022-23 from the Special Districts Division is \$50,000 and there are sufficient funds through special assessments and taxes of the communities that receive these services.

Funding for subsequent fiscal years will be requested during the annual budget process.

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on September 27, 2022 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Brian Yanez, Assistant Public Works Director

ATTACHMENTS

1. A-8493

**CITY OF OXNARD CONTRACT FOR
ON-CALL SIDEWALK, CURB AND GUTTER
AND SPANDREL GRINDING SERVICES PROJECT
SPECIFICATION NO. PW 22-130**

THIS CONTRACT ("Contract") is made and entered this _____ day of _____, 20____ ("Effective Date"), by and between the CITY OF OXNARD, a California municipal corporation ("City") and BPR Inc. ("Contractor"). Contractor's license number is 944272.

In consideration of the covenants set forth herein, the parties hereto agree as follows:

1. Incorporation. The Contract consists of all Contract Documents, which shall include the General Provisions, Special Provisions and all documents referenced in either the General or Special Provisions as well as the Contractor's Bid Response. These documents are incorporated herein by reference.

2. Scope of Services. Contractor shall perform all Tasks in a good and workmanlike manner for the project identified as the On-Call Sidewalk, Curb and Gutter and Spandrel Grinding Services Project, Specification No. PW 22-130 ("Project"), as described in this Contract and in the Contract Documents, throughout the Contract Term. The Bid Sheets from the Contractor's Bid Response are attached hereto as "Exhibit A" and incorporated herein by this reference. The Special Provisions from the Contract Documents are attached hereto as "Exhibit B" and incorporated herein by this reference.

3. Compensation. In consideration of the services rendered pursuant to the requirements listed in the Contract Documents, City shall pay Contractor for each Task in accordance with the Contract Unit Prices submitted in the Bid and included in the attached Exhibit A, which in any case shall not exceed five hundred thousand dollars (\$500,000 for Public Works and three hundred thousand dollars (\$300,000) for Special Districts division during the Contract Term.

Under no circumstances may any Work be done for one department or division utilizing another department or division's funding. It is Contractor's responsibility to keep the departments and divisions' funds separate and to monitor each department or division's balance to ensure Work for a department or division does not exceed its funding. Each invoice must list the department or division for which that Task Order was issued

4. Contract Term. The Contract Term shall begin on the Effective Date and end three (3) years thereafter, unless sooner terminated pursuant to the Contract Documents.

5. Antitrust Claims. In entering into this Contract, Contractor assigns to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Business and Professions Code Section 16700 *et seq.*) arising from purchases of goods, services, or materials pursuant to the Contract Documents. This assignment shall be made and become effective at the time City tenders final payment to Contractor without further acknowledgment by the parties.

6. Prevailing Wages. City and Contractor acknowledge that the Tasks comprising the Project are public works to which prevailing wages apply. Once the Project Manager issues a Task Order, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the corresponding Task will be on file with the Project Coordinator at City Hall and will be made available to any interested party on request. Contractor and all Subcontractors

are not qualified to bid on, be listed in a Bid proposal, or engage in the performance of any contract for public work, as defined in Labor Code Sections 1720 through 1861, unless registered and qualified to perform public work pursuant to Labor Code Section 1725.5 at the time of Bid submission.

7. Workers' Compensation. Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of Labor Code Section 1861, by signing this Contract, the Contractor certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract."

8. Titles. The titles used in this Contract are for convenience only and shall in no way define, limit or describe the scope or intent of this Contract or any part of it.

9. Authority. Any person executing this Contract on behalf of Contractor warrants and represents that he or she has the authority to execute this Contract on behalf of Contractor and has the authority to bind Contractor to the performance of its obligations hereunder.

10. Entire Agreement. This Contract, including all incorporated documents, constitutes the entire agreement between the parties hereto with respect to the Project and all related Tasks and supersedes all previous agreements, promises, proposals, representations, understandings and negotiations, whether written or oral, between the parties regarding the subject matter.

11. Amendment. No modification, amendment or supplement to this Contract other than Change Orders or Task Orders shall be binding unless made in writing and signed by the duly authorized representatives of both parties.

12. Counterparts. This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A signed copy of this Contract transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Contract for all purposes. This provision shall likewise apply to all Task Orders and other Contract Documents.

[signatures on following page]

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

CITY OF OXNARD

BPR INC.

☒ John C. Zaragoza, Mayor¹ _____ Date _____
☐ Alexander Nguyen, City Manager
☐ Purchasing Manager
☐ [name] , Buyer

Brian Patrick Rifley, Jr., Date _____
President/Secretary

ATTEST:

Rose Chaparro, City Date _____
Clerk (only if Mayor signs)

APPROVED AS TO FORM:

Stephen M. Fischer, City Date _____
Attorney (always required)

¹ The City Council must authorize and the Mayor must sign any agreement over \$200,000 annually. The City Manager may authorize and sign any agreement over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign any agreement up to \$100,000 annually. A Buyer may authorize and sign any agreement up to \$25,000 annually.

Exhibit INS-G

Exhibit INS-G

INSURANCE REQUIREMENTS FOR CONSTRUCTION PROJECTS (WITHOUT BUILDER'S RISK REQUIREMENT)

1. Contractor shall obtain and maintain during the performance of any services under this Contract 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 Contractor, its agents, representatives, employees or subcontractors.

a. Commercial General Liability Insurance, including Contractual Liability, in an amount not less than \$2,000,000 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 location 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. If architectural, engineering, or electrical work will be performed under the Contract, Professional Liability/Errors and Omissions Insurance appropriate to the work being done in an amount not less than \$1,000,000, with neither Contractor nor listed subcontractors 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. Contractor 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-G. 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 work commences. 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. A-8493
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007

3. Contractor 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 by either party, 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. Contractor agrees that the Commercial General Liability and Business Automobile Liability Insurance policies shall be endorsed to name City, its City Council, officers, employees and volunteers as additional insureds as respects: liability arising out of activities performed by or on behalf of Contractor; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, its City Council, officers, employees and volunteers. **The General Liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-G 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. Any deductibles or self-insured retentions must be declared to and 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 Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

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

8/22

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 general liability and automobile liability insurance policies and must be attached to the applicable certificate of insurance. City preference is that you use the endorsement forms which are attached. Substitute forms will be accepted, however, as long as they include provisions comparable to the attached.

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

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.

CODESUB-CODE

COMPANIES AFFORDING INSURANCE COVERAGE

INSURED

COMPANY
LETTER **A** SPECIFY COMPANY NAMES IN THIS SPACE

COMPANY
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 LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☒ OCCUR. ☒ OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$2,000,000 PRODUCTS COMP/OP AGG. \$2,000,000 PERSONAL & ADV. INJURY \$2,000,000 EACH OCCURRENCE \$2,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER Errors and omissions insurance or malpractice insurance available for the insured's profession; if architectural, engineering or electrical work will be performed under the Contract				Minimum coverage \$1,000,000 Each consultant/ \$500,000 & listed sub-consultant

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

CERTIFICATE HOLDER

CITY OF OXNARD

Attn: Insurance Compliance

Reference No.A-8493

P.O. Box 100085 – OX

Duluth, GA 30096

Via Email: cityofoxnard@ebix.com

Via Fax: 678-259-1007

CANCELLATION

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.

AUTHORIZED REPRESENTATIVE

SUBMIT IN DUPLICATE

ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
-----------------	-----------------------

PRODUCER	POLICY INFORMATION: Insurance Company: Policy No.: Policy Period: (from) (to) LOSS ADJUSTMENT EXPENSE ☐ Included in Limits ☐ In Addition to Limits
Telephone:	☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____ with an Aggregate of \$ _____ applies to _____ coverage. ☐ Per Occurrence ☐ Per Claim (which)
NAMED INSURED	APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered: CITY AGREEMENTS/PERMITS
TYPE OF INSURANCE	

GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ COMPREHENSIVE GENERAL LIABILITY ☐ OWNERS & CONTRACTORS PROTECTIVE		☐ Claims Made Retroactive Date _____ ☐ Occurrence		OTHER PROVISIONS
COVERAGES	LIABILITY LIMITS IN THOUSANDS \$			
	EACH OCCURRENCE	AGGREGATE		
☐ GENERAL ☐ PRODUCTS/COMPLETED OPERATIONS ☐ PERSONAL & ADVERTISING INJURY ☐ FIRE DAMAGE ☐ _____ ☐ _____			CLAIMS: Underwriter=s representative for claims pursuant to this insurance. Name: _____ Address: _____ Telephone: (_____) _____	

In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:

- 1 INSURED.** The City, its officers, agents, employees and volunteers are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured.
- 2 CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured=s scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.
- 3 SEVERABILITY OF INTEREST.** This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company=s limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.
- 4 CANCELLATION NOTICE.** With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.
- 5 PROVISIONS REGARDING THE INSURED=S DUTIES.** Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.
- 6 SCOPE OF COVERAGE.** This policy, if primary, affords coverage at least as broad as:
- a. Insurance Services Office Commercial General Liability Coverage, A occurrence@ form CG0001; or
- b. If excess, affords coverage which is at least as broad as the primary insurance form CG0001.

Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.

ENDORSEMENT HOLDER	
CITY OF OXNARD	AUTHORIZED REPRESENTATIVE
Attn: Insurance Compliance	☐ Broker/Agent ☐ Underwriter ☐ _____
Reference No.A-8493	I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement.
P.O. Box 100085 – OX	Signature _____ <i>(original signature required)</i>
Duluth, GA 30096	Telephone: () Date Signed _____
Via Email: cityofoxnard@ebix.com	
Via Fax: 678-259-1007	

AUTOMOBILE LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the ACity@)		SUBMIT IN DUPLICATE	
		ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
PRODUCER Telephone:		POLICY INFORMATION: Insurance Company: Policy No.: Policy Period: (from) _____ (to) LOSS ADJUSTMENT EXPENSE ☐ Included in Limits ☐ In Addition to Limits	
NAMED INSURED		☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____ with an Aggregate of \$ _____ applies to coverage. ☐ Per Occurrence ☐ Per Claim (which)	
		APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered: CITY AGREEMENTS/PERMITS	
TYPE OF INSURANCE ☐ COMMERCIAL AUTO POLICY ☐ BUSINESS AUTO POLICY ☐ OTHER		OTHER PROVISIONS	
LIMIT OF LIABILITY \$ _____ per accident, for bodily injury and property damage.		CLAIMS: Underwriter=s representative for claims pursuant to this insurance. Name: _____ Address: _____ _____ Telephone: () _____	
In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:			
1. INSURED. The City, its officers, agents, employees and volunteers are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured. 2 CONTRIBUTION NOT REQUIRED. As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured=s scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it. 3 SEVERABILITY OF INTEREST. This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company=s limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included. 4 CANCELLATION NOTICE. With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City. 5 PROVISIONS REGARDING THE INSURED=S DUTIES. Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers. 6 SCOPE OF COVERAGE. This policy, if primary, affords coverage at least as broad as: a. Insurance Services Office Commercial General Liability Coverage, Aoccurrence@ form CG0001; or b. .If excess, affords coverage which is at least as broad as the primary insurance form CG0001. Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.			
ENDORSEMENT HOLDER			
CITY OF OXNARD Attn: Insurance Compliance Reference No.A-8493 P.O. Box 100085 – OX Duluth, GA 30096 Via Email: cityofoxnard@ebix.com Via Fax: 678-259-1007		AUTHORIZED REPRESENTATIVE ☐ Broker/Agent ☐ Underwriter ☐ _____ I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement. Signature _____ (original signature required) Telephone: () Date Signed _____	

Bond No. _____

**PAYMENT BOND
(LABOR AND MATERIALS)**

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Oxnard ("Agency"), State of California, has awarded to _____

(Name and address of Contractor) ("Principal")

a contract (the "Contract") for the Work described as the On-Call Sidewalk, Curb and Gutter and Spandrel Grinding Services Project, Specification No. PW 22-130 (the "Project").

WHEREAS, under the terms of the Contract, the Principal is required before entering upon the performance of any Work, to file a good and sufficient Bond with the Agency to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code.

NOW, THEREFORE, we, the undersigned Principal, and _____

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____
("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, and
our heirs, assignees, successors, executors and administrators are held and firmly bound, jointly
and severally, unto the Agency and all Contractors, Subcontractors, laborers, material suppliers,
and other persons employed in the performance of the Contract and any Task related to the
Contract and referred to in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the
Civil Code in the penal sum of _____
Dollars (\$ _____), this amount being not less than a hundred percent (100%) of the
total not to exceed Contract Price, in lawful money of the United States of America, for materials
furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance
Act with respect to this Work or labor that the Surety will pay the same in an amount not exceeding
the amount hereinabove set forth, and also in case suit is brought upon this Bond, will pay, in
addition to the face amount thereof, costs and reasonable expenses and fees, including
reasonable attorneys' fees, incurred by Agency in successfully enforcing this obligation, to be
awarded and fixed by the court, and to be taxed as costs and to be included in the judgment
therein rendered.

It is hereby expressly stipulated and agreed that this Bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this Bond.

The Project shall be considered “accepted” for the purposes of triggering Bond deadlines at the Contractor’s final completion of all Tasks, the City’s acceptance of all Tasks, and the end of the Contract Term, whichever occurs last. Upon expiration of the time within which the California Labor Commissioner may serve a civil wage and penalty assessment against the principal, any

of its Subcontractors, or both the principal and its Subcontractors pursuant to Labor Code Section 1741, and upon expiration of the time within which a joint labor management committee may commence an action against the principal, any of its subcontractors, or both the principal and its subcontractors pursuant to Labor Code Section 1771.2, if the condition of this Bond be fully performed, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract, including all incorporated documents, shall in any manner affect its obligations on this Bond. The Surety hereby waives notice of any such change, extension, alteration, or addition. Additionally, the Surety hereby waives California Civil Code Sections 2845 and 2849 as well as any statutes of limitation, statutes of repose and laches as they may apply to an action on this Bond.

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

“Principal”

“Surety”

By: _____

By: _____

Its: _____

Its: _____

By: _____

By: _____

Its: _____

Its: _____

(Seal)

(Seal)

Note: This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. The date of the Bond must not be before the Contract's Effective Date. Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State of California.

Bond No. _____

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Oxnard ("Agency"), has awarded to _____

(Name and address of Contractor) _____ ("Principal")

a contract (the "Contract") for the Work described as the On-Call Sidewalk, Curb and Gutter and Spandrel Grinding Services Project, Specification No. PW 22-130 (the "Project").

WHEREAS, Principal is required under the terms of the Contract to furnish a Bond for the faithful performance of the Contract.

NOW, THEREFORE, we, the undersigned Principal, and _____

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____
 ("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are
 held and firmly bound unto the Agency in the penal sum of _____

Dollars (\$ _____), this amount being not less than a hundred percent (100%) of the total not to exceed Contract Price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, assigns, successors, executors and administrators, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal, his, her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the Contract and any alteration thereof made as therein provided for all Tasks, on the Principal's part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the Agency, its officers, agents and employees, as therein stipulated, within the Contract Term, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered. Surety hereby waives any statutes of limitation, statutes of repose and laches as they may apply to an action on this Bond.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract, including all incorporated documents, or of the Work to be performed under any Task Order shall in any way affect the Surety's obligations under this Bond. The Surety hereby waives notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the Work in any Task Order. Surety hereby waives California Civil Code 2845 and 2849. The City is the principal beneficiary of this Bond and has all rights of a party hereto.

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

“Principal”

“Surety”

By: _____

By: _____

Its: _____

Its: _____

By: _____

By: _____

Its: _____

Its: _____

(Seal)

(Seal)

Note: This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. The date of Bond must not be before the Contract's Effective Date. Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State of California.

Exhibit A

CITY OF OXNARD

BID SHEETS FOR ON-CALL SIDEWALK, CURB AND GUTTER AND SPANDREL SERVICES PROJECT SPECIFICATION NO. PW 22-130

Bidder's Name: BPR, Inc.

To the Honorable Mayor and Members of the City Council:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, , equipment and supplies for the Tasks comprising the Project in accordance with the Contract Documents to the satisfaction and under the direction of the Project Manager at the following prices:

ITEM NO.	UNIT	DESCRIPTION	EVALUATION QUANTITY	CONTRACT UNIT PRICE
1.	Per location as defined in the Special Provisions	Sidewalk Grinding	1 location	\$ 28.75
2.	Per Linear Foot	Curb and Gutter Grinding	1 LF	\$ 5.00
3.	Per Linear Foot	Spandrel Grinding	1 LF	\$ 4.75
TOTAL OF ALL CONTRACT UNIT PRICES (BID PRICE):				\$ 38.50

Note: No adjustment in the Contract Unit Prices will be allowed. The cost of all labor, , export of material and other costs shall be included in the above Contract Unit Prices; no additional compensation will be granted for such expenses.

BID PRICE IN DIGITS: \$ 38.50

BID PRICE IN WORDS: Thirty Eight dollars and fifty cents

Bidder acknowledges receipt of all addenda

Addendum: #01 Date Received: 4/1/22 BR
#02

Addendum: #03 Date Received: _____
#04

Bidder's Name (Company): BPR, Inc.

Signature: B-R Title: President

Print: Pat Rifley Date: 8/4/22

Signature: B-R Title: Secretary

Exhibit B

SPECIAL PROVISIONS

1000-1 SCOPE AND DESCRIPTION OF WORK

The Contractor shall furnish all necessary labor, materials, tools & equipment, work signs, cones and/or traffic control equipment and other incidentals and appurtenant Work to provide and perform portland cement concrete sidewalk, curb and gutter and spandrel grinding services on an on-call basis as requested through Task Order. Work locations for this project will include public streets within the City of Oxnard's city limits. The City will provide the location to be repaired and each Task Order may consist of various repair locations.

The scope of Work shall include, but not be limited to:

1. Contractor shall grind sidewalk with a minimum vertical displacement of ½" and a maximum vertical displacement of up to 2" at various locations throughout the City.
2. Contractor shall perform grinding of sidewalks, curb, gutters, and spandrels at locations which have a maximum vertical displacement of up to 2". Locations which have vertical displacements in excess of 2" shall be noted and no grinding will be permitted. Each sidewalk grind of five (5) feet or less will be considered as one (1) location. This description is applicable to locations that require half of one sidewalk panel and half of the sidewalk panel adjacent to it to be ground so that the grind is a full sidewalk width. Vendor shall not grind City's displacements that are parallel to the sidewalk without prior approval of the City's Project Manager. Grinding of curbs, gutters and spandrels will be measured by the linear foot (LF). Gutter flowline channeling shall be 2" in width with a variable depth of up to 4" depending upon field conditions. The channel shall be constructed adjacent to the existing curb face. No water shall be used in the channeling process.
3. Contractor shall perform grinding with a dry-cutting scarifier machine. Contractor shall ensure that the sidewalk surface on both sides of the transverse joint or crack has essentially the same texture (as determined by the City's Project Manager) and does not vary from a true plane enough to permit a 0.3 cm shim 10 cm wide to pass under a straightedge laid on the finished surface parallel with the centerline. Contractor shall also ensure that the transverse slope of finished surface shall also be uniform. The sidewalk being ground down should be maintained at 2% or less cross-slope and 5% or less for a running slope.
4. The finished grinding shall be rectangular in shape without stray grinding marks. The adjacent concrete shall remain untouched by the grinding process. Width of the grind shall extend the entire width of the sidewalk.
5. Contractor shall not smooth or polish ground surfaces and shall ensure these ground surfaces have a coefficient of friction of not less than 0.30, as determined by California Test 342.

6. Contractor shall pick up residue from grinding operations by means of a vacuum attachment to its equipment, which shall not be allowed to flow across the sidewalk or be left on the surface or surrounding landscape of the sidewalk. Contractor shall properly dispose of residue away from the job site and in accordance with City Project Manager's requirements and applicable laws and regulations.
7. Contractor shall ensure that the noise level created by the combined grinding operation shall not exceed 86 dba at a distance of 50' at right angles to the direction of travel.
8. A "location" is defined as one sidewalk joint that is a maximum of 5' wide.
9. Contractor shall supply monthly reports in Excel spreadsheet format in both print and electronic version, identifying street names and locations where Work has taken place. The City will provide template for reporting for the Contractor to use. This report is due to the Project Manager by the first day of each month for Work performed during the prior month. Contractor shall also identify and provide photographs in the report any locations where it recommends additional Work may be needed.

1000-2 PAYMENT

All Work will be pre-approved by a Task Order issued by the Project Manager prior to starting Work. The Task Order shall include all materials, labor, and taxes. A separate invoice is required for each Task Order issued pursuant to the Contract.

Contractor shall only invoice for time spent at the locations of service. The City shall not pay for time spent en route to or traveling to acquire parts or supplies unless pre-approved by the Project Manager and included in the Task Order.

The unit cost of each item shall include all costs associated with the Work. Move in/move out of equipment shall be considered as a component of the contract unit price and no separate or additional compensation will be made. No per diem will be paid. No additional payment will be made for travel time to and from the job site.



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.4

DATE: October 18, 2022

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Memorandum of Understanding and Caltrans Cooperative Agreements for the Village Specific Plan (Wagon Wheel) Berm/Flood Protection and U.S.101 Ventura Road Off-Ramp Projects.

RECOMMENDATION

That the City Council approve and authorize the following:

1. The Mayor to execute a Memorandum of Understanding with Oxnard CRFL Partners, LLC, for Caltrans Right of Way Improvements (Agreement No. A-8497);
2. The Mayor to execute Caltrans Cooperative Agreement 07-5237 for Berm Construction (Agreement No. A-8348); and
3. Adopt a Resolution Authorizing the Mayor to Execute forthcoming Caltrans Cooperative Agreement 07-5238 for U.S. 101 Exit 63A Off-Ramp Construction (Agreement No. A-8349).

(Public Works and Transportation Committee approved 3-0.)

BACKGROUND

Oxnard CRFL Partners, LLC, (Developer) is the owner of and is developing real property in the City known as The Village Specific Plan (Wagon Wheel), located near the northwestern edge of the City. The development is bounded by Highway 101 to the north; Oxnard Boulevard to the east; the Union Pacific railroad and El Rio drain to the south; and North Ventura Road to the west.

The City and Developer entered into Development Agreement No. A-7122, dated January 27, 2009, First Amendment to Development Agreement, dated July 28, 2015, and Second Amendment to Development Agreement, dated December 1, 2020 and recorded on March 30, 2021.

The City approved Planning and Zoning Permit 19-300-01, pursuant to Resolution No. 15,396, subject to conditions of approval. Condition 117 provides that the Developer shall construct flood protection improvements along the Project's Ventura Road frontage to provide protection from flooding by the Santa Clara River. Condition 193 provides that Developer shall design and re-construct the Highway 101 off-ramp for a right turn only movement in compliance with Caltrans' approval concurrent with design and construction of Wagon Wheel Road from Cactus Drive to Ventura Road (i.e., Exit 63A Ventura Road).

Both the berm/flood protection and the off-ramp improvements are located in the State right of way.

DISCUSSION

Early in the Developer's process to perform work in the State right of way, the City provided assistance to secure State encroachment permits. However, Caltrans deemed the work as "complex" when the design evolved to include future right of way relinquishment to the City. As a result, Caltrans requires a Cooperative Agreement for each improvement. Since

Caltrans does not execute Cooperative Agreements with private developers, the City is identified as the implementing agency, however the City is not responsible for funding these improvements, they are conditioned to the Developer.

Three-party Cooperative Agreements were considered, however Caltrans does not allow that mechanism. Therefore, in order to clarify the Developers role, which is silent in the Cooperative Agreements, the City prepared the Memorandum of Understanding (MOU), A-8497.

In addition to recitals and indemnification clauses, MOU A-8497 covers City responsibilities, some of which include being the signatory for the: freeway maintenance agreement (completed April 6, 2022), right of way certification, utility policy certification, and encroachment permits. The MOU also indicates the City will obtain Caltrans' relinquishment of right of way. Staff will return to Council to obtain approval for the relinquishment, which is anticipated to be located south of the U.S. 101 freeway and beyond the relocated off-ramp termination (exhibit attached).

MOU A-8497 further covers the Developer's responsibilities, some of which include: hazardous material initial site investigation and decision documents; right of way engineering, identification of utility relocation, abandonment, protect-in-place measures, requests for information, reports of investigation, notices to utility owners and utility agreements; drafting encroachment permit applications; compliance with applicable environmental requirements; preparation of the Construction Plans, Specifications & Estimates including coordination with Caltrans' design oversight unit to obtain Caltrans' concurrence with plans; perform bidding, advertising, construction, construction management, and deliverance to the City of final drawings and as-built plans.

The Developer shall refer to the Caltrans Cooperative Agreements and Caltrans policies and guidance when designing and constructing work on the State Highway System. Both Cooperative agreements are nearly identical, except for the description of the scope.

Cooperative Agreement 07-5237/A-8348 covers the berm/flood wall construction, which begins approximately 60' beyond the Ventura Road off-ramp in the landscaped right shoulder of U.S. 101 and extends beyond Wagon Wheel Road into the development. Work includes planted vegetation; installation of fencing, landscaping, and irrigation; and abandonment of existing utilities. This agreement has been approved by Caltrans Headquarters and is attached for signature.

Cooperative Agreement 07-5238/A-8349 covers the Ventura Road Exit 63A off-ramp, which currently includes two traffic signals. Work is expected to include modification of the off-ramp geometry, removal of the first signal, replaced with stop-controlled signage, conversion of existing two-way traffic from the off-ramp to Ventura Road to one-way, and traffic signal and intersection improvements at Ventura Road.

This agreement is pending approval by Caltrans Headquarters. It is anticipated to be the same template as the berm/flood wall agreement, with only the scope changing from berm to off-ramp work. Adopting the Resolution to execute the agreement when it is approved by Caltrans, rather than staff returning to Council, will eliminate delay to obtaining the Caltrans encroachment permit, which is a requirement before construction begins. The Developer's schedule is to begin the berm construction as soon as possible as it is connected to the larger flood control project and civil and building permits for lots 2, 3, and 6.

Upon receipt of the final agreement, the City Attorney will review and if any material or significant changes are identified, staff will return to Council for review and approval. If there are no revisions or they are deemed immaterial by the City Attorney, staff is requesting adoption of the Resolution for the Mayor to execute the finalized agreement. The draft is attached.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

There are no direct fiscal impacts with the recommended actions.

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on September 27, 2022 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Debbie O'Leary, Transportation Planner, Tatiana Arnaout, City Engineer

ATTACHMENTS

1. Memorandum of Understanding (A-8497)
2. Caltrans Cooperative Agreement 07-5237 (A-8348) v. 2
3. Draft Caltrans Cooperative Agreement 07-5238 (A-8349)
4. Right of Way Exhibit
5. Resolution

MEMORANDUM OF UNDERSTANDING

CALTRANS RIGHT-OF-WAY IMPROVEMENTS

This Memorandum of Understanding (“MOU”) is entered into effective October 18, 2022, by and between the City of Oxnard, a municipal corporation of the State of California (“City”), and Oxnard CRFL Partners, LLC, a Delaware limited liability company (“Developer”). The City and Developer (individually, “Party,” and collectively, “Parties”) agree that the following Recitals are a substantive part of the MOU, and further agree to the terms and conditions set forth herein:

RECITALS

A. Developer is the owner of and is developing real property located in the City known as The Village Specific Plan (Wagon Wheel), located near the northwestern edge of the City, and bounded by Highway 101 to the north; Oxnard Boulevard to the east; the Union Pacific railroad and El Rio drain to the south; and North Ventura Road to the west (“Project”).

B. The City and Developer entered into a Development Agreement No. A-7122, dated January 27, 2009 and recorded on March 10, 2009 (“DA”), in order to achieve the mutually beneficial development of the Project. The DA was subsequently amended by that certain First Amendment to Development Agreement, dated July 28, 2015 and recorded on August 1, 2015. The DA was amended further by that certain Second Amendment to Development Agreement, dated December 1, 2020 and recorded on March 30, 2021.

C. Pursuant to Resolution No. 15,396, the City approved the Planning and Zoning Permit 19-300-01 (Revision to TTM No. 5745), subject to conditions of approval contained therein. Condition 117 provides that Developer shall construct flood protection improvements along the Project’s Ventura Road frontage to provide protection from flooding by the Santa Clara River. Condition 193 provides that Developer shall design and re-construct the Highway 101 off-ramp for a right turn only movement in compliance with Caltrans’ approval concurrent with design and construction of Wagon Wheel Road from Cactus Drive to Ventura Road (*i.e.*, Exit 63A Ventura Road).

D. The flood protection improvements and the off-ramp improvements located in the Caltrans’ right-of-way along Highway 101 require two separate encroachment permits issued by Caltrans. In 2018, the City agreed to serve as the permit applicant, for both permits, during the Caltrans encroachment permit process.

E. At Caltrans’ request, the City intends to enter into two Cooperative Agreements with Caltrans for improvements to the State highway system. Agreement 07-5237/A-8348 covers berm/flood wall construction over Caltrans Old Wagon Wheel Road and planted vegetation; installation of fencing, landscaping, and irrigation; and abandonment of existing utilities. Agreement 07-5238/A-8349 covers off-ramp and traffic signal modification at the Old Wagon Wheel Road and Ventura Road. The Cooperative Agreements identify the City as the project

sponsor and implementing agency. However, the City is not responsible for funding these improvements and Developer shall refer to the Caltrans Cooperative Agreements and Caltrans policies and guidance when designing and constructing work on the State Highway System.

F. The Parties intend this MOU to clarify the City's role in implementing the improvements within Caltrans' right-of-way.

NOW THEREFORE, in consideration of the mutual promises set forth in this MOU, the Parties agree as follows:

ROLES AND RESPONSIBILITIES

1. City Responsibilities.

- A. The City will, and has, entered into a freeway maintenance agreement with Caltrans, which will provide maintenance of such improvements permanently or until such time as Caltrans assumes full maintenance responsibilities.
- B. The City will enter into Caltrans Cooperative Agreement – Berm/Floodwall 07-5237/A-8348.
- C. The City will enter into Caltrans Cooperative Agreement – Offramp at Exit 63A 07-5238/A-8349.
- D. The City will be the signatory for the Final Right of Way Certification and the Utility Policy Certification.
- E. The City will provide authorization for Developer to submit Caltrans encroachment permit(s). The City will serve as the permit applicant on such permit(s).
- F. The City will provide comments on 65%, 95%, and 100% Plans, Specifications & Estimates (PS&E).
- G. The City will obtain Caltrans' relinquishment of right-of-way to City.

2. Developer Responsibilities.

- A. The Developer shall provide the Hazardous Material Initial Site Investigation and the Hazardous Material Decision Documents.
- B. With respect to right-of-way engineering, the Developer shall identify utility relocation, abandonment, and protect-in-place measures, and prepare, as applicable, Requests for Information (RFI), Reports of Investigation (ROI), Notices to Owner (NTO), and Utility Agreements.
- C. The Developer shall prepare and submit to Caltrans the encroachment permit applications and attachments. The City will serve as the permit applicant on such permit(s).

- D. The Developer shall comply with applicable CEQA/NEPA environmental requirements.
- E. The Developer shall coordinate with Caltrans' design oversight unit (via QMA process), conduct Project development team meetings, and obtain Caltrans' concurrence with plans.
- F. The Developer shall prepare the Construction Plans, Specifications & Estimates (PS&E).
- G. The Developer shall perform the bidding, advertising, construction, and construction management.
- H. The Developer shall provide the City with the final drawings and as-built plans.
- F. The Developer shall be responsible for funding the improvements, including but not limited to design and construction work on the State Highway System associated with the site.

GENERAL PROVISIONS

- 3. **Further Assurances.** The Parties shall execute all documents and instruments, and take all actions reasonably necessary or appropriate to carry out the purpose and intent of this MOU. The City and Developer shall each use reasonable efforts to cooperate fully with the other with respect to the matters covered by this MOU.
- 4. **Notice.** Any notice, request, demand, or other communication given or required to be given or delivered by this Agreement shall be in writing and shall be deemed given: (a) upon delivery if delivered by e-mail, provided such delivery is evidenced by electronic confirmation of delivery to the noticed party; (b) as of the first business day after delivery to an overnight delivery service; or (c) as of the second business day after mailing by United States mail, postage paid, by certified or registered mail, return receipt requested, correctly addressed to the Parties as follows:

CITY:

City of Oxnard
305 West Third Street, East Wing
Oxnard, CA 93030
Attn: Tatiana Arnaout
Email: Tatiana.arnaout@oxnard.org

DEVELOPER:

Oxnard CRFL Partners, LLC
64 Maxwell
Irvine, CA 92618
Attn: Carl Renezeder
Email: carlr@oakwoodcomm.com

Or, to such other address or person as a Party may designate to the other from time-to-time in the manner set forth herein.

5. **Indemnification.**

5.1. Neither City nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by Developer under or in connection with any work or authority delegated to Developer under this MOU. Developer shall fully defend, indemnify, and hold harmless City, its officers and employees, from all claims, suits or actions of every name, kind and description brought for or on account of injury occurring by reason of anything done or omitted to be done by Developer under or in connection with any work or authority delegated to Developer under this MOU.

5.2. Neither Developer nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by City under or in connection with any work or authority delegated to City under this MOU. City shall fully defend, indemnify, and hold harmless Developer, its officers and employees, from all claims, suits or actions of every name, kind and description brought for or on account of injury occurring by reason of anything done or omitted to be done by City under or in connection with any work or authority delegated to City under this MOU.

6. **No Third Party Rights; Successors and Assigns.** Nothing in this MOU shall be construed to give any rights or benefits to anyone other than the City and the Developer. This MOU shall inure to the benefit of, and bind, the Parties and their respective heirs, executors, administrators, successors, and assigns.

7. **Entire Agreement.** This MOU represents the entire understanding of the Parties as to those matters contained herein, and supersedes any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. This MOU may be modified by the Parties only by written agreement by the Parties.

8. **Counterparts.** This MOU may be executed in counterparts, a complete set of which shall be deemed to be an original and all of which together shall comprise but a single instrument. Signatures may be given via e-mail transmission and shall be deemed given as of the date of the transmission of this MOU by e-mail to the other party.

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this MOU as of the date set forth above.

CITY OF OXNARD

OXNARD CRFL PARTNERS, LLC

By _____
Signature

By _____
Signature

Name

Name

Title

Title

COOPERATIVE AGREEMENT COVER SHEET

Work Description

BERM CONSTRUCTION OVER CALTRANS OLD WAGON WHEEL ROAD AND PLANTED VEGETATION; INSTALLATION OF FENCING, LANDSCAPING, AND IRRIGATION; ABANDONMENT/DISPOSAL OF EXISTING UTILITIES; AND PROTECTION OF EXISTING AT&T LINES

Contact Information

CALTRANS

Dan Tran, Project Manager
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Los Angeles, CA 90012
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Mobile Phone: (213)760-7149
Email: dan.tran@dot.ca.gov

CITY OF OXNARD

Tatiana Arnaout, City Engineer
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Oxnard, CA 93030
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Table of Contents

COOPERATIVE AGREEMENT	1
RECITALS	1
RESPONSIBILITIES	3
Sponsorship	3
Implementing Agency	3
Funding	4
CALTRANS' Quality Management	4
CEQA Lead Agency	5
Environmental Permits, Approvals and Agreements	5
Project Approval and Environmental Document (PA&ED)	6
California Environmental Quality Act (CEQA)	6
Plans, Specifications, and Estimate (PS&E)	8
RIGHT-OF-WAY	8
CONSTRUCTION	10
Schedule	14
Additional Provisions	14
Standards	14
Qualifications	14
Consultant Selection	15
Encroachment Permits	15
Protected Resources	15
Disclosures	15
Hazardous Materials	16
Claims	17
Interruption of Work	18
Penalties, Judgements and Settlements	18
Project Files	18
GENERAL CONDITIONS	18
Venue	18
Exemptions	19
Indemnification	19
Non-parties	19
Ambiguity and Performance	20

Defaults	20
Dispute Resolution	20
Prevailing Wage	21
SIGNATURES	22
CLOSURE STATEMENT	3

COOPERATIVE AGREEMENT

This AGREEMENT, executed on and effective from _____, is between the State of California, acting through its Department of Transportation, referred to as CALTRANS, and:

City of Oxnard, a body politic and municipal corporation or chartered city of the State of California, referred to hereinafter as CITY.

An individual signatory agency in this AGREEMENT is referred to as a PARTY. Collectively, the signatory agencies in this AGREEMENT are referred to as PARTIES.

RECITALS

1. PARTIES are authorized to enter into a cooperative agreement for improvements to the State Highway System per the California Streets and Highways Code, Sections 114 and 130.
2. For the purpose of this AGREEMENT, *constructing earthen berm at Old Wagon Wheel Road and planting vegetation; installation of fencing, landscaping, and irrigation; abandonment/disposal of existing utilities; and protection of existing AT&T lines* will be referred to hereinafter as PROJECT. The PROJECT scope of work is defined in the project initiation and approval documents (Design Engineering Evaluation Report).
3. All obligations and responsibilities assigned in this AGREEMENT to complete the following PROJECT COMPONENTS will be referred to hereinafter as WORK:
 - PROJECT APPROVAL AND ENVIRONMENTAL DOCUMENT (PA&ED)
 - PLANS, SPECIFICATIONS, AND ESTIMATE (PS&E)
 - RIGHT-OF-WAY
 - CONSTRUCTION

Each PROJECT COMPONENT is defined in the CALTRANS Workplan Standards Guide as a distinct group of activities/products in the project planning and development process.

4. The term AGREEMENT, as used herein, includes this document and any attachments, exhibits, and amendments.

This AGREEMENT is separate from and does not modify or replace any other cooperative agreement or memorandum of understanding between the PARTIES regarding the PROJECT.

PARTIES intend this AGREEMENT to be their final expression that supersedes any oral understanding or writings pertaining to the WORK. The requirements of this AGREEMENT will preside over any conflicting requirements in any documents that are made an express part of this AGREEMENT.

If any provisions in this AGREEMENT are found by a court of competent jurisdiction to be, or are in fact, illegal, inoperative, or unenforceable, those provisions do not render any or all other AGREEMENT provisions invalid, inoperative, or unenforceable, and those provisions will be automatically severed from this AGREEMENT.

Except as otherwise provided in the AGREEMENT, PARTIES will execute a written amendment if there are any changes to the terms of this AGREEMENT.

PARTIES agree to sign a CLOSURE STATEMENT to terminate this AGREEMENT. However, all indemnification, document retention, audit, claims, environmental commitment, legal challenge, maintenance and ownership articles will remain in effect until terminated or modified in writing by mutual agreement or expire by the statute of limitations.

5. No PROJECT deliverables have been completed prior to this AGREEMENT.
6. CITY has expressed its interest in acquiring the Wagon Wheel Road and PARTIES will draft and execute a separate Relinquishment Agreement prior completion of PS&E WORK.
7. In this AGREEMENT capitalized words represent defined terms, initialisms, or acronyms.
8. PARTIES hereby set forth the terms, covenants, and conditions of this AGREEMENT.

RESPONSIBILITIES

Sponsorship

9. A SPONSOR is responsible for establishing the scope of the PROJECT and securing the financial resources to fund the WORK. A SPONSOR is responsible for securing additional funds when necessary or implementing PROJECT changes to ensure the WORK can be completed with the funds obligated in this AGREEMENT.

PROJECT changes, as described in the CALTRANS Project Development Procedures Manual, will be approved by CALTRANS as the owner/operator of the State Highway System.

10. CITY is the SPONSOR for the WORK in this AGREEMENT.

Implementing Agency

11. The IMPLEMENTING AGENCY is the PARTY responsible for managing the scope, cost, schedule, and quality of the work activities and products of a PROJECT COMPONENT.

- CITY is the Project Approval and Environmental Document (PA&ED) IMPLEMENTING AGENCY.

PA&ED includes the completion of the Final Environmental Document and the Project Report (documenting the project alternative selection).

- CITY is the Plans, Specifications, and Estimate (PS&E) IMPLEMENTING AGENCY.

PS&E includes the development of the plans, specifications, and estimate; obtaining any resource agency permits; and the advertisement/award of the construction contract.

- CITY is the RIGHT OF WAY IMPLEMENTING AGENCY

RIGHT OF WAY includes coordination with utility owners for the protection, removal, or relocation of utilities; the acquisition of right-of-way interests; and post-construction work such as right-of-way monumentation/recordation, relinquishments/vacations, and excess land transactions. The RIGHT OF WAY component budget identifies the capital costs of right-of-way acquisition (RIGHT-OF-WAY CAPITAL) and the cost of the staff work in support of the acquisition (RIGHT-OF-WAY SUPPORT).

- CITY is the CONSTRUCTION IMPLEMENTING AGENCY.

CONSTRUCTION includes construction contract administration, surveying/staking, inspection, quality assurance, and assuring regulatory compliance. The CONSTRUCTION component budget identifies the capital costs of the construction contract/furnished materials (CONSTRUCTION CAPITAL) and the cost of the staff work in support of the construction contract administration (CONSTRUCTION SUPPORT).

12. CITY will provide a Quality Management Plan (QMP) for the WORK in every PROJECT COMPONENT that they are the IMPLEMENTING AGENCY of. The QMP describes the IMPLEMENTING AGENCY's quality policy and how it will be used. The QMP will include a process for resolving disputes between the PARTIES at the team level. The QMP is subject to CALTRANS review and approval.
13. Any PARTY responsible for completing WORK will make its personnel and consultants that prepare WORK available to help resolve WORK-related problems and changes for the entire duration of the PROJECT including PROJECT work that may occur under separate agreements.

Funding

14. The WORK does not use funds administered by CALTRANS. PARTIES will amend this AGREEMENT should this condition change.
15. Each PARTY is responsible for the costs they incur in performing the WORK.

CALTRANS' Quality Management

16. CALTRANS, as the owner/operator of the State Highway System (SHS), will perform quality management work including Quality Management Assessment (QMA), environmental document quality control, and owner/operator approvals for the portions of WORK within the existing and proposed SHS right-of-way.
17. CALTRANS' Quality Management Assessment (QMA) efforts are to ensure that CITY's quality assurance results in WORK that is in accordance with the applicable standards and the PROJECT's quality management plan (QMP). QMA does not include any efforts necessary to develop or deliver WORK or any validation by verifying or rechecking WORK.

When CALTRANS performs QMA, it does so for its own benefit. No one can assign liability to CALTRANS due to its QMA.

18. CALTRANS, as the owner/operator of the State Highway System, will approve WORK products in accordance with CALTRANS policies and guidance and as indicated in this AGREEMENT.

19. Per National Environmental Policy Act (NEPA) assignment and California Environmental Quality Act (CEQA) statutes, CALTRANS will perform environmental document quality control and NEPA assignment review procedures for environmental documentation. CALTRANS quality control and quality assurance procedures for all environmental documents are described in the Standard Environmental Reference, NEPA Assignments memorandums, available at <https://dot.ca.gov/programs/environmental-analysis/standard-environmental-reference-ser>, <https://dot.ca.gov/-/media/dot-media/programs/environmental-analysis/documents/ser/nepa-recordretention-policy-final-ally.pdf>. This includes the independent judgement analysis and determination under CEQA that the environmental documentation meets CEQA requirements.
20. CITY will provide WORK-related products and supporting documentation upon CALTRANS' request for the purpose of CALTRANS' quality management work.
21. CITY, including any employee, agent, consultant or sub-consultant retained by the CITY, shall implement uniform document control policies necessary to retain all records and electronically stored information associated with the WORK, including but not limited to those records identified in California Public Resources Code, Section 21167.6, and including email and attachments, in a manner consistent with the CALTRANS Uniform Filing System and the "Final Caltrans Environmental Records Retention Policy", available at <https://dot.ca.gov/-/media/dot-media/programs/environmental-analysis/documents/nepa-recordretention-policy-final-a11y.pdf>. These records, along with an index of the records, shall be provided to CALTRANS within 60 days of CALTRANS' written request.
22. The cost of CALTRANS' quality management work is to be borne by CALTRANS.

CEQA Lead Agency

23. CALTRANS is the CEQA Lead Agency for the PROJECT.

Environmental Permits, Approvals and Agreements

24. CITY will comply with the commitments and conditions set forth in the environmental documentation, environmental permits, approvals, and applicable agreements as those commitments and conditions apply to CITY's responsibilities in this AGREEMENT.
25. Unless otherwise assigned in this AGREEMENT, the IMPLEMENTING AGENCY for a PROJECT COMPONENT is responsible for all PROJECT COMPONENT WORK associated with coordinating, obtaining, implementing, renewing, and amending the PROJECT permits, agreements, and approvals whether they are identified in the planned project scope of work or become necessary in the course of completing the PROJECT.

26. It is expected that the PROJECT requires the following environmental permits/approvals:

ENVIRONMENTAL PERMITS/REQUIREMENTS
South Coast Air Quality Management District

Project Approval and Environmental Document (PA&ED)

27. As the PA&ED IMPLEMENTING AGENCY, CITY is responsible for all PA&ED WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.
28. CALTRANS will be responsible for completing the following PA&ED activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
100.10.10.xx Quality Management
175.20 Project Preferred Alternative
180.10.05.05.xx CEQA Lead Final Env. Doc QA/QC and Approval
180.15.10 Notice of Exemption (CEQA)

29. Any PARTY preparing environmental documentation, including studies and reports, will ensure that qualified personnel remain available to help resolve environmental issues and perform any necessary work to ensure that the PROJECT remains in environmental compliance.
30. CITY will provide written notice of the initiation of environmental studies to the CEQA Lead Agency prior to completing any other PA&ED phase work.

California Environmental Quality Act (CEQA)

31. Environmental documentation will be prepared in compliance with the California Public Resources Code §§ 21080.3.1(d)(e). CALTRANS will provide, and CITY will use, a letter template and a list of California Native American tribes requesting notification if necessary. CITY will prepare consultation documentation for CALTRANS' signature and transmittal in compliance with the statutorily required time frames, if necessary.

32. The CEQA Lead Agency will determine the type of CEQA documentation and will cause that documentation to be prepared in accordance with CEQA requirements.
33. Any PARTY involved in the preparation of CEQA documentation will prepare the documentation to meet CEQA requirements and follow the CEQA Lead Agency's standards that apply to the CEQA process.
34. Any PARTY preparing any portion of the CEQA documentation, including any studies and reports, will submit that portion of the documentation to the CEQA Lead Agency for review, comment, and approval at appropriate stages of development prior to public availability.
35. CITY will submit CEQA-related public notices to CALTRANS for review, comment, and approval prior to publication and circulation.
36. CITY will submit all CEQA-related public meeting materials to the CEQA Lead Agency for review, comment, and approval at least ten (10) working days prior to the public meeting date.

If the CEQA Lead Agency makes any changes to the materials, then the CEQA Lead Agency will allow CITY to review, comment, and concur on those changes at least three (3) working days prior to the public meeting date.

37. The CEQA Lead Agency has final approval authority over all CEQA documentation.
38. The CEQA Lead Agency will attend all CEQA-related public meetings.
39. If a PARTY who is not the CEQA Lead Agency holds a public meeting about the PROJECT, that PARTY must clearly state its role in the PROJECT and the identity of the CEQA Lead Agency on all meeting publications. All meeting publications must also inform the attendees that public comments collected at the meetings are not part of the CEQA public review process.

That PARTY will submit all meeting advertisements, agendas, exhibits, handouts, and materials to the CEQA Lead Agency for review, comment, and approval at least ten (10) working days prior to publication or use. If that PARTY makes any changes to the materials, it will allow the CEQA Lead Agency to review, comment on, and approve those changes at least three (3) working days prior to the public meeting date.

The CEQA Lead Agency maintains final editorial control with respect to text or graphics that could lead to public confusion over CEQA-related roles and responsibilities.

Plans, Specifications, and Estimate (PS&E)

40. As the PS&E IMPLEMENTING AGENCY, CITY is responsible for all PS&E WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.
41. CALTRANS will be responsible for completing the following PS&E activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
100.15.10.xx Quality Management

42. CITY will prepare Utility Conflict Maps identifying the accommodation, protection, relocation, or removal of any existing utility facilities that conflict with construction of the PROJECT or that violate CALTRANS' encroachment policy.

CITY will provide CALTRANS a copy of Utility Conflict Maps for CALTRANS' concurrence prior to issuing the Notices to Owner and executing the utility agreement. All utility conflicts will be addressed in the PROJECT plans, specifications, and estimate.

43. CITY will determine the cost to positively identify and locate, accommodate, protect, relocate, or remove any utility facilities whether inside or outside the State Highway System right-of-way in accordance with federal and California laws and regulations, and CALTRANS' policies, procedures, standards, practices, and applicable agreements including but not limited to Freeway Master Contracts.

RIGHT-OF-WAY

44. As the RIGHT-OF-WAY IMPLEMENTING AGENCY, CITY is responsible for all RIGHT-OF-WAY WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.

45. CALTRANS will be responsible for completing the following RIGHT-OF-WAY activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
100.25.10.xx Quality Management

46. The selection of personnel performing RIGHT-OF-WAY WORK will be in accordance with federal and California laws and regulations, and CALTRANS' policies, procedures, standards, practices, and applicable agreements.
47. CITY will make all necessary arrangements with utility owners for the timely accommodation, protection, relocation, or removal of any existing utility facilities that conflict with construction of the PROJECT or that violate CALTRANS' encroachment policy.
48. CITY will provide CALTRANS a copy of conflict maps, relocation plans, proposed notices to owner, reports of investigation, and utility agreements (if applicable) for CALTRANS' concurrence prior to issuing the notices to owner and executing the utility agreement. All utility conflicts will be fully addressed prior to Right-of-Way Certification and all arrangements for the protection, relocation, or removal of all conflicting facilities will be completed prior to construction contract award and included in the PROJECT plans, specifications, and estimate.
49. CITY will provide a land surveyor licensed in the State of California to be responsible for surveying and right-of-way engineering. All survey and right-of-way engineering documents will bear the professional seal, certificate number, registration classification, expiration date of certificate, and signature of the responsible surveyor.
50. Acquisition of right-of-way will not occur prior to the approval of the environmental document without written approval from the CEQA Lead Agency.
51. CITY will hear and adopt Resolutions of Necessity when authorized to do so by law or will work with local agencies having jurisdiction and authorized under the law to hear and adopt Resolutions of Necessity.

CITY will conduct and document Condemnation Evaluation Meetings and Condemnation Panel Review Meetings as required in accordance with CALTRANS policy and guidance. CALTRANS will be notified in advance of any Condemnation Evaluation Meetings and Condemnation Panel Review Meetings.

52. If CITY acquires any right-of-way to be incorporated into the State Highway System, CITY will first acquire in its own name.

No right-of-way will be acquired in CALTRANS' name.

Title to the State Highway System right-of-way will ultimately be vested in the State. CALTRANS' acceptance of title will occur after the Right-of-Way Closeout activities are complete.

53. CITY will utilize a public agency currently qualified by CALTRANS or a properly licensed consultant for all RIGHT-OF-WAY activities. A qualified right-of-way agent will administer all right-of-way consultant contracts.

CITY will submit a draft Right-of-Way Certification to CALTRANS six weeks prior to the scheduled Right-of-Way Certification milestone date for review.

54. CITY will submit a final Right-of-Way Certification to CALTRANS for approval prior to the advertising the construction contract. Physical and legal possession of the right-of-way must be completed prior to advertising the construction contract unless PARTIES mutually agree to other arrangements in writing.
55. CALTRANS' acceptance of right-of-way title is subject to review of an Updated Preliminary Title Report provided by CITY verifying that the title is free of all encumbrances and liens. Upon acceptance, CITY will provide CALTRANS with a Policy of Title Insurance in CALTRANS' name.
56. Right-of-way conveyances must be completed prior to WORK completion unless PARTIES mutually agree to other arrangements in writing.

CONSTRUCTION

57. As the CONSTRUCTION IMPLEMENTING AGENCY, CITY is responsible for all CONSTRUCTION WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.
58. CALTRANS will be responsible for completing the following CONSTRUCTION SUPPORT activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
100.20.10.xx Quality Management

59. CALTRANS will not issue an encroachment permit to CITY for construction work until the following conditions are met:
- CALTRANS accepts the final plans, specifications, and estimate
 - CALTRANS accepts the Right-of-Way Certification
 - Any new or amended maintenance agreements required for the WORK are executed.
60. CITY will require the construction contractor to furnish payment and performance bonds naming CITY as obligee, and CALTRANS as additional obligee, and to carry liability insurance in accordance with CALTRANS Standard Specifications.
61. CITY will advertise, open bids, award, and approve the construction contract in accordance with the California Public Contract Code and the California Labor Code. By accepting responsibility to advertise and award the construction contract, CITY also accepts responsibility to administer the construction contract.
62. CALTRANS will not issue an encroachment permit to CITY's construction contractor until CALTRANS accepts:
- The payment and performance bonds
 - The CONSTRUCTION Quality Management Plan
63. The CONSTRUCTION Quality Management Plan (QMP) will describe how construction material verification and workmanship inspections will be performed at manufacturing sources and the PROJECT job-site. The construction material and Source Inspection QMP (SIQMP) are subject to review and approval by the State Materials Engineer.

CITY will provide a resident engineer and CONSTRUCTION SUPPORT staff that are independent of the construction contractor. The Resident Engineer will be a Civil Engineer, licensed in the State of California, who is responsible for construction contract administration activities.

64. CALTRANS will review and concur with:

- Change Orders affecting public safety, public convenience, protected environmental resources, the preservation of property, all design and specification changes, and all major changes as defined in the CALTRANS Construction Manual. These Change Orders must receive written concurrence by CALTRANS prior to implementation.
- The Stormwater Pollution Prevention Plan (SWPPP) or the Water Pollution Control Plan (WPCP).

65. CITY will administer and process all construction contract claims pursuant to the requirements set forth under Public Contract Code, Section 9204. In addition, all public works claims of \$375,000 or less shall be resolved in accordance with Public Contract Code Section 20104, et seq. and other applicable laws.

66. CITY is designated as the Legally Responsible Person pursuant to the Construction General Permit, State Water Resources Control Board (SWRCB) Order Number 2009-0009-DWQ, as defined in Appendix 5, Glossary, and assumes all roles and responsibilities assigned to the Legally Responsible Person as mandated by the Construction General Permit. CITY is required to comply with the CALTRANS MS4 National Pollutant Discharge Elimination System (NPDES) permit for all work within the State Highway System.

67. As the CONSTRUCTION IMPLEMENTING AGENCY, CITY is responsible for maintenance of the State Highway System (SHS) within the PROJECT limits as part of the construction contract until the following conditions are met:

- Any required maintenance agreements are executed for the portions of SHS for which relief of maintenance is to be granted.
- CALTRANS approves a request from CITY for relief from maintenance of the PROJECT or a portion thereof.

68. Upon WORK completion, ownership or title to all materials and equipment constructed or installed for the operations and/or maintenance of the State Highway System (SHS) within SHS right-of-way as part of WORK become the property of CALTRANS.

CALTRANS will not accept ownership or title to any materials or equipment constructed or installed outside SHS right-of-way.

71. Within one hundred eighty (180) calendar days following the completion and acceptance of the PROJECT construction contract, CITY will furnish CALTRANS with a complete set of “As-Built” plans and Change Orders, including any changes authorized by CALTRANS, using an approved medium, such as a CD ROM, flash drive, File and in accordance with CALTRANS’ then current CADD User’s Manual (Section 4.3), Plans Preparation Manual, and CALTRANS practice. The plans will have the Resident Engineer’s name, contract number, and construction contract acceptance date printed on each plan sheet, and with the Resident Engineer’s signature only on the title sheet. The As-Built plans will be in Microstation DGN format, version 8.0. In addition, CITY will provide one set of As-Built plans and addenda in TIFF format.

The submittal must also include all CALTRANS requested contract records, and land survey documents. The land survey documents include monument preservation documents and records of surveys prepared to satisfy the requirements of the California Land Surveyors Act (Business and Professions Code, Sections 8700 – 8805). Copies of survey documents and Records of Surveys filed in accordance with Business & Professions Code, Sections 8762 and 8771, will contain the filing information provided by the county in which filed.

Schedule

70. PARTIES will manage the WORK schedule to ensure the timely use of obligated funds, if applicable, and to ensure compliance with any environmental permits, right-of-way agreements, construction contracts, and any other commitments. PARTIES will communicate schedule risks or changes as soon as they are identified and will actively manage and mitigate schedule risks.

Additional Provisions

Standards

71. PARTIES will perform all WORK in accordance with federal and California laws, regulations, and standards; Federal Highway Administration (FHWA) standards; and CALTRANS standards. CALTRANS standards include, but are not limited to, the guidance provided in the:

- CADD Users' Manual
- CALTRANS policies and directives
- Plans Preparation Manual
- Project Development Procedures Manual (PDPM)
- Workplan Standards Guide
- Standard Environmental Reference
- Highway Design Manual
- Right of Way Manual
- Construction Manual
- Construction Manual Supplement for Local Agency Resident Engineers
- Local Agency Structure Representative Guidelines

Qualifications

72. Each PARTY will ensure that personnel participating in WORK are appropriately qualified or licensed to perform the tasks assigned to them.

Consultant Selection

73. CITY will invite CALTRANS to participate in the selection of any consultants that participate in the WORK.

Encroachment Permits

74. CALTRANS will issue, upon proper application, the encroachment permits required for WORK within State Highway System (SHS) right-of-way. CITY, their contractors, consultants, agents and utility owners will not work within the SHS right-of-way without an encroachment permit issued in their name. CALTRANS will provide encroachment permits to CITY, their contractors, consultants, and agents at no cost. CALTRANS will provide encroachment permits to utility owners at no cost. If the encroachment permit and this AGREEMENT conflict, the requirements of this AGREEMENT will prevail.
75. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will coordinate, prepare, obtain, implement, renew, and amend any encroachment permits needed to complete the WORK.

Protected Resources

76. If any PARTY discovers unanticipated cultural, archaeological, paleontological, or other protected resources during WORK, all WORK in that area will stop and that PARTY will notify all PARTIES within 24 hours of discovery. WORK may only resume after a qualified professional has evaluated the nature and significance of the discovery and CALTRANS approves a plan for its removal or protection.

Disclosures

77. PARTIES will hold all administrative drafts and administrative final reports, studies, materials, and documentation relied upon, produced, created, or utilized for the WORK in confidence to the extent permitted by law and where applicable, the provisions of California Government Code, Section 6254.5(e) will protect the confidentiality of such documents in the event that said documents are shared between PARTIES.

PARTIES will not distribute, release, or share said documents with anyone other than employees, agents, and consultants who require access to complete the WORK without the written consent of the PARTY authorized to release them, unless required or authorized to do so by law.

78. If a PARTY receives a public records request pertaining to the WORK, that PARTY will notify PARTIES within five (5) working days of receipt and make PARTIES aware of any disclosed public records.

Hazardous Materials

79. HM-1 is hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law, irrespective of whether it is disturbed by the PROJECT or not.

HM-2 is hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law only if disturbed by the PROJECT.

The management activities related to HM-1 and HM-2, including and without limitation, any necessary manifest requirements and disposal facility designations are referred to herein as HM-1 MANAGEMENT and HM-2 MANAGEMENT respectively.

80. If HM-1 or HM-2 is found the discovering PARTY will immediately notify all other PARTIES.
81. CALTRANS, independent of the PROJECT, is responsible for any HM-1 found within the existing State Highway System right-of-way. CALTRANS will undertake, or cause to be undertaken, HM-1 MANAGEMENT with minimum impact to the PROJECT schedule.

CALTRANS, independent of the PROJECT will pay, or cause to be paid, the cost of HM-1 MANAGEMENT related to HM-1 found within the existing State Highway System right-of-way.

82. CITY, independent of the PROJECT, is responsible for any HM-1 found within the PROJECT limits and outside the existing State Highway System right-of-way. CITY will undertake, or cause to be undertaken, HM-1 MANAGEMENT with minimum impact to the PROJECT schedule.

CITY, independent of the PROJECT, will pay, or cause to be paid, the cost of HM-1 MANAGEMENT for HM-1 found within the PROJECT limits and outside of the existing State Highway System right-of-way.

83. The CONSTRUCTION IMPLEMENTING AGENCY is responsible for HM-2 MANAGEMENT within the PROJECT limits.

CITY and CALTRANS will comply with the Soil Management Agreement for Aerially Deposited Lead Contaminated Soils (Soil Management Agreement) executed between CALTRANS and the California Department of Toxic Substances Control (DTSC). Under Section 3.2 of the Soil Management Agreement, CALTRANS and CITY each retain joint and severable liability for noncompliance with the provisions of the Soil Management Agreement. CITY will assume all responsibilities assigned to CALTRANS in the Soil Management Agreement during PROJECT COMPONENTS for which they are the IMPLEMENTING AGENCY except for final placement and burial of soil within the State right-of-way, per Section 4.5 of the Soil Management Agreement, which is subject to CALTRANS concurrence and reporting to DTSC which will be performed by CALTRANS.

84. CALTRANS' acquisition or acceptance of title to any property on which any HM-1 or HM-2 is found will proceed in accordance with CALTRANS' policy on such acquisition.

Claims

85. CITY may accept, reject, compromise, settle, or litigate claims of any consultants or contractors hired to complete WORK without concurrence from the other PARTY.
86. PARTIES will confer on any claim that may affect the WORK or PARTIES' liability or responsibility under this AGREEMENT in order to retain resolution possibilities for potential future claims. No PARTY will prejudice the rights of another PARTY until after PARTIES confer on the claim.
87. If the WORK expends state or federal funds, each PARTY will comply with the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards of 2 CFR, Part 200. PARTIES will ensure that any for-profit consultant hired to participate in the WORK will comply with the requirements in 48 CFR, Chapter 1, Part 31. When state or federal funds are expended on the WORK these principles and requirements apply to all funding types included in this AGREEMENT.
88. If the WORK expends state or federal funds, each PARTY will undergo an annual audit in accordance with the Single Audit Act in the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards as defined in 2 CFR, Part 200.
89. When a PARTY reimburses a consultant for WORK with state or federal funds, the procurement of the consultant and the consultant overhead costs will be in accordance with the Local Assistance Procedures Manual, Chapter 10.

Interruption of Work

90. If WORK stops for any reason, IMPLEMENTING AGENCY will place the PROJECT right-of-way in a safe and operable condition acceptable to CALTRANS.
91. If WORK stops for any reason, each PARTY will continue with environmental commitments included in the environmental documentation, permits, agreements, or approvals that are in effect at the time that WORK stops, and will keep the PROJECT in environmental compliance until WORK resumes.

Penalties, Judgements and Settlements

92. The cost of awards, judgements, fines, interest, penalties, attorney's fees, and/or settlements generated by the WORK are considered WORK costs.
93. The cost of legal challenges to the environmental process or are considered WORK costs.
94. Any PARTY whose action or lack of action causes the levy of fines, interest, or penalties will indemnify and hold all other PARTIES harmless per the terms of this AGREEMENT.

Project Files

95. CITY will furnish CALTRANS with the Project History Files related to the PROJECT facilities on State Highway System within sixty (60) days following the completion of each PROJECT COMPONENT. CITY will assure that the Project History File is prepared and submitted in compliance with the Project Development Procedures Manual, Chapter 7. All material will be submitted neatly in a three-ring binder and in PDF format.

GENERAL CONDITIONS

96. All portions of this AGREEMENT, including the Recitals Section, are enforceable.

Venue

97. PARTIES understand that this AGREEMENT is in accordance with and governed by the Constitution and laws of the State of California. This AGREEMENT will be enforceable in the State of California. Any PARTY initiating legal action arising from this AGREEMENT will file and maintain that legal action in the Superior Court of the county in which the CALTRANS district office that is signatory to this AGREEMENT resides, or in the Superior Court of the county in which the PROJECT is physically located.

Exemptions

98. All CALTRANS' obligations under this AGREEMENT are subject to the appropriation of resources by the Legislature, the State Budget Act authority, programming and allocation of funds by the California Transportation Commission (CTC).

Indemnification

99. Neither CALTRANS nor any of its officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CITY under this AGREEMENT. It is understood and agreed that CITY, to the extent permitted by law, will defend, indemnify, and save harmless CALTRANS and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under this AGREEMENT.
100. Neither CITY nor any of its officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CALTRANS under this AGREEMENT. It is understood and agreed that CALTRANS, to the extent permitted by law, will defend, indemnify, and save harmless CITY and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under this AGREEMENT.

Non-parties

101. PARTIES do not intend this AGREEMENT to create a third party beneficiary or define duties, obligations, or rights for entities not signatory to this AGREEMENT. PARTIES do not intend this AGREEMENT to affect their legal liability by imposing any standard of care for fulfilling the WORK different from the standards imposed by law.
102. PARTIES will not assign or attempt to assign obligations to entities not signatory to this AGREEMENT without an amendment to this AGREEMENT.

Ambiguity and Performance

103. Neither PARTY will interpret any ambiguity contained in this AGREEMENT against the other PARTY. PARTIES waive the provisions of California Civil Code, Section 1654.

A waiver of a PARTY's performance under this AGREEMENT will not constitute a continuous waiver of any other provision.

104. A delay or omission to exercise a right or power due to a default does not negate the use of that right or power in the future when deemed necessary.

Defaults

105. If any PARTY defaults in its performance of the WORK, a non-defaulting PARTY will request in writing that the default be remedied within thirty (30) calendar days. If the defaulting PARTY fails to do so, the non-defaulting PARTY may initiate dispute resolution.

Dispute Resolution

106. PARTIES will first attempt to resolve AGREEMENT disputes at the PROJECT team level as described in the Quality Management Plan. If they cannot resolve the dispute themselves, the CALTRANS District Director and the Executive Officer of CITY will attempt to negotiate a resolution. If PARTIES do not reach a resolution, PARTIES' legal counsel will initiate mediation. PARTIES agree to participate in mediation in good faith and will share equally in its costs.

Neither the dispute nor the mediation process relieves PARTIES from full and timely performance of the WORK in accordance with the terms of this AGREEMENT. However, if any PARTY stops fulfilling its obligations, any other PARTY may seek equitable relief to ensure that the WORK continues.

Except for equitable relief, no PARTY may file a civil complaint until after mediation, or forty-five (45) calendar days after filing the written mediation request, whichever occurs first.

PARTIES will file any civil complaints in the Superior Court of the county in which the CALTRANS District Office signatory to this AGREEMENT resides or in the Superior Court of the county in which the PROJECT is physically located.

107. PARTIES maintain the ability to pursue alternative or additional dispute remedies if a previously selected remedy does not achieve resolution.

Prevailing Wage

108. When WORK falls within the Labor Code § 1720(a)(1) definition of "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code § 1771, PARTIES will conform to the provisions of Labor Code §§ 1720-1815, and all applicable provisions of California Code of Regulations, Title 8, Division 1, Chapter 8, Subchapter 3, Articles 1-7. PARTIES will include prevailing wage requirements in contracts for public work and require contractors to include the same prevailing wage requirements in all subcontracts.

Work performed by a PARTY's own employees is exempt from the Labor Code's Prevailing Wage requirements.

If WORK is paid for, in whole or part, with federal funds and is of the type of work subject to federal prevailing wage requirements, PARTIES will conform to the provisions of the Davis-Bacon and Related Acts, 40 U.S.C. §§ 3141-3148.

When applicable, PARTIES will include federal prevailing wage requirements in contracts for public works. WORK performed by a PARTY's employees is exempt from federal prevailing wage requirements.

SIGNATURES

PARTIES are authorized to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this AGREEMENT on behalf of the respective agencies and hereby covenants to have followed all the necessary legal requirements to validly execute this AGREEMENT.

The PARTIES acknowledge that executed copies of this AGREEMENT may be exchanged by facsimile or email, and that such copies shall be deemed to be effective as originals.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

Gregory Farr
Acting Deputy District Director,
Program/Project Management

Verification of funds and authority:

Vickie Murphy
District Budget Manager

CITY OF OXNARD

John Zaragoza
Mayor

Attest:

Rose Chaparro
City Clerk

Approved as to form and procedure:

Stephen M. Fischer
City Attorney

CLOSURE STATEMENT INSTRUCTIONS

1. Did PARTIES complete all scope, cost and schedule commitments included in this AGREEMENT and any amendments to this AGREEMENT?

YES / NO
2. Did CALTRANS accept and approve all final deliverables submitted by other PARTIES?

YES / NO
3. Did the CALTRANS HQ Office of Accounting verify that all final accounting for this AGREEMENT and any amendments to this AGREEMENT were completed?

YES / NO
4. If construction is involved, did the CALTRANS District Project Manager verify that all claims and third-party billings (utilities, etc.) have been settled before termination of the AGREEMENT?

YES / NO
5. Did PARTIES complete and transmit the As-Built Plans, Project History File, and all other required contract documents?

YES / NO

If ALL answers are "YES", this form may be used to TERMINATE this AGREEMENT.

CLOSURE STATEMENT

PARTIES agree that they have completed all scope, cost, and schedule commitments included in Agreement 07-5237 and any amendments to the agreement. The final signature date on this document terminates agreement 07-5237 except survival articles. All survival articles in agreement 07-5237 will remain in effect until expired by law, terminated or modified in writing by the PARTIES' mutual agreement, whichever occurs earlier.

The people signing this agreement have the authority to do so on behalf of their public agencies.

The PARTIES acknowledge that executed copies of this AGREEMENT may be exchanged by facsimile or email, and that such copies shall be deemed to be effective as originals.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

District Director

Date: _____

CITY OF OXNARD

Mayor

Date: _____

City Clerk

Date: _____

DRAFT COOPERATIVE AGREEMENT COVER SHEET

Work Description

OFF-RAMP AND TRAFFIC SIGNAL MODIFICATION AT THE OLD WAGON WHEEL ROAD
AND VENTURA ROAD

Contact Information

CALTRANS

Dan Tran, Project Manager
100 South Main Street
Los Angeles, CA 90012
Office Phone: (213) 760-6818
Mobile Phone: (213)760-7149
Email: dan.tran@dot.ca.gov

CITY OF OXNARD

Tatiana Arnaout, City Engineer
305 West 3rd Street
Oxnard, CA 93030
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Table of Contents

COOPERATIVE AGREEMENT	1
RECITALS	1
RESPONSIBILITIES	3
Sponsorship	3
Implementing Agency	3
Funding	4
CALTRANS' Quality Management	4
CEQA Lead Agency	5
Environmental Permits, Approvals and Agreements	5
Project Approval and Environmental Document (PA&ED)	6
California Environmental Quality Act (CEQA)	6
Plans, Specifications, and Estimate (PS&E)	8
RIGHT-OF-WAY	8
CONSTRUCTION	10
Schedule	14
Additional Provisions	14
Standards	14
Qualifications	14
Consultant Selection	15
Encroachment Permits	15
Protected Resources	15
Disclosures	15
Hazardous Materials	16
Claims	17
Interruption of Work	18
Penalties, Judgements and Settlements	18
Project Files	18
GENERAL CONDITIONS	18
Venue	18
Exemptions	19
Indemnification	19
Non-parties	19
Ambiguity and Performance	20

Defaults	20
Dispute Resolution	20
Prevailing Wage	21
SIGNATURES	22
CLOSURE STATEMENT	3

COOPERATIVE AGREEMENT

This AGREEMENT, executed on and effective from _____, is between the State of California, acting through its Department of Transportation, referred to as CALTRANS, and:

City of Oxnard, a body politic and municipal corporation or chartered city of the State of California, referred to hereinafter as CITY.

An individual signatory agency in this AGREEMENT is referred to as a PARTY. Collectively, the signatory agencies in this AGREEMENT are referred to as PARTIES.

RECITALS

1. PARTIES are authorized to enter into a cooperative agreement for improvements to the State Highway System per the California Streets and Highways Code, Sections 114 and 130.
2. For the purpose of this AGREEMENT, *constructing earthen berm off-ramp and traffic signal modification at the Old Wagon Wheel Road and Ventura Road* will be referred to hereinafter as PROJECT. The PROJECT scope of work is defined in the project initiation and approval documents (Design Engineering Evaluation Report).
3. All obligations and responsibilities assigned in this AGREEMENT to complete the following PROJECT COMPONENTS will be referred to hereinafter as WORK:
 - PROJECT APPROVAL AND ENVIRONMENTAL DOCUMENT (PA&ED)
 - PLANS, SPECIFICATIONS, AND ESTIMATE (PS&E)
 - RIGHT-OF-WAY
 - CONSTRUCTION

Each PROJECT COMPONENT is defined in the CALTRANS Workplan Standards Guide as a distinct group of activities/products in the project planning and development process.

4. The term AGREEMENT, as used herein, includes this document and any attachments, exhibits, and amendments.

This AGREEMENT is separate from and does not modify or replace any other cooperative agreement or memorandum of understanding between the PARTIES regarding the PROJECT.

PARTIES intend this AGREEMENT to be their final expression that supersedes any oral understanding or writings pertaining to the WORK. The requirements of this AGREEMENT will preside over any conflicting requirements in any documents that are made an express part of this AGREEMENT.

If any provisions in this AGREEMENT are found by a court of competent jurisdiction to be, or are in fact, illegal, inoperative, or unenforceable, those provisions do not render any or all other AGREEMENT provisions invalid, inoperative, or unenforceable, and those provisions will be automatically severed from this AGREEMENT.

Except as otherwise provided in the AGREEMENT, PARTIES will execute a written amendment if there are any changes to the terms of this AGREEMENT.

PARTIES agree to sign a CLOSURE STATEMENT to terminate this AGREEMENT. However, all indemnification, document retention, audit, claims, environmental commitment, legal challenge, maintenance and ownership articles will remain in effect until terminated or modified in writing by mutual agreement or expire by the statute of limitations.

5. No PROJECT deliverables have been completed prior to this AGREEMENT.
6. CITY has expressed its interest in acquiring the Wagon Wheel Road and PARTIES will draft and execute a separate Relinquishment Agreement prior completion of PS&E WORK.
7. In this AGREEMENT capitalized words represent defined terms, initialisms, or acronyms.
8. PARTIES hereby set forth the terms, covenants, and conditions of this AGREEMENT.

RESPONSIBILITIES

Sponsorship

9. A SPONSOR is responsible for establishing the scope of the PROJECT and securing the financial resources to fund the WORK. A SPONSOR is responsible for securing additional funds when necessary or implementing PROJECT changes to ensure the WORK can be completed with the funds obligated in this AGREEMENT.

PROJECT changes, as described in the CALTRANS Project Development Procedures Manual, will be approved by CALTRANS as the owner/operator of the State Highway System.

10. CITY is the SPONSOR for the WORK in this AGREEMENT.

Implementing Agency

11. The IMPLEMENTING AGENCY is the PARTY responsible for managing the scope, cost, schedule, and quality of the work activities and products of a PROJECT COMPONENT.

- CITY is the Project Approval and Environmental Document (PA&ED) IMPLEMENTING AGENCY.

PA&ED includes the completion of the Final Environmental Document and the Project Report (documenting the project alternative selection).

- CITY is the Plans, Specifications, and Estimate (PS&E) IMPLEMENTING AGENCY.

PS&E includes the development of the plans, specifications, and estimate; obtaining any resource agency permits; and the advertisement/award of the construction contract.

- CITY is the RIGHT OF WAY IMPLEMENTING AGENCY

RIGHT OF WAY includes coordination with utility owners for the protection, removal, or relocation of utilities; the acquisition of right-of-way interests; and post-construction work such as right-of-way monumentation/recordation, relinquishments/vacations, and excess land transactions. The RIGHT OF WAY component budget identifies the capital costs of right-of-way acquisition (RIGHT-OF-WAY CAPITAL) and the cost of the staff work in support of the acquisition (RIGHT-OF-WAY SUPPORT).

- CITY is the CONSTRUCTION IMPLEMENTING AGENCY.

CONSTRUCTION includes construction contract administration, surveying/staking, inspection, quality assurance, and assuring regulatory compliance. The CONSTRUCTION component budget identifies the capital costs of the construction contract/furnished materials (CONSTRUCTION CAPITAL) and the cost of the staff work in support of the construction contract administration (CONSTRUCTION SUPPORT).

12. CITY will provide a Quality Management Plan (QMP) for the WORK in every PROJECT COMPONENT that they are the IMPLEMENTING AGENCY of. The QMP describes the IMPLEMENTING AGENCY's quality policy and how it will be used. The QMP will include a process for resolving disputes between the PARTIES at the team level. The QMP is subject to CALTRANS review and approval.
13. Any PARTY responsible for completing WORK will make its personnel and consultants that prepare WORK available to help resolve WORK-related problems and changes for the entire duration of the PROJECT including PROJECT work that may occur under separate agreements.

Funding

14. The WORK does not use funds administered by CALTRANS. PARTIES will amend this AGREEMENT should this condition change.
15. Each PARTY is responsible for the costs they incur in performing the WORK.

CALTRANS' Quality Management

16. CALTRANS, as the owner/operator of the State Highway System (SHS), will perform quality management work including Quality Management Assessment (QMA), environmental document quality control, and owner/operator approvals for the portions of WORK within the existing and proposed SHS right-of-way.
17. CALTRANS' Quality Management Assessment (QMA) efforts are to ensure that CITY's quality assurance results in WORK that is in accordance with the applicable standards and the PROJECT's quality management plan (QMP). QMA does not include any efforts necessary to develop or deliver WORK or any validation by verifying or rechecking WORK.

When CALTRANS performs QMA, it does so for its own benefit. No one can assign liability to CALTRANS due to its QMA.

18. CALTRANS, as the owner/operator of the State Highway System, will approve WORK products in accordance with CALTRANS policies and guidance and as indicated in this AGREEMENT.

19. Per National Environmental Policy Act (NEPA) assignment and California Environmental Quality Act (CEQA) statutes, CALTRANS will perform environmental document quality control and NEPA assignment review procedures for environmental documentation. CALTRANS quality control and quality assurance procedures for all environmental documents are described in the Standard Environmental Reference, NEPA Assignments memorandums, available at <https://dot.ca.gov/programs/environmental-analysis/standard-environmental-reference-ser>, <https://dot.ca.gov/-/media/dot-media/programs/environmental-analysis/documents/ser/nepa-recordretention-policy-final-ally.pdf>. This includes the independent judgement analysis and determination under CEQA that the environmental documentation meets CEQA requirements.
20. CITY will provide WORK-related products and supporting documentation upon CALTRANS' request for the purpose of CALTRANS' quality management work.
21. CITY, including any employee, agent, consultant or sub-consultant retained by the CITY, shall implement uniform document control policies necessary to retain all records and electronically stored information associated with the WORK, including but not limited to those records identified in California Public Resources Code, Section 21167.6, and including email and attachments, in a manner consistent with the CALTRANS Uniform Filing System and the "Final Caltrans Environmental Records Retention Policy", available at <https://dot.ca.gov/-/media/dot-media/programs/environmental-analysis/documents/nepa-recordretention-policy-final-ally.pdf>. These records, along with an index of the records, shall be provided to CALTRANS within 60 days of CALTRANS' written request.
22. The cost of CALTRANS' quality management work is to be borne by CALTRANS.

CEQA Lead Agency

23. CALTRANS is the CEQA Lead Agency for the PROJECT.

Environmental Permits, Approvals and Agreements

24. CITY will comply with the commitments and conditions set forth in the environmental documentation, environmental permits, approvals, and applicable agreements as those commitments and conditions apply to CITY's responsibilities in this AGREEMENT.
25. Unless otherwise assigned in this AGREEMENT, the IMPLEMENTING AGENCY for a PROJECT COMPONENT is responsible for all PROJECT COMPONENT WORK associated with coordinating, obtaining, implementing, renewing, and amending the PROJECT permits, agreements, and approvals whether they are identified in the planned project scope of work or become necessary in the course of completing the PROJECT.

26. It is expected that the PROJECT requires the following environmental permits/approvals:

ENVIRONMENTAL PERMITS/REQUIREMENTS
South Coast Air Quality Management District

Project Approval and Environmental Document (PA&ED)

27. As the PA&ED IMPLEMENTING AGENCY, CITY is responsible for all PA&ED WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.
28. CALTRANS will be responsible for completing the following PA&ED activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
100.10.10.xx Quality Management
175.20 Project Preferred Alternative
180.10.05.05.xx CEQA Lead Final Env. Doc QA/QC and Approval
180.15.10 Notice of Exemption (CEQA)

29. Any PARTY preparing environmental documentation, including studies and reports, will ensure that qualified personnel remain available to help resolve environmental issues and perform any necessary work to ensure that the PROJECT remains in environmental compliance.
30. CITY will provide written notice of the initiation of environmental studies to the CEQA Lead Agency prior to completing any other PA&ED phase work.

California Environmental Quality Act (CEQA)

31. Environmental documentation will be prepared in compliance with the California Public Resources Code §§ 21080.3.1(d)(e). CALTRANS will provide, and CITY will use, a letter template and a list of California Native American tribes requesting notification if necessary. CITY will prepare consultation documentation for CALTRANS' signature and transmittal in compliance with the statutorily required time frames, if necessary.

32. The CEQA Lead Agency will determine the type of CEQA documentation and will cause that documentation to be prepared in accordance with CEQA requirements.
33. Any PARTY involved in the preparation of CEQA documentation will prepare the documentation to meet CEQA requirements and follow the CEQA Lead Agency's standards that apply to the CEQA process.
34. Any PARTY preparing any portion of the CEQA documentation, including any studies and reports, will submit that portion of the documentation to the CEQA Lead Agency for review, comment, and approval at appropriate stages of development prior to public availability.
35. CITY will submit CEQA-related public notices to CALTRANS for review, comment, and approval prior to publication and circulation.
36. CITY will submit all CEQA-related public meeting materials to the CEQA Lead Agency for review, comment, and approval at least ten (10) working days prior to the public meeting date.

If the CEQA Lead Agency makes any changes to the materials, then the CEQA Lead Agency will allow CITY to review, comment, and concur on those changes at least three (3) working days prior to the public meeting date.

37. The CEQA Lead Agency has final approval authority over all CEQA documentation.
38. The CEQA Lead Agency will attend all CEQA-related public meetings.
39. If a PARTY who is not the CEQA Lead Agency holds a public meeting about the PROJECT, that PARTY must clearly state its role in the PROJECT and the identity of the CEQA Lead Agency on all meeting publications. All meeting publications must also inform the attendees that public comments collected at the meetings are not part of the CEQA public review process.

That PARTY will submit all meeting advertisements, agendas, exhibits, handouts, and materials to the CEQA Lead Agency for review, comment, and approval at least ten (10) working days prior to publication or use. If that PARTY makes any changes to the materials, it will allow the CEQA Lead Agency to review, comment on, and approve those changes at least three (3) working days prior to the public meeting date.

The CEQA Lead Agency maintains final editorial control with respect to text or graphics that could lead to public confusion over CEQA-related roles and responsibilities.

Plans, Specifications, and Estimate (PS&E)

40. As the PS&E IMPLEMENTING AGENCY, CITY is responsible for all PS&E WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.
41. CALTRANS will be responsible for completing the following PS&E activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
100.15.10.xx Quality Management

42. CITY will prepare Utility Conflict Maps identifying the accommodation, protection, relocation, or removal of any existing utility facilities that conflict with construction of the PROJECT or that violate CALTRANS' encroachment policy.

CITY will provide CALTRANS a copy of Utility Conflict Maps for CALTRANS' concurrence prior to issuing the Notices to Owner and executing the utility agreement. All utility conflicts will be addressed in the PROJECT plans, specifications, and estimate.

43. CITY will determine the cost to positively identify and locate, accommodate, protect, relocate, or remove any utility facilities whether inside or outside the State Highway System right-of-way in accordance with federal and California laws and regulations, and CALTRANS' policies, procedures, standards, practices, and applicable agreements including but not limited to Freeway Master Contracts.

RIGHT-OF-WAY

44. As the RIGHT-OF-WAY IMPLEMENTING AGENCY, CITY is responsible for all RIGHT-OF-WAY WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.

45. CALTRANS will be responsible for completing the following RIGHT-OF-WAY activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
100.25.10.xx Quality Management

46. The selection of personnel performing RIGHT-OF-WAY WORK will be in accordance with federal and California laws and regulations, and CALTRANS' policies, procedures, standards, practices, and applicable agreements.
47. CITY will make all necessary arrangements with utility owners for the timely accommodation, protection, relocation, or removal of any existing utility facilities that conflict with construction of the PROJECT or that violate CALTRANS' encroachment policy.
48. CITY will provide CALTRANS a copy of conflict maps, relocation plans, proposed notices to owner, reports of investigation, and utility agreements (if applicable) for CALTRANS' concurrence prior to issuing the notices to owner and executing the utility agreement. All utility conflicts will be fully addressed prior to Right-of-Way Certification and all arrangements for the protection, relocation, or removal of all conflicting facilities will be completed prior to construction contract award and included in the PROJECT plans, specifications, and estimate.
49. CITY will provide a land surveyor licensed in the State of California to be responsible for surveying and right-of-way engineering. All survey and right-of-way engineering documents will bear the professional seal, certificate number, registration classification, expiration date of certificate, and signature of the responsible surveyor.
50. Acquisition of right-of-way will not occur prior to the approval of the environmental document without written approval from the CEQA Lead Agency.
51. CITY will hear and adopt Resolutions of Necessity when authorized to do so by law or will work with local agencies having jurisdiction and authorized under the law to hear and adopt Resolutions of Necessity.

CITY will conduct and document Condemnation Evaluation Meetings and Condemnation Panel Review Meetings as required in accordance with CALTRANS policy and guidance. CALTRANS will be notified in advance of any Condemnation Evaluation Meetings and Condemnation Panel Review Meetings.

52. If CITY acquires any right-of-way to be incorporated into the State Highway System, CITY will first acquire in its own name.

No right-of-way will be acquired in CALTRANS' name.

Title to the State Highway System right-of-way will ultimately be vested in the State. CALTRANS' acceptance of title will occur after the Right-of-Way Closeout activities are complete.

53. CITY will utilize a public agency currently qualified by CALTRANS or a properly licensed consultant for all RIGHT-OF-WAY activities. A qualified right-of-way agent will administer all right-of-way consultant contracts.

CITY will submit a draft Right-of-Way Certification to CALTRANS six weeks prior to the scheduled Right-of-Way Certification milestone date for review.

54. CITY will submit a final Right-of-Way Certification to CALTRANS for approval prior to the advertising the construction contract. Physical and legal possession of the right-of-way must be completed prior to advertising the construction contract unless PARTIES mutually agree to other arrangements in writing.
55. CALTRANS' acceptance of right-of-way title is subject to review of an Updated Preliminary Title Report provided by CITY verifying that the title is free of all encumbrances and liens. Upon acceptance, CITY will provide CALTRANS with a Policy of Title Insurance in CALTRANS' name.
56. Right-of-way conveyances must be completed prior to WORK completion unless PARTIES mutually agree to other arrangements in writing.

CONSTRUCTION

57. As the CONSTRUCTION IMPLEMENTING AGENCY, CITY is responsible for all CONSTRUCTION WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.
58. CALTRANS will be responsible for completing the following CONSTRUCTION SUPPORT activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
100.20.10.xx Quality Management

59. CALTRANS will not issue an encroachment permit to CITY for construction work until the following conditions are met:
- CALTRANS accepts the final plans, specifications, and estimate
 - CALTRANS accepts the Right-of-Way Certification
 - Any new or amended maintenance agreements required for the WORK are executed.
60. CITY will require the construction contractor to furnish payment and performance bonds naming CITY as obligee, and CALTRANS as additional obligee, and to carry liability insurance in accordance with CALTRANS Standard Specifications.
61. CITY will advertise, open bids, award, and approve the construction contract in accordance with the California Public Contract Code and the California Labor Code. By accepting responsibility to advertise and award the construction contract, CITY also accepts responsibility to administer the construction contract.
62. CALTRANS will not issue an encroachment permit to CITY's construction contractor until CALTRANS accepts:
- The payment and performance bonds
 - The CONSTRUCTION Quality Management Plan
63. The CONSTRUCTION Quality Management Plan (QMP) will describe how construction material verification and workmanship inspections will be performed at manufacturing sources and the PROJECT job-site. The construction material and Source Inspection QMP (SIQMP) are subject to review and approval by the State Materials Engineer.

CITY will provide a resident engineer and CONSTRUCTION SUPPORT staff that are independent of the construction contractor. The Resident Engineer will be a Civil Engineer, licensed in the State of California, who is responsible for construction contract administration activities.

64. CALTRANS will review and concur with:

- Change Orders affecting public safety, public convenience, protected environmental resources, the preservation of property, all design and specification changes, and all major changes as defined in the CALTRANS Construction Manual. These Change Orders must receive written concurrence by CALTRANS prior to implementation.
- The Stormwater Pollution Prevention Plan (SWPPP) or the Water Pollution Control Plan (WPCP).

65. CITY will administer and process all construction contract claims pursuant to the requirements set forth under Public Contract Code, Section 9204. In addition, all public works claims of \$375,000 or less shall be resolved in accordance with Public Contract Code Section 20104, et seq. and other applicable laws.

66. CITY is designated as the Legally Responsible Person pursuant to the Construction General Permit, State Water Resources Control Board (SWRCB) Order Number 2009-0009-DWQ, as defined in Appendix 5, Glossary, and assumes all roles and responsibilities assigned to the Legally Responsible Person as mandated by the Construction General Permit. CITY is required to comply with the CALTRANS MS4 National Pollutant Discharge Elimination System (NPDES) permit for all work within the State Highway System.

67. As the CONSTRUCTION IMPLEMENTING AGENCY, CITY is responsible for maintenance of the State Highway System (SHS) within the PROJECT limits as part of the construction contract until the following conditions are met:

- Any required maintenance agreements are executed for the portions of SHS for which relief of maintenance is to be granted.
- CALTRANS approves a request from CITY for relief from maintenance of the PROJECT or a portion thereof.

68. Upon WORK completion, ownership or title to all materials and equipment constructed or installed for the operations and/or maintenance of the State Highway System (SHS) within SHS right-of-way as part of WORK become the property of CALTRANS.

CALTRANS will not accept ownership or title to any materials or equipment constructed or installed outside SHS right-of-way.

71. Within one hundred eighty (180) calendar days following the completion and acceptance of the PROJECT construction contract, CITY will furnish CALTRANS with a complete set of “As-Built” plans and Change Orders, including any changes authorized by CALTRANS, using an approved medium, such as a CD ROM, flash drive, Filr and in accordance with CALTRANS’ then current CADD User’s Manual (Section 4.3), Plans Preparation Manual, and CALTRANS practice. The plans will have the Resident Engineer’s name, contract number, and construction contract acceptance date printed on each plan sheet, and with the Resident Engineer’s signature only on the title sheet. The As-Built plans will be in Microstation DGN format, version 8.0. In addition, CITY will provide one set of As-Built plans and addenda in TIFF format.

The submittal must also include all CALTRANS requested contract records, and land survey documents. The land survey documents include monument preservation documents and records of surveys prepared to satisfy the requirements of the California Land Surveyors Act (Business and Professions Code, Sections 8700 – 8805). Copies of survey documents and Records of Surveys filed in accordance with Business & Professions Code, Sections 8762 and 8771, will contain the filing information provided by the county in which filed.

Schedule

70. PARTIES will manage the WORK schedule to ensure the timely use of obligated funds, if applicable, and to ensure compliance with any environmental permits, right-of-way agreements, construction contracts, and any other commitments. PARTIES will communicate schedule risks or changes as soon as they are identified and will actively manage and mitigate schedule risks.

Additional Provisions

Standards

71. PARTIES will perform all WORK in accordance with federal and California laws, regulations, and standards; Federal Highway Administration (FHWA) standards; and CALTRANS standards.

CALTRANS standards include, but are not limited to, the guidance provided in the:

- CADD Users' Manual
- CALTRANS policies and directives
- Plans Preparation Manual
- Project Development Procedures Manual (PDPM)
- Workplan Standards Guide
- Standard Environmental Reference
- Highway Design Manual
- Right of Way Manual
- Construction Manual
- Construction Manual Supplement for Local Agency Resident Engineers
- Local Agency Structure Representative Guidelines

Qualifications

72. Each PARTY will ensure that personnel participating in WORK are appropriately qualified or licensed to perform the tasks assigned to them.

Consultant Selection

73. CITY will invite CALTRANS to participate in the selection of any consultants that participate in the WORK.

Encroachment Permits

74. CALTRANS will issue, upon proper application, the encroachment permits required for WORK within State Highway System (SHS) right-of-way. CITY, their contractors, consultants, agents and utility owners will not work within the SHS right-of-way without an encroachment permit issued in their name. CALTRANS will provide encroachment permits to CITY, their contractors, consultants, and agents at no cost. CALTRANS will provide encroachment permits to utility owners at no cost. If the encroachment permit and this AGREEMENT conflict, the requirements of this AGREEMENT will prevail.
75. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will coordinate, prepare, obtain, implement, renew, and amend any encroachment permits needed to complete the WORK.

Protected Resources

76. If any PARTY discovers unanticipated cultural, archaeological, paleontological, or other protected resources during WORK, all WORK in that area will stop and that PARTY will notify all PARTIES within 24 hours of discovery. WORK may only resume after a qualified professional has evaluated the nature and significance of the discovery and CALTRANS approves a plan for its removal or protection.

Disclosures

77. PARTIES will hold all administrative drafts and administrative final reports, studies, materials, and documentation relied upon, produced, created, or utilized for the WORK in confidence to the extent permitted by law and where applicable, the provisions of California Government Code, Section 6254.5(e) will protect the confidentiality of such documents in the event that said documents are shared between PARTIES.
- PARTIES will not distribute, release, or share said documents with anyone other than employees, agents, and consultants who require access to complete the WORK without the written consent of the PARTY authorized to release them, unless required or authorized to do so by law.
78. If a PARTY receives a public records request pertaining to the WORK, that PARTY will notify PARTIES within five (5) working days of receipt and make PARTIES aware of any disclosed public records.

Hazardous Materials

79. HM-1 is hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law, irrespective of whether it is disturbed by the PROJECT or not.

HM-2 is hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law only if disturbed by the PROJECT.

The management activities related to HM-1 and HM-2, including and without limitation, any necessary manifest requirements and disposal facility designations are referred to herein as HM-1 MANAGEMENT and HM-2 MANAGEMENT respectively.

80. If HM-1 or HM-2 is found the discovering PARTY will immediately notify all other PARTIES.
81. CALTRANS, independent of the PROJECT, is responsible for any HM-1 found within the existing State Highway System right-of-way. CALTRANS will undertake, or cause to be undertaken, HM-1 MANAGEMENT with minimum impact to the PROJECT schedule.

CALTRANS, independent of the PROJECT will pay, or cause to be paid, the cost of HM-1 MANAGEMENT related to HM-1 found within the existing State Highway System right-of-way.

82. CITY, independent of the PROJECT, is responsible for any HM-1 found within the PROJECT limits and outside the existing State Highway System right-of-way. CITY will undertake, or cause to be undertaken, HM-1 MANAGEMENT with minimum impact to the PROJECT schedule.

CITY, independent of the PROJECT, will pay, or cause to be paid, the cost of HM-1 MANAGEMENT for HM-1 found within the PROJECT limits and outside of the existing State Highway System right-of-way.

83. The CONSTRUCTION IMPLEMENTING AGENCY is responsible for HM-2 MANAGEMENT within the PROJECT limits.

CITY and CALTRANS will comply with the Soil Management Agreement for Aerially Deposited Lead Contaminated Soils (Soil Management Agreement) executed between CALTRANS and the California Department of Toxic Substances Control (DTSC). Under Section 3.2 of the Soil Management Agreement, CALTRANS and CITY each retain joint and severable liability for noncompliance with the provisions of the Soil Management Agreement. CITY will assume all responsibilities assigned to CALTRANS in the Soil Management Agreement during PROJECT COMPONENTS for which they are the IMPLEMENTING AGENCY except for final placement and burial of soil within the State right-of-way, per Section 4.5 of the Soil Management Agreement, which is subject to CALTRANS concurrence and reporting to DTSC which will be performed by CALTRANS.

84. CALTRANS' acquisition or acceptance of title to any property on which any HM-1 or HM-2 is found will proceed in accordance with CALTRANS' policy on such acquisition.

Claims

85. CITY may accept, reject, compromise, settle, or litigate claims of any consultants or contractors hired to complete WORK without concurrence from the other PARTY.
86. PARTIES will confer on any claim that may affect the WORK or PARTIES' liability or responsibility under this AGREEMENT in order to retain resolution possibilities for potential future claims. No PARTY will prejudice the rights of another PARTY until after PARTIES confer on the claim.
87. If the WORK expends state or federal funds, each PARTY will comply with the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards of 2 CFR, Part 200. PARTIES will ensure that any for-profit consultant hired to participate in the WORK will comply with the requirements in 48 CFR, Chapter 1, Part 31. When state or federal funds are expended on the WORK these principles and requirements apply to all funding types included in this AGREEMENT.
88. If the WORK expends state or federal funds, each PARTY will undergo an annual audit in accordance with the Single Audit Act in the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards as defined in 2 CFR, Part 200.
89. When a PARTY reimburses a consultant for WORK with state or federal funds, the procurement of the consultant and the consultant overhead costs will be in accordance with the Local Assistance Procedures Manual, Chapter 10.

Interruption of Work

90. If WORK stops for any reason, IMPLEMENTING AGENCY will place the PROJECT right-of-way in a safe and operable condition acceptable to CALTRANS.
91. If WORK stops for any reason, each PARTY will continue with environmental commitments included in the environmental documentation, permits, agreements, or approvals that are in effect at the time that WORK stops, and will keep the PROJECT in environmental compliance until WORK resumes.

Penalties, Judgements and Settlements

92. The cost of awards, judgements, fines, interest, penalties, attorney's fees, and/or settlements generated by the WORK are considered WORK costs.
93. The cost of legal challenges to the environmental process or are considered WORK costs.
94. Any PARTY whose action or lack of action causes the levy of fines, interest, or penalties will indemnify and hold all other PARTIES harmless per the terms of this AGREEMENT.

Project Files

95. CITY will furnish CALTRANS with the Project History Files related to the PROJECT facilities on State Highway System within sixty (60) days following the completion of each PROJECT COMPONENT. CITY will assure that the Project History File is prepared and submitted in compliance with the Project Development Procedures Manual, Chapter 7. All material will be submitted neatly in a three-ring binder and in PDF format.

GENERAL CONDITIONS

96. All portions of this AGREEMENT, including the Recitals Section, are enforceable.

Venue

97. PARTIES understand that this AGREEMENT is in accordance with and governed by the Constitution and laws of the State of California. This AGREEMENT will be enforceable in the State of California. Any PARTY initiating legal action arising from this AGREEMENT will file and maintain that legal action in the Superior Court of the county in which the CALTRANS district office that is signatory to this AGREEMENT resides, or in the Superior Court of the county in which the PROJECT is physically located.

Exemptions

98. All CALTRANS' obligations under this AGREEMENT are subject to the appropriation of resources by the Legislature, the State Budget Act authority, programming and allocation of funds by the California Transportation Commission (CTC).

Indemnification

99. Neither CALTRANS nor any of its officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CITY under this AGREEMENT. It is understood and agreed that CITY, to the extent permitted by law, will defend, indemnify, and save harmless CALTRANS and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under this AGREEMENT.
100. Neither CITY nor any of its officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CALTRANS under this AGREEMENT. It is understood and agreed that CALTRANS, to the extent permitted by law, will defend, indemnify, and save harmless CITY and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under this AGREEMENT.

Non-parties

101. PARTIES do not intend this AGREEMENT to create a third party beneficiary or define duties, obligations, or rights for entities not signatory to this AGREEMENT. PARTIES do not intend this AGREEMENT to affect their legal liability by imposing any standard of care for fulfilling the WORK different from the standards imposed by law.
102. PARTIES will not assign or attempt to assign obligations to entities not signatory to this AGREEMENT without an amendment to this AGREEMENT.

Ambiguity and Performance

103. Neither PARTY will interpret any ambiguity contained in this AGREEMENT against the other PARTY. PARTIES waive the provisions of California Civil Code, Section 1654.

A waiver of a PARTY's performance under this AGREEMENT will not constitute a continuous waiver of any other provision.

104. A delay or omission to exercise a right or power due to a default does not negate the use of that right or power in the future when deemed necessary.

Defaults

105. If any PARTY defaults in its performance of the WORK, a non-defaulting PARTY will request in writing that the default be remedied within thirty (30) calendar days. If the defaulting PARTY fails to do so, the non-defaulting PARTY may initiate dispute resolution.

Dispute Resolution

106. PARTIES will first attempt to resolve AGREEMENT disputes at the PROJECT team level as described in the Quality Management Plan. If they cannot resolve the dispute themselves, the CALTRANS District Director and the Executive Officer of CITY will attempt to negotiate a resolution. If PARTIES do not reach a resolution, PARTIES' legal counsel will initiate mediation. PARTIES agree to participate in mediation in good faith and will share equally in its costs.

Neither the dispute nor the mediation process relieves PARTIES from full and timely performance of the WORK in accordance with the terms of this AGREEMENT. However, if any PARTY stops fulfilling its obligations, any other PARTY may seek equitable relief to ensure that the WORK continues.

Except for equitable relief, no PARTY may file a civil complaint until after mediation, or forty-five (45) calendar days after filing the written mediation request, whichever occurs first.

PARTIES will file any civil complaints in the Superior Court of the county in which the CALTRANS District Office signatory to this AGREEMENT resides or in the Superior Court of the county in which the PROJECT is physically located.

107. PARTIES maintain the ability to pursue alternative or additional dispute remedies if a previously selected remedy does not achieve resolution.

Prevailing Wage

108. When WORK falls within the Labor Code § 1720(a)(1) definition of "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code § 1771, PARTIES will conform to the provisions of Labor Code §§ 1720-1815, and all applicable provisions of California Code of Regulations, Title 8, Division 1, Chapter 8, Subchapter 3, Articles 1-7. PARTIES will include prevailing wage requirements in contracts for public work and require contractors to include the same prevailing wage requirements in all subcontracts.

Work performed by a PARTY's own employees is exempt from the Labor Code's Prevailing Wage requirements.

If WORK is paid for, in whole or part, with federal funds and is of the type of work subject to federal prevailing wage requirements, PARTIES will conform to the provisions of the Davis-Bacon and Related Acts, 40 U.S.C. §§ 3141-3148.

When applicable, PARTIES will include federal prevailing wage requirements in contracts for public works. WORK performed by a PARTY's employees is exempt from federal prevailing wage requirements.

SIGNATURES

PARTIES are authorized to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this AGREEMENT on behalf of the respective agencies and hereby covenants to have followed all the necessary legal requirements to validly execute this AGREEMENT.

The PARTIES acknowledge that executed copies of this AGREEMENT may be exchanged by facsimile or email, and that such copies shall be deemed to be effective as originals.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

Gregory Farr
Acting Deputy District Director,
Program/Project Management

Verification of funds and authority:

Vickie Murphy
District Budget Manager

CITY OF OXNARD

John Zaragoza
Mayor

Attest:
Rose Chaparro
City Clerk

Approved as to form and procedure:

Stephen M. Fischer
City Attorney

CLOSURE STATEMENT INSTRUCTIONS

1. Did PARTIES complete all scope, cost and schedule commitments included in this AGREEMENT and any amendments to this AGREEMENT?

YES / NO
2. Did CALTRANS accept and approve all final deliverables submitted by other PARTIES?

YES / NO
3. Did the CALTRANS HQ Office of Accounting verify that all final accounting for this AGREEMENT and any amendments to this AGREEMENT were completed?

YES / NO
4. If construction is involved, did the CALTRANS District Project Manager verify that all claims and third-party billings (utilities, etc.) have been settled before termination of the AGREEMENT?

YES / NO
5. Did PARTIES complete and transmit the As-Built Plans, Project History File, and all other required contract documents?

YES / NO

If ALL answers are “YES”, this form may be used to TERMINATE this AGREEMENT.

CLOSURE STATEMENT

PARTIES agree that they have completed all scope, cost, and schedule commitments included in Agreement 07-5237 and any amendments to the agreement. The final signature date on this document terminates agreement 07-5237 except survival articles. All survival articles in agreement 07-5237 will remain in effect until expired by law, terminated or modified in writing by the PARTIES' mutual agreement, whichever occurs earlier.

The people signing this agreement have the authority to do so on behalf of their public agencies.

The PARTIES acknowledge that executed copies of this AGREEMENT may be exchanged by facsimile or email, and that such copies shall be deemed to be effective as originals.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

District Director

Date: _____

CITY OF OXNARD

Title TBD

Date: _____

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION		DESIGN OVERSIGHT							
		EUGENE LEIBMAN		CALCULATED/ DESIGNED BY	REVISOR	DATE	REVISOR	DATE	
				CHECKED BY		DATE REVISED			

REGISTERED CIVIL ENGINEER	
Date	
PLANS APPROVAL DATE	
The State of California or its offices or agents shall not be responsible for the accuracy or completeness of electronic copies of this plan sheet.	

[illegible]

 ROADWAY RELINQUISHMENT TO CITY
 CALTRANS/CITY MAINTENANCE AGREEMENT AREA

SCALE: 1" = 20'
12/31/20

CU	EA 335101
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CITY COUNCIL OF THE CITY OF

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE FORTHCOMING CALTRANS
COOPERATIVE AGREEMENT 07-5238 FOR U.S. 101 EXIT 63A OFF-RAMP CONSTRUCTION
(AGREEMENT NO. A-8349)**

WHEREAS, Oxnard CRFL Partners, LLC, (Developer) is the owner of and is developing real property in the City known as The Village Specific Plan (Wagon Wheel); and

WHEREAS, The City and Developer entered into Development Agreement No. A-7122, dated January 27, 2009, First Amendment to Development Agreement, dated July 28, 2015, and Second Amendment to Development Agreement, dated December 1, 2020 and recorded on March 30, 2021; and

WHEREAS, The City approved Planning and Zoning Permit 19-300-01, pursuant to Resolution No. 15,396, subject to conditions of approval including Condition 193 that Developer shall design and re-construct the Highway 101 off-ramp for a right turn only movement in compliance with Caltrans' approval concurrent with design and construction of Wagon Wheel Road from Cactus Drive to Ventura Road (i.e., Exit 63A Ventura Road); and

WHEREAS, Caltrans requires a Cooperative Agreement for this improvement; and

WHEREAS, the Draft Cooperative Agreement 07-5238/A-8349 for the U.S. 101 Ventura Road Exit 63A is pending Caltrans Headquarters approval, and upon receipt of the final agreement, the City Attorney will determine if there are no revisions or that any such revision is deemed immaterial, Mayor or his designee may execute the finalized agreement.

NOW, THEREFORE IT IS HEREBY RESOLVED, ORDERED AND FOUND by the City Council of the City of Oxnard, as follows:

1. The foregoing recitals are true and correct and are incorporated by reference as though fully set forth herein to this resolution.
3. The City Council authorizes the Mayor or his designee to execute Caltrans Cooperative Agreement 07-5238/A-8349

Resolution No.

Page No. 2

PASSED AND ADOPTED this ____ day of _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN

John C. Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen Fischer, City Attorney



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.5

DATE: October 18, 2022

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Amend Department-Wide Blanket Purchase Orders that have Not to Exceed (NTE) Amounts Greater than \$200,000 Each.

RECOMMENDATION

That the City Council approve and authorize the Purchasing Agent to amend the following:

1. Purchase Order #8797 with Consolidated Electrical Distributors for an additional \$100,000 for a new not to exceed amount of \$300,000 through June 30, 2023;
2. Purchase Order #8831 with Napa dba Ventura County Auto Supply for an additional \$200,000 for a new not to exceed amount of \$400,000 through June 30, 2023;
3. Purchase Order #8841 with Ferguson Enterprise, LLC for an additional \$150,000 for a new not to exceed amount of \$350,000 through June 30, 2023;
4. Purchase Order #8842 with Famcon Pipe & Supply Inc. for an additional \$400,000 for a new not to exceed amount of \$600,000 through June 30, 2023; and
5. Purchase Order #8859 with O'Reilly Auto Parts for an additional \$100,000 for a new not to exceed amount of \$300,000 through June 30, 2023.

(Public Works and Transportation Committee approved 3-0.)

BACKGROUND

A blanket purchase order (BPO) is an agreement established with a vendor to fill repetitive needs for goods. BPOs make it more efficient for the vendor and departments to fill recurring needs, while using the City's full buying power by taking advantage of quantity discounts, which saves administrative time, and reduces paperwork. BPOs are established as purchase orders with a maximum order amount or not to exceed (NTE) amount, rather than for a specific amount.

DISCUSSION

Each fiscal year, departments and divisions require a quick and efficient method to procure goods needed to accomplish their mission. Blanket purchase orders are a tool the City of Oxnard utilizes, as do many other public agencies, in order to satisfy this need. The original BPOs in this report have been issued using cooperative agreements or negotiated sole source agreements. The cooperative agreements have been bid and awarded in accordance with local, State and, in many instances, federal laws that govern public procurement. As such, other public agencies, like the City, are invited to utilize the terms and conditions of purchase. Negotiated sole source agreements are utilized for unique goods and services, which are only obtainable through one source due to proprietary reasons and which have exclusive compatibility with existing City equipment.

The City of Oxnard Wastewater and Water Divisions both utilize Consolidated Electrical Distributors (CED) for Rockwell brand Variable Frequency Drives which control the speed of various pumps. CED, the only sole source

amended BPO recommended in this staff report, is the sole distributor of Rockwell brand products in the Southern California region. The remaining amended BPOs are cooperative agreement types. For reference, Ferguson Enterprise, LLC and Famcon Pipe & Supply provide industrial grade pipes and pipe related materials such as clamps, valves, mechanical joints, and gaskets and are used by the Water and Wastewater Divisions of Public Works. Napa dba Ventura County Auto Supply and O'Reilly Auto Enterprises LLC dba O'Reilly Auto Parts provide a wide range of automotive parts, batteries, tools, and equipment for in-house automotive repairs and are used by the Fleet Maintenance and Wastewater Divisions of Public Works.

Below is a list of recommendations of not to exceed values of greater than \$200,000 for current BPOs being utilized by the Public Works Department that have been awarded through a cooperative agreement, with a requested annual NTE amount greater than \$200,000. While some of the contracts continue past this fiscal year, we are only requesting authorization for the current fiscal year.

<u>Vendor Name</u>	<u>Cooperative Agreement/ Agreement Type</u>	<u>Cooperative Agreement Number</u>	<u>Cooperative Agreement Initial Expiration Date</u>	<u>Purchase Order #</u>	<u>Initial Issued Amount</u>	<u>FY 2022-23 Recommended Not to Exceed Amount</u>
Consolidated Electrical Distributors	Sole Source	N/A	6/30/23	8797	\$200,000	\$300,000
Napa dba Ventura County Auto Supply	Sourcewell	013020-GPC	4/13/24	8831	\$200,000	\$400,000
Ferguson Enterprise, LLC	City of Ventura	ITB NO. B-130000654	6/30/23	8841	\$200,000	\$350,000
Famcon Pipe & Supply Inc.	City of Ventura	ITB NO. B-130000654	6/30/23	8842	\$200,000	\$600,000
O'Reilly Auto Enterprises LLC dba O'Reilly Auto Parts	Sourcewell	032521-ORA	5/19/25	8859	\$200,000	\$300,000

The Public Works Department requests approval of the five amended BPOs for the NTE amounts in the table above. The amounts suggested are based on data collected from Public Works Divisions' forecasted spending with each vendor, rising inflation, and unpredictability for cost of goods.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

The total cost for all amended BPOs will be funded from various funding sources. Funding to pay for these parts and supplies will come from Public Works divisional available operating budgets, such as Water Operations, Wastewater Operations, and Fleet Maintenance. There are sufficient funds in the FY 2022-23 Adopted Budget for these various purchases.

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on September 27, 2022 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Brian Yanez, Assistant Public Works Director, Joseph Marcinko, Assistant Public Works Director

ATTACHMENTS

1. Presentation

Public Works Blanket Purchase Orders for FY 2022-23

Public Works & Transportation Committee
September 27, 2022

City Council
October 18, 2022

Joseph Marcinko, Assistant Public Works Director
September 27, 2022

That the Public Works and Transportation Committee recommended that the City Council approve and authorize the Purchasing Agent to amend the following:

1. Purchase Order #8797 with Consolidated Electrical Distributors for an additional \$100,000 for a new not to exceed amount of \$300,000 through June 30, 2023;
2. Purchase Order #8831 with Napa dba Ventura County Auto Supply for an additional \$200,000 for a new not to exceed amount of \$400,000 through June 30, 2023;
3. Purchase Order #8841 with Ferguson Enterprise, LLC for an additional \$150,000 for a new not to exceed amount of \$350,000 through June 30, 2023;
4. Purchase Order #8842 with Famcon Pipe & Supply Inc. for an additional \$400,000 for a new not to exceed amount of \$600,000 through June 30, 2023; and
5. Purchase Order #8859 with O'Reilly Auto Parts for an additional \$100,000 for a new not to exceed amount of \$300,000 through June 30, 2023.

That the City Council approve and authorize the Purchasing Agent to amend:

1. Purchase Order #8797 with Consolidated Electrical Distributors for an additional \$100,000 for a new not to exceed amount of \$300,000 through June 30, 2023;
2. Purchase Order #8831 with Napa dba Ventura County Auto Supply for an additional \$200,000 for a new not to exceed amount of \$400,000 through June 30, 2023;
3. Purchase Order #8841 with Ferguson Enterprise, LLC for an additional \$150,000 for a new not to exceed amount of \$350,000 through June 30, 2023;
4. Purchase Order #8842 with Famcon Pipe & Supply Inc. for an additional \$400,000 for a new not to exceed amount of \$600,000 through June 30, 2023; and
5. Purchase Order #8859 with O'Reilly Auto Parts for an additional \$100,000 for a new not to exceed amount of \$300,000 through June 30, 2023.

- A blanket purchase order (BPO) is an agreement established with a vendor to fill repetitive needs for goods
- BPOs make it more efficient for the vendor and departments to fill recurring needs, while using the buyer's full buying power by taking advantage of quantity discounts, saving administrative time, and reducing paperwork
- BPOs are established as purchase orders with a maximum order amount or not to exceed (NTE) amount, rather than for a specific amount

- Departments and divisions require a quick and efficient method to procure goods needed to accomplish their mission on an annual basis
 - BPOs are a tool the City of Oxnard utilizes, as do many other public agencies in order to satisfy this need
- These original BPOs have all been issued using cooperative agreements or negotiated sole source pricing

- Cooperative agreements have been bid and awarded in accordance with local, state and, in many instances, federal laws that govern public procurement, and other public agencies like the City are invited to utilize the terms and conditions of purchase.
- Negotiated Sole Source agreements are utilized when no other vendor can be utilized for reasons including but not limited to: proprietary equipment, compatibility with existing city infrastructure, and territory distribution rights

- Water and Wastewater Operations utilize Rockwell brand Variable Frequency Drives (VFDs)
- VFDs control/adjust the operational speeds of various pump motors throughout the operation
- Utilizing a single brand for VFDs helps with operational efficiencies and training for staff
- Consolidated Electrical Distributors (CED) has territorial rights for the sales and distribution of Rockwell brand items in the southern California Region

Below is the list of recommended, amended BPOs used citywide that have been awarded through a cooperative agreement, with an annual NTE amount greater than \$200,000 that requires the Mayor or most senior Council Member's approval and signature. While some the contracts continue past this fiscal year, we are only requesting authorization for the current fiscal year.

<u>Vendor Name</u>	<u>Cooperative Agreement</u>	<u>Cooperative Agreement Number</u>	<u>Cooperative Agreement Initial Expiration Date</u>	<u>Initial Issued Amount</u>	<u>FY 2022-23 Recommended Not to Exceed Amount</u>
Consolidated Electrical Distributors	Sole Source	N/A	6/30/23	\$200,000	\$300,000
Napa dba Ventura County Auto Supply	Sourcewell	013020-GPC	4/13/24	\$200,000	\$400,000
Ferguson Enterprise, LLC	City of Ventura	ITB NO. B-130000654	6/30/23	\$200,000	\$350,000
Famcon Pipe & Supply Inc.	City of Ventura	ITB NO. B-130000654	6/30/23	\$200,000	\$600,000
O'Reilly Auto Enterprises LLC dba O'Reilly Auto Parts	Sourcewell	032521-ORA	5/19/25	\$200,000	\$300,000

- Total cost for all amended BPOs values will be funded from various funding sources within the Public Works Department
- There are sufficient funds in the FY 2022-23 Adopted Budget for these various purchases



Questions



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.6

DATE: October 18, 2022
TO: City Council
FROM: Ashley Golden, Assistant City Manager, (805) 385-7478, ashley.golden@oxnard.org
SUBJECT: M6 Contract Amendment.

RECOMMENDATION

That the City Council approve and authorize the Mayor to execute a First Amendment to Agreement Number A-8418 with M6 Consulting, Inc for on-call development plan check services, increasing the agreement amount by \$1,500,000.00 for a total agreement amount of \$2,000,000.00 through February 1, 2025.

(Community Services, Public Safety, Housing & Development Committee approved 3-0.)

BACKGROUND

On June 30, 2021, the Public Works Department sent out a Request For Qualifications (RFQ) for multi-year on-call professional engineering services. The RFQ solicited proposals for various professional on-call engineering services including on-call Development Plan Check services. M6 Consulting, Inc. (M6) was selected through this process and Agreement A-8418 was approved by City Council on February 1, 2022 for a total agreement amount of \$500,000.00 for a 3-year term. The Community Development Department began utilizing this contract for professional plan check services with M6 in March of 2022. Through August 1st, 2022, Community Development had utilized approximately \$365,000.00 of this contract for professional plan check services and thus an increase in the total agreement amount is being sought.

Community Development's use of professional plan check services has outpaced the current Agreement with M6 to the extent that the current agreement will likely be exhausted by November 2022. As of August 1st, 2022, Community Development has expended approximately 73% of the total agreement amount. We currently have an approved task order for the balance of the total agreement amount that we anticipate utilizing in the next 60 days.

DISCUSSION

Community Development has been increasingly utilizing professional consulting plan check services in an effort to mitigate the ongoing plan check review timelines and backlog that has persisted since the pandemic. While the long term business model for Community Development is to continue to fill vacant positions and perform a majority of the plan check work in-house, there has been a persistent plan check backlog that will require the continued use of consulting plan check services for the next few fiscal years. In the recent FY23 Budget, Community Development allocated \$520,000 for professional consulting plan checking services. With additional financial resources budgeted in the current and prior fiscal years, progress is being made in this effort while vacant positions, 2 of which were just added with FY 23 budget, continue to be recruited and filled. We anticipate that the need for consulting plan check services will taper off as vacant positions are filled and the new employees are trained.

In addition to the plan check backlog effort, Community Development will begin the implementation of the new ERP software (EnerGov) that will replace our current computer software starting in January of 2023. This effort will require additional professional consulting services from M6 to offset the significant staff time the ERP implementation will

require. Community Development is anticipating utilizing up to \$400,000/year for plan check services from M6 for the remaining 2.5 years of this Agreement (pending future Budget approvals), and up to \$200,000 per year for the 2 year ERP/EnerGov implementation (utilizing ERP funds if so appropriated by Council) for a total of \$1,400,000 anticipated for M6 services over the remainder of the term of this Agreement. This request for an increase of \$1,500,000.00 should allow the Agreement to support the estimates of our consulting services needs through M6 with \$100,000 remaining for other city departments to utilize under this Agreement.

STRATEGIC PRIORITIES

This agenda item supports the Economic Development strategy. The purpose of the Economic Development strategy is to develop and enhance Oxnard's business climate, promote the City's fiscal health, and support economic growth in a manner consistent with the City's unique character.

FINANCIAL IMPACT

There is sufficient budget from the Community Development contract account to cover the anticipated FY23 services. All expenditures from this Agreement by Community Development will be approved through task orders utilizing available funds approved in the FY23 Budget.

COMMITTEE OUTCOME

This item was recommended for Council approval by the Community Services, Public Safety, Housing & Development Committee on September 27, 2022 by a vote of 3-0.

Prepared by: Jeff Pengilley, Assistant Community Development Director

ATTACHMENTS

1. Original Agreement A-8418_M6 Consulting_On-call Development Plan Check Services (1)
2. First Amendment M6

**AGREEMENT FOR PROFESSIONAL SERVICES
COVER PAGE**

- (1) Agreement Start Date: February 1, 2022
- (2) Consultant: M6 Consulting Inc.
- (3) Services: On-call Development Plan Check Services
- (4) Schedule of Services: The services must be completed within three (3) calendar years of the Agreement Start Date listed above
- (5) Agreement Ending Date: February 1, 2025
- (6) Total Agreement Amount: \$500,000
- (7) City's Project Manager: Tatiana Arnaout, P.E., City Engineer
- (8) Consultant's Project Manager: Robert Woodward, P.E., CASp
- (9) Insurance Coverage: INS-A
- (10) Addresses for Notice:

FOR CONSULTANT:

M6 Consulting Inc.
4165 E. Thousand Oaks Blvd. Ste. 355
Westlake Village, CA 91362
Attn: Robert Woodward, P.E., CASp

- (11) Contact Emails:

*CONSULTANT'S PROJECT
MANAGER:*

Robert@m6ConsultingInc.com

FOR CITY:

City of Oxnard
305 West Third Street, East Wing, 2nd Floor
Oxnard, CA 93030
Attn: Tatiana Arnaout, P.E., City Engineer

CITY'S PROJECT MANAGER:

Tatiana.Arnaout@oxnard.org

The Agreement for Professional Services is attached hereto and incorporated herein by this reference. The following exhibits are also attached hereto and incorporated herein by this reference into the Agreement:

- ☒ Scope of Services Exhibit
- ☒ Rates and Costs Exhibit
- ☒ Insurance Exhibit (INS-A)

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is entered into in Ventura County, California, on the date that is written as "(1) Agreement Start Date" on the Cover Page, which is attached hereto and incorporated herein by this reference. This Agreement is entered by and between the City of Oxnard ("City") and the person or entity listed as "(2) Consultant" on the Cover Page, subject to the following terms and conditions:

1. Scope of Services. Consultant shall provide to City the services listed as "(3) Services" on the Cover Page (the "Services"). Consultant shall provide the Services during the term of this Agreement, as set forth below, according to the schedule written as "(4) Schedule of Services" on the Cover Page, and as further explained in the Scope of Services Exhibit, which is attached hereto and incorporated herein by this reference. In the event of any conflict between the terms of this Agreement and any incorporated document(s), the terms of this Agreement shall control.
2. Standard of Performance. Consultant shall undertake and complete the Services to conclusion using the standard of care, skill and diligence normally provided by a professional person in the performance of similar consulting services.
3. Correction of Errors. Consultant shall correct, at its expense, all errors which may be disclosed during review of the Services. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be paid by Consultant.
4. Term. This Agreement shall begin on the date that is written as "(1) Agreement Start Date" on the Cover Page and shall end on the date that is written as "(5) Agreement Ending Date" on the Cover Page. Time is of the essence in this Agreement.
5. Compensation. For the Services performed during the term of this Agreement, City shall pay Consultant an amount not to exceed the amount that is listed as "(6) Total Agreement Amount" on the Cover Page, at the rates listed in Rates and Costs Exhibit, attached hereto and incorporated herein by this reference. The rates in Rates and Costs Exhibit shall be in effect through the end of this Agreement. Except as otherwise expressly provided in this Agreement, City shall not be responsible for expenses incurred by Consultant in performing the Services.
6. Invoices. Consultant shall submit a payment request to City by the end of each calendar month listing the Services provided, costs of those Services, and total amount due for the month. Each invoice must also list the current balance on the Agreement, including that invoice, as well as the months remaining on the term of the Agreement. Invoices may be emailed to: invoices@oxnard.org.
7. Acceptance of Payment. Consultant's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant for anything completed, finished or relating to the Services. City's payment shall not constitute nor be deemed a release of the responsibility and liability of Consultant for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Consultant and its employees, agents and subcontractors. Consultant shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Consultant or materials or products provided to City by Consultant, Consultant shall pay the sales tax. City shall not reimburse Consultant for sales taxes paid by Consultant.
8. Non-Appropriation of Funds. Payments to be made to Consultant by City for the 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 the Services beyond the current fiscal year, this Agreement shall cover payment for the Services only up to the conclusion of the last fiscal year in which City appropriated sufficient funds and shall automatically terminate at that fiscal year's conclusion.

9. Coordination of Services. The Services shall be coordinated with the person in the position listed in “(7) City’s Project Manager” on the Cover Page, subject to the direction of the City Manager and Department Director. Consultant hereby designates the person in the position listed in “(8) Consultant’s Project Manager” on the Cover Page as the person responsible for the Services who shall coordinate with City’s Project Manager in making binding decisions in line with this Agreement on behalf of Consultant.

10. Personnel. Consultant represents that it has, or shall secure at its own expense, all personnel required to perform the Services. Any person who performs engineering services pursuant to this Agreement shall be licensed as a Civil Engineer by the State of California and in good standing. Consultant shall make reasonable efforts to maintain the continuity of Consultant’s staff who are assigned to perform the Services. Consultant may associate with or employ associates or subcontractors in the performance of the Services, but at all times shall Vendor be responsible for its associates and subcontractors’ labor, advice or materials provided in furtherance of providing the Services. Should any of Consultant’s employees, assigns or subcontractors not conduct him- or herself appropriately, as determined by the City’s Project Manager, in the process of providing the Services or any portion thereof, the City’s Project Manager may notify the Consultant’s Project Manager, who shall immediately handle the problem, as determined appropriate by him or her, such that the problem does not persist.

11. Additional Work. City may request additional specified work under this Agreement. The City’s Project Manager must authorize all such work in writing before commencement. Consultant shall perform such work, and City shall pay for such additional work, in accordance with Rates and Costs Exhibit. Should the work not fall under any such listed rate or cost, Consultant shall submit a quote for all additional work, which the City’s Project Manager must approve in writing by before any such work may commence. The City shall compensate Consultant for any work that does not fall under a rate or cost listed in the Rates and Costs Exhibit, and for which Consultant did not obtain the City’s Project Manager’s written approval before work commenced, as determined by the City’s Project Manager in his or her sole discretion.

12. Audit. City shall have the option of inspecting, auditing and/or reproducing all records and other written materials used by Consultant in preparing its billings to City as a condition precedent to any payment to Consultant. Consultant will promptly furnish all documents requested by City. Additionally, if this Agreement is in excess of \$10,000, the State Auditor may examine and audit Consultant for a period of 3 years after final payment under the Agreement. Regardless of whether a State audit is permitted, Consultant shall maintain and preserve all such records for a period of at least 3 years after final payment under the Agreement. Consultant shall include a copy of this Section 12 in all contracts with its subcontractors, and Consultant shall be responsible for immediately obtaining those records or other written material from its subcontractors upon a request by the State Auditor and/or City.

13. Termination. City may terminate this Agreement at any time, with or without cause and without penalty, upon 15 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice. Consultant may terminate this Agreement at any time, with or without cause and without penalty, upon 30 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice and only if all assignments accepted by Consultant have been completed before the date of termination. In the event of termination of this Agreement by either party due to no fault or failure of performance by Consultant, City shall pay Consultant compensation for all Services satisfactorily completed in accordance with all of the terms and provisions of this Agreement, as determined by the City, before the effective date of termination; provided, in no event shall the Consultant receive an amount exceeding that which would have been paid to Consultant for the full performance of the Services.

14. Hold Harmless, Defense and Indemnity.

If Consultant provides any architectural, landscape architectural, engineering or land surveying (“design professional”) services, to the maximum extent permitted by law, Consultant shall hold harmless, defend, and indemnify City, its legislative and advisory bodies, and the City’s officials, directors, officers, employees, and agents (collectively, “Indemnitees”) from and against any and all claims, demands, causes of action, damages, injuries, liabilities, losses, penalties, fines, judgments, costs or expenses, including reimbursement of attorneys’ fees, court costs and costs of alternative dispute resolution, including but not limited to those relating to death or injury to any

person and injury to any property (collectively, "Claims"), to the extent that the Claims arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant or of any of its officers, employees, subcontractors or agents in the performance of the Agreement or in the failure to comply with any of the obligations contained in this Agreement. Consultant's obligation to defend is a separate and distinct obligation from Consultant's duty to indemnify and applies through final judgment, including exhaustion of any appeals. Consultant shall be obligated to defend Indemnitees in all legal, equitable, administrative, or special proceedings, with counsel approved by the City Attorney, to the extent required herein immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding. The defense obligation includes the obligation to provide independent defense counsel if Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of any of the Indemnitees.

If Consultant provides no design professional services, to the maximum extent permitted by law, Consultant shall hold harmless, defend and indemnify the Indemnitees from and against any and all Claims, which arise out of, pertain to, or relate to the performance of this Agreement, or the failure to comply with any of the obligations contained in this Agreement, by Consultant or of any of its officials, directors, officers, employees, subcontractors, or agents. Consultant's obligation to defend is a separate and distinct obligation from Consultant's duty to indemnify and applies through final judgment, including exhaustion of any appeals. Consultant shall be obligated to defend Indemnitees in all legal, equitable, administrative, or special proceedings, with counsel approved by the City Attorney, immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding. The defense obligation includes the obligation to provide independent defense counsel if Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of any of the Indemnitees.

a. The review, acceptance or approval of Consultant's work or work product by any of the Indemnitees shall not affect, relieve or reduce Consultant's indemnification or defense obligations. This Section 14 shall survive completion of the Services or termination of this Agreement. The provisions of this Section 14 shall not be restricted by and does not affect the provisions of this Agreement relating to insurance.

15. Insurance. Consultant shall obtain and maintain during the performance of any services under this Agreement the insurance coverages listed within the insurance document stated in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit, which is attached hereto and incorporated herein by this reference, unless the City's Risk Manager waives, in writing, the requirement that Consultant obtain and maintain such insurance coverages. Consultant shall, before performance of any Services, file with the City's Risk Manager evidence of insurance coverage as specified in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit. Maintenance of insurance coverages by Consultant is a material element of this Agreement. Consultant's failure to maintain or renew insurance coverages or to provide renewal evidence, and any lapse in insurance coverage, may be considered a material breach of this Agreement.

16. Documents and Materials.

a. All final computations, exhibits, files, plans, correspondence, reports, drawings, designs, data, photographs, specifications, information, images, video files, media, or other deliverables prepared, created, drawn, calculated, photographed or developed by Consultant pursuant to this Agreement ("Documents and Materials") shall be the City's property without restriction or limitation upon its use, duplication or dissemination. All Documents and Materials shall be considered "works made for hire," and all Documents and Materials and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of the City without restriction or limitation upon their use, duplication or dissemination by the City. Consultant shall not obtain or attempt to obtain copyright protection as to any Documents and Materials. Consultant hereby assigns to the City all ownership and any and all intellectual property rights to the Documents and Materials that are not otherwise vested in the City pursuant to this Section 16.

b. Consultant shall deliver all Documents and Materials to City's Project Manager upon completion of the Services or termination of this Agreement without additional cost or expense to the City. Additionally, anytime at City's request, City shall be entitled to possession of, and Consultant shall furnish to City's Project Manager within 10 calendar days, any or all of the Documents and Materials without additional cost or expense to the City. In both situations, if Consultant prepares Documents and Materials on a computer, Consultant shall provide City with said

Documents and Materials both in a printed format and in an electronic format that is acceptable to the City. Consultant may retain copies of these Documents and Materials but must request permission from the City before use, duplication or dissemination of these Documents and Materials for any purpose other than for the Services provided to the City pursuant to this Agreement.

c. Any substantive modification of the Documents and Materials by City staff or any use of the completed Documents and Materials for other City projects, or any use of incomplete Documents and Materials, without the written consent of Consultant, shall be at City's sole risk and without liability or legal exposure to Consultant.

d. Consultant warrants and represents that it has secured all necessary licenses, consents or approvals to use any instrumentality, thing or component as to which any intellectual property right exists, including computer software, used in the rendering of the Services and the production of all Documents and Materials, and that the City has full legal title to and the right to use, duplicate or disseminate the Documents and Materials. Consultant shall defend, indemnify and hold Indemnitees harmless from any loss, claim or liability in any way related to a claim that City's use of any of the Documents and Materials is violating federal, state or local laws, any contractual provisions, or any laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and/or interests in products or inventions. Consultant shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the services and Documents and Materials. In the event the use of any of the Documents and Materials by the City is held to constitute an infringement and the use of any of the same is enjoined, Consultant, at its own expense, shall: secure for City the right to continue using the Documents and Materials by suspension of any injunction, or by procuring a license or licenses for City; or modify the Documents and Materials so that they become non-infringing while remaining in compliance with the requirements of this Agreement.

e. This Section 16 shall survive the termination of this Agreement.

17. Confidentiality of Information.

a. For the purposes of this Agreement, "Confidential Information" means all information, in whatever form transmitted, relating to the past, present or future business affairs of the City, including without limitation, (i) technical information, including patent, copyright, trade secret, and other proprietary information, techniques, sketches, drawings, models, inventions, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulas; or (ii) non-technical information, including without limitation finances, financial and accounting data and information, suppliers, customers, customer lists, purchasing data and any other information belonging to the City or to a third party whose information is in the City's possession or control under obligations of confidentiality, and which is disclosed to Consultant or is developed by Consultant in whole or in part at the City's expense.

b. All Documents and Materials shall be considered Confidential Information and shall not be reproduced, transmitted, disclosed or used by the Consultant without the written consent of the City, except as may be necessary for Consultant to fulfill its obligations to the City.

c. Notwithstanding the above, these limitations shall not apply to information that (i) is already known to Consultant at the time of that information's disclosure or becomes publicly known through no wrongful act or omission of Consultant, (ii) is communicated to a third party with the express written consent of City and is not subject to restrictions on further use or disclosure, (iii) is independently developed by Consultant and has no relation to this Agreement, or (iv) is required by law, court order, court-issued subpoena or other legal process to be disclosed; provided, however, that before making such disclosure, Consultant shall immediately provide City with written notice and a reasonable opportunity for City to object to the disclosure or to take action to maintain the confidentiality of the information, unless such prior disclosure is legally impermissible.

d. Consultant shall use reasonable care to protect the Confidential Information. In the event of a breach or threatened breach of this Agreement, City shall be entitled to obtain an injunction prohibiting any such breach, the costs of which shall be paid by Consultant. Any relief granted shall be in addition to and not in lieu of any other legal or equitable relief, including money damages. The parties acknowledge that Confidential Information is valuable and

unique and that disclosure of the Confidential Information in breach of this Agreement may result in irreparable injury to the City.

e. Other than an obligation upon the City to deal in good faith, the City makes no warranties and shall bear no liability or responsibility for errors or omissions in any Confidential Information disclosed under this Agreement or for any business decisions made by Consultant in reliance on any Confidential Information disclosed under this Agreement.

f. This Section 17 shall survive the termination of this Agreement.

18. Independent Contractor. Consultant is and shall at all times remain, as to City, a wholly independent contractor. Neither City nor any of its employees or agents shall have control over the conduct of Consultant or any of its employees, except as stated in this Agreement. Consultant has and shall retain the right to exercise full control over the employment, direction, means of performance, location, compensation and discharge of all persons assisting Consultant, and it is free to dispose of all portions of its time which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations as Consultant wishes except as expressly provided in this Agreement. This Agreement shall not be interpreted to prevent or preclude Consultant from rendering any services for Consultant's own account or to any other person or entity as Consultant in its sole discretion shall determine; provided, however, that performing such services shall not materially interfere with the Services Consultant shall perform for the City. Except as City's Project Manager specifies in writing, Consultant and its employees and agents have no authority, express or implied, to act on behalf of City in any capacity, to incur any debt, obligation or liability on behalf of City, bind City in any manner, or otherwise act on behalf of City as an agent. Consultant and its employees are not employees of City. Consultant 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, and health, life, dental, long-term disability and workers' compensation insurance benefits. Consultant shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Consultant's subcontractors, material suppliers, directors, officers, employees, agents and representatives, including compliance with social security requirements, federal and State income tax withholding, and all other regulations governing employer-employee relations, as applicable. City shall have the right to offset against the amount of any compensation due to Consultant under this Agreement any amount due to City from Consultant as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section 18.

19. Nondiscriminatory Employment. Consultant shall not unlawfully discriminate against any individual based on race, color, religion or religious creed, national origin, ancestry, ethnic group identification, primary language, physical disability, mental disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, sex, sexual orientation, age, immigration status, citizenship or military and veteran status. Consultant understands and agrees that it is bound by and will comply with all legal nondiscrimination mandates. For every subcontractor who will perform Services, Consultant shall be responsible for such subcontractor's compliance with this Section 19.

20. Consultant's Representations. Consultant represents, covenants and guarantees that: a) Consultant is licensed, qualified, and capable of furnishing the labor, materials, and expertise necessary to perform the Services in accordance with the terms and conditions set forth in this Agreement; b) there are no obligations, commitments, or impediments of any kind that will limit or prevent Consultant's full performance under this Agreement; c) to the extent required by the standard of practice, Consultant has investigated and considered the scope of Services performed, has carefully considered how the Services should be performed, and understands the facilities, difficulties and restrictions attending performance of the Services under this Agreement.

21. Compliance with Laws. In performing the Services under this Agreement, Consultant shall comply with all applicable laws, ordinances and regulations. Before providing any Services under this Agreement, Consultant

shall, at its own expense, obtain and maintain all required certificates, licenses and permits, including a City business tax certificate.

22. Conflict of Interest. If, in performing the Services set forth in this Agreement, Consultant makes, or participates in, a "governmental decision" as described in Title 2, Section 18701(a)(2) of the California Code of Regulations, or performs the same or substantially all the same duties for City that would otherwise be performed by a City employee holding a position specified in City's conflict of interest code, Consultant shall be subject to City's conflict of interest code, the requirements of which include the filing of one or more statements of economic interests disclosing the relevant financial interests of Consultant's personnel providing the Services set forth in this Agreement. Furthermore, Consultant shall not to accept any employment or representation during the term of this Agreement or within 12 months after completion of the Services which is or may likely make Consultant "financially interested," as provided in California Government Code Sections 1090 and 87100, in any decisions made by City on any matter in connection with which Consultant has been retained pursuant to this Agreement.

23. Fictitious Name. If Consultant has a fictitious name, Consultant shall submit to City a new Fictitious Business Name Statement approved by any California county before Consultant's prior Fictitious Business Name Statement expires if such expiration may occur during the term of this Agreement, including any term amendment.

24. Non-Assignability. This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's personnel's unique competence, experience and specialized personal knowledge. Consultant shall not assign or transfer any interest in this Agreement or any part thereof, whether by assignment or novation, without City's prior written consent, which may be withheld for any reason or for no reason at all. Any purported assignment without written consent shall be null, void, and of no effect, and Consultant shall hold harmless, defend and indemnify Indemnitees from and against all Claims arising from or relating to any unauthorized assignment.

25. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Consultant.

26. Applicable Law; Venue. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to the Agreement shall be in the Ventura County Superior Court.

27. Titles. The titles used in this Agreement are for convenience only and shall in no way define, limit or describe the scope or intent of this Agreement or any part of it.

28. Force Majeure. Neither City nor Consultant shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include but are not be limited to acts of God, riots, acts of war, epidemics, fire, earthquakes, or other disasters.

29. Authority. Any person executing this Agreement on behalf of Consultant warrants and represents that s/he has the authority to execute this Agreement on behalf of Consultant and to bind it to the performance of these obligations.

30. Binding Agreement. The parties do not intend this Agreement to be binding upon them and shall not be held liable to its terms until it is fully executed by all required signers.

31. Integration; Amendment. This Agreement, including any other documents incorporated herein by specific reference, constitutes the entire and integrated agreement of City and Consultant regarding the subject matter described herein. This Agreement supersedes all prior oral or written communications, negotiations, representations, agreements and promises. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing, signed by both parties, that expressly refers to this Agreement.

32. Construction. In the event of any asserted ambiguity in or dispute regarding the interpretation of any matter herein, the interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or who drafted the Agreement in whole or in part.

33. No Waiver. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by City of any payment to Consultant constitute or be construed as a waiver by City of any breach of covenant, or any default that may then exist on the part of Consultant, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

34. Attorneys' Fees. The prevailing party shall be entitled to recover reasonable costs, attorneys' fees (including the reasonable value of the services rendered by the City Attorney's Office) and expenses, including investigation fees and expert witness fees, in addition to any other relief to which that party may be entitled, in any legal action or other proceeding, including an action for declaratory relief, for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with this Agreement.

35. Notice. 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 (a) the day of delivery if delivered by hand or overnight courier service during City's regular business hours or (b) the third business day following deposit in the United States mail, postage prepaid—to the addresses listed as "(10) Addresses for Notice" on the Cover Page or at such other address as one party may notify the other in writing.

36. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be 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 to Project Managers' emails listed in "(11) Contact Emails" on the Cover Page 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.

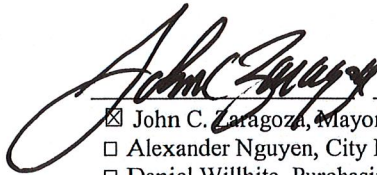
37. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

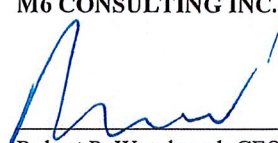
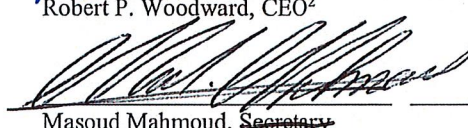
[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date that is written as "(1) Agreement Start Date" on the Cover Page.

CITY OF OXNARD

M6 CONSULTING INC.

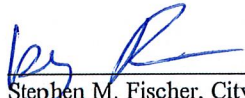
 2-1-22
☒ John C. Zaragoza, Mayor¹ Date
☐ Alexander Nguyen, City Manager
☐ Daniel Willhite, Purchasing Manager
☐ , Buyer

 12/16/2021
Robert P. Woodward, CEO² Date
 12/16/21
Masoud Mahmoud, ~~Secretary~~ CFO Date

ATTEST:

 2/1/22
Rose Chaparro, City Clerk (only if Mayor signs) Date

APPROVED AS TO FORM:

 12-21-21
Stephen M. Fischer, City Attorney (always required) Date

¹ The City Council must authorize and the Mayor must sign any agreement over \$200,000 annually. The City Manager may authorize and sign any agreement over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign any agreement up to \$100,000 annually. A Buyer may authorize and sign any agreement up to \$25,000 annually.

² The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC; or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company 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 your company.

SCOPE OF SERVICES EXHIBIT

SERVICE GROUP CATEGORY 13 – DEVELOPMENT PLAN CHECK

Tasks include but are not limited to the following:

Building plan check tasks include, but not be limited to:

- plan checking to the current Unified Building Code and other applicable state and local codes including the review of building plans,
- structural calculations,
- grading plans,
- site excavations,
- and/or preparations, erosion control plans,
- National Pollution Discharge Elimination System (NPDES) compliance.

Infrastructure improvement plan check tasks include but not limited to:

- plan checking per applicable local, county, state and Federal codes and standards, review of plans for:
 - Streets
 - Sewers,
 - Storm drains
 - Water mains,
 - Streetlights,
 - Landscaping and irrigation
 - Traffic control
 - Signing and striping
 - Traffic signals
 - Roundabouts,
 - Hydrology studies
 - Sewer area studies
 - Construction cost estimates

Final map plan check tasks include but not limited to:

- Parcel, tract, and final map checking,
- Easement and right-of-way documents,
- Lot-line adjustments, and certificates of compliance.

Provide detailed daily updates on the status of all plan checks received and processed to date in a format acceptable to the City.

Key representatives from the firm must attend monthly meetings (or as required) with City of Oxnard staff to evaluate performance of their services.

A maximum review time for initial plan checks of 10 working days inclusive of transit time to and from the City of Oxnard Service Center, located at 214 S C St, Oxnard, CA 93030. Second plan checks shall not require more than 10 working days, inclusive of transit time. Each subsequent plan check, if necessary, shall not require more than 5 working days, inclusive of transit time.

The firm shall not provide consulting services to private sector agencies/developers submitting plans or maps to the City of Oxnard nor engage in activities that could be construed as a conflict of interest with this agreement for professional services.

RATES AND COSTS EXHIBIT

Fee Schedule

<u>Hourly Plan Check Services:</u>	<u>Hourly*</u>
Plan Check Review Fee	\$140.00

* One-hour Minimum fee for plan review services.

mó Hourly Public Works Services:

Project Engineer	\$145.00
Project Designer/CAD Drafter	\$110.00
Hydrology/Hydraulic Engineer	\$145.00
Public Works Inspector	\$115.00
Structural Engineer	\$145.00
Traffic Engineer	\$175.00
City Engineer	\$175.00
Project Manager	\$145.00
Principal Engineer	\$175.00
Inspector	\$115.00

* Rates are increased by a factor of 1.5 times for overtime, and for holiday and weekend assignments. All rates are subject to a 2% increase annually on January 1st.

Chris Nelson & Associates Personnel Services Hourly*

Land Survey and Mapping Plan Check Review Fee	\$185.00
Principal	\$230.00
Professional Land Surveyor	\$200.00
Senior Project Manager	\$175.00
L.S.I.T	\$145.00
Survey Technician	\$140.00
Project Manager	\$120.00
Office Calculations	\$105.00
Field Calculations	\$115.00
Field Supervisor	\$200.00
One-Person Survey Crew**	\$260.00
Two-Person Survey Crew**	\$340.00
Three-Person Survey Crew**	\$400.00
CAD Drafting	\$ 95.00
Research & Deliveries	\$ 85.00

* Rates are increased by a factor of 1.5 times for overtime, and for holiday and weekend assignments. All rates are subject to a 2% increase annually on January 1st.

**Minimum billing rate for field survey crews for any time spent in the field on a given day is (4) hours based on their hourly rate.

<u>Miscellaneous Charges:</u>		<u>Hourly</u>
Administration		\$64.00
Direct Costs		Cost+15%
Outside Reproduction		Cost +15%
Materials & Expenses		Cost + 15%
Mileage (Portal to Portal)		\$0.58/Mile

**INSURANCE EXHIBIT INS-A
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. _____
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: 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.

12/21

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)		
PRODUCER			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			COMPANIES AFFORDING INSURANCE COVERAGE		
INSURED			COMPANY LETTER A SPECIFY COMPANY NAMES IN THIS SPACE		
			COMPANY 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 LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☒ OCCUR. ☒ OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$1,000,000 PRODUCTS COMP/OP AGG . \$1,000,000 PERSONAL & ADV. INJURY \$1,000,000 EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE \$1,000,000 LIMIT BODILY INJURY \$ (Per person) BODILY INJURY \$ (Per accident) PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER Errors and omissions insurance or malpractice insurance available for the insured's profession				Minimum coverage \$1,000,000 Each consultant/ & listed sub-consultant \$500,000
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS					
CERTIFICATE HOLDER CITY OF OXNARD Attn: Insurance Compliance Reference No. _____ P.O. Box 100085 – OX Duluth, GA 30096 Via Email: cityofoxnard@ebix.com Via Fax: 678-259-1007			CANCELLATION 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. AUTHORIZED REPRESENTATIVE		

GENERAL LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")			SUBMIT IN DUPLICATE	
			ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
PRODUCER Telephone: NAMED INSURED	POLICY INFORMATION: Insurance Company: _____ Policy No.: _____ Policy Period: (from) _____ (to) _____ LOSS ADJUSTMENT EXPENSE ☐ Included in Limits ☐ In Addition to Limits ☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____ with an Aggregate of \$ _____ applies to _____ coverage. ☐ Per Occurrence ☐ Per Claim (which) _____ APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered CITY AGREEMENTS/PERMITS			
TYPE OF INSURANCE			OTHER PROVISIONS	
GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ COMPREHENSIVE GENERAL LIABILITY ☐ OWNERS & CONTRACTORS PROTECTIVE			☐ Claims Made Retroactive Date _____ ☐ Occurrence	
COVERAGES			LIABILITY LIMITS IN THOUSANDS \$	
			EACH OCCURRENCE	AGGREGATE
☐ GENERAL ☐ PRODUCTS/COMPLETED OPERATIONS ☐ PERSONAL & ADVERTISING INJURY ☐ FIRE DAMAGE ☐ _____ ☐ _____				
			CLAIMS: Underwriter's representative for claims pursuant to this insurance. Name: _____ Address: _____ Telephone: (____) _____	
In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:				
1. INSURED. The City, its officers, agents, employees and volunteers are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured. 2. CONTRIBUTION NOT REQUIRED. As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it. 3. SEVERABILITY OF INTEREST. This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included. 4. CANCELLATION NOTICE. With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City. 5. PROVISIONS REGARDING THE INSURED'S DUTIES. Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers. 6. SCOPE OF COVERAGE. This policy, if primary, affords coverage at least as broad as: a. Insurance Services Office Commercial General Liability Coverage, "occurrence" form CG0001; or b. If excess, affords coverage which is at least as broad as the primary insurance form CG0001. Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.				
ENDORSEMENT HOLDER				
CITY OF OXNARD Attn: Insurance Compliance Reference No. _____ P.O. Box 100085 - OX Duluth, GA 30096 Via Email: cityofoxnard@ebix.com Via Fax: 678-259-1007			AUTHORIZED REPRESENTATIVE ☐ Broker/Agent ☐ Underwriter ☐ _____ I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement. Signature _____ (original signature required) Telephone: (____) _____ Date Signed: _____	

Agreement No. A-8418

AUTOMOBILE LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")		SUBMIT IN DUPLICATE	
PRODUCER		ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
Telephone: _____ NAMED INSURED	POLICY INFORMATION: Insurance Company: _____ Policy No.: _____ Policy Period: (from) _____ (to) _____ LOSS ADJUSTMENT EXPENSE ☐ Included in Limits ☐ In Addition to Limits ☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____ with an Aggregate of \$ _____ applies to _____ coverage. ☐ Per Occurrence ☐ Per Claim (which) _____ APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered: CITY AGREEMENTS/PERMITS		
TYPE OF INSURANCE ☐ COMMERCIAL AUTO POLICY ☐ BUSINESS AUTO POLICY ☐ OTHER		OTHER PROVISIONS	
LIMIT OF LIABILITY \$ _____ per accident, for bodily injury and property damage.		CLAIMS: Underwriter's representative for claims pursuant to this insurance. Name: _____ Address: _____ Telephone: () _____	
In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:			
1. INSURED. The City, its officers, agents, volunteers and employees are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured. 2. CONTRIBUTION NOT REQUIRED. As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it. 3. SEVERABILITY OF INTEREST. This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included. 4. CANCELLATION NOTICE. With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City. 5. PROVISIONS REGARDING THE INSURED'S DUTIES. Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers. 6. SCOPE OF COVERAGE. This policy, if primary, affords coverage at least as broad as: a. Insurance Services Office Automobile Liability Coverage, "occurrence" form CA0001, code ("any auto"); or b. If excess, affords coverage which is at least as broad as the primary insurance form referenced in the preceding section (1). Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.			
ENDORSEMENT HOLDER CITY OF OXNARD Attn: Insurance Compliance Reference No. _____ P.O. Box 100085 - OX Duluth, GA 30096 Via Email: cityofoxnard@ebx.com Via Fax: 678-259-1007		AUTHORIZED REPRESENTATIVE ☐ Broker/Agent ☐ Underwriter ☐ _____ I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement. Signature _____ (original signature required) Telephone: () _____ Date Signed _____	

Rev. 12/21

INS-A.doc

FIRST AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES

This First Amendment (“First Amendment”) to the Agreement for Professional Services (“Agreement”) is made and entered into in the County of Ventura, State of California, this _____ day of _____, 2022, by and between the City of Oxnard, a municipal corporation (“City”), and M6 Consulting, Inc. (“Consultant”). This First Amendment amends the Agreement entered into on February 1, 2022, by City and Consultant.

City and Consultant agree as follows:

1. The amount in Section 6 of the Cover Page of the Agreement is hereby amended to \$2,000,000.
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 Agreement on the date first written above.

CITY OF OXNARD

CONSULTANT

John C. Zaragoza, Mayor Date

Robert P. Woodward, CEO² Date

Masoud Mahmoud, CFO Date

ATTEST:

Rose Chaparro, City Clerk Date

APPROVED AS TO FORM:

Stephen M. Fischer Date
City Attorney

¹ 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.

² The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC (company directors, not lower-level managers); or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company 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 your company



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.7

DATE: October 18, 2022
TO: City Council
FROM: Jason Benites, Police Chief, (805) 385-7624, jason.benites@oxnardpd.org
SUBJECT: Southern California High Technology Task Force Service Agreement.

RECOMMENDATION

That City Council approve and authorize the Mayor to execute a two-year service agreement (Agreement #A-8490) with the County of Ventura and the Ventura County Sheriff's Office for services with the Southern California High Technology Task Force (SCHTTF) in an amount not to exceed \$250,000.

(The Community Services, Public Safety, Housing & Development Committee approved 3-0 on September 27, 2022.)

BACKGROUND

The Southern California High Technology Task Force (SCHTTF) was created in 2001 to address the increase in high-technology crimes in Ventura County. This includes crimes where technology is used as an instrument to commit a crime, assist in the commission of a crime, or conduct forensic analysis of computer equipment to search for evidence associated with a criminal act. The SCHTTF is responsible for the forensic examination of all types of digital evidence, including cell phones, computers, tablets, video recorders, and other forms of developing computer-based equipment. The use of the SCHTTF is the most effective way to address computer-based crimes, as well as assist in investigating traditional crimes such as fraud, property crimes, sex assaults, and homicides.

All Ventura County law enforcement agencies entered into an MOU and agreed to participate in the funding of the SCHTTF. Per the MOU, each city in Ventura County will contribute a percentage of the cost for three (3) Office System Coordinator III positions (forensic examiners) based on the population of their respective jurisdiction. The population figures are published and taken from the State of California, Department of Finance website. As of January 2, 2022, the population estimate for Oxnard was 200,050, which is approximately 24% of Ventura County's total population, which is 833,652. The following tables show the salary and benefit amounts for three (3) Office System Coordinator III positions and the approximate population amounts for Ventura County cities and the unincorporated areas.

Office System Coordinator Salary and Benefits

Office System Coordinator III	\$132,531
Office System Coordinator III	\$135,147
Office System Coordinator III	\$152,805
Salary & Benefits Total Estimate	\$420,483

Office System Coordinator IIIs are employed by the Ventura County Sheriff's Office and address task force responsibilities. The differences in pay rates in the table above are due to the length of employment and salary increases for each Office System Coordinator III.

Estimated Ventura County Population as of January 1, 2022

City	Population	% of County Population	Contribution for 3 OSC III Positions
Camarillo	70,171	8.42%	\$35,393.32
Fillmore	16,469	1.98%	\$8,306.74
Moorpark	35,399	4.25%	\$17,854.79
Ojai	7,466	0.90%	\$3,765.75
Oxnard	200,050	24.00%	\$100,902.56
Port Hueneme	21,599	2.59%	\$10,894.25
Santa Paula	30,892	3.71%	\$15,581.51
Simi Valley	124,985	14.99%	\$63,040.77
Thousand Oaks	124,592	14.95%	\$62,842.55
Ventura	108,231	12.98%	\$54,590.28
Unincorporated	93,798	11.25%	\$47,310.47
Total	833,652	100%	\$420,483.00

The SCHTTF service agreement is a two-year agreement with the following estimated cost for each Fiscal Year:

- FY 2022-2023 - \$100,902.56
- FY 2023-2024 - \$100,902.56
- The total estimated cost for the two-year service agreement is **\$201,805.12**
- The amount requested for the service agreement is \$125,000 for FY 22-23 and \$125,000 for FY 23-24, and not to exceed \$250,000 for the life of the service agreement.
- The additional amount requested is to cover any unexpected costs or potential employee benefit increases during the term of this service agreement.

The Oxnard Police Department does not have trained or experienced staff members capable of performing lengthy forensic data analysis or complicated forensic searches of computers or electronic equipment. The SCHTTF employs forensic examiners with high accreditation standards and ongoing certification training. Also, the SCHTTF has many software and hardware items explicitly used for forensic searches and analysis. The cost to maintain forensic computer equipment, renew forensic software licenses, and continued certification/training requirements for forensic examiners can exceed \$150,000 annually.

Oxnard police detectives submit approximately 60-100 items to the SCHTTF for forensic examination each year. The following are examples of recent criminal cases where the SCHTTF played an integral role in locating evidence that led to the arrest or prosecution of violent and predatory criminals.

- Forensic examiners at the SCHTTF assisted detectives in locating evidence in a suspect's cell phone associated with a child sex abuse case. The suspect was arrested and received a 32-year prison sentence.
- Detectives submitted a video surveillance recorder to the SCHTTF for examination in a recent homicide case. Forensic examiners located evidence that assisted detectives in positively identifying the suspects, which led to their arrest.

- During a fraud investigation, forensic examiners were able to locate evidence in a laptop computer that led detectives and prosecutors to file felony charges against a suspect that committed a spree of fraudulent credit card crimes in Los Angeles and Oxnard.
- Detectives investigating an armed robbery at a gas station submitted video footage to the SCHTTF. Forensic examiners were able to improve the video footage, which assisted detectives in identifying the suspect. The suspect was arrested and charged with felony armed robbery.

The need to conduct forensic examinations of computers and electronic equipment is a necessity for law enforcement now more than ever. Criminals are highly sophisticated in how they commit crimes using modern technology and are extremely skilled at hiding evidence from law enforcement. It's essential that law enforcement, especially the Oxnard Police Department, stay ahead of advancing computer or electronic technology to keep our community safe by preventing crimes, solving crimes, and successfully prosecuting criminals.

STRATEGIC PRIORITIES

This agenda item supports the Public Safety strategy. The purpose of the Public Safety strategy is to restore and modernize the delivery of public safety services to provide for the safety of our neighborhoods and the health of our community.

FINANCIAL IMPACT

The SCHTTF service agreement is a two-year agreement with a value not to exceed \$250,000. The amount requested is \$125,000 for FY 22-23 and \$125,000 for FY 23-24. There is sufficient FY22-23 budget available in the General Fund (Account 101-2102-802-8209 – Professional Services). Funding for FY 23-24 will be requested in the recommended budget.

COMMITTEE OUTCOME

The Community Services, Public Safety, Housing & Development Committee approved 3-0 on September 27, 2022.

Prepared by: Alex Arnett, Police Commander

ATTACHMENTS

1. High Tech Task Force Service Agreement A-8490

AGREEMENT/AMENDMENT REVIEW FORM **Please write in N/A for any section that is not applicable**

Contractor/Vendor/Consultant: Southern California High Technology Task Force (SCHTTF) **Agreement No:** A-8490

Address: 3701 Las Posas Road, Camarillo, CA. 93010

Contact Name: Jeff S. Miller, Commander VCSO **Email:** Jeffs.Miller@ventura.org **Phone:** (805) 477-7019 **INS-** B

Committee Date: 9/27/2022 **Council Date:** 10/18/2022

Committee Agenda #: **Council Agenda #:**

Department: Police Department **Contingency Requested:** \$ N/A

Project Manager: Alex Arnett **EISPM Funds ¹ Requested:** \$ N/A

Phone: 805-385-7620 **Value of Agreement :** \$ NTE \$250,000.00 (\$125,000.00 annually)

Email: alex.arnett@oxnard.org **Amendment No:** N/A

Type of Agreement: Professional Services **Value of Amendment:** \$ N/A

Business Tax Cert No. N/A **Current Agr. Val. (w/amendments) \$**

Secretary of State ID: N/A **P.O. No. (if existing agreement):**

Agreement Term: 24 months **Req. No. (if new agreement):** 6206 FR22-23

Termination Date: 6/30/2024 **Funding Source:** General Fund 101-2102-802-8209 Avail bnd.

Bid No.: N/A **Account No.:** \$165K

NSS Control #: N/A

Purpose of Agreement/Amendment: The Southern California High Technology Task Force is used to forensically examine all types of digital evidence, including cellphones and computers, to search for evidence associated with crimes such as sexual assaults or violent crimes.

The Southern California High Tech Task Force is operated and managed jointly by the Ventura County District Attorney's Office and the Ventura County Sheriff's Office. \$125K / Fiscal Year

Review Sequence (please write in N/A for any steps not required)

1. Project Manager
2. Division Manager
3. Assistant Department Director
4. Department Director
5. General Accounting (for Leases only)
6. Budget Management
7. Risk Management³
8. City Attorney
9. Contractor/Vendor/Consultant (signs contract; no need to initial this form)
10. Buyer⁵
11. Purchasing Manager⁶
12. City Manager/ACM⁷
13. Mayor⁸
14. City Clerk⁹

Initials	Date
<u>[Signature]</u>	<u>7/27/22</u>
<u>[Signature]</u>	<u>7/27/22</u>
<u>[Signature]</u>	<u>7/28/22</u>
<u>[Signature]</u>	<u>7/28/22</u>
<u>N/A</u>	
<u>[Signature]</u>	<u>8/4/22</u>
<u>[Signature]</u>	<u>8/30/22</u>
<u>[Signature]</u>	<u>7/27/22</u>
<u>[Signature]</u>	
<u>[Signature]</u>	
<u>[Signature]</u>	
<u>[Signature]</u>	

**AGREEMENT FOR PROFESSIONAL SERVICES
COVER PAGE**

- (1) Agreement Start Date: July 1, 2022
- (2) Consultant: County of Ventura through the Southern California High Technology Task Force - Ventura County Sheriff's Office
- (3) Services: Scope of Services Exhibit
- (4) Schedule of Services: See Scope of Services Exhibit
- (5) Agreement Ending Date: June 30, 2024
- (6) Total Agreement Amount: \$250,000.00 NTE (\$125,000.00 annually)
- (7) City's Project Manager: Alex Arnett, Commander, Oxnard Police Department
- (8) Consultant's Project Manager: Jeff S. Miller, Commander, Ventura County Sheriff's Office
- (9) Insurance Coverage: INS-B
- (10) Addresses for Notice:
- | | |
|--|---|
| <i>FOR CONSULTANT:</i>

3701 Las Posas Road, Camarillo, CA. 93010
Attn: , Jeff S. Miller, Commander | <i>FOR CITY:</i>

251 South C Street, Oxnard, CA. 93030
Attn: , Alex Arnett, Commander |
|--|---|
- (11) Contact Emails:
- CONSULTANT'S PROJECT MANAGER:* Jeffs.Miller@ventura.org
- CITY'S PROJECT MANAGER:* Alex.Arnett@oxnardpd.org

The Agreement for Professional Services is attached hereto and incorporated herein by this reference. The following exhibits are also attached hereto and incorporated herein by this reference into the Agreement:

- X** Scope of Services Exhibit
- X** Rates and Costs Exhibit
- X** Insurance Exhibit (INS-B)

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is entered into in Ventura County, California, on the date that is written as "(1) Agreement Start Date" on the Cover Page, which is attached hereto and incorporated herein by this reference. This Agreement is entered by and between the City of Oxnard ("City") and the person or entity listed as "(2) Consultant" on the Cover Page, subject to the following terms and conditions:

1. Scope of Services. Consultant shall provide to City the services listed as "(3) Services" on the Cover Page (the "Services"). Consultant shall provide the Services during the term of this Agreement, as set forth below, according to the schedule written as "(4) Schedule of Services" on the Cover Page, and as further explained in the Scope of Services Exhibit, which is attached hereto and incorporated herein by this reference. In the event of any conflict between the terms of this Agreement and any incorporated document(s), the terms of this Agreement shall control.
2. Standard of Performance. Consultant shall undertake and complete the Services to conclusion using the standard of care, skill and diligence normally provided by a professional person in the performance of similar consulting services.
3. Correction of Errors. Consultant shall correct, at its expense, all errors which may be disclosed during review of the Services. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be paid by Consultant.
4. Term. This Agreement shall begin on the date that is written as "(1) Agreement Start Date" on the Cover Page and shall end on the date that is written as "(5) Agreement Ending Date" on the Cover Page. Time is of the essence in this Agreement.
5. Compensation. For the Services performed during the term of this Agreement, City shall pay Consultant an amount not to exceed the amount that is listed as "(6) Total Agreement Amount" on the Cover Page, at the rates listed in Rates and Costs Exhibit, attached hereto and incorporated herein by this reference. The rates in Rates and Costs Exhibit shall be in effect through the end of this Agreement. Except as otherwise expressly provided in this Agreement, City shall not be responsible for expenses incurred by Consultant in performing the Services.
6. Invoices. Consultant shall submit a payment request to City by the end of each calendar month listing the Services provided, costs of those Services, and total amount due for the month. Each invoice must also list the current balance on the Agreement, including that invoice, as well as the months remaining on the term of the Agreement. Invoices may be emailed to: invoices@oxnard.org.
7. Acceptance of Payment. Consultant's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant for anything completed, finished or relating to the Services. City's payment shall not constitute nor be deemed a release of the responsibility and liability of Consultant for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Consultant and its employees, agents and subcontractors. Consultant shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Consultant or materials or products provided to City by Consultant, Consultant shall pay the sales tax. City shall not reimburse Consultant for sales taxes paid by Consultant.
8. Non-Appropriation of Funds. Payments to be made to Consultant by City for the 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 the Services beyond the current fiscal year, this Agreement shall cover payment for the Services only up to the conclusion of the last fiscal year in which City appropriated sufficient funds and shall automatically terminate at that fiscal year's conclusion.

9. Coordination of Services. The Services shall be coordinated with the person in the position listed in “(7) City’s Project Manager” on the Cover Page, subject to the direction of the City Manager and Department Director. Consultant hereby designates the person in the position listed in “(8) Consultant’s Project Manager” on the Cover Page as the person responsible for the Services who shall coordinate with City’s Project Manager in making binding decisions in line with this Agreement on behalf of Consultant.

10. Personnel. Consultant represents that it has, or shall secure at its own expense, all personnel required to perform the Services. Any person who performs engineering services pursuant to this Agreement shall be licensed as a Civil Engineer by the State of California and in good standing. Consultant shall make reasonable efforts to maintain the continuity of Consultant’s staff who are assigned to perform the Services. Consultant may associate with or employ associates or subcontractors in the performance of the Services, but at all times shall Vendor be responsible for its associates and subcontractors’ labor, advice or materials provided in furtherance of providing the Services. Should any of Consultant’s employees, assigns or subcontractors not conduct him- or herself appropriately, as determined by the City’s Project Manager, in the process of providing the Services or any portion thereof, the City’s Project Manager may notify the Consultant’s Project Manager, who shall immediately handle the problem, as determined appropriate by him or her, such that the problem does not persist.

11. Additional Work. City may request additional specified work under this Agreement. The City’s Project Manager must authorize all such work in writing before commencement. Consultant shall perform such work, and City shall pay for such additional work, in accordance with Rates and Costs Exhibit. Should the work not fall under any such listed rate or cost, Consultant shall submit a quote for all additional work, which the City’s Project Manager must approve in writing by before any such work may commence. The City shall compensate Consultant for any work that does not fall under a rate or cost listed in the Rates and Costs Exhibit, and for which Consultant did not obtain the City’s Project Manager’s written approval before work commenced, as determined by the City’s Project Manager in his or her sole discretion.

12. Audit. City shall have the option of inspecting, auditing and/or reproducing all records and other written materials used by Consultant in preparing its billings to City as a condition precedent to any payment to Consultant. Consultant will promptly furnish all documents requested by City. Additionally, if this Agreement is in excess of \$10,000, the State Auditor may examine and audit Consultant for a period of 3 years after final payment under the Agreement. Regardless of whether a State audit is permitted, Consultant shall maintain and preserve all such records for a period of at least 3 years after final payment under the Agreement. Consultant shall include a copy of this Section 12 in all contracts with its subcontractors, and Consultant shall be responsible for immediately obtaining those records or other written material from its subcontractors upon a request by the State Auditor and/or City.

13. Termination. City may terminate this Agreement at any time, with or without cause and without penalty, upon 15 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice. Consultant may terminate this Agreement at any time, with or without cause and without penalty, upon 30 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice and only if all assignments accepted by Consultant have been completed before the date of termination. In the event of termination of this Agreement by either party due to no fault or failure of performance by Consultant, City shall pay Consultant compensation for all Services satisfactorily completed in accordance with all of the terms and provisions of this Agreement, as determined by the City, before the effective date of termination; provided, in no event shall the Consultant receive an amount exceeding that which would have been paid to Consultant for the full performance of the Services.

14. Hold Harmless, Defense and Indemnity.

The City of Oxnard shall defend, indemnify and hold harmless The County of Ventura, its Board of Supervisors, officers, directors, districts, agents, employees and volunteers from and against all demands, claims, actions, liabilities, losses, damages, and costs, including reasonable attorney’s fees, arising out of or resulting from the performance of the Agreement, caused in whole or in part by the negligent or intentional acts or omissions of the City of Oxnard, its officers, directors, agents, employees, or subcontractors.

The County of Ventura shall defend, indemnify, and hold harmless The City of Oxnard, its officers, directors, districts, agents, employees, and subcontractors from and against all demands, claims, actions, liabilities, losses, damages and costs, including reasonable attorney's fees, arising out of or resulting from the performance of the Agreement, caused in whole or in part by the negligent or intentional acts or omissions of The County of Ventura, its officers, directors, agents, employees, or volunteers.

It is the intention of the County of Ventura and the City of Oxnard that the provisions of this paragraph be interpreted to impose on each party responsibility to the other for the acts and omissions of their respective officers, directors, agents, employees, volunteers. It is also the intention of the County of Ventura and the City of Oxnard that, where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any damage attributable to the fault of that party, its officers, directors, agents, employees, volunteers.

15. Insurance. Consultant shall obtain and maintain during the performance of any services under this Agreement the insurance coverages listed within the insurance document stated in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit, which is attached hereto and incorporated herein by this reference, unless the City's Risk Manager waives, in writing, the requirement that Consultant obtain and maintain such insurance coverages. Consultant shall, before performance of any Services, file with the City's Risk Manager evidence of insurance coverage as specified in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit. Maintenance of insurance coverages by Consultant is a material element of this Agreement. Consultant's failure to maintain or renew insurance coverages or to provide renewal evidence, and any lapse in insurance coverage, may be considered a material breach of this Agreement.

16. Confidentiality of Information.

a. For the purposes of this Agreement, "Confidential Information" means all information, in whatever form transmitted, relating to the past, present or future business affairs of the City, including without limitation, (i) technical information, including patent, copyright, trade secret, and other proprietary information, techniques, sketches, drawings, models, inventions, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulas; or (ii) non-technical information, including without limitation finances, financial and accounting data and information, suppliers, customers, customer lists, purchasing data and any other information belonging to the City or to a third party whose information is in the City's possession or control under obligations of confidentiality, and which is disclosed to Consultant or is developed by Consultant in whole or in part at the City's expense.

b. All Documents and Materials shall be considered Confidential Information and shall not be reproduced, transmitted, disclosed or used by the Consultant without the written consent of the City, except as may be necessary for Consultant to fulfill its obligations to the City.

c. Notwithstanding the above, these limitations shall not apply to information that (i) is already known to Consultant at the time of that information's disclosure or becomes publicly known through no wrongful act or omission of Consultant, (ii) is communicated to a third party with the express written consent of City and is not subject to restrictions on further use or disclosure, (iii) is independently developed by Consultant and has no relation to this Agreement, or (iv) is required by law, court order, court-issued subpoena or other legal process to be disclosed; provided, however, that before making such disclosure, Consultant shall immediately provide City with written notice and a reasonable opportunity for City to object to the disclosure or to take action to maintain the confidentiality of the information, unless such prior disclosure is legally impermissible.

d. Consultant shall use reasonable care to protect the Confidential Information. In the event of a breach or threatened breach of this Agreement, City shall be entitled to obtain an injunction prohibiting any such breach, the costs of which shall be paid by Consultant. Any relief granted shall be in addition to and not in lieu of any other legal or equitable relief, including money damages. The parties acknowledge that Confidential Information is valuable and unique and that disclosure of the Confidential Information in breach of this Agreement may result in irreparable injury to the City.

e. Other than an obligation upon the City to deal in good faith, the City makes no warranties and shall bear no liability or responsibility for errors or omissions in any Confidential Information disclosed under this Agreement or for any business decisions made by Consultant in reliance on any Confidential Information disclosed under this Agreement.

f. This Section 16 shall survive the termination of this Agreement.

17. Independent Contractor. Consultant is and shall at all times remain, as to City, a wholly independent contractor. Neither City nor any of its employees or agents shall have control over the conduct of Consultant or any of its employees, except as stated in this Agreement. Consultant has and shall retain the right to exercise full control over the employment, direction, means of performance, location, compensation and discharge of all persons assisting Consultant, and it is free to dispose of all portions of its time which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations as Consultant wishes except as expressly provided in this Agreement. This Agreement shall not be interpreted to prevent or preclude Consultant from rendering any services for Consultant's own account or to any other person or entity as Consultant in its sole discretion shall determine; provided, however, that performing such services shall not materially interfere with the Services Consultant shall perform for the City. Except as City's Project Manager specifies in writing, Consultant and its employees and agents have no authority, express or implied, to act on behalf of City in any capacity, to incur any debt, obligation or liability on behalf of City, bind City in any manner, or otherwise act on behalf of City as an agent. Consultant and its employees are not employees of City. Consultant 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, and health, life, dental, long-term disability and workers' compensation insurance benefits. Consultant shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Consultant's subcontractors, material suppliers, directors, officers, employees, agents and representatives, including compliance with social security requirements, federal and State income tax withholding, and all other regulations governing employer-employee relations, as applicable. City shall have the right to offset against the amount of any compensation due to Consultant under this Agreement any amount due to City from Consultant as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section 18.

18. Nondiscriminatory Employment. Consultant shall not unlawfully discriminate against any individual based on race, color, religion or religious creed, national origin, ancestry, ethnic group identification, primary language, physical disability, mental disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, sex, sexual orientation, age, immigration status, citizenship or military and veteran status. Consultant understands and agrees that it is bound by and will comply with all legal nondiscrimination mandates. For every subcontractor who will perform Services, Consultant shall be responsible for such subcontractor's compliance with this Section 19.

19. Consultant's Representations. Consultant represents, covenants and guarantees that: a) Consultant is licensed, qualified, and capable of furnishing the labor, materials, and expertise necessary to perform the Services in accordance with the terms and conditions set forth in this Agreement; b) there are no obligations, commitments, or impediments of any kind that will limit or prevent Consultant's full performance under this Agreement; c) to the extent required by the standard of practice, Consultant has investigated and considered the scope of Services performed, has carefully considered how the Services should be performed, and understands the facilities, difficulties and restrictions attending performance of the Services under this Agreement.

20. Compliance with Laws. In performing the Services under this Agreement, Consultant shall comply with all applicable laws, ordinances and regulations. Before providing any Services under this Agreement, Consultant shall, at its own expense, obtain and maintain all required certificates, licenses and permits, including a City business tax certificate.

21. Conflict of Interest. If, in performing the Services set forth in this Agreement, Consultant makes, or participates in, a "governmental decision" as described in Title 2, Section 18704 of the California Code of Regulations, or performs the same or substantially all the same duties for City that would otherwise be performed by a City employee holding a position specified in City's conflict of interest code, Consultant shall be subject to City's conflict of interest code, the requirements of which include the filing of one or more statements of economic interests disclosing the relevant financial interests of Consultant's personnel providing the Services set forth in this Agreement. Furthermore, Consultant shall not to accept any employment or representation during the term of this Agreement or within 12 months after completion of the Services which is or may likely make Consultant "financially interested," as provided in California Government Code Sections 1090 and 87100, in any decisions made by City on any matter in connection with which Consultant has been retained pursuant to this Agreement.
22. Fictitious Name. If Consultant has a fictitious name, Consultant shall submit to City a new Fictitious Business Name Statement approved by any California county before Consultant's prior Fictitious Business Name Statement expires if such expiration may occur during the term of this Agreement, including any term amendment.
23. Non-Assignability. This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's personnel's unique competence, experience and specialized personal knowledge. Consultant shall not assign or transfer any interest in this Agreement or any part thereof, whether by assignment or novation, without City's prior written consent, which may be withheld for any reason or for no reason at all. Any purported assignment without written consent shall be null, void, and of no effect, and Consultant shall hold harmless, defend and indemnify Indemnites from and against all Claims arising from or relating to any unauthorized assignment.
24. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Consultant.
25. Applicable Law; Venue. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to the Agreement shall be in the Ventura County Superior Court.
26. Titles. The titles used in this Agreement are for convenience only and shall in no way define, limit or describe the scope or intent of this Agreement or any part of it.
27. Force Majeure. Neither City nor Consultant shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include but are not be limited to acts of God, riots, acts of war, epidemics, fire, earthquakes, or other disasters.
28. Authority. Any person executing this Agreement on behalf of Consultant warrants and represents that s/he has the authority to execute this Agreement on behalf of Consultant and to bind it to the performance of these obligations.
29. Binding Agreement. The parties do not intend this Agreement to be binding upon them and shall not be held liable to its terms until it is fully executed by all required signers.
30. Integration; Amendment. This Agreement, including any other documents incorporated herein by specific reference, constitutes the entire and integrated agreement of City and Consultant regarding the subject matter described herein. This Agreement supersedes all prior oral or written communications, negotiations, representations, agreements and promises. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing, signed by both parties, that expressly refers to this Agreement.
31. Construction. In the event of any asserted ambiguity in or dispute regarding the interpretation of any matter herein, the interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or who drafted the Agreement in whole or in part.
32. No Waiver. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the

making by City of any payment to Consultant constitute or be construed as a waiver by City of any breach of covenant, or any default that may then exist on the part of Consultant, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

33. Notice. 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 (a) the day of delivery if delivered by hand or overnight courier service during City’s regular business hours or (b) the third business day following deposit in the United States mail, postage prepaid—to the addresses listed as “(10) Addresses for Notice” on the Cover Page or at such other address as one party may notify the other in writing.

34. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be 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 to Project Managers’ emails listed in “(11) Contact Emails” on the Cover Page 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.

35. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date that is written as "(1) Agreement Start Date" on the Cover Page.

CITY OF OXNARD

Alexander Nguyen, City Manager Date
John C. Zaragosa, Mayor

CONSULTANT

W. J. Ayub 9/16/2022
William Ayub, Sheriff Date

APPROVED AS TO FORM:

[Signature] FOR 9/21/22
Stephen M. Fischer, City Attorney Date
(always required)

SCOPE OF SERVICES EXHIBIT

The City of Oxnard and the County of Ventura through the Southern California High Tech Task Force (SCHTTF) of Ventura County intends to work together towards investigating high technology crimes in the City of Oxnard. This encompasses crimes where high technology is used as an instrument in committing a crime, assisting in the commission of a crime, or constitutes evidence of a criminal act. The SCHTTF is responsible for the forensic examination of all types of digital evidence, including not only computers, but also such technology as cell phones, digital video recorders, and other existing and developing computer based equipment. The SCHTTF approach is the most effective manner to respond to computer-based crimes, as well as to develop evidence regarding more traditional crimes such as homicides.

The SCHTTF of Ventura County will support this effort through the following actions:

- Coordinate law enforcement high tech investigative activities by utilizing task force members to effectively deal with the growing number of high technology crimes.
- Pool resources and share high technology investigative expertise and provide cost effective law enforcement.
- Decrease high technology investigation response time in order to comply with identified county law enforcement needs.
- Provide a service network to all law enforcement agencies within Ventura County, including the City of Oxnard.
- Assess and facilitate high technology training needs in Ventura County.
- Decrease the potential for economic loss and danger to public safety by increasing the probability of apprehension and prosecution of high technology crimes.

RATES AND COSTS EXHIBIT

METHOD OF PAYMENT

- A. METHOD OF PAYMENT. The term of this Agreement is from July 1, 2022 to June 30, 2024. Payments for all work performed by Consultant pursuant to the terms of this Agreement shall be made on the basis of the salary and benefits set forth below:

Fiscal Year 2022-2024 cost components:

Fiscal Year 2022-2023 cost components	cost
Percentage of salary and benefits	\$125,000.00
Fiscal Year 2023-2024 cost components	cost
Percentage of salary and benefits	\$125,000.00

- B. BILLING. Within thirty (30) business days after the end of each calendar quarter in which the services are performed or expenses are incurred under this Agreement, Consultant shall submit an invoice to the City at the following address:

Oxnard Police Department
 Attention: Assistant Police Chief Christopher Williams
 251 South C Street
 Oxnard, California 93030

The invoice submitted pursuant to this paragraph shall show the City Purchase Order number and Agreement number, the date on which the services were performed, other authorized expenses incurred in the performance of the services, and such information as City may responsibly require.

- C. TIME OF PAYMENT. Payment to Consultant shall be made only after receipt and approval of an invoice from the Consultant.
- D. MAXIMUM COMPENSATION. Notwithstanding the foregoing, Consultant shall complete all work and tasks described in Scope of Services Exhibit for a total amount of compensation that does not exceed \$250,000.00 for the life of the service agreement (\$125,000.00 for Fiscal Year 2022-2023, and \$125,000.00 for Fiscal Year 2023-2024).

ALLOWABLE COSTS. City shall pay Consultant's actual costs to perform the Services or work within the limits of the individual project cost. It is understood and agreed that these totals are maximum estimates only and that City will only pay for the services actually rendered or expenditures made as authorized by the City.

INSURANCE EXHIBIT

**INSURANCE REQUIREMENTS FOR CONSULTANTS
(WITHOUT 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. 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 affecting coverage required by this Exhibit INS-B. 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 work commences. 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. _____
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: 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 by either party, 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 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 and volunteers. **The General liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-B 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 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. Any deductibles or self-insured retentions must be declared to and 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 contractor 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 notes of cancellation.**

Endorsement Forms

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

INS-B.doc

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

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

COMPANIES AFFORDING INSURANCE COVERAGE

INSURED

COMPANY
LETTER A SPECIFY COMPANY NAMES IN THIS SPACE

COMPANY
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 LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY [x] COMMERCIAL GENERAL LIABILITY [x] CLAIMS MADE [x] OCCUR. [x] OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$1,000,000 PRODUCTS COMP/OP AGG \$1,000,000 PERSONAL & ADV. INJURY \$1,000,000 EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY [x] ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER				

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

CERTIFICATE HOLDER

CITY OF OXNARD
Attn: Insurance Compliance
Reference No. _____
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007

CANCELLATION

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.

AUTHORIZED REPRESENTATIVE

GENERAL LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")		SUBMIT IN DUPLICATE	
		ENDORSEMENT NO. _____	ISSUE DATE (MM/DD/YY) _____
PRODUCER Telephone: _____ NAMED INSURED	POLICY INFORMATION: Insurance Company: _____ Policy No.: _____ Policy Period: (from) _____ (to) _____ LOSS ADJUSTMENT EXPENSE ☐ Included in Limits ☐ In Addition to Limits ☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____ with an Aggregate of \$ _____ coverage. ☐ Per Occurrence		
TYPE OF INSURANCE		APPLICABILITY This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered:	
GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ COMPREHENSIVE GENERAL LIABILITY ☐ OWNERS & CONTRACTORS PROTECTIVE		OTHER PROVISIONS	
COVERAGES		LIABILITY LIMITS IN THOUSANDS \$	
☐ GENERAL ☐ PRODUCTS/COMPLETED OPERATIONS ☐ PERSONAL & ADVERTISING INJURY ☐ FIRE DAMAGE ☐ _____ ☐ _____		☐ Claims Made Retroactive Date _____ ☐ Occurrence	Underwriter's representative for claims pursuant to this insurance. CLAIMS: Name: _____ Address: _____ Telephone: () _____
EACH OCCURRENCE		AGGREGATE	
In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:			
1. INSURED. The City, its officers, agents, employees and volunteers are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured. 2. CONTRIBUTION NOT REQUIRED. As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it. 3. SEVERABILITY OF INTEREST. This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included. 4. CANCELLATION NOTICE. With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City. 5. PROVISIONS REGARDING THE INSURED'S DUTIES. Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers. 6. SCOPE OF COVERAGE. This policy, if primary, affords coverage at least as broad as: a. Insurance Services Office Commercial General Liability Coverage, "occurrence" form CG0001; or b. If excess, affords coverage which is at least as broad as the primary insurance form CG0001. Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.			
ENDORSEMENT HOLDER			
CITY OF OXNARD Attn: Insurance Compliance Reference No. _____ P.O. Box 100085 – OX Duluth, GA 30096 Via Email: cityofoxnard@ebix.com Via Fax: 678-259-1007		AUTHORIZED REPRESENTATIVE ☐ Broker/Agent ☐ Underwriter ☐ _____ I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement. Signature _____ (original signature required) Telephone: () _____ Date Signed _____	

ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
-----------------	-----------------------

POLICY INFORMATION:

Insurance Company:
Policy No.:
Policy Period: (from) (to)
LOSS ADJUSTMENT EXPENSE ☐ Included in Limits
☐ In Addition to Limits

Telephone:

NAMED INSURED

☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____
with an Aggregate of \$ _____ applies to _____
coverage. ☐ Per Occurrence ☐ Per Claim (which)

APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered:

CITY AGREEMENTS/PERMITS

TYPE OF INSURANCE

☐ COMMERCIAL AUTO POLICY
☐ BUSINESS AUTO POLICY
☐ OTHER

OTHER PROVISIONS

LIMIT OF LIABILITY

\$ per accident, for bodily injury and property damage.

CLAIMS: Underwriter's representative for claims pursuant to this insurance.

Name: _____
Address: _____
Telephone: () _____

In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:

1. **INSURED.** The City, its officers, agents, volunteers and employees are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured.

2. **CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.

3. **SEVERABILITY OF INTEREST.** This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.

4. **CANCELLATION NOTICE.** With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.

5. **PROVISIONS REGARDING THE INSURED'S DUTIES.** Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.

6. **SCOPE OF COVERAGE.** This policy, if primary, affords coverage at least as broad as:

a. Insurance Services Office Automobile Liability Coverage, "occurrence" form CA0001, code ("any auto"); or

b. If excess, affords coverage which is at least as broad as the primary insurance form referenced in the preceding section (1).

Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.

ENDORSEMENT HOLDER

CITY OF OXNARD
Attn: Insurance Compliance
Reference No.

**P.O. Box 100085 – OX
Duluth, GA 30096**

Via Email: cityofoxnard@ebix.com

Via Fax: 678-259-1007

AUTHORIZED REPRESENTATIVE

☐ Broker/Agent ☐ Underwriter ☐ _____

I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement.

Signature _____
(original signature required)

Telephone: () Date Signed _____



CITY COUNCIL AGENDA REPORT

PUBLIC HEARINGS AGENDA ITEM NO. L.1

DATE: October 18, 2022

TO: City Council and Oxnard Financing Authority

FROM: Betsy George, Chief Financial Officer, (805) 200-5400, betsy.george@oxnard.org

SUBJECT: Approval of 2022 Lease Revenue Bonds, Series A and B. (0/15/15)

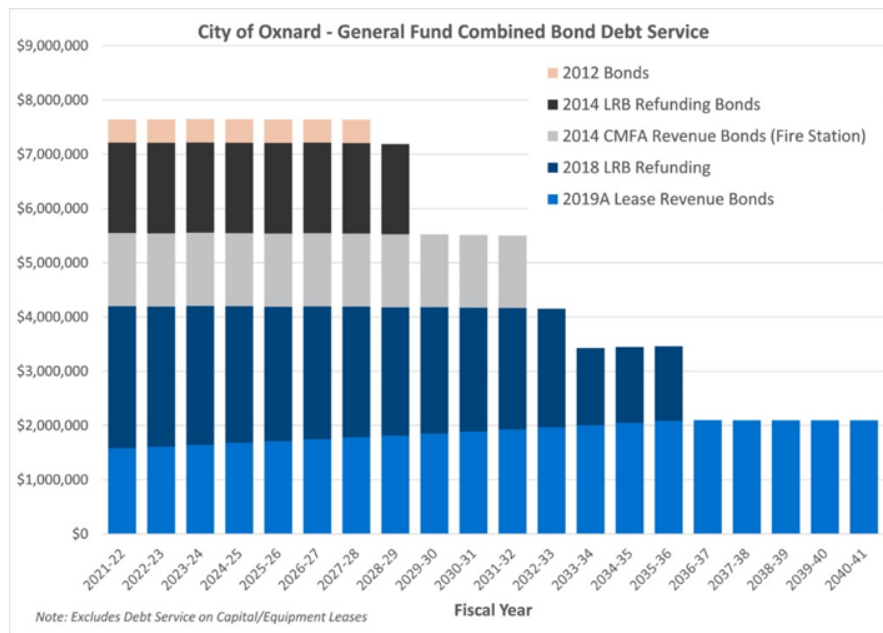
RECOMMENDATION

- 1) That the City Council conduct a public hearing and approve a resolution approving the issuance by the City of Oxnard Financing Authority of (I) not to exceed \$36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed \$9,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto.
- 2) That the City of Oxnard Financing Authority's Board of Directors approve a resolution authorizing the issuance of (I) not to exceed \$36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed \$9,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto.

Please click the following link to view the required Measure M pre-recorded presentation video:
<https://youtu.be/XVVlaQEB-ds>

BACKGROUND

The City currently has five outstanding series of General Fund and Measure O Fund backed bonds that were issued between 2012 and 2019. The total outstanding par of these five bonds is just under \$70 million and debt service is paid by the General Fund (Fund 101) and by the Measure O Fund (Fund 104). As shown in the graph on the next page, overall annual debt service payments are fairly level at about \$7.65 million through fiscal year 2027-28 and then annual debt service decreases in FYs 2029, 2030, 2033, 2034, and 2037 as various bond issues mature, with no General Fund backed debt payments currently scheduled beyond FY 2041.



In addition to these outstanding bonds, the City anticipates issuing the 2022 Lease Revenue Bonds, Series A (“2022A Bonds”) to finance street and alleyway improvements, and issuing the 2022 Lease Revenue Bonds, Taxable Series B (“2022B Bonds,” collectively the “2022 Bonds”) to finance the implementation of Phases 3 and 4 (out of 5 total phases) of the City’s ERP.

New Money Funding for Street & Alleyway Improvements

During the May 18, 2021, meeting, City Council directed staff to identify projects and funding options for roadway improvements to increase the City’s average PCI to a minimum of 70. City staff has identified the projects and a funding shortfall for those projects. Historically, the only source of guaranteed funding has come from Road Maintenance and Rehabilitation Account (“RMRA”) revenues through SB-1. This funding source currently brings in approximately \$4 million per year. In addition, the City plans to apply revenues from the General Fund and Measure O sales tax. Measure O currently generates approximately \$16 million annually, of which a significant portion is applied towards City services and debt service for existing outstanding obligations.

After applying all RMRA and available Measure O funds, City staff estimates a shortfall in funding needed to improve the roadway condition to a PCI of 70 by the September 2024 target date. The current shortfall estimate is approximately \$44 million, of which the City anticipates funding \$30 million with proceeds generated through the issuance of 2022A Bonds. The final term of the bonds is expected to be 25 years and aligns with the IRS requirements related to the useful life of the improvements being financed.

2022 Lease Revenue Bonds, Series A

Street Improvement Project Cost Estimates and Useful Life

Project Type	Cost Estimate (Millions)	Useful Life (Years)
Residential (2022-23)	\$5.8	20
Concrete (2022-23)	\$5.0	35
Residential (2023-24)	\$8.0	20
Concrete (2023-24)	\$3.5	35
Arterial (2023-24)	\$7.1	15
Total	\$29.4	
Calculated Weighted Average Useful Life	23.13	Years

New Money Funding for ERP Implementation

In addition to financing street and alleyway improvements, the City intends to issue the 2022B Bonds to finance Phases 3 and 4 (out of 5 total phases) of the City’s ERP system implementation. Previously, the City financed Phases 1 and 2 of the ERP system implementation as part of the 2019 Lease Revenue Bonds. The projected cost of Phases 3 and 4 ERP

system implementation is \$8 million. Because of IRS regulations related to the financing of software licensing, the bonds associated with the ERP implementation will need to be issued on a taxable basis. The final term for these bonds is expected to be 15 years.

ERP Implementation Phases:

- Phase 1: Enterprise Financial Management (Core Financials) and Electronic Timesheets
- Phase 2: Human Capital Management (HCM)
- Phase 3: Energy (planning, permitting, and licensing)
- Phase 4: Enterprise Asset Management (EAM)
- Phase 5: Utility Billing

Refunding the 2012 Lease

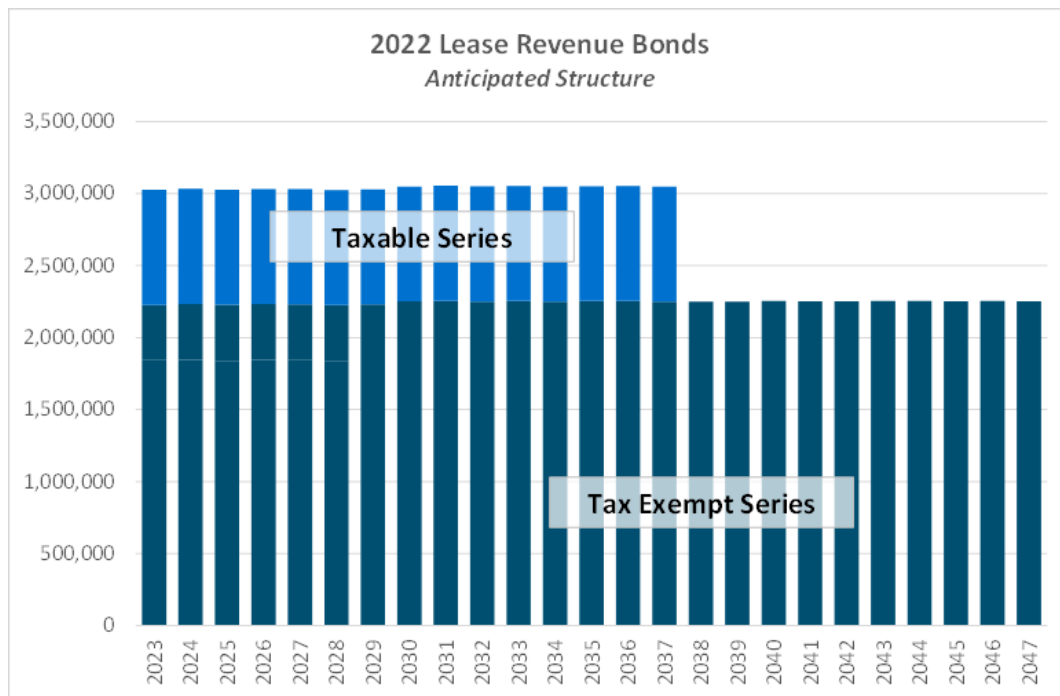
Including a refunding of the 2012 Lease in the 2022 Bonds would be advantageous to the City since it would strategically release the assets that are currently encumbered by those bonds and allow the City to continue using the assets leveraged in past financings as security for the 2022 Bonds. The 2012 Lease has only \$2.3 million outstanding, but is secured by the City Hall/Council Chambers and Civic Center (\$19 million total insured value). Including a refunding of the 2012 Lease in the 2022 Bonds allows the City to re-use City Hall as a security, utilizing that asset's \$19 million insured value as partial security for the 2022 Bonds. This strategic refunding of the 2012 Lease reduces the amount of additional City assets that would need to be pledged as security for the 2022 Bonds.

Based on current market rates, a refinancing of the 2012 Lease is expected to result in slight net present value dis-savings (i.e., refunding debt service slightly higher than prior debt service). Although refunding the 2012 Lease does not meet the City's present value savings threshold as outlined in the City's Debt Management Policy, the Policy provides for alternative, strategic reasons to refund bonds without meeting that threshold.

Anticipated Structure of the 2022 Bonds

As shown in the graph below, the tax exempt 2022A Bonds is expected to be amortized over a 25-year term on a level annual basis, with estimated annual debt service of 2.3 million per year. The 2022B taxable series is expected to be amortized through fiscal year 2036-2037. The 2022B Bonds will finance Phases 3 and 4 of the ERP implementation and the 15-year term of that series ties to the useful life of the asset being financed. The 2022B Bonds will be amortized on a level annual basis through fiscal year 2036-37, with an estimated \$800,000 annual debt service.

The aggregate structure for the 2022 Bonds has an estimated aggregate debt service of \$3.1 million per year through fiscal year 2036-37, with debt service stepping down to \$2.3 million per year from fiscal year 2037-38 through fiscal year 2046-47. Total debt service on all outstanding General Fund and Measure O Bonds is anticipated to be \$10.3 million per year through fiscal year 2028-29, after the 2022 Bonds are issued, and decrease thereafter.



Master Lease Structure and Asset Pool

The 2022 Bonds will utilize the Master Lease structure the City implemented in 2019. Accordingly, the 2022 Bonds will be issued on parity to the 2019 Bonds and be subject to many of the same terms and conditions as the 2019 Bonds. By using the 2019 Master Lease structure, the City has some additional flexibility with regard to which assets are included as the security for the 2022 Bonds and creates a “pool” of assets that can be pledged to the 2022 Bonds and future bonds that may be issued to finance infrastructure needs, such as for the Aquatics Center, Senior Center or fire stations. Pooling the City’s assets under the 2019 Master Lease structure can also prevent a potential issue of certain individual assets being viewed as “non-essential” by investors, which could prevent some investors from buying the City’s bonds.

The table below identifies the anticipated asset pool for the Master Lease, which will serve as security for the \$25,655,000 outstanding 2019 Lease Revenue Bonds and for the up to \$45 million 2022 Lease Revenue Bonds. Excess total asset value can be used on a future financing through the Master Lease.

Asset Pool for 2019 Master Lease

Address	Description	Note	2022 Insured Value
214 S. C Street	Administrative Offices	Already in 2019 Asset Pool	\$20,157,566
360 W. 2nd Street	Fire Administration Building	Already in 2019 Asset Pool	\$6,821,783
305 W. 3rd Street	City Hall/Council Chambers and Civic Center	Available due to 2012 Refunding	\$18,928,691
4300 S. Saviers Rd.	South Oxnard Branch Library	New Asset Pledged	\$18,716,042
200 E. Bard Rd.	South Oxnard Center	New Asset Pledged	\$7,340,094
Total Asset Values			\$71,964,176

Legal Documents for Approval

The issuance of the 2022 Bonds will require the Board of the City of Oxnard Financing Authority and the City Council to approve resolutions authorizing amendments to the 2019 Indenture of Trust, a Facility Lease, Site Lease, Assignment Agreement, a Bond Purchase Agreement, and the Preliminary Official Statement for the 2022 Bonds. Those legal and disclosure documents are briefly summarized below:

Authorizing Resolutions - the Authorizing Resolutions authorize the amendments to the 2019 legal documents, the escrow agreement, the bond purchase agreement, and the preliminary official statement. Those resolutions also authorize City staff to execute those legal documents for the 2022 Bonds, provided the final terms on each series are within not-to-exceed parameters identified therein.

First Supplement to the Indenture of Trust – this document supplements the 2019 Indenture of Trust to provide for the 2022 bonds and formalizes the relationship between the City of Oxnard Financing Authority (issuing the 2022 Bonds), the City of Oxnard, and Computershare Trust Company, N.A. as trustee for the 2022 Bonds. The Indenture describes key terms of the 2022 Bonds, including the payment terms and schedule, prepayment options, other covenants related to the 2022 Bonds, and other administrative items.

First Amendment to the Site Lease – this document amends the 2019 Site Lease to provide for the 2022 Bonds and details how the leased assets (underlying properties securing the bonds) are leased from the City to the Financing Authority.

First Amendment to Facility Lease – this document amends the 2019 Facility Lease to provide for the 2022 Bonds and details how the leased assets (underlying properties securing the bonds) are leased from the Financing Authority back to the City in exchange for annual rental payments made by the City to the Financing Authority.

First Amendment to Assignment Agreement – this document amends the 2019 Assignment Agreement to provide for the 2022 Bonds and details how the Financing Authority assigns its rights to receive annual rental payments from the City under the Facility Lease over to the Trustee of the 2022 Bonds.

Bond Purchase Agreement – this document governs the relationship between the City and Stifel Nicolaus (the “Underwriter”). In this document, the Underwriter agrees to purchase all of the 2022 Bonds from the Financing Authority provided the terms and conditions set forth therein are satisfied. The Underwriter will then sell the 2022 Bonds to investors.

Preliminary Official Statement – this is the primary disclosure document for the 2022 Bonds and provides bond investors with information about the 2022 Bonds, the security for the 2022 Bonds and sources of payment, the state of the General Fund’s finances and operations, and outlines key risk factors for bond investors to consider. The Preliminary Official Statement also details the continuing disclosure covenants the City will make with investors of the 2022 Bonds. Following a careful review by the City Council, staff, and financing team, this document will be widely distributed to the investing public as the Underwriter markets the 2022 Bonds.

Anticipated Timing of the 2022 Bonds

If City Council and the Financing Authority’s Board of Directors approve the resolutions authorizing the issuance of the 2022 Bonds, City staff will work with the financing team to publish the Preliminary Official Statement in mid-October and make it available to potential bond investors. The bond sale would occur in late October and then the 2022 Bonds would close during the first half of November, at which time the money will be available for projects.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

Based on current interest rates, the annual debt service on the 2022 Bonds is estimated to be \$3.1 million per year through fiscal year 2036-37, dropping to \$2.3 million per year through 2046-47. The associated costs of issuing the 2022 Bonds will be paid out of the financing. As mentioned earlier, refunding the 2012 Lease results in slight present value dis-savings relative to the prior debt service on those bonds, but the refunding strategically allows the City to reuse the asset currently pledged to the 2012 Lease to provide a portion of the security on the 2022 Bonds. The Good Faith Estimates result in a projected aggregate principal amount of \$40.25 million for the 2022 Bonds. Staff is requesting authority up to a

not to exceed amount of \$45 million to allow for potential changes in market conditions and other cost estimates that may potentially vary.

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the City by the Municipal Advisor as of September 29, 2022.

Principal Amount. The Municipal Advisor has informed the City that, based on the City's purchase agreements, financing plan, and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds is \$40,250,000 (the "Estimated Principal Amount").

True Interest Cost of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds is 5.00%.

Finance Charge of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$921,719.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the City for the Bonds is \$40,348,575.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the bonds, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the Bonds is \$68,805,665, which excludes any reserves or capitalized interest paid or funded with proceeds of the Bonds (which may offset such total payment amount).

The foregoing estimates constitute good faith estimates only as of September 29, 2022, and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of 2022 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Authority's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of the Bonds sold will be determined by the Authority based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic, national, international and other factors beyond the control of the Authority, or the Municipal Advisor.

COMMITTEE OUTCOME

The Finance and Governance Committee voted 3-0 on September 27, 2022, to approve the staff recommendation and to forward the item for City Council and Financing Authority's Board of Directors' approval.

Prepared by: NHA Advisors

ATTACHMENTS

1. Presentation_2022 LRBs
2. City Resolution - Oxnard 2022 LRBs

3. Authority Resolution - Oxnard 2022 LRBs
4. Bond Purchase Agreement - Oxnard 2022 LRBs
5. First Supplement to the Indenture - Oxnard 2022 LRBs (1)
6. First Supplement to Site Lease - Oxnard 2022 LRBs
7. First Amendment to Facility Lease - Oxnard 2022 LRBs (3)
8. First Amendment to the Assignment Agreement - Oxnard 2022 LRBs
9. Preliminary Official Statement - Oxnard 2022 LRBs

City of Oxnard

2022 Lease Revenue Bonds, Series A & B
(Street & Alleyway Improvements, ERP Phases 3 & 4, 2012 Refunding)

PRESENTATION TO CITY COUNCIL

OCTOBER 18, 2022

Recommendations

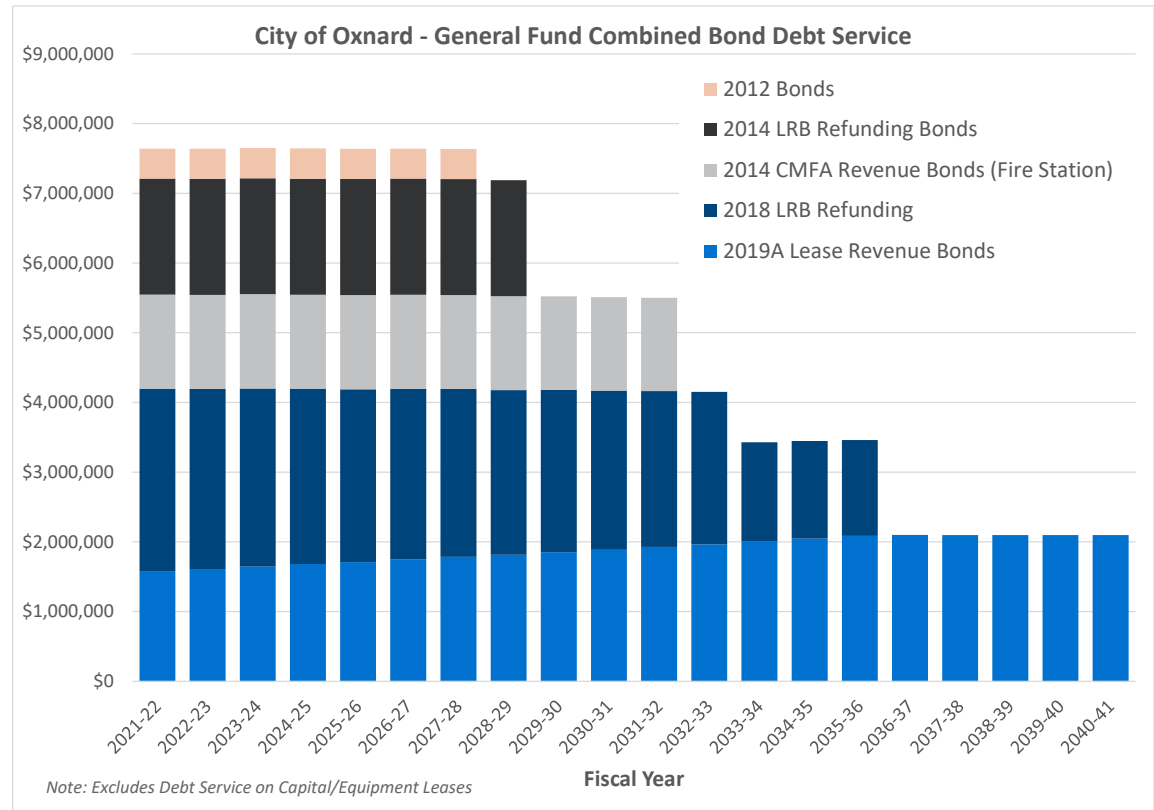
- ▶ City of Oxnard City Council adopt a resolution approving the issuance by the City of Oxnard Financing Authority of (I) not to exceed \$36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed \$9,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto
- ▶ City of Oxnard Financing Authority's Board of Directors adopt a resolution authorizing the issuance of (I) not to exceed \$36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed \$9,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto

City's Financing Team

City of Oxnard Financing Authority	• Issuer for the 2022 Bonds
NHA Advisors	• City's municipal financial advisor
Best Best & Kreiger	• Disclosure Counsel
Nixon Peabody	• Bond Counsel
Stifel Nicolaus	• Underwriter
Computershare Trust Company	• Bond trustee

Background and Financing Need

- ▶ City has \$70M of outstanding general fund debt
 - ▶ Current aggregate annual debt service of \$7.65M per year through 2027-28
- ▶ City Council directed staff in May 2021 to work toward a minimum average PCI of 70 for City streets
 - ▶ City staff identified a bond funding need of \$30 million
- ▶ City financed ERP Phases 1 and 2 implementation in 2019 and has a funding need of \$8 million for implementation of Phases 3 and 4
- ▶ Total new money financing need of \$38 million

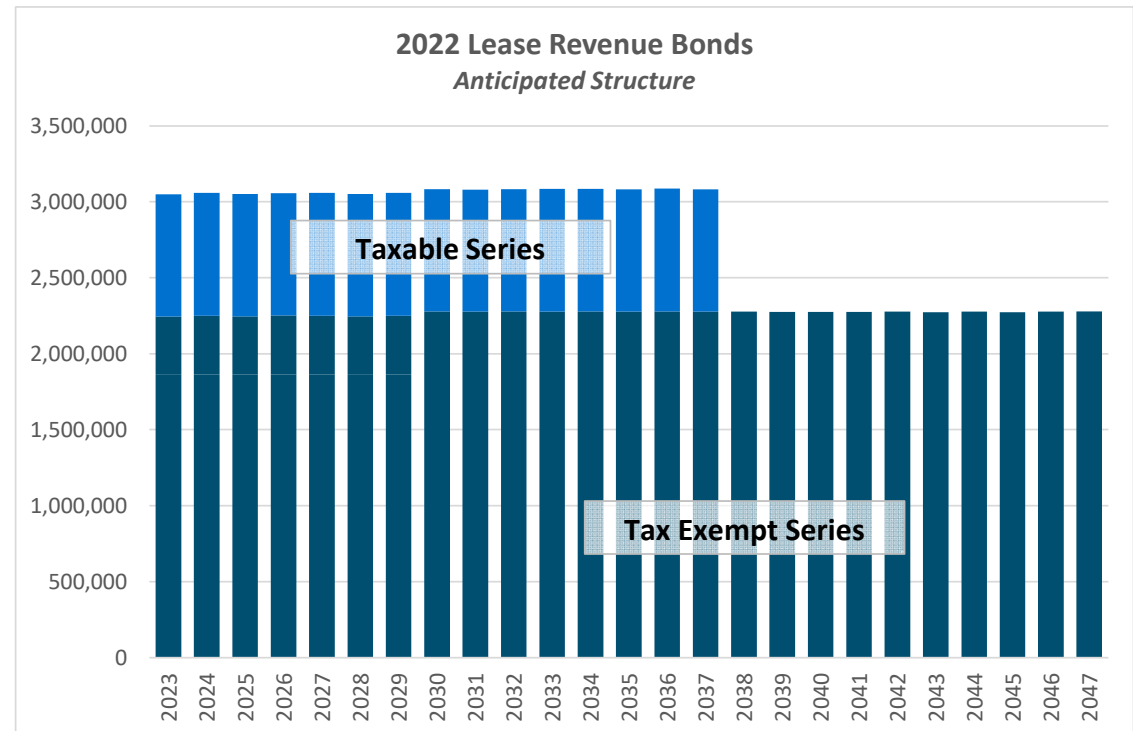


Refunding 2012 Lease

- ▶ Strategic refunding of the 2012 Lease would allow the City to re-use the assets pledged to those bonds and use that asset as security for the 2022 Bonds
 - ▶ \$2.3M outstanding amount on 2012 Lease is secured by a \$19M City Hall/Council Chambers and Civic Center asset
 - ▶ Refunding the 2012 Lease reduces the number of other City properties that must be pledged as security for the 2022 Bonds
- ▶ Based on current market rates, refunding the 2012 Lease has very slight present value dis-savings
 - ▶ Refunding the 2012 Lease to allow the City to use the \$19M City Hall asset toward the 2022 Bonds would be considered a strategic, non-economic refunding under the City's Debt Policy

Anticipated Structure of the 2022 Bonds

- ▶ Expected to utilize two series
 - ▶ Series A (tax exempt) – about \$32 million
 - ▶ Series B (taxable) – about \$8.2 million
- ▶ Each series structured with level annual payments
 - ▶ Taxable Series B with 15-year term; tax exempt Series A with 25-year term
 - ▶ Level \$3.1M annual debt service through 2036-37 and then step down to level \$2.3M annual debt service through 2046-47
- ▶ 2022 Bonds will utilize the 2019 Master Lease structure
 - ▶ 2022 Bonds will be on parity with 2019 Bonds and subject to the same terms and conditions



Note: Based on market rates as of 9/29/2022, subject to change with the market

Asset Pool for 2019 Master Lease

- ▶ Utilizing the 2019 Master Lease structure allows for pooling of the assets providing security for the outstanding 2019 LRBs and the anticipated 2022 Bonds
 - ▶ Total anticipated asset value of \$72M to secure \$66M of debt
 - ▶ \$25.7M outstanding 2019 LRBs + anticipated \$40.2M 2022 LRBs
 - ▶ Excess asset value can be used on a future financing through the Master Lease

Assets in 2019 Master Lease Pool			
Address	Description	Note	2022 Insured Value
214 S. C Street	Administrative Offices	Already in Pool for 2019 LRBs	\$20,157,566
360 W. 2nd Street	Fire Administration Building	Already in Pool for 2019 LRBs	\$6,821,783
305 W. 3rd Street	City Hall/Council Chambers and Civic Center	Available due to 2012 Refunding	\$18,928,691
4300 S. Saviers Rd.	South Oxnard Branch Library	New Asset	\$18,716,042
200 E. Bard Rd.	South Oxnard Center	New Asset	\$7,340,094
Total Asset Values			\$71,964,176

Summary of Legal and Disclosure Documents

Authorizing Resolutions

- City Council and Financing Authority
- Authorize legal documents and authorize City staff to execute documents
- Identifies not-to-exceed amounts related to the Bonds

First Supplement to Indenture of Trust

- Establishes relationship with Trustee and key terms for the Bonds

First Amendment to Site Lease

- Identifies how the underlying assets are leased from City to the Financing Authority

First Amendment to Facility Lease

- Details how the underlying assets are leased back from Financing Authority to City in exchange for annual rental payments

First Amendment to Assignment Agreement

- Details how Financing Authority assigns rights to rental payments over to the Trustee for payment on the 2022 Bonds

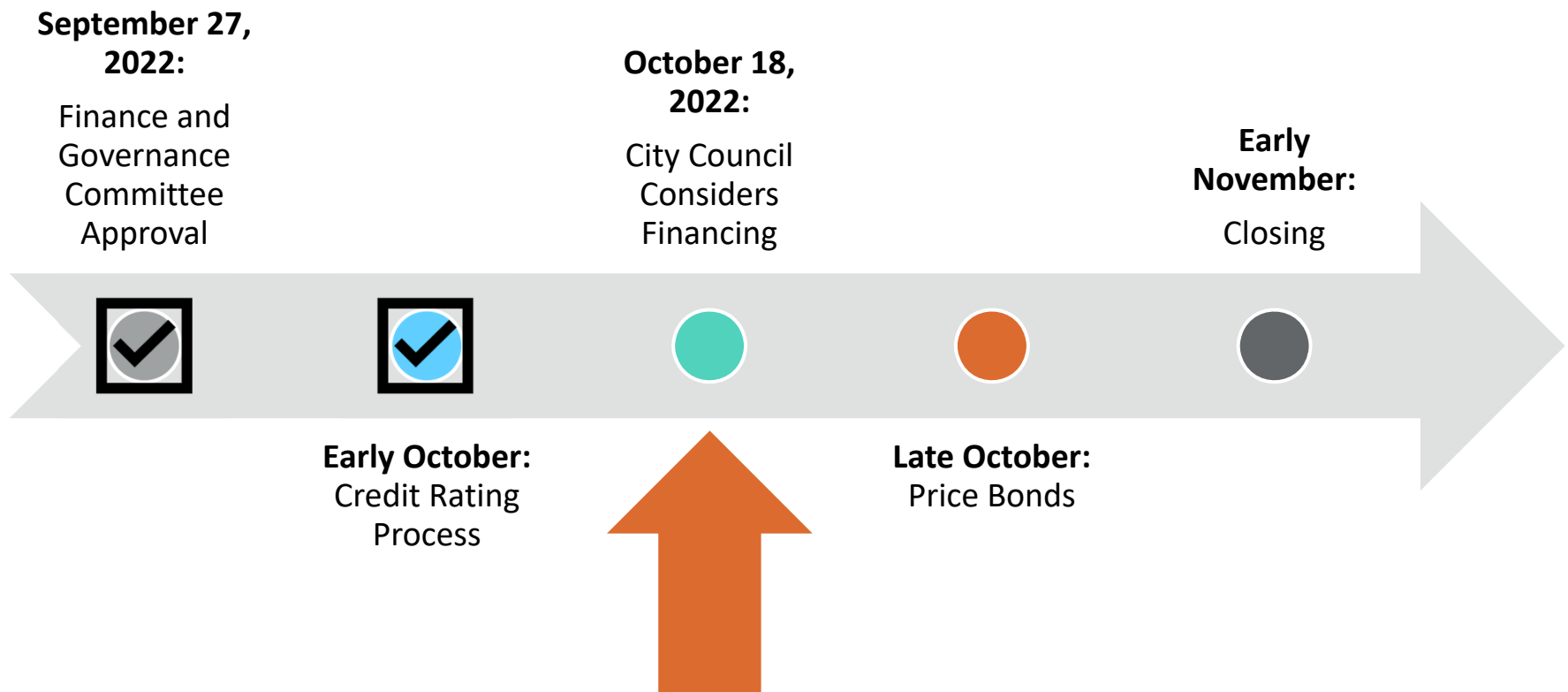
Bond Purchase Contract

- Governs relationship between Financing Authority and the Underwriter (Stifel Nicolaus)
- Details terms of sale for the 2022 Bonds (blanks will be filled in once the terms are known on the day of sale)

Preliminary Official Statement

- Primary disclosure document for the 2022 Bonds; widely distributed to the markets
- Includes the continuing disclosure agreement for ongoing disclosure to investors

Anticipated Timing



Recommendations

- ▶ City of Oxnard Financing Authority's Board of Directors adopt a resolution authorizing the issuance of (I) not to exceed \$36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed \$9,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto
- ▶ City of Oxnard City Council adopt a resolution approving the issuance by the City of Oxnard Financing Authority of (I) not to exceed \$36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed \$9,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto

Questions?

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING THE ISSUANCE BY THE CITY OF OXNARD FINANCING AUTHORITY OF (I) NOT TO EXCEED \$36,000,000 OF CITY OF OXNARD FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2022A (TAX-EXEMPT), AND (II) NOT TO EXCEED \$9,000,000 OF CITY OF OXNARD FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2022B (FEDERALLY TAXABLE); APPROVING THE EXECUTION AND DELIVERY OF VARIOUS RELATED DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS; AND OTHER MATTERS RELATED THERETO

WHEREAS, the City of Oxnard Financing Authority (the “Authority”) was established for the purpose, among others, of providing for the financing of public capital improvements for the City of Oxnard (the “City”); and

WHEREAS, the City desires to finance certain street improvement projects throughout the City (the “Street Improvement Project”); and

WHEREAS, the City has previously entered into a Lease/Purchase Agreement, dated as of August 1, 2012 (the “2012 Lease”), by and between the City and the Authority, of which \$2,303,516 of principal component are currently outstanding; and

WHEREAS, the Authority and the City have determined, that it is necessary and desirable in order to finance the Street Improvement Project and refund the 2012 Lease, to authorize the issuance, sale and delivery of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”), in the aggregate principal amount of not to exceed \$36,000,000, under the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Law”); and

WHEREAS, the City desires to finance certain costs related to the second phase of implementation of a Software as a Service Agreement between the City and Tyler Technologies, Inc. (the “ERP Project,” and together with the Street Improvement Project, the “Projects”); and

WHEREAS, the Authority and the City have determined, that it is necessary and desirable in order to finance the ERP Project to authorize the issuance, sale and delivery of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable) (the “Series 2022B Bonds,” and together with the Series 2022A Bonds, the “Series 2022 Bonds”), in the aggregate principal amount of not to exceed \$9,000,000, under the provisions of the Law; and

WHEREAS, as required by Section 6586.5 of the Law, the City has caused publication of a notice of a public hearing on the financing of the Projects once at least five days prior to the hearing in a newspaper of general circulation in the City; and

WHEREAS, this City Council held a public hearing at which all interested persons were provided the opportunity to speak on the subject of financing the Projects; and

WHEREAS, in connection with the issuance of the Series 2022 Bonds, the City desires to approve the form and distribution of a preliminary official statement (the “Preliminary Official Statement”); and

WHEREAS, the City also desires to approve in connection with the sale of the Series 2022 Bonds, the form of a Contract of Purchase (the “Contract of Purchase”) among the Authority, the City and Stifel, Nicolaus & Company, Incorporated (the “Underwriter”); and

WHEREAS, Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) (“SB 450”) requires that the City obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with SB 450, the City has obtained from NHA Advisors, as the City’s municipal advisor, and the Underwriter, the required good faith estimates and such estimates have been disclosed to the City Council prior to the date of this Resolution; and

WHEREAS, Senate Bill 1029 (“SB 1029”) was signed by the California Governor on September 12, 2016, and places additional responsibilities on any issuer of public debt including the adoption of debt management policies that meet certain criteria; and

WHEREAS, the City has represented that it is in compliance with the applicable SB 1029 pre-issuance requirements and that it expects to comply with all post-issuance requirements of SB 1029 applicable to the Series 2022 Bonds; and

WHEREAS, to fulfill the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934 (as amended, the “Rule”), the City will enter into a Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”), whereby the City will agree to provide certain continuing disclosure reports; and

WHEREAS, in connection with the issuance of the Authority’s Lease Revenue Bonds, Series 2019A (Federally Taxable), the City has previously entered into the following agreements:

(a) the Indenture, dated as of December 1, 2019 (the “2019 Indenture”), among the Authority, the City and Computershare Trust company, N.A., as successor trustee (the “Trustee”);

(b) the Site Lease, dated as of December 1, 2019 (the “2019 Site Lease”) between the City and the Authority;

(c) the Facility Lease, dated as of December 1, 2019 (the “2019 Facility Lease”) between the City and the Authority;

WHEREAS, there have been presented to this meeting the proposed forms of the following documents:

(a) the First Supplement to Indenture, dated as of November 1, 2022 (the “First Supplement to Indenture”), among the Authority, the City and the Trustee;

(b) the First Amendment to Site Lease, dated as of November 1, 2022 (the “First Amendment to Site Lease”) between the City and the Authority;

(c) the First Amendment to Facility Lease, dated as of November 1, 2022 (the “First Amendment to Facility Lease”) between the City and the Authority;

(d) the First Amendment to Assignment Agreement, dated as of November 1, 2022 (the “First Amendment to Assignment Agreement”) between the Authority and the Trustee;

(e) the Preliminary Official Statement;

(f) the Contract of Purchase; and

(g) the Continuing Disclosure Agreement;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Oxnard, as follows:

SECTION 1. Findings and Determinations. Pursuant to the Law, and based on the information provided to the City Council by City staff and consultants, all as set forth in the proceedings and documents providing for the issuance and delivery of the Series 2022 Bonds, the City Council hereby finds and determines that the issuance of the Series 2022 Bonds to finance the Projects and the transactions related thereto will result in significant public benefits within the contemplation of Section 6586 of the Law, namely, demonstrable savings in bond preparation, bond underwriting and bond issuance costs, and employment benefits from undertaking the project in a timely fashion.

SECTION 2. Approval of Issuance of Series 2022A Bonds by the Authority. The issuance of the Series 2022A Bonds by the Authority on the terms and conditions set forth in, and subject to the limitations specified in, the 2019 Indenture, as supplemented by the First Supplement to Indenture, and this Resolution, is hereby approved; provided, however, that (i) the

aggregate principal amount of Series 2022A Bonds shall not exceed \$36,000,000, and (ii) the maturity of the Series 2022A Bonds shall not exceed June 1, 2052.

SECTION 3. Approval of Issuance of Series 2022B Bonds by the Authority. The issuance of the Series 2022B Bonds by the Authority on the terms and conditions set forth in, and subject to the limitations specified in, the 2019 Indenture, as supplemented by the First Supplement to Indenture, and this Resolution, is hereby approved; provided, however, that (i) the aggregate principal amount of Series 2022B Bonds shall not exceed \$9,000,000, and (ii) the maturity of the Series 2022B Bonds shall not exceed June 1, 2042.

SECTION 4. Approval of the First Supplement to Indenture. The form of the First Supplement to Indenture, in order to supplement the 2019 Indenture, presented at this meeting is hereby approved, and the Mayor, the City Manager, the Chief Financial Officer and the City Clerk, or his or her designee (each, an “Authorized Officer”) are each hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver the First Supplement to Indenture in substantially the form presented at this meeting with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof, including with respect to whether and what type(s) of credit enhancement supports the Series 2022 Bonds, or by other factors, as determined by the Authorized Officers in consultation with the City’s financial and legal consultants as being in the best interests of the City.

SECTION 5. Approval of the First Amendment to Site Lease. The form of the First Amendment to Site Lease, in order to amend the 2019 Site Lease, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver the First Amendment to Site Lease in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 6. Approval of the First Amendment to Facility Lease. The form of First Amendment to Facility Lease, in order to amend the 2019 Facility Lease, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver the First Amendment to Facility Lease in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 7. Approval of the Contract of Purchase. The City is hereby authorized to enter into the Contract of Purchase and each Authorized Officer is hereby authorized and directed to execute and deliver the Contract of Purchase on behalf of the City, in substantially the form presented to this meeting, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer shall approve in consultation with the City’s financial and legal consultants, which approval shall be conclusively evidenced by the execution and delivery thereof; provided, that the underwriting discount payable by the City pursuant to the Contract of Purchase shall not exceed 0.325% of the aggregate principal amount of the Series

2022 Bonds and the true interest cost of the Series 2022A Bonds and the Series 2022B Bonds shall not exceed 6.0% and 7.0%, respectively.

SECTION 8. Approval of Official Statement. The Preliminary Official Statement is hereby approved and the same may be used and is hereby authorized to be used and distributed in the market by the Underwriter incident to the marketing of the Series 2022 Bonds. Each Authorized Officer is hereby authorized to (a) make such changes in such form of the Preliminary Official Statement as such officer, in consultation with the City's financial and legal consultants and the Underwriter, shall determine to be appropriate, and (b) on behalf of the City, to deem such Preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). Each Authorized Officer is authorized and directed to prepare a final Official Statement, with such additional information as may be permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, which final Official Statement shall be executed and delivered in the name and on behalf of the City by an Authorized Officer, and such Authorized Officer is authorized and directed to prepare, execute and deliver in the name and on behalf of the City any supplemental filings related to such final Official Statement.

SECTION 9. Approval of Continuing Disclosure Agreement. The form of Continuing Disclosure Agreement presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver the Continuing Disclosure Agreement in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 10. Other Acts. The officers and staff of the City are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any and all documents, which in consultation with the City Attorney or with Nixon Peabody LLP, as bond counsel, they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and any and all such actions previously taken by such officers or staff members are hereby ratified and confirmed. Any one of the Authorized Officers is hereby authorized and directed, for and in the name and on behalf of the City, to evaluate and select one or more municipal bond insurers for all or any portion of the Series 2022 Bonds and to execute and deliver such contracts and agreements with such bond insurers as may be approved by the Authorized Officer executing the same, subject to the provisions of this Resolution, such approval to be conclusively evidenced by such execution and delivery.

SECTION 11. Effective Date. This Resolution shall take effect upon adoption.

PASSED and ADOPTED this _____, 2022.

Mayor

ATTESTED:

City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF OXNARD FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF (I) NOT TO EXCEED \$36,000,000 OF CITY OF OXNARD PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2022A (TAX-EXEMPT), AND (II) NOT TO EXCEED \$9,000,000 OF CITY OF OXNARD FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2022B (FEDERALLY TAXABLE); APPROVING THE EXECUTION AND DELIVERY OF VARIOUS RELATED DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS; AND OTHER MATTERS RELATED THERETO

WHEREAS, the City of Oxnard Financing Authority (the “Authority”) was established for the purpose, among others, of providing for the financing of public capital improvements for the City of Oxnard (the “City”); and

WHEREAS, the City desires to finance certain street improvement projects throughout the City (the “Street Improvement Project”); and

WHEREAS, the City has previously entered into a Lease/Purchase Agreement, dated as of August 1, 2012 (the “2012 Lease”), by and between the City and the Authority, of which \$2,303,516 of principal component are currently outstanding; and

WHEREAS, the Authority and the City have determined, that it is necessary and desirable in order to finance the Street Improvement Project and refund the 2012 Lease, to authorize the issuance, sale and delivery of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”), in the aggregate principal amount of not to exceed \$36,000,000; and

WHEREAS, the City desires to finance certain costs related to the second phase of implementation of a Software as a Service Agreement between the City and Tyler Technologies, Inc. (the “ERP Project,” and together with the Street Improvement Project, the “Projects”); and

WHEREAS, the Authority and the City have determined, that it is necessary and desirable in order to finance the ERP Project to authorize the issuance, sale and delivery of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable) (the “Series 2022B Bonds,” and together with the Series 2022A Bonds, the “Series 2022 Bonds”) in the aggregate principal amount of not to exceed \$9,000,000; and

WHEREAS, the City has, prior to the consideration of this resolution, held a public hearing on the financing of the Projects with the proceeds of the issuance of the applicable series of Series 2022 Bonds in accordance with Section 6586.5 of the Marks-Roos Local Bond

Pooling Act of 1985, commencing with Section 6584 of the California Government Code (the “Act”); and

WHEREAS, notice of such hearing was published once in a newspaper of general circulation in the City, at least five days prior to the hearing in accordance with Section 6586.5 of the Act; and

WHEREAS, in connection with the issuance of the Series 2022 Bonds, the Authority desires to approve the form and distribution of a preliminary official statement (the “Preliminary Official Statement”); and

WHEREAS, the Authority also desires to approve in connection with the sale of the Series 2022 Bonds, the form of a Contract of Purchase (the “Contract of Purchase”) by and among the Authority, the City and Stifel, Nicolaus & Company, Incorporated (the “Underwriter”); and

WHEREAS, in connection with the issuance of the Authority’s Lease Revenue Bonds, Series 2019A (Federally Taxable), the Authority has previously entered into the following agreements:

(a) the Indenture, dated as of December 1, 2019 (the “2019 Indenture”), among the Authority, the City and Computershare Trust Company, N.A., as successor trustee (the “Trustee”);

(b) the Site Lease, dated as of December 1, 2019 (the “2019 Site Lease”) between the City and the Authority;

(c) the Facility Lease, dated as of December 1, 2019 (the “2019 Facility Lease”) between the City and the Authority;

(d) the Assignment Agreement, dated as of December 1, 2019 (the “2019 Assignment Agreement”) between the Authority and the Trustee;

WHEREAS, there have been presented to this meeting the proposed forms of the following documents:

(a) the First Supplement to Indenture, dated as of November 1, 2022 (the “First Supplement to Indenture”), among the Authority, the City and the Trustee;

(b) the First Amendment to Site Lease, dated as of November 1, 2022 (the “First Amendment to Site Lease”) between the City and the Authority;

(c) the First Amendment to Facility Lease, dated as of November 1, 2022 (the “First Amendment to Facility Lease”) between the City and the Authority;

(d) the First Amendment to Assignment Agreement, dated as of November 1, 2022 (the “First Amendment to Assignment Agreement”) between the Authority and the Trustee;

- (e) the Preliminary Official Statement; and
- (f) the Contract of Purchase;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY OF OXNARD FINANCING AUTHORITY AS FOLLOWS:

SECTION 1. Approval of Issuance of Series 2022A Bonds by the Authority. The issuance of the Series 2022A Bonds by the Authority on the terms and conditions set forth in, and subject to the limitations specified in the 2019 Indenture, as supplemented by the First Supplement to Indenture, and this Resolution, is hereby approved; provided, however, that (i) the aggregate principal amount of Series 2022A Bonds shall not exceed \$36,000,000, and (ii) the maturity of the Series 2022A Bonds shall not exceed June 1, 2052.

SECTION 2. Approval of Issuance of Series 2022B Bonds by the Authority. The issuance of the Series 2022B Bonds by the Authority on the terms and conditions set forth in, and subject to the limitations specified in the 2019 Indenture, as supplemented by the First Supplement to Indenture, and this Resolution, is hereby approved; provided, however, that (i) the aggregate principal amount of Series Series 2022B Bonds shall not exceed \$9,000,000, and (ii) the maturity of the Series Series 2022B Bonds shall not exceed June 1, 2042.

SECTION 3. Approval of the First Supplement to Indenture. The form of the First Supplement to Indenture, in order to supplement the 2019 Indenture, presented at this meeting is hereby approved and the Chairman, the Vice Chairman, the Executive Director, the Controller, the Secretary of the Authority (each an “Authorized Officer”) are hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute, acknowledge and deliver the First Supplement to Indenture in substantially the form presented at this meeting with such changes therein as the officers executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The City Manager of the City shall serve as the Executive Director of the Authority.

SECTION 4. Approval of the First Amendment to Site Lease. The form of the First Amendment to Site Lease, in order to amend the 2019 Site Lease, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute, acknowledge and deliver the First Amendment to Site Lease in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 5. Approval of the First Amendment to Facility Lease. The form of the First Amendment to Facility Lease, in order to amend the 2019 Facility Lease, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute, acknowledge and deliver the First Amendment to Facility Lease in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 6. Approval of the First Amendment to Assignment Agreement. The form of the First Amendment to Assignment Agreement, in order to amend the 2019 Assignment Agreement, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute, acknowledge and deliver the First Amendment to Assignment Agreement in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 7. Approval of the Contract of Purchase. The Authority is hereby authorized to enter into the Contract of Purchase and each Authorized Officer is hereby authorized and directed to execute and deliver the Contract of Purchase on behalf of the Authority, in substantially the form presented to this meeting, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer shall approve in consultation with the Authority's financial and legal consultants, which approval shall be conclusively evidenced by the execution and delivery thereof; provided, that the underwriting discount payable pursuant to the Contract of Purchase shall not exceed 0.325% of the aggregate principal amount of the Series 2022 Bonds and the true interest cost of the Series 2022A Bonds and the Series 2022B Bonds shall not exceed 6.0% and 7.0%, respectively.

SECTION 8. Approval of Official Statement. The Preliminary Official Statement is hereby approved and the same may be used and is hereby authorized to be used and distributed in the market by the Underwriter incident to the marketing of the Series 2022 Bonds. Each Authorized Officer is hereby authorized to (a) make such changes in such form of the Preliminary Official Statement as such officer, in consultation with the Authority's financial and legal consultants and the Underwriter, shall determine to be appropriate, and (b) on behalf of the Authority, to deem such Preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). Each Authorized Officer is authorized and directed to prepare a final Official Statement, with such additional information as may be permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, which final Official Statement shall be executed and delivered in the name and on behalf of the Authority by an Authorized Officer, and such Authorized Officer is authorized and directed to prepare, execute and deliver in the name and on behalf of the Authority any supplemental filings related to such final Official Statement.

SECTION 9. SB 1029 Representation. The Authority adopts and approves the Good Faith Estimates required by Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) ("SB 450") and obtained by the City from the Underwriter and the Municipal Advisor.

The Authority confirms, that to the extent applicable, it adopts the City's stated debt management policies required by Senate Bill 1029 ("SB 1029"), and further represents that it is in compliance with the applicable SB 1029 pre-issuance requirements and that it expects to comply with all post-issuance requirements of SB 1029 applicable to the Series 2022 Bonds.

SECTION 10. Other Acts. The officers and staff of the Authority are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any

and all documents, which in consultation with Authority Counsel and with Nixon Peabody LLP, the Authority's bond counsel, they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and any and all such actions previously taken by such officers or staff members are hereby ratified and confirmed. Any one of the Authorized Officers is hereby authorized and directed, for and in the name and on behalf of the Authority, to evaluate and select one or more municipal bond insurers for all or any portion of the Series 2022 Bonds and to execute and deliver such contracts and agreements with such bond insurers as may be approved by the Authorized Officer executing the same, subject to the provisions of this Resolution, such approval to be conclusively evidenced by such execution and delivery.

SECTION 11. Effective Date. This Resolution shall take effect upon adoption.

PASSED and ADOPTED this _____, 2022.

Chairman

ATTESTED:

Secretary

City of Oxnard Financing Authority

\$ _____ Lease Revenue Bonds, Series 2022A (Tax-Exempt)	\$ _____ Lease Revenue Bonds, Series 2022B (Federally Taxable)
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_____, 2022

CONTRACT OF PURCHASE

City of Oxnard Financing Authority
300 West Third Street
Oxnard, California 93030
Attention: Finance Department

City of Oxnard
300 West Third Street
Oxnard, California 93030
Attention: Finance Department

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) offers to enter into this Contract of Purchase (this “Purchase Contract”) with the City of Oxnard (the “City”) and the City of Oxnard Financing Authority (the “Authority”) with regard to the Bonds described below, which Purchase Contract, upon the acceptance hereof by the City and the Authority, will be binding upon the Authority, the City, and the Underwriter. This offer is made subject to the written acceptance of this Purchase Contract by the Authority and the City and the delivery of such acceptance to the Underwriter at or prior to 11:59 p.m., Pacific time, on the date hereof, and, if it is not so accepted, such offer may be withdrawn by the Underwriter upon written notice to the City and the Authority by the Underwriter at any time before its acceptance.

Each of the Authority and the City acknowledges and agrees that (i) the purchase and sale of the Bonds (as defined below) pursuant to this Purchase Contract is an arm’s-length commercial transaction between the Authority and the City, collectively, and the Underwriter, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent or fiduciary of the Authority or the City, (iii) the Underwriter has not assumed an advisory or a fiduciary responsibility in favor of the Authority or the City with respect to the offering contemplated hereby or the discussions, undertakings, and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Authority or the City on other matters) and the Underwriter has no obligation to the Authority or the City with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase

Contract, and (iv) the Authority and the City have consulted their own legal, financial, and other advisors to the extent they have deemed appropriate.

1. Upon the terms and conditions and upon the basis of the representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the Authority for reoffering to the public, and the Authority hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the \$_____ aggregate principal amount of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “2022A Bonds”) and the \$_____ aggregate principal amount of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable) (the “2022B Bonds” and together with the 2022A Bonds, the “Bonds”). The purchase price of the 2022A Bonds shall be \$_____ (representing the par amount of the 2022A Bonds, less original issue discount of \$_____, and less an Underwriter’s discount of \$_____). The purchase price of the 2022B Bonds shall be \$_____ (representing the par amount of the 2022B Bonds, less an Underwriter’s discount of \$_____). [As an accommodation to the Authority, the Underwriter shall wire directly to the Insurer (defined below) \$_____ representing the premium with respect to the Policy (defined below) and the Reserve Policy (defined below). The Preliminary Official Statement with respect to the Bonds, dated _____, 2022 (the “Preliminary Official Statement”), as amended to conform to the terms of this Purchase Contract, and dated the date hereof, and with such changes and amendments as are mutually agreed to by the Authority, the City, and the Underwriter, including the cover page, the appendices, and all information incorporated therein by reference, is herein collectively referred to as the “Official Statement.” The Authority represents that it has deemed the Preliminary Official Statement to be final as of its date, except for information regarding the Insurer, the Policy and the Reserve Policy, either revision or addition of the offering price(s), yield(s) to maturity, selling compensation, aggregate denominational amount and maturity value, denominational amount and maturity value per maturity, delivery date, rating(s), and other terms of the Bonds that depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Rule”), by delivering a certificate to the Underwriter substantially in the form of Exhibit B attached hereto.

2. The Bonds shall mature on the dates and in the amounts, will bear interest at the rates and be subject to redemption, as set forth in Exhibit A hereto and as further described in the Official Statement. The Bonds shall be issued under and pursuant to the Indenture, dated as of December 1, 2019 (the “Original Indenture”), as supplemented by the First Supplement to Indenture, dated as of _____ 1, 2022 (the “First Supplemental Indenture,” and together with the Original Indenture, the “Indenture”), each by and among the Authority, the City, and Computershare Trust Company, N.A. (the “Trustee”). The Bonds shall be secured by Revenues on a parity with the Authority’s outstanding Lease Revenue Bonds, Series 2019A (Federally Taxable) (the “2019 Bonds”). The Bonds shall be insured under a municipal bond insurance policy (the “Policy”) from _____ (the “Insurer”). Additionally, the reserve fund for the Bonds shall be funded with a debt service reserve fund surety policy (the “Reserve Policy”) to be issued by the Insurer. Capitalized terms used herein without definition shall have the meanings given to such terms in the Indenture.

3. The Underwriter shall make a bona fide public offering of all the Bonds at not in excess of the respective initial public offering prices to be set forth on the inside cover page of the Official Statement. The Underwriter reserves the right to change such initial offering prices as the Underwriter deems necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing such bonds into investment trusts) and others

at prices lower than the initial offering prices set forth on the inside cover page of the Official Statement. The Underwriter also reserves the right to (i) overallocate or effect transactions that stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time. "Public offering" shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold.

4. The Authority hereby authorizes the use by the Underwriter of (i) the Indenture, (ii) the Facility Lease, dated as of December 1, 2019 (the "Original Facility Lease"), as amended by the First Amendment to Facility Lease, dated as of _____ 1, 2022 (the "First Amendment to Facility Lease" and together with the Original Facility Lease, the "Facility Lease"), each by and between the Authority and the City, (iii) the Site Lease, dated as of December 1, 2019 (the "Original Site Lease"), as amended by the First Amendment to Site Lease, dated as of _____ 1, 2022 (the "First Amendment to Site Lease, and together with the Original Site Lease, the "Site Lease"), each by and between the Authority and the City, (iv) the Continuing Disclosure Certificate, dated as of the Closing Date (the "Continuing Disclosure Certificate"), executed by the City and acknowledged and accepted by the dissemination agent named therein, (v) the Assignment Agreement, dated as of December 1, 2019 (the "Original Assignment Agreement"), as amended by the First Amendment to Assignment Agreement, dated as of _____ 1, 2022 (the "First Amendment to Assignment Agreement, and together with the Original Assignment Agreement, the "Assignment Agreement") each by and between the Authority and the Trustee, and (vi) the Official Statement, and any supplements or amendments thereto, and the information contained in each of such documents, in connection with the public offering and sale of the Bonds. The Authority consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds.

The Authority will deliver to the Underwriter, within seven (7) business days after the date of this Purchase Contract and in sufficient time to accompany any confirmation requesting payment from any customers of the Underwriter, copies of the Official Statement in final form (including all documents incorporated by reference therein) and any amendment or supplement thereto in such quantities as the Underwriter may reasonably request in order to comply with the obligations of the Underwriter pursuant to the Rule and the rules of the Municipal Securities Rulemaking Board. As soon as practicable following receipt thereof from the Authority, the Underwriter shall deliver the Official Statement to the Municipal Securities Rulemaking Board.

5. At 8:00 a.m., Los Angeles time, on _____, 2022, or at such other time or on such other business day as shall have been mutually agreed upon by the Authority and the Underwriter (the "Closing Date"), the Authority will cause the Trustee to authenticate and deliver to the Underwriter at the office of The Depository Trust Company ("DTC") in New York, New York, or at such other place as the Authority and the Underwriter may mutually agree upon, the Bonds in fully-registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds by wire transfer payable in immediately available funds to or upon the order of the Authority at such place in Los Angeles, California, or New York, New York, as shall have been mutually agreed upon by the Authority and the Underwriter. Such delivery of and payment for the Bonds is referred to herein as the "Closing." The Bonds shall be made available for inspection by the Underwriter at least one business day before the Closing.

6. The Authority represents, warrants, and covenants to the Underwriter that:

(a) The Authority is a joint powers authority under Article 1 of Chapter 5 of Division 7 of Title 1 of the California Government Code duly organized and validly existing under and by virtue of the Constitution and the laws of the State of California (the “State”).

(b) The Authority has the legal right and power to issue and deliver the Bonds and to execute and deliver, and to perform its obligations under, the Indenture, the Facility Lease, the Site Lease, the Assignment Agreement and this Purchase Contract (collectively, the “Authority Documents”). The Authority has duly authorized the issuance and delivery of the Bonds and the execution and delivery of, and performance of its obligations under, the Authority Documents and, as of the date hereof, such authorizations are in full force and effect and have not been amended, modified, or rescinded. When executed and delivered by the respective parties thereto, the Authority Documents will constitute legal, valid, and binding obligations of the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws, the application of equitable principles relating to or affecting creditors’ rights generally, the exercise of judicial discretion in appropriate cases, and the limitations on legal remedies against joint powers authorities in the State. The Authority has complied, and will at the Closing be in compliance in all respects, with its obligations under the Authority Documents.

(c) The Bonds will be paid from Revenues consisting primarily of Base Rental Payments, as defined in and pursuant to the Facility Lease, which payments have been duly and validly authorized pursuant to applicable law.

(d) The Bonds will be issued in accordance with the Indenture and will conform in all material respects to the descriptions thereof contained in the Official Statement. The Indenture creates a valid pledge of, first lien upon, and security interest in, the pledged Revenues (including the Base Rental Payments).

(e) The information in the Preliminary Official Statement (excluding any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy), as of its date, was true and correct in all material respects, and the information in the Preliminary Official Statement, as of its date, did not contain any misstatement of any material fact and did not omit any statement necessary to make the statements, in the light of the circumstances in which such statements were made, not misleading.

(f) The information in the Official Statement (excluding any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy) is true and correct in all material respects, and the information in the Official Statement does not contain any misstatement of any material fact and does not omit any statement necessary to make the statements, in the light of the circumstances in which such statements were made, not misleading.

(g) The Authority covenants with the Underwriter that for twenty-five days after the Closing Date (the “Delivery Period”), if any event occurs that might or would cause the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority shall notify the Underwriter thereof, and if in the opinion of the Underwriter such event requires the preparation and

publication of a supplement or amendment to the Official Statement, the Authority will cooperate with the Underwriter and the City in the preparation of an amendment or supplement to the Official Statement, at the expense of the Authority and the City, in a form and in a manner approved by the Underwriter.

(h) The Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale, or distribution of the Bonds.

(i) If the Official Statement is supplemented or amended, the Official Statement, as so supplemented or amended, as of the date of such supplement or amendment, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) The Authority is not in breach of or in default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, consent, or other agreement to which the Authority is a party, and no event has occurred and is continuing that, with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any of the foregoing.

(k) The authorization, execution, and delivery by the Authority of the Authority Documents, and compliance by the Authority with the provisions thereof, do not and will not conflict with or constitute a breach of or default by the Authority under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, consent, or other agreement to which it is bound or by which its properties may be affected.

(l) No authorization, consent, or approval of, or filing or registration with, any Governmental Authority (as defined below) or court is, or under existing requirements of law will be, necessary for the valid execution and delivery of, or performance by the Authority of its obligations under, the Authority Documents, other than any authorization, consent, approval, filing, or registration as may be required under the Blue Sky or securities laws of any state in connection with the offering, sale, or issuance of the Bonds. All authorizations, consents, or approvals of, or filings or registrations with, any Governmental Authority or court necessary for the valid issuance of, and performance by the Authority of its obligations under, the Bonds will have been duly obtained or made prior to the issuance of the Bonds (and disclosed to the Underwriter). As used herein, the term "Governmental Authority" refers to any legislative body or governmental official, department, commission, board, bureau, agency, instrumentality, body, or public benefit corporation.

(m) The Authority shall furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and shall use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the Authority shall not be

required to execute a general consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(n) There is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body, pending and served upon the Authority or, to the best knowledge of the Authority, threatened (i) in any way questioning the existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) affecting, contesting, or seeking to prohibit, restrain, or enjoin the issuance of the Bonds or the execution or delivery of any of the Authority Documents, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the Authority Documents or the consummation of the transactions contemplated thereby or any proceeding of the Authority taken with respect to any of the foregoing, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the Authority and its authority to pledge the Base Rental Payments; (iii) that may result in any material adverse change relating to the Authority that will materially adversely affect the Authority's ability to apply Revenues to pay the Bonds when due; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(o) Other than in the ordinary course of its business or as contemplated by the Official Statement, between the date of this Purchase Contract and the Closing Date the Authority will not, without the prior written consent of the Underwriter, offer or issue any certificates, bonds, notes, or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Revenues.

(p) Any certificate signed by any official or other representative of the Authority and delivered to the Underwriter pursuant to this Purchase Contract shall be deemed a representation and warranty by the Authority to the Underwriter as to the truth of the statements therein made.

7. The City represents, warrants, and covenants to the Underwriter that:

(a) The City is a municipal corporation of the State duly organized and validly existing under and by virtue of the Constitution and laws of the State and has the legal right and power to execute, deliver, and perform its obligations under the Indenture, the Facility Lease, the Site Lease, the Continuing Disclosure Certificate, the Escrow Agreement, dated _____ 1, 2022 (the "Escrow Agreement"), by and between the City and the Trustee, as prior trustee and escrow agent, related to the City of Oxnard Financing Authority Revenue Project and Refunding Bonds, Series 2014 (the "2014 Bonds"), and this Purchase Contract (collectively, the "City Documents").

(b) The City has the legal right and power to execute and deliver, and to perform its obligations under, the City Documents. The City has duly authorized the execution and delivery of, and the performance of its obligations under, the City Documents and as of the date hereof such authorizations are in full force and effect and have not been amended, modified, or rescinded. When executed and delivered by the respective parties thereto, the City Documents will constitute legal, valid, and binding obligations of the City in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws,

the application of equitable principles relating to or affecting creditors' rights generally, the exercise of judicial discretion in appropriate cases, and the limitations on legal remedies against cities in the State. The City has complied, and will at the Closing be in compliance in all respects, with its obligations under the City Documents.

(c) The Bonds will be paid from Revenues consisting primarily of Base Rental Payments, as defined in and pursuant to the Facility Lease, which payments have been duly and validly authorized pursuant to applicable law.

(d) The Bonds will be issued in accordance with the Indenture and will conform in all material respects to the descriptions thereof contained in the Official Statement. The Indenture creates a valid pledge of, first lien upon, and security interest in, the pledged Revenues (including the Base Rental Payments).

(e) The information in the Preliminary Official Statement (excluding any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy), as of its date, was true and correct in all material respects, and the information in the Preliminary Official Statement, as of its date, did not contain any misstatement of any material fact and did not omit any statement necessary to make the statements, in the light of the circumstances in which such statements were made, not misleading.

(f) The information in the Official Statement (excluding any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy) is true and correct in all material respects, and the information in the Official Statement does not contain any misstatement of any material fact and does not omit any statement necessary to make the statements, in the light of the circumstances in which such statements were made, not misleading.

(g) To assist the Underwriter in complying with the Rule, the City will undertake, pursuant to the Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. The Official Statement describes the incidences during the last five years in which the City and its related entities have failed to comply with previous undertakings to provide annual continuing disclosure reports and notices of material events.

(h) The City covenants with the Underwriter that, during the Delivery Period, if any event occurs that might or would cause the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter thereof, and if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will cooperate with the Underwriter and the Authority in the preparation of an amendment or supplement to the Official Statement, at the expense of the Authority and the City, in a form and in a manner approved by the Underwriter.

(i) The City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or

otherwise affecting the use of the Official Statement in connection with the offering, sale, or distribution of the Bonds.

(j) If the Official Statement is supplemented or amended, the Official Statement as so supplemented or amended, as of the date of such supplement or amendment, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) The City is not in breach of or in default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, consent, or other agreement to which the City is a party, and no event has occurred and is continuing that, with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any of the foregoing.

(l) The authorization, execution, and delivery by the City of the City Documents, and compliance by the City with the provisions thereof, do not and will not conflict with or constitute a breach of or default by the City under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, consent, or other agreement to which it is bound or by which its properties may be affected.

(m) No authorization, consent, or approval of, or filing or registration with, any Governmental Authority or court is, or under existing requirements of law will be, necessary for the valid execution and delivery of, or performance by the City of its obligations under, the City Documents, other than any authorization, consent, approval, filing, or registration as may be required under the Blue Sky or securities laws of any state in connection with the offering, sale, or issuance of the Bonds.

(n) The City will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the City shall not be required to execute a general consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(o) There is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body, pending and served upon the City or, to the best knowledge of the City, threatened (i) in any way questioning the existence of the City or the titles of the officers of the City to their respective offices; (ii) affecting, contesting, or seeking to prohibit, restrain, or enjoin the issuance of the Bonds or the execution or delivery of any of the City Documents, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the City Documents or the consummation of the transactions contemplated thereby or any proceeding of the City taken with respect to any of the foregoing, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the City and its authority to pledge the Base Rental Payments; (iii) that may result in any material adverse change relating to the City that will materially adversely affect the City's ability to pay Base Rental Payments when due; or

(iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(p) Other than in the ordinary course of its business or as contemplated by the Official Statement, between the date of this Purchase Contract and the Closing Date the City will not, without the prior written consent of the Underwriter, offer or issue any certificates, bonds, notes, or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by the same source of funds from which Base Rental Payments are to be paid.

(q) The financial statements of, and other financial information regarding, the City contained in the Official Statement fairly present the financial position and results of the operations of the City as of the dates and for the periods therein set forth, and, to the best of the City's knowledge, (i) the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, (ii) the unaudited financial statements have been prepared on a basis substantially consistent with the audited financial statements included in the Official Statement and reflect all adjustments necessary to that effect, and (iii) the other financial information has been determined on a basis substantially consistent with that of the City's audited financial statements included in the Official Statement.

(r) The Official Statement describes the incidences during the last five years in which the City and the City's related entities have failed to comply with previous undertakings to provide annual continuing disclosure reports and notices of material events.

(s) Any certificate signed by any official or other representative of the City and delivered to the Underwriter pursuant to this Purchase Contract shall be deemed a representation and warranty by the City to the Underwriter as to the truth of the statements therein made.

8. The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties, and covenants of the Authority and the City contained herein and in the Authority Documents and City Documents to which each of the Authority or the City, as applicable, is a party, and the performance by the Authority and the City of their respective obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Purchase Contract are and shall be subject to the following further conditions:

(a) The representations and warranties of the Authority and the City contained herein shall be true, complete, and correct in all material respects on the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete, and correct in all material respects at the Closing; the Authority and the City shall be in compliance with each of the agreements made by it in this Purchase Contract (unless such agreements are waived by the Underwriter); there shall not have occurred an adverse change in the financial position, results of operations, or financial condition of the City that materially adversely affects the ability of the City to pay Base Rental Payments when due or otherwise perform any of its obligations under the City Documents; and there shall not have occurred an adverse change in the financial position of the Authority that materially adversely affects the ability of the Authority to make payments of principal

of and interest on the Bonds when due or otherwise perform any of its obligations under the Authority Documents.

(b) At the time of the Closing, the Authority Documents and the City Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented (except as may be agreed to in writing by the Underwriter); all actions that, in the opinion of Nixon Peabody LLP, Los Angeles, California, Bond Counsel (“Bond Counsel”), shall be necessary in connection with the transactions contemplated hereby shall have been duly taken and shall be in full force and effect; and the City shall perform or shall have performed its obligations required under or specified in the City Documents to be performed at or prior to the Closing and the Authority shall perform or shall have performed its obligations required under or specified in the Authority Documents to be performed at or prior to the Closing.

(c) At the time of the Closing, the Official Statement (as amended and supplemented) shall be true and correct in all material respects, and shall not omit any statement or information necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) Except as disclosed in the Official Statement or in a schedule delivered to the Underwriter at the Closing, no decision, ruling, or finding shall have been entered by any court or Governmental Authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside) that has any of the effects described in Section 8(f) hereof.

(e) (i) No default by the City or the Authority shall have occurred and be continuing in the payment of the principal of or premium, if any, or interest on any bond, note, or other evidence of indebtedness issued by the City or the Authority, respectively, and (ii) no bankruptcy, insolvency, or other similar proceeding in respect of the City or the Authority shall be pending or, to the knowledge of the City or the Authority, contemplated.

(f) The Underwriter may terminate this Purchase Contract by written notification to the Authority and the City if at any time after the date hereof and prior to the Closing:

(i) legislation shall have been enacted by the United States or the State or shall have been reported out of committee or be pending in committee, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation, proposed regulation, or a temporary regulation shall have been published in the Federal Register or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to Federal or State taxation upon revenues or other income or payments of the general character to be derived by the City or upon interest received on obligations of the general character of the Bonds, which, in the reasonable opinion of the Underwriter (after consultation with, and receipt of advice from, the City), materially adversely affects the market for the Bonds; or

(ii) in the reasonable opinion of the Underwriter (after consultation with, and receipt of advice from, the City or its municipal advisor), any of the following events materially adversely affects the market for the Bonds: (a) the United States shall have become engaged in hostilities that have resulted in a declaration of war or

a national emergency or the President of the United States of America shall have committed the armed forces of the United States of America to combat so as to adversely affect the financial markets in the United States of America, (b) any other calamity or crisis in the financial markets of the United States or elsewhere, (c) the sovereign debt rating of the United States is downgraded by any major credit rating agency or a payment default occurs on United States Treasury obligations, or (d) a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against, any state of the United States or any city, county, or other political subdivision located in the United States having a population of over 500,000; or

(iii) there shall have occurred a general suspension of trading on the New York Stock Exchange or other major exchange, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission or any other Governmental Authority having jurisdiction, or a general banking moratorium shall have been declared by Federal, California, or New York authorities having jurisdiction and being in force; or

(iv) there shall have occurred an adverse change in the financial position, results of operations, or financial condition of the City that, in the reasonable opinion of the Underwriter (after consultation with, and receipt of advice from, the City), materially adversely affects the market for the Bonds; or

(v) any legislation, ordinance, rule, or regulation shall be introduced in, or be enacted by, any governmental body, department, or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered that, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(vi) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation, or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, or sale of obligations of the general character of the Bonds, or the issuance, offering, or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(vii) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, which restrictions materially adversely affect the ability of underwriters to trade obligations of the general character of the Bonds; or

(viii) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Authority's or the City's obligations secured in a like manner, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

(ix) the commencement of any action, suit, or proceeding described in Section 6(n) or 7(o) that, in the judgment of the Underwriter, materially adversely affects the market price of the Bonds; or

(x) any event occurring, or information becoming known that, in the reasonable judgment of the Underwriter, makes any statement or information contained in the Official Statement, as of its date, untrue in any material adverse respect, or has the effect that the Official Statement, as of its date, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) At or prior to the Closing, the Underwriter shall receive the following documents:

(1) the opinion of Bond Counsel, dated the Closing Date, in substantially the form included in the Official Statement as Appendix D, addressed to the Authority (and accompanied by reliance letters to the Underwriter, the City, and the Trustee);

(2) a supplemental opinion of Bond Counsel, in form and substance satisfactory to the Underwriter, dated the Closing Date, addressed to the Underwriter, to the effect that:

(ii) this Purchase Contract has been duly executed and delivered by the Authority and the City and (assuming due authorization, execution and delivery by and enforceability against the Underwriter) is valid and binding upon the Authority and the City, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally and to the application of equitable principles;

(iii) the Bonds are not subject to registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(iv) the statements contained in the Official Statement under the captions "INTRODUCTION," "THE BONDS," "THE FINANCING PLAN," "THE REFUNDING PLAN," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS," "TAX MATTERS," "APPENDIX B—SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS," "APPENDIX D—FORM OF BOND COUNSEL OPINION," and "APPENDIX E—FORM OF CONTINUING DISCLOSURE CERTIFICATE," insofar as such statements expressly summarize certain provisions of the Indenture, the Facility Lease, the Site Lease, the Continuing Disclosure

Certificate, the Bonds, and the opinion of Bond Counsel concerning certain federal tax matters relating to the Bonds, are accurate in all material respects; and

(v) the 2014 Bonds have been defeased in accordance with the indenture pursuant to which such bonds were issued;

(3) an opinion of the City Attorney of the City, in form and substance satisfactory to the Underwriter, dated the Closing Date, addressed to the Authority and the Underwriter, to the effect that:

(i) the City is a municipal corporation and general law city duly organized and validly existing under and by virtue of the laws of the State;

(ii) the City has full legal power and lawful authority to enter into the City Documents and to perform its obligations thereunder;

(iii) the resolution of the City approving and authorizing the execution and delivery of the City Documents (the “City Resolution”) was duly adopted at a meeting of the City Council of the City that was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the City Resolution is in full force and effect and has not been modified, amended, or rescinded as of the Closing Date;

(iv) the City Documents have been duly authorized, executed, and delivered by the City and, assuming due authorization, execution, and delivery by the other parties thereto, such documents constitute the legal, valid, and binding agreements of the City enforceable in accordance with their terms, subject to laws relating to bankruptcy, insolvency, or other laws affecting the enforcement of creditors’ rights generally, the application of equitable principles if equitable remedies are sought, the exercise of judicial discretion in appropriate cases, and the limitations on legal remedies against cities in the State;

(v) to the best knowledge of such counsel, the execution and delivery by the City of the City Documents, and compliance by the City with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, or agreement to which the City is subject to or by which it is bound;

(vi) to the best knowledge of such counsel, the Official Statement (excluding therefrom financial statements and other statistical data included in the Official Statement, and any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy, as to which no view need be expressed) does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(vii) except as otherwise disclosed in the Official Statement, to the best knowledge of such counsel after reasonable investigation, there is no action, suit,

proceeding, inquiry, or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body, pending or, to the best knowledge of such counsel, threatened (a) in any way questioning the existence of the City or the titles of the officers of the City to their respective offices; (b) affecting, contesting, or seeking to prohibit, restrain, or enjoin the issuance of the Bonds or the execution or delivery of any of the City Documents, or the payment or collection of any amounts from which the City will pay amounts due under the Lease or revenues or assets of the Authority pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the City Documents or the consummation of the transactions contemplated thereby or any proceeding of the City taken with respect to any of the foregoing, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the City and its authority to pledge the Base Rental Payments; (c) that may result in any material adverse change relating to the City that will materially adversely affect the City's ability to perform its obligations under the City Documents; or (d) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(viii) no authorization, approval, consent, or other order of the State or any other governmental authority or agency within the State having jurisdiction over the City is required for the valid authorization, execution, and delivery by the City of the City Documents;

(4) an opinion of the City Attorney of the City, serving as General Counsel to the Authority, in form and substance satisfactory to the Underwriter, dated the Closing Date, addressed to the City and the Underwriter, to the effect that:

(i) the Authority is a joint powers authority under Article 1 of Chapter 5 of Division 7 of Title 1 of the California Government Code duly organized and validly existing under and by virtue of the Constitution and the laws of the State;

(ii) the Authority has full legal power and lawful authority to enter into the Authority Documents and to perform its obligations thereunder;

(iii) the resolution of the Authority approving and authorizing the execution and delivery of the Authority Documents and approving the Official Statement (the "Authority Resolution") was duly adopted at a regular meeting of the governing board of the Authority that was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Authority Resolution is in full force and effect and has not been modified, amended, or rescinded as of the Closing Date;

(iv) the Authority Documents have been duly authorized, executed, and delivered by the Authority and, assuming due authorization, execution, and delivery by the other parties thereto, such documents constitute the legal, valid,

and binding agreements of the Authority enforceable in accordance with their terms, subject to laws relating to bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally, the application of equitable principles if equitable remedies are sought, the exercise of judicial discretion in appropriate cases, and the limitations on legal remedies against joint powers authorities in the State;

(v) to the best knowledge of such counsel, the execution and delivery by the Authority of the Authority Documents, and compliance by the Authority with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, or agreement to which the Authority is subject to or by which it is bound;

(vi) except as otherwise disclosed in the Official Statement, to the best knowledge of such counsel after reasonable investigation, there is no action, suit, proceeding, inquiry, or investigation at law or in equity, before or by any court, regulatory agency, or public board or body, pending or, to the best knowledge of such counsel, threatened (a) in any way questioning the existence of the Authority or the titles of the officers of the Authority to their respective offices, (b) affecting, contesting, or seeking to prohibit, restrain, or enjoin the issuance of the Bonds or the execution or delivery of any of the Authority Documents, or the payment or collection of Revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the Authority Documents or the consummation of the transactions contemplated thereby or any proceeding of the Authority taken with respect to any of the foregoing, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the Authority and its authority to make the pledges set forth in the Indenture, (c) that may result in any material adverse change relating to the Authority that will materially adversely affect the Authority's ability to perform its obligations under the Authority Documents, or (d) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(vii) no authorization, approval, consent, or other order of the State or any other governmental authority or agency within the State having jurisdiction over the Authority is required for the valid authorization, execution, and delivery by the Authority of the Authority Documents;

(5) a letter from Best Best & Krieger LLP, Riverside, California, disclosure counsel to the Authority ("Disclosure Counsel"), dated the Closing Date, addressed to the Underwriter, to the effect that, based upon its participation in the preparation of the Official Statement as counsel to the Authority and without having undertaken to determine independently the fairness, accuracy, or completeness of the statements contained in the Preliminary Official Statement or the Official Statement, such counsel has no reason to believe that the Preliminary Official Statement as of its date or the Official Statement as of its date and as of the Closing Date (excluding therefrom the reports, financial and statistical data

and forecasts therein, the information with respect to DTC and the book-entry system, the information relating to the Insurer, its Policy and Reserve Policy, and the information included in the Appendices thereto, as to which no view need be expressed) contained or contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(6) a certificate of the City, in form and substance satisfactory to the Underwriter, dated the Closing Date, to the effect that;

(i) the representations and warranties of the City contained in this Purchase Contract are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; and

(ii) there has been no material adverse change in the financial condition or results of operations of the City from the date of the Official Statement to the Closing Date;

(7) a certificate of the Authority, in form and substance satisfactory to the Underwriter, dated the Closing Date, to the effect that;

(i) the representations and warranties of the Authority contained in this Purchase Contract are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; and

(ii) there has been no material adverse change in the financial condition or results of operations of the Authority from the date of the Official Statement to the Closing Date;

(8) a certificate, dated the date of the Preliminary Official Statement, from the Authority, in the form attached hereto as Exhibit B;

(9) an opinion of counsel to the Trustee, dated the Closing Date, addressed to the Underwriter, the Authority, and the City, to the effect that:

(i) the Trustee is a national banking association and is validly existing, duly qualified to do business and in good standing under the laws of each jurisdiction in which the performance of its duties under the Indenture, the Assignment Agreement and the Escrow Agreement (collectively, the "Trustee Documents") would require such qualification and has the requisite power and authority to execute, deliver and perform its obligations under the Trustee Documents;

(ii) the Trustee is duly eligible and qualified to act as Trustee under the Indenture;

(iii) the Trustee has all requisite power, authority and legal right to execute and deliver the Trustee Documents and to perform its obligations under the Trustee Documents, and has taken all necessary corporate action to authorize the

execution and delivery of and the performance of its obligations under the Trustee Documents;

(iv) the Trustee has duly executed and delivered the Trustee Documents. Assuming the due authorization, execution and delivery thereof by the other parties thereto, the Trustee Documents are the legal, valid, and binding agreements of the Trustee enforceable against the Trustee in accordance with their terms, except to the extent enforceability thereof may be subject to (A) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights and remedies heretofore or hereafter enacted, and (B) the application of equitable principles and the exercise of judicial discretion in appropriate cases;

(v) the Bonds have been duly authenticated by the Trustee;

(vi) the execution, delivery and performance of the Trustee Documents by the Trustee and the consummation of the transactions contemplated thereby do not and will not (a) to the knowledge of such counsel, conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, or other agreement or instrument to which the Trustee is a party or by which the Trustee is bound or to which any of the property or assets of the Trustee or any of its subsidiaries is subject, (b) result in any violation of the provisions of the charter, articles of association, by-laws, or applicable resolutions of the Trustee, or (c) to the knowledge of such counsel, result in any violation of any statute or any order, rule, or regulation of any court or government agency or body having jurisdiction over the Trustee or any of its properties or assets; and

(vii) to the knowledge of such counsel, there are no actions, proceedings or investigations pending or threatened against the Trustee before any court, administrative agency or tribunal (a) asserting the invalidity of the Trustee Documents, (b) seeking to prevent the consummation of any of the transactions contemplated thereby, or (c) that might materially and adversely affect the performance by the Trustee of its obligations under, or the validity or enforceability of the Trustee Documents;

(10) a certificate, dated the Closing Date, signed by a duly authorized officer of the Trustee, to the effect that;

(i) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the necessary power to enter into, accept, and administer the trusts created under the Indenture and to authenticate the Bonds;

(ii) the Trustee Documents have been duly authorized, executed, and delivered by a duly authorized officer of the Trustee, and the execution, delivery, and performance of the Trustee Documents has been duly authorized by all necessary action of the Trustee;

(iii) the Trustee Documents constitute the legal, valid, and binding obligations of the Trustee enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought;

(iv) the Bonds have been duly authenticated by a duly authorized officer of the Trustee;

(v) no consent, approval, authorization, or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Trustee Documents or the performance by the Trustee of its duties and obligations under the Trustee Documents;

(vi) the execution and delivery by the Trustee of the Trustee Documents and compliance with the terms thereof will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution, or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order, or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties (except that no representation, warranty, or agreement need be made with respect to any federal or State securities or blue sky laws or regulations);

(vii) the Trustee's action in executing and delivering the Trustee Documents will not contravene the articles or bylaws of the Trustee and is in full compliance with, and does not conflict with, any applicable law or governmental regulation currently in effect, and such action does not conflict with or violate any contract to which the Trustee is a party or any administrative or judicial decision by which the Trustee is bound; and

(viii) there is no action, suit, proceeding, or investigation, at law or in equity, before or by any court or governmental agency, public board, or body that has been served on the Trustee, or to the best knowledge of the Trustee, threatened against the Trustee which in the reasonable judgment of the Trustee would affect the existence of the Trustee or in any way contesting or affecting the validity or enforceability of the Trustee Documents or contesting the powers of the Trustee or its authority to enter into and perform its obligations thereunder;

(11) a letter from Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, counsel to the Underwriter ("Underwriter's Counsel"), dated the Closing Date, addressed to the Underwriter, in form and substance acceptable to the Underwriter;

(12) certified copies of the City Resolution, the Authority Resolution, and an incumbency resolution of the Trustee;

(13) copies each of the Authority Documents, the City Documents, and the Official Statement, duly executed and delivered by the respective parties thereto;

(14) evidence that the insured and underlying ratings on the Bonds of “__” and “__,” respectively, from S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, are in full force and effect on the Closing Date;

(15) copies of the statements with respect to the sale of the Bonds required to be delivered to the California Debt and Investment Advisory Commission;

(16) evidence that a debt management policy which complies Sections 8855 of the California Government Code has been adopted by both the City and the Authority;

(17) a copy of the Blanket Letter of Representations to DTC relating to the Bonds signed by the Authority;

(18) a copy of an ALTA or CLTA title insurance policy in an amount equal to the aggregate principal amount of the Bonds and the outstanding 2019 Bonds, insuring the City’s leasehold interest in the Property, subject only to permitted encumbrances or such other encumbrances approved in writing by the Underwriter;

(19) evidence satisfactory to the Underwriter of the issuance of the Policy by the Insurer;

(20) evidence satisfactory to the Underwriter that the Trustee shall have received the Reserve Policy from the Insurer;

(21) an opinion of counsel to the Insurer, in form and substance satisfactory to the Underwriter, Bond Counsel and Underwriter’s Counsel, with respect to, among other matters, the Policy and the Reserve Policy, and disclosures relating thereto and to the Insurer in the Official Statement;

(22) a certificate of the Insurer, in form and substance satisfactory to the Underwriter, Bond Counsel, and Underwriter’s Counsel, with respect to, among other matters, the Policy and the Reserve Policy;

(23) a tax and no-default certificate of the Insurer, in form and substance satisfactory to the Underwriter, Bond Counsel and Underwriter’s Counsel;

(24) an arbitrage certificate with respect to the 2022A Bonds in form satisfactory to Bond Counsel;

(25) evidence that Federal Form 8038-G with respect to the 2022A Bonds has been executed by the Authority and will be filed with the Internal Revenue Service.

(26) a verification report from Causey Demgen & Moore P.C. dated the Closing Date, in form and substance satisfactory to the Underwriter; and

(27) such additional legal opinions, certificates, proceedings, instruments, and other documents as the Underwriter, Underwriter's Counsel, or Bond Counsel may reasonably request to evidence compliance by the City and the Authority with legal requirements, the accuracy, as of the time of Closing, of the Authority and the City's representations herein contained, and the due performance or satisfaction by the City and the Authority at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City and the Authority.

If the City or the Authority shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and none of the City, the Authority, or the Underwriter shall have any further obligation hereunder.

9.

(a) The Underwriter agrees to assist the Authority in establishing the issue price of the 2022A Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar certificate, together with copies of supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit C, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the 2022A Bonds. All actions to be taken by the Authority under this section to establish the issue price of the 2022A Bonds may be taken on behalf of the Authority by its municipal advisor, NHA Advisors, LLC, San Rafael, California (the "Municipal Advisor") and any notice or report to be provided to the Authority may be provided to the Municipal Advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the Authority will treat the first price at which 10% of each maturity of the 2022A Bonds (the "10% test"), identified under the column "10% Test Used" in Exhibit A, is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the Authority the price or prices at which it has sold to the public each maturity of 2022A Bonds. If at that time the 10% test has not been satisfied as to any maturity of the 2022A Bonds, the Underwriter agrees to promptly report to the Authority the prices at which it sells the unsold 2022A Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all 2022A Bonds of that maturity or (ii) the 10% test has been satisfied as to the 2022A Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Authority or Bond Counsel. For purposes of this section, if 2022A Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the 2022A Bonds.

(c) The Underwriter confirms that it has offered the 2022A Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, identified under the column "Hold the Offering Price Rule Used," as of the date of this Purchase Contract, the maturities, if any, of the 2022A Bonds for which the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of

that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the 2022A Bonds, the Underwriter will neither offer nor sell unsold 2022A Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or

- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the 2022A Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Authority promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the 2022A Bonds to the public at a price that is no higher than the initial offering price to the public.

- (d) The Underwriter confirms that:

- (i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the 2022A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

- (A) to report the prices at which it sells to the public the unsold 2022A Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all 2022A Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the 2022A Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

- (B) to promptly notify the Underwriter of any sales of 2022A Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the 2022A Bonds to the public (each such term being used as defined below), and

- (C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

- (ii) any selling group agreement relating to the initial sale of the 2022A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the 2022A Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold 2022A Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the 2022A Bonds

of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Authority acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the 2022A Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the 2022A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2022A Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the 2022A Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the 2022A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2022A Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the 2022A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2022A Bonds.

(f) The Underwriter acknowledges that sales of any 2022A Bonds to any person that is a related party to an underwriter participating in the initial sale of the 2022A Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party;

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the 2022A Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the 2022A Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the 2022A Bonds to the public);

(iii) a purchaser of any of the 2022A Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the

partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(iv) “sale date” means the date of execution of this Purchase Contract by the Authority and the Underwriter.

10. The performance by each of the Authority and the City of its obligations is conditioned upon (i) the performance by the Underwriter of its obligations hereunder and (ii) receipt by the Authority, the City, and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than Authority and the City.

11. No expenses and costs of the City or the Authority incident to the performance of the Authority’s or the City’s obligations in connection with the authorization, issuance, and sale of the Bonds to the Underwriter, such as the costs of preparation (including word processing, printing, and reproduction), distribution and delivery of the Preliminary Official Statement and the Official Statement, in reasonable quantities, fees of rating agencies, fees and expenses of any municipal advisor to the City, and fees and expenses of Bond Counsel or Disclosure Counsel for the City shall be paid by the Underwriter. Except as indicated above, all out-of-pocket expenses of the Underwriter, including the fees of Underwriter’s counsel, the California Debt and Investment Advisory Commission fee, traveling, and other expenses and the fees and expenses of the Underwriter, shall be paid by the Underwriter.

12. Any notice or other communication to be given to the City under this Purchase Contract may be given by delivering the same in writing to the City of Oxnard, 300 West Third Street, Oxnard, California 93030, Attention: Chief Financial Officer, or to such other person as the Chief Financial Officer may designate in writing. Any notice or other communication to be given to the Authority under this Purchase Contract may be given by delivering the same in writing to the City of Oxnard Financing Authority, 300 West Third Street, Oxnard, California 93030, Attention: Controller, or to such other person as the Controller may designate in writing. Any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, Montgomery Street, 35th Floor, San Francisco, California 94104, Attention: Sara Oberlies Brown, Managing Director. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Authority.

13. For all purposes of this Purchase Contract, a default shall not be deemed to be continuing if it has been cured, waived, or otherwise remedied. This Purchase Contract shall be governed by and construed in accordance with the laws of the State applicable to contracts made and performed within the State.

14. This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

15. This Purchase Contract when accepted by the Authority and the City in writing shall constitute the entire agreement among the City, the Authority, and the Underwriter and is made solely for the benefit of the City, the Authority, and the Underwriter (including the successors or

assigns of the Underwriter approved by the City and the Authority). No other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties, and agreements of the City and the Authority contained in this Purchase Contract shall remain operative and in full force and effect regardless of (a) any investigation made by or on behalf of the Underwriter (but, if the Underwriter does discover by its investigation that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Underwriter shall so notify the City and the Authority); (b) the delivery of and payment for the Bonds; and (c) any termination of this Purchase Contract.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

16. This Purchase Contract shall not be modified or amended without the prior written consent of the Underwriter, the City, and the Authority.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

Managing Director

Accepted at _____ PM as of the date hereof:

CITY OF OXNARD FINANCING
AUTHORITY

By: _____
Authorized Officer

CITY OF OXNARD

By: _____
Authorized Officer

EXHIBIT A

\$ _____

City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)

<i>Maturity Date (June 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Used</i>	<i>Hold the Offering Price Rule Used</i>
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^T Term Bond
C

Redemption Provisions - 2022A Bonds

Optional Redemption. The 2022A Bonds maturing on or before June 1, 20__, are not subject to optional redemption. The 2022A Bonds maturing on or after June 1, 20__ are subject to optional redemption prior to maturity on or after June 1, 20__ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the 2022A Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

Mandatory Sinking Account Redemption. The 2022A Bonds maturing on June 1, ____ (the “Series 2022A Term Bonds”) shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, ____, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such Series 2022A Term Bonds may be purchased by the Authority and tendered to the Trustee:

***Sinking Fund
Redemption Date
(June 1)***

***Principal Amount to be
Redeemed or Purchased***

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. To the extent permitted or required by the Indenture, the 2022A Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022A Bonds plus accrued interest thereon to the date fixed for redemption, without premium.

\$ _____
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022B (Federally Taxable)

<i>Maturity Date (June 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
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^T Term Bond

Redemption Provisions - 2022B Bonds

Optional Redemption. The 2022B Bonds maturing on or before June 1, 20__, are not subject to optional redemption. The 2022B Bonds maturing on or after June 1, 20__ are subject to optional redemption prior to maturity on or after June 1, 20__ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the 2022B Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

Mandatory Sinking Account Redemption. The 2022B Bonds maturing on June 1, ____ (the “Series 2022B Term Bonds”) shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, ____, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such Series 2022B Term Bonds may be purchased by the Authority and tendered to the Trustee:

<i>Sinking Fund Redemption Date (June 1)</i>	<i>Principal Amount to be Redeemed or Purchased</i>
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Extraordinary Redemption from Condemnation Award or Insurance Proceeds. To the extent permitted or required by the Indenture, the 2022B Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the 2022B Bonds plus accrued interest thereon to the date fixed for redemption, without premium.

EXHIBIT B

City of Oxnard Financing Authority

\$ _____ *	\$ _____ *
Lease Revenue Bonds, Series 2022A (Tax-Exempt)	Lease Revenue Bonds, Series 2022B (Federally Taxable)

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents that the undersigned is the duly appointed and acting representative of the City of Oxnard Financing Authority (the “**Authority**”), and as such is duly authorized to execute and deliver this Certificate on behalf of the Authority, and further hereby certifies and reconfirms on behalf of the Authority as follows:

(1) This Certificate is delivered in connection with the offering and sale of the above captioned bonds (the “**Bonds**”) in order to enable the underwriter of the Bonds to comply with Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the “**Rule**”).

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, setting forth information concerning the Bonds, the City of Oxnard and the Authority (the “**Preliminary Official Statement**”).

(3) As used herein, “**Permitted Omissions**” means the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters, all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule, and the information therein is accurate and complete except for the Permitted Omissions.

Dated: _____, 2022

CITY OF OXNARD FINANCING AUTHORITY

By: _____
Authorized Officer

* Preliminary; subject to change.

EXHIBIT I

\$ _____

City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt)

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated (“Stifel”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) Stifel offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Contract of Purchase, dated _____, 2022, by and among Stifel, the City of Oxnard and the Issuer, Stifel has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2022), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the City of Oxnard Financing Authority.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2022.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in a Tax Certificate for the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Nixon Peabody, LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By:_____

Name:_____

Dated: _____, 2022

SCHEDULE A

**SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING
PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES**

(Attached)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

FIRST SUPPLEMENT TO INDENTURE

by and among

**COMPUTERSHARE TRUST COMPANY, N.A.,
as Trustee,**

CITY OF OXNARD

and

CITY OF OXNARD FINANCING AUTHORITY

Dated as of _____, 2022

Relating to the

**\$ _____
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)**

And

**\$ _____
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022B (Federally Taxable)**

TABLE OF CONTENTS

Page

PART 1

PARTICULAR AMENDMENTS

Part 1.1. Amendments to the Indenture.	2
Part 1.2. Amendments to Section 5.01(a) of the Indenture	4
Part 1.3. Amendment to Exhibit A	5

PART 2

ADDITION OF ARTICLE XIII

Part 2.1. Addition of Article XIII	5
--	---

ARTICLE XIII

SERIES 2022A BONDS

Section 13.01. Authorization of Series 2022A Bonds.....	5
Section 13.02. Terms of Series 2022A Bonds.....	5
Section 13.03. Form of Series 2022A Bonds	6
Section 13.04. Execution of Series 2022A Bonds.....	6
Section 13.05. Deposit of Proceeds of Series 2022A Bonds; Other Moneys.....	7
Section 13.06. Redemption of Series 2022A Bonds.....	7
Section 13.07. 2022A Reserve Fund	8
Section 13.08. Insurer Provisions	9

ADDITION OF ARTICLE XIV

Part 2.2. Addition of Article XIV	9
---	---

ARTICLE XIV

SERIES 2022B BONDS

Section 14.01. Authorization of Series 2022B Bonds	9
Section 14.02. Terms of Series 2022B Bonds	9
Section 14.03. Form of Series 2022B Bonds.....	10
Section 14.04. Execution of Series 2022B Bonds	11

TABLE OF CONTENTS
(continued)

	Page
Section 14.05. Deposit of Proceeds of Series 2022B Bonds; Other Moneys	11
Section 14.06. Redemption of Series 2022B Bonds.....	11
Section 14.07. 2022B Reserve Fund.....	12
Section 14.08. Insurer Provisions	13

PART 3

MISCELLANEOUS

Part 3.1. Effect of First Supplement to Indenture	13
Part 3.2. Execution in Counterparts.....	13
Part 3.3. Effective Date.....	13
EXHIBIT A DESCRIPTION OF LEASED PROPERTY	A-1
EXHIBIT B FORM OF BONDS.....	B-1

FIRST SUPPLEMENT TO INDENTURE

THIS FIRST SUPPLEMENT TO INDENTURE (this “First Supplement to Indenture”), is made and entered into as of _____ 1, 2022, by and among COMPUTERSHARE TRUST COMPANY, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as successor trustee (the “Trustee”), the CITY OF OXNARD, a political subdivision duly organized and existing under the laws of the State of California (the “City”), and CITY OF OXNARD FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the “Authority”);

WITNESSETH:

WHEREAS, the City previously leased certain real property and improvements thereon (the “2019 Leased Property”) to the Authority pursuant to a Site Lease, dated as of December 1, 2019 (the “2019 Site Lease”);

WHEREAS, the Authority subleased the 2019 Leased Property back to the City pursuant to a Facility Lease, dated as of December 1, 2019 (the “2019 Facility Lease”);

WHEREAS, the Authority issued its City of Oxnard Financing Authority Lease Revenue Bonds, Series 2019A (Federally Taxable) (the “Series 2019A Bonds”), in the aggregate principal amount of \$27,615,000, pursuant to an Indenture, dated as of December 1, 2019 (the “2019 Indenture” or the “Original Indenture”) by and among the Trustee, as successor trustee to Wells Fargo Bank, National Association, the City and the Authority, and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the Series 2019A Bonds are secured by certain Base Rental Payments, as defined in the 2019 Facility Lease;

WHEREAS, the Original Indenture provides that, subject to the conditions set forth therein, in addition to the Series 2019A Bonds, the Authority may by execution of a Supplemental Indenture without the consent of the Owners, provide for the execution and delivery of Additional Bonds secured by additional Base Rental Payments;

WHEREAS, in connection with the issuance of the City’s \$5,570,838 aggregate principal amount of 2012 Lease/Purchase Financing (the “2012 Lease”), the City previously leased certain real property and improvements thereon (the “2012 Leased Property”) to the Authority pursuant to a Site Lease, dated as of August 1, 2012 (the “2012 Site Lease”);

WHEREAS, the Authority subleased the 2012 Leased Property back to the City pursuant to a Lease/Purchase Agreement, dated as of August 1, 2012 (the “2012 Lease Agreement”);

WHEREAS, the Authority intends to issue its Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”) and its Lease Revenue Bonds, Series 2022B (Federally Taxable) (the “Series 2022B Bonds,” and together with the Series 2022A Bonds, the “Series 2022 Bonds”) pursuant to this First Supplement to Indenture and the Original Indenture

(as so amended the “Indenture”), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the proceeds of the Series 2022A Bonds will be applied by the City to (i) finance certain street improvement projects in the City, (ii) refund all the City’s outstanding 2012 Lease, collectively referred to herein as the “2022A Project” and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds;”

WHEREAS, the proceeds of the Series 2022B Bonds will be applied by the City to (i) finance the second phase of implementation costs of the enterprise resource planning software replacement project, referred to herein as the “2022B Project,” and together with the 2022A Project, the “2022 Projects” and (ii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds;”

WHEREAS, in order to accomplish such 2022 Projects, the Authority and the City are entering into a First Amendment to Site Lease, dated as of _____ 1, 2022, in order to amend the 2019 Site Lease, as so amended, the “2022 Site Lease,” or simply the “Site Lease” (i) to include all of the 2012 Leased Property and certain other additional real property as real property leased to the City, as more particularly described in Exhibit A attached hereto (the “Leased Property”) and (ii) to make certain other modifications in order to provide for the execution and delivery of the Series 2022 Bonds in accordance with the provisions of the Indenture;

WHEREAS, in order to accomplish such 2022 Projects, the Authority and the City are entering into a First Amendment to Facility Lease, dated as of _____ 1, 2022, in order to amend the 2019 Facility Lease, as so amended, the “2022 Facility Lease,” or simply the “Facility Lease” (i) to update the Leased Property, (ii) to increase the amount of Base Rental Payments payable thereunder and (iii) to make certain other modifications in order to provide for the execution and delivery of the Series 2022 Bonds in accordance with the provisions of the Indenture; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this First Supplement to Indenture do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Supplement to Indenture;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties do hereby agree as follows:

PART 1

PARTICULAR AMENDMENTS

Part 1.1. Amendments to the Indenture.

(a) Section 1.01 of the Original Indenture is hereby amended by adding thereto the following definitions:

Series 2022A Bonds

The term “Series 2022A Bonds” means the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt).

Series 2022B Bonds

The term “Series 2022B Bonds” means the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable).

Series 2022 Bonds

The term “Series 2022 Bonds” means the Series 2022A Bonds and the Series 2022B Bonds.

Series 2022 Bonds Closing Date

The term “Series 2022 Bonds Closing Date” means _____, 2022.

2012 Lease

The term “2012 Lease” has the meanings set forth in the preambles hereto.

2022 Insurer

The term “2022 Insurer” means Build America Mutual Assurance Company.

2022A Policy

The term “2022A Policy” means the Municipal Bond Insurance Policy issued by the 2022 Insurer that guarantees the scheduled payment of principal or and interest on the Series 2022A Bonds when due.

2022A Reserve Policy

The term “2022A Reserve Policy” means the Municipal Bond Debt Service Reserve Insurance Policy issued by the 2022 Insurer and deposited into the 2022A Reserve Fund.

2022A Reserve Requirement

The term “2022A Reserve Requirement” means as of any date of calculation by the City, the lease of (i) ten percent (10%) of the original issue price of the Series 2022A Bonds (or, if there is less than 2% net original issue discount or premium, 10% of the original stated principal amount of the Series 2022A Bonds); (ii) 125% of average Annual Debt Service on the Series 2022A Bonds as of the Closing Date; or (iii) the Maximum Annual Debt Service on the Series 2022A Bonds.

2022B Policy

The term “2022B Policy” means the Municipal Bond Insurance Policy issued by the 2022 Insurer that guarantees the scheduled payment of principal or and interest on the Series 2022B Bonds when due.

2022B Reserve Policy

The term “2022B Reserve Policy” means the Municipal Bond Debt Service Reserve Insurance Policy issued by the 2022 Insurer and deposited into the 2022B Reserve Fund.

2022B Reserve Requirement

The term “2022B Reserve Requirement” means as of any date of calculation by the City, the lease of (i) ten percent (10%) of the original issue price of the Series 2022B Bonds (or, if there is less than 2% net original issue discount or premium, 10% of the original stated principal amount of the Series 2022B Bonds); (ii) 125% of average Annual Debt Service on the Series 2022B Bonds as of the Closing Date; or (iii) the Maximum Annual Debt Service on the Series 2022B Bonds.

Part 1.2. Amendments to Section 5.01(a) of the Indenture. Section 5.01(a) of the Indenture is hereby amended to read as follows:

There is hereby established a special fund designated as the “Revenue Fund” which shall be held by the Trustee and which shall be kept separate and apart from all other funds and moneys held by the Trustee. Within the Revenue Fund, the Trustee shall establish and maintain (i) a separate fund designated the “Series 2019A Interest Fund” and a separate fund designated the “Series 2019A Principal Fund,” (ii) a separate fund designated the “Series 2022A Interest Fund” and a separate fund designated the “Series 2022A Principal Fund” and (ii) a separate fund designated the “Series 2022B Interest Fund” and a separate fund designated the “Series 2022B Principal Fund.” Upon the issuance of Additional Bonds, the Trustee shall also establish and maintain, within the Revenue Fund, a separate Interest Fund and a separate Principal Fund for each Series of Additional Bonds. The City hereby irrevocably pledges and transfers to the Trustee, for the benefit of the Owners, all of its right, title and interest in and to all amounts on deposit from time to time in the funds and accounts established hereunder (other than the Rebate Fund), subject to the provisions hereof permitting the disbursement thereof for or to the purposes and on the conditions and terms set forth herein, and in and to the Revenues, which shall be used for the punctual payment of the interest and principal of the Bonds and the Revenues shall not be used for any other purpose while any of the Bonds remain Outstanding. It is the intent of the parties hereto that the Authority shall not have any right, title, in or to the Revenues. In the event, however, that it should be determined that the Authority has any right, title or interest in or to the Revenues, then the Authority hereby irrevocably pledges and transfers to the Trustee, for the benefit of the Owners, all of such right, title and interest, which shall be used for the punctual payment of

the interest and principal of the Bonds. These pledges shall constitute a first and exclusive lien on the funds established hereunder and the Revenues in accordance with the terms hereof subject in all events to the power of the City and the Authority to cause the execution and delivery of Additional Bonds pursuant to Section 2.11 hereof which shall be on a parity with the Bonds Outstanding.

Part 1.3. Amendment to Exhibit A. Exhibit A to the 2019 Facility Lease is hereby amended to read in full as set forth in Exhibit A hereto.

PART 2

ADDITION OF ARTICLE XIII

Part 2.1. Addition of Article XIII. The 2019 Indenture is hereby amended and supplemented by adding thereto an additional Article as follows:

ARTICLE XIII

SERIES 2022A BONDS

Section 13.01. Authorization of Series 2022A Bonds. A second Series of Bonds is hereby created and designated “City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt).” The aggregate principal amount of Series 2022A Bonds which may be issued and Outstanding under this Indenture shall not exceed \$_____.

The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Series 2022A Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2022A Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the Authority is now duly authorized, pursuant to each and every requirement of the Act, to issue the Series 2022A Bonds in the form and manner provided herein and that the Series 2022A Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

The recital contained in the Series 2022A Bonds that the same are issued pursuant to the Act and pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Series 2022A Bonds shall be incontestable from and after their issuance. The Series 2022A Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Series 2022A Bonds (or any temporary Series 2022A Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

Section 13.02. Terms of Series 2022A Bonds. The Series 2022A Bonds shall be issued in the aggregate principal amount of \$_____. The Series 2022A Bonds shall be dated as of the date of initial delivery, shall be executed and delivered in the form of fully registered Series 2022A Bonds, without coupons, in Authorized Denominations, shall be payable in lawful money of the United States of America, and shall mature in the years and in the principal amounts and bear interest at the rates as set forth in the following schedule, subject to prior redemption as described in Article IV and Section 13.06 hereof:

Series 2022A Bonds

<u>Maturity Date (June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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Each Series 2022A Bond shall bear interest from the Interest Payment Date to which interest has been paid or duly provided for next preceding its date of authentication, unless such date of authentication shall be (i) prior to the close of business on June 1, 2023, in which case such Series 2022A Bond shall bear interest from its date of delivery, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Series 2022A Bond shall bear interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Series 2022A Bond shall bear interest from such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest shall be in default, each Series 2022A Bond shall bear interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for.

The interest on the Series 2022A Bonds shall be payable on each Interest Payment Date by check sent by first class mail by the Trustee to the respective Owners of the Series 2022A Bonds as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof. Payments of defaulted interest on any Series 2022A Bond shall be paid by check to the Owner as of a special record date to be fixed by the Trustee, notice of which special record date shall be given to the Owner of the Series 2022A Bond not less than ten days prior thereto. The principal and premium, if any, of the Series 2022A Bonds shall be payable upon presentation and surrender thereof on maturity or on redemption prior thereto at the Principal Corporate Trust Office of the Trustee.

The Owner of \$1,000,000 or more in aggregate principal amount of the Series 2022A Bonds may request in writing that the Trustee pay the interest on the Series 2022A Bonds by wire transfer to an account in the United States of America and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request.

Section 13.03. Form of Series 2022A Bonds. The Series 2022A Bonds and the assignment to appear thereon shall be in substantially the forms set forth in Exhibit B hereto, with necessary or appropriate insertions, omissions and variations as permitted or required hereby.

Section 13.04. Execution of Series 2022A Bonds. The Chairman or Executive Director of the Authority is hereby authorized and directed to execute each of the Series 2022A Bonds on behalf of the Authority and the Secretary of the Authority is hereby authorized and directed to countersign each of the Series 2022A Bonds on behalf of the Authority. The signatures of such Chairman, Executive Director and Secretary may be by printed, lithographed or engraved by

facsimile reproduction. In case any officer whose signature appears on the Series 2022A Bonds shall cease to be such officer before the delivery of the Series 2022A Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Series 2022A Bonds.

Only those Series 2022A Bonds bearing thereon a certificate of authentication and registration in substantially the form set forth in Exhibit B hereto, executed manually and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Series 2022A Bonds so authenticated and registered have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

Section 13.05. Deposit of Proceeds of Series 2022A Bonds; Other Moneys. The proceeds received from the sale of the Series 2022A Bonds in the amount of \$_____ (consisting of the par amount of the Series 2022A Bonds of \$_____, plus/less original issue premium/discount of \$_____, less an underwriter's discount of \$_____, [less bond insurance and surety premium paid directly by the Underwriter on behalf of the Authority]), shall be transferred for deposit by the Trustee to the following respective funds or accounts:

- (a) The Trustee shall deposit in the Costs of Issuance Fund established pursuant to Section 3.05 hereof the amount of \$_____;
- (b) The Trustee shall deposit in the Construction Fund established pursuant to Section 3.03 hereof the amount of \$_____; and
- (c) The Trustee shall transfer to Capital One Public Funding, LLC (the "Lender"), as assignee of the Authority under the Assignment Agreement dated August 1, 2012, between the Authority and the Lender related to the 2012 Lease, the amount of \$_____ for the prepayment of the 2012 Lease.

The deposits required of the Trustee set forth above into funds or accounts shall be deemed made by the transfer of funds by the Trustee in accordance with the instructions of the City. To facilitate any transfers to or for the benefit of the City required in this Section, the Trustee may, in its discretion open a temporary fund or account on its records which shall be closed upon completion of such transfers.

Section 13.06. Redemption of Series 2022A Bonds. The Series 2022A Bonds shall be subject to redemption prior to their Principal Payment Date as set forth in this Section.

(a) *Extraordinary Redemption.* To the extent permitted or required by Section 5.03 or 5.04 hereof, the Series 2022A Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022A Bonds plus accrued interest thereon to the date fixed for redemption, without premium.

(b) *Optional Redemption.* The Series 2022A Bonds maturing on or after June 1, 20____ are subject to optional redemption prior to maturity on or after June 1, 20____ at the

option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the Series 2022A Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

(c) *Mandatory Sinking Account Redemption.* The Series 2022A Bonds maturing on June 1, 20__ (the “20__ Term Bonds”) shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, 20__, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such 20__ Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date <u>(June 1)</u>	Principal Amount to be <u>Redeemed or Purchased</u>
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If some but not all of the 20__ Term Bonds have been redeemed pursuant to extraordinary or optional redemptions, the total amount of Mandatory Sinking Account Payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the 20__ Term Bonds so redeemed by reducing each such future Mandatory Sinking Account Payment on a pro rata basis (as nearly as practicable) in integral multiples of \$5,000, as shall be designated pursuant to written notice which shall include a revised Mandatory Sinking Account Payment schedule filed by Authority with the Trustee.

Section 13.07. 2022A Reserve Fund. There is hereby established a separate fund known as the “2022A Reserve Fund.” The 2022A Reserve Fund shall serve solely as security for payments payable by the Authority with respect to the Series 2022A Bonds.

On the Series 2022 Bonds Closing Date, the Trustee shall credit the 2022A Reserve Policy, in an amount equal to the 2022A Reserve Requirement, to the 2022A Reserve Fund. The Trustee shall draw on the 2022A Reserve Policy and shall transfer such amounts to the Series 2022A Interest Fund and the Series 2022A Principal Fund, in such order, to the extent required to make the deposits then required to be made pursuant to Section 5.02 to pay debt service on the Series 2022A Bonds. Notwithstanding anything herein to the contrary, neither the

Authority nor the City will have any obligation to replace the 2022A Reserve Policy or to fund the 2022A Reserve Fund with cash if, at any time that the Series 2022A Bonds are Outstanding, (i) any rating assigned to the 2022 Insurer is downgraded, suspended or withdrawn, or (ii) amounts are not available for any reason under the 2022A Reserve Policy.

The Trustee shall comply with all documentation relating to the 2022A Reserve Policy as shall be required to maintain the 2022A Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under Section 5.02.

Section 13.08. Insurer Provisions. All of the terms and provisions contained in the 2019 Indenture relating to the 2019A Insurer, the 2019A Policy and the 2019A Reserve Policy shall have the same force and effect with respect to the 2022 Insurer, the 2022A Policy and the 2022A Reserve Policy, as applicable.

ADDITION OF ARTICLE XIV

Part 2.2. Addition of Article XIV. The 2019 Indenture is hereby amended and supplemented by adding thereto an additional Article as follows:

ARTICLE XIV

SERIES 2022B BONDS

Section 14.01. Authorization of Series 2022B Bonds. A third Series of Bonds is hereby created and designated “City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable).” The aggregate principal amount of Series 2022B Bonds which may be issued and Outstanding under this Indenture shall not exceed \$_____.

The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Series 2022B Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2022B Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the Authority is now duly authorized, pursuant to each and every requirement of the Act, to issue the Series 2022B Bonds in the form and manner provided herein and that the Series 2022B Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

The recital contained in the Series 2022B Bonds that the same are issued pursuant to the Act and pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Series 2022B Bonds shall be incontestable from and after their issuance. The Series 2022B Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Series 2022B Bonds (or any temporary Series 2022B Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

Section 14.02. Terms of Series 2022B Bonds. The Series 2022B Bonds shall be issued in the aggregate principal amount of \$_____. The Series 2022B Bonds shall be dated as of the date of initial delivery, shall be executed and delivered in the form of fully registered Series

2022B Bonds, without coupons, in Authorized Denominations, shall be payable in lawful money of the United States of America, and shall mature in the years and in the principal amounts and bear interest at the rates as set forth in the following schedule, subject to prior redemption as described in Article IV and Section 14.06 hereof:

Series 2022B Bonds

<u>Maturity Date (June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
-----------------------------------	-----------------------------	----------------------

Each Series 2022B Bond shall bear interest from the Interest Payment Date to which interest has been paid or duly provided for next preceding its date of authentication, unless such date of authentication shall be (i) prior to the close of business on June 1, 2023, in which case such Series 2022B Bond shall bear interest from its date of delivery, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Series 2022B Bond shall bear interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Series 2022B Bond shall bear interest from such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest shall be in default, each Series 2022B Bond shall bear interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for.

The interest on the Series 2022B Bonds shall be payable on each Interest Payment Date by check sent by first class mail by the Trustee to the respective Owners of the Series 2022B Bonds as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof. Payments of defaulted interest on any Series 2022B Bond shall be paid by check to the Owner as of a special record date to be fixed by the Trustee, notice of which special record date shall be given to the Owner of the Series 2022B Bond not less than ten days prior thereto. The principal and premium, if any, of the Series 2022B Bonds shall be payable upon presentation and surrender thereof on maturity or on redemption prior thereto at the Principal Corporate Trust Office of the Trustee.

The Owner of \$1,000,000 or more in aggregate principal amount of the Series 2022B Bonds may request in writing that the Trustee pay the interest on the Series 2022B Bonds by wire transfer to an account in the United States of America and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request.

Section 14.03. Form of Series 2022B Bonds. The Series 2022B Bonds and the assignment to appear thereon shall be in substantially the forms set forth in Exhibit B hereto, with necessary or appropriate insertions, omissions and variations as permitted or required hereby.

Section 14.04. Execution of Series 2022B Bonds. The Chairman or Executive Director of the Authority is hereby authorized and directed to execute each of the Series 2022B Bonds on behalf of the Authority and the Secretary of the Authority is hereby authorized and directed to countersign each of the Series 2022B Bonds on behalf of the Authority. The signatures of such Chairman, Executive Director and Secretary may be by printed, lithographed or engraved by facsimile reproduction. In case any officer whose signature appears on the Series 2022B Bonds shall cease to be such officer before the delivery of the Series 2022B Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Series 2022B Bonds.

Only those Series 2022B Bonds bearing thereon a certificate of authentication and registration in substantially the form set forth in Exhibit B hereto, executed manually and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Series 2022B Bonds so authenticated and registered have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

Section 14.05. Deposit of Proceeds of Series 2022B Bonds; Other Moneys. The proceeds received from the sale of the Series 2022B Bonds in the amount of \$_____ (consisting of the par amount of the Series 2022B Bonds of \$_____, plus/less original issue premium/discount of \$_____, less an underwriter's discount of \$_____, [less bond insurance and surety premium paid directly by the Underwriter on behalf of the Authority]), shall be transferred for deposit by the Trustee to the following respective funds or accounts:

(a) The Trustee shall deposit in the Costs of Issuance Fund established pursuant to Section 3.05 hereof the amount of \$_____; and

(b) The Trustee shall deposit in the Construction Fund established pursuant to Section 3.03 hereof the amount of \$_____;

The deposits required of the Trustee set forth above into funds or accounts shall be deemed made by the transfer of funds by the Trustee in accordance with the instructions of the City. To facilitate any transfers to or for the benefit of the City required in this Section, the Trustee may, in its discretion open a temporary fund or account on its records which shall be closed upon completion of such transfers.

Section 14.06. Redemption of Series 2022B Bonds. The Series 2022B Bonds shall be subject to redemption prior to their Principal Payment Date as set forth in this Section.

(a) *Extraordinary Redemption.* To the extent permitted or required by Section 5.03 or 5.04 hereof, the Series 2022B Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022B Bonds plus accrued interest thereon to the date fixed for redemption, without premium.

(b) *[Make-Whole Optional Redemption.] [to come if needed]*

(c) *Optional Redemption.* The Series 2022B Bonds maturing on or after June 1, 20__ are subject to optional redemption prior to maturity on or after June 1, 20__ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the Series 2022B Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

(d) *Mandatory Sinking Account Redemption.* The Series 2022B Bonds maturing on June 1, 20__ (the “20__ Term Bonds”) shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, 20__, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such 20__ Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date <u>(June 1)</u>	Principal Amount to be <u>Redeemed or Purchased</u>
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If some but not all of the 20__ Term Bonds have been redeemed pursuant to extraordinary or optional redemptions, the total amount of Mandatory Sinking Account Payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the 20__ Term Bonds so redeemed by reducing each such future Mandatory Sinking Account Payment on a pro rata basis (as nearly as practicable) in integral multiples of \$5,000, as shall be designated pursuant to written notice which shall include a revised Mandatory Sinking Account Payment schedule filed by Authority with the Trustee.

Section 14.07. 2022B Reserve Fund. There is hereby established a separate fund known as the “2022B Reserve Fund.” The 2022B Reserve Fund shall serve solely as security for payments payable by the Authority with respect to the Series 2022B Bonds.

On the Series 2022 Bonds Closing Date, the Trustee shall credit the 2022B Reserve Policy, in an amount equal to the 2022B Reserve Requirement, to the 2022B Reserve Fund. The Trustee shall draw on the 2022B Reserve Policy and shall transfer such amounts to

the Series 2022B Interest Fund and the Series 2022B Principal Fund, in such order, to the extent required to make the deposits then required to be made pursuant to Section 5.02 to pay debt service on the Series 2022B Bonds. Notwithstanding anything herein to the contrary, neither the Authority nor the City will have any obligation to replace the 2022B Reserve Policy or to fund the 2022B Reserve Fund with cash if, at any time that the Series 2022B Bonds are Outstanding, (i) any rating assigned to the 2022 Insurer is downgraded, suspended or withdrawn, or (ii) amounts are not available for any reason under the 2022B Reserve Policy.

The Trustee shall comply with all documentation relating to the 2022B Reserve Policy as shall be required to maintain the 2022B Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under Section 5.02.

Section 14.08. Insurer Provisions. All of the terms and provisions contained in the 2019 Indenture relating to the 2019A Insurer, the 2019A Policy and the 2019A Reserve Policy shall have the same force and effect with respect to the 2022 Insurer, the 2022B Policy and the 2022B Reserve Policy, as applicable.

PART 3

MISCELLANEOUS

Part 3.1. Effect of First Supplement to Indenture. This First Supplement to Indenture and all of the terms and provisions herein contained shall form part of the 2019 Indenture as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Indenture. The 2019 Indenture is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Supplement to Indenture and the terms of the 2019 Indenture (as in effect on the day prior to the effective date of this First Supplement to Indenture), the terms of this First Supplement to Indenture shall prevail.

Part 3.2. Execution in Counterparts. This First Supplement to Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the City) and sent by e-mail shall be deemed original signatures.

Part 3.3. Effective Date. This First Supplement to Indenture shall become effective upon its execution and delivery.

[This space intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed and attested to this First Supplement to Indenture by their officers thereunto duly authorized as of the day and year first written above.

**COMPUTERSHARE TRUST COMPANY,
N.A., as Trustee**

By: _____
Authorized Officer

CITY OF OXNARD

By: _____
Mayor

Attest:

By: _____
City Clerk

**CITY OF OXNARD FINANCING
AUTHORITY**

By: _____
Executive Director

Attest:

By: _____
Secretary

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

EXHIBIT B

FORM OF SERIES 2022 BONDS

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. R-_____ \$ _____

CITY OF OXNARD FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES [2022A (TAX-EXEMPT)/ 2022B (FEDERALLY
TAXABLE)]

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated</u>	<u>CUSIP</u>
%		_____, 2022	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM:

The CITY OF OXNARD FINANCING AUTHORITY, a joint powers authority, duly created and lawfully existing under the Constitution and laws of the State of California (the “Authority”), for value received, hereby promises to pay (but only out of the Revenues, as hereinafter defined) to the registered owner specified above or registered assigns on the maturity date specified above (subject to any right of prior redemption provided for) the principal sum specified above, together with interest thereon from the Interest Payment Date (as defined below) to which interest has been paid or duly provided for next preceding its date of execution, unless such date of authentication shall be (i) prior to the close of business on June 1, 2023, in which case such Bond shall bear interest from its date of delivery, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Bond shall bear interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Bond shall bear interest from such date of authentication; *provided, however*, that if, as shown by the records of the Trustee, interest shall be in default, each Bond shall bear interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for. The term “Interest Payment Date” means [June 1, 2023] and each June 1 and December 1 thereafter. The term “Record Date” means the close of business on the 15th day of the month preceding any Interest Payment Date, whether or not such day is a Business Day.

The principal of this Bond shall be payable in lawful money of the United States of America at the corporate trust office of Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the “Trustee”) upon presentation and surrender of this Bond.

Payment of interest on this Bond due on or before the maturity or prior redemption, thereof shall be made to the person in whose name such Bond is registered, as of the Record

Date preceding the applicable interest payment date, on the registration books kept by the Trustee at its corporate trust office, such interest to be paid by check mailed by first class mail on such interest payment date to the registered owner at his address as it appears on such books. Interest on this Bond shall be payable in lawful money of the United States of America and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. This Bond shall not be entitled to any benefit, protection or security under the Indenture, as hereinafter defined, or become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been signed by the Trustee.

The Owner of \$1,000,000 or more in aggregate principal amount of the Bonds may request in writing that the Trustee pay the interest on such Bonds by wire transfer to an account in the United States of America and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its “City of Oxnard Financing Authority Lease Revenue Bonds, [Series 2022A (Tax-Exempt)/ Series 2022B (Federally Taxable)]” (the “Bonds”), in the aggregate principal amount \$_____, all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, maturities and interest rates), and is issued under and pursuant to the provisions of an indenture, dated as of December 1, 2019, as amended by a First Supplement to Indenture, dated as of _____ 1, 2022 (the “Indenture”), by and among the Authority, the City of Oxnard (the “City”) and the Trustee (copies of which are on file at the corporate trust office of the Trustee). Unless the context otherwise requires, capitalized terms not defined herein shall have the meanings ascribed to them in the Indenture.

The Bonds are issued to provide funds [(i) finance certain street improvement projects in the City, (ii) refund certain outstanding obligations of the City and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds.”] [(i) finance the second phase of implementation costs of the enterprise resource planning software replacement project, and (ii) pay the costs incurred in connection with the issuance of the Bonds;”] The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from the revenues derived from Base Rental Payments paid by the City pursuant to a Facility Lease, dated as of August 1, 2019, as amended by a First Amendment thereto, dated as of _____ 1, 2022 (the “Facility Lease”), between the Authority, as lessor, and the City, as lessee, for the use and possession of the Leased Property as long as the City has such use and possession of the Leased Property, as well as from all other benefits, charges, income, proceeds, profits, receipts, rents and revenues derived by the Authority, as assignee of the City’s rights under the Facility Lease, from operation or use of the Leased Property (the “Revenues”). All the Bonds are equally and ratably secured by the Revenues and enjoy the benefits of a security interest in the money held in the funds established pursuant to the Indenture (other than the Rebate Fund), subject to the provisions of the Indenture permitting the disbursement thereof for or to the purposes and on the conditions and terms set forth therein.

The obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City, the State of California, or

any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The obligation of the City to make the Base Rental Payments is subject to abatement during any period in which, by reason of material damage, destruction or title defect, there is substantial interference with the use and occupancy of the Leased Property or portions thereof or if the Leased Property or portions thereof are taken under the power of eminent domain, all as more particularly provided in the Facility Lease to which reference is hereby made.

To the extent and in the manner permitted by the terms of the Indenture, the provisions of the Indenture may be amended or supplemented by the parties thereto, in some instances without the consent of the registered owners of the Bonds. No such amendment or supplement shall (1) extend the Principal Payment Date of any Bond or reduce the rate of interest represented thereby or extend the time of payment of such interest or reduce the amount of principal represented thereby without the prior written consent of the registered owner of each Bond so affected, or (2) reduce the percentage of registered owners whose consent is required for the execution of any amendment hereof or supplement hereto without the prior written consent of the registered owners of all Bonds then Outstanding, or (3) modify any of the rights or obligations of the Trustee without its prior written consent thereto, or (4) amend the amendment provisions of the Indenture without the prior written consent of the registered owners of all Bonds then Outstanding.

The Bonds are authorized to be executed and delivered in the form of fully registered Bonds without coupons, in denominations of five thousand dollars (\$5,000) or any integral multiple thereof (each, an "Authorized Denomination").

This Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at the office of the Trustee in Los Angeles, California, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture; and upon surrender of this Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer, a new Bond or Bonds of Authorized Denominations of the same Principal Payment Date equal to the principal amount hereof will be executed and delivered by the Trustee to the Owner thereof in exchange or transfer herefor. The Trustee shall not be required to transfer or exchange any Bond during any period in which it is selecting Bonds for redemption, nor shall the Trustee be required to transfer or exchange any Bond or portion thereof selected for redemption from and after the date of mailing the notice of redemption. The Trustee may treat the Owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the principal of, premium, if any, and interest on this Bond shall be made only to such Owner as above provided, which payments shall be valid and effectual to satisfy and discharge the liability on this Bond to the extent of the sum or sums so paid.

The Bonds are subject to redemption prior to maturity as described in the Indenture.

As provided in the Indenture, notice of redemption hereof or of any part hereof shall be mailed, first class postage prepaid, not less than 30 nor more than 60 days before the redemption date, to the Owner of this Bond at his or her address as it appears in the registration books maintained by the Trustee and as specified in the Indenture, but neither failure to receive any

such notice nor any defect contained therein shall affect the validity of the proceedings for the redemption of this Bond. If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, the interest represented hereby shall cease to accrue from and after the designated redemption date.

The Trustee has no obligation or liability to the registered owners of the Bonds for the payment of the interest or principal or redemption premiums, if any, on the Bonds; but rather the Trustee's sole obligation is to administer, for the benefit of the City, the Authority and the registered owners of the Bonds, the various funds established under the Indenture. The Authority has no obligation or liability whatsoever to the registered owners of the Bonds.

The Indenture provides that the occurrences of certain events constitute Events of Default. Subject to certain limitations and to the rights of the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding shall be entitled to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

STATEMENT OF INSURANCE

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Bond to U.S. Bank National Association, Los Angeles, California, or its successor, as trustee for the Bonds (the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from BAM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents (i) to the subrogation and all other rights of BAM as more fully set forth in the Policy and (ii) that upon the occurrence and continuance of a default or an event of default under the Indenture or the Bonds, BAM shall be deemed to be the sole owner of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the owners of the Bonds or the Trustee for the benefit of such owners under the Indenture, at law or in equity.

IN WITNESS WHEREOF, the City of Oxnard Financing Authority has caused this Bond to be executed in facsimile by its Chairman and by its Secretary all as of _____, 2022.

CITY OF OXNARD FINANCING AUTHORITY

Secretary

Chairman

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within mentioned Indenture which has been authenticated and registered.

Dated: _____, 2022

**COMPUTERSHARE TRUST COMPANY,
N.A., as Trustee**

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto _____ the within Bond and do(es) hereby irrevocably constitute and appoint _____ attorney to transfer such Bond on the register of the Trustee, with full power of substitution in the premises.

Dated: _____

SIGNATURE GUARANTEED BY:

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

TO BE RECORDED AND WHEN RECORDED

RETURN TO:

Nixon Peabody LLP

300 South Grand Avenue, Suite 4100

Los Angeles, California 90071

Attention: Danny Kim, Esq.

This document is recorded for the benefit of the City of Oxnard and the recording is fee-exempt under Section 6103 of the California Government Code and the recording is exempt under Section 27383 of the California Government Code and Section 11928 of the California Revenue and Taxation Code.

FIRST AMENDMENT TO SITE LEASE

by and between

CITY OF OXNARD

as Lessor

and

CITY OF OXNARD FINANCING AUTHORITY

as Lessee

Dated as of _____ 1, 2022

Relating to the

\$_____

City of Oxnard Financing Authority

Lease Revenue Bonds, Series 2022A (Tax-Exempt)

And

\$_____

City of Oxnard Financing Authority

Lease Revenue Bonds, Series 2022B (Federally Taxable)

TABLE OF CONTENTS

	Page
PART 1 PARTICULAR AMENDMENTS	3
Part 1.1. Amendments to Section 2.....	3
Part 1.2. Amendment to Exhibit	3
PART 2 MISCELLANEOUS	3
Part 2.1. Effect of First Amendment to Site Lease	3
Part 2.2. Execution in Counterparts	3
Part 2.3. Effective Date	3
EXHIBIT A DESCRIPTION OF THE REAL PROPERTY	A-1

FIRST AMENDMENT TO SITE LEASE

THIS FIRST AMENDMENT TO SITE LEASE (this “First Amendment to Site Lease”) executed and entered into as of _____ 1, 2022, is by and between the CITY OF OXNARD (the “City”), a city organized and validly existing under the Constitution and general laws of the State of California, as lessor, and the CITY OF OXNARD FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the “Authority”), as lessee.

RECITALS

WHEREAS, the City previously leased certain real property and improvements thereon (the “2019 Leased Property”) to the Authority pursuant to the Site Lease, dated as of December 1, 2019 (the “2019 Site Lease”), which was recorded in the official records of the County of Ventura (the “Official Records”) on December 3, 2019, as instrument number 20191210-00153817-0;

WHEREAS, the Authority subleased the 2019 Leased Property back to the City pursuant to a Facility Lease, dated as of December 1, 2019 (the “2019 Facility Lease”), which was recorded in the Official Records on December 3, 2019, as instrument number 20191210-00153818-0;

WHEREAS, the Authority issued its City of Oxnard Financing Authority Lease Revenue Bonds, Series 2019A (Federally Taxable) (the “Series 2019A Bonds”), in the aggregate principal amount of \$27,615,000 pursuant to an Indenture, dated as of December 1, 2019, (the “2019 Indenture” or the “Original Indenture”) among the Authority, the City and Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the “Trustee”), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the Series 2019 Bonds are secured by certain Base Rental Payments, as defined in the 2019 Facility Lease;

WHEREAS, the Original Indenture provides that, subject to the conditions set forth therein, in addition to the Series 2019 Bonds, the Authority may by execution of a Supplemental Indenture without the consent of the Owners, provide for the execution and delivery of Additional Bonds secured by additional Base Rental Payments;

WHEREAS, in connection with the issuance of the City’s \$5,570,838 aggregate principal amount of 2012 Lease/Purchase Financing (the “2012 Lease”), the City previously leased certain real property and improvements thereon (the “2012 Leased Property”) to the Authority pursuant to a Site Lease, dated as of August 1, 2012 (the “2012 Site Lease”), which was recorded in the official records of the County of Ventura (the “Official Records”) on August 13, 2012, as instrument number 20120813-00142070-0;

WHEREAS, the Authority subleased the 2012 Leased Property back to the City pursuant to a Lease/Purchase Agreement, dated as of August 1, 2012 (the “2012 Lease Agreement”),

which was recorded in the Official Records on August 13, 2012, as instrument number 20120813-00142071-0;

WHEREAS, the Authority intends to issue its Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”) and its Lease Revenue Bonds, Series 2022B (Federally Taxable) (the “Series 2022B Bonds,” and together with the Series 2022A Bonds, the “Series 2022 Bonds”) pursuant to the First Supplement to Indenture, dated as of _____ 1, 2022, by and between the City, the Authority and the Trustee and the Original Indenture (as so amended the “Indenture”), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the proceeds of the Series 2022A Bonds will be applied by the City to (i) finance certain street improvement projects in the City, (ii) refund all the outstanding 2012 Lease, collectively referred to herein as the “2022A Project” and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds;”

WHEREAS, the proceeds of the Series 2022B Bonds will be applied by the City to (i) finance the second phase of implementation costs of the enterprise resource planning software replacement project, referred to herein as the “2022B Project,” and together with the 2022A Project, the “2022 Projects” and (ii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds;”

WHEREAS, the 2019 Site Lease provides that, subject to the conditions set forth therein, the Authority may amend the 2019 Site Lease to for the purpose of affecting a Substitution or Removal, as further described in the 2019 Facility Lease;

WHEREAS, in addition, in order to accomplish such 2022 Projects, the Authority and the City are entering into this First Amendment to Site Lease, dated as of _____ 1, 2022, in order to amend the 2019 Site Lease, as so amended, the 2022 Site Lease,” or simply the “Site Lease” (i) include all of the 2012 Leased Property and certain other additional real property as real property leased to the City, as more particularly described in Exhibit A attached hereto (the “Leased Property”), and (iii) to make certain other modifications in order to provide for the execution and delivery of the Series 2022 Bonds in accordance with the provisions of the Indenture;

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this First Amendment to Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Amendment to Site Lease;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

PART 1

PARTICULAR AMENDMENTS

Part 1.1. Amendments to Section 2. Section 2(a) of the Site Lease is hereby amended to read as follows:

(a) The term hereof will commence on December 10, 2019 and shall end on June 1, 20__, the Expiry Date, unless such term is sooner terminated or is extended as hereinafter provided herein and in the Facility Lease. If prior to the Expiry Date all Base Rental Payments under the Facility Lease shall have been paid, or provision therefor has been made in accordance with Article X of the Indenture, the term hereof shall end simultaneously therewith.

Part 1.2. Amendment to Exhibit A. Exhibit A to the 2019 Site Lease is hereby amended to read in full as set forth in Exhibit A hereto.

PART 2

MISCELLANEOUS

Part 2.1. Effect of First Amendment to Site Lease. This First Amendment to Site Lease and all of the terms and provisions herein contained shall form part of the 2019 Site Lease as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Site Lease. The 2019 Site Lease is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Amendment to Site Lease and the terms of the 2019 Site Lease (as in effect on the day prior to the effective date of this First Amendment to Site Lease), the terms of this First Amendment to Site Lease shall prevail.

Furthermore, all of the terms and provisions contained in the 2019 Site Lease relating to the 2019A Insurer shall have the same force and effect with respect to the 2022 Insurer, as applicable.

Part 2.2. Execution in Counterparts. This First Amendment to Site Lease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the City) and sent by e-mail shall be deemed original signatures.

Part 2.3. Effective Date. This First Amendment to Site Lease shall become effective upon the Series 2022 Bonds Closing Date (as defined in the Indenture).

[This space intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF OXNARD

By: _____
Mayor

ATTEST:

By: _____
City Clerk

CITY OF OXNARD FINANCING
AUTHORITY

By: _____
Executive Director

ATTEST:

By: _____
Secretary

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

All that certain real property, situated in the City of Oxnard, County of Ventura, State of California, described on the attached pages.

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)
) ss
COUNTY OF VENTURA)

On _____, 2022, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

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.

[illegible]

On _____, 2022, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

TO BE RECORDED AND WHEN RECORDED

RETURN TO:

Nixon Peabody LLP

300 South Grand Avenue, Suite 4100

Los Angeles, California 90071

Attention: Danny Kim, Esq.

This document is recorded for the benefit of the City of Oxnard and the recording is fee-exempt under Section 6103 of the California Government Code and the recording is exempt under Section 27383 of the California Government Code and Section 11928 of the California Revenue and Taxation Code.

**FIRST AMENDMENT TO FACILITY LEASE
(Including Termination Agreement)**

by and between

**CITY OF OXNARD FINANCING AUTHORITY
as Lessor**

and

**CITY OF OXNARD
as Lessee**

Dated as of _____ 1, 2022

Relating to the

**\$ _____
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)**

And

**\$ _____
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022B (Federally Taxable)**

TABLE OF CONTENTS

	Page
PART 1 PARTICULAR AMENDMENTS.....	3
Part 1.1. Amendments to Section 1.01	3
Part 1.2. Amendments to Section 4.01	3
Part 1.3. Amendment to Exhibit	3
Part 1.4. Amendment to Exhibit B.....	3
PART 2 MISCELLANEOUS.....	4
Part 2.1. Effect of First Amendment to Facility Lease	4
Part 2.2. Execution in Counterparts.....	4
Part 2.3. Effective Date.....	4
Part 2.4. Termination of Property Lease.....	4
EXHIBIT A DESCRIPTION OF THE REAL PROPERTY	A-1
EXHIBIT B BASED RENTAL PAYMENT SCHEDULE AS AMENDED	B-1

FIRST AMENDMENT TO FACILITY LEASE

THIS FIRST AMENDMENT TO FACILITY LEASE (this “First Amendment to Facility Lease”) executed and entered into as of _____ 1, 2022, is by and between the CITY OF OXNARD FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California, as lessor, and the CITY OF OXNARD (the “City”), a city organized and validly existing under the Constitution and general laws of the State of California, as lessee.

RECITALS

WHEREAS, the City previously leased certain real property and improvements thereon (the “2019 Leased Property”) to the Authority pursuant to a Site Lease, dated as of December 1, 2019 (the “2019 Site Lease”), which was recorded in the official records of the County of Ventura (the “Official Records”) on December 3, 2019, as instrument number 20191210-00153817-0;

WHEREAS, the Authority subleased the 2019 Leased Property back to the City pursuant to a Facility Lease, dated as of December 1, 2019 (the “2019 Facility Lease”), which was recorded in the Official Records on December 3, 2019, as instrument number 20191210-00153818-0;

WHEREAS, the Authority issued its City of Oxnard Financing Authority Lease Revenue Bonds, Series 2019A (Federally Taxable) (the “Series 2019A Bonds”), in the aggregate principal amount of \$27,615,000 pursuant to an Indenture, dated as of December 1, 2019, (the “2019 Indenture” or the “Original Indenture”) among the Authority, the City and Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the “Trustee”), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the Series 2019 Bonds are secured by certain Base Rental Payments, as defined in the 2019 Facility Lease;

WHEREAS, the Original Indenture provides that, subject to the conditions set forth therein, in addition to the Series 2019 Bonds, the Authority may by execution of a Supplemental Indenture without the consent of the Owners, provide for the execution and delivery of Additional Bonds secured by additional Base Rental Payments;

WHEREAS, in connection with the issuance of the City’s \$5,570,838 aggregate principal amount of 2012 Lease/Purchase Financing (the “2012 Lease”), the City previously leased certain real property and improvements thereon (the “2012 Leased Property”) to the Authority pursuant to a Site Lease, dated as of August 1, 2012 (the “2012 Site Lease”), which was recorded in the official records of the County of Ventura (the “Official Records”) on August 13, 2012, as instrument number 20120813-00142070-0;

WHEREAS, the Authority subleased the 2012 Leased Property back to the City pursuant to a Lease/Purchase Agreement, dated as of August 1, 2012 (the “2012 Lease Agreement”),

which was recorded in the Official Records on August 13, 2012, as instrument number 20120813-00142071-0;

WHEREAS, the Authority intends to issue its Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”) and its Lease Revenue Bonds, Series 2022B (Federally Taxable) (the “Series 2022B Bonds,” and together with the Series 2022A Bonds, the “Series 2022 Bonds”) pursuant to the First Supplement to Indenture, dated as of _____ 1, 2022, by and among the City, the Authority and the Trustee and the Original Indenture (as so amended the “Indenture”), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the proceeds of the Series 2022A Bonds will be applied by the City to (i) finance certain street improvement projects in the City (the “Street Improvement Projects”), (ii) refund all the outstanding 2012 Lease, collectively referred to herein as the “2022A Project” and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds;”

WHEREAS, the proceeds of the Series 2022B Bonds will be applied by the City to (i) finance the second phase of implementation costs of the enterprise resource planning software replacement project, referred to herein as the “2022B Project,” and together with the 2022A Project, the “2022 Projects” and (ii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds;”

WHEREAS, the 2019 Facility Lease provides that, subject to the conditions set forth therein, the Authority may amend the 2019 Facility Lease to facilitate the issuance of Additional Bonds as provided in the 2019 Facility Lease;

WHEREAS, in addition, in order to accomplish such 2022 Projects, the Authority and the City are entering into this First Amendment to Facility Lease, dated as of _____ 1, 2022, in order to amend the 2019 Facility Lease, as so amended, the 2022 Facility Lease,” or simply the “Facility Lease” (i) include all of the 2012 Leased Property and certain other additional real property as real property leased to the City, as more particularly described in Exhibit A attached hereto (the “Leased Property”), (ii) to increase the amount of Base Rental Payments payable thereunder and (iii) to make certain other modifications in order to provide for the execution and delivery of the Series 2022 Bonds in accordance with the provisions of the Indenture;

WHEREAS, the Authority and the City have determined that the sum of Base Rental Payments, including Base Rental Payments payable as provided herein, in any year is not in excess of the annual fair rental value of the Facilities; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this First Amendment to Facility Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Amendment to Facility Lease;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

PART 1

PARTICULAR AMENDMENTS

Part 1.1. Amendments to Section 1.01. Section 1.01 of the Facility Lease is hereby amended by adding thereto the following definitions:

Expiry Date

“Expiry Date” means June 1, 20__

Original 2019 Base Rental Payments

The term “Original 2019 Base Rental Payments” means the portion of the Base Rental Payments set forth under the caption “Original 2019 Base Rental Payment Schedule” on Exhibit B hereto.

Series 2022A Base Rental Payments

The term “Series 2022A Base Rental Payments” means the portion of the Base Rental Payments set forth under the caption “Series 2022A Base Rental Payment Schedule” on Exhibit B hereto.

Series 2022B Base Rental Payments

The term “Series 2022B Base Rental Payments” means the portion of the Base Rental Payments set forth under the caption “Series 2022B Base Rental Payment Schedule” on Exhibit B hereto.

Part 1.2. Amendments to Section 4.01. Section 4.01 of the 2019 Facility Lease is amended by adding the following sentence:

The parties hereto agree that the proceeds of the Series 2022A Bonds will be used to (i) finance the Project, (ii) refund all the City’s outstanding 2012 Lease and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds; the parties hereto agree that the proceeds of the Series 2022B Bonds will be used to (i) finance the Project, and (ii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds;

Part 1.3. Amendment to Exhibit A. Exhibit A to the 2019 Facility Lease is hereby amended to read in full as set forth in Exhibit A hereto.

Part 1.4. Amendment to Exhibit B. Exhibit B to the 2019 Facility Lease is hereby amended to read in full as set forth in Exhibit B hereto.

PART 2

MISCELLANEOUS

Part 2.1. Effect of First Amendment to Facility Lease. This First Amendment to Facility Lease and all of the terms and provisions herein contained shall form part of the 2019 Facility Lease as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Facility Lease. The 2019 Facility Lease is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Amendment to Facility Lease and the terms of the 2019 Facility Lease (as in effect on the day prior to the effective date of this First Amendment to Facility Lease), the terms of this First Amendment to Facility Lease shall prevail.

Furthermore, all of the terms and provisions contained in the 2019 Facility Lease relating to the 2019A Insurer shall have the same force and effect with respect to the 2022 Insurer, as applicable.

Part 2.2. Execution in Counterparts. This First Amendment to Facility Lease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the City) and sent by e-mail shall be deemed original signatures.

Part 2.3. Effective Date. This First Amendment to Facility Lease shall become effective upon the Series 2022 Bonds Closing Date (as defined in the Indenture).

Part 2.4. Termination of Property Lease. Upon the execution of this First Amendment to Facility Lease, the Site Lease, dated as of August 1, 2012, by and between the Authority and the City, and bearing Ventura County Clerk and Recorder document number 20120813-00142070-0, the Lease/Purchase Agreement, dated as of August 1, 2012, by and between the Authority and the City, and bearing Ventura County Clerk and Recorder document number 20120813-00142071-0, and the Assignment Agreement, dated as of August 1, 2012, by and between the City and Capital One Public Funding, LLC, and bearing Ventura County Clerk and Recorder document number 20120813-00142072-0, shall each thereupon terminate and be of no further force or effect.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF OXNARD FINANCING
AUTHORITY

By: _____
Executive Director

ATTEST:

By: _____
Secretary

CITY OF OXNARD

By: _____
Mayor

ATTEST:

By: _____
City Clerk

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

All that certain real property, situated in the City of Oxnard, County of Ventura, State of California, described on the attached pages.

EXHIBIT B**ORIGINAL 2019 BASE RENTAL PAYMENT SCHEDULE**

<u>Payment Date*</u>	<u>Principal Component of Base Rental Payment</u>	<u>Interest Component of Base Rental Payment</u>	<u>Total</u>
June 1, 2020	\$585,000.00	\$425,198.84	\$1,010,198.84
December 1, 2020		441,891.53	441,891.53
June 1, 2021	665,000.00	441,891.53	1,106,891.53
December 1, 2021		435,261.48	435,261.48
June 1, 2022	710,000.00	435,261.48	1,145,261.48
December 1, 2022		427,937.83	427,937.83
June 1, 2023	755,000.00	427,937.83	1,182,937.83
December 1, 2023		419,693.23	419,693.23
June 1, 2024	805,000.00	419,693.23	1,224,693.23
December 1, 2024		410,500.13	410,500.13
June 1, 2025	860,000.00	410,500.13	1,270,500.13
December 1, 2025		399,887.73	399,887.73
June 1, 2026	910,000.00	399,887.73	1,309,887.73
December 1, 2026		387,975.83	387,975.83
June 1, 2027	970,000.00	387,975.83	1,357,975.83
December 1, 2027		374,454.03	374,454.03
June 1, 2028	1,035,000.00	374,454.03	1,409,454.03
December 1, 2028		359,508.63	359,508.63
June 1, 2029	1,095,000.00	359,508.63	1,454,508.63
December 1, 2029		343,149.33	343,149.33
June 1, 2030	1,165,000.00	343,149.33	1,508,149.33
December 1, 2030		325,161.73	325,161.73
June 1, 2031	1,235,000.00	325,161.73	1,560,161.73
December 1, 2031		305,475.83	305,475.83
June 1, 2032	1,315,000.00	305,475.83	1,620,475.83
December 1, 2032		284,928.95	284,928.95
June 1, 2033	1,395,000.00	284,928.95	1,679,928.95
December 1, 2033		261,646.40	261,646.40
June 1, 2034	1,480,000.00	261,646.40	1,741,646.40
December 1, 2034		236,575.20	236,575.20
June 1, 2035	1,575,000.00	236,575.20	1,811,575.20
December 1, 2035		207,799.95	207,799.95
June 1, 2036	1,670,000.00	207,799.95	1,877,799.95
December 1, 2036		177,289.05	177,289.05
June 1, 2037	1,745,000.00	177,289.05	1,922,289.05
December 1, 2037		145,407.90	145,407.90
June 1, 2038	1,805,000.00	145,407.90	1,950,407.90

* Due on each Base Rental Payment Date or that date three Business Day preceding each Interest Payment Date.

<u>Payment Date*</u>	<u>Principal Component of Base Rental Payment</u>	<u>Interest Component of Base Rental Payment</u>	<u>Total</u>
December 1, 2038		111,076.80	111,076.80
June 1, 2039	1,875,000.00	111,076.80	1,986,076.80
December 1, 2039		75,414.30	75,414.30
June 1, 2040	1,945,000.00	75,414.30	2,020,414.30
December 1, 2040		38,420.40	38,420.40
June 1, 2041	2,020,000.00	38,420.40	2,058,420.40
Total	<u>\$27,615,000.00</u>	<u>\$12,764,111.36</u>	<u>\$40,379,111.36</u>

SERIES 2022A BASE RENTAL PAYMENT SCHEDULE

Payment Date*	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
December 1, 2022			
June 1, 2023			
December 1, 2023			
June 1, 2024			
December 1, 2024			
June 1, 2025			
December 1, 2025			
June 1, 2026			
December 1, 2026			
June 1, 2027			
December 1, 2027			
June 1, 2028			
December 1, 2028			
June 1, 2029			
December 1, 2029			
June 1, 2030			
December 1, 2031			
June 1, 2031			
December 1, 2031			
June 1, 2032			
December 1, 2032			
June 1, 2033			
December 1, 2033			
June 1, 2034			
December 1, 2034			
June 1, 2035			
December 1, 2035			
June 1, 2036			
December 1, 2036			
June 1, 2037			
December 1, 2037			
June 1, 2038			
December 1, 2038			
June 1, 2039			
December 1, 2039			
June 1, 2040			
December 1, 2040			

* Due on each Base Rental Payment Date or that date three Business Day preceding each Interest Payment Date.

Payment Date*	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
June 1, 2041			

SERIES 2022B BASE RENTAL PAYMENT SCHEDULE

Payment Date*	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
December 1, 2022			
June 1, 2023			
December 1, 2023			
June 1, 2024			
December 1, 2024			
June 1, 2025			
December 1, 2025			
June 1, 2026			
December 1, 2026			
June 1, 2027			
December 1, 2027			
June 1, 2028			
December 1, 2028			
June 1, 2029			
December 1, 2029			
June 1, 2030			
December 1, 2031			
June 1, 2031			
December 1, 2031			
June 1, 2032			
December 1, 2032			
June 1, 2033			
December 1, 2033			
June 1, 2034			
December 1, 2034			
June 1, 2035			
December 1, 2035			
June 1, 2036			
December 1, 2036			
June 1, 2037			
December 1, 2037			
June 1, 2038			
December 1, 2038			
June 1, 2039			
December 1, 2039			
June 1, 2040			
December 1, 2040			

* Due on each Base Rental Payment Date or that date three Business Day preceding each Interest Payment Date.

Payment Date*	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
June 1, 2041			

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Facility Lease, dated as of December 1, 2019, by and between the City of Oxnard Financing Authority (the "Authority") and the City of Oxnard (the "City"), as amended and supplemented by the First Amendment to Facility Lease, dated as of _____ 1, 2022, by and between the Authority and the City, is hereby accepted by the undersigned on behalf of the City pursuant to authority conferred by resolution of the City Council of the City adopted on _____, 2022, and the City consents to recordation thereof by its duly authorized officer.

Dated as of _____, 2022

CITY OF OXNARD

By: _____
Chief Financial Officer

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)
) ss
COUNTY OF VENTURA)

On _____, 2022, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

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)
) ss
COUNTY OF VENTURA)

On _____, 2022, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Danny Kim, Esq.
NIXON PEABODY LLP
300 South Grand Avenue, Suite 4100
Los Angeles, California 90071

(Space above for Recorder's use)

This document is recorded for the benefit of the City of Oxnard and the recording is fee-exempt under Section 6103 of the California Government Code and the recording is exempt under Section 27383 of the California Government Code and Section 11928 of the California Revenue and Taxation Code.

FIRST AMENDMENT TO ASSIGNMENT AGREEMENT

by and between

**CITY OF OXNARD FINANCING AUTHORITY,
as Assignor**

and

**COMPUTERSHARE TRUST COMPANY, N.A.,
as Trustee and Assignee**

Dated as of _____ 1, 2022

Relating to the

**\$ _____
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)**

And

**\$ _____
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022B (Federally Taxable)**

ASSIGNMENT AGREEMENT

THIS FIRST AMENDMENT TO ASSIGNMENT AGREEMENT (the “First Amendment to Assignment Agreement”), executed and entered into as of _____ 1, 2022, is by and between the City of Oxnard Financing Authority (the “Authority”), a joint powers authority duly organized and existing under and pursuant to California Government Code Sections 6500 et seq. and Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the “Trustee”), a national banking association existing under and by virtue of the laws of the United States of America, as trustee under the Indenture (as hereinafter defined);

WITNESSETH:

WHEREAS, the Authority and the City of Oxnard (the “City”) have executed and entered into the Facility Lease, dated as of December 1, 2019 (the “2019 Facility Lease”), as amended by a First Amendment to Facility Lease, dated as of _____ 1, 2022 (the “First Amendment to Facility Lease,” and, together with the 2019 Lease, the “Facility Lease”) (which First Amendment to Facility Lease is recorded concurrently herewith), pursuant to which the Authority has leased that certain real property, as more particularly described in the Facility Lease (the “Leased Property”) to the City;

WHEREAS, under and pursuant to the Facility Lease, the City is obligated to make rental payments to the Authority for the lease of the Leased Property to it;

WHEREAS, the Authority desires to assign without recourse all its rights to receive the Base Rental Payments (as defined in the Facility Lease) and certain other payments scheduled to be paid by the City under and pursuant to the Facility Lease to the Trustee;

WHEREAS, in consideration of such assignment and the execution and entering into of an Indenture, dated as of December 1, 2019 (the “2019 Indenture”), among the Authority, the City and the Trustee, the Authority issued its Lease Revenue Bonds, Series 2019A (Federally Taxable) (the “Series 2019A Bonds”), in the aggregate principal amount of \$27,615,000;

WHEREAS, in consideration of such assignment and the execution and entering into of a First Supplement to Indenture, dated as of _____ 1, 2022 (the “First Supplement to Indenture,” and together with the 2019 Indenture, the “Indenture”), among the Authority, the City and the Trustee, the Authority will issue its Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”) , in the aggregate principal amount of \$ _____, and its Lease Revenue Bonds, Series 2022B (Federally Taxable) (the “Series 2022B Bonds,” and together with the Series 2022A Bonds, the “Series 2022 Bonds”), in the aggregate principal amount of \$ _____;

WHEREAS, the Indenture provides that, subject to the conditions set forth therein, in addition to the Series 2019A Bonds and the Series 2022 Bonds, the Authority may by execution of a Supplemental Indenture without the consent of the Owners, provide for the execution and delivery of Additional Bonds secured by additional Base Rental Payments;

WHEREAS, the execution and delivery of Additional Bonds secured by additional Base Rental Payments, and as required, any necessary amendments of the Facility Lease, may occur without amendment hereto;

WHEREAS, the Parties desire to amend the Assignment Agreement, dated as of December 1, 2019 (the “2019 Assignment Agreement”), by and between the Authority and the Trustee to include additional real property leased to the City pursuant to the First Amendment to the Site Lease and the First Amendment to the Facility Lease, as described in Exhibit A attached hereto and incorporated herein; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Assignment Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Assignment Agreement;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

PART 1

PARTICULAR AMENDMENTS

Part 1.1. Amendment to Exhibit A. Exhibit A to the 2019 Assignment Agreement is hereby amended to read in full as set forth in Exhibit A hereto.

PART 2

MISCELLANEOUS

Part 2.1. Effect of First Amendment to Site Lease. This First Amendment to Assignment Agreement and all of the terms and provisions herein contained shall form part of the 2019 Assignment Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Assignment Agreement. The 2019 Assignment Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Amendment to Assignment Agreement and the terms of the 2019 Assignment Agreement (as in effect on the day prior to the effective date of this First Amendment to Assignment Agreement), the terms of this First Amendment to Assignment Agreement shall prevail.

Part 2.2. Execution in Counterparts. This First Amendment to Assignment Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the Authority) and sent by e-mail shall be deemed original signatures.

Part 2.3. Effective Date. This First Amendment to Assignment Agreement shall become effective upon the Series 2022 Bonds Closing Date (as defined in the Indenture).

[This space intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this First Amendment to Assignment Agreement by their officers thereunto duly authorized as of the day and year first above written.

CITY OF OXNARD FINANCING
AUTHORITY

By: _____
Executive Director

ATTEST:

By: _____
Secretary

COMPUTERSHARE TRUST COMPANY,
N.A., as Trustee

By: _____
Authorized Signatory

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

All that certain real property, situated in the City of Oxnard, County of Ventura, State of California, as follows:

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.

[illegible]

On _____, 2022, before me, _____, Notary Public, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ [SEAL]

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

STATE OF CALIFORNIA)
) ss
COUNTY OF VENTURA)

On _____, 2022, before me, _____, Notary Public, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ [SEAL]

PRELIMINARY OFFICIAL STATEMENT DATED ___, 2022

NEW ISSUE – BOOK-ENTRY ONLY

UNDERLYING RATING: S&P: “[]”
INSURED RATING: S&P: “[]”
(see “RATINGS” herein.)

In the opinion of Nixon Peabody LLP, Bond Counsel, subject to certain qualifications described herein, under existing statutes, regulations, rules and court decisions, and assuming certain representations and compliance with certain covenants and requirements described herein, the interest on the 2022A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, for tax years beginning after December 31, 2022, interest on the 2022A Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. In the further opinion of Bond Counsel, interest on the Series 2022B Bonds is not excluded from gross income for federal income tax purposes. Bond Counsel is of the opinion that interest on the 2022A Bonds and 2022B Bonds is exempt from California personal income taxes. See “TAX MATTERS” herein.

CITY OF OXNARD FINANCING AUTHORITY

\$[]*
LEASE REVENUE BONDS
SERIES 2022A
(TAX-EXEMPT)

\$[]*
LEASE REVENUE BONDS
SERIES 2022B
(FEDERALLY TAXABLE)

Dated: Date of Delivery

Due: June 1 as shown on inside cover.

The City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”) and the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable) (the “Series 2022B Bonds,” and together with the Series 2022A Bonds, the “Bonds”) are being issued pursuant to the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California. The Bonds are payable from certain revenues and other moneys pledged under that certain Indenture, dated as of December 1, 2019 (the “Original Indenture”), by and among the City of Oxnard (the “City”), the City of Oxnard Financing Authority (the “Authority”) and Computershare Trust Company, N.A., as successor in interest to Wells Fargo Bank National Association, as supplemented by that certain First Supplement to Indenture, dated as of [DATE] (the “First Supplement to Indenture,” and together with the Original Indenture, the “Indenture”), by and among the City of Oxnard (the “City”), the City of Oxnard Financing Authority (the “Authority”) and Computershare Trust Company, N.A., as trustee (the “Trustee”). Revenues consist primarily of base rental payments (the “Base Rental Payments”) to be made by the City for the right to use certain real property consisting of City Hall, a library, and the City’s administrative annex (the “Leased Property”) pursuant to that certain Facility Lease, dated as of December 1, 2019 (the “2019 Facility Lease”), as amended by that certain First Amendment to Facility Lease, dated as of [DATE] (the “2022 Facility Lease,” and together with the 2019 Facility Lease, the “Facility Lease”), each by and between the Authority, as lessor, and the City, as lessee. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.” Capitalized terms used but not defined on the cover page of this Official Statement have the meanings ascribed herein.

The Authority has previously issued certain lease revenue bonds pursuant to the Original Indenture (the “2019 Bonds”), of which \$[AMOUNT] principal amount is outstanding. Subject to satisfaction of certain conditions precedent, the Authority may issue additional bonds (the “Additional Bonds”) under the Original Indenture. The Bonds will be issued as Additional Bonds under the Indenture. The 2019 Bonds and the Bonds will be payable from Revenues on a parity with all other Additional Bonds issued under the Indenture. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Parity Obligations; Additional Bonds” herein.

The Series 2022A Bonds are being issued to provide funds to (i) finance certain street improvement projects of the City, (ii) refund in full the Authority’s outstanding obligations under that certain 2012 Lease/Purchase Agreement (the “2012 Lease”), [(iii) purchase a municipal bond insurance policy and debt service reserve surety policy for the Series 2022A Bonds], and (iv) pay the costs incurred in connection with the issuance of the Series 2022A Bonds. The Series 2022B Bonds are being issued to provide funds to (i) finance the second phase of implementation costs of an enterprise resource planning software replacement project, (ii) purchase a municipal bond insurance policy and debt service reserve surety policy for the Series 2022B Bonds], and (iii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds. See “THE FINANCING PLAN” and “THE REFUNDING PLAN.”

The City will covenant under the 2022 Facility Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the 2022 Facility Lease in its operating budget for each fiscal year and to make all necessary appropriations for such Base Rental Payments and Additional Payments. The City’s obligation to make Base Rental Payments and Additional Payments under the 2022 Facility Lease is subject to abatement during any period in which, by reason of material damage, destruction, title defect, or condemnation of, the Leased Property, there is substantial interference with the City’s right to use and occupy any portion of the Leased Property. See “RISK FACTORS — Abatement.”

The Bonds are being issued in fully registered book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Interest on Bonds is payable semiannually on June 1 and December 1 of each year commencing [December 1, 2022]. Purchasers will not receive certificates representing their interest in the Bonds. Individual purchases will be in principal amounts of \$5,000 or integral multiples thereof. Principal of and interest and premium, if any, on the Bonds will be paid by Computershare Trust Company, N.A, as trustee, to DTC for subsequent disbursement to DTC Participants who are obligated to remit such payments to the Beneficial Owners of the Bonds. See “THE BONDS — Book-Entry Only System” herein.

The Bonds are subject to optional and mandatory sinking account redemption prior to maturity as set forth herein. The Bonds are subject to extraordinary redemption as set forth herein. See “THE BONDS — Redemption.”

The Bonds are special obligations of the Authority, payable solely from Revenues and the other assets pledged therefor under the Indenture. Neither the full faith and credit nor the taxing power of the Authority, the City, or the State of California, or any political subdivision thereof, is pledged to the payment of the Bonds.

The obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City, the State of California, or any of its political subdivisions in contravention of any constitutional or statutory debt limitation or restriction, and does not constitute an obligation for which the City or the State of California is obligated to levy or pledge any form of taxation or for which the City or the State of California has levied or pledged any form of taxation. The Authority has no power to tax.

[The scheduled payment of principal and interest on a portion, or all, of the Series 2022A Bonds and the Series 2022B Bonds (such maturities insured to be specified in the final Official Statement) when due will be guaranteed under municipal bond insurance policies for each respective series to be issued concurrently with the delivery of the Series 2022A Bonds and the Series 2022B Bonds by [INSURER (“ ”)]. See “BOND INSURANCE” herein.]

The Indenture establishes the 2022A Reserve Fund and the 2022B Reserve Fund which will serve as security for the applicable payments payable by the Authority under the Indenture with respect to the respective Bonds. Concurrently with the delivery of the Bonds, municipal bond debt service reserve insurance policies relating to the Series 2022A Bonds and the Series 2022B Bonds will be issued by [INSURER] (together, the “Reserve Policy”) which the Trustee will credit to the respective reserve fund.

[INSURER LOGO]

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS
(See the Pages Immediately Following This Cover Page)

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

* Preliminary, subject to change.

The Bonds will be offered respectively when, as and if issued and received by the Underwriter, subject to the approval as to their validity by Nixon Peabody LLP, Bond Counsel. Best Best & Krieger LLP, Riverside, California, is acting as Disclosure Counsel to the City. Certain legal matters will be passed upon for the City and the Authority by its City Attorney and for the Underwriter by Stradling Yocca Carlson & Rauth, A Professional Company, Newport Beach, California, and for the Trustee by its counsel. It is anticipated that the Bonds will be available for delivery to DTC in New York, New York on or about [DATE].

[STIFEL LOGO]

Dated: [DATE].

\$(PAR AMOUNT)
CITY OF OXNARD FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2022A (TAX-EXEMPT)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

<u>Maturity Date</u> <u>(June 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
---	--	--	---------------------	----------------------

\$ _____ % Term Bond Due June 1, 20__, Yield: ____%; Price: ____, CUSIP† ____

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers have been assigned by an independent company not affiliated with the Authority and are included solely for the convenience of investors. None of the Authority, the City, the Underwriter, nor the Municipal Advisor are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

\$(PAR AMOUNT)
CITY OF OXNARD FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2022B (TAXABLE)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

<u>Maturity Date</u> <u>(June 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
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\$ _____ % Term Bond Due June 1, 20__, Yield: ____%; Price: ____, CUSIP† ____

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers have been assigned by an independent company not affiliated with the Authority and are included solely for the convenience of investors. None of the Authority, the City, the Underwriter, nor the Municipal Advisor are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

No dealer, broker, salesperson or other person has been authorized by the City or the Authority to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation, or sale.

This Official Statement is not to be construed as a contract with the purchasers or Owners or Beneficial Owners of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts, or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement and the information contained herein are subject to completion or amendment without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or the Authority or any other parties described herein since the date hereof. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. This Official Statement is being submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget,” “intend,” or similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the caption “RISK FACTORS” and in APPENDIX A — “INFORMATION REGARDING THE CITY OF OXNARD.”

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE, OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE, OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT. IN EVALUATING SUCH STATEMENTS, POTENTIAL INVESTORS SHOULD SPECIFICALLY CONSIDER THE VARIOUS FACTORS WHICH COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED BY SUCH FORWARD-LOOKING STATEMENTS.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AND OTHERS AT YIELDS HIGHER THAN THE PUBLIC OFFERING YIELDS STATED ON THE PAGES FOLLOWING THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT AND HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The City maintains a website; however, information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

[INSURER INFORMATION]

**CITY OF OXNARD
COUNTY OF VENTURA, CALIFORNIA
CITY COUNCIL AND CITY OF OXNARD FINANCING AUTHORITY**

John C. Zaragoza, Mayor and Chair
Bryan A. Macdonald, Mayor Pro Tem, District 4, and Vice Chair
Bert E. Perello, Councilmember, District 1, and Board Member
Oscar Madrigal, Councilmember, District 3, and Board Member
Gabriel Teran, Councilmember, District 2, and Board Member
Gabriela Basua, Councilmember, District 5, and Board Member
Vianey Lopez, Councilmember, District 6, and Board Member

CITY OFFICIALS

Alexander Nguyen, *City Manager*
Ashley Golden, *Assistant City Manager*
Shiri Klima, *Deputy City Manager*
Rose Chaparro, *City Clerk*
Stephen Fischer, *City Attorney*
Phillip S. Molina, *City Treasurer*
Betsy George, *Chief Financial Officer*

BOND COUNSEL

Nixon Peabody LLP
Los Angeles, California

DISCLOSURE COUNSEL

Best Best & Krieger LLP
Riverside, California

MUNICIPAL ADVISOR

NHA Advisors
San Rafael, California

TRUSTEE

Computershare Trust Company, N.A.
[CITY, STATE]

VERIFICATION AGENT

Causey Demgen & Moore P.C.
Denver, Colorado

TABLE OF CONTENTS

INTRODUCTION.....	1	CONSTITUTIONAL AND STATUTORY	
SOURCES AND USES OF FUNDS	4	LIMITATIONS ON TAXES AND	
THE FINANCING PLAN.....	5	APPROPRIATIONS	26
Series 2022A Bonds.....	5	Article XIII A of the State Constitution	26
Series 2022B Bonds.....	5	Legislation Implementing Article XIII A.....	26
THE REFUNDING PLAN.....	5	Article XIII B of the State Constitution	27
Series 2022A Bonds.....	5	Articles XIII C and XIII D of the State	
Series 2022B Bonds.....	Error! Bookmark not defined.	Constitution	27
Verification	5	Proposition 62	28
DEBT SERVICE SCHEDULES.....	6	Proposition 1A	29
THE LEASED PROPERTY	7	Proposition 22	29
THE BONDS	7	Proposition 26	29
General.....	7	Proposition 19	30
Redemption.....	8	Possible Future Initiatives	30
Book-Entry Only System	10	TAX MATTERS	30
BOND INSURANCE.....	11	Series 2022A Bonds.....	Error! Bookmark not defined.
SECURITY AND SOURCES OF		Series 2022B Bonds [TBD].....	Error! Bookmark not defined.
PAYMENT FOR THE BONDS	11	The Bonds	Error! Bookmark not defined.
Pledge of Revenues	11	CERTAIN LEGAL MATTERS.....	30
Base Rental Payments.....	12	ABSENCE OF LITIGATION	41
Additional Payments	12	UNDERWRITING.....	42
Abatement	13	RATINGS.....	42
Substitution and Removal of Property	13	MUNICIPAL ADVISOR.....	42
Action on Default.....	14	CONTINUING DISCLOSURE	42
Bond Insurance	16	FINANCIAL STATEMENTS OF THE CITY	43
Reserve Funds	16	MISCELLANEOUS.....	43
Insurance	17		
Additional Bonds	18	APPENDIX A – INFORMATION	
THE AUTHORITY.....	18	REGARDING THE CITY OF OXNARD	A-1
THE CITY.....	19	APPENDIX B – SUMMARY OF THE	
RISK FACTORS.....	19	PRINCIPAL LEGAL DOCUMENTS	B-1
General Considerations – Security for the		APPENDIX C – AUDITED FINANCIAL	
Bonds	19	STATEMENTS OF THE CITY FOR THE	
Abatement	19	YEAR ENDED JUNE 30, 2021.....	C-1
Substitution or Release of Leased Property	20	APPENDIX D – FORM OF BOND COUNSEL	
Limited Secondary Market.....	20	OPINION	D-1
Seismic Activity	20	APPENDIX E – FORM OF CONTINUING	
Wildfire Conditions.....	21	DISCLOSURE CERTIFICATE.....	E-1
Risks Associated with Global Climate		APPENDIX F – BOOK-ENTRY ONLY	
Change	21	SYSTEM.....	F-1
Hazardous Substances.....	21	APPENDIX G – SPECIMEN MUNICIPAL	
Cybersecurity	22	BOND INSURANCE POLICY	G-1
Limited Recourse on Default; No			
Acceleration of Base Rental Payments	22		
Limitations on Remedies.....	23		
Bankruptcy	23		
Possible Insufficiency of Insurance Proceeds	24		
No Liability of Authority to the Owners	24		
Loss of Tax Exemption	25		
COVID-19.....	25		
Dependence on State for Certain Revenues	25		
Current Initiatives.....	26		

MAP OF THE CITY OF OXNARD

OFFICIAL STATEMENT

CITY OF OXNARD FINANCING AUTHORITY

\$[____]*
LEASE REVENUE BONDS
SERIES 2022A
(TAX-EXEMPT)

\$[____]*
LEASE REVENUE BONDS
SERIES 2022B
(FEDERALLY TAXABLE)

INTRODUCTION

This Official Statement (which includes the cover page and the appendices hereto) (the “Official Statement”), provides certain information concerning the sale and delivery of the City of Oxnard Financing Authority \$[____]* Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”), and the City of Oxnard Financing Authority \$[____]* Lease Revenue Bonds, Series 2022B (Tax-Exempt) (the “Series 2022B Bonds,” and together with the Series 2022A Bond, the “Bonds”).

The Series 2022A Bonds are being issued to provide funds to (i) finance certain street improvement projects of the City, (ii) refund in full the Authority’s outstanding obligations under that certain 2012 Lease/Purchase Agreement (the “2012 Lease”), [(iii) purchase a municipal bond insurance policy and debt service reserve surety policy for the Series 2022A Bonds], and (iv) pay the costs incurred in connection with the issuance of the Series 2022A Bonds. The Series 2022B Bonds are being issued to provide funds to (i) finance the second phase of implementation costs of an enterprise resource planning software replacement project, [(ii) purchase a municipal bond insurance policy and debt service reserve surety policy for the Series 2022B Bonds], and (iii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds. See “THE FINANCING PLAN” and “THE REFUNDING PLAN.”

The Bonds are payable from certain revenues and other moneys pledged under that certain Indenture, dated as of December 1, 2019 (the “Original Indenture”), by and among the City of Oxnard (the “City”), the City of Oxnard Financing Authority (the “Authority”) and Computershare Trust Company, N.A., as successor in interest to Wells Fargo Bank National Association, as supplemented by that certain First Supplement to Indenture, dated as of [DATE] (the “First Supplement to Indenture,” and together with the Original Indenture, the “Indenture”), by and among the City of Oxnard (the “City”), the City of Oxnard Financing Authority (the “Authority”) and Computershare Trust Company, N.A., as trustee (the “Trustee”). Revenues consist primarily of base rental payments (the “Base Rental Payments”) to be made by the City for the right to use certain real property consisting of City Hall, a library, and the City’s administrative annex (the “Leased Property”) pursuant to that certain Facility Lease, dated as of December 1, 2019 (the “2019 Facility Lease”), as amended by that certain First Amendment to Facility Lease, dated as of [DATE] (the “2022 Facility Lease,” and together with the 2019 Facility Lease, the “Facility Lease”), each by and between the Authority, as lessor, and the City, as lessee.

The Authority has previously issued certain lease revenue bonds pursuant to the Original Indenture (the “2019 Bonds”), of which \$25,655,000 principal amount is outstanding. Subject to satisfaction of certain conditions precedent, the Authority may issue additional bonds (the “Additional Bonds”) under the Original Indenture. The Bonds will be issued as Additional Bonds under the Indenture. The 2019 Bonds and the Bonds will be payable from Revenues on a parity with all other Additional Bonds issued under the Indenture. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Parity Obligations; Additional Bonds” herein.

* Preliminary, subject to change.

Pursuant to that certain Site Lease, dated as of December 1, 2019 (the “2019 Site Lease”), as amended by that certain First Amendment to Site Lease, dated as of [DATE] (the “Amendment to Site Lease, and together with the Site Lease, the “Site Lease”), each by and between the City and the Authority, the City will lease the Leased Property to the Authority. Simultaneously with the execution and delivery of the Amendment to Site Lease, the Authority will sublease the Leased Property to the City under the 2022 Facility Lease. The Facility Lease will obligate the City to make Base Rental Payments to the Authority.

Upon the issuance of the Bonds, the Trustee and the Authority will execute and deliver that certain First Amendment to Assignment Agreement, dated as of [DATE] (the “Amendment to Assignment”), which amends that certain Assignment Agreement, dated as of December 1, 2019 (the “2019 Assignment Agreement,” and together with the Amendment to Assignment, the “Assignment Agreement”), pursuant to which the Authority will grant, transfer, and assign to the Trustee (i) all the Authority’s rights to receive the Base Rental Payments under and pursuant to the Facility Lease, (ii) the right to take all actions under the Facility Lease, (iii) the right of access more particularly described in the Facility Lease, and (iv) any and all other rights and remedies of the Authority in the Facility Lease as lessor thereunder.

The City will covenant under the Facility Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facility Lease in its operating budget for each fiscal year and to make all necessary appropriations for such Base Rental Payments and Additional Payments, subject to abatement as provided in the Facility Lease. Additional Payments consist of fees, costs and expenses and all administrative costs of the Authority relating to the Leased Property including, without limiting the generality of the foregoing, salaries and wages of employees, overhead, insurance premiums, taxes and assessments (if any), expenses, compensation and indemnification of the Trustee (to the extent not paid or otherwise provided for out of the proceeds of the sale of the Bonds), fees of auditors, accountants, attorneys or engineers, insurance premiums, and all other reasonable and necessary administrative costs of the Authority or charges required to be paid by it to comply with the terms of the Bonds or the Indenture.

Base Rental Payments and Additional Payments are subject to complete or partial abatement in the event and to the extent that there is substantial interference with the City’s right to use and occupy the Leased Property or any portion thereof. See “RISK FACTORS — Abatement.” Abatement of Base Rental Payments under the Facility Lease, to the extent that payment is not made from alternative sources as set forth below, would result in all Owners receiving less than the full amount of principal of and interest on the Bonds. To the extent that proceeds of insurance are available, Base Rental Payments (or a portion thereof) may be made during periods of abatement.

THE BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM REVENUES AND THE OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY, OR THE STATE OF CALIFORNIA (THE “STATE”), OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS. THE AUTHORITY HAS NO TAXING POWER.

THE OBLIGATION OF THE CITY TO PAY BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY, THE STATE, OR ANY OF ITS POLITICAL SUBDIVISIONS IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE CITY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

[THE SCHEDULED PAYMENT OF PRINCIPAL AND INTEREST ON A PORTION, OR ALL, OF THE SERIES 2022A BONDS AND THE SERIES 2022B BONDS (SUCH MATURITIES INSURED TO BE SPECIFIED IN THE FINAL OFFICIAL STATEMENT) WHEN DUE WILL BE GUARANTEED UNDER MUNICIPAL BOND INSURANCE POLICIES (TOGETHER, THE “POLICIES”) FOR EACH RESPECTIVE

SERIES TO BE ISSUED CONCURRENTLY WITH THE DELIVERY OF THE SERIES 2022A BONDS AND THE SERIES 2022B BONDS BY [INSURER]. SEE “BOND INSURANCE” HEREIN.]

The Indenture establishes the 2022A Reserve Fund and the 2022B Reserve Fund (together, the “Reserve Fund”) which will serve as security for the applicable payments payable by the Authority under the Indenture with respect to the respective Bonds. Concurrently with the delivery of the Bonds, municipal bond debt service reserve insurance policies relating to the Series 2022A Bonds and the Series 2022B Bonds will be issued by [INSURER] (together, the “Reserve Policy”) which the Trustee will credit to the respective reserve fund.

The City has agreed to provide, or cause to be provided, to the Municipal Securities Rulemaking Board for purposes of Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission certain annual financial information and operating data and, in a timely manner, notice of certain listed events. These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5). See “CONTINUING DISCLOSURE” herein for a description of the specific nature of the annual report and notices of listed events and a summary description of the terms of the disclosure certificate pursuant to which such reports are to be made.

Computershare Trust Company, N.A. [CITY, STATE], will act as Trustee with respect to the Bonds. The Bonds will be issued subject to the approval as to their legality by Nixon Peabody LLP, Bond Counsel. Certain legal matters will be passed upon for the City and the Authority by Best Best & Krieger LLP, as Disclosure Counsel. The City Attorney will pass on certain legal matters for the City and the Authority. Certain legal matters will be passed upon for the Underwriter by Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California, and for the Trustee by its counsel.

Certain events could affect the ability of the City to make the Base Rental Payments when due. See “RISK FACTORS” for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the Bonds.

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and, except for a budget discussion for fiscal years 2022-23 through 2026-27, is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future. See Appendix C for financial and operating information related to the City.

The summaries or references to the Indenture, the Facility Lease, the Site Lease, the Assignment Agreement and other documents, agreements, and statutes referred to herein, and the description of the Bonds included in this Official Statement, do not purport to be comprehensive or definitive, and such summaries, references, and descriptions are qualified in their entireties by reference to each such document or statute. All capitalized terms used in this Official Statement (unless otherwise defined herein) which are defined in the Indenture or the Facility Lease shall have the meanings set forth therein, some of which are summarized in APPENDIX B — “SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS.”

SOURCES AND USES OF FUNDS

The sources and uses of funds with respect to the Bonds and prepayment of the 2012 Lease are shown below.

	<u>Series 2022A Bonds</u>	<u>Series 2022B Bonds</u>	<u>Total</u>
<i>Sources</i>			
Principal Amount			
[Plus/Less] [Net] Original Issue			
[Premium/Discount]			
Total Sources			
<i>Uses</i>			
2012 Lease Prepayment			
Construction Fund			
Cost of Issuance ⁽¹⁾			
Total Uses			

⁽¹⁾ Includes legal, municipal advisory, rating agency, premium for municipal bond insurance policies and debt service reserve surety policies, Underwriter's Discount, printing fees, and other miscellaneous costs of issuance.

THE FINANCING PLAN

Series 2022A Bonds

The City intends to apply a portion of the proceeds of the sale of the Series 2022A Bonds to finance certain street improvement projects in the City. The City currently maintains approximately 905 lane miles of streets and 132 miles of alleys. The City has identified certain roadways that require repair and maintenance and is undertaking roadway improvement projects (the “Street Project”). The Street Project is anticipated to be funded with revenues from the City’s Road Maintenance and Rehabilitation Account, revenues from the City’s Measure “O,” an allocation of 2022-23 reserve funds of the City, and a portion of the proceeds of the Series 2022A Bonds. [ADDITIONAL DETAILS OF THE STREET PROJECT TO COME]

Series 2022B Bonds

The City intends to apply a portion of the proceeds of the sale of the Series 2022B Bonds to finance phase two of its enterprise resource planning system (the “ERP System”). The City has contracted with Tyler Technologies, Inc. to establish and maintain the ERP System. The ERP System software will replace paper-based processes and 1980s green-screen technology. It offers significant efficiencies to residents, businesses, and City support operations. For example, the resident portal, which is available in Spanish, will allow for online sign-up or discontinuation of water, sewer, and solid waste utility services, online permit applications, inspection scheduling and fee payment with a single customer account. Businesses and residents alike will be able to utilize electronic plan review and to track the permitting and plan check process online. City vendors will be able to submit invoices online and track payments. Also, various internal support processes such as timesheets, payroll, procurement, budgeting and various accounting workflows will become automated, which will increase accuracy, efficiency and transparency. The City anticipates the total cost of the ERP System to be approximately \$15 million, which includes certain one-time implementation costs as well as annual maintenance costs. The City will be implementing the ERP System in [four] phases over five years, the first and second phases of which were financed with a portion of the proceeds of the Authority’s Lease Revenue Bonds, Series 2019A (Federally Taxable) (the “2019A Bonds”) in the amount of \$6.9 million. A portion of the proceeds of the Series 2022B Bonds are financing the phases 3 and 4 of the ERP System implementation.

THE REFUNDING PLAN

Series 2022A Bonds

Pursuant to that certain Lease/Purchase Agreement, dated as of August 1, 2012, by and between the City and the Authority, the City delivered obligations in the aggregate principal amount of \$5,570,838 (the “2012 Lease”). The 2012 Lease refunded in full the City’s Certificates of Participation, Series 1999.

Upon delivery of the Series 2022A Bonds, a portion of the proceeds of the Series 2022A Bonds will be transferred to Capital One Public Funding, LLC (the “2012 Lender”), as assignee of the Authority in connection with the 2012 Lease, for the prepayment in full of the 2012 Lease. The 2012 Lease is outstanding in the amount of \$2,303,516, which will be prepaid in full by a portion of the Series 2022A Bonds.

Verification

Upon delivery of the Bonds, Causey Demgen & Moore P.C. will deliver its independent certified public accountants verification report on the mathematical accuracy of certain computations contained in schedules provided to them which were prepared on behalf of the City by the Underwriter, relating to the sufficiency of the amounts transferred to the 2012 Lender to prepay in full the 2012 Lease.

DEBT SERVICE SCHEDULES

Set forth below is the annualized debt service with respect to the 2019 Bonds and the Bonds, assuming no optional redemptions prior to maturity.

Fiscal	Total Base	Total Base	Total Base	Total Base
Year	Rental Payment	Rental Payment	Rental Payment	Rental
	Series	Series	Series	Payments
	<u>2019 Bonds</u>	<u>2022A Bonds</u>	<u>2022B Bonds</u>	
2023	1,610,876			
2024	1,644,386			
2025	1,681,000			
2026	1,709,775			
2027	1,745,952			
2028	1,783,908			
2029	1,814,017			
2030	1,851,299			
2031	1,885,323			
2032	1,925,952			
2033	1,964,858			
2034	2,003,293			
2035	2,048,150			
2036	2,085,600			
2037	2,099,578			
2038	2,095,816			
2039	2,097,154			
2040	2,095,829			
2041	2,096,841			

Fiscal	Series 2022A	Series 2022A	Total Base
Year	Bonds	Bonds	Rental Payment
	<u>Principal</u>	<u>Interest</u>	Series
			<u>2022A Bonds</u>

Fiscal	Series 2022B	Series 2022B	Total Base
Year	Bonds	Bonds	Rental Payment
	<u>Principal</u>	<u>Interest</u>	Series
			<u>2022B Bonds</u>

THE LEASED PROPERTY

The Leased Property consists of the City buildings listed below:

Building	Address	Insured Value
City Hall/Council Chambers and Civic Center	305 W. 3 rd Street	\$18,928,691
Administrative Offices	214 S. “C” Street	\$20,157,566
Fire Administration Building	360 W. 2 nd Street	\$6,821,783
South Oxnard Branch Library	4300 S. Saviers Road	\$18,716,042
South Oxnard Center	200 E. Bard Road	\$7,340,094
TOTAL		\$71,964,176

The total insured value of the Leased Property is approximately \$71,964,176. The insured value of the buildings does not include the value of the land underlying the buildings.

Under the Facility Lease, the City has the right to substitute or release all or portion of the Leased Property subject to the prior written consent of [INSURER] and certain conditions precedent. The City will have the right to further amend the Facility Lease to provide for additional lease payments so long as, among other conditions, the value of the Leased Property is sufficient. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Additional Bonds” and “— Substitution and Removal of Property.”

THE BONDS

General

The Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof. The Bonds shall bear interest from their date of delivery and such interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on the Bonds will be paid semiannually on June 1 and December 1 (each, an “Interest Payment Date”) of each year, commencing [June 1, 2023].

The interest on the Bonds will be paid in lawful money of the United States. The interest on the Bonds shall be payable on each Interest Payment Date by check sent by first class mail by the Trustee to the Owners of the Bonds as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of the Indenture. The principal and premium, if any, of the Bonds shall be payable upon presentation and surrender thereof on maturity or on redemption prior thereto at the Principal Corporate Trust Office of the Trustee. The term “Record Date,” as defined in the Indenture, means the close of business on the 15th day of the month preceding any Interest Payment Date, whether or not such day is a Business Day.

The Owner of \$1,000,000 or more in aggregate principal amount of the Bonds may request in writing that the Trustee pay the interest on the Bonds by wire transfer to an account in the United States of America, and

the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request.

Redemption*

Series 2022A Bonds

Optional Redemption. The Series 2022A Bonds maturing on or before June 1, 20__, are not subject to optional redemption. The Series 2022A Bonds maturing on or after June 1, 20__ are subject to optional redemption prior to maturity on or after June 1, 20__ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the Series 2022A Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

Mandatory Sinking Account Redemption. The Series 2022A Bonds maturing on June 1, ____ (the “Series 2022A Term Bonds”) shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, ____, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such Series 2022A Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date (June 1)	Principal Amount to be Redeemed or Purchased
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If some but not all of the Series 2022A Term Bonds have been redeemed pursuant to extraordinary or optional redemptions, the total amount of Mandatory Sinking Account Payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Series 2022A Term Bonds so redeemed by reducing each such future Mandatory Sinking Account Payment on a pro rata basis (as nearly as practicable) in integral multiples of \$5,000, as shall be designated pursuant to written notice which shall include a revised Mandatory Sinking Account Payment schedule filed by Authority with the Trustee.

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. To the extent permitted or required by the Indenture, the Series 2022A Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022A Bonds plus accrued interest thereon to the date fixed for redemption, without premium. See “RISK FACTORS – Possible Insufficiency of Insurance Proceeds.”

Series 2022B Bonds

Optional Redemption. The Series 2022B Bonds maturing on or before June 1, 20__, are not subject to optional redemption. The Series 2022B Bonds maturing on or after June 1, 20__ are subject to optional redemption prior to maturity on or after June 1, 20__ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the Series 2022B Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

* Preliminary, subject to change.

Mandatory Sinking Account Redemption. The Series 2022B Bonds maturing on June 1, ____ (the “Series 2022B Term Bonds”) shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, ____, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such Series 2022B Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date (June 1)	Principal Amount to be Redeemed or Purchased
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If some but not all of the Series 2022B Term Bonds have been redeemed pursuant to extraordinary or optional redemptions, the total amount of Mandatory Sinking Account Payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Series 2022B Term Bonds so redeemed by reducing each such future Mandatory Sinking Account Payment on a pro rata basis (as nearly as practicable) in integral multiples of \$5,000, as shall be designated pursuant to written notice which shall include a revised Mandatory Sinking Account Payment schedule filed by Authority with the Trustee.

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. To the extent permitted or required by the Indenture, the Series 2022B Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022B Bonds plus accrued interest thereon to the date fixed for redemption, without premium. See “RISK FACTORS – Possible Insufficiency of Insurance Proceeds.”

Selection of Bonds for Redemption. Whenever provision is made in the Indenture for the redemption (other than sinking account redemption) of less than all of the Bonds of a series, the Trustee shall select the Bonds of such series to be redeemed from all Bonds of such series not previously called for redemption, in such maturities as the Authority shall designate (and randomly within any maturity). For purposes of such selection, all Bonds shall be deemed to be comprised of individual Bonds of denominations of \$5,000 principal amount and such portions shall be treated as separate Bonds, which may be separately redeemed.

Notice of Redemption. Notice of redemption shall be mailed by first class mail by the Trustee, on behalf and at the expense of the City, not less than 30 nor more than 60 days prior to the redemption date to the respective Owners of Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee and, unless otherwise instructed by the Authority, provided by the Trustee to the MSRB. Each notice of redemption shall state the date of such notice, the Bonds to be redeemed, the Series and date of issue of such Bonds, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice of optional redemption shall also state that such redemption may be rescinded by the City and that, unless such redemption is so rescinded, and provided that on said date funds are available for payment in full of the Bonds then called for redemption, on said date there will become due and payable on each of such Bonds the redemption price thereof or of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Failure by the Trustee to give notice of redemption pursuant to Indenture to any one or more of the information services or securities depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. The failure of any Owner to receive any redemption notice mailed to such Owner and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for redemption.

The City has the right to send a conditional optional redemption notice and such conditional notice may be rescinded by providing written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent. Further, the City may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the Owners of the Bonds so called for redemption. The actual receipt by the Owner of any Bond of such notice of rescission will not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice will not affect the validity of the rescission.

Partial Redemption of Bonds. Whenever less than all the Outstanding Bonds of a series maturing on any one date are called for redemption at any one time, the Trustee shall select the Bonds to be redeemed from the Outstanding Bonds of such series maturing on such date not previously selected for redemption, randomly in any manner which the Trustee deems appropriate.

Effect of Redemption. If notice of redemption has been duly given as set forth in the Indenture and moneys for the payment of the redemption price of the Bonds to be redeemed are held by the Trustee, then on the redemption date designated in such notice the Bonds so called for redemption shall become payable at the redemption price specified in such notice; and from and after the date so designated, interest on the Bonds so called for redemption shall cease to accrue, such Bonds shall cease to be entitled to any benefit or security under the Indenture, and the Owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price represented thereby. The Trustee shall, upon surrender for payment of any of the Bonds to be redeemed, pay such Bonds at the redemption price thereof.

Book-Entry Only System

General. DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered bonds, registered in the name of Cede & Co. as nominee of DTC, and will be available to actual purchasers of the Bonds (the “Beneficial Owners”), in the denominations set forth above, under the book-entry system maintained by DTC only through brokers and dealers who are or act through DTC Participants (as defined in Appendix F) as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds.

Transfer and Exchange of Bonds. The following provisions regarding the exchange and transfer of the Bonds apply only during any period in which the Bonds are not subject to DTC’s book-entry system. While the Bonds are subject to DTC’s book-entry system, their exchange and transfer will be effected through DTC and the Participants and will be subject to the procedures, rules and requirements established by DTC.

All Bonds may be presented for transfer by the Owner thereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, on the books required to be kept by the Trustee pursuant to the provisions of the Indenture, upon surrender of such Bonds for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. The Trustee may treat the Owner of any Bond as the absolute owner of such Bond for all purposes, whether or not such Bond shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the principal of, premium, if any, and interest on such Bond shall be made only to such

Owner, which payments shall be valid and effectual to satisfy and discharge the liability of by such Bond to the extent of the sum or sums so paid.

Whenever any Bonds shall be surrendered for transfer, the Trustee shall execute and deliver new Bonds in the same principal amount in Authorized Denominations. The Trustee shall require the payment by any Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

The Bonds may be presented for exchange at the Principal Corporate Trust Office of the Trustee, for a like aggregate principal amount of Bonds of other Authorized Denominations. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee shall not be required to transfer or exchange any Bond during the period in which the Trustee is selecting Bonds for redemption, nor shall the Trustee be required to transfer or exchange any Bond or portion thereof selected for redemption from and after the date of mailing the notice of redemption thereof.

BOND INSURANCE

[TO COME]

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

Pledge of Revenues

Pursuant to the Site Lease, the City leases the Leased Property to the Authority. The Authority leases the Leased Property back to the City pursuant to the Facility Lease in exchange for the payment of Base Rental Payments. The Base Rental Payments are equal to the principal of and interest on the Bonds when due. The Bonds shall be special obligations of the Authority, payable solely from the Revenues and other assets pledged therefor under the Indenture.

Under the Indenture, “Revenues” includes all Base Rental Payments pursuant to the Facility Lease, and all other benefits, charges, income, proceeds, profits, receipts, rents and revenues derived by the Authority from the operation or use of the Leased Property, including interest or profits from the investment of money in certain accounts or funds pursuant to the Indenture. See “RISK FACTORS” and Appendix A. The City will covenant in the Facility Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facility Lease as a separate line item in its annual budgets and to make the necessary annual appropriations therefor, subject to abatement as provided in the Facility Lease.

It is the intent of the parties to the Indenture that the Authority shall not have any right, title, or interest in or to the Revenues. In the event, however, that it should be determined that the Authority has any right, title, or interest in or to the Revenues, then the Authority irrevocably pledges and transfers to the Trustee, for the benefit of the Owners, all of such right, title, and interest, which shall be used for the punctual payment of the interest and principal of the Bonds. These pledges shall constitute a first and exclusive lien on certain funds established under the Indenture and the Revenues in accordance with the terms thereof.

The Authority, pursuant to the Assignment Agreement, will unconditionally grant, transfer, and assign to the Trustee without recourse (i) all its rights to receive the Base Rental Payments under and pursuant to the Facility Lease, (ii) the right to take all actions under the Facility Lease, (iii) the right of access more particularly described in the Facility Lease, and (iv) any and all other rights and remedies of the Authority in the Facility Lease as lessor thereunder; provided, that so long as no default in payment of Base Rental Payments under the Facility Lease shall have occurred or be continuing, the Authority shall have and may exercise all rights of the Authority under the Facility Lease other than the right to receive the Base Rental Payments (which rights to receive have been assigned to the Trustee). The City will pay Base Rental Payments directly to the Trustee, as

assignee of the Authority. See “— Base Rental Payments” below. Pursuant to the Facility Lease and the Indenture, the Authority may issue Additional Bonds payable from the Base Rental Payments on a parity with the Bonds. See APPENDIX B — “SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS — INDENTURE — Proceedings for Authorization of Additional Bonds.”

THE BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM REVENUES AND THE OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY, OR THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS. THE AUTHORITY HAS NO TAXING POWER.

Base Rental Payments

The City will agree under the Facility Lease to pay to the Trustee, as assignee of the Authority, the Base Rental Payments no later than the 3rd Business Day prior to each Interest Payment Date (the “Base Rental Payment Date”) on which such Base Rental Payment is due. All Base Rental Payments received by the Trustee will be deposited by the Trustee in the Revenue Fund to be established under the Indenture (the “Revenue Fund”). Such payments of Base Rental Payments will be paid or payable by the City for and in consideration of the right of the use and possession of, and the continued quiet use and enjoyment of, the Leased Property.

Base Rental Payments for each Lease Year (as defined in the Facility Lease) or portion thereof during the term of the Facility Lease shall constitute, together with the Additional Payments, the total amount due for such Lease Year or portion thereof and shall be paid or payable by the City for and in consideration of the right of the use and possession of, and the continued quiet use and enjoyment of, the Leased Property. Pursuant to the Indenture, on each Interest Payment Date, the Trustee will transfer amounts in the Revenue Fund as are necessary to the Interest Fund and the Principal Fund to provide for the payment of the interest on and principal of the Bonds.

The City will covenant in the Facility Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments in its operating budget for each fiscal year and to make all necessary appropriations for such Base Rental Payments and Additional Payments, subject to abatement as provided in the Facility Lease. See “DEBT SERVICE SCHEDULE.”

THE OBLIGATION OF THE CITY TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY OR THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE CITY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Additional Payments

The Facility Lease requires the City to pay to the Authority or the Trustee, as Additional Payments thereunder in addition to the Base Rental Payments, such amounts as shall be required for the payment all costs and expenses incurred in connection with the execution, performance, or enforcement of the Facility Lease or the assignment thereof, the Indenture, or the respective interests in the Leased Property and the lease of the Leased Property by the Authority to the City thereunder, including but not limited to all fees, costs, and expenses and all administrative costs of the Authority relating to the Leased Property. Such fees and costs include, without limitation, salaries and wages of employees, overhead, insurance premiums, taxes and assessments (if any), expenses, compensation and indemnification of the Trustee (to the extent not paid or otherwise provided for out of the proceeds of the sale of the Bonds), fees of auditors, accountants, attorneys or engineers, insurance premiums, and all other reasonable and necessary administrative costs of the Authority or charges required to be paid by it to comply with the terms of the Bonds or the Indenture.

Additional Payments will be billed to the City by the appropriate party from time to time, together with a statement certifying that the amount billed has been incurred or paid for one or more of the items constituting Additional Payments, or that such amount is then so payable for such items. Amounts so billed shall be paid by the City not later than the latest time as such amounts may be paid without penalty or, if no penalty is associated with a late payment of such amounts, within thirty (30) days after receipt of a bill by the City for such amounts.

Abatement

Base Rental Payments and Additional Payments are paid by the City in each Lease Year or portion thereof for and in consideration of the right of the use and possession of, and the continued quiet use and enjoyment of, the Leased Property. During any period in which, by reason of material damage, destruction, title defect, or condemnation, there is substantial interference with the use and possession by the City of any portion of the Leased Property, rental payments due under the Facility Lease with respect to the Leased Property shall be abated to the extent that the annual fair rental value of the portion of the Leased Property in respect of which there is no substantial interference is less than the annual Base Rental Payments, in which case rental payments shall be abated only by an amount equal to the difference.

In the event the City assigns, transfers, or subleases any or all of the Leased Property or other rights under the Facility Lease, as permitted by the Facility Lease, for purposes of determining the annual fair rental value available to pay Base Rental Payments, annual fair rental value of the Leased Property shall first be allocated to payments required under the Facility Lease. The City waives the benefits of California Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate the Facility Lease by virtue of any such interference and the Facility Lease shall continue in full force and effect.

Abatement shall continue for the period commencing with the date of such damage, destruction, title defect, or condemnation and ending with the substantial completion of the work of repair or replacement of the portions of the Leased Property so damaged, destroyed, defective, or condemned.

Notwithstanding the foregoing, to the extent there are (a) amounts held by the Trustee in the Revenue Fund, (b) amounts received in respect of rental interruption insurance, and (c) amounts, if any, otherwise legally available to the Trustee for payments in respect of the Bonds, Base Rental Payments and Additional Payments will not be abated as provided above but, rather, will be payable by the City as a special obligation payable solely from said funds and accounts.

Any abatement of rental payments pursuant to the Facility Lease is not considered an Event of Default as defined in the Facility Lease. See “RISK FACTORS – Abatement,” herein. See APPENDIX B — “SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS — FACILITY LEASE — Rental Abatement.”

Substitution and Removal of Property

The Authority and the City may amend the Facility Lease, upon prior written consent of [INSURER], to substitute other real property and/or improvements (the “Substituted Property”) for existing Leased Property and/or to remove real property (including undivided interests therein) and/or improvements from the definition of Leased Property, upon compliance with all of the conditions set forth in the Facility Lease. After a substitution or removal, the part of the Leased Property for which the substitution or removal has been effected shall be released from the leasehold under the Facility Lease and under the Site Lease. No substitution or removal shall take place under the Facility Lease until the City delivers to the Authority and the Trustee the following:

- (a) A certificate of the City containing a description of all or part of the Leased Property to be released and, in the event of a substitution, a description of the Substituted Property to be substituted in its place;
- (b) A certificate of the City (i) stating that the annual fair rental value of the Leased Property after a substitution or removal, in each year during the remaining term of the Facility Lease, is at least equal to the

maximum annual Base Rental Payments payable thereunder attributable to the Leased Property prior to said substitution or removal, as determined by the City on the basis of commercially reasonable evidence of the fair rental value of the Leased Property after said substitution or removal; and (ii) demonstrating that the useful life of the Leased Property after substitution or removal equals or exceeds the remaining term of the Facility Lease;

(c) An opinion of counsel to the effect that the amendments to the Facility Lease and to the Site Lease contemplating substitution or removal have been duly authorized, executed and delivered and constitute the valid and binding obligations of the City and the Authority enforceable in accordance with their terms;

(d) (1) In the event of a substitution, a policy of title insurance in an amount equal to the same proportion of the principal amount as the principal portion of the Base Rental Payments for the Substituted Property bears to the total principal portion of the Base Rental Payments payable under the Facility Lease, insuring the City's leasehold interest in the Substituted Property (except any portion thereof which is not real property) subject only to Permitted Encumbrances, together with an endorsement thereto making said policy payable to the Trustee for the benefit of the Owners of the Bonds, and (2) in the event of a partial Removal, evidence that the title insurance in effect immediately prior thereto is not affected;

(e) In the event of a substitution, a certificate of the City to the effect that the exceptions, if any, contained in the title insurance policy referred to in (d) above do not interfere with the beneficial use and occupancy of the Substituted Property described in such policy by the City for the purposes of leasing or using the Substituted Property; and

(f) Evidence that the City has complied with the covenants to secure and maintain the insurance coverage with respect to the Substituted Property as set forth in the Facility Lease.

See APPENDIX B — "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS."

Action on Default

If the City defaults under the Facility Lease it shall be lawful for the Authority to exercise any and all remedies available pursuant to law or in equity, or granted pursuant to the Facility Lease; provided, however, that notwithstanding anything in the Facility Lease or in the Indenture to the contrary, there shall be no right under any circumstances to accelerate the Base Rental Payments or otherwise declare any Base Rental Payments not then in default to be immediately due and payable. After the occurrence of an Event of Default hereunder, the City will surrender possession of the Leased Property to the Authority, if requested to do so by the Authority, or by the Trustee or the Owners of the Bonds in accordance with the provisions of the Indenture.

(1) *No Termination: Repossession and Re-Letting on Behalf of City.* In the event the Authority does not elect to terminate the Facility Lease in the manner hereinafter provided for in subparagraph (2) below, the Authority with the consent of the City, which consent is irrevocably given under the Facility Lease, may repossess the Leased Property and re-let for the account of the City, in which event the City's obligation will continue to accrue from year to year in accordance with the Facility Lease and the City will continue to receive the value of the use of the Leased Property from year to year in the form of credits against its obligation to pay Base Rental Payments. The obligations of the City shall remain the same as prior to such default to pay Base Rental Payments whether the Authority re-enters or not. The City agrees to and shall remain liable for the payment of all Base Rental Payments and the performance of all conditions contained herein and shall reimburse the Authority for any deficiency arising out of the re-letting of the Leased Property, or, in the event the Authority is unable to re-let the Leased Property, then for the full amount of all Base Rental Payments to the end of the term of the Facility Lease, but said Base Rental Payments and/or deficiency shall be payable only at the same time and in the same manner as provided above for the payment of Base Rental Payments hereunder, notwithstanding such repossession by the Authority or any suit brought by the Authority for

the purpose of effecting such repossession of the Leased Property or the exercise of any other remedy by the Authority.

Under the Facility Lease, the City irrevocably appoints the Authority as the agent and attorney-in-fact of the City to repossess and re-let the Leased Property in the event of default by the City in the performance of any covenants contained in the Facility Lease to be performed by the City and to remove (any removal to be done with reasonable prudence) all personal property connected to or made a part of the Leased Property, to place such property in storage or other suitable place in the City for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Authority from any costs, loss, or damage whatsoever arising or occasioned by any such repossession and re-letting of the Leased Property. Additionally, pursuant to the Facility Lease, the City has waived any and all claims for damages caused or which may be caused by the Authority in repossessing the Leased Property as provided in the Facility Lease and all claims for damages that may result from the destruction of or the injury to the Leased Property and all claims for damage to or loss of any property belonging to the City that may be in or upon the Leased Property.

The City has agreed that the terms of the Facility Lease constitute full and sufficient notice of the right of the Authority to re-let the Leased Property in the event of such repossession without effecting a surrender of the Facility Lease, and further agrees that no acts of the Authority in effecting such re-letting shall constitute a surrender or termination of the Facility Lease irrespective of the term for which such re-letting is made or the terms and conditions of such re-letting or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate the Facility Lease shall vest in the Authority to be effected in the sole and exclusive manner provided for in subparagraph (2) below. The City has further waived the right to any rental amounts obtained by the Authority in excess of the Base Rental Payments and hereby conveys and releases such excess to the Authority as compensation to the Authority for its services in re-letting the Leased Property. In the event that the liability of the City under the corresponding subsection of the Facility Lease is held to constitute indebtedness or liability in any year exceeding the income and revenue provided for such year, the Authority, or the Trustee, or the Owners as assignees of the Authority, shall not exercise the remedies provided in this subsection.

(2) *Termination: Repossession and Re-Letting.* In the event of the termination of the Facility Lease by the Authority at its option and in the manner provided in the Facility Lease on account of default by the City (and notwithstanding any repossession of the Leased Property by the Authority in any manner whatsoever or the sale or re-letting of the Leased Property), the City nevertheless agrees to pay to the Authority all costs, losses, or damages, but not Base Rental Payments, howsoever arising or occurring payable at the same time and in the same manner as is provided in the Facility Lease in the case of payment of Base Rental Payments. Any proceeds of the re-letting or other disposition of the Leased Property or the sale of the improvements located on the Leased Property by the Authority shall, after payment of the fees and expenses of the Trustee and other Additional Payments, be deposited into the Revenue Fund and be applied in accordance with the provisions of the Indenture. Any surplus received by the Authority from such sale or re-letting shall be the absolute property of the Authority, and the City shall have no right thereto nor shall the City be entitled to any credit in the event of a surplus in the rentals received by the Authority for the Leased Property. Neither notice to pay rent or to deliver up possession of the Leased Property given pursuant to law nor any proceeding taken by the Authority to recover possession of the Leased Property shall by itself operate to terminate the Facility Lease, and no termination of the Facility Lease on account of default by the City shall be or become effective by operation of law, or otherwise, unless and until the Authority shall have given written notice to the City of the election on the part of the Authority to terminate the Facility Lease. The City covenants and agrees that no surrender of the Leased Property or of the remainder of the term of the Facility Lease or any termination of the Facility Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice. No such termination shall be effected whether by operation of law or acts of the parties to the Facility Lease, except only in the manner expressly provided in the Facility Lease. There is no provision for the acceleration of debt

service on the Bonds in the Indenture or of Base Rental Payments in the Facility Lease upon the happening of an event of default. See “RISK FACTORS — Limited Recourse on Default; No Acceleration of Base Rental.”

In each and every case during the continuance of an event of default under the Indenture, the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding (subject to the provisions of the Indenture) shall be entitled, upon notice in writing to the City and the Authority, to exercise any of the remedies granted to the City under the Facility Lease to the Authority under the Facility Lease and, in addition, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or the Owners by the Indenture or by the Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right.

For purposes of certain actions of Owners under the Indenture and the Facility Lease, such as certain consents and amendments and the direction of remedies following default, Owners do not act alone and may not control such matters to the extent such matters are not supported by the requisite number of the Owners of all Bonds and Additional Bonds, if any.

For a description of the events of default and permitted remedies of the Trustee (as assignee of the Authority) contained in the Facility Lease and the Indenture, see APPENDIX B — “SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS — FACILITY LEASE — Maintenance; Taxes; Insurance and Other Charges — Insurance.”

Bond Insurance

[TO COME]

Reserve Funds

The Original Indenture established the 2019A Reserve Fund, which is maintained as a separate fund, and is separate and distinct from the 2022A Reserve Fund and 2022B Reserve Fund, and serves solely as security for payments payable by the Authority with respect to the 2019 Bonds.

Concurrently with the closing of the Series 2022A Bonds, the Trustee shall credit the 2022A Reserve Policy in the amount of \$[_____] to the 2022A Reserve Fund. The 2022A Reserve Fund is to be maintained as a separate fund, and is separate and distinct from the 2019A Reserve Fund and the 2022B Reserve Fund. The Trustee shall draw on the 2022A Reserve Policy and shall transfer such amounts to the Series 2022A Interest Fund and the Series 2022A Principal Fund, in such order, to the extent required to make the deposits then required to be made pursuant to the Indenture to pay debt service on the Series 2022A Bonds. Neither the Authority nor the City will have any obligation to replace the 2022A Reserve Policy or to fund the 2022A Reserve Fund with cash if, at any time that the Series 2022A Bonds are Outstanding (i) any rating assigned to [INSURER], the insurer, is downgraded, suspended, or withdrawn, or (ii) amounts are not available for any reason under the 2022A Reserve Policy.

Concurrently with the closing of the Series 2022B Bonds, the Trustee shall credit the 2022B Reserve Policy in the amount of \$[_____] to the 2022B Reserve Fund. The 2022B Reserve Fund is to be maintained as a separate fund, and is separate and distinct from the 2019A Reserve Fund and the 2022A Reserve Fund. The Trustee shall draw on the 2022B Reserve Policy and shall transfer such amounts to the Series 2022B Interest Fund and the Series 2022B Principal Fund, in such order, to the extent required to make the deposits then required to be made pursuant to the Indenture to pay debt service on the Series 2022B Bonds. Neither the Authority nor the City will have any obligation to replace the 2022B Reserve Policy or to fund the 2022B Reserve Fund with cash if, at any time that the Series 2022B Bonds are Outstanding, (i) any rating assigned to

[INSURER], the insurer, is downgraded, suspended or withdrawn, or (ii) amounts are not available for any reason under the 2022B Reserve Policy.

Insurance

General. The Facility Lease requires that the City maintain certain insurance coverages on the Leased Property for loss due to property damage, title defect, loss of use, and other liability as follows:

All Risk Insurance. A policy or policies of insurance (excluding earthquake and flood insurance) against loss or damage to the Property known as “all risk.” Such insurance shall be provided by an insurer rated no less than “A” by A. M. Best and shall be maintained at all times in an amount not less than the greater of the full replacement value of the Leased Property or the aggregate principal amount of the principal component of the then-remaining Base Rental Payments payable under the Facility Lease.

General Liability Insurance. General liability coverage against claims for damages including death, personal injury, bodily injury, or property damage arising from operations involving the Leased Property. Such insurance shall afford protection with a combined single limit of not less than \$2,000,000 per occurrence with respect to bodily injury, death, or property damage liability, or such greater amount as may from time to time be recommended by the City’s risk management officer or an independent insurance consultant retained by the City for that purpose; provided, however, that such obligations may be satisfied by self-insurance.

Workers’ Compensation Insurance. Workers’ compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the California Labor Code, or any act hereafter enacted as an amendment or supplement thereto or in lieu thereof, such workers’ compensation insurance to cover all persons employed by the City in connection with the Property and to cover liability for compensation under any such act; provided, however, that such obligations may be satisfied by self-insurance.

Rental Interruption Insurance. The Facility Lease requires the City to maintain rental interruption insurance to cover the loss, total or partial, of the use of any part of the Leased Property as a result of any of the hazards covered by the property insurance required by the Facility Lease and described under “— *Property Insurance*” above in an amount equal to twice the maximum annual Base Rental Payments under the Facility Lease. The City is not permitted to self-insure its obligation to maintain rental interruption insurance. Such rental interruption insurance may be included in the policy or policies for property insurance required by the Facility Lease and described under “— *Property Insurance*” above without increasing the aggregate limits for coverage with respect to any hazard covered thereby. The net proceeds any rental interruption insurance shall be payable to the Trustee and deposited in the Revenue Fund to be applied to the payment of principal and interest on the Bonds as they become due, in accordance with the Indenture.

Title Insurance. A CLTA policy or policies of title insurance for the Leased Property in an amount not less than the initial aggregate principal amount of the Bonds. Such policy or policies of title insurance shall show fee title and the leasehold estate to the Leased Property in the name of the City and a leasehold estate in the name of the Authority, subject to permitted encumbrances as will not, in the opinion of the Authority, materially adversely affect the use and possession of the Leased Property and will not result in the abatement of Base Rental Payments payable by the City under the Facility Lease. Such policy shall insure the City’s leasehold estate in the Leased Property subject only to such exceptions as do not materially affect the City’s right to the use and occupancy of the Leased Property.

Notwithstanding the generality of the foregoing, the City shall not be required to maintain or cause to be maintained more insurance than is specifically referred to above or any policies of insurance other than standard policies of insurance with standard deductibles offered by reputable insurers on the open market.

The City self-insures up to certain amounts and purchases additional coverage from commercial carriers as described in Appendix A hereto under “INFORMATION REGARDING THE CITY OF OXNARD — Risk Management.” See also APPENDIX B — “SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS.”

Use of Property and Title Insurance and Condemnation Proceeds. If, prior to the termination of the term of the Facility Lease, (a) the Leased Property or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty; or (b) title to, or the temporary use of, the Leased Property or any portion thereof or the estate of the City or the Authority in the Leased Property or any portion thereof is defective or shall be taken under the exercise of the power of eminent domain, then the City and the Authority will cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt repair, restoration, modification, improvement, or replacement of the damaged, destroyed, defective, or condemned portion of the Leased Property, and any balance of the net proceeds remaining after such work has been completed shall be paid to the City; *provided* the proceeds of such insurance or condemnation award together with any other moneys then available for the purpose are at least sufficient to prepay the aggregate annual amounts of principal and interest components of the Base Rental Payments due and attributable to the portion of the Leased Property so destroyed, damaged, defective, or condemned (determined by reference to the proportion which the annual fair rental value of the destroyed, damaged, defective, or condemned portion thereof bears to the annual fair rental value of the Leased Property), the City may elect not to repair, reconstruct, or replace the damaged, destroyed, defective, or condemned portion of the Leased Property and instead apply such proceeds to the redemption of Outstanding Bonds pursuant to the Indenture.

The City shall only prepay less than all of the principal components of the then-remaining Base Rental Payments if the annual fair rental value of the Leased Property after such damage, destruction, title defect, or condemnation is at least equal to the aggregate annual amount of the principal and interest components of the Base Rental Payments not being prepaid.

In the event that the proceeds, if any, of said insurance or condemnation award are insufficient either to (i) repair, rebuild, or replace the Leased Property so that the fair rental value of the Leased Property would be at least equal to the Base Rental Payments, or (ii) to redeem all the Outstanding Bonds, then the City may, in its sole discretion, budget and appropriate an amount necessary to effect such repair, rebuilding, or replacement or prepayment; *provided* that the failure of the City to so budget and/or appropriate shall not be a breach of or default under the Facility Lease.

Additional Bonds

The Bonds will be issued as Additional Bonds under the Indenture payable from Revenues on parity with all other outstanding Bonds under the Indenture. The Authority has previously issued the 2019 Bonds pursuant to the Original Indenture payable from Revenues. The Facility Lease and Indenture authorize the Authority to issue other Additional Bonds on a parity with the Bonds and the 2019 Bonds upon the satisfaction of certain conditions precedent set forth in the Indenture; provided that prior to or concurrently with the execution and delivery of the Additional Bonds, the City and the Authority must enter into an amendment to the Facility Lease and satisfy certain conditions precedent under the Facility Lease, providing for an increase in the Base Rental Payments. The Facility Lease, however, may not be amended in a manner such that the sum of Base Rental Payments, including Base Rental Payments payable pursuant to such amendment, in any year is in excess of the annual fair rental value of the Leased Property and other land and improvements leased to the City thereunder. See APPENDIX B — “SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS.”

THE AUTHORITY

The Authority is a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California pursuant to a Joint Exercise of Powers Agreement, dated as of October 8, 1991, as amended on April 21, 1992, by and among the City, the Oxnard Community Development Commission (as successor to the Redevelopment Agency of the City of Oxnard), and the Housing Authority of the City of

Oxnard. The Authority was created to finance the cost of any capital improvement, working capital, or liability and other insurance needs, or projects wherever there are significant public benefits, as determined by the City.

THE CITY

The City is located in western Ventura County (the “County”) on the shore of the Pacific Ocean. The City is approximately 65 miles northwest of the City of Los Angeles, 35 miles southeast of the City of Santa Barbara, and 6 miles south of the county seat of the County. The City is the most populous city in the County, with a population estimated at 200,050 in 2022, accounting for over 24% of the County’s population. The City has a diversified economic base composed of agriculture and related business, retail, various services, and governmental agencies.

The City was incorporated as a general law city on June 30, 1903, and operates under a council-manager form of government. The City is governed by an elected mayor holding a two-year term and six councilmembers elected by districts for four-year overlapping terms. For financial and demographic information regarding the City see APPENDIX A — “INFORMATION REGARDING THE CITY OF OXNARD.”

RISK FACTORS

The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the Bonds. They do not purport, however, to be an exhaustive listing of risks and other considerations which may be relevant to an investment in the Bonds. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of any such risks.

General Considerations – Security for the Bonds

The Bonds are special obligations of the Authority, payable solely from Revenues and the other assets pledged under the Indenture. Neither the full faith nor credit of the Authority, the City, or the State, or any political subdivision thereof, is pledged to the payment of the Bonds. The Authority has no taxing power.

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City or the State or of any political subdivision thereof in contravention of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the City or the State is obligated to levy or pledge any form of taxation or for which the City or the State has levied or pledged any form of taxation.

Although the Facility Lease does not create a pledge, lien, or encumbrance upon the funds of the City, the City is obligated under the Facility Lease to pay the Base Rental Payments and Additional Payments from any source of legally available funds, subject to abatement as provided in the Facility Lease, and the City will covenant in the Facility Lease that it will take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facility Lease in its annual budgets and to make necessary annual appropriations for all such rental payments, subject to abatement. The City is currently liable and may become liable on other obligations payable from general revenues. See “CITY FINANCIAL INFORMATION — Long Term Liabilities” in Appendix A attached hereto for a description of the City’s long-term and other obligations payable from general revenues.

Abatement

In the event of substantial interference with the City’s right to use and occupy any portion of the Leased Property by reason of damage to, or destruction, or condemnation of the Leased Property, or any defects in title to the Leased Property, Base Rental Payments will be subject to abatement. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Abatement.” In the event that such portion of the Leased Property, if damaged or destroyed by an insured casualty, could not be replaced during the period of time in which proceeds of the City’s rental interruption insurance will be available in lieu of Base Rental Payments, plus the period for

which funds are available from (a) amounts held by the Trustee in the Revenue Fund, and (b) amounts, if any, otherwise legally available to the Trustee for payments in respect of the Bonds under the Indenture, or in the event that casualty insurance proceeds are insufficient to provide for complete repair or replacement of such portion of the Leased Property or redemption of the Bonds, there could be insufficient funds to make payments to Owners in full. The City has covenanted in the Facility Lease to maintain rental interruption insurance in an amount equal to twice the maximum annual Base Rental Payments under the Facility Lease.

If damage, destruction, title defect, or eminent domain proceedings with respect to the Leased Property results in abatement of the Base Rental Payments related to such Leased Property and if such abated Base Rental Payments, if any, together with moneys from rental interruption or use and occupancy insurance (in the event of any insured loss due to damage or destruction), and eminent domain proceeds, if any, are insufficient to make all payments of principal and interest with respect to the Outstanding Bonds during the period that the Leased Property is being replaced, repaired, or reconstructed, then all or a portion of such payments of principal and interest may not be made. Under the Facility Lease and the Indenture, no remedy is available to the Owners for nonpayment under such circumstances. See APPENDIX B – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – FACILITY LEASE – Rental Abatement.”

Substitution or Release of Leased Property

The Facility Lease provides that, upon the satisfaction of the conditions specified therein, the City may release from the Facility Lease any portion of the Leased Property or substitute alternate real property for any or all of the Leased Property. Thus, all or a portion of the Leased Property could be replaced or could be released altogether, subject to conditions described in the Facility Lease. Such replacement or release could have an adverse impact on the security for the Bonds, particularly if an event requiring abatement of Base Rental Payments were to occur subsequent to such substitution or release. See APPENDIX B “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – FACILITY LEASE,” AND See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Substitution and Removal of Property.”

Limited Secondary Market

There can be no guarantee that there will be a secondary market for purchase or sale of the Bonds or, if a secondary market exists, that the Bonds can or could be sold for any particular price.

Seismic Activity

Generally, within the State, some level of seismic activity occurs on a regular basis. Periodically, the magnitude of a single seismic event can cause significant ground shaking and damage to property located at or near the center of such seismic activity. An earthquake along one of the faults in the vicinity, either known or unknown, could cause a number of casualties and extensive property damage. The effects of such a quake could be aggravated by aftershocks and secondary effects such as fires, landslides, dam failure, liquefaction, and other threats to public health, safety, and welfare. The potential direct and indirect consequences of a major earthquake can easily exceed the resources of the City and would require a high level of self-help, coordination, and cooperation.

The City is located in the vicinity of several known active earthquake faults, heightening the risks associated with seismic events, and the City cannot provide assurances that the Leased Property would not be significantly damaged if a seismic event were to occur. The City does not currently maintain earthquake insurance coverage for the Leased Property.

Wildfire Conditions

Although the City is not located in a very high fire hazard severity zone (as designated by the California Department of Forestry and Fire Protection), the County includes areas where there is high or extreme danger of wildfires during dry months and during periods of prolonged drought. In December 2017, the County, along with neighboring Santa Barbara County experienced a massive wildfire known as the Thomas Fire, which burned approximately 282,000 acres, destroyed over 1,000 structures, and damaged an additional 280 structures. Additionally, the County experienced the Easy Fire on October 30, 2019 which burned over 1,500 acres and required evacuations, and on November 1, 2019, the Maria Fire which burned more than 9,000 acres and required nearby evacuations. In August 2020, the County experienced the Holser Fire which burned over 3,000 acres and the Moc Fire which burned over 2,800 acres. None of these fires affected the Leased Property.

In recent years, portions of California have experienced wildfires that have burned hundreds of thousands of acres and destroyed thousands of homes and structures, even in areas not previously thought to be prone to wildfires. Such areas affected by wildfires are more prone to flooding and mudslides that can further lead to the destruction of homes. There can be no assurances that wildfires will not occur within the County or within the City. Property damage due to wildfire could result in a significant decrease in the market value of property in the City and in the ability or willingness of property owners to pay property taxes when due.

Risks Associated with Global Climate Change

Numerous scientific studies on global climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common and extreme weather events will become more frequent and more intense as a result of increasing global temperatures attributable to atmospheric pollution.

The Fourth National Climate Assessment, published by the U.S. Global Change Research Program in November 2018 (NCA4), finds that rising temperatures, sea level rise, and more frequent and intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to increasingly disrupt and damage infrastructure, ecosystems, social systems, property, and regional economies and industries that depend on natural resources and favorable climate conditions.

Coastal portions of the City are located along the Pacific Ocean and have experienced rising sea levels which could cause severe flooding and the loss of property. Additionally, the City could be subject to impacts from tsunamis in the event of an earthquake occurring off-shore.

Beyond the direct adverse material effect of global climate change itself, present, pending and possible regulations aimed at curbing the effects of climate change may directly or indirectly materially adversely affect the market value of property in the City and its ability or willingness of property owners to pay property taxes when due.

Hazardous Substances

The City is unaware of the existence of hazardous substances which require remedial action on or near the Leased Property. It is possible, however, such substances do currently or potentially exist and that the City is not aware of them. The existence or discover of hazardous materials may limit the beneficial use of the Leased Property.

Owners and operators of real property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or the “Superfund Act,” is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance whether or not the owner (or operator) has anything to do with creating or

handling the hazardous substance. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly and adversely affect the operations and finances of the City, may result in the reduction in the assessed value of property, and therefor property tax revenue.

Cybersecurity

The City relies on computers and technology to conduct its operations. The City and its departments face cyber threats from time to time including, but not limited to, hacking, viruses, malware and other forms of technology attacks. The City owns and operates its own enterprise class data network serving the municipal city government and its operations. The City has retained information technology professionals to support, maintain and protect these operations locally in a purpose-built and physically secure environment. This network and its operations are governed by and in compliance with all applicable governmental regulations as well as the City's own administrative regulations. Within the City's operations and guidance is an active cyber-security program designed to protect from, and to quickly identify and mitigate, a multitude of complex security threats. While no network is completely immune from all possible compromise, the City exercises its due diligence in protecting the data it possesses and the systems it operates.

On April 6, 2020, the City was impacted by a ransomware cyberattack. When the City became aware of the cyber incident, it promptly took steps to secure and contain the system and identify the scope of the impact. The City immediately engaged multiple external cybersecurity professionals to assist in the containment, restoration, and investigation. The incident encrypted files on approximately 15% of the City's approximately 1,500 Microsoft Windows computers. The City's financial system was not infected by the ransomware virus, as validated by outside security professionals. [There is no forensic evidence, to date, of any access or exfiltration of personal information or any of the City's financial data.] While this attack initially impacted some of the City's operations, the City did not incur any material financial consequences as a result of the incident. As part of the recovery and restoration process, the City implemented additional security measures to reduce the risk of future cyberattacks.

While the City is routinely maintaining its technology systems and continuously implementing new information security controls, no assurances can be given that the City's security and operational control measures will be successful in guarding against all cyber threats and attacks. The results of any attack on the City's computer and technology could negatively impact the City's operations, and the costs related to such attacks could be substantial.

The City currently maintains cybersecurity insurance.

Limited Recourse on Default; No Acceleration of Base Rental Payments

Failure by the City to make Base Rental Payments or Additional Payments required to be made under the Facility Lease, or failure to observe and perform any other terms, covenants, or conditions contained in the Facility Lease or in the Indenture for a period of thirty (30) days after written notice of such failure and request that it be remedied has been given to the City by the Authority or the Trustee, constitute events of default under the Facility Lease and permit the Trustee or the Authority to pursue any and all remedies available. In the event of a default, notwithstanding anything in the Facility Lease or in the Indenture to the contrary, there is no right under any circumstances to accelerate the Base Rental Payments or otherwise declare any Base Rental Payments not then in default to be immediately due and payable. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and APPENDIX B — "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS."

If the City defaults on its obligation to make Base Rental Payments with respect to the Leased Property, the Trustee, as assignee of the Authority, may retain the Facility Lease and hold the City liable for all Base Rental Payments thereunder on an annual basis and enforce any other terms or provisions of the Facility Lease to be kept or performed by the City, and will also have the right to re-enter and re-let the Leased Property. Due

to the specialized nature of the Leased Property, no assurance can be given that the Trustee will be able to re-let any portion of the Leased Property so as to provide rental income sufficient to make payments of principal of and interest on the Bonds in a timely manner, and the Trustee is not empowered to sell the Leased Property for the benefit of the Owners of the Bonds. In addition, due to the governmental function of the Leased Property, it is not certain whether a court would permit the exercise of the remedies of repossession and re-letting with respect thereto. Any suit for money damages would be subject to limitations on legal remedies against cities in California, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Moreover, there can be no assurance that such re-letting will not adversely affect the exclusion of any interest component of the Series 2022A Bonds from federal or state income taxation.

Limitations on Remedies

The enforcement of any remedies provided in the Facility Lease and the Indenture could prove both expensive and time consuming. The enforceability of the rights and remedies of the Owners and the obligations of the City may become subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equitable principles, including but not limited to concepts of materiality, reasonableness, good faith, and fair dealing, which may limit the specific enforcement under state law of certain remedies, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or law; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of servicing a significant and legitimate public purpose.

Although the Facility Lease and the Indenture provide that if the City defaults the Trustee may re-enter the Leased Property and re-let the Leased Property, portions of the Leased Property may not be easily recoverable, and even if recovered, could be of little value to others because of the specialized nature of the Leased Property. Additionally, the Trustee may have limited ability to re-let the Leased Property to provide a source of rental payments sufficient to pay the principal of and interest on the Bonds. Furthermore, due to the governmental nature of the Leased Property, it is not certain whether a court would permit the exercise of the remedy of re-letting with respect thereto.

Alternatively, the Trustee may terminate the Facility Lease and proceed against the City to recover damages pursuant to the Facility Lease. Any suit for money damages would be subject to limitations on legal remedies against public agencies in the State, including a limitation on enforcement of judgement against funds needed to serve the public welfare and interest.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditors' rights. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation, or modification of the rights of the Owners of the Bonds.

Bankruptcy

Under Chapter 9 of the United States Bankruptcy Code (Title 11, United States Code) (the "Bankruptcy Code"), which governs bankruptcy proceedings of public entities such as the City, no involuntary bankruptcy petition may be filed against a public entity. Upon satisfaction of certain prerequisite conditions, however, a voluntary bankruptcy petition may be filed by the City. The filing of a bankruptcy petition results in a stay against enforcement of remedies under agreements to which the bankrupt entity is a party. A bankruptcy filing by the City could thus limit remedies under the Facility Lease. A bankruptcy debtor may choose to assume or reject executory contracts and leases, such as the Facility Lease. In the event of rejection of a lease by debtor

lessee, the leased property is returned to the lessor and the lessor has a claim for a limited amount of the resulting damages.

Under the Indenture, the Trustee holds a security interest in the Revenues, including Base Rental Payments, for the benefit of the Owners of the Bonds, but such security interest arises only when the Base Rental Payments are actually received by the Trustee following payment by the City. The Leased Property is not subject to a security interest, mortgage, or any other lien in favor of the Trustee for the benefit of Owners. In the event of a bankruptcy filed by the City and the subsequent rejection of the Facility Lease by the City, the Authority would recover possession of the Leased Property and the Trustee, as assignee of the Authority, would have a claim for damages against the City. The Trustee's claim would constitute a secured claim only to the extent of Revenues in the possession of the Trustee; the balance of such claim would be unsecured.

Bankruptcy proceedings would subject the Owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently entail risks of delay, limitation, or modification of their rights with respect to the Bonds. In a bankruptcy case, the amount recovered by Owners of the Bonds could be affected by whether the Facility Lease is determined to be a "true lease" or a loan or other financing arrangement (a "financing lease"), and the Owners' recovery could be reduced in either case. If the Facility Lease is determined by the bankruptcy court to constitute a "true lease" (rather than a financing lease), the City could choose not to perform under the Facility Lease by rejecting it and the claim of the Owners could be substantially limited pursuant to Section 365 of the Bankruptcy Code to a fraction of the scheduled amount of Base Rental Payments, and that reduced claim amount could be impaired as an unsecured claim under a plan of adjustment. If a bankruptcy court were to treat the Facility Lease as a financing lease then, under a plan of adjustment, the priority, payment terms, collateral, payment dates, payment sources, covenants and other terms or provisions of the Facility Lease and the Bonds may be altered. Such a plan could be confirmed even over the objections of the Trustee and the Owners, and without their consent. For example, the amount of the Base Rental Payments from the City might be substantially reduced because of the power of the bankruptcy court under the Bankruptcy Code to adjust secured claims to the value of their collateral, which, as described above, could be limited to the Revenues held by the Trustee. In addition there can be a substantial disparity in treatment based on the nature of the Leased Property. Whether the Facility Lease is characterized by the bankruptcy court as a true lease or a financing lease, either scenario could result in the Owners not receiving the full amount of the principal and interest due on the Bonds.

Actions could be taken in a bankruptcy of the City that could adversely affect the exclusion of interest on the Series 2022A Bonds from gross income for federal income tax purposes. In addition, there may be other possible effects of the bankruptcy of the City that could result in delays or reductions in payments of the principal of and interest on the Bonds, or in other losses to the Owners of the Bonds.

Possible Insufficiency of Insurance Proceeds

The Facility Lease obligates the City to keep in force various forms of insurance, subject to deductibles, for repair or replacement of the Leased Property in the event of damage, destruction, or title defects, subject to certain exceptions. The Authority and the City make no representation as to the ability of any insurer to fulfill its obligations under any insurance policy obtained pursuant to the Facility Lease, and no assurance can be given as to the adequacy of any such insurance to fund necessary repair or replacement or to pay principal of and interest on the Bonds when due. In addition, insurance for certain risks, such as earthquakes and floods, are not required under the Facility Lease. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Insurance."

No Liability of Authority to the Owners

Except as expressly provided in the Indenture, the Authority will not have any obligation or liability to the Owners of the Bonds with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City of other agreements and covenants required to be performed by it

contained in the Facility Lease or the Indenture, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Indenture.

Loss of Tax Exemption

As discussed under the heading “TAX MATTERS,” certain acts or omissions of the City in violation of its covenants in the Indenture and the Facility Lease, as well as certain other matters, could result in the interest on the Series 2022A Bonds being includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Series 2022A Bonds. Should such an event of taxability occur, the Series 2022A Bonds would not be subject to special prepayment and would remain Outstanding until maturity or until prepaid under the provisions of the Indenture.

COVID-19

The global outbreak in 2020 of the novel coronavirus COVID-19 (“COVID-19”) was declared to be a pandemic by the World Health Organization and had an adverse effect on, among other things, the national economy, the global supply chain, international travel, and travel-related industries. The outbreak of COVID-19 has negatively affected the national and local economy and financial markets, and may continue to negatively affect economic output worldwide and within the State and the City. On June 15, 2021 the Governor terminated the executive orders that imposed the prior stay at home directives and the State’s Blueprint for a Safer Economy plan. As of June 15, 2021, the vast majority of restrictions imposed after March 2020 were terminated.

The ongoing pandemic and the actions taken by the federal, State, and local governments had a significant impact on the State and City operations and finances. Although various measures were implemented to address the impacts of the pandemic on the City’s operations and finances, the City cannot predict the effectiveness and duration of these measures. The actual impact of COVID-19 on the City, its economy, and its finances will depend on future events, including future events outside of the control of the City.

Dependence on State for Certain Revenues

In 2008, the State began experiencing the most significant economic downturn and financial pressure since the Great Depression of the 1930s. Despite the recent significant budgetary improvements, according to the State, there remain a number of major risks and pressures that threaten the State’s financial condition, including a stock market correction, federal policy, slower global growth, and a national recession. The State’s revenues (particularly the personal income tax) can be volatile and correlate to overall economic conditions. There can be no assurances that the State will not face fiscal stress and cash pressures again, or that other changes in the State or national economies will not materially adversely affect the financial condition of the State.

The City cannot predict the extent of any budgetary problems the State will encounter in future fiscal years, and it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the City cannot predict the impact that State budgets will have on the City’s finances and operations or what actions will be taken in the future by the State Legislature and the Governor to deal with changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors over which the City has no control.

A number of the City’s revenues are collected and dispersed by the State (such as sales tax and motor-vehicle license fees) or allocated in accordance with State law (most importantly, property taxes). Therefore, State budget decisions can have an impact on City finances. In the event of a material economic downturn in the State, there can be no assurance that any resulting revenue shortfalls to the State will not reduce revenues to local governments (including the City) or shift financial responsibility for programs to local governments as part of the State’s efforts to address any such related State financial difficulties.

See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Proposition 1A” and “— Proposition 22” below.

Current Initiatives

There is currently one petition for initiatives which has been filed with the City Clerk authored by citizens of the City which, if passed by voters, could impact the City’s finances and governance. Currently, the County’s elections division is verifying that the petition signatures are adequate and if deemed adequate, such initiatives will be placed on the November 8, 2022 ballot. The initiative is described briefly below.

Oxnard Term Limits Act. This initiative is proposed by citizens. This initiative would limit the mayor and council members to no more than two consecutive four-year terms.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

Principal of and interest on the Bonds are payable from Base Rental Payments made from the City’s General Fund. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.” Articles XIII A, XIII B, XIII C and XIII D of the State Constitution, Propositions 62, 111, 218, 1A and 22, and certain other provisions of law discussed below are included in this Official Statement to describe the potential effect of these Constitutional and statutory measures on the ability of the City to levy taxes and spend tax proceeds for operating and other purposes.

Article XIII A of the State Constitution

On June 6, 1978, State voters approved Proposition 13, which added Article XIII A to the State Constitution. Article XIII A, as amended, limits the amount of any ad valorem tax on real property to 1% of the full cash value thereof, except that additional ad valorem property taxes may be levied to pay debt service: (i) on indebtedness approved by the voters prior to December 1, 1978; (ii) on bonded indebtedness approved by a two-thirds vote on or after December 1, 1978, for the acquisition or improvement of real property; or (iii) bonded indebtedness incurred by a school district, community college district, or county office of education for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters voting on the proposition. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under “full cash value,” or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment.” This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by damage, destruction or other factors, including a general economic downturn, to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster, and in other minor or technical ways.

Legislation Implementing Article XIII A

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by counties and distributed according to a formula among taxing agencies.

Increases in assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situation.” Any such allocation made to a local agency continues as part of its allocation in future years.

All taxable property is shown at full cash value on the tax rolls. Consequently, the tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100 percent of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Article XIII B of the State Constitution

In addition to the limits that Article XIII A imposes on property taxes that may be collected by local governments, certain other revenues of the State and most local governments are subject to an annual “appropriations limit” imposed by Article XIII B which effectively limits the amount of such revenues that such entities are permitted to spend. Article XIII B, approved by the voters in June 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to “proceeds of taxes,” which consist of tax revenues and the investment proceeds thereof, State subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed “the cost reasonably borne by such entity in providing the regulation, product or service.” “Proceeds of taxes” excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not “proceeds of taxes,” such as reasonable user charges or fees, and certain other non-tax funds. Article XIII B also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized as of January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. The appropriations limit may also be exceeded in case of emergency; however, the appropriations limit for the next three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity has its own appropriations limit. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services. Proposition 111 requires that each local government’s actual appropriations be tested against its limit every two years.

If the aggregate “proceeds of taxes” for the preceding two-year period exceeds the aggregate limit, the excess must be returned to the agency’s taxpayers through tax rate or fee reductions over the following two years.

The City’s appropriations have never exceeded the limitation on appropriations under Article XIII B.

Articles XIII C and XIII D of the State Constitution

On November 5, 1996, State voters approved Proposition 218, known as the “Right to Vote on Taxes Act.” Proposition 218 adds Articles XIII C and XIII D to the State Constitution and contains a number of interrelated provisions affecting the ability of the City to levy and collect both existing and future taxes, assessments and property-related fees and charges. The interpretation and application of Proposition 218 will ultimately be determined by the courts with respect to a number of the matters discussed below, and it is not possible at this time to predict with certainty the outcome of such determination.

Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City require a majority vote and taxes for specific purposes, even if deposited in the City’s General Fund, require a two-thirds vote. The voter approval requirements of Proposition 218 reduce the flexibility of the City to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase such taxes in the future to meet increased expenditure needs.

Article XIID also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and assessments for municipal services and programs, such as hearings and stricter and more individualized benefit requirements and findings. These provisions include, among other things: (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel; (ii) a requirement that assessments must confer a “special benefit,” as defined in Article XIID, over and above any general benefits conferred; (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party; and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. If the City is unable to continue to collect these revenues, the services and programs funded with these revenues would have to be curtailed and/or the City’s General Fund might have to be used to support them. The City is unable to predict whether or not in the future it will be able to continue all existing services and programs funded by the fees, charges and assessments in light of Proposition 218 or, if these services and programs are continued, which amounts (if any) would be used from the City’s General Fund to continue to support such activities.

Article XIIC also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. This extension of the initiative power is not limited to taxes imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees and charges, subject to overriding federal constitutional principles relating to the impairments of contracts. Legislation implementing Proposition 218 provides that the initiative power provided for in Proposition 218 “shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights” protected by the United States Constitution. In November 2016, the voters within the City approved an initiative to repeal increases to the City’s wastewater service charges which were adopted in January 2016. No assurance can be given that the voters of the City will not, in the future, approve an additional initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the City’s General Fund.

Proposition 62

Proposition 62 was adopted by the voters at the November 4, 1986, general election and: (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the City be approved by a two-thirds vote of the governmental entity’s legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax; (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax; (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed; (d) prohibits the imposition of ad valorem taxes on real property by local governmental entities except as permitted by Article XIII A; (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities; and (f) requires that any tax imposed by a local governmental entity on or after July 1, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

On September 28, 1995, the California Supreme Court, in the case of *Santa Clara County Local Transportation Authority v. Guardino*, upheld the constitutionality of Proposition 62. In this case, the court held that a countywide sales tax of one-half of one percent was a special tax that, under Section 53722 of the Government Code, required a two-thirds voter approval. Because the tax received an affirmative vote of only 54.1%, this special tax was found to be invalid. The decision did not address the question of whether or not it should be applied retroactively.

Following the California Supreme Court's decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62, which was passed in November 1986. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al.* In this case, the court held that public agency's continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

The City has not experienced any substantive adverse financial impact as a result of the passage of Proposition 62.

Proposition 1A

Proposition 1A was approved by the voters at the November 2, 2004 election. Proposition 1A amended the State Constitution to, among other things, reduce the Legislature's authority over local government revenue sources by placing restrictions on the State's access to local governments' property, sales, and vehicle license fee revenues as of November 3, 2004. Beginning with Fiscal Year 2008-09, the State may borrow up to eight percent of local property tax revenues, but only if the Governor proclaims such action is necessary due to a severe State fiscal hardship and two-thirds of both houses of the Legislature approves the borrowing. The amount borrowed is required to be paid back within three years. The State also will not be able to borrow from local property tax revenues for more than two fiscal years within a period of 10 fiscal years. In addition, the State cannot reduce the local sales tax rate or restrict the authority of local governments to impose or change the distribution of the statewide local sales tax.

Many of the provisions of Proposition 1A have been superseded by Proposition 22 enacted in November 2010 and described below.

Proposition 22

On November 2, 2010, the voters of the State approved Proposition 22, known as "The Local Taxpayer, Public Safety, and Transportation Protection Act" ("Proposition 22"). Proposition 22, among other things, broadens the restrictions established by Proposition 1A. While Proposition 1A permits the State to appropriate or borrow local property tax revenues on a temporary basis during times of severe financial hardship, Proposition 22 amends Article XIII of the State Constitution to prohibit the State from appropriating or borrowing local property tax revenues under any circumstances. The State can no longer borrow local property tax revenues on a temporary basis even during times of severe financial hardship. Proposition 22 also prohibits the State from appropriating or borrowing proceeds derived from any tax levied by a local government solely for the local government's purposes. Furthermore, Proposition 22 restricts the State's ability to redirect redevelopment agency property tax revenues to school districts and other local governments and limits uses of certain other funds although this provision no longer has any meaningful impact given the statewide dissolution of redevelopment agencies. Proposition 22 is intended to stabilize local government revenue sources by restricting the State government's control over local revenues. The City cannot predict whether Proposition 22 will have a beneficial effect on the City's financial condition.

Proposition 26

On November 2, 2010, State voters also approved Proposition 26. Proposition 26 amends Article XIII C of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (a) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (b) a charge imposed

for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (c) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (d) a charge imposed for entrance to or use of local government property, or the purchase, rental or lease of local government property; (e) a fine, penalty or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (f) a charge imposed as a condition of property development; and (g) assessments and property-related fees imposed in accordance with the provisions of Article XIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The City does not believe that Proposition 26 will adversely affect its General Fund revenues.

Proposition 19

On November 3, 2020, "Proposition 19" was approved by the electorate. Proposition 19 amended California Constitution Article XIII A to permit eligible homeowners to transfer tax assessments anywhere in the State, narrow existing special rules for inherited properties, and broaden the scope of triggers for reassessment of properties. Any additional revenues and net savings resulting from Proposition 19 will be allocated to fire protection services and reimbursing local governments for taxation-related changes. The City cannot make any assurance as to what effect the implementation of Proposition 19 will have on City revenues or assessed valuation of real property in the City.

Possible Future Initiatives

Articles XIII A, XIII B, XIII C and XIII D and Propositions 218, 111, 62, 1A, 22 and 26 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting revenues of the City or the City's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the City.

TAX MATTERS

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the City and the Authority as described herein, interest on the Series 2022A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that interest on the Series 2022A Bonds is not treated as a preference item in calculating the alternative minimum tax imposed under the Code on individuals. Interest on the Series 2022B Bonds is not excluded from gross income for federal income tax purposes. Bond Counsel is further of the opinion that interest on the Series 2022A Bonds and the Series 2022B Bonds is exempt from personal income taxes of the State of California (the "State") under present State law. See "TAX MATTERS – Series 2022A Bonds" and "TAX MATTERS – Series 2022B Bonds" herein regarding certain other tax considerations.

Tax Matters – Series 2022A Bonds

Federal Income Taxes

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements that must be met subsequent to the issuance and delivery of the Series 2022A Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could

cause the interest on the Series 2022A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2022A Bonds. Pursuant to the [Resolution/Indenture, the Loan Agreement] and the Tax Certificate, by and among the City and the Authority (the “Tax Certificate”) the City has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2022A Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the City has made certain representations and certifications in the [Resolution/Indenture, the Loan Agreement] and the Tax Certificate. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the City and the Authority described above, interest on the Series 2022A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. For taxable years beginning after December 31, 2022, interest on the Series 2022A Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the “adjusted financial statement income” of such corporations.

State Taxes

Bond Counsel is also of the opinion that interest on the Series 2022A Bonds is exempt from personal income taxes of the State, under present State law. Bond Counsel expresses no opinion as to other State or local tax consequences arising with respect to the Series 2022A Bonds nor as to the taxability of the Series 2022A Bonds or the income therefrom under the laws of any state other than the State of California.

Original Issue Discount

Bond Counsel is further of the opinion that the excess of the principal amount of a maturity of the Series 2022A Bonds over its issue price (i.e., the first price at which price a substantial amount of such maturity of the Series 2022A Bonds was sold to the public, excluding Series 2022A Bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (each, a “Discount Series 2022A Bond” and collectively the “Discount Series 2022A Bonds”) constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2022A Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Series 2022A Bond and the basis of each Discount Series 2022A Bond acquired at such issue price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Series 2022A Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Series 2022A Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Series 2022A Bonds.

Original Issue Premium

Series 2022A Bonds sold at prices in excess of their principal amounts are “Premium Series 2022A Bonds”. An initial purchaser with an initial adjusted basis in a Premium Series 2022A Bond in excess of its principal amount will have amortizable Series 2022A Bond premium which offsets the amount of tax-exempt interest and is not deductible from gross income for federal income tax purposes. The amount of amortizable Series 2022A Bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Series 2022A Bond based on the purchaser’s yield to maturity (or, in the case of Premium Series 2022A Bonds callable prior to their maturity, over the period to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Series 2022A Bond, an initial purchaser who acquires such

obligation with an amortizable Series 2022A Bond premium is required to decrease such purchaser's adjusted basis in such Premium Series 2022A Bond annually by the amount of amortizable Series 2022A Bond premium for the taxable year. The amortization of Series 2022A Bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Series 2022A Bonds. Owners of the Premium Series 2022A Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Series 2022A Bonds.

Ancillary Tax Matters

Ownership of the Series 2022A Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Series 2022A Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Series 2022A Bonds is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. In addition, interest on the Series 2022A Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinions attached as Appendix []. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series 2022A Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2022A Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2022A Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Series 2022A Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Series 2022A Bonds may occur. Prospective purchasers of the Series 2022A Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2022A Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Series 2022A Bonds may affect the tax status of interest on the Series 2022A Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Series 2022A Bonds, or the interest thereon, if any action is taken with respect to the Series 2022A Bonds or the proceeds thereof upon the advice or approval of other counsel.

Tax Matters – Series 2022B Bonds

Federal Income Taxes

The following is a summary of certain anticipated United States federal income tax consequences of the purchase, ownership and disposition of the Series 2022B Bonds. The summary is based upon the provisions of the Code, the Treasury Regulations promulgated thereunder and the judicial and administrative rulings and decisions now in effect, all of which are subject to change. Such authorities may be repealed, revoked, or modified, possibly with retroactive effect, so as to result in United States federal income tax consequences different from those described below. The summary generally addresses Series 2022B Bonds held as capital assets within the meaning of Section 1221 of the Code and does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances or certain types of investors subject to special treatment under the federal income tax laws, including but not limited to financial institutions, insurance companies, dealers in securities or currencies, persons holding such Series 2022B Bonds as a hedge against currency risks or as a position in a “straddle,” “hedge,” “constructive sale transaction” or “conversion transaction” for tax purposes, or persons whose functional currency is not the United States dollar. It also does not deal with holders other than original purchasers that acquire Series 2022B Bonds at their initial issue price except where otherwise specifically noted. Potential purchasers of the Series 2022B Bonds should consult their own tax advisors in determining the federal, state, local, foreign and other tax consequences to them of the purchase, holding and disposition of the Series 2022B Bonds.

The City and the Authority have not sought and will not seek any rulings from the Internal Revenue Service with respect to any matter discussed herein. No assurance can be given that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the tax characterizations and tax consequences set forth below.

U.S. Holders

As used herein, the term “U.S. Holder” means a beneficial owner of Series 2022B Bonds that is (a) an individual citizen or resident of the United States for federal income tax purposes, (b) a corporation, including an entity treated as a corporation for federal income tax purposes, created or organized in or under the laws of the United States or any State thereof (including the District of Columbia), (c) an estate whose income is subject to federal income taxation regardless of its source, or (d) a trust if a court within the United States can exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust. Notwithstanding clause (d) of the preceding sentence, to the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as United States persons prior to that date that elect to continue to be treated as United States persons also will be U.S. Holders. In addition, if a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) holds Series 2022B Bonds, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If a U.S. Holder is a partner in a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) that holds Series 2022B Bonds, the U.S. Holder is urged to consult its own tax advisor regarding the specific tax consequences of the purchase, ownership and dispositions of the Series 2022B Bonds.

Taxation of Interest Generally

Interest on the Series 2022B Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code and so will be fully subject to federal income taxation. Purchasers will be subject to federal income tax accounting rules affecting the timing and/or characterization of payments received with respect to such Series 2022B Bonds. In general, interest paid on the Series 2022B Bonds and recovery of any accrued original issue discount and market discount will be treated as ordinary income to a bondholder, and after adjustment for the foregoing, principal payments will be treated as a return of capital to the extent of the U.S. Holder’s adjusted tax basis in the Series 2022B Bonds and capital gain to the extent of any excess received over such basis.

Recognition of Income Generally

Section 451(b) of the Code provides that purchasers using an accrual method of accounting for U.S. federal income tax purposes may be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements of such purchaser. In this regard, Treasury Regulations provide that, with the exception of certain fees, the rule in section 451(b) will generally not apply to the timing rules for original issue discount and market discount, or to the timing rules for de minimis original issue discount and market discount. Prospective purchasers of the Series 2022B Bonds should consult their own tax advisors regarding any potential applicability of these rules and their impact on the timing of the recognition of income related to the Series 2022B Bonds under the Code.

Original Issue Discount

The following summary is a general discussion of certain federal income tax consequences of the purchase, ownership and disposition of Series 2022B Bonds issued with original issue discount (“Discount Series 2022B Bonds”). A Series 2022B Bond will be treated as having been issued with an original issue discount if the excess of its “stated redemption price at maturity” (defined below) over its issue price (defined as the initial offering price to the public at which a substantial amount of the Series 2022B Bonds of the same maturity have first been sold to the public, excluding bond houses and brokers) equals or exceeds one quarter of one percent of such Series 2022B Bond’s stated redemption price at maturity multiplied by the number of complete years to its maturity (or, in the case of an installment obligation, its weighted average maturity).

A Series 2022B Bond’s “stated redemption price at maturity” is the total of all payments provided by the Series 2022B Bond that are not payments of “qualified stated interest.” Generally, the term “qualified stated interest” includes stated interest that is unconditionally payable in cash or property (other than debt instruments of the Authority) at least annually at a single fixed rate or certain floating rates.

In general, the amount of original issue discount includible in income by the initial holder of a Discount Series 2022B Bond is the sum of the “daily portions” of original issue discount with respect to such Discount Series 2022B Bond for each day during the taxable year in which such holder held such Series 2022B Bond. The daily portion of original issue discount on any Discount Series 2022B Bond is determined by allocating to each day in any “accrual period” a ratable portion of the original issue discount allocable to that accrual period.

An accrual period may be of any length, and may vary in length over the term of a Discount Series 2022B Bond, provided that each accrual period is not longer than one year and each scheduled payment of principal or interest occurs at the end of an accrual period. The amount of original issue discount allocable to each accrual period is equal to the difference between (i) the product of the Discount Series 2022B Bond’s adjusted issue price at the beginning of such accrual period and its yield to maturity (determined on the basis of compounding at the close of each accrual period and appropriately adjusted to take into account the length of the particular accrual period) and (ii) the amount of any qualified stated interest payments allocable to such accrual period. The “adjusted issue price” of a Discount Series 2022B Bond at the beginning of any accrual period is the sum of the issue price of the Discount Series 2022B Bond plus the amount of original issue discount allocable to all prior accrual periods minus the amount of any prior payments on the Discount Series 2022B Bond that were not qualified stated interest payments. Under these rules, holders generally will have to include in income increasingly greater amounts of original issue discount in successive accrual periods.

Holders utilizing the accrual method of accounting may generally, upon election, include in gross income all interest (including stated interest, acquisition discount, original issue discount, de minimis original issue discount, market discount, de minimis market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium) on a Series 2022B Bond by using the constant yield method applicable to original issue discount, subject to certain limitations and exceptions.

Market Discount

A holder who purchases a Series 2022B Bond at a price which includes market discount (i.e., at a purchase price that is less than its adjusted issue price in the hands of an original owner) in excess of a prescribed de minimis amount will be required to recharacterize all or a portion of the gain as ordinary income upon receipt of each scheduled or unscheduled principal payment or upon other disposition. In particular, such holder will generally be required either (a) to allocate each such principal payment to accrued market discount not previously included in income and to recognize ordinary income to that extent and to treat any gain upon sale or other disposition of such a Series 2022B Bond as ordinary income to the extent of any remaining accrued market discount or (b) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such holder on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history of the Tax Reform Act of 1986 will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest.

A holder of a Series 2022B Bond who acquires such Series 2022B Bond at a market discount also may be required to defer, until the maturity date of such Series 2022B Bond or the earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the holder paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry a Series 2022B Bond in excess of the aggregate amount of interest (including original issue discount) includable in such holder's gross income for the taxable year with respect to such Series 2022B Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Series 2022B Bond for the days during the taxable year on which the holder held the Series 2022B Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Series 2022B Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the bondholder elects to include such market discount in income currently as described above.

Series 2022B Bond Premium

A holder of a Series 2022B Bond who purchases such Series 2022B Bond at a cost greater than its remaining redemption amount will have amortizable bond premium. If the holder elects to amortize this premium under Section 171 of the Code (which election will apply to all Series 2022B Bonds held by the holder on the first day of the taxable year to which the election applies and to all Series 2022B Bonds thereafter acquired by the holder), such a holder must amortize the premium using constant yield principles based on the holder's yield to maturity. Amortizable bond premium is generally treated as an offset to interest income, and a reduction in basis is required for amortizable bond premium that is applied to reduce interest payments. Purchasers of Series 2022B Bonds who acquire such Series 2022B Bonds at a premium should consult with their own tax advisors with respect to federal, state and local tax consequences of owning such Series 2022B Bonds.

Surtax on Unearned Income

Section 1411 of the Code generally imposes a tax of 3.8% on the "net investment income" of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from interest and net gain attributable to the disposition of certain property, less certain deductions. U.S. Holders

should consult their own tax advisors regarding the possible implications of this provision in their particular circumstances.

Sale or Redemption of Series 2022B Bonds

A bondholder's adjusted tax basis for a Series 2022B Bond is the price such holder pays for the Series 2022B Bond plus the amount of original issue discount and market discount previously included in income and reduced on account of any payments received on such Series 2022B Bond other than "qualified stated interest" and any amortized bond premium. Gain or loss recognized on a sale, exchange or redemption of a Series 2022B Bond, measured by the difference between the amount realized and the bondholder's tax basis as so adjusted, will generally give rise to capital gain or loss if the Series 2022B Bond is held as a capital asset (except in the case of Series 2022B Bonds acquired at a market discount, in which case a portion of the gain will be characterized as interest and therefore ordinary income).

If the terms of a Series 2022B Bond are materially modified, in certain circumstances, a new debt obligation would be deemed "reissued", or created and exchanged for the prior obligation in a taxable transaction. Among the modifications which may be treated as material are those related to the redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. In addition, the defeasance of a Series 2022B Bond under the defeasance provisions of the [Resolution/Indenture] could result in a deemed sale or exchange of such Series 2022B Bond.

EACH POTENTIAL HOLDER OF SERIES 2022B BONDS SHOULD CONSULT ITS OWN TAX ADVISOR CONCERNING (1) THE TREATMENT OF GAIN OR LOSS ON SALE, REDEMPTION OR DEFEASANCE OF THE SERIES 2022B BONDS, AND (2) THE CIRCUMSTANCES IN WHICH SERIES 2022B BONDS WOULD BE DEEMED REISSUED AND THE LIKELY EFFECTS, IF ANY, OF SUCH REISSUANCE.

Non-U.S. Holders

The following is a general discussion of certain United States federal income tax consequences resulting from the beneficial ownership of Series 2022B Bonds by a person other than a U.S. Holder, a former United States citizen or resident, or a partnership or entity treated as a partnership for United States federal income tax purposes (a "Non-U.S. Holder").

Subject to the discussion of backup withholding and the Foreign Account Tax Compliance Act ("FATCA"), payments of principal by the Authority or any of its agents (acting in its capacity as agent) to any Non-U.S. Holder will not be subject to federal withholding tax. In the case of payments of interest to any Non-U.S. Holder, however, federal withholding tax will apply unless the Non-U.S. Holder (1) does not own (actually or constructively) 10 percent or more of the voting equity interests of the Authority, (2) is not a controlled foreign corporation for United States tax purposes that is related to the Authority (directly or indirectly) through stock ownership, and (3) is not a bank receiving interest in the manner described in Section 881(c)(3)(A) of the Code. In addition, either (1) the Non-U.S. Holder must certify on the applicable IRS Form W-8 (series) (or successor form) to the Authority, its agents or paying agents or a broker under penalties of perjury that it is not a U.S. person and must provide its name and address, or (2) a securities clearing organization, bank or other financial institution, that holds customers' securities in the ordinary course of its trade or business and that also holds the Series 2022B Bonds must certify to the Authority or its agent under penalties of perjury that such statement on the applicable IRS Form W-8 (series) (or successor form) has been received from the Non-U.S. Holder by it or by another financial institution and must furnish the interest payor with a copy.

Interest payments may also be exempt from federal withholding tax depending on the terms of an existing federal income tax treaty, if any, in force between the U.S. and the resident country of the Non-U.S. Holder. The U.S. has entered into an income tax treaty with a limited number of countries. In addition, the terms of each treaty differ in their treatment of interest and original issue discount payments. Non-U.S. Holders are

urged to consult their own tax advisor regarding the specific tax consequences of the receipt of interest payments, including original issue discount. A Non-U.S. Holder that does not qualify for exemption from withholding as described above must provide the Authority or its agent with documentation as to his, her, or its identity to avoid the U.S. backup withholding tax on the amount allocable to a Non-U.S. Holder. The documentation may require that the Non-U.S. Holder provide a U.S. tax identification number.

If a Non-U.S. Holder is engaged in a trade or business in the United States and interest on a Series 2022B Bond held by such holder is effectively connected with the conduct of such trade or business, the Non-U.S. Holder, although exempt from the withholding tax discussed above (provided that such holder timely furnishes the required certification to claim such exemption), may be subject to United States federal income tax on such interest in the same manner as if it were a U.S. Holder. In addition, if the Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (subject to a reduced rate under an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments. For purposes of the branch profits tax, interest on a Series 2022B Bond will be included in the earnings and profits of the holder if the interest is effectively connected with the conduct by the holder of a trade or business in the United States. Such a holder must provide the payor with a properly executed IRS Form W-8ECI (or successor form) to claim an exemption from United States federal withholding tax.

Generally, any capital gain realized on the sale, exchange, retirement or other disposition of a Series 2022B Bond by a Non-U.S. Holder will not be subject to United States federal income or withholding taxes if (1) the gain is not effectively connected with a United States trade or business of the Non-U.S. Holder, and (2) in the case of an individual, the Non-U.S. Holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition, and certain other conditions are met.

For newly issued or reissued obligations, such as the Series 2022B Bonds, FATCA imposes U.S. withholding tax on interest payments and, for dispositions after December 31, 2018, gross proceeds of the sale of the Series 2022B Bonds paid to certain foreign financial institutions (which is broadly defined for this purpose to generally include non-U.S. investment funds) and certain other non-U.S. entities if certain disclosure and due diligence requirements related to U.S. accounts or ownership are not satisfied, unless an exemption applies. An intergovernmental agreement between the United States and an applicable non-U.S. country may modify these requirements. In any event, bondholders or beneficial owners of the Series 2022B Bonds shall have no recourse against the Authority, nor will the City or the Authority be obligated to pay any additional amounts to “gross up” payments to such persons, as a result of any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or government charges with respect to payments in respect of the Series 2022B Bonds. However, it should be noted that on December 13, 2018, the IRS issued Proposed Treasury Regulation Section 1.1473-1(a)(1) which proposes to remove gross proceeds from the definition of “withholdable payment” for this purpose.

Non-U.S. Holders should consult their own tax advisors with respect to the possible applicability of federal withholding and other taxes upon income realized in respect of the Series 2022B Bonds.

Information Reporting and Backup Withholding

For each calendar year in which the Series 2022B Bonds are outstanding, the Authority, its agents or paying agents or a broker is required to provide the IRS with certain information, including a holder’s name, address and taxpayer identification number (either the holder’s Social Security number or its employer identification number, as the case may be), the aggregate amount of principal and interest paid to that holder during the calendar year and the amount of tax withheld, if any. This obligation, however, does not apply with respect to certain U.S. Holders, including corporations, tax-exempt organizations, qualified pension and profit sharing trusts, and individual retirement accounts and annuities.

If a U.S. Holder subject to the reporting requirements described above fails to supply its correct taxpayer identification number in the manner required by applicable law or under-reports its tax liability, the

Authority, its agents or paying agents or a broker may be required to make “backup” withholding of tax on each payment of interest or principal on the Series 2022B Bonds. This backup withholding is not an additional tax and may be credited against the U.S. Holder’s federal income tax liability, provided that the U.S. Holder furnishes the required information to the IRS.

Under current Treasury Regulations, backup withholding and information reporting will not apply to payments of interest made by the Authority, its agents (in their capacity as such) or paying agents or a broker to a Non-U.S. Holder if such holder has provided the required certification that it is not a U.S. person (as set forth in the second paragraph under “Non-U.S. Holders” above), or has otherwise established an exemption (provided that neither the Authority nor its agent has actual knowledge that the holder is a U.S. person or that the conditions of an exemption are not in fact satisfied).

Payments of the proceeds from the sale of a Series 2022B Bond to or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, information reporting (but not backup withholding) may apply to those payments if the broker is one of the following: (i) a U.S. person; (ii) a controlled foreign corporation for U.S. tax purposes; (iii) a foreign person 50-percent or more of whose gross income from all sources for the three-year period ending with the close of its taxable year preceding the payment was effectively connected with a United States trade or business; or (iv) a foreign partnership with certain connections to the United States.

Payment of the proceeds from a sale of a Series 2022B Bond to or through the United States office of a broker is subject to information reporting and backup withholding unless the holder or beneficial owner certifies as to its taxpayer identification number or otherwise establishes an exemption from information reporting and backup withholding.

The preceding federal income tax discussion is included for general information only and may not be applicable depending upon a holder’s particular situation. Holders should consult their tax advisors with respect to the tax consequences to them of the purchase, ownership and disposition of the Series 2022B Bonds, including the tax consequences under federal, state, local, foreign and other tax laws and the possible effects of changes in those tax laws.

State Taxes

Bond Counsel is of the opinion that interest on the Series 2022B Bonds is exempt from personal income taxes of the State, under present State law. Bond Counsel expresses no opinion as to other State or local tax consequences arising with respect to the Series 2022B Bonds nor as to the taxability of the Series 2022B Bonds or the income therefrom under the laws of any state other than the State of California.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an impact on the inclusion in gross income of interest on the Series 2022B Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2022B Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or otherwise. It is not possible to predict whether any such legislative or administrative actions or court decisions will occur or have an adverse impact on the federal or state income tax treatment of holders of the Series 2022B Bonds. Prospective purchasers of the Series 2022B Bonds should consult their own tax advisors regarding the impact of any change in law or proposed change in law on the Series 2022B Bonds.

IN ALL EVENTS, ALL INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE SERIES 2022B BONDS.

Considerations For ERISA And Other U.S. Benefit Plan Investors – The Bonds

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), imposes certain fiduciary obligations and prohibited transaction restrictions on employee pension and welfare benefit plans subject to Title I of ERISA (“ERISA Plans”). Section 4975 of the Code imposes essentially the same prohibited transaction restrictions on tax-qualified retirement plans described in Section 401(a) and 403(a) of the Code, which are exempt from tax under Section 501(a) of the Code, other than governmental and church plans as defined herein (“Qualified Retirement Plans”), and on Individual Retirement Accounts (“IRAs”) described in Section 408(b) of the Code (collectively, “Tax-Favored Plans”). Certain employee benefit plans such as governmental plans (as defined in Section 3(32) of ERISA) (“Governmental Plans”), and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA) (“Church Plans”), are not subject to ERISA requirements. Additionally, such Governmental and Church Plans are not subject to the requirements of Section 4975 of the Code but may be subject to applicable federal, state or local law (“Similar Laws”) which is, to a material extent, similar to the foregoing provisions of ERISA or the Code. Accordingly, assets of such plans may be invested in the Bonds without regard to the ERISA and Code considerations described below, subject to the provisions of Similar Laws.

In addition to the imposition of general fiduciary obligations, including those of investment prudence and diversification and the requirement that a plan’s investment be made in accordance with the documents governing the plan, Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving assets of ERISA Plans and Tax-Favored Plans and entities whose underlying assets include plan assets by reason of ERISA Plans or Tax-Favored Plans investing in such entities (collectively, “Benefit Plans”) and persons who have certain specified relationships to the Benefit Plans (“Parties In Interest” or “Disqualified Persons”), unless a statutory or administrative exemption is available. The definitions of “Party in Interest” and “Disqualified Person” are expansive. While other entities may be encompassed by these definitions, they include, most notably: (1) fiduciary with respect to a plan; (2) a person providing services to a plan; (3) an employer or employee organization any of whose employees or members are covered by the plan; and (4) the owner of an IRA. Certain Parties in Interest (or Disqualified Persons) that participate in a prohibited transaction may be subject to a penalty (or an excise tax) imposed pursuant to Section 502(i) of ERISA (or Section 4975 of the Code) unless a statutory or administrative exemption is available. Without an exemption an IRA owner may disqualify his or her IRA.

Certain transactions involving the purchase, holding or transfer of the Bonds might be deemed to constitute prohibited transactions under ERISA and Section 4975 of the Code if assets of the Authority were deemed to be assets of a Benefit Plan. Under final regulations issued by the United States Department of Labor (the “Plan Assets Regulation”), the assets of the Authority would be treated as plan assets of a Benefit Plan for the purposes of ERISA and Section 4975 only of the Code if the Benefit Plan acquires an “equity interest” in the

Authority and none of the exceptions contained in the Plan Assets Regulation is applicable. An equity interest is defined under the Plan Assets Regulation as an interest in an entity other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there is little guidance on this matter, it appears that the Bonds should be treated as debt without substantial equity features for purposes of the Plan Assets Regulation. This determination is based upon the traditional debt features of the Bonds, including the reasonable expectation of purchasers of Bonds that the Bonds will be repaid when due, traditional default remedies, as well as the absence of conversion rights, warrants and other typical equity features.

However, without regard to whether the Bonds are treated as an equity interest for such purposes, though, the acquisition or holding of Bonds by or on behalf of a Benefit Plan could be considered to give rise to a prohibited transaction if the Authority or the Trustee, or any of their respective affiliates, is or becomes a Party in Interest or a Disqualified Person with respect to such Benefit Plan.

Most notably, ERISA and the Code generally prohibit the lending of money or other extension of credit between an ERISA Plan or Tax-Favored Plan and a Party in Interest or a Disqualified Person, and the acquisition of any of the Bonds by a Benefit Plan would involve the lending of money or extension of credit by the Benefit Plan. In such a case, however, certain exemptions from the prohibited transaction rules could be applicable depending on the type and circumstances of the plan fiduciary making the decision to acquire a Bond. Included among these exemptions are: Prohibited Transaction Class Exemption (“PTCE”) 96-23, regarding transactions effected by certain “in-house asset managers”; PTCE 90-1, regarding investments by insurance company pooled separate accounts; PTCE 95-60, regarding transactions effected by “insurance company general accounts”; PTCE 91-38, regarding investments by bank collective investment funds; and PTCE 84-14, regarding transactions effected by “qualified professional asset managers.” Further, the statutory exemption in Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provides for an exemption for transactions involving “adequate consideration” with persons who are Parties in Interest or Disqualified Persons solely by reason of their (or their affiliate’s) status as a service provider to the Benefit Plan involved and none of whom is a fiduciary with respect to the Benefit Plan assets involved (or an affiliate of such a fiduciary). There can be no assurance that any class or other exemption will be available with respect to any particular transaction involving the Bonds, or that, if available, the exemption would cover all possible prohibited transactions.

By acquiring a Bond (or interest therein), each purchaser and transferee (and if the purchaser or transferee is a plan, its fiduciary) is deemed to represent and warrant that either (i) it is not acquiring the Bond (or interest therein) with the assets of a Benefit Plan, Governmental plan or Church plan; or (ii) the acquisition and holding of the Bond (or interest therein) will not give rise to a nonexempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or Similar Laws. A purchaser or transferee who acquires Bonds with assets of a Benefit Plan represents that such purchaser or transferee has considered the fiduciary requirements of ERISA, the Code or Similar Laws and has consulted with counsel with regard to the purchase or transfer.

Because the Authority, the Trustee, Underwriters or any of their respective affiliates may receive certain benefits in connection with the sale of the Bonds, the purchase of the Bonds using plan assets of a Benefit Plan over which any of such parties has investment authority or provides investment advice for a direct or indirect fee may be deemed to be a violation of the prohibited transaction rules of ERISA or Section 4975 of the Code or Similar Laws for which no exemption may be available. Accordingly, any investor considering a purchase of Bonds using plan assets of a Benefit Plan should consult with its counsel if the Authority, the Trustee or the Underwriters or any of their respective affiliates has investment authority or provides investment advice for a direct or indirect fee with respect to such assets or is an employer maintaining or contributing to the Benefit Plan.

Any ERISA Plan fiduciary considering whether to purchase the Bonds on behalf of an ERISA Plan should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment and the availability of any

of the exemptions referred to above. Persons responsible for investing the assets of Tax-Favored Plans that are not ERISA Plans should seek similar counsel with respect to the prohibited transaction provisions of the Code and the applicability of Similar Laws.

CERTAIN LEGAL MATTERS

The validity of the Bonds and certain other legal matters are subject to the respective approving opinions of Nixon Peabody LLP, Bond Counsel. Best Best & Krieger LLP, is acting as Disclosure Counsel for the City. The City Attorney will pass on certain legal matters for the City and Authority. Complete copy of the proposed form of opinion of Bond Counsel is contained in Appendix D hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Bond Counsel and Disclosure Counsel will receive compensation from the City contingent upon the sale and delivery of the Bonds. From time to time, Bond Counsel and Disclosure Counsel represent the Underwriter on matters unrelated to the Bonds. Certain legal matters will be passed upon for the Underwriter by Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California. Counsel to the Underwriter will receive compensation contingent upon that issuance of the Bonds.

ABSENCE OF LITIGATION

Except as described below, to the best knowledge of the City and the Authority, there is no action, suit or proceeding pending or threatened either restraining or enjoining the execution or delivery of the Bonds, the Site Lease, the Facility Lease, the Assignment Agreement, or the Indenture, or in any way contesting or affecting the validity of the foregoing or any proceedings of the Authority or the City taken with respect to any of the foregoing. The City is routinely a party to a variety of lawsuits and administrative proceeds that may affect the General Fund of the City. For all pending or threatened litigation matters and administrative proceedings not listed below, the City believes, based on current facts and circumstances, that a final determination of such matters should not materially affect the General Fund's financial position.

Infrastructure Use Fee Litigation

Aaron Starr v. City of Oxnard. Mr. Starr filed suit against the City to challenge the legality of the City's collection of infrastructure use fees paid by the City's utility funds to the City's General Fund. The suit called for the reimbursement of all infrastructure use fees paid to the City's utility funds and eliminating the infrastructure use fee ("IUF") charge in all future years. Prior to the Court's ruling, the City adopted a conservative approach to the potential future loss of annual user fee revenues by eliminating the infrastructure use fee related to public safety (\$3 million annually) for all future budgets.

In a series of decisions by the Ventura County Superior Court which culminated in its final ruling in July 2021 regarding the City's IUF, the Court ordered the City to reimburse its utility funds a total of \$36.5 million over a three-year period and to remove the IUF from utility charges effective in June 2021. Based on the Court's order, the City no longer includes the IUF in the current utility rates effective June 2021. Additionally, the City went beyond the Court order and implemented a one-time credit of IUF fees charged from January 2020 through May 2021. The City processed credits, totaling \$7.1 million, to residential and commercial ratepayers on their October 2021 utility bill. Customers saw IUF related utility rate reductions ranging from 2.7% to 3.5%. The lower utility rates will result in approximately \$4 million annual aggregate reduction in revenues for the City's three utility funds.

In Fiscal Year 2020-21, the City's General Fund balance decreased by approximately \$18.3 million compared to a \$5.6 million decrease in Fiscal Year 2019-20. The significant change was a result of the negative impact to the City's General Fund position that resulted from the IUF reimbursement, partially offset by the economic recovery, CARES Act grants, and the Measure "E" sales tax measure.

UNDERWRITING

The Bonds are being purchased by Stifel, Nicolaus & Company (the “Underwriter”). The Underwriter will purchase the Series 2022A Bonds from the Authority at an aggregate purchase price of \$_____ (representing the principal amount of the Series 2022A Bonds, plus \$_____ of original issue premium and less \$_____ of Underwriter’s discount). The Underwriter will purchase the Series 2022B Bonds from the Authority at an aggregate purchase price of \$_____ (representing the principal amount of the Series 2022B Bonds, plus \$_____ of original issue premium and less \$_____ of Underwriter’s discount).

The Bonds are offered for sale at the initial yields stated on the pages following the cover page of this Official Statement, which may be changed from time to time by the Underwriter. The Bonds may be offered and sold to certain dealers at yield higher than the public offering yields.

RATINGS

[In connection with the issuance and delivery of the Bonds, S&P Global Ratings (“S&P”) is expected to assign its municipal bond rating of “[]” to the Bonds with the understanding that, upon delivery of the Series Bonds, policies insuring the payment when due of the principal of and interest on each series of Bonds will be issued by [INSURER]. S&P has assigned an underlying credit rating of “[]” to the Bonds. Such ratings reflect only the views of S&P and any desired explanation of the significance of such ratings should be obtained from S&P. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of either rating may have an adverse effect on the market price of the Bonds. The Underwriter has not undertaken any responsibility either to bring to the attention of the owners of the Bonds a proposed change in or proposed withdrawal of any rating or to oppose any such proposed revision or withdrawal.]

MUNICIPAL ADVISOR

NHA Advisors, LLC, San Rafael, California, served as municipal advisor (the “Municipal Advisor”) to the Authority and the City with respect to the sale of the Bonds. The Municipal Advisor will receive compensation contingent upon the sale and delivery of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

NHA Advisors, is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

CONTINUING DISCLOSURE

The City will covenant for the benefit of the Owners of the Bonds to provide annually certain financial information and operating data relating to the Bonds and the City (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. For a complete listing of items of information which will be provided in each Annual Report and further description of the City’s undertaking with respect to the Annual Report and certain enumerated events, see APPENDIX E — “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” The Annual Report is to be provided by the City not later than March 1 after the end of the City’s fiscal year, commencing with the report for fiscal year 2022-23 with respect to the Bonds. Each Annual Report will be filed by the City with the Municipal Securities Rulemaking Board. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

[TO COME]

The City and its related entities subsequently made all remedial filings of all annual operating data, audited financial statements, and significant event notices covering the prior five-year period and have taken steps, which include the hiring of NHA Advisors, LLC as its dissemination agent. Additionally, the Oxnard Housing Authority amended its continuing disclosure undertaking relating to outstanding Oxnard Housing Authority indebtedness to modify the filing deadline date for subsequent reports beginning in 2018 from October 31 to March 31 to ensure compliance with future continuing disclosure.

FINANCIAL STATEMENTS OF THE CITY

Included herein as Appendix C are the audited financial statements of the City as of and for the year ended June 30, 2021, together with the report thereon dated December 30, 2021 of Eadie & Payne, LLP, Riverside, California, certified public accountants (the “Auditor”). Such audited financial statements have been included herein in reliance upon the report of the Auditor. The Auditor has not been engaged to perform and has not performed, since the date of its report (December 30, 2021) included in Appendix C to this Official Statement, any procedures on the financial statements addressed in such report. The Auditor also has not performed any procedures relating to this Official Statement.

MISCELLANEOUS

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Indenture, the Facility Lease, the Site Lease and other documents are available, upon request, and upon payment to the City of a charge for copying, mailing and handling, from the City Clerk at the City of Oxnard, 300 West 3rd Street, Oxnard, California 93030.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority or the City and the purchasers or Owners of any of the Bonds.

The execution and delivery of this Official Statement have been duly authorized by the Authority and the City.

CITY OF OXNARD FINANCING AUTHORITY

By: _____
Alexander Nguyen, Executive Director

CITY OF OXNARD

By: _____
Alexander Nguyen, City Manager

APPENDIX A

INFORMATION REGARDING THE CITY OF OXNARD

General

The City of Oxnard (the “City”) was incorporated in 1903 and is located in western Ventura County (the “County”) on the shore of the Pacific Ocean. The City is approximately 65 miles northwest of the City of Los Angeles, 35 miles southeast of the City of Santa Barbara, and 6 miles south of the county seat of the County. The City is the most populous city in the County, with a population estimated at 200,050 as of 2022, accounting for approximately 24% of the County’s population. The City has a diversified economic base composed of agriculture and related business, retail, various services, and governmental agencies.

The City provides the full range of municipal services including public safety (police and fire), street construction and maintenance, solid waste collection and disposal, water and sewer utilities, culture and recreation, public improvements, planning and zoning, and general administrative and support services. [FORBES RANKING TO COME].

Transportation

Oxnard is served by all major modes of transportation. Both U.S. Highway 101 and State Highway 1 pass through the City, linking it with the Los Angeles metropolitan area and Santa Barbara County. Rail passenger service is provided by AMTRAK, which has a station in the City. Two trains pass through daily in each direction and stop at the Oxnard station. Metrolink provides commuters from the Oxnard Transportation Center with several daily routes to the Los Angeles basin, including downtown Los Angeles. Union Pacific Railroad provides freight rail service through the City. The Ventura County Railroad Company connects Port Hueneme, the Ormond Beach Industrial Area, the Naval Construction Battalion Center, and surrounding industrial areas to the Union Pacific line. The Port of Hueneme, owned and operated by the Oxnard Harbor District, an independent special district, is the only commercial deep-draft harbor between Los Angeles and San Francisco. The port has five 600- to 700-foot berths and a 35-foot entrance channel depth. The Channel Islands Harbor, owned and operated by the County of Ventura, is a modern 3,000 slip boat marina, which also serves the Oxnard area in the capacity of a recreational marina and covers approximately 310 acres. The Oxnard Airport is operated by Ventura County as a general and commercial aviation airfield. The Oxnard Airport handles passenger as well as cargo services. Local bus service is provided by Gold Coast Transit, a regional public transit agency funded by the County and member cities. Service is available in Ojai, Ventura, Oxnard, and Port Hueneme. The Greyhound bus line provides passenger and parcel service from its Oxnard station. A multi-modal transportation center located in downtown Oxnard brings together all these forms of transportation.

Education

There are 35 elementary, 8 junior high, and 5 senior high schools located in and immediately around the City, plus eight parochial and private schools. The City is served by Oxnard College, a California community college. The 119-acre campus is located on Rose Avenue between Channel Islands Boulevard and Pleasant Valley Road. Oxnard College currently offers degree and certificate programs. The California State University campus at Channel Islands (CSUCI) opened in fall 2002 and has a current enrollment of over 7,400 students. In addition, two campuses of the University of California, Santa Barbara (UCSB) and Los Angeles (UCLA), one campus of the California State University, Northridge (CSUN), and two private universities, Pepperdine and California Lutheran University, are within a 50-minute drive.

Recreation

The City offers its residents a wide range of recreational facilities. The beach, marina neighborhood, and regional parks add up to nearly 1,500 acres of park land. McGrath State Beach Park, located south of the Santa Clara River mouth, covers approximately 295 acres and includes over a mile of ocean frontage. Overnight

camping and day picnics are the main use of that park. Oxnard Beach Park includes approximately 62 acres with concession stands and facilities for day picnics and sports. Silver Strand Beach, south of the Harbor entrance, and Hollywood Beach, north of the entrance, are day beach facilities. Channel Islands Harbor is a recreational boating marina administered by Ventura County. The City has over 30 neighborhood parks located throughout the City. A tennis and softball center is located at Community Center Park. Additionally, Wilson Park contains the largest senior citizen center in the County.

The City owns River Ridge Golf Club, consisting of two 18-hole championship golf courses, the Vineyard Course and the Victoria Lakes Course. The City also owns a 1,600-seat Performing Arts & Convention Center located on Hobson Way in the center of the City.

City Council and Management

The City was incorporated as a general law city on June 30, 1903, and operates under a council-manager form of government. The City is governed by an elected Mayor holding a four-year term and six councilmembers elected by districts for four-year overlapping terms.

The members of the City Council and the expiration dates of their respective terms are as follows:

CITY OF OXNARD	
City Council	
<u>Name</u>	<u>Term Expires</u>
John C. Zaragoza, <i>Mayor</i>	2024
Bryan A. MacDonald, <i>Mayor Pro Tem</i>	2024
Bert E. Perello, <i>Councilmember</i>	2022
Oscar Madrigal, <i>Councilmember</i>	2024
Gabe Teran, <i>Councilman</i>	2022
Gabriela Basua, <i>Councilwoman</i>	2022
Vianey Lopez, <i>Councilmember</i>	2024

City Management

The City Manager’s office oversees all of the City’s departments responsible for City services and operations. The following is a brief overview of the experience of key City staff:

City Manager. Mr. Alexander Nguyen was appointed City Manager in July 2018. Mr. Nguyen came to the City with 20 years of municipal experience from the cities of Oakland, Alameda and Riverside. In Oakland, he served two years as Chief of Staff for a City Council office and 11 years as Chief of Staff for the elected City Attorney, where he was also co-creator and Executive Director of the Neighborhood Law Corps. In Alameda, Mr. Nguyen served as Assistant City Manager. He also led the effort to build the city’s first dedicated emergency operations center, along with a new fire station. In Riverside, Mr. Nguyen also served as Assistant City Manager and led the effort to design a new Main Library and City Archive in the downtown area. He also led the city’s Office of Homeless Solutions, which developed Riverside’s homeless policy and Housing First Plan. His portfolio in Riverside also included police, fire, parks, museum and citizens police review commission.

Assistant City Manager. Ms. Ashley Golden, Director of Oxnard’s Development Services, was appointed as Assistant City Manager in December 2018. Ms. Golden has more than 14 years of experience with the City’s development services department where she provided oversight and administrative resources for planning, code compliance, and building & engineering services. She was appointed Director of Development Services in 2015 and has previously served as interim Assistant City Manager when there was a vacancy in 2016 and 2018. She also has more than three years of experience with the Sacramento Housing and Redevelopment Agency as Redevelopment Planner and Community Development Program technician.

Deputy City Manager. Ms. Shiri Klima was appointed Deputy City Manager in January 2019, to oversee the Finance, Information Technology and Human Resources Departments. Ms. Klima served as an Assistant City Attorney in Oxnard for over two years and has a decade of experience with municipal government, having advised many cities including Indio, Highland, Yucaipa, Rancho Palos Verdes, Beverly Hills, Agoura Hills and Wasco as well as a workforce development joint powers authority in southeast L.A. County.

Chief Financial Officer. Ms. Betsy George joined the City in June 2021, bringing more than 25 years of accounting and finance experience in both the public and private sector. Ms. George previously served as Chief Financial Officer for the Ventura County Human Services Agency and as Assistant Superintendent, Business Services and Director of Budget & Finance for the Ventura Unified School District. [MORE TO COME]

Employee Relations

As of June 30, 2022, the City had approximately 1,210 full-time employees and 11 part-time employees. Such amounts do not include the City's temporary and seasonal workers which totaled 347 employees as of June 30, 2022. Temporary workers are not represented by an employee association. In accordance with the provisions of California Government Code Section 3500, the City participates in labor negotiations with its employee associations. The result of the negotiation processes are memorialized in memoranda of understanding (MOU's) reached between the City and the City employee associations. The table below lists the City's six employee associations and the approximate membership as of June 30, 2022, as well as the unrepresented executive employees.

<u>Unit/Affiliation</u>	<u>Number of Members</u>	<u>MOU Expiration</u>
International Association of Fire Fighters	112	6/30/2021
International Union of Operating Engineers, Local No. 501 AFL-CIO	372	6/30/2025
Oxnard Mid Manager's Association	146	6/30/2025
Oxnard Peace Officers Association	237	6/30/2024
Oxnard Public Safety Managers Association	19	6/30/2021
Services Employees International Union Local 721, CLC	283	6/30/2025
Unrepresented and Executive Employees	391	N/A
Elected Officials	9	N/A

Source: City.

The City does not currently have any outstanding material labor disputes.

Risk Management

The City provides general liability and workers' compensation insurance under self-insurance programs with an annual limit per occurrence of \$1 million for each program. Excess insurance in the layer of \$1 million to \$15 million per occurrence/\$18 million annual aggregate is purchased for general liability claims and statutory coverage is purchased for workers' compensation claims. The City contracts with outside service agencies to assist in the administration of the self-insurance programs. Estimated liabilities related to outstanding workers' compensation and public liability claims, including estimates for incurred but not reported claims, are based upon actuarial studies and are recorded in internal service funds.

In August 1988, the City adopted a resolution to execute a Joint Powers Agreement (JPA) creating the Big Independent Cities Excess Pool Joint Powers Authority (BICEP), a risk management pool. Through BICEP, five cities (Oxnard, Ventura, Huntington Beach, Santa Ana, West Covina) share the cost of insuring catastrophic general liability losses incurred by the members for claims between \$1 million and \$25 million, thereby eliminating the need for individual excess commercial insurance policies. The purpose of this JPA is to jointly fund the purchase of reinsurance and the provision of necessary administrative services. Such administrative

services may include, but shall not be limited to, risk management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjustment, and legal defense service. BICEP is governed by a five-member board of directors representing each member city. Each member is appointed and serves at the pleasure of the member city council.

All funds of the City participate in general liability and workers' compensation insurance programs and make payments to internal service funds on the basis of loss experience and exposure. The total unpaid claims and claims adjustment expense liability (long-term obligations) of \$32,782,000, which includes the amounts identified below under "-General Liability" and "-Workers' Compensation" recorded at June 30, 2021, is based on results of actuarial studies and includes an estimate for claims incurred but not reported at the balance sheet date. The City has not established a trust to offset such costs. Claims liabilities are calculated considering the effects of inflation, recent claims settlement trends including frequency and amount of payouts, and other economic and societal factors. General liability and workers' compensation liabilities are carried at present value using a discount rate of 1.0%.

General Liability

The City is self-insured for general liability claims up to \$1,000,000. The City purchases commercial excess liability insurance with limits of \$15 million per occurrence with an aggregate limit of \$18 million annually. Prior to fiscal year 2019-20, the City was covered through the Big Independent Cities Excess Pool (BICEP) for claims between \$1,000,000 and \$25,000,000. Self-insured general liability claims are administered through a third-party administrator, with the City Attorney's approval required for settlements over \$15,000. Litigated claims are settled directly through the City Attorney's Office. The City Council delegates (a) to the Risk Manager or his/her designee the authority to reject, allow, settle or compromise claims or actions against the City up to \$15,000 and (b) to the City Manager and the City Attorney joint authority to allow, settle, or compromise claims or actions against the City up to \$50,000 per claim or action. [A liability review committee established by the City Council, which consists of the City Attorney, the Risk Manager, the Chief Financial Officer, the Police Chief and representatives of departments and divisions with the highest instances of public liability or property damage claims, have been delegated the authority to settle or compromise claims or actions against the City greater than \$50,000, and up to \$75,000 per claim or action. A settlement of any claim or action requiring payment in excess of \$75,000 must be presented to City Council.

The City's excess general liability insurance premium for Fiscal Year 2020-21, inclusive of brokerage fees, was \$719,800. During the past five-year period, the average claims filed each year for general liability amounted to 207 claims per year totaling \$1,280,143 per year (an average of \$6,172 per claim). In addition, there have been no insurance settlements that have exceeded the City's insurance coverage for each of the past three years.

The total unpaid claims and claims adjustment expense liability (long-term obligations) recorded at June 30, 2021 was \$6,344,805.

Workers' Compensation

The City is self-insured for workers' compensation claims up to \$1,000,000. For claims over \$1,000,000, the City has purchased excess workers' compensation insurance through the CSAC Excess Insurance Authority (CSAC-EIA), a California risk-sharing Joint Powers Authority. The claims are processed by a third-party administrator similar to general liability claims.

The City's premium for workers' compensation insurance coverage in Fiscal Year 2020-21 was \$309,659.

Within the City's self-insured program for workers' compensation, there has been an average of 313 claims filed per year for the past five years, with an average of approximately \$4,688,681 per year in total

reported losses (an average of \$14,980 per claim). In addition, there have been no insurance settlements that have exceeded the City's insurance coverage for each of the past three years.

The total unpaid claims and claims adjustment expense liability (long-term obligations) recorded at June 30, 2021 was \$28,919,771. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Insurance" in the Official Statement for the requirement to maintain certain insurance coverage under the Facility Lease.

[No significant reduction in insurance coverage occurred during the last two fiscal years.]

CITY FINANCIAL INFORMATION

Accounting and Financial Reporting

The basic financial statements of the City are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP).

The City's government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for services. The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements, such as the City's general fund (the "General Fund"), are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the applicable fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, however, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources. Property taxes and taxpayer-assessed tax revenues, net of estimated refunds and uncollectible amounts, and interest associated with the applicable fiscal period are all considered subject to accrual and so have been recognized as revenues of the then-current fiscal period. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Budget Procedure, Current Budget and Historical Budget Information

The City's fiscal year begins on July 1 of each year and ends on June 30 of the subsequent year. The annual budget serves as the foundation for the City's financial planning and control. The City Council is required to adopt an annual budget resolution by July 1 of each fiscal year. The City Council also adopts annual

financial plans for the enterprise and internal service funds and five-year capital budget plans for capital expenditures accounted for primarily in proprietary funds.

The City Manager and City staff review estimates of revenues and expenditures for each City department for the ensuing fiscal year. At least 30 days prior to the beginning of each fiscal year, the City Manager submits the proposed budget to the City Council. After reviewing and making such revisions as it deems advisable, the City Council determines the time for the holding of a public meeting to discuss the proposed budget. At the conclusion of the public meeting, the City Council further considers the proposed budget and makes any revisions that it deems advisable. On or before June 30, the City Council adopts the budget with revisions, if any, by the affirmative vote of at least a majority of the members of the City Council.

The budget for fiscal year 2022-23 was approved on [June 7, 2022] (the “Adopted Budget”). The Adopted Budget projects General Fund revenues to be approximately \$[208,195,175], an increase of approximately [4.3]% from the fiscal year 2021-22 adopted budget of approximately \$199.5 million. The most significant revenue increases are approximately \$3.2 million in property tax revenues and \$4 million in sales tax revenue over the adopted budget revenue for fiscal year 2021-22. The Adopted Budget projects General Fund expenditures of approximately \$[216.1] million in fiscal year 2022-23, an increase of approximately [7.6]% from General Fund expenditures in the fiscal year 2021-22 adopted budget of approximately \$[200.8] million.

In fiscal year 2020-21, the City’s General Fund was reduced by approximately \$36.4 million due to the reimbursement of infrastructure use fees in connection with the related litigation. See Table 3, below, and “ABSENCE OF LITIGATION – Infrastructure Use Fee Litigation” in the Official Statement.

Set forth below is the adopted General Fund budget versus actual comparison for fiscal year 2020-21, with variance.

TABLE 1
CITY OF OXNARD
GENERAL FUND BUDGET VERSUS ACTUAL
FISCAL YEAR 2020-21
(in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes				
Property Taxes	\$ 61,114	\$ 61,114	\$ 61,260	\$ 146
Sales Tax	43,094	43,094	67,923	24,830 ⁽¹⁾
Transient Occupancy Tax	4,786	4,786	4,267	(519)
Business License Tax	5,905	5,905	5,965	60
Franchise Tax	3,844	3,844	3,905	61
Deed Transfer Tax	707	707	911	204
Licenses and Permits	2,668	3,021	3,968	947
Intergovernmental	2,116	2,116	6,172	4,056
Charges for Services	19,197	20,089	18,017	(2,072)
Fines and Forfeitures	2,933	2,933	1,852	(1,080)
Interest on Investments	473	473	348	(125)
Special Assessments	445	445	492	47
Miscellaneous	2,360	3,421	2,610	(811)
Total Revenues	149,640	151,946	177,690	25,745
Expenditures				
Current				
General Government	18,483	17,398	16,501	897
Public Safety	91,081	93,462	93,487	(25)
Transportation	6,712	6,952	6,151	801
Community Development	12,703	16,094	12,546	3,547
Culture, Leisure and Library Services	19,481	19,219	17,734	1,484
Capital Outlay	7,305	8,007	4,797	3,210
Debt Service				
Principal	712	712	820	(108)
Interest and Fiscal Charges	534	509	502	8
Total Expenditures	157,011	162,353	152,539	9,814
Excess of Revenues Over/(Under)				
Expenditures	(7,371)	(10,407)	25,152	35,559
Other Financing Sources/(Uses)				
Reimbursement of IUF Fees	-	(5,000)	(36,471)	(31,471)
Transfer out golf course	-	-	(1,236)	(1,236)
Net Transfers	(6,456)	(6,783)	(5,728)	1,055
Total Other Financing Sources/(Uses)	(6,456)	(11,783)	(43,435)	(31,653)
Net Change in Fund Balance	\$ (13,827)	\$ (22,190)	\$ (18,284)	\$ 3,906

⁽¹⁾ Increase primarily due to Measure E revenues.

Source: City's Comprehensive Annual Financial Report for fiscal year ended June 30, 2021.

Set forth below is the adopted budget for fiscal year 2022-23 and the projected budgets for fiscal years 2023-24 through 2026-27. The following is solely an estimated forecast of General Fund revenues and expenditures of the City based upon current conditions in the City. The City cannot make any guarantees that such estimates will materialize as set forth below.

TABLE 2
CITY OF OXNARD
GENERAL FUND BUDGET FORECAST
FISCAL YEARS 2022-23 through 2026-27⁽¹⁾

GENERAL FUND	Budgeted 2022-23	Projected 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenues:					
Property Tax ⁽²⁾	\$ 66,734,379	\$ 68,069,067	\$ 70,111,139	\$ 72,214,473	\$ 73,658,762
Sales Tax – Measure E ⁽³⁾	55,061,000	57,043,196	59,039,708	61,047,058	63,122,658
Sales Tax ⁽³⁾	40,602,752	42,064,451	43,536,707	45,016,955	46,547,531
Franchises ⁽⁶⁾	4,171,695	4,213,412	4,255,546	4,298,101	4,341,082
Business License Tax ⁽⁴⁾	6,719,875	6,787,074	6,854,945	6,923,494	6,992,729
Transient Occupancy Tax ⁽⁵⁾	5,602,162	5,658,184	5,714,766	5,771,914	5,829,633
Deed Transfer Tax ⁽⁶⁾	985,175	995,027	1,004,977	1,015,027	1,025,177
Building Fees & Permits ⁽⁶⁾	1,751,284	1,768,797	1,786,485	1,804,350	1,822,394
Intergovernmental	2,465,849	2,515,166	2,565,469	2,616,778	2,669,114
Service Fees & Charges ⁽⁶⁾	6,891,170	6,960,082	7,029,683	7,099,980	7,170,980
Fines & Forfeitures ⁽⁶⁾	2,608,294	2,634,377	2,660,721	2,687,328	2,714,201
Indirect Cost Reimbursement	8,283,085	8,531,578	8,787,525	9,051,151	9,322,686
Interest Income	896,078	896,078	896,078	896,078	896,078
Transfers In-Other Income	2,013,671	2,013,671	2,013,671	2,013,671	2,013,671
Other Revenue	3,204,820	3,204,820	3,204,820	3,204,820	3,204,820
Special Assessments	203,886	207,964	212,123	216,365	220,692
Total Revenue	\$ 208,195,175	\$213,562,944	\$219,674,363	\$225,877,543	\$ 231,552,208
Expenditures:					
Regular Salaries ⁽⁷⁾	\$ 73,051,982	\$ 75,243,541	\$ 79,233,347	\$ 81,610,347	\$ 84,058,657
Part-time Wages	1,833,700	1,833,700	1,833,700	1,833,700	1,833,700
Overtime	8,129,947	8,129,947	8,129,947	8,129,947	8,129,947
Pension (CalPERS+PARS) ⁽⁸⁾	18,355,350	18,580,738	19,607,279	19,169,926	19,119,314
Health/Insurance/Benefits	20,825,449	21,450,212	22,093,718	22,756,530	23,439,226
Retiree Medical	2,101,359	2,143,386	2,186,254	2,229,979	2,274,579
Workers Comp/Safety Program	6,630,346	6,762,953	6,898,212	7,036,176	7,176,900
Other Personnel Costs	99,458	101,447	103,476	105,546	107,657
Vacancy Savings ⁽⁹⁾	(6,166,588)	(7,759,253)	(8,116,896)	(8,355,229)	(8,600,609)
Subtotal Personnel	\$124,861,003	\$ 126,486,671	\$ 131,969,038	\$134,516,922	\$137,539,371
Services & Supplies ⁽¹⁰⁾	\$ 20,339,108	\$ 20,745,890	\$ 21,903,308	\$ 22,341,374	\$ 22,788,201
Internal Service	20,614,377	21,232,808	21,869,792	22,525,886	23,201,663
Utilities ⁽¹⁰⁾	4,499,605	4,589,597	4,681,389	4,775,017	4,870,517
Animal Shelter	2,156,159	2,263,967	2,377,165	2,496,023	2,620,824
Other Expense ⁽¹⁰⁾	2,284,516	2,330,206	2,376,810	2,424,346	2,472,833
Debt Service ^{(11) (14)}	1,875,689	1,875,688	1,875,688	-	-
Lease Pymt Cap Growth Fees	1,013,749	1,004,616	988,611	973,881	962,295
Capital Outlay ⁽¹³⁾	528,000	538,560	549,331	560,318	571,524
Transfers Out-Assess Dists	197,407	197,407	197,407	197,407	197,407
Transfers Out-Grants	50,138	50,138	50,138	50,138	50,138
Transfers Out-Debt Service ^{(12) (14)}	6,826,178	10,855,102	11,928,104	11,515,976	12,506,183
Transfers Out-Storm Water	1,716,778	1,751,114	1,786,136	1,821,859	1,858,296
Transfers Out-Capital Outlay	12,849,377	8,515,865	7,815,865	6,965,865	5,300,000
Transfers Out-ISF/OPD Training	132,935	132,935	132,935	132,935	132,935
Infrastructure Use Fee Repayment	10,000,000	9,500,000	-	-	-
Contingencies	6,184,628	9,992,645	8,203,174	10,965,604	10,894,294
Total Expenditures	\$216,129,647	\$222,063,209	\$218,704,891	\$ 222,263,551	\$225,966,481
Net Revenue (Deficit)	\$ 7,934,472	\$ (8,500,265)	\$ 969,472	\$ 3,613,991	\$ 5,585,727
Beginning Fund Balance	40,896,706	32,962,234	24,461,969	25,431,441	29,045,432
Ending Fund Balance	\$32,962,234	\$24,461,969	\$25,431,441	\$29,045,432	\$34,631,159
Unassigned Balance as % of Total Exp	15.3%	11.0%	11.6%	13.1%	15.3%

⁽¹⁾ The following footnotes 2-13 set forth the underlying assumptions for the General Fund forecast presented in this table.

⁽²⁾ Property Tax revenue projections incorporate property tax consultant's projection of approximately 2% to 3% annual growth based on combined effects of inflation adjustment allowed annually by Proposition 13; Proposition 8 revaluations; new construction; and property ownership changes.

⁽³⁾ Sales Tax revenue projections for Bradley Burns base (1%) and Measure E (1.5%) incorporate sales tax consultant's projection of annual growth from FY 2023-24 onward, atop a base forecast by staff for current and budget year, incorporating results year-to-date, national consumer spending data, and short-term consensus economic forecast for U.S. economy.

⁽⁴⁾ Business License Tax projections assume leveling out at 1% annual growth.

⁽⁵⁾ Transient Occupancy Tax (TOT) projections assume 1% annual growth after FY 2022-23.

⁽⁶⁾ Other Revenues / Fees projections assume 1% annual growth

⁽⁷⁾ Regular Salaries assumed to grow 3% annually from combined step and COLA increases..

⁽⁸⁾ Pension Costs reflect projections by CalPERS and MassMutual (for PARS) of future payments for unfunded accrued liabilities, and normal cost contribution rate changes. An additional \$15,749,860 of public safety pension costs in FY 2022-23 will be paid from the proceeds of the public safety property tax approved by Oxnard voters in 1951.

⁽⁹⁾ Vacancy Savings assumption of 6 % for FY 2022-23 and 7.5% for subsequent years.

⁽¹⁰⁾ Non-personnel costs including Services & Supplies assumed to grow 2% annually.

⁽¹¹⁾ Debt Service drops by \$1.9 million in FY 2025-26 after the 2015 loan from the Measure O Fund to the General Fund is fully retired in FY 2024-25.

⁽¹²⁾ Transfers Out-Debt Service increases from FY 2022-23 base year as follows: FY 2023-24 \$4.2 million, FY 2024-25 \$5.2 million, FY 2025-26 \$4.8 million, and FY 2026-27 \$5.8 million to reflect estimated additional debt service for planned Capital Improvement Proacts, Aquatic Center, Senior Center and Fire Station Replacements.

⁽¹³⁾ Capital Outlay includes Capital Improvement Program (CIP) for FY 2022-23, and projected CIP for subsequent years based on 2022-27 Five Year Capital Improvement Program.

⁽¹⁴⁾ Does not account for the Bonds.

Source: Adopted Budget of the City for fiscal year 2022-23.

Comparative Change in Fund Balance of the City General Fund

The table below presents the City's audited General Fund Statement of Revenues, Expenditures and Change in Fund Balance for fiscal years 2017-18 through 2020-21 and estimated actuals for fiscal year 2021-22.

TABLE 3
CITY OF OXNARD
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GENERAL FUND GROUP
FISCAL YEARS 2017-18 THROUGH 2021-22

	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22⁽⁶⁾</u>
REVENUES⁽¹⁾					
Taxes	\$112,368,183	\$120,903,292	\$118,930,205	\$144,231,483 ⁽⁵⁾	[_]
Licenses and permits	2,524,505	3,007,750	2,777,998	3,967,887	
Intergovernmental	1,908,513	2,259,907	1,769,163	6,172,234	
Charges for Services	19,345,462	20,895,034	22,658,976	18,016,882	
Fines and Forfeitures	2,367,166	2,368,800	3,282,319	1,852,220	
Interest on Investments	383,016	1,847,513	776,023	347,612	
Special Assessments	536,113	528,790	493,497	492,244	
Miscellaneous	<u>5,244,292</u>	<u>7,664,832</u>	<u>4,500,462</u>	<u>2,609,806</u>	
Total Revenues	\$144,677,250	\$159,475,918	\$155,188,643	\$177,690,368	
EXPENDITURES⁽²⁾					
Current:					
General Government	\$ 17,635,849	\$ 17,251,171	\$ 21,354,077	\$ 16,501,005	
Public Safety	82,483,021	86,529,178	92,090,922	93,487,162	
Transportation	6,176,942	5,519,634	5,795,027	6,150,873	
Community Development	10,606,545	11,385,339	12,115,326	12,546,149	
Culture and Leisure	18,914,570	19,968,684	-	-	
Library Services	3,311,739	3,196,990	-	-	
Culture, Leisure and Libraries ⁽³⁾			21,407,281	17,734,480	
Capital Outlay	2,826,991	5,417,773	1,038,678	4,797,421	
Debt Service:					
Principal	715,000	745,000	780,000	820,000	
Interest and Fiscal Charges	<u>608,242</u>	<u>574,539</u>	<u>567,706</u>	<u>501,535</u>	
Total Expenditures	\$143,278,899	\$150,588,308	\$155,149,017	\$152,538,625	
Excess of Revenues Over (Under) Expenditures	\$ 1,398,351	\$ 8,887,610	\$ 39,626	\$ 25,151,743	
OTHER FINANCING SOURCES (USES)					
Reimbursement of IUF Fees ⁽⁴⁾	-	-	-	(36,470,697) ⁽⁴⁾	
Transfer to Golf Course Fund	-	-	-	(1,236,347)	
Transfers In	4,801,088	4,240,137	5,614,357	1,609,003	
Transfers Out	<u>(12,005,796)</u>	<u>(11,355,702)</u>	<u>(11,217,411)</u>	<u>(7,337,227)</u>	
Total Other Financing Sources (Uses)	\$ (7,204,708)	\$ (7,115,565)	\$ (5,603,054)	\$ (43,435,268)	
Net Change in Fund Balances	(5,806,357)	1,772,045	(5,563,428)	(18,283,525)	
Fund Balances, July 1	46,268,790	40,462,433	42,234,478	38,340,504	
Prior Period Adjustment	-	-	<u>1,669,454</u>	<u>(208,913)</u>	
Fund Balances, June 30	\$ 40,462,433	\$ 42,234,478	\$ 38,340,504	\$ 19,848,066	

⁽¹⁾ Revenues of the street maintenance and pension override tax funds are not legally available to pay debt service on the Bonds. Those amounts are \$[_].

⁽²⁾ Expenditures from the street maintenance and pension override tax funds are [_].

⁽³⁾ Beginning in fiscal year 2019-20, the expenditures previously listed as separate line items "Culture and Leisure" and "Library Services" were combined into one line item for purposes of the City's audits.

⁽⁴⁾ Related to Infrastructure Use Fee Litigation.

⁽⁵⁾ Increase from previous year primarily due to Measure E Revenues.

⁽⁶⁾ Estimated.

Source: City of Oxnard Comprehensive Annual Financial Reports for Fiscal Years Ended June 30, 2018-2021 and the City.

Comparative General Fund Group Balance Sheets of the City

The table below presents the City's audited General Fund Group Balance Sheets for fiscal years 2017-18 through 2020-21 and estimated actuals for fiscal year 2021-22.

TABLE 4
CITY OF OXNARD
GENERAL FUND GROUP BALANCE SHEETS
FIVE YEAR COMPARISON
FISCAL YEARS 2017-18 THROUGH 2021-22

	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22⁽²⁾</u>
ASSETS⁽¹⁾					
Cash and cash equivalents	\$35,830,461	\$42,276,708	\$36,762,494	\$39,912,571	[]
Accounts and other receivables	3,643,938	3,241,621	3,379,987	3,511,338	
Due from other funds	5,878,372	5,921,153	8,869,987	8,150,400	
Due from other government	8,821,609	10,640,180	9,852,706	24,477,137	
Due from Successor Agency	8,809	297,915	534,539	182,760	
Other assets	377,086	377,045	438,539	-	
Total Assets	\$54,560,275	\$62,754,622	\$59,883,252	\$76,234,206	
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Liabilities:					
Accounts payable	\$ 3,439,160	\$ 6,080,193	\$4,464,768	\$6,357,719	
Other liabilities	6,457,069	11,322,272	13,873,239	15,968,284	
Due to other funds	3,211,474	2,113,680	2,098,537	14,371,920	
Due to other agencies	3,381	-	-	-	
Advances from other funds	984,753	856,237	723,865	19,470,697	
Unearned revenues	<u>2,005</u>	<u>140,812</u>	<u>337,339</u>	<u>217,520</u>	
Total Liabilities	\$14,097,842	\$20,513,194	\$21,497,748	\$56,386,140	
DEFERRED INFLOWS OF RESOURCES					
Deferred inflow on receivables and loans	-	<u>6,950</u>	-	-	
Total Deferred Inflows of Resources	-	\$6,950	-	-	
FUND BALANCES					
Restricted for:					
Debt service	-	-	-	-	
Transportation Systems	-	-	-	-	
Maintenance Districts	-	-	-	-	
Streets and Traffic improvements/maintenance	10,558,537	10,402,918	-	-	
Infrastructure developments	-	-	-	-	
Housing	-	-	-	-	
Culture and Leisure	-	125,065	-	-	
Public safety	-	-	-	-	
Grants	-	-	-	-	
Committed to:					
Measure "O" eligible services	-	22,560,234	18,020,835	18,314,275	
General Plan Maintenance	-	-	1,127,968	-	
Streets and Traffic	-	-	13,917,604	4,582,215	
Improvements/Maintenance	-	-	-	-	
Assigned to:					
Capital Projects	-	-	-	-	
Measure "O" Service Enhancement	12,662,261	-	-	-	
Other Purposes	-	282,831	-	-	
Unassigned	<u>17,241,635</u>	<u>8,863,430</u>	<u>5,274,097</u>	<u>(3,048,424)</u>	
Total Fund Balances	\$40,462,433	\$42,234,478	\$38,340,504	\$19,848,066	
Total Liabilities and Fund Balances	\$54,560,275	\$62,754,622	\$59,838,252	\$76,234,206	

⁽¹⁾ Includes assets attributable to the street maintenance and pension override tax funds, revenues of which are not pledged towards the repayment of the Bonds.

⁽²⁾ Estimated.

Source: City of Oxnard Comprehensive Annual Financial Reports for fiscal years ended June 30, 2018-2021 and the City.

Major Revenues

The City's General Fund derives its revenues from a variety of sources including *ad valorem* property taxes, sales taxes, transient occupancy tax, business licenses, franchise tax, and other miscellaneous revenues. The City's total General Fund revenues for selected major revenue sources for fiscal years 2016-17 through 2020-21 and an estimate for fiscal year 2021-22 are set forth below.

TABLE 5
CITY OF OXNARD
GENERAL FUND
SELECTED MAJOR REVENUE SOURCES
FISCAL YEARS 2016-17 THROUGH 2021-22

Fiscal Year	Property Tax	Sales Tax⁽²⁾	Business License	Transient Occupancy Tax	Franchise Tax
2016-17	50,886,499	29,918,706	5,348,086	5,174,427	3,238,967
2017-18	53,262,254	29,665,172	5,570,488	5,749,572	3,548,671
2018-19	56,463,690	33,330,921	6,167,473	5,557,471	3,503,323
2019-20	57,148,892	31,958,692	6,087,059	4,302,489	3,597,507
2020-21	61,260,102	50,519,062	5,964,716	4,267,463	3,904,884
2021-22 ⁽¹⁾	[]				

⁽¹⁾ Estimated

⁽²⁾ Does not include Measure O sales tax revenues; includes Measure E revenues.

Source: The City.

Property Taxes

Property taxes have historically provided the largest tax revenue source for the City. In fiscal year 2020-21, property taxes allocated to the General Fund were approximately \$61,260,000, providing 42% of General Fund tax revenues and approximately 34% of total General Fund revenues. In California, property which is subject to *ad valorem* taxes is classified as "secured" or "unsecured." The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens, arising pursuant to State Law, on the secured property, regardless of the time of the creation of other liens. The valuation of property is determined as of January 1 each year, and installments of taxes levied upon secured property become delinquent on the following December 10th and April 10th of the subsequent calendar year. Taxes on unsecured property are due July 1, and become delinquent August 31.

Secured and unsecured properties are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. The exclusive means of forcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes for the amount of taxes that are delinquent. The taxing authority has four methods of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Recorder's Office in order to obtain a lien on certain property of the taxpayer, and (4) seizure and sale of personal property, improvement or possessory interest belonging or taxable to the assessee.

A ten percent penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, beginning on the July 1 following a delinquency, interest begins accruing at the rate of 1.5% per month on the amount delinquent. Such property may thereafter be redeemed by the payment of the delinquent taxes and the ten percent penalty, plus interest at the rate of 1.5% per month to the time of

redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county tax collector. A ten percent penalty also applies to the delinquent taxes or property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning on the varying dates related to the tax billing date.

Legislation enacted in 1984 (Section 75 *et seq.* of the Revenue and Taxation Code of the State of California), provides for the supplemental assignment and taxation of property as of the occurrence of a change in ownership or completion of new construction. Previously, statutes enabled the assessment of such changes only as of the next tax lien date following the change and thus delayed the realization of increased property taxes from the new assessment for up to 14 months. Collection of taxes based on supplemental assessments occurs throughout the year. Taxes due are prorated according to the amount of time remaining in the tax year, with the exception of tax bills dated January 1 through May 31, which are calculated on the basis of the remainder of the current fiscal year and the full 12 months of the next fiscal year.

In the past, the State Legislature has shifted property taxes from cities, counties, and special districts to the Educational Revenue Augmentation Fund. The term “ERAF” is often used as a shorthand reference for this shift of property taxes. In 1992-93 and 1993-94, in response to serious budgetary shortfalls, the State Legislature and administration permanently redirected over \$3 billion of property taxes from cities, counties, and special districts to schools and community college districts. The 2004-05 State budget included an additional \$1.3 billion shift of property taxes from certain local agencies, including the City, to occur in fiscal years 2004-05 and 2005-06. See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Proposition 1A” and “— Proposition 22” for a description of certain limitations on the State’s authority over local government revenue sources.

See “— Retirement System — Public Safety Pension Tax Override” below for a description of a voter-approved tax for purposes of paying certain costs of safety-employees retirement benefit costs.

Certain counties in the State operate under a statutory program entitled Alternate Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”). Under the Teeter Plan local taxing entities receive 100% of their tax levies net of delinquencies, but do not receive interest or penalties on delinquent taxes collected by the county. The County has not adopted the Teeter Plan, and consequently the Teeter Plan is not available to local taxing entities within the County, such as the City. The City’s receipt of property taxes is therefore subject to delinquencies and the County will pay to the City only actual amounts collected.

The table below sets forth the assessed valuations for all taxable property in the City for the fiscal years 2018-19 through 2022-23.

TABLE 6
CITY OF OXNARD
ASSESSED VALUATIONS OF ALL TAXABLE PROPERTY
FISCAL YEARS 2018-19 THROUGH 2022-23

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2018-19	\$19,227,897,221	\$ 49,064,549	\$1,028,490,621	\$ 20,305,452,391	-
2019-20	20,067,694,458	21,500,824	1,131,341,172	21,220,536,454	4.51%
2020-21	20,905,531,441	60,058,159	1,113,997,800	22,079,587,400	4.05
2021-22	21,735,425,737	240,057,529	1,147,328,892	23,122,812,158	4.72
2022-23	23,471,037,311	46,450,803	1,222,931,508	24,740,419,622	7.00

Source: California Municipal Statistics, Inc.

The table below sets forth secured property tax collections and delinquencies in the City as of June 30, 2021 for the previous five fiscal years. The City's receipt of its property tax revenues is impacted by delinquencies in payment, as well as by the collection of interest and penalties on past delinquencies.

TABLE 7
CITY OF OXNARD
PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEARS 2016-17 THROUGH 2020-21

Year Ended June 30	Total Tax Levy for Fiscal Year^{(1)*}	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		<u>Amount^{(2)*}</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2017	61,751,329	58,086,482	94.07%	1,523,414	59,609,896	96.53%
2018	68,260,701	65,473,266	95.92	903,482	66,376,748	97.24
2019	71,278,856	68,423,547	95.99	1,290,711	69,714,258	97.80
2020	73,286,724	71,206,672	97.16	1,175,364	72,382,036	98.77
2021	82,559,732	77,736,649	94.16	1,714,499	79,451,148	96.23

⁽¹⁾ Sourced from the City of Oxnard Finance Department

⁽²⁾ Sourced from the County of Ventura

* Correction – Property tax levy and collection amounts include secured and unsecured property taxes, property tax in lieu of vehicle license fee (VLP), public safety property tax and distributions from the Redevelopment Property Tax Trust Fund (RPTTF), and exclude special assessments.

Source: Unaudited Schedule IX of City of Oxnard Comprehensive Annual Financial Report for Fiscal Year ended June 30, 2021.

The top ten property taxpayers in the City for fiscal year 2020-21 are shown in the below table.

**TABLE 8
CITY OF OXNARD
TOP TEN PROPERTY TAXPAYERS
FISCAL YEAR 2020-21**

	<u>Property Owner</u>	<u>Land Use</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>
1.	Procter & Gamble Paper Products	Manufacturing	\$ 316,482,826	1.43%
2.	Essex Arbors LP	Apartments	227,354,461	1.03
3.	SOCMI LLC	Real Estate	133,606,603	0.60
4.	Serenade Apts Properties Owner LLC	Apartments	116,088,168	0.53
5.	HAAS Automation Inc.	[Manufacturing]	111,346,900	0.50
6.	G I IX Esplanade Property	Real Estate	96,890,957	0.44
7.	California Resources Petroleum ⁽¹⁾	Petroleum	85,501,514	0.39
8.	New-Indy Oxnard LLC	Manufacturing	83,281,530	0.38
9.	450 Forest Park Apartments LLC	Apartments	78,628,740	0.36
10.	Duesenberg Investment Company	Real Estate	<u>78,242,020</u>	<u>0.35</u>
	Top Ten Total		<u>\$ 932,698,873</u>	6.01%
	City Total Taxable Assessed Value		<u>\$22,088,200,428</u>	100.00%

⁽¹⁾ Pending appeals on parcels.

Source: HdL Coren & Cone, as shown in unaudited Schedule VIII of the City's Comprehensive Annual Financial Report for fiscal year ended June 30, 2021.

Sales Taxes

[In fiscal year 2020-21, sales tax receipts were approximately \$67,923,000, providing approximately 47% of General Fund tax revenues and approximately 38% of total General Fund revenues. Pursuant to the City's Adopted Budget for fiscal year 2022-23, sales tax receipts (including Measure E revenues) are projected to be \$[___], providing approximately [___]% of projected General Fund tax revenues and approximately 45.9% of total General Fund revenues for fiscal year 2022-23.]

Sale tax receipts for fiscal year 2020-21 increased by approximately \$21.6 million over fiscal year 2019-20 year-end results. The City attributes this increase to increased sales tax revenues from Measure "E," which imposed a 1.5 cent local transaction and use tax (see below), and stronger sales driven by federal stimulus and less than anticipated COVID-19 impact.

In November 2008, City voters approved a one-half cent sales tax increase known as "Measure O." Collection of Measure O sales taxes began in April 2009 and will sunset in 2029. Measure O sales taxes represent a general purpose tax, and the City's policy is to use additional revenue generated from Measure O sales taxes to improve services to the community by adding and improving City facilities and programs. Measure O sales tax revenues have strengthened the City's cash and fund balance positions, growing from \$8.9 million in Fiscal Year 2009-10 to \$[___] million estimated in Fiscal Year 2021-22. Measure O sales tax revenues are held in a separate fund which is within the General Fund group of funds. Measure O sales tax revenue is already incorporated in the sales tax revenue figures used above.

A petition was circulated to place an initiative on the November 3, 2020 ballot providing for the early termination of Measure O if the City does not meet certain specific pavement standards for city streets and alleys. The measure provides that if the network of streets and alleys owned by the City does not meet the following Pavement Condition Index (PCI) criterion, based on a numerical scale from 0 to 100, Measure O would expire on the dates set forth below:

<u>Date of Compliance</u>	<u>PCI Criterion</u>	<u>Date of Termination of Measure O</u>
9/30/2022	65	3/31/2023
9/30/2024	70	3/31/2025
9/30/2026	75	3/31/2027
9/30/2028	80	3/31/2029

The petition gained enough signatures and, after the results of pre-election litigation, was placed on the November 3, 2020 ballot as Measure “N.” Measure “N” was passed by the City’s voters. The City’s finances would be affected if and only if the pavement condition standards cited above are not met for the City-owned street and alley network by the specific dates of compliance. In the most extreme case, the approximately \$15 million annual revenue to the Measure “O” (Half-Cent Sales Tax) Fund would cease six (6) years prior to its currently scheduled expiration date of March 31, 2029. In such case, the City, upon approval of the City Council, would need to offset several expenditures currently funded by Measure “O,” including terminating certain capital improvement and maintenance projects. Conversely, if the Citywide pavement conditions are met on the various trigger dates, then Measure “N” would have no effect on the Measure “O” (Half-Cent) Sales Tax Fund and the City’s finances. Additionally, Measure “N” permits the City Council to extend the half-cent sales tax for additional five (5) year periods beyond the currently scheduled termination date of March 31, 2029 if a third party civil engineering consultant finds that the PCI for the City-owned street and alley network is at least 80 by April 1, 2028.

At the November 3, 2020 election, the City’s voters approved Measure “E,” the “City of Oxnard 911 Safety, Medical Response, Financial Recovery, and Accountability Measure,” which imposes a 1.5 cent local transaction and use tax (sales tax) within the City. All proceeds of the tax go to the City’s General Fund and are available for any municipal purpose. The new City-wide tax rate became effective on April 1, 2021. The Measure “E” tax generated \$12.6 million in additional General Fund revenue in fiscal year 2020-21, and is projected to generate \$51.9 million in fiscal year 2021-22. [CONFIRM WITH CITY IF POLICY EXISTS REGARDING USE OF MEASURE E REVENUES]

The following table shows historical sales tax revenues from Fiscal Years 2009-10 through 2020-21.

<u>Fiscal Year</u> <u>Ended June 1</u>	<u>Measure O</u> <u>Sales Tax</u> <u>Revenues</u>	<u>Measure E</u> <u>Sales Tax</u> <u>Revenues</u>	<u>All Other</u> <u>Sales Tax</u> <u>Revenues</u>	<u>Total</u> <u>Sales Tax</u> <u>Revenues</u>
2010	\$ 8,908,667	\$ -	\$19,194,384	\$28,103,051
2011	11,161,453	-	22,235,284	33,396,737
2012	13,268,841	-	24,184,283	37,453,124
2013	10,091,602	-	25,064,411	35,156,013
2014	12,509,580	-	25,777,859	38,287,439
2015	13,398,405	-	27,385,772	40,624,737
2016	13,225,990	-	29,937,421	43,163,411
2017	14,174,002	-	29,918,706	44,092,707
2018	13,753,704	-	29,665,172	43,418,876
2019	15,187,731	-	33,330,921	48,518,650
2020	14,361,723	-	31,958,692	46,320,415
2021 ⁽¹⁾	17,404,321	12,558,360	37,960,702	67,923,383

⁽¹⁾ Measure E sales tax revenue receipts reflection April – July 2021 receipts.
Source: The City.

Pension Override Tax

The City collects a tax dedicated to paying fire and police safety employee pension costs in the California Public Employees Retirement System (PERS) which was approved by voters in 1951. This tax is referred to as the “Carman Override” based upon the California Supreme Court case *Carman v. Alvord* in which the Court ruled that voter approved pension costs constituted debt that could be supported by a tax levy in excess of the 1% maximum allowed by Proposition 13 (California Constitution, Article XIII A). The tax can finance pension benefits in effect on July 1, 1978. There is no sunset on such tax. Each year, the City determines the amount of eligible costs that can be covered by the Carman Override. The City is also limited by a maximum tax rate of \$0.076637 per \$100 of assessed valuation. The City’s current tax rate for the Carman Override is \$[] per \$100 of assessed valuation. The City’s Adopted Budget forecasts collecting \$[] of Carman Override revenues, representing []% of the total expected safety plan PERS costs of \$[].

Transient Occupancy Tax

A transient occupancy tax is imposed on persons staying thirty (30) days or less in a hotel, motel, inn or other lodging place within the City. There are currently [17 hotels, 52 vacation rentals, and one recreational vehicle park] within the City and subject to the transient occupancy tax. [The City anticipates the addition of two hotels which are currently under construction.] The current transient occupancy tax rate is [10]% of the room rate. There is no sunset on the transient occupancy tax. Payments are made to the City on a monthly basis and are deposited to the City’s General Fund. In fiscal year 2020-21, transient occupancy tax receipts were \$4,267,463, providing approximately 2.95% of General Fund tax revenues and approximately 2.4% of total General Fund revenues. [Based on unaudited estimated results, fiscal year 2021-22 transient occupancy tax receipts of approximately \$[] are expected to contribute approximately []% of General Fund tax revenues and approximately []% of total General Fund revenues.] The City’s Adopted Budget forecasts approximately \$5,602,162 in transient occupancy tax receipts in fiscal year 2022-23.

Other Taxes and Fees

The City collects other taxes and fees which provide a smaller source of revenue for the General Fund. Such taxes and fees include, but are not limited to franchise taxes, property transfer taxes, business licenses and penalties and interests.

State of California Motor Vehicle In-Lieu Payments

The City also received a portion of Department of Motor Vehicles license fees (“VLF”) collected Statewide. Fifteen years ago, the Statewide VLF was reduced by approximately two-thirds. The Stat, however, continued to remit to cities and counties the same amount that those local agencies would have received if the VLF had not been reduced, known as the “VLF backfill.” The State VLF backfill was phased out, and as of Fiscal Year 2011-12 all of the VLF is now received through an in-lieu payment from State property tax revenues.

Long-Term Liabilities

The City has numerous long term liabilities which are described in detail in APPENDIX C — “AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021.” The following table summarizes the City’s changes in long-term debt and liabilities as of June 30, 2021, excluding business activities not paid by the General Fund. The table below does not include long-term liabilities related to pension or post-employment benefit plans. See “— Retirement System” and “Other Post-Employment Benefits” below. The table below does not include long-term liabilities related to the City’s Water Fund, Wastewater Fund, Environmental Resources Fund, or of the Oxnard Housing Authority Fund. See APPENDIX C — “AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021— Note II, G.”

**TABLE 9
CITY OF OXNARD
LONG-TERM LIABILITIES
FISCAL YEAR 2020-21**

GOVERNMENTAL ACTIVITIES:	Balance (July 1, 2020)	Additions	Reductions	Balance (June 30, 2021)	Due Within One Year
Lease Revenue Bonds					
Lease Revenue Project and Refunding Bonds, Series 2014 ⁽³⁾	\$11,835,000	-	\$(1,075,000)	10,760,000	\$1,125,000
Lease Revenue Refunding Bonds, Series 2018	25,140,000	-	(1,390,000)	23,750,000	1,430,000
Lease Revenue Refunding Bonds, Series 2019A	27,030,000	-	(665,000)	26,365,000	710,000
Unamortized premiums	5,577,438	-	(297,927)	5,279,511	-
Unamortized discounts	(21,212)	-	1,015	(20,197)	-
Revenue Bonds					
Gas Tax Revenue Refunding Bonds, Series 2020	16,905,000	-	(665,000)	16,240,000	710,000
Unamortized discounts	2,897,310	-	(11,026)	2,886,284	-
Capital Leases					
B of A Capital Lease 2009 ⁽¹⁾	61,639	-	(61,639)	-	-
2009 CIP lease purchase, draw #10					
B of A Capital Lease 2018, Draw #21 & #22	3,454,885	-	(841,226)	2,613,659	837,961
2012 Lease Purchase ⁽²⁾	2,968,737	-	(327,974)	2,640,763	337,247
2014 Lease Purchase - Fire Station 8	<u>11,366,695</u>	<u>-</u>	<u>(820,000)</u>	<u>10,546,695</u>	<u>850,000</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$107,215,492</u>	<u>=</u>	<u>\$(6,153,777)</u>	<u>\$101,061,715</u>	<u>\$6,000,208</u>

⁽¹⁾ 2009 CIP lease purchase consisted of multiple schedules based on draw requests.

⁽²⁾ To be refunded by the Series 2022A Bonds.

⁽³⁾ To be refunded by the Series 2022B Bonds.

Source: City of Oxnard Comprehensive Annual Financial Report for fiscal year ended June 30, 2021.

Since June 30, 2021, the City has incurred the following long-term obligations payable from the General Fund (does not include long-term liabilities related to the City’s Water Fund, Wastewater Fund, Environmental Resources Fund, or of the Oxnard Housing Authority Fund):

- 2021 Equipment Lease (Environmental Services Division – refuse collection and transfer vehicles financing) which was delivered in the principal amount of \$10,255,000 on October 26, 2021. The 2021 Equipment Lease is a tax-exempt obligation with an interest rate of 1.4549% and a final maturity date of June 1, 2028. The 2021 Equipment Lease is currently outstanding in the amount of \$[8,801,431].
- 2022 Equipment Lease (Fire Department vehicles) which was delivered on April 7, 2022 in the principal amount of \$3,300,000. The 2022 Equipment Lease is a tax-exempt obligation with an interest rate of 2.29% and a final maturity date of December 1, 2031. The 2022 Equipment Lease is currently outstanding in the amount of \$[_____].

Retirement System

City's Pension Plans. The City provides pension benefits to its employees through four defined benefit plans: CalPERS Miscellaneous Plan, CalPERS Police Plan, CalPERS Fire, and the Retirement Enhancement Plan. For the year ended June 30, 2021, pension expense for all plans totaled \$53,023,507.

CalPERS. The City contributes to the California Public Employees Retirement System ("PERS"), a multiple-employer, public employee defined benefit plan, which acts as a common investment and administrative agent for participating public entities within the State. The City's membership is reported within three plans classified into two categories: safety members (police and fire) and miscellaneous members (all other regular employees).

PERS issues a separate comprehensive annual financial report, and annual actuarial reports for the City's retirement plans. Copies of PERS' annual financial report may be obtained from their executive office at 400 "P" Street, Sacramento, California 95814, or at their website at <http://www.calpers.ca.gov>. The foregoing reference to an internet website is made for reference and convenience only; the information contained within the website has not been reviewed by the City or the Authority and is not incorporated in this Official Statement by reference.

All City personnel are eligible to participate in PERS, becoming vested after five years of service. Monthly retirement benefits are payable for life in an amount equal to a specified percentage as follows:

Miscellaneous Employees	2% at age 55 (hire date prior to January 1, 2013) 2% at age 62 (hire date on or after January 1, 2013)
Police Employees	3% at age 50 (hire date prior to January 1, 2013) 2.7% at age 57 (hire date prior to January 1, 2013)
Fire Employees	3% at 50 (hire date prior to January 1, 2013) 2.7% at age 57 (hire date prior to January 1, 2013)

For employees hired on or before December 31, 2012 ("classic" employees), the benefits are calculated at the highest consecutive 12 months for miscellaneous employees and safety employees multiplied by a total number of years employed. For new (PEPRA) members, hired January 1, 2013 or later, final compensation is the average annual pensionable compensation for a 36-consecutive-month period of employment.

For employees hired on or before December 31, 2012, required employee contributions to PERS are 7% of compensation for miscellaneous employees and 9% of compensation for safety employees, which the City currently pays for regular employees. Under the California Public Employees' Pension Reform Act of 2013 (PEPRA), for new employees hired on or after January 1, 2013, the required employee contributions to PERS are 6.00% of compensation for miscellaneous employees, 13.75% of compensation for safety police employees, and 12.25% of compensation for safety fire employees. The City is required to contribute the remaining amounts necessary to fund the benefits for its members, using the actuarial basis recommended by the PERS actuaries and actuarial consultants and adopted by the PERS Board of Administration. The City does not provide contributions to any portion of the required employee contributions.

PERS uses a modification of the entry age normal actuarial cost method, which is a projected benefit cost method. That is, it takes into account those benefits that are expected to be earned in the future as well as those already accrued.

The City's total contributions to PERS for the fiscal years ended June 30, 2019, 2020, and 2021 were \$30,242,219 , \$34,811,449 and \$36,544,053, respectively. Contribution rates for each participating employer are determined based on the benefit structure established.

[Currently, a significant portion of the contribution requirements for police and fire are funded with a voter-approved property tax override. [The maximum property tax rate is \$0.076637 per \$100 of assessed values within the City] (except a portion of land annexed to the City in 1969). For Fiscal Year 2022-23, the estimated

normal cost for police employees is \$7,048,393 and the estimated minimum unfunded actuarial liability payment is approximately \$8,174,228. For Fiscal Year 2022-23, the estimated normal cost for fire employees is \$2,487,529 and the estimated minimum unfunded actuarial liability payment is approximately \$5,374,991. For Fiscal Year 2022-23, the estimated normal cost for PEPR fire employees is \$463,760 and the estimated minimum unfunded actuarial liability payment is approximately \$22,960. For Fiscal Year 2022-23, the property tax override is expected to generate approximately \$[] million.]

The funded status of each plan as of June 30, 2020, on an actuarial value of assets basis is as follows (dollar amounts in thousands):

	Market Value of Assets (MVA)	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio (MVA / AAL)	Covered Payroll
Police	\$310,126,232	\$419,224,349	\$109,098,117	74.0%	\$25,600,769
Fire	115,788,683	176,577,564	60,788,881	65.6	8,943,441
Fire PEPR	3,105,569	3,472,355	366,786	89.4	3,129,659
Miscellaneous	376,483,366	529,151,648	152,668,282	71.1	55,032,327

Source: CalPERS Actuarial Reports for each plan dated July 2021.

The projections below assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. Actuarial contribution rates during this project period could be significantly higher or lower than the projection shown below. The projected normal cost percentages in the projections below reflect that the normal cost will continue to decline over time as new employees are hired into PEPR or other lower cost benefit tiers.

The projected rates for each plan as of June 30, 2020, the most recent actuarial valuation, are as follows:

Projected Future Employer Contribution Rates

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Police	25.38%	24.7%	24.1%	23.4%	22.8%	22.2%
Fire	25.64%	25.6%	25.6%	25.6%	25.6%	25.6%
Fire PEPR	13.66%	13.7%	13.7%	13.7%	13.7%	13.7%
Miscellaneous	9.45%	9.4%	9.3%	9.2%	9.1%	9.0%

Source: CalPERS Actuarial Reports for each plan dated July 2021.

The projections in the above table are based on a discount rate of 7.0%. In July 2021, the discount rate was automatically lowered from 7.0% to 6.8% due to the Funding Risk Mitigation Policy put in place by the CalPERS Board of Administration in 2015. This policy lowers the discount rate in years of good investment returns to reduce risk in the portfolio. On November 15, 2021, the CalPERS Board of Administration voted to keep the discount rate at 6.8%. The City cannot anticipate accuracy of the projections above or to what extent the contribution requirements of the City will increase in future years.

Public Agency Retirement System Retirement Enhancement Plan. The City established a Public Agency Retirement System Retirement Enhancement Plan (“PARS”) effective January 1, 2003, for selected groups of miscellaneous employees (non-safety), Service Employees International Union (SEIU), International Union of Operating Engineers (IUOE), Management, and one of the two groups of Confidential employees. PARS is a defined benefit 401(a) tax-qualified multiple agency trust. PARS meets the requirements of a pension trust under California Government Code. The plan provides supplemental retirement benefits in addition to PERS. Phase II Systems is the PARS Trust Administrator. For employees meeting the eligibility requirements, the plan provides a benefit equal to the “3% at 60” plan factor (formula is a static 3% at age 60 and older), less the PERS “2% at 55” plan factors for all years of City service plus any military service purchased through PERS (prior to July 1, 2003) while an employee of the City.

Eligibility for an immediate benefit is defined as reaching age 50, completing five years of service, and retiring concurrently from both the City and PERS after leaving City employment. In addition, a deferred benefit would be available to participants who complete five years of service. The City has full discretionary authority to control, amend, modify or terminate this plan at any time.

Employees and the City contribute a total of 8% of eligible employees' gross wages. Current employee and City contributions by employee groups are as follows:

	<u>City Contributions</u>	<u>Employee Contributions</u>
IUOE	2.7%	5.3%
SEIU	3.5	4.5
Management	3.0	5.0
Confidential	2.5	5.5

In addition, the City is required to contribute the remaining amounts necessary to fund the benefit to its members using the actuarial basis recommended by PARS actuarial consultants. Copies of PARS annual financial report may be obtained from the PARS Executive Office, 3961 MacArthur Boulevard, Suite 200, Newport Beach, CA 92660, or at their website at <http://www.pars.org>. The foregoing reference to an internet website is made for reference and convenience only; the information contained within the website has not been reviewed by the City or the Authority and is not incorporated in this Official Statement by reference.

For fiscal year ended June 30, 2021, the City contributed \$3,427,026 to PARS, and recognized a pension benefit of \$1,811,860 for the plan.

The City implemented GASB Statement No. 84, Fiduciary Activities, for fiscal year ended June 30, 2021. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria is generally on (1) whether a government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are fiduciary activities. The provisions of this statement are effective for fiscal years beginning after December 15, 2019. The City determined that the Oxnard Community Development Commission Successor Agency and the Retirement Enhancement Defined Benefit Pension Trust are fiduciary in nature under the provisions of GASB Statement No. 84. There were changes in the recognition and presentation of fiduciary fund statements of the custodial funds as a result of implementing this standard.

Other Post-Employment Benefits. The City provides post-employment benefits for retired employees. Employees who retire from the City and receive a PERS pension are eligible for post-employment medical benefits. Retirees can enroll in any of the available PERS medical plans. This benefit continues for the life of the retiree and surviving spouse. Benefit provisions for PERS are established by the Public Employees Retirement Law (Part 3 of the California Government Code, Section 20000 *et seq.*). PERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the PERS annual financial report may be obtained from the PERS Executive Office, 400 "P" Street, Sacramento, California 95814, or at their website at <http://www.calpers.ca.gov>. The foregoing reference to an internet website is made for reference and convenience only; the information contained within the website has not been reviewed by the City or the Authority and is not incorporated in this Official Statement by reference.

The City contributes the minimum amount allowed under Government Code Section 22825 of the Public Employees Medical and Hospital Care Act. The City's required monthly contribution for calendar years 2020 and 2019 were \$139 and \$136, respectively. The statutory contribution will be indexed by the Medical CPI each year. The required contribution is based on pay-as-you-go financing requirements. Retirees must contribute any premium amounts in excess of the City contribution.

The City's total OPEB liability of \$55,141,842 was measured as of June 30, 2020, and was determined by an actuarial valuation as of July 1, 2019. For the year ended June 30, 2021, the City recognized an OPEB expense of \$5,174,715.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

For additional information with respect to the City's OPEB plan, Appendix C – AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021."

CITY FINANCIAL POLICIES

Reserve Policies

The City's reserve policies require adequate reserves will be maintained for all known liabilities, including payable employee leave balances, workers' compensation, and self-insured retention limits. The City's goal is to maintain an operating reserve equal to twelve percent (12%) of the General Fund operating budget. The operating reserve is available to cover cash flow requirements, meet unanticipated revenue shortfalls, take advantage of unexpected opportunities, invest in projects with a rapid payback, ensure against physical or natural disasters, and provide interest earnings. Additionally, the City desires to maintain operating reserves in the utility funds equal to twenty-five percent (25%) of the operating budgets.

Debt Policy

Pursuant to Resolution No. 15,105 the City has adopted a debt management policy (the "Debt Management Policy") in compliance with California Government Code Section 8855. The City revised its Debt Management Policy in June 2020 pursuant to Resolution No. 15,359. The City further amended its Debt Management Policy in January 2021 to add provisions to address continuing disclosure and compliance requirements. The Debt Management Policy sets forth the purposes for which long-term debt financings may be undertaken (i.e. for projects that will provide benefit to constituents over multiple years). The Debt Management Policy provides that the City will limit the debt ratio of annual principal and interest due during a fiscal year to 10% of the General Fund Budget.

City Capital Management Policy

The City's Capital Management Policy requires an annual update of the five-year Capital Improvement Program ("CIP"), including anticipated funding sources for projects. During each budget cycle the five-year CIP is reviewed and approved by the City Council. Such policy requires staff to evaluate each proposed project against the City's capital project priority criteria, which include health and safety, asset preservation and new or expanded City services.

City Investment Policy

The City invests its funds in accordance with the City's Investment Policy, most recently amended on July 30, 2022. In accordance with Section 53600 *et seq.* of the California Government Code, idle cash management and investment transactions are the responsibility of the City Treasurer. The City's Investment Policy sets forth the policies and procedures applicable to the investment of City funds and designates eligible investments. The Investment Policy sets forth a stated objective, among others, of ensuring the safety of invested funds by limiting credit and market risks. Funds are invested in the following order of priority:

- Safety of Principal;

- Liquidity; and
- Yield.

Eligible investments are generally limited to managed investment pools, including but not limited to the Local Agency Investment Fund which is operated by the California State Treasurer, U.S. Treasury bills, notes and bonds, obligations issued by United States Government agencies, obligations issued by a federal agency or United States government-sponsored enterprise, debt issued by a municipal agency, FDIC-insured or negotiable certificates of deposit rated “Aa” or better by Moody’s or “AA-” or better by Standard & Poor’s, repurchase agreements, medium term corporate notes and municipal bonds with maturities of five years or less and rated “A” to “AAA” by Moody’s Investor’s Service, Inc. or Standard and Poor’s Rating Services, banker’s acceptances and commercial paper rated A1/P1, as applicable, or better.

The City Treasurer is required to provide a quarterly report to the City Manager and the City Council showing the type of investment, date of maturity, amount invested, current market value, rate of interest, and other such information as may be required by the City Council. At June 30, 2021, the par value of the City’s investment portfolio was \$365,039,290 (not including the City’s Enhanced Retirement Trust and cash in banks or on hand). As of such date, the City had invested approximately 24.3% of its investment portfolio in California LAIF, 58.7% in federal agency securities, 16% held by a trustee, and less than 1% of its investment portfolio in each the County Investment Pool, municipal bonds, and a certificate of deposit. For additional information with respect to the City’s cash and investments, see the audited financial statements for fiscal year 2020-21 attached to the Official Statement as Appendix C.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population

The City’s population has decreased from approximately 201,418 in 2012 to approximately 200,050 in 2022. The following table shows the approximate changes in population in the City, the County, the State, and the United States for the years 2012 through 2022.

TABLE 11
POPULATION ESTIMATES
CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA, AND UNITED STATES
CALENDAR YEARS 2012 THROUGH 2022⁽¹⁾

<u>Year</u>	<u>City</u>	<u>County</u>	<u>California</u>	<u>United States</u>
2012	201,418	836,774	37,971,427	313,874,218
2013	203,169	843,220	38,321,459	316,057,727
2014	205,301	848,621	38,622,301	318,386,421
2015	207,471	852,505	38,952,462	320,742,673
2016	208,603	854,886	39,214,803	323,071,342
2017	208,987	855,973	39,504,609	325,147,121
2018	209,269	857,415	39,740,508	327,167,434
2019	209,879	856,598	39,927,315	328,231,337
2020	205,950	841,219	39,648,938	331,501,080
2021	200,480	840,093	39,303,157	331,893,745
2022	200,050	833,652	39,185,605	332,838,183

⁽¹⁾ Unless otherwise noted, estimates for City, County, and State are as of January 1, and for the United States are as of July 1.

Source: California Department of Finance (Report E-4 Population Estimates for Cities, Counties and the State, 2011-2020 with 2010 Census Benchmarks and 2021-22 with 2020 Census Benchmark); for United States: United States Bureau of the Census.

Personal Income

Personal Income is the income that is received by all persons from all sources. Personal Income is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients.

The following tables show the personal income and per capita personal income for the County, the State and United States from 2012 through 2020.

TABLE 12
PERSONAL INCOME
COUNTY OF VENTURA, STATE OF CALIFORNIA, AND UNITED STATES
CALENDAR YEARS 2010-2020

<u>Year</u>	<u>County of Ventura</u>	<u>California</u>	<u>United States</u>
2012	41,563,660	1,827,166,900	14,003,346,000
2013	42,045,001	1,857,200,900	14,189,228,000
2014	44,266,607	1,980,736,800	14,969,527,000
2015	46,380,512	2,125,430,300	15,681,233,000
2016	47,741,677	2,218,457,800	16,092,713,000
2017	49,183,016	2,318,644,400	16,845,028,000
2018	51,035,138	2,431,822,000	17,681,159,000
2019	53,344,954	2,544,235,000	18,402,004,000
2020	56,728,142	2,763,312,000	19,607,447,000

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following table summarizes per capita personal income for the City, the County, the State and the United States for the years 2012 through 2020. This measure of income is calculated as the personal income of the residents of the area divided by the resident population of the area.

TABLE 13
PER CAPITA PERSONAL INCOME⁽¹⁾
COUNTY OF VENTURA, STATE OF CALIFORNIA, AND UNITED STATES
CALENDAR YEARS 2012-2020

<u>Year</u>	<u>County of Ventura</u>	<u>California</u>	<u>United States</u>
2012	49,879	48,121	44,548
2013	50,189	48,502	44,798
2014	52,566	51,266	46,887
2015	54,849	54,546	48,725
2016	56,371	56,560	49,613
2017	57,981	58,813	51,573
2018	60,238	61,509	53,817
2019	63,190	64,333	55,724
2020	67,422	69,958	59,147

⁽¹⁾ Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. All dollar estimates are in current dollars (not adjusted for inflation).

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Employment

The following table summarizes the labor force, employment, and unemployment figures over the past six years for the Oxnard-Thousand Oaks-Ventura Metropolitan Statistical Area (“MSA”), the State of California and the nation as a whole.

TABLE 14
LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT
OXNARD-THOUSAND OAKS-VENTURA METROPOLITAN STATISTICAL AREA
ANNUAL AVERAGE FOR CALENDAR YEARS 2017 THROUGH 2022

	<u>Year and Area</u>	<u>Labor Force</u>	<u>Employment</u> ⁽¹⁾	<u>Unemployment</u> ⁽²⁾	<u>Unemployment Rate(%)</u> ⁽³⁾
2017					
	MSA	423,700	404,500	19,200	4.5%
	State of California	19,185,400	18,258,100	927,300	4.8
	United States ⁽⁴⁾	160,320,000	153,337,000	6,982,000	4.4
2018 ⁽⁵⁾					
	MSA	423,000	406,800	16,300	3.9%
	State of California	19,289,500	18,468,100	821,400	4.3
	United States ⁽⁴⁾	162,075,000	155,761,000	6,314,000	3.9
2019					
	MSA	422,100	406,600	15,500	3.7%
	State of California	19,409,400	18,612,600	796,800	4.1
	United States ⁽⁴⁾	163,539,000	157,538,000	6,001,000	3.7
2020					
	MSA	409,400	373,300	36,100	8.8%
	State of California	18,931,100	16,996,700	1,934,500	10.2
	United States ⁽⁴⁾	160,742,000	147,795,000	12,947,000	8.1
2021					
	MSA	404,900	380,000	24,900	6.2%
	State of California	18,923,200	17,541,900	1,381,200	7.3
	United States ⁽⁴⁾	161,204,000	152,581,000	8,623,000	5.3
2022 ⁽⁵⁾					
	MSA	409,200	396,200	13,000	3.2%
	State of California	19,237,100	18,486,400	750,800	3.9
	United States ⁽⁴⁾⁽⁶⁾	-	-	-	-

⁽¹⁾ Includes persons involved in labor-management trade disputes.

⁽²⁾ Includes all persons without jobs who are actively seeking work.

⁽³⁾ The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.

⁽⁴⁾ Not strictly comparable with data for prior years.

⁽⁵⁾ As of July 2022.

⁽⁶⁾ 2022 data not yet available.

Note: Data is not seasonally adjusted.

Source: California Employment Development Department and U.S. Department of Labor, Bureau of Labor Statistics.

The table below summarizes employment by industry in the MSA from 2017 to 2021. Trade, Transportation and Utilities, Retail Trade, Education and Health Services, Professional and Business Services and Government are the largest employment sectors in the MSA.

TABLE 15
ANNUAL AVERAGE INDUSTRY EMPLOYMENT
OXNARD-THOUSAND OAKS-VENTURA
METROPOLITAN STATISTICAL AREA
CALENDAR YEARS 2017-2021
(IN THE THOUSANDS)

<u>Industry Title</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total Farm	23,800	24,300	24,700	25,000	23,400
Total Nonfarm	304,900	308,500	312,100	290,200	296,900
Total Private	258,000	262,700	265,000	245,500	252,500
Mining and Logging	900	900	900	900	900
Mining, Logging and Construction	16,600	17,700	18,000	17,700	17,900
Construction	15,700	16,800	17,100	16,800	17,000
Manufacturing	25,600	26,200	26,600	25,800	26,300
Trade, Transportation and Utilities	58,600	58,100	57,100	52,900	55,100
Wholesale Trade	12,700	12,500	12,500	11,900	12,000
Retail Trade	39,800	39,200	38,300	34,900	36,500
Transportation, Warehousing and Utilities	6,100	6,300	6,300	6,100	6,600
Information	5,300	5,400	5,200	4,000	3,900
Financial Activities	16,900	16,400	15,900	15,700	15,500
Professional and Business Services	42,200	42,900	44,400	42,600	43,500
Educational and Health Services	45,900	47,700	49,600	48,300	48,700
Leisure and Hospitality	37,200	37,800	38,500	30,200	33,000
Other Services	9,600	9,500	9,700	8,300	8,800
Government	<u>46,900</u>	<u>46,900</u>	<u>47,100</u>	<u>44,700</u>	<u>44,400</u>
Total, All Industries	328,700	332,800	336,800	315,200	320,300

Source: State of California, Employment Development Department, Labor Market Information Division, Oxnard-Thousand Oaks-Ventura Annual Average Labor Force and Industry Employment, March 2021 Benchmark.

Commercial Activity

The following table summarizes the annual volume of taxable transactions within the City for the years 2016 through 2021.

TABLE 16
TABLE OF TAXABLE SALES BY CATEGORY
CITY OF OXNARD
CALENDAR YEARS 2016 THROUGH 2021
ADJUSTED FOR ECONOMIC DATA
(000'S)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Motor Vehicle and Parts Dealers	\$ 596,911,284	\$ 610,449,669	\$ 596,570,616	\$600,705,950	\$ 576,720,436	\$ 636,172,333
Home Furnishings and Appliance Stores	147,257,458	146,130,441	143,011,416	135,172,946	116,514,538	155,007,191
Building Material and Garden Equipment and Supplies Dealers	152,212,526	171,303,597	212,383,840	215,202,289	244,526,289	268,065,948
Food and Beverage Stores	118,224,838	138,404,317	155,163,426	155,055,308	155,964,041	159,508,945
Gasoline Stations	185,779,608	193,578,251	220,672,141	219,005,850	150,726,338	216,003,623
Clothing and Clothing Accessories Stores	121,865,488	122,142,546	121,784,101	124,302,658	94,247,909	141,693,586
General Merchandise Stores	316,496,497	328,406,863	340,937,936	351,057,417	364,082,620	423,502,446
Food Services and Drinking Places	294,177,130	319,053,446	323,948,572	342,640,017	296,700,472	379,996,534
Other Retail Group	<u>197,738,936</u>	<u>171,384,463</u>	<u>157,914,525</u>	<u>157,740,958</u>	<u>138,808,371</u>	<u>158,615,009</u>
Total Retail and Food Services	\$2,130,663,765	\$2,200,853,593	\$2,272,386,573	\$2,300,883,393	\$2,138,291,014	\$2,538,565,615
All other outlets	<u>553,400,971</u>	<u>580,323,296</u>	<u>617,209,797</u>	<u>644,572,588</u>	<u>618,190,924</u>	<u>754,325,716</u>
Total all outlets	\$2,684,064,736	\$2,781,176,889	\$2,889,596,370	2,945,455,981	\$2,756,481,938	\$3,292,891,331

Sources: California Department of Tax and Fee Administration.

APPENDIX B
SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS

APPENDIX C

AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE YEAR ENDED JUNE 30, 2021

APPENDIX D
PROPOSED FORM OF BOND COUNSEL OPINION

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the City of Oxnard, California (the “City”) in connection with the issuance of \$_____ aggregate principal amount of the City of Oxnard Financing Authority Lease Revenue Refunding Bonds, Series 2022A (Federally Taxable) and \$_____ aggregate principal amount of the City of Oxnard Financing Authority Lease Revenue Refunding Bonds, Series 2022B (Tax-Exempt) (together, the “Bonds”). The Bonds are being issued pursuant to that certain Indenture, dated as of December 1, 2019 (the “Indenture”), by and among the City, the City of Oxnard Financing Authority (the “Authority”), and Wells Fargo Bank National Association, as trustee, as supplemented by that certain First Supplement to Indenture, by and among the City, the Authority, and Computershare Trust Company, N.A (the “Trustee”).

Capitalized terms not defined herein shall have the meaning set forth in the Indenture. The City covenants and agrees as follows:

Section 1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (as the foregoing capitalized terms are hereinafter defined).

Section 2. Definitions. The following capitalized terms shall have the following meanings:

“Beneficial Owner” shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean NHA Advisors, San Rafael, California, or any successor Dissemination Agent designated in writing by the City, which has filed with the City a written acceptance of such designation.

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section (5)(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (“EMMA”) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” shall mean the Official Statement for the Bonds dated [DATE], as amended or supplemented.

“Participating Underwriter” shall mean the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent by written direction to such Dissemination Agent to, not later than March 1 after the end of the City’s fiscal year (which currently ends on June 30), commencing with the report due for the fiscal year ended June 30, 2022, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the City may be submitted separately from and later than the balance of the Annual Report if they are not available by the date required above for the filing of the Annual Report.

An Annual Report shall be provided at least annually notwithstanding any fiscal year longer than 12 calendar months. The City’s fiscal year is currently effective from July 1 to the immediately succeeding June 30 of the following year. The City will promptly notify the MSRB of a change in the fiscal year dates.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the City shall provide the Annual Report to the Dissemination Agent (if the Dissemination Agent is not the City). If by fifteen (15) Business Days prior to the date specified in (a) for the Annual Report, the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall notify the City of such failure to receive the report. If the Dissemination Agent is other than the City, the City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certification of the City and shall have no duty or obligation to review such Annual Report.

(c) If the City fails to provide an Annual Report by the date required in subsection (a), the Dissemination Agent shall send a notice of such failure to file to the MSRB, in the form required by the MSRB.

Section 4. Content of Annual Report. The City’s Annual Report shall contain or include by reference:

(a) Financial Statements. The audited financial statements of the City for the most recent fiscal year of the City then ended. If the City prepares audited financial statements and if the audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain any unaudited financial statements of the City in a format similar to the financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available. Audited financial statements of the City shall be audited by such auditor as shall then be required or permitted by State law. Audited financial statements, if prepared by the City, shall be prepared in accordance with generally accepted accounting principles as prescribed for governmental units by the Governmental Accounting Standards Board; provided, however, that the City may from time to time, if required by federal or state legal requirements, modify the basis upon which its financial statements are prepared. In the event that the City shall modify the basis upon which its financial statements are prepared, the City shall provide a notice of such modification to the MSRB, including a reference to the specific federal or state law or regulation specifically describing the legal requirements for the change in accounting basis.

(b) Financial and Operating Data. Numerical and tabular information for the immediately preceding Fiscal Year of the type contained in Appendix A to the Official Statement, as follows:

1. A table comparing general fund budget to actual results for the most recently completed fiscal year;

2. Major tax revenue sources for the general fund for the most recently completed fiscal year;
3. Property tax levies, collections, and delinquencies for the most recently completed fiscal year; and
4. Update on the City's long term debt outstanding as of the most recently completed fiscal year.

With respect to requirement 1 above, if the adopted budget for the fiscal year during which the Annual Report is filed does not need not be reported.

Financial information relating to the City referenced in Section 4(b) may be updated from time to time, and such updates may involve displaying data in a different format or table or eliminating data that is no longer available.

The City has not undertaken in this Disclosure Certificate to provide all information an investor may want to have in making decisions to hold, sell or buy Bonds but only to provide the specific information listed above.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);
6. Tender offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the obligated person; or
10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the Wells Fargo Bankruptcy Code or in any other proceeding under state or federal law in

which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) The City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten business days after the occurrence of the event:

1. Unless described in paragraph 5(a)(5), notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to rights of Bond holders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution, or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. Appointment of a successor or additional trustee or the change of name of a trustee; or
8. Incurrence of a Financial Obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders.

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the City shall determine if such event would be material under applicable federal securities laws.

(d) If the City learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the City shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsections (b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected Bonds pursuant to the Indenture.

Section 6. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Certificate must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance or payment in full of all of the Bonds. If such termination occurs prior to the final maturity date of the Bonds, the City shall give notice of such termination in a filing with the MSRB.

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such

Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to this Disclosure Certificate.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3, 4 or 5(a) or (b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any Owner or Beneficial Owner of Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture or the Facility Lease, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. A Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save such Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, if any, the Participating Underwriter and the Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: [DATE]

CITY OF OXNARD, CALIFORNIA

By: _____
Alexander Nguyen, Executive Director

Acknowledged and Accepted:
NHA Advisors, as Dissemination Agent

By: _____
Authorized Officer

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The following information has been provided by DTC for use in securities offering documents, and the Authority and the City take no responsibility for the accuracy or completeness thereof. Neither the Authority nor the City can give or does give any assurances that DTC, DTC Direct Participants or DTC Indirect Participants will distribute to the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each issue of the Bonds, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information on such website is not incorporated herein.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not

receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. None of the Authority, the City or the Trustee will have any responsibility or obligation to such Direct Participants and Indirect Participants or the persons for whom they act as nominees with respect to the Bonds. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Indenture and the Facility Lease. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal and interest payments with respect to the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Trustee, on payable dates in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Authority, the City or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority, the City or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

10. The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority and the City believe to be reliable, but the Authority and the City take no responsibility for the accuracy thereof.

The foregoing description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal of and interest and other payments with respect to the Bonds to Direct Participants, Indirect Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in such Bonds and other related transactions by and between DTC, the Direct Participants, the Indirect Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the Direct Participants, the Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the Participants, as the case may be.

In the event that the book-entry system is discontinued as described above, the requirements of the Indenture will apply.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS TO ONLY DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

APPENDIX G
SPECIMEN MUNICIPAL BOND INSURANCE POLICY
[TBD]



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. M.1

DATE: October 18, 2022

TO: City Council

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

SUBJECT: Climate Action and Adaptation Plan and an Addendum to the 2030 General Plan Program Environmental Impact Report (PEIR; SCH # 2007041024). (15/10/10)

RECOMMENDATION

That the City Council:

1. Approve the associated Addendum to the PEIR;
2. Approve the Draft CAAP with recommended edits and any further Council edits; and
3. Direct staff to produce the Final CAAP.

(Community Services, Public Safety, Housing & Development Committee and Public Works & Transportation Committee both received a presentation and provided feedback on the City's Draft CAAP. No formal vote taken.)

(Presentation will be live upon consultant's request.)

BACKGROUND

EXECUTIVE SUMMARY

The City's Draft CAAP ("CAAP") builds on the City's successes of implementing the City's 2030 General Plan and recommitments to furthering the City's sustainability goals and policies. The CAAP presents an inventory of GHG emissions originating from the City, and sets forth strategies and actions to reduce emissions and help the community adapt to a changing climate. Together with the community and partnering organizations, the City is leading a coordinated effort to build an equitable, sustainable and resilient community for current and future generations. The CAAP has two primary objectives:

1. To reduce GHG emissions through the implementation of reduction measures to meet reduction targets **mandated by the State of California** via Senate Bill 32 (SB 32), which calls for a statewide reduction of GHG emissions to 40 percent below 1990 levels by 2030; and
2. To enhance the community's resilience to a changing climate by addressing the vulnerabilities and risks, such as flooding, extreme heat, and degraded air quality, that are expected to occur as a result of those impacts.

The CAAP is intended to reduce GHG to meet established thresholds and to strengthen the City's resilience by addressing the vulnerabilities and risks that are expected to occur as a result of identified hazards. The CAAP also recommends adaptation strategies needed to ensure community preparedness and resilience.

The Planning Commission reviewed the Draft CAAP during two meetings. At the July 7th Planning Commission study session, the Commission reached consensus to revise the CAAP to address seven items. Seven additional topics were

raised at the July 7th meeting for which there was no consensus. Upon further analysis by staff and a discussion at the Planning Commission's September 1, 2022 meeting, these seven items were scaled back and the Commission agreed with staff that the CAAP should be revised to address only three items (instead of seven). These recommended changes are memorialized in the Planning Commission's resolution of approval for a total of 10 changes recommended by the Planning Commission.

With Council concurrence, the Planning Commission's recommendations and community input will result in slight changes to the Draft CAAP with added language to various chapters of the CAAP. A matrix summarizing these revisions ("CAAP Stakeholder and Community Comment Letters and City Response matrix) is provided in Attachment D to the September 1, 2022 Planning Commission staff report (see Attachment 2). After the October 18 Council meeting, edits will be incorporated to create the Final CAAP.

BACKGROUND

On March 30, 2021 the City Council received a presentation regarding the preparation of the CAAP document, including a detailed summary of what creates climate impacts in the City, an analysis of the City's GHG emissions in relation to statewide targets, and identification of what the City can do to reduce its emissions (see Attachment 3). The staff report established that the CAAP was being developed to align with California's statewide target mandated by SB 32; this requires the State to reduce GHG emissions 40 percent below 1990 levels by 2030. As supported by the City Council at this meeting, the City's CAAP GHG strategies, programs and policies, and overall approach have been developed to align with Council direction which helps the City meet the City's GHG reduction objectives (see Analysis section of this staff report).

The analysis in the March 30, 2021 staff report (with GHG emission information further refined in the January 25, 2022 Committee staff report; Attachment 4) provided detail on the City's community and municipal operations GHG emissions inventories and forecasts. By knowing where the City's GHG emissions originate, GHG reduction strategies were able to be developed. Updated transportation analysis using the City's 2018 inventory (the most recent year with accurate available data) showed that overall, City GHG emissions were comprised as follows:

- On-Road Transportation (44%) - Emissions from cars and trucks that travel local roads and highways;
- Electricity (24%) - Emissions from the generation of electricity that is used by the community;
- Natural Gas (19%) - Emissions from the combustion of natural gas used by buildings and industry;
- Solid Waste (8%) - Emissions from the decomposition of waste sent to landfills;
- Off-Road Sources (4%) - Emissions from operation of construction and other off-road equipment;
- Water and Wastewater (1%) - Includes emissions from the electricity used to pump water and wastewater, as well as direct emissions resulting from wastewater treatment processes and local septic tanks; and
- Other (<1%) - emissions from passenger rail (Amtrak and MetroLink).

The March 2021 staff report explained that achieving a GHG target in alignment with SB 32 would require examination of the following sector-specific strategies:

- **Green the electricity supply:** This strategy reduces emissions from electricity used by buildings, lighting, and water delivery by increasing the percentage of power being supplied by renewable (i.e., zero-emissions) electricity.
- **Electrify buildings:** This strategy reduces emissions from the consumption of natural gas by shifting the energy use to electricity, which has a lower carbon footprint, particularly when paired with the use of low- or zero-carbon electricity.
- **Electrify transportation:** This strategy reduces emissions from on-road vehicles, the biggest contributor to the City's emissions, by supporting the transition to plug-in electric (PEV) and hydrogen- powered vehicles. Improve energy efficiency of buildings: This strategy reduces emissions from electricity and natural gas by reducing the energy needed for heating, cooling and lighting. While new buildings will generally be highly energy efficient due to increasingly stringent building codes (e.g., Title 24), many existing buildings can be greatly improved with respect to energy efficiency.
- **Reduce vehicle miles traveled (VMT):** This strategy reduces emissions from on-road vehicles through land-use planning that emphasizes access to transit and reduces the need for vehicular travel through density increases, support for a mix of uses, and safe and convenient pedestrian and bicycle infrastructure.

- **Strive for zero waste:** This strategy reduces emissions from landfill decomposition of organic waste by reducing the amount of waste sent to the landfill.
- **Conserve water:** This strategy reduces emissions associated with the energy needed to treat and deliver water to the City’s end consumers by reducing the amount of water consumed in the City.

On January 25, 2022, City Staff provided the Community Services, Public Safety, Housing & Development Committee (“Committee”) with an update on the City’s CAAP community engagement methods and recommendations and provided the Committee with information on the strategies and key GHG reduction opportunities available to the City (See Attachment 4). The Committee was supportive of staff’s recommendations; no public comments were received.

In response to the feedback provided and concurrence achieved in this meeting regarding high level GHG reduction strategies, the Draft CAAP was further refined and developed with community input and opportunities for engagement and feedback, including two meetings with the Planning Commission, which are further elaborated on later in the staff report.

DISCUSSION

Like other communities in California, Oxnard is likely to face serious economic, social, and environmental challenges in the coming decades due to rising temperatures, sea level rise, extreme storms, wind events, more severe droughts, and diminishing air quality that is expected to occur because of climate change. These impacts present significant threats to community health and wellbeing, which will not affect everyone equally. Vulnerable groups, such as the elderly, low-income families, farmworkers/agricultural workers, undocumented immigrants, communities of color, and individuals already suffering from chronic diseases, will be disproportionately impacted by these changes.

Resilience, as defined by the State of California’s Adaptation Planning Guide, is the “capacity of any entity—an individual, a community, an organization, or a natural system—to prepare for disruptions, to recover from shocks and stresses, and to adapt and grow from a disruptive experience.” Climate adaptation is defined by this same source as “actions that address the projected impacts on all aspects of community function that may result from climate change. This can include impacts related to hazard events such as flooding and wildfire, as well as slow changes that affect agricultural, forestry, and fisheries productivity; ecosystem structure and function; and public health.”

CAAP Structure

The CAAP contains an executive summary and five Chapters, as well as Appendices, which provide additional detail on topics covered in the CAAP (see Attachment 1 - <https://www.oxnard.org/climate-action-plan/>).

- **Executive Summary** — The executive summary includes a synopsis of the Draft CAAP, including the plan’s organization and a summary of the City’s GHG emissions inventory and target, and the CAAP’s strategies for reducing emissions and adapting to climate change.
- **Chapter 1— Introduction and Background:** This Chapter provides an overview of the document, the purpose and scope of the CAAP, the basic science behind climate change, and the importance of considering equity when taking action. In addition, Chapter 1 provides a brief explanation of potential impacts of climate change in the City of Oxnard, the community benefits of taking action, the process for engaging with the community and stakeholders, and a discussion of the state and local actions to reduce GHG emissions.
- **Chapter 2— Understanding Oxnard’s Greenhouse Gas Emissions:** This Chapter presents a summary of GHG emissions being generated by the community and by municipal operations. It provides an understanding of where GHG emissions are originating from, including trends and forecasts, and what can be done to reduce them. Finally, Chapter 2 establishes Oxnard’s GHG reduction target.
- **Chapter 3— Reducing Greenhouse Gas Emissions:** This Chapter describes the GHG reduction strategies and actions the City will implement at the local level regarding energy use, transportation and land use, solid waste management, and water consumption. Chapter 3 addresses each of these sectors, summarizing their contribution to total citywide emissions and describing the strategies and actions that will be implemented to reduce emissions from each category over time.
- **Chapter 4— Community Resilience and Adaptation:** This Chapter presents an overview of the impacts the City of Oxnard is expected to experience due to projected changes in the climate including: extreme heat, extreme drought, smoke and air pollution, sea level rise, and extreme storms and stormwater flooding. It also explains

what the City can do to begin preparing for these items.. It describes expected local impacts and vulnerabilities, and potential adaptation planning strategies.

- Chapter 5— Implementation and Monitoring: This Chapter outlines recommended steps for implementing the GHG-reduction strategies described in Chapters 3 and 4, and for monitoring the progress of implementation. It identifies funding sources and assigns implementation and monitoring responsibility to specific City departments, presenting a schedule for implementation.
- Appendices — The CAAP document contains Appendices A - F to document work on the CAAP to support CAAP implementation; including Appendix A— Community and Stakeholder Engagement Reports; Appendix B— Major Climate Policies and Regulations in California as of 2022; Appendix C— Greenhouse Gas Quantification Methods; Appendix D— City of Oxnard Social Vulnerability Index; Appendix E— Partnering Organizations; and Appendix F—Funding Sources.

Timeframe for GHG Reduction Actions

The Draft CAAP document identifies near term (Fiscal Years (FY) 2022-2025), mid term (FY 2025 to 2027), and long term (FY 2027-2030) implementation measures in order to realize state mandated GHG reduction goals. The long term actions are important for staying on track to achieve the deeper reductions needed throughout the State to reach carbon neutrality by 2045 (as called for in Governor’s Executive Order B-55-18).

The City’s Capital Improvement Program (CIP: FYs 2022-2027) was adopted on May 3, 2022, with funding approved for projects in FYs 2022-2024. The Draft CAAP identifies a number of near-term (FY 2022-2025) GHG reduction actions. However, since CIP projects through 2024 are already approved, the City will have limited time to execute near-term CAAP strategies. City Council prioritization of GHG reduction actions will need to occur as part of the City’s yearly budgeting and CIP approval process. It is recommended in the Final CAAP that implementation timeframes for GHG reduction activities only change as follows to align with future CIP adoptions:

For GHG Reduction Actions

Draft CAAP Chapter 5 Time Frames	Staff Recommended Final CAAP Chapter 5 Time Frames
Near Term 2022–2025	Now 2022-2026
Mid Term 2025–2027	Now 2026-2030
Long Term 2027– 2030* *Currently there are no GHG reduction strategies identified for the Long-Term measures. However, that could change with future updates to the CAAP	Now 2030-2035

Timeframe for Resilience and Adaptation Actions

Due to the inherent uncertainty of how future climate hazards will develop and the range of time frames in which the community will experience impacts, the time frames indicated for resilience and adaptation strategies differ from those used for the GHG Reduction Actions.

ANALYSIS

GHG Reduction Strategies Included in the Draft CAAP

The CAAP identifies key actions and strategies to help the City achieve the state mandated GHG emission reductions - 40 percent below 1990 levels by 2030. These are highlighted below. It is important to note that some of these actions and strategies are already occurring in compliance with State laws (ex., recycling and waste diversion) but are important to achieving the City’s GHG reduction goals:

CAAP Actions to Achieve GHG Reductions

*All Strategies and Actions can be found in Chapter 3 and Chapter 5 of the Climate Action and Adaptation Plan.

<u>Category</u>	<u>CAAP Strategy</u>	<u>Strategy to Achieve GHG Reduction Goal</u>	<u>Key Implementing Actions</u>
	E1: Procure Zero-Carbon Electricity	X	E1.1 – Invest City staff time and financial resources in maintaining a minimum 95 percent community participation rate in CPA's 100 Percent Green option, or equivalent, through the year 2030
Clean Energy (E)	E2: Increase Local Solar Energy Generation		E2.1– Partner with interested developers to create Community Solar projects in the CPA program, or equivalent Community Renewables program offered by SCE
	E3: Develop Energy Storage/Microgrids		E3.1 – Partner with CPA to develop their Power Response Program, which offers incentives to commercial and residential customers for the installation of energy storage to enable load-shifting during times of peak demand E3.3 – Identify potential partnerships, funding, or financing sources for installing storage and microgrids in the community
Green Buildings (B)	B1: Improve Efficiency of Existing Buildings	X	B1.1 – Partner with existing agencies such as CPA, 3C-REN, SoCalREN, and/or the Ventura County Regional Energy Alliance (VCREA) to promote and take advantage of local energy programs; meet with these agencies on a quarterly basis
	B2: Electrify Buildings		B2.1 – Partner with existing agencies such as CPA, 3C-REN, and/or VCREA to promote and take advantage of local programs, including rebates and financing options for building and appliance electrification; meet with these organizations on a quarterly basis B2.3 – Work with electric utility to create an educational campaign for building owners on the health, climate, and cost benefits of electric-powered kitchen equipment, and distribute information about available products and installation services
Transportation (T)	T1: Expand Zero-Emission-Vehicle (ZEV) Charging and Fueling Infrastructure	X	T1.1 -Develop a citywide ZEV Master Plan that evaluates near-term and long-term needs for EV charging and hydrogen-fueling infrastructure, including home EV charging, and identifies optimal EV charging locations and gaps in publicly accessibility (especially for disadvantaged communities)
			T1.4 – Meet with utilities and state agencies quarterly to track and coordinate the promotion of funding offerings to Oxnard residents and businesses
	T2: Transition City Fleet to ZEVs	X	T2.1 – Develop a ZEV Master Plan for the City fleet that evaluates costs, budget needs and infrastructure needs for the short and long term, including optimal EV charging locations, funding opportunities, and opportunities for public-private partnerships. T2.2 - Pass a resolution that supports City fleet vehicle purchases (or at minimum, utility and truck purchases) to be ZEVs in alignment with the CARB's proposed regulation to require public fleets to purchase 100 percent zero-emissions trucks by the year 2027

	T3: Expand Infrastructure for Pedestrians, Bikes, and Micro-mobility Solutions	X	T3.1 – Adopt the forthcoming STP, which will include projects that expand the reach of the pedestrian and bicycle network throughout the city and provide comfortable opportunities to use active transportation
	T4: Improve Transit Effectiveness and Accessibility		T4.1 – Partner with GCTD and VCTC to assess current transit routes and identify opportunities for improvement geared towards Oxnard residents
			T4.2 – Partner with GCTD and VCTC to upgrade transit stops with weather protection, security measures, increased comfort and accessibility, and access to accurate information on transit routes, schedules, fares, connections, and destinations
			T4.5 – Partner with GCTD and VCTC to enhance multi-modal connections to transit facilities by implementing pedestrian and bicycle improvements near transit stops and mobility hubs, as identified in the STP
	T5: Expand Car and Bike Sharing	X	T5.1 - Consider updates to the TDM Ordinance to require encourage the development of TDM plans for all major developments or facility expansions to encourage ridesharing and other shared mobility improvements, thereby reducing vehicle trips
			T5.2 – Through the implementation of the forthcoming STP, potentially introduce an e-bikeshare, and/or EV carshare program that incentivize third-party providers to locate in Oxnard; offer reduced parking requirements for new development projects that provide dedicated carshare facilities
			T5.3 – Through implementation of the STP, identify support for and/or ways to expand access to e-bikeshare and neighborhood EVs to ultimately enable their use in the public right-of-way
Waste Reduction and Recycling (R)	R1: Recycling and Organic Waste Diversion	X	R.1 and R.2 - Continue to implement waste diversion mandates
Water Conservation and Reuse (W)	W1: Increase Water Conservation and Reuse	X	W1.1 – Maximize the use of recycled water or graywater for agricultural and for irrigation at all large new developments
Land Use (L)	L1: Support Transit-Oriented and Mixed Use Development	X	L1.1 – Through the forthcoming General Plan update, identify areas within the city where development should be focused to increase density and diversity of land use to achieve reductions in VMT

Planning Commission Input

On July 7, 2022, the Planning Commission held a study session on the CAAP (see Attachment 5). During the meeting staff provided clarity on specific minor edits to the CAAP in response to community input on the Draft CAAP document and previous Planning Commission comments which are broadly summarized as follows. If supported by City Council, Planning Commission recommendations will be incorporated into the Final CAAP.

1. Update Executive Summary (ES) to describe actions the community can take to advance the City’s climate goals:

- a. Final CAAP language will add “What the Community Can Do To Help” section and point to existing detail in Chapter 5.
2. Add aspirational language/sense of urgency within the ES and the opening text; reduce jargon throughout the plan. Final CAAP language will:
 - a. Revise language in ES to make it more accessible to the layperson, and review CAAP for terms that need explanation or can be reworded.
3. In Chapter 4, refine language on page 4-18 to acknowledge that Oxnard is susceptible to wildland fires along the riverbed. Final CAAP language will:
 - a. Remove statement “While Oxnard is not directly threatened by wildland fires...”
4. In Chapter 4, emphasize severity of State’s current drought & water shortage; include rainwater harvesting as strategy:
 - a. Rainwater catchment systems already included as action under Extreme Drought Strategy Extreme Drought (ED) 2 on page 4-19.
 - b. Final CAAP language will strengthen Strategy ED3 (drought tolerant landscaping) to specify rainwater harvesting as an alternative irrigation option.
 - c. Final CAAP language will expand Water Conservation and Reuse Strategy W1 to encourage rainwater catchment systems.
5. In Chapter 4, add climate emergency planning components for residents; include educational support to help form household plans and create support networks. The Final CAAP will:
 - a. Expand the Community Preparedness (CP) Strategy CP1 re: public education, emergency preparedness fairs, and networking on page 4-9.
6. In Chapter 4, consider allowing the use of greywater in the City. The Final CAAP will modify page 4-16 to capture the following:
 - a. Extreme Drought Strategy ED2 (expand community water recycling) on page 4-19 encourages the use of greywater and rainwater catchment systems.
 - b. Final CAAP will expand Water Conservation and Reuse Strategy (W) W1 on page 4-19 will be revised to encourage the installation of greywater reuse systems.
7. In Chapter 3, update the discussion pertaining to public EV charging The Final CAAP will be revised:
 - a. Transportation Action T1.1 on page 3-21 calls for developing a citywide Zero Emission Vehicle (ZEV) Master Plan.
 - b. Final CAAP language will be enhanced on page 3-21 to encourage EV systems that are solar infrastructure reliant; and placement at all feasible placement locations (e.g., street light pole placement and right of way considerations).

During the July 7, 2022 Planning Commission meeting there were seven topic areas which required further discussion and analysis. The September 1, 2022 Planning Commission meeting was focused on reviewing these seven topic areas where, at the July 7 Planning Commission meeting, there was no consensus (see Attachment 2, September 1, 2022 staff report), and adopting a resolution recommending City Council approval of the CAAP. As a result of the September 1, 2022 meeting these seven topic areas were reduced to three. The Planning Commission was agreeable to omitting four of the items that were discussed at the September 1, 2022 meeting as memorialized within Exhibit A to the Planning Commission Resolution (Attachment 2). In total, ten changes were recommended from Planning Commission input. If supported by City Council, these recommendations will be memorialized in the Final CAAP.

1. Exceed the State GHG emission reduction target of 40 percent below 1990 levels by 2030.

Planning Commission suggested that the City’s CAAP Revision: The City’s CAAP should be revised to increase the

GHG emission reduction target of 60% below 1990 levels by 2030. Funding should be reallocated to evaluate and reconsider reduction targets and policy changes to achieve GHG emission reduction targets of 60% below 1990 levels by 2030.

Staff Recommended Draft CAAP Revision: Staff disagrees with this change as City Council identified the desired percentage in March 2021 and changing this percentage would result in an approximately two (2) year delay in presenting the Final CAAP to the City Council but supporting language is recommended. Therefore, the City's CAAP should continue to set targets at 40% below 1990 levels.

However, staff does suggest additional language to address Commission input and the recent passage of Assembly Bill (AB) 1227 - Page 2-10 should be revised to state that the City's CAAP has an aspirational GOAL to achieve carbon neutrality by 2045, and will revisit the feasibility of that goal during the next CAAP update, and after the California Air Resources Board (CARB) has adopted its next Scoping Plan update. It is also recommended that the section acknowledge that additional updates may be necessary to adjust this target goal in the next CAAP update due to the recent passage of AB 1227.

2. Require Project Labor Agreements (PLA) as a way to reduce Vehicle Miles Traveled (VMT).

Planning Commission Suggested Draft CAAP Revision: The description of Strategy L1 on Page 3-30 should be revised to include PLA's as a way to reduce VMT: The City should consider requiring PLAs on development projects as a way to reduce VMT.

Staff Recommended Draft CAAP Revisions: Staff disagrees with this change as VMT is largely driven by land use policy (density, mix of land uses), transit and pedestrian opportunities, and commuter trips but is agreeable to augmented language. Additionally, PLA's will not result in a reduction in customer VMT, or commercial/industrial VMT. Although a PLA could reduce VMT there are many other implications to PLAs that are not related to the CAAP and furthermore City Council has not established a PLA policy.

However, staff does suggest additional language to address Commission and community input - Page 3-30, Strategy L1 should be revised to acknowledge the relationship between VMT and land use policy (density, mix of uses), transit and pedestrian opportunities, and commuter trips.

3. CAAP Implementation Plan Should Include Yearly Budget Recommendations on Renewable Expenditures.

Planning Commission Suggested Draft CAAP Revisions: The description of Implementation Steps on pages 5-5 and 5-6 should be revised to include a recommendation that the City's Fiscal Year budget allocate a \$1Million annually to implement CAAP near term actions, especially with consideration to the City's two-year Capital Improvement Program (CIP) process.

Staff Recommended Draft CAAP Revisions: It is not recommended that a specific percentage or dollar figure be included given that costs are not known at this time and State and Federal renewable energy resource funding is increasing. Appendix F to the CAAP identifies potential Federal, State, Regional and private funding sources for implementing elements of the CAAP.

However, staff does suggest additional language to address Commission input - Page 5-6, (funding bullet) should be augmented with language to state that the City will consider the CAAP in yearly departmental budgeting and CIP activities and seek out Federal & State funding opportunities where funding aligns with Council priorities and the CAAP programs. The Planning Commission was agreeable to the staff's recommended language for these three items.

Next Steps

In order to save fiscal resources (production of Final Draft CAAP prior to presentation of the document to Committee and City Council), once the CAAP is reviewed and approved by City Council, the CAAP will be revised to produce a Final CAAP which will be comprised of the following:

- Introductory comments from Mayor John Zaragoza;

- Planning Commission recommended edits (Exhibit A, to Resolution No. 2022-32 in Attachment 3 to the September 1, 2022 Planning Commission staff report (Attachment 2)) as approved by City Council;
- Suggested edits to CAAP as agreed upon by staff, and minor typos identified by the CAAP consultant as reflected within the July 2022 summary document in Attachment 2 to the September 2022 Planning Commission staff report (Attachment 2);
- Update to Chapter 5 to implementation GHG reduction actions and the timeframes as identified within this staff report; Incorporation of May 14, 2022 powerpoint presentation to the community during review of CAAP;
- Updated City of Oxnard photos; and
- Inclusion of the City Council approved resolution of approval.

Community Input and Notice

In early 2021 staff assembled a Stakeholder Group to help guide in the development and visioning of the CAAP document. The roughly 125 member stakeholder group was focused on the following topic/issue areas: Environmental, Businesses, Utilities & Franchisees/Agency Representatives, Community Organizations, Education and Health Care, and City Staff. Over the past two years, this group has been consulted and engaged to secure feedback and input. Due to the pandemic, outreach measures, approaches, and protocols had to be adjusted. Appendix A of the CAAP document summarizes community / stakeholder meeting efforts, dates and outcomes. The Final CAAP will include presentation information from the May 2022 community meetings. These documents were not available at the time of publication of the Draft CAAP. These engagement efforts helped identify climate impacts of concern in the Community Vulnerability Assessment, and to identify effective CAAP strategies and actions for improving community resilience and reducing GHG emissions.

The City of Oxnard's Draft CAAP was released in late April 2022 and notification was sent to the City's CAAP interested parties list for a Stakeholder meeting held on May 5. Social media outreach efforts to the public also began on May 3 with media posts highlighting the release of the CAAP on the City's website, scheduled virtual drop in hours for May 9, and a virtual public meeting on May 14. Subsequent posts were released on the City of Oxnard's Official Instagram account on May 6, May 8, and May 13.

No notice of public hearing was required to be published in the newspaper ahead of the Planning Commission Study Session Meeting scheduled on July 7. A notice was sent to the City's CAAP interested parties list and the City's Public Information Office posted on social media to engage the public ahead of the meeting on July 5. A summary of community engagement efforts is contained in Attachment 6.

In preparation for the Committee Meeting on September 27 and the City Council meeting on October 18, social media posts were released using the City's Public Information Office channels and through the City's CAAP website - <https://www.oxnard.org/climate-action-plan/>.

ENVIRONMENTAL REVIEW

The City Council certified the General Plan Program Environmental Impact Report (PEIRSCH # 2007041024) in October 2011, and addenda environmental evaluations were prepared for subsequent General Plan revisions. Pursuant to the CEQA Section 15164, the City has prepared an Addendum (see Attachment 2, Planning Commission Resolution of Approval) affirming that the analysis contained in the 2030 General Plan PEIR adequately addresses the potential environmental impacts associated with implementation of the CAAP. The CAAP is an implementing action of the 2030 General Plan. The previously certified PEIR may be viewed on the City's website at City of Oxnard 2030 General Plan PEIR Volume I, Recirculated Draft.

As demonstrated in the environmental analysis of the Addendum, none of the conditions that had been analyzed in the 2030 General Plan PEIR would change with adoption and implementation of the CAAP. Furthermore, no new information of substantial importance meeting the criteria listed in State CEQA Guidelines Section 15162 have been identified. The City has determined that there is no legal or evidentiary basis for the preparation of a Subsequent or Supplemental EIR pursuant to State CEQA Guidelines Sections 15162 and 15163, and that an Addendum to the 2030 General Plan PEIR, as contemplated by State CEQA Guidelines Section 15164, is the appropriate environmental document for the proposed project. The General Plan Addendum has been prepared in compliance with Public Resources Code Section 21000 et seq., and Title 14, Chapter 3 of the California Administrative Code (State CEQA Guidelines).

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promote safe neighborhoods, encourage community engagement, and support our Planning Commission CAAP Staff Report September 1, 2022 residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

There is no fiscal impact associated with adoption of the CAAP document; however, strategies and actions contained in the CAAP will have a financial impact. Funding will be needed in the future to implement the GHG reduction strategies and Climate Change Resilience and Adaptation Strategies.

The GHG reduction strategies and actions in the CAAP were formulated with an understanding that the City has limited staff time and financial resources to implement them. The cost-benefit ratios presented in Chapter 3 of the CAAP are based on the anticipated impact to the city budget, including any upfront capital investment needed to implement a strategy, ongoing annual costs, and City staff time required. Fiscal impacts of implementing the CAAP will require funding from General Fund and may be requested through City's CIP process.

For many of the actions, detailed cost estimates will be needed to inform and guide the implementation process, and be refined over time with more-precise implementation level data. One of the first recommended CAAP implementation measures will be to develop a fiscal analysis associated with implementation of key near term objectives. This fiscal analysis will assist the City in developing CAAP related budget documents to implement the CAAP over the next five (5) years.

The City's costs for implementation may include the creation or promotion of voluntary programs, continuing administration of those programs, coordination and outreach with other government agencies and businesses, hiring staff to lead the actions and/or track and prepare grant applications, and—in some cases—exploration or study of potential regulatory mechanisms not yet codified. Some strategies require up-front capital expenditures by the City. The CAAP recognizes the value of leveraging partnerships, seeking grants, and evaluating funding sources. Further, the CAAP should be updated every five (5) years to evaluate the effectiveness of programs, changes in technologies, and to reflect new land use patterns - especially considering the City will embark upon an update to the City's General Plan which will kick off in early 2023 and will take approximately three (3) to four (4) years to complete.

COMMITTEE OUTCOME

On September 27, 2022, the Community Services, Public Safety, Housing & Development Committee and Public Works & Transportation Committee both received a presentation and provided feedback on the City's Draft CAAP. There was no formal vote taken.

Prepared by: Kathleen Mallory, Planning & Sustainability Manager

ATTACHMENTS

1. CAAP-Public-draft-2022.pdf (oxnard.org)
2. September 1, 2022 Planning Commission Staff Report (Attachment 1 removed due to duplication)
3. March 30, 2021 City Council staff report
4. January 25, 2021 Committee Staff Report
5. July 7, 2022 Planning Commission staff report (Attachment A,B, and D removed due to duplication)
6. Summary of Community Input
7. September 27, 2022 Committee Staff Report

Attachment 1

See <https://www.oxnard.org/climate-action-plan>

City of Oxnard's Climate Action and Adaptation Plan

The City's Climate Action and Adaptation Plan can be downloaded [here](#). This document will be reviewed by the Committees and considered by the City Council in Fall 2022.

You can download the [Climate Action and Adaptation Plan here](#).

PLANNING COMMISSION STAFF REPORT

TO: Planning Commission

FROM: Kathleen Mallory, AICP, Planning & Sustainability Manager

DATE: September 1, 2022

SUBJECT: Planning Commission Adoption of a Resolution Recommending City Council approval of the City of Oxnard Climate Action and Adaptation Plan and an Addendum to the 2030 General Plan Program Environmental Impact Report (PEIR; SCH # 2007041024).

1) Recommendation: That the Planning Commission:

- a) Receive a presentation on the Climate Action and Adaptation Plan (CAAP); and
- b) Receive public comments on the Draft CAAP document; and
- c) Approve Resolution 2022-XX recommending City Council adopt the CAAP and the Addendum to the PEIR.

2) Background: On July 7, 2022, the Planning Commission conducted a public meeting on the aforementioned CAAP (see Attachment 1 - Full July 7, 2022 PC Packet). Additional background on the CAAP process is provided in the Planning Commission staff report for the July 7, 2022 study session, and on the City's CAAP webpage at <https://www.oxnard.org/climate-action-plan/>. At the July 7, 2022 Planning Commission meeting, the Planning Commission received a presentation from the City's CAAP consultant on the Draft CAAP document; received public comment on the Draft CAAP document; and provided feedback on the Draft CAAP document. During the meeting there was a dialogue between the Commission, and Planning as well as Public Works Staff, and the City's CAAP consultant; only discussion items which result in change to the CAAP document or which require further dialogue between the Commission are being discussed in this report. Input from the Planning Commission meeting falls into two categories: Commission input for which there appeared to be general consensus (see Attachment 2) and input for which recommendations and suggested CAAP revision language requires further discussion; See analysis of this staff report and the resolution of approval. (see Attachment 3, Exhibit A, to the Resolution Recommending Approval of the CAAP).

3) Analysis: Based upon discussion during the July 7, 2022 meeting, the Planning Commission generally had consensus with the following CAAP text revisions:

Revisions to the Draft CAAP for Which There was Consensus (in addition to Attachment 2 - Revisions Due to July 7, 2022 Commission Meeting):

- Update the Executive Summary section of the CAAP to include information on what actions the community can do to advance the City's climate goals (presently on pages 5-2 and 5-3 of the CAAP, including Table 5-1). *Staff comment: We will add a section at the end, as part of the implementation section of the Executive Summary, titled "What the Community Can Do To Help" to highlight the critical role that the community will play in helping the City attain its GHG reduction goal. We will point to Table 5-1, and also add a sidebar that emphasizes little investments that the community can make that yield significant reductions in GHG emissions, including those listed for Clean Energy, Transportation, and Waste Reduction and Recycling in Table 5-1. We will include the associated icon for each of these actions so they stand out and relate back to the GHG reduction strategies summarized in the Executive Summary.*
- Add aspirational language and a sense of urgency within the Executive Summary and the opening text. Reduce jargon to make the plan more usable to the public. *Staff comment: The CAAP is a planning document which identifies that climate change is happening and identifies targets and implementation measures for reducing the City's impact on climate change and strengthening the community's resilience. The CAAP is not intended to incite alarm or make claims that potential impacts are imminent. Additional discussion on this topic is provided under Comments 10 and 11 of the CAAP Stakeholder and Community Comment Letters (Attachment 2 to July 7, 2022 Planning Commission Packet). With respect to the comment related to reducing jargon, we recognize that part of the CAAP is technical in nature, such as Chapter 3, which describes where the City's GHG emissions are coming from. Nevertheless, we understand the importance of writing for the layperson. We have included a Terms and Abbreviations section upfront in the CAAP before the Executive Summary, and have tried to avoid technical jargon, or define such terms and references in a sidebar within the chapter. For example, on page 1-2 where we cite relevant legislation related to the CAAP, we define the bills in a text box (e.g., SB 379). Similarly, some figures are designed to illustrate technical concepts, such as Figure 1-2 The Greenhouse Effect. We will review the CAAP again for terms that need explanation or sidebar definitions, and reword terms as appropriate to be more accessible to the layperson.*
- Refine wildfire language on page 4-18 regarding how Oxnard is threatened by wildfires; Oxnard is susceptible to wildland fires along the riverbed, which could reach Oxnard. *Staff comment: We will remove the beginning of the text on page 4-18, to remove "While Oxnard is not directly threatened by wildland fires."*
- Incorporate language that recognizes the current water shortage that the State is experiencing due to climate change. Potentially include rainwater harvesting mechanisms to address shortage, such as rainwater collection from rain gutters. *Staff comment: Rainwater catchment systems are already identified as part of*

Strategy ED2 on page 4-19, which includes an action to distribute informational materials to encourage the use of greywater and rainwater catchment systems for businesses and residents. We can strengthen a related strategy (ED3) to specify rainwater harvesting as an example of alternative irrigation, in addition to the other methods listed to reduce water use, including the planting of drought tolerant, native plants. We can also add an implementing action to Strategy W1: Increase Water Conservation and reuse to encourage the installation of rainwater catchment systems as a means of reducing water consumption.

- Add a resilience, emergency planning component for individual residents. Provide educational support to help residents form a plan for their households, and how to create a network of people who can each provide a necessary item for survival. *Staff comment: Public education is the first strategy (CP1) in the Community Preparedness section in the CAAP. Strategy CP1 on page 4-9 will be expanded to include the suggestions mentioned by the Commission, such as emergency preparedness fairs and networking.*
- The City should consider allowing the use of greywater in the City. *Staff comment: The California Plumbing Code allows use of greywater in certain circumstances. Strategy ED2 on page 4-19 is focused on expanding community water recycling programs, which includes distributing informational materials to encourage the use of greywater and rainwater catchment systems for businesses and residents to enhance the effectiveness of community water recycling programs. This strategy will be strengthened to encourage the expansion of greywater use within the City. We will also add an implementing action to Strategy W1: Increase Water Conservation and reuse to encourage the installation of greywater reuse systems as a means of reducing water consumption.*
- Rollout a plan to implement public Electric Vehicle (EV) charging stations and require EV chargers for handicap parking spaces. *Staff comment: The CAAP includes a goal of 1,500 new EV charging stations by 2030. EV charging is currently allowed within handicapped parking spaces (providing adequate accessibility clearance is achieved). The City has adopted EV accommodation measures consistent with California AB 1236 (2015) and AB 970 (2021) to streamline permitting procedures for electric vehicle charging stations. Additional information on this topic is provided under Comment 15, 21 & 43 of the CAAP Stakeholder and Community Comment Letters (Attachment 2 to July 7, 2022 Planning Commission Packet). Text pertaining to the City's ZEV Master Plan will be augmented to encourage looking at: EV systems which are solar infrastructure reliant; and all feasible placement locations, including California Building Code compliant placement measures (e.g., street light pole placement and right of way considerations).*

CAAP Revision Language Requiring Further Commission Discussion (Attachment 3, Exhibit A):

1. Exceed the State GHG emission reduction target of 40% below 1990 levels by 2030. Consider increasing this to 50% or 60% below 1990 levels by 2030. *Staff comment: The City Council identified the desired percentage in March 2021. Changing this percentage would result in an approximately two (2) year delay in presenting the Final CAAP to the City Council. Additional discussion on this topic is provided under Comment 62 of the CAAP Stakeholder and Community Comment Letters (Attachment 2 to July 7, 2022 Planning Commission Packet). Further, the City's established reduction target is a goal and could be exceeded at any time in the next five (5) years.*

Nevertheless, Exhibit A to Attachment 3 includes language to address Commission input.

Alternative language is suggested: Staff is in support of adding the following text to page 2-10 in the document: "The City's CAAP has an aspirational GOAL to achieve carbon neutrality by 2045, and will revisit the feasibility of that goal during the next CAAP update, and after the California Air Resources Board (CARB) has adopted its next Scoping Plan update."

2. Project labor agreements (PLA) should be required in order to reduce Vehicle Miles Traveled (VMT). *Staff comment: It is not recommended to require PLA's on projects given that VMT is largely driven by land use policy (density, mix of land uses), transit and pedestrian opportunities, and commuter trips. Additionally, PLA's will not result in a reduction in customer VMT, commercial/industrial VMT. More information on VMT will be communicated to the Planning Commission during a study session which will occur later this year. Additional information on this topic is provided under Comment 36 of the CAAP Stakeholder and Community Comment Letters (Attachment 2 to July 7, 2022 Planning Commission Packet).*

Nevertheless, Exhibit A to Attachment 3 includes language to address Commission input.

Alternative language is suggested: The strategy description for L1 on page 3-30 is recommended to be revised to acknowledge the impact that land use, transit, pedestrian access, mobility, and density have in impacting VMT and sustainability goals.

3. Include a recommendation that the City's Fiscal Year budget allocate \$1Million annually to implement CAAP near term actions. *Staff comment: It is not recommended that a specific percentage or dollar figure be included given that costs are not known at this time and State and Federal renewable energy resource funding is increasing. Appendix F to the CAAP identifies potential Federal, State, Regional and private funding sources for implementing elements of the CAAP.*

Nevertheless, Exhibit A to Attachment 3 includes language to address Commission input.

Alternative language is suggested: The Implementation Steps section on pages 5-5 and 5-6 is recommended to be revised to encourage the City Council to continue implementing CAAP related programs on a yearly basis through funding of departmental goals, policies, and CAAP measures.

4. On City project sites for which lease agreements are being considered, require renewable energy usage on a site in the 80% to 100% range. *Staff comment: The City procures energy from the Clean Power Alliance (CPA). The City selected the 100% renewable level for all CPA accounts within the City (other than the City's enterprise accounts); project sites and accounts are automatically enrolled in this percentage unless they opt down to a lower energy tier or out of the CPA program. If energy is procured from Southern California Edison (SCE) for certain accounts, the content of renewable energy will gradually increase as required by the Public Utility Commission pursuant to SB100 and the Renewables Portfolio Standard. Additional information on this topic is provided under Comment 64 of the CAAP Stakeholder and Community Comment Letters (Attachment 2 to July 7, 2022 Planning Commission Packet). The CAAP established Strategy E.1 to procure zero-carbon electricity from the CPA; therefore, no CAAP change is recommended.*

Nevertheless, Exhibit A to Attachment 3 includes the Commission's recommended input.

Alternative language is not provided as staff does not recommend including this additional language for the reasons communicated under "staff comment", above.

5. Require solar panels and battery storage on new development projects over a certain size (such as multifamily buildings). This would be a step towards transitioning to renewables. *Staff comment: The California Building Code requires solar panels on new single-family residential homes; this will also be required on multi-family housing with certain characteristics and nonresidential buildings for select businesses effective Jan. 2023. Starting January 2023, all buildings required to have a PV system shall also be required to have a battery storage system. As such, the State is already moving in the direction of requiring solar and battery storage in new construction.*

Nevertheless, Exhibit A to Attachment 3 includes the Commission's recommended input, which staff recognizes was provided without a full understanding of California energy code requirements and stipulations.

Alternative language is not provided as staff does not recommend including this requirement, since starting January 2023, the State building code will require new single family and in certain scenarios multi family homes and non-residential buildings to have a solar PV system and a battery storage system.

6. Accelerate the requirement for electrification of new buildings through the adoption of reach codes that ban natural gas in new construction now. In discussion at the Commission meeting, members of the Commission and a few members of the public stated that the City would lose an opportunity to decarbonize buildings if it waited five (5) years to review the CAAP and revise it to implement this requirement. *Staff comment: California's building energy efficiency standards (Title 24, Part 6) will require construction of new homes and multifamily dwellings to be 'electric ready' effective January 1, 2023 (electric ready means that each house built in California after 2022 will either have electrical circuits that can support all appliances or dedicated circuits and panels to easily convert from natural gas to electric in the future). There are also new requirements for energy storage systems in commercial buildings, but electric ready is not required for new commercial or industrial buildings. Future energy and building code updates are expected to have even more progressive building electrification requirements. While the City recognizes that building electrification is beneficial from a GHG reduction perspective, it also sees the need to retain natural gas as a reliable energy source for times when the electricity grid is disrupted, at least for the foreseeable future until adequate local energy storage capacity is developed. The City of Oxnard's population is considered an at risk population, where power redundancy and energy security is needed for the City's population.*

The Draft CAAP demonstrates that the City can achieve its 2030 GHG target without instituting an electrification reach code, aka the banning of use of gas in new construction. Additional information on this topic is provided under Comment 20 of the CAAP Stakeholder and Community Comment Letters (Attachment 2 to July 7, 2022 Planning Commission Packet).

Nevertheless, Exhibit A to Attachment 3 includes the Commission input.

Alternative language is not provided as staff does not recommend including this additional language, since for the foreseeable future natural gas is needed to provide critical energy resilience, and starting in January 2023 the State building code will have increasingly progressive energy storage and building electrification requirements for new homes and non-residential buildings.

7. A program or policy should be included in the CAAP to transition existing buildings away from gas to all-electric infrastructure. The use of natural gas should be phased out of use in the City. *Staff comment: Strategy B2 includes implementing actions to seek funding and partnerships for transitioning existing buildings to electrification. The State is also implementing climate goals and it is likely that in the future the State will be developing a retrofit protocol and/or including incentives to encourage the transition of existing gas infrastructure to electric. The process of converting an existing building from gas to electric is a significant one - and includes added building retrofit costs (plumbing a dryer from gas to electric for example), and involves substantial implementation challenges and*

questions. Furthermore, while the City recognizes that building electrification is beneficial from a GHG reduction perspective, it also sees the need to retain natural gas as a reliable energy source for times when the electricity grid is disrupted, at least for the foreseeable future until adequate local energy storage capacity is developed. The City of Oxnard's population is considered an at risk population, where power redundancy and energy security is needed for the City's population. Additional information on this topic is provided under Comment 20 of the CAAP Stakeholder and Community Comment Letters (Attachment 2).

The Draft CAAP demonstrates that the City can achieve its 2030 GHG target without banning the use of natural gas in existing buildings.

Nevertheless, Exhibit A to Attachment 3 includes the Commission input.

Alternative language is not provided as staff does not recommend including this additional language, since for the foreseeable future natural gas is needed to provide critical energy resilience, and the process of converting an existing building from gas to electric is complex and expensive. In addition, Strategy B2 includes Actions B2.1, B2.2 and B2.3 to support electrification of existing buildings.

- 4) California Environmental Quality Act (CEQA) Review:** The General Plan Program Environmental Impact Report was certified in 2011. Since then, addenda environmental evaluations were prepared for subsequent General Plan revisions. Pursuant to the CEQA Section 15164, the City has prepared an Addendum (attached to Attachment 3) affirming that the analysis contained in the 2030 General Plan PEIR adequately addresses the potential environmental impacts associated with implementation of the CAAP. The CAAP is an implementing action of the 2030 General Plan. The previously certified PEIR may be viewed on the City's website at City of Oxnard 2030 General Plan PEIR Volume I, Recirculated Draft.

As demonstrated in the environmental analysis of the Addendum, none of the conditions that had been analyzed in the 2030 General Plan PEIR would change with adoption and implementation of the CAAP. Furthermore, no new information of substantial importance meeting the criteria listed in State CEQA Guidelines Section 15162 have been identified. The City has determined that there is no legal or evidentiary basis for the preparation of a Subsequent or Supplemental EIR pursuant to State CEQA Guidelines Sections 15162 and 15163, and that an Addendum to the 2030 General Plan PEIR, as contemplated by State CEQA Guidelines Section 15164, is the appropriate environmental document for the proposed project. The General Plan Addendum has been prepared in compliance with Public Resources Code Section 21000 et seq., and Title 14, Chapter 3 of the California Administrative Code (State CEQA Guidelines).

- 5) Community Outreach:** The City has held numerous workshops and public outreach on the CAAP. A list of outreach events is provided in the July 7, 2022 Planning Commission CAAP Staff Report.

Attachments:

1. July 7, 2022 Planning Commission staff report Planning Commission CAAP Staff Report July 7, 2022, including CAAP CAAP-Public-draft-2022.pdf (oxnard.org)
2. July 7, 2022 Planning Commission Agreed upon Draft CAAP Revisions
3. Resolution of Approval, Including Exhibit A - Commission Recommendations for City Council - Including Addendum No. 1 to the PEIR for 2030 General Plan

Attachment 1

July 7, 2022 Planning Commission Staff Report

Planning Commission CAAP Staff Report July 7, 2022, including CAAP CAAP-
Public-draft-2022.pdf (oxnard.org)

Removed to avoid duplication

Attachment 2

July 7, 2022 Planning Commission Agreed upon Draft CAAP Revisions

Attachment 2

Category	Comment Number & Document	Date	Name	Contact info	Stakeholder or Member of the public	Comment	Proposed Action by Commenter	Relevant Chapter	Response to Comment	Action to be Taken
	87	7/7/22				Incorporate the water shortage into EB3. Potentially including rainwater harvesting			Staff will expand Potential Adaptation Strategy ED3 (Page 4-19), which discusses use of drought tolerant, native plants and alternative irrigation, to include these recommendations.	
	88	7/6/22, via email	Steve Nash	Kathleen Mallory	Planning Commissioner	Change Pg. 4-3 - change text from "homeless" to "unhoused"		Chapter 4	Will make change	Relevant section will be amended
	89	7/6/22, via email	Steve Nash	Kathleen Mallory	Planning Commissioner	Change Pg. 4-32 - insert "high" after "particularly".		Chapter 4	Will make change	Relevant section will be amended
	100	7/7/22			Commissioner	Update the Executive Summary section of the CAAP to include information on what actions the community can do to advance the City's climate goals (presently on pages 5-2 and 5-3 of the CAAP, including Table 5-1)	Action: Update the Executive Summary section of the CAAP to include information on what actions the community can do to advance the City's climate goals (presently on pages 5-2 and 5-3 of the CAAP, including Table 5-1)	ES	Staff will add a section at the end, as part of the implementation section of the Executive Summary, titled "What the Community Can Do To Help" to highlight the critical role that the community will play in helping the City attain its GHG reduction goal. We will point to Table 5-1, and also add a sidebar that emphasizes little investments that the community can make that yield significant reductions in GHG emissions, including those listed for Clean Energy, Transportation, and Waste Reduction and Recycling in Table 5-1. We will include the associated icon for each of these actions so they stand out and relate back to the GHG reduction strategies summarized in the Executive Summary.	Relevant section will be included
	101	7/7/22			Commissioner	Add aspirational language and a sense of urgency within the Executive Summary and the opening text. Reduce jargon to make the plan more usable to the public	Add aspirational language and a sense of urgency within the Executive Summary and the opening text. Reduce jargon to make the plan more usable to the public	ES	The CAAP is a planning document which identifies that climate change is happening and identifies targets and implementation measures for reducing the City's impact on climate change and strengthening the community's resilience. The CAAP is not intended to incite alarm or make claims that potential impacts are imminent. Additional discussion on this topic is provided under Comments 10 and 11 of the CAAP Stakeholder and Community Comment Letters (Attachment 2 to July 7, 2022 Planning Commission Packet). With respect to the comment related to reducing jargon, we recognize that part of the CAAP is technical in nature, such as Chapter 3, which describes where the City's GHG emissions are coming from. Nevertheless, we understand the importance of writing for the layperson. We have included a Terms and Abbreviations section upfront in the CAAP before the Executive Summary, and have tried to avoid technical jargon, or define such terms and references in a sidebar within the chapter. For example, on page 1-2 where we cite relevant legislation related to the CAAP, we define the bills in a text box (e.g., SB 379). Similarly, some figures are designed to illustrate technical concepts, such as Figure 1-2 The Greenhouse Effect. We will review the CAAP again for terms that need explanation or sidebar definitions, and reword terms as appropriate to be more accessible to the layperson.	Technical language will be defined or edited as appropriate
	101	7/7/22			Commissioner	Refine wildfire language on page 4-18 regarding how Oxnard is threatened by wildfires; Oxnard is susceptible to wildland fires along the riverbed, which could reach Oxnard	Refine wildfire language on page 4-18 regarding how Oxnard is threatened by wildfires to not suggest that the City is not susceptible to wildfire at all.	Chapter 4	We will remove the beginning of the text on page 4-18, to remove "While Oxnard is not directly threatened by wildland fires.	Text will be edited as noted in response to comment
	103	7/7/22			Commissioner	Incorporate language that recognizes the current water shortage that the State is experiencing due to climate change. Potentially include rainwater harvesting mechanisms to address shortage, such as rainwater collection from rain gutters.	Augment Strategies ED3 and W1 to include rainwater harvesting mechanisms as a strategy to conserve water.	Chapters 3 and 4	Rainwater catchment systems are already identified as part of Strategy ED2 on page 4-19, which includes an action to distribute informational materials to encourage the use of greywater and rainwater catchment systems for businesses and residents. We can strengthen a related strategy (ED3) to specify rainwater harvesting as an example of alternative irrigation, in addition to the other methods listed to reduce water use, including the planting of drought tolerant, native plants. We can also add an implementing action to Strategy W1: Increase Water Conservation and reuse to encourage the installation of rainwater catchment systems as a means of reducing water consumption.	Text will be added as noted in response to comment
	104	7/7/22			Commissioner	Add a resilience, emergency planning component for individual residents. Provide educational support to help residents form a plan for their households, and how to create a network of people who can each provide a necessary item for survival.	Augment Strategy CP1 on page 4-9 to provide educational support to help residents form a plan for their households and understand how to create a network of people who can each provide a necessary item for survival.	Chapter 4	Public education is the first strategy (CP1) in the Community Preparedness section in the CAAP. Strategy CP1 on page 4-9 will be expanded to include the suggestions mentioned by the Commission, including emergency preparedness fairs and networking.	Text will be added as noted in response to comment
	105	7/7/22			Commissioner	The City should consider allowing the use of greywater in the City.	Augment Strategy ED2 and Strategy W1 to encourage the installation of greywater reuse systems as a means of reducing water consumption.	Chapters 3 and 4	The California Plumbing Code allows use of greywater in certain circumstances. Strategy ED2 on page 4-19 is focused on expanding community water recycling programs, which includes distributing informational materials to encourage the use of greywater and rainwater catchment systems for businesses and residents to enhance the effectiveness of community water recycling programs. This strategy will be strengthened to encourage the expansion of greywater use within the City. We can also add an implementing action to Strategy W1: Increase Water Conservation and reuse to encourage the installation of greywater reuse systems as a means of reducing water consumption.	Text will be added as noted in response to comment

Attachment 2

Category	Comment Number & Document	Date	Name	Contact info	Stakeholder or Member of the public	Comment	Proposed Action by Commenter	Relevant Chapter	Response to Comment	Action to be Taken
	106	7/7/22			Commissioner	Rollout a plan to implement public Electric Vehicle (EV) charging stations, and require EV chargers for handicap parking spaces.		Chapter 3	The CAAP includes a goal of 1,500 new EV charging stations by 2030. EV charging is currently allowed within handicapped parking spaces (provide adequate accessibility clearance is achieved). The City has adopted EV accommodation measures consistent with California AB 1236 (2015) and AB 970 (2021) to streamline permitting procedures for electric vehicle charging stations. Additional information on this topic is provided under Comment 15, 21 & 43 of the CAAP Stakeholder and Community Comment Letters (Attachment 2 to July 7, 2022 Planning Commission Packet). Text pertaining to the City's ZEV Master Plan will be augmented to encourage looking at: EV systems which are solar infrastructure reliant; and all feasible placement locations, including California Building Code compliant placement measures (e. g., street light pole placement and right of way considerations).	Text will be added as noted in response to comment

Attachment 3

Resolution of Approval, Including Exhibit A – Commission Recommendations
for City Council – Including Addendum No. 1 to the PEIR for 2030 General Plan

RESOLUTION NO. 2022 – _____

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF OXNARD RECOMMENDING THAT THE CITY COUNCIL APPROVE THE ADDENDUM TO THE 2030 GENERAL PLAN CERTIFIED PROGRAM ENVIRONMENTAL IMPACT REPORT (PEIR; SCH # 2007041024) AND THE CLIMATE ACTION AND ADAPTATION PLAN (CAAP). FILED BY CITY OF OXNARD, COMMUNITY DEVELOPMENT DEPARTMENT, 214 SOUTH C STREET, OXNARD, CA, 93030.

WHEREAS, Government Code Section 65300 requires each legislative body and planning agency to prepare and adopt a comprehensive, long-term general plan for the physical development of the city and any land outside its boundaries which in the planning agency's judgment bears relation to its planning; and

WHEREAS, the State of California Senate Bill 32 (SB 32) calls for a statewide reduction of Greenhouse Gas (GHG) emissions to 40 percent below 1990 levels by 2030; and

WHEREAS, the State of California SB 379 requires for the City to identify the threats the City faces with climate change and provide a list of recommended strategies to address climate change; and

WHEREAS, the City of Oxnard 2030 General Plan was adopted on October 11, 2011; and the operative documents of the Oxnard 2030 General Plan consist of the (1) Background Report (2006), and the (2) Goals and Policies (2011); and

WHEREAS, in 2011 the City of Oxnard City Council certified the 2030 General Plan Program Environmental Impact Report (SCH #2007041024); and

WHEREAS, pursuant to the California Quality Act Guidelines Section 15164, the City has prepared an Addendum affirming that the analysis contained in the 2030 General Plan PEIR adequately addresses the potential environmental impacts associated with implementation of the Final CAAP; and

WHEREAS, the City of Oxnard 2030 General Plan includes a Sustainable Community (SC) Element that draws from SB32 and directs the development of a CAAP with the following Goals:

- SC-1.2 – Support Statewide Global Warming and Climate Change Mitigation: Continue to monitor and support the efforts of the California Air Resources Board and other agencies as they formulate Global Warming and Climate Change adaptation and mitigation strategies and programs.
- SC-1.3 – Develop a Climate Action and Adaptation Plan (CAAP) That Supports the Regional SB 375 Sustainable Communities Strategy: Develop a Climate Action and Adaptation Plan that implements requirements adopted by the California Air Resources Board and/or the Ventura County APCD that establishes a GHG emissions qualitative and quantitative threshold of significance, establishes GHG

reduction targets, and supports the regional SB 375 Sustainable Communities Strategy. See -

<https://www.oxnard.org/wp-content/uploads/2017/06/Oxnard-2030-General-Plan-Amend-06.2017-SM.pdf> (page 44 of pdf - Page 2-11 of 2030 General Plan document); and

WHEREAS, proposed CAAP has been developed to align with California’s statewide target mandated of SB 32, which requires the State of California to reduce GHG emissions 40 percent below 1990 levels by 2030; and

WHEREAS, Since 2021, City Staff held rounds of virtual stakeholder meetings with participants to discuss global climate change concerns, including vulnerable communities, and actions to consider for reducing GHGs in Oxnard. Six stakeholder group meetings were held during this time frame. Virtual public workshops (conducted in both English and Spanish, including translation of PowerPoints) were conducted on May 17 and 22, 2021 asking a series of questions regarding the CAAP to identify the climate change impacts of most concern to the community and to gather ideas about the best ways to reduce GHGs in the community. Approximately 60 members of the public participated during these two public workshops. Staff also released an online survey from May 1, 2021 through May 31, 2021 in English and Spanish to request public input on key CAAP questions. These engagement efforts helped identify climate impacts of concern in the community vulnerability assessment, and to identify effective CAAP strategies and actions for improving community resilience and reducing greenhouse gas emissions; and

WHEREAS, on January 25, 2022, City Staff presented a report to the Community Services, Public Safety, Housing & Development Committee (“Committee”) on the City’s CAAP including identification of a reduction percentage in compliance with State law. The report summarizes GHG reduction strategies, and provided the Committee with an update on stakeholder and community input; and

WHEREAS, on January 26, 2021, and January 27, 2021, City Staff held a second round of Virtual Stakeholder meetings with 40 to 50 participants to: (1) Gather input on community vulnerabilities to climate change and potential strategies to address vulnerably; and (2) improve the understanding of community experience with climate change hazards and social vulnerability and equity. Five stakeholder group meetings were held during this time; and

WHEREAS, the City prepared a draft CAAP that was made available to the public for initial review and comment between April 26, 2022 and June 1, 2022; and

WHEREAS, on May 5, 2022 staff conducted a virtual public workshop where the Draft CAAP was reviewed. Members of the City’s CAAP stakeholder group provided verbal comments on the document along with written comments; and

WHEREAS, on May 9, 2022 staff conducted virtual drop in office hours where community members were encouraged to “drop by” at any time to receive information and ask questions; and

WHEREAS, on May 14, 2022 staff held a virtual community workshop where the Draft CAAP was presented and participants were able to provide input; and

WHEREAS, the Planning Commission held a public meeting on July 7, 2022 to review and provide input on the CAAP. At the July 7th meeting, the Planning Commission received a presentation from the City's CAAP consultant on the Draft CAAP document; received public comments on the Draft CAAP document; and provided feedback on the Draft CAAP document; and

WHEREAS, the Planning Commission held a public meeting on September 1, 2022 to consider approving a resolution recommending that the City Council of the City of Oxnard approve an Addendum to the 2030 General Plan Program Environmental Impact Report (PEIR; SCH # 2007041024 - Addendum No. 1), including recommended changes to the Draft CAAP document (see Exhibit A).

NOW, THEREFORE, the Planning Commission of the City of Oxnard hereby resolves as follows:

Section 1. The foregoing recitals are true and correct and are hereby incorporated into the operative provisions of this Resolution.

Section 2. The Planning Commission recommends that the City Council approve an Addendum to the 2030 General Plan Program Environmental Impact Report (SCH # 2007041024) and approve the City's CAAP, with suggested edits as identified in Exhibit A.

PASSED AND ADOPTED by the Planning Commission of the City of Oxnard on this 1st day of September 2022, by the following vote:

AYES: Commissioners:

NOES: Commissioners:

ABSENT: Commissioners:

Daniel Chavez Jr., Chair

ATTEST: _____
Joe Pearson II

Exhibit A

The Planning Commission recommends that the City Council consider the following modifications to the City's Draft Climate Action and Adaptation Plan (CAAP):

1. Exceed the State GHG emission reduction target of 40 percent below 1990 levels by 2030.

Planning Commission Suggested Draft CAAP Revision - The City's CAAP should be revised to increase the GHG emission reduction target of 60% below 1990 levels by 2030. Funding should be reallocated to evaluate and reconsider reduction targets and policy changes to achieve GHG emission reduction targets of 60% below 1990 levels by 2030.

Staff Recommended Draft CAAP Revision - The City's CAAP should continue to set targets at 40% below 1990 levels. However, page 2-10 should be revised to state that the City's CAAP has an aspirational GOAL to achieve carbon neutrality by 2045, and will revisit the feasibility of that goal during the next CAAP update, and after the California Air Resources Board (CARB) has adopted its next Scoping Plan update.

2. Require Project Labor Agreements (PLA) as a way to reduce Vehicle Miles Traveled (VMT).

Planning Commission Suggested Draft CAAP Revision - The description of Strategy L1 on Page 3-30 should be revised to include PLA's as a way to reduce VMT: The City should consider requiring PLAs on development projects as a way to reduce VMT.

Staff Recommended Draft CAAP Revisions - The description of Strategy L1 on page 3-30 should be revised to acknowledge the relationship between VMT and land use policy (density, mix of uses), transit and pedestrian opportunities, and commuter trips.

3. The CAAP Implementation Plan Should Include Yearly Budget Recommendations on Renewable Expenditures.

Planning Commission Suggested Draft CAAP Revisions - The description of Implementation Steps on pages 5-5 and 5-6 should be revised to include a recommendation that the City's Fiscal Year budget allocate a \$1Million annually to implement CAAP near term actions, especially with consideration to the City's two-year Capital Improvement Program (CIP) process.

Staff Recommended Draft CAAP Revisions - The implementation section, pages 5-5 and 5-6 encourages the City Council to continue implementing CAAP related programs on a yearly basis through funding of departmental goals, policies, and CAAP measures.

4. 80% to 100% renewable energy should be required on City project sites for which lease agreements are being secured.

Planning Commission Suggested Draft CAAP Revisions - Action E1.5 on Page 3-9 should be revised to require that on City project sites for which lease agreements are being considered, energy must be procured through 80% to 100% renewable energy sources.

Staff Recommended Draft CAAP Revisions - Alternative language is not provided as staff

does not recommend including this requirement, since the City's new accounts with Clean Power Alliance (CPA) are automatically enrolled in the 100% renewable level by default.

5. Require Solar Panels and Battery Storage on New Development over a Certain Size (such as multifamily buildings).

Planning Commission Suggested Draft CAAP Revisions - Battery storage should be required for single family and multifamily housing construction beginning Jan. 2024. In the year following City Council approval of the CAAP, the City should develop a program to stipulate conditions for which battery storage is required on single family and multi-family residential projects with consideration to project size.

Staff Recommended Draft CAAP Revisions - Alternative language is not provided as staff does not recommend including this requirement, since starting January 2023, the State building code will require new single family and in certain scenarios multi family homes and non-residential buildings to have a solar PV system and a battery storage system.

6. Accelerate the requirement for electrification of buildings through the adoption of reach codes that ban natural gas in new construction now, instead of relying on the State building code that requires electric ready (new) construction effective January 1, 2023.

Planning Commission Suggested Draft CAAP Revisions - Implementing actions under Strategy B2 on page 3-17 should be revised to require that effective January 2023, the City ban the allowance of natural gas in new construction.

Staff Recommended Draft CAAP Revisions - Alternative language is not provided as staff does not recommend including this additional language, since for the foreseeable future natural gas is needed to provide critical energy resilience, and starting in January 2023 the State building code will have increasingly progressive energy storage and building electrification requirements for new homes and non-residential buildings.

7. A program or policy should be included in the CAAP to transition existing buildings away from gas to all-electric infrastructure. The use of natural gas should be phased out of use in the City.

Planning Commission Suggested Draft CAAP Revisions - Implementing actions under Strategy B2 on page 3-17 should be revised to ban the allowance of natural gas in existing buildings.

Staff Recommended Draft CAAP Revisions - Alternative language is not provided as staff does not recommend including this additional language, since for the foreseeable future natural gas is needed to provide critical energy resilience, and the process of converting an existing building from gas to electric is complex and expensive. In addition, Strategy B2 includes Actions B2.1, B2.2 and B2.3 to support electrification of existing buildings.

Addendum No. 1 to PEIR; SCH # 2007041024

Draft City of Oxnard General Plan Update Addendum to the PEIR SCH # 2007041024

Prepared for
City of Oxnard

August 2022

Prepared by

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TABLE OF CONTENTS

Addendum to Program Environmental Impact Report (PEIR)

SCH # 2007041024 prepared for the City of Oxnard General Plan Update

	<u>Page</u>
I. Introduction and Background	1
II. CEQA Authority for the Addendum Analysis Document	2
III. Project Description	3
A. Project Location and Setting	3
B. Purpose and Objectives	6
C. Relationship to Other Plans	6
D. Relationship to Statewide Emissions Targets	7
E. Contents of the Climate Action and Adaptation Plan	9
F. Qualified Greenhouse Gas Emissions Reduction Plan	27
G. CAAP Monitoring and Reporting	29
IV. General Plan and Certified PEIR	30
V. Comparative Analysis of Impacts	32
VI. Changed Circumstances	51
A. Conclusion Regarding Addendum as an Appropriate Mechanism	52
VI. References Cited	53

Appendices

- A. Draft City of Oxnard Climate Action and Adaptation Plan

List of Figures

- Figure 1 City of Oxnard Planning Area 5

List of Tables

Table 1	City of Oxnard Community GHG Emissions Inventories a	12
Table 2	City of Oxnard Community GHG Emissions Forecasts a	13
Table 3	State of California Greenhouse Gas Targets	14
Table 4	Greenhouse Gas Reduction Strategies	18
Table 5	Climate Adaptation Strategies	23
Table 6	Comparison of the CAP Relative to the PEIR	33

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ADDENDUM TO THE CITY OF OXNARD 2030 GENERAL PLAN PROGRAM EIR

I. Introduction and Background

This document is an Addendum to the Certified Final Program Environmental Impact Report (PEIR) (SCH #20070410241) prepared for the City of Oxnard 2030 General Plan Update, which was completed in 2009 and certified by City Council in 2011. The PEIR analyzed the environmental impacts of implementing the General Plan. Since then, addenda environmental evaluations have been prepared for subsequent General Plan amendments. In accordance with the California Environmental Quality Act (CEQA), this Addendum analyzes the impacts associated with the Draft Climate Action and Adaptation Plan (CAAP) for the City of Oxnard (City) to determine whether the CAAP will result in any new significant environmental impacts or cause a substantial increase in the severity of impacts identified in the PEIR.

As no specific development projects were proposed as part of the General Plan, the PEIR was prepared on a programmatic level. The General Plan proposed an increase in residential land uses, agricultural land, open space, schools, public utility/energy facility, and industrial land uses and a decrease in commercial land, public/semi-public, and other/unclassified land uses pursuant to the proposed land use policy. The PEIR considered the buildout of the General Plan through 2030.

The Sustainable Communities Element of the General Plan included the following policy;

SC-1.3 *Develop a Climate Action and Adaptation Plan that Supports the Regional SB 375 Sustainable Communities Strategy:* Develop a Climate Action and Adaptation Plan that implements requirements adopted by the California Air Resources Board and/or the Ventura County APCD that establishes a GHG emissions qualitative and quantitative threshold of significance, establishes GHG reduction targets, and supports the regional SB 375 Sustainable Communities Strategy.

The CAAP implements this General Plan policy and has two major objectives: 1) to reduce the City's greenhouse gas (GHG) emissions that contribute to climate change, and 2) to increase the community's ability to recover from and adapt to the anticipated impacts of climate change. By implementing the CAAP the City intends to align with the State of California's mandated GHG reduction targets, and be better prepared for impacts related to hazard events associated with climate change, such as rising temperatures, extended droughts, wildfire, floods and sea level rise, as well as slow changes that affect agricultural, forestry, and fisheries productivity; ecosystem structure and function; and public health. The CAAP outlines goals, strategies, and actions for

reducing emissions and for increasing community resilience to climate change. The CAAP is designed to ensure that the City does its part to contribute to the goals of California's Global Warming Solutions Act of 2006 (Assembly Bill [AB] 32) and its successor legislation Senate Bill (SB) 32, while remaining consistent with the City's General Plan vision for future growth. The reduction of GHG emissions can ultimately establish the City as a leader in addressing the root causes of climate change within its own community. The CAAP is also designed to help the City comply with the requirements of the Sustainable Communities and Climate Protection Act of 2008, also known as Senate Bill [SB] 375, and SB 379 (2016) by identifying the threats the City faces with climate change and providing a list of recommended adaptation and resiliency strategies to address climate change in the next update to the City's Safety Element of the General Plan.

II. CEQA Authority for the Addendum Analysis Document

As indicated above, this document is an Addendum to the 2030 General Plan Certified PEIR (SCH # 2007041024) and addresses the proposed CAAP. The PEIR included all statutory sections required by CEQA, comments received on the Draft EIR, responses to comments on the Draft EIR, and supporting technical appendices. CEQA establishes the type of environmental documentation required when changes to a project occur after an EIR is certified. Specifically, CEQA Guidelines Section 15164(a) states that:

The lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.

In order to give a degree of finality to EIR documentation, Section 15162 of the CEQA Guidelines requires that a Subsequent EIR need only be prepared if:

1. Substantial changes are proposed in the project, which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete, shows any of the following:
 - a. The project will have one or more significant effects not discussed in the previous EIR or negative declaration,
 - b. Significant effects previously examined will be substantially more severe than shown in the previous EIR,

- c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative, or
- d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Likewise, California Public Resources Code (PRC) Section 21166 states that unless one or more of the following events occur, no subsequent or supplemental environmental impact report shall be required by the lead agency or by any responsible agency:

1. Substantial changes are proposed in the project which will require major revisions of the environmental impact report;
2. Substantial changes occur with respect to the circumstances under which the project is being undertaken which will require major revisions in the environmental impact report; or
3. New information, which was not known and could not have been known at the time the environmental impact report was certified as complete, becomes available.

As demonstrated by the analysis herein, implementation of the CAAP would not result in any additional significant impacts, nor would it substantially increase the severity of previously anticipated significant impacts. Rather, all of the impacts associated with the implementation of the CAAP would be within the envelope of impacts addressed in the PEIR and would not constitute a new or substantially increased significant impact. Based on this determination, the CAAP does not meet the requirements for preparation of a Subsequent EIR pursuant to Section 15162 of the CEQA Guidelines.

III. Project Description

A. Project Location and Setting

The City of Oxnard is a coastal community located in Ventura County on the central coast of California (see **Figure 1**). The City is located along the Pacific coastline approximately 60 miles northwest of Los Angeles and 35 miles south of Santa Barbara. Oxnard's Mediterranean climate, fertile topsoil, adequate water supply, and long harvest season combine to provide favorable agricultural conditions in the surrounding Oxnard plain. As the largest city in Ventura County, Oxnard is a coastal destination, business center, coastal residential community and the center of a regional agricultural industry.

The General Plan Planning Area encompasses all of the land inside the City Limits, the existing City Urban Limits Boundary (CURB), and additional unincorporated land areas that may influence future planning efforts. The Planning Area covers an area consisting of approximately 44,000 acres. The Pacific shoreline forms the city's entire western and southwestern boundaries. The western boundary extends north along the Pacific Ocean Coast from the northern boundary of the Ventura County Naval Base, around the City of Port Hueneme, to the Santa Clara River.

The northern boundary begins at the coast and extends east-northeast along the Santa Clara River. Approximately one mile east-northeast of Wells Road, the boundary heads directly east across the Santa Clara River for approximately three miles before the boundary turns south (City of Oxnard, 2009).

Figure 1 City of Oxnard Planning Area

B. Purpose and Objectives

The CAAP is a plan for reducing greenhouse gas (GHG) emissions that contribute to global climate change and for adapting to the anticipated effects of climate change. The CAAP has two primary objectives:

1. To reduce GHG emissions through the implementation of reduction measures to meet or exceed reduction targets mandated by the State of California; and
2. To enhance the community's resilience to the impacts of a changing climate by addressing the vulnerabilities and risks that are expected to occur as a result of those impacts.

C. Relationship to Other Plans

The CAAP is informed and guided by the goals and policies in the City of Oxnard 2030 General Plan. Specifically, the CAAP represents implementation of General Plan Policy SC-1.3 (see below). The 2030 General Plan sets out a vision to guide future development in the City to the year 2030. Five of the City's General Plan elements—Sustainable Community, Community Development, Infrastructure and Community Services, Environmental Resources, and Safety and Hazards—include policies that are directly related to climate change and the reduction of GHG emissions. The Sustainable Community (SC) Element of the General Plan was developed to better understand and provide a vision for addressing climate change, sea level rise, and energy conservation. This element states the City's commitment to supporting implementation of SB 375 (Sustainable Communities Strategy Bill), the state's primary legislation related to local planning for reducing GHG emissions (AB 32). The policies contained within this element focus on the conservation of energy, water and natural resources, improvements for local infrastructure and water systems, and planning for renewable and alternative energy production as critical issues related to long-term sustainable development. Two policies in particular from the Sustainable Communities Element inform and guide the development of this CAAP:

- SC-1.2 – Support Statewide Global Warming and Climate Change Mitigation: Continue to monitor and support the efforts of the California Air Resources Board and other agencies as they formulate Global Warming and Climate Change adaptation and mitigation strategies and programs.
- SC-1.3 – Develop a Climate Action and Adaptation Plan (CAAP) That Supports the Regional SB 375 Sustainable Communities Strategy: Develop a Climate Action and Adaptation Plan that implements requirements adopted by the California Air Resources Board and/or the Ventura County APCD that establishes a GHG emissions qualitative and quantitative threshold of significance, establishes GHG reduction targets, and supports the regional SB 375 Sustainable Communities Strategy.

The 2030 General Plan also includes the following policies regarding environmental justice (consistent with the CAAP 2nd objective) and sea level rise:

- SC-1.4 – Awareness of Environmental Justice. Advise other agencies regarding and incorporate environmental justice within City planning, policies, programs, projects, and operations.

- SC-2.3 – Sea Level Rise Consideration in Decision-Making. Ensure that all planning, public works, and related decisions take rising sea level into consideration and take steps to reduce risk of damage or loss of life and property.

The CAAP is consistent with Southern California Association of Government’s 2016 Regional Transportation Plan/Sustainable Communities Strategy (SCAG’s 2016 RTP/SCS), which is the region’s comprehensive long-range transportation plan for implementation of SB 375. The RTP/SCS establishes mechanisms for the development of regional targets for reducing GHG emissions from passenger vehicles and encourages public policy decisions that will result in balanced investments for a wide range of multimodal transportation improvements. The RTP/SCS is intended to achieve the goals of SB 375, and consists of strategies to guide new policies and infrastructure development based on recent household and job growth forecasts, market demand and economic studies, and transportation studies. The RTP/SCS addresses both Transit Priority Areas (TPAs) and High Quality Transit Corridors (also called *High Quality Transit Areas*, or HQTAs) to align regional transportation, land use, housing, and GHG emissions planning through the SCS, which illustrates how SCAG would meet a GHG emissions reduction target for passenger vehicles established by California Air Resources Board (CARB). As defined in SB 743,¹ a *TPA* is an area within 0.5 mile of high-quality transit (such as a rail stop or a bus corridor) that provides or will provide at least 15-minute frequency service during peak hours by the year 2035, and an *HQT corridor* means a corridor with fixed-route bus service with service intervals no longer than 15 minutes during peak commute hours.

D. Relationship to Statewide Emissions Targets

The 2030 City-wide GHG emissions target in the CAAP reflects the statewide GHG reduction goal outlined in SB 32, which calls for a statewide reduction of GHG emissions to 40 percent below 1990 levels by 2030. The legislation requires that the CARB prepare a Scoping Plan that describes the approach California will take to reduce GHGs to achieve the goal of SB 32. The latest adopted Scoping Plan for SB 32, developed and implemented by CARB in 2017, identifies specific measures to achieve these reductions and recommends that local governments establish GHG reduction targets for both their municipal operations and the community that are consistent with those of the State.

The City's CAAP also has an aspirational goal to achieve carbon neutrality by 2045, a goal that the City will revisit during the next CAAP update, which will occur after CARB has adopted its next Climate Change Scoping Plan update.

The State of California, through Governor’s Executive Orders, has also set longer-term goals of reducing statewide emissions to 80 percent below 1990 levels by 2050 (Executive Order S-03-

¹ To further the state’s commitment to the goals of the Sustainable Communities and Climate Protection Act of 2008 (SB 375), the California Global Warming Solutions Act of 2006 (AB 32), and the California Complete Streets Act of 2008 (AB 1358), SB 743 added Chapter 2.7, *Modernization of Transportation Analysis for Transit-Oriented Infill Projects*, to CEQA (Public Resources Code Section 21099). Key provisions of SB 743 reformed the CEQA methodology for analyzing the impacts of urban infill projects to aesthetics and parking and eliminated the measurement of auto delay, including level of service, as a metric for use in measuring traffic impacts in “transit priority areas.”

05); and achieving statewide carbon neutrality by the year 2045 (Executive Order B-55-18). CARB is currently updating the Scoping Plan to assess progress toward the statutory 2030 target and laying out a path to achieving carbon neutrality no later than 2045. The Draft 2022 Scoping Plan Update focuses on outcomes needed to achieve carbon neutrality by assessing paths for clean technology, energy deployment, natural and working lands, and others, and is designed to meet the State's long-term climate objectives and support a range of economic, environmental, energy security, environmental justice, and public health priorities.

While it is important that the City, and the State in general, achieve demonstrable progress toward these longer-term emissions reduction goals, it would be speculative to say with any certainty how they can be achieved with the information known today. While setting goals beyond 2030 is important to provide long-term objectives, it is difficult to establish targets beyond a 10-year time frame for which defensible reduction assumptions can be made. CARB's currently adopted Scoping Plan Update (CARB, 2017) focuses on meeting the 2030 reduction target, as directed in SB 32. As acknowledged by CARB in its draft 2022 Scoping Plan Update (CARB, 2022), meeting the State's long-term 2045 and 2050 goals would require significant improvements in the availability and/or cost of near-zero and zero-emissions technology, along with a concerted statewide effort to increase carbon sequestration across forests and working lands, as well as potential increased reductions from ongoing state and Federal legislative actions that are currently unknown. New methods may become available to quantify measures that are currently unquantifiable, and new state and federal regulations may further reduce emissions in sectors currently addressed primarily by local City measures. The City chooses not to use the Executive Order reduction goals for 2045 and 2050 as a threshold of significance because they do not represent adopted GHG reduction plans within the meaning of CEQA Guidelines Section 15064.4(b)(2) and because the City's role in achieving this target is uncertain and likely small. The CAAP aligns with the state in proposing measures to meet the 2030 target and puts the City on a path to achieving deeper reductions consistent with the long-term goals represented by Governor's Orders S-3-05 and B-55-18.

Consistent with national and international agreements, California uses 1990 as the baseline year for tracking and reducing statewide GHG emissions. However, for local planning, most local jurisdictions select an appropriate baseline year determined by the availability of data. Accordingly, the City has chosen 2010 as its baseline year, consistent with available records and the City Council approved Energy Action Plan (April 2013), which also uses 2010 as a baseline.²

To develop the GHG reduction strategies in the CAAP, the City developed a baseline 2010 GHG emissions inventory and determined future scenarios for emissions to estimate how emissions can be reduced through City-directed actions. The CAAP aims to reduce community-wide emissions to approximately 499,894 metric tons of carbon dioxide equivalents (MTCO₂e) per year by 2030,

² For Oxnard, like most communities, accurately quantifying 1990 emissions is not possible due to the lack of historical data. Thus, deriving a local state-aligned target for 2030 (40 percent below 1990 levels) requires making an adjustment for emissions growth that has occurred between 1990 and the City's 2010 baseline inventory.

which is 50 percent below 2010 levels and considered approximately equivalent to 40 percent below 1990 levels for the City of Oxnard.³

The CAAP demonstrates how the City can achieve its 2030 target by accounting for actions taken by state agencies that will reduce emissions in the city (also known as “regulations and standards”) and identifies several sector-based strategies and GHG reduction measures that can be adopted and implemented locally by the City or others. These prescriptive GHG measures would achieve GHG reductions needed to meet or exceed the City’s 2030 community-wide GHG target. The CAAP also includes implementation and monitoring procedures to ensure progress is being made towards achieving the objectives and specific GHG reduction measures.

The CAAP also provides a range of adaptation strategies as an additional component to climate action planning. The CAAP describes how, due to a changing climate, the City can expect more-extreme heat events, sea level rise, more intense storm and flooding events, worsening air quality, and severe droughts that will strain already constrained water supplies, and how vulnerable communities experience heightened risk and increased sensitivity to climate change and have less capacity and fewer resources to cope with climate impacts. The CAAP identifies the impacts and vulnerabilities faced by the community, as well as adaptation strategies that will help Oxnard’s neighborhoods, natural systems, and infrastructure withstand the effects of climate change.

The City has also developed a CAAP Consistency Review Checklist, in conjunction with the CAAP, to provide a streamlined review process for proposed new development projects that are subject to discretionary review and trigger environmental review pursuant to CEQA. As discussed in Chapter 5, “Implementation and Monitoring,” new developments that are consistent with growth projections and applicable GHG reduction measures are eligible for streamlining under State CEQA Guidelines Section 15183.5 and 15064.4. The CAAP Consistency Review Checklist (referred to as the “CAAP Checklist”), along with instructions for its use, is provided as Appendix G to the CAAP.

E. Contents of the Climate Action and Adaptation Plan

The CAAP contains an executive summary and five chapters, as well as Appendices A through G, which provide additional detail on topics covered in the CAAP.

- **Executive Summary:** The executive summary includes a synopsis of the CAAP, including the plan’s organization and a summary of the City’s GHG emissions inventory and target, and the CAAP’s strategies for reducing emissions and adapting to climate change.
- **Chapter 1—Introduction and Background:** This chapter provides an overview of the document, the purpose and scope of the CAAP, the basic science behind climate change, and the importance of considering equity when taking action. In addition, Chapter 1 provides a brief explanation of potential impacts of climate change in the City of Oxnard, the

³ To account for the global warming potential of different GHGs, emissions are often quantified and reported as carbon dioxide equivalents (CO₂e). For example, methane is a much more potent GHG than carbon dioxide (CO₂) with 28 times the global warming potential as CO₂; i.e., one ton of methane (CH₄) is equivalent to 28 tons of CO₂e in terms of warming potential over the same time frame.

community benefits of taking action, the process for engaging with the community and stakeholders, and a discussion of the state and local actions to reduce GHG emissions.

- **Chapter 2— Understanding Oxnard’s Greenhouse Gas Emissions.** This chapter presents a summary of GHG emissions being generated by the community and by municipal operations. It provides an understanding of where GHG emissions are originating from, including trends and forecasts, and what can be done to reduce them. Finally, Chapter 2 establishes Oxnard’s GHG reduction target.
- **Chapter 3— Reducing Greenhouse Gas Emissions.** This chapter describes the GHG reduction strategies and actions the City will implement at the local level regarding energy use, transportation and land use, solid waste management, and water consumption. Chapter 3 addresses each of these sectors, summarizing their contribution to total citywide emissions and describing the strategies and actions that will be implemented to reduce emissions from each category over time.
- **Chapter 4— Community Resilience and Adaptation.** This chapter presents an overview of the impacts the City of Oxnard is expected to experience due to projected changes in the climate, and what the City can do to begin preparing for them. It describes expected local impacts and vulnerabilities, and potential adaptation planning strategies.
- **Chapter 5— Implementation and Monitoring.** This chapter outlines recommended steps for implementing the GHG-reduction strategies described in Chapters 3 and 4, and for monitoring the progress of implementation. It identifies funding sources and assigns implementation and monitoring responsibility to specific City departments, presenting a schedule for implementation.
- **Appendix A— Community and Stakeholder Engagement Reports:** This appendix includes summaries of community and stakeholder engagement activities supporting CAAP development.
- **Appendix B— Major Climate Policies and Regulations in California as of 2022:** This appendix summarizes the key statewide policies and regulations that affect GHG emissions across the state and at the local level.
- **Appendix C— Greenhouse Gas Quantification Methods:** This appendix provides details on how GHG emissions were quantified for the City’s inventories and reduction strategies.
- **Appendix D— City of Oxnard Social Vulnerability Index:** This appendix describes how a social vulnerability index was created for evaluating the vulnerability of Oxnard’s residents to climate change hazards.
- **Appendix E— Partnering Organizations:** This appendix lists the businesses, community-based organizations, and local, state, and federal partners that could potentially work with the City to implement the strategies and actions in the CAAP.
- **Appendix F—Funding Sources:** This appendix provides information on available funding programs that are relevant to CAAP implementation.
- **Appendix G—CAAP Consistency Review Checklist:** This appendix includes the consistency review checklist for new development.

Greenhouse Gas Inventories

A community GHG emissions inventory is an estimate of a defined set of GHGs emitted to the atmosphere from local or regional sources that contribute to climate change. The CAAP is based on the inventory of these GHG emissions,⁴ which identifies and quantifies the sources and amounts of GHG emissions that are generated from activities within the City in one calendar year (i.e., annual emissions). The CAAP establishes a baseline inventory of community GHG emissions from which future changes in emissions are forecasted, and from which the 2030 GHG reduction target is established. The CAAP also presents an inventory of emissions from municipal operations, which forms a subset of community emissions over which the City has direct control.

The CAAP includes GHG inventories for the years 2010 and 2018, which were developed using well-recognized protocols published by International Council for Local Environmental Initiatives (ICLEI) and adhere to national standards. The Community inventory utilizes the methodology prescribed by the “U.S. Community Protocol for Accounting and Reporting of Greenhouse Gas Emissions”, whereas the Municipal inventory, which largely comprises a subset of the Community inventory, utilizes ICLEI’s “Local Government Operations Protocol”.

The 2010 inventory serves as the baseline year from which the City determined its GHG reduction target. The 2010 baseline year was chosen as it was the earliest calendar year for which complete and reliable emissions source and activity data was available. The 2018 inventory represents the most recent calendar year for which complete activity data was available at the time the CAAP was developed. The inventory is organized into GHG Emissions Sectors, which represent a distinct subset of activities that produce emissions. The eight GHG emissions sectors are shown below in order of their contribution (refer to Appendix C for a more detailed discussion of the emissions inventory methods, data sources, and assumptions).

- On-Road Transportation - Emissions from cars and trucks that travel local roads and highways and consume fossil fuels and electricity;
- Electricity - Emissions from the generation of electricity that is used in residential and non-residential buildings;
- Natural Gas - Emissions from the combustion of natural gas used by buildings and industry;
- Solid Waste - Emissions from the decomposition of waste sent to landfills;
- Off-Road Equipment - Emissions from operation of construction and other off-road equipment;
- Wastewater - Emissions from the electricity used to pump wastewater, as well as direct fugitive emissions resulting from wastewater treatment processes and local septic tanks;
- Passenger Rail – local emissions from regional passenger rail (Amtrak and MetroLink); and

⁴ GHGs included in the GHG inventory are carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O).

- Water - Emissions from the electricity used for treatment and distribution of potable water in the City, as well as building electricity used in water service facilities (e.g., lights, cooling, etc.).

Table 1 summarizes the results for the 2010 and 2018 community-wide inventories, listed by sector and showing the percent contribution of each sector.

In both 2010 and 2018, on-road transportation contributed the most to the community inventory, followed by electricity, natural gas, and solid waste. Combined, these sectors represent approximately 96 percent of the 2010 inventory and 95 percent of the 2018 inventory. Emissions from off-road equipment (e.g., equipment used for construction and landscaping), wastewater, passenger rail, and water use make up the rest of the inventory. Overall, annual GHG emissions have dropped by over 100,000 MTCO₂e from 2010 to 2018, a difference of approximately 12 percent.

TABLE 1
CITY OF OXNARD COMMUNITY GHG EMISSIONS INVENTORIES ^a

Sector	2010	2010 %	2018	2018 %
On-road Transportation	428,030	43%	389,079	44%
Electricity	252,511	25%	207,472	24%
Natural Gas	215,922	22%	165,692	19%
Solid Waste	64,564	6%	68,411	8%
Off-Road Equipment	28,394	3%	37,310	4%
Wastewater	6,432	1%	4,769	1%
Passenger Rail	2,353	<1%	2,137	<1%
Water	1,583	<1%	1,271	<1%
Total Emissions	999,788	100%	876,140	100%

NOTES:

a. Units in MTCO₂e = metric tons of carbon dioxide equivalent, the standard measurement of the GHG emissions produced and released into the atmosphere.

Greenhouse Gas Emissions Forecasts

The CAAP includes a business-as-usual (BAU) forecast of community emissions, based on the expected growth in the City's population, employment, and housing through 2050. Growth forecasts for 2030 and 2050 are based on the socioeconomic data (SED) obtained from the Ventura County Transportation Model, which was used to model future vehicle miles traveled (VMT) for the CAAP, and which is consistent with the SED used in the 2016 SCAG RTP/SCS.⁵ The BAU forecast indicates that Oxnard's emissions would increase in the absence of State regulations (e.g., renewable energy and vehicle fuel efficiency standards) and if no additional actions were taken by the City to reduce emissions. However, State regulations are expected to

⁵ Southern California Association of Government's 2016 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), available at: <https://scag.ca.gov/sites/main/files/file-attachments/f2016rtpscs.pdf?1606005557>

reduce emissions considerably over the next 10 to 30 years. These regulations include the California Energy Commission's 2019 and 2023 Title 24 building energy efficiency requirements, the Renewable Portfolio Standards (SB 350), the Pavley and Advanced Clean Car Standards (AB 1493), and the Low Carbon Fuel Standards (EO S-01-07).

Table 2 summarizes the BAU forecasts for 2030 and 2050, as well as the Adjusted BAU forecasts for 2030 and 2050 that account for these state regulations. The Adjusted BAU forecast shows that by 2030, annual community GHG emissions are expected to be approximately 727,099 MTCO₂e, a 27 percent reduction from the 2010 baseline. By 2050, annual community GHG emissions are expected to be approximately 633,399 MTCO₂e, representing a 37 percent reduction from the 2010 baseline. Additional detail regarding the emissions forecasts methods is provided in Appendix C of the CAAP.

TABLE 2
CITY OF OXNARD COMMUNITY GHG EMISSIONS FORECASTS ^a

Sector	BAU Forecast		Adjusted BAU Forecast	
	2030	2050	2030	2050
On-road Transportation	421,902	476,608	297,561	289,819
Electricity	227,193	260,068	132,019	0
Natural Gas	183,175	220,400	183,175	220,400
Solid Waste	74,182	83,801	74,182	83,801
Off-Road Equipment	34,264	36,216	34,264	36,216
Wastewater	5,171	5,841	3,515	1,376
Passenger Rail	1,581	1,786	1,581	1,786
Water	1,378	1,556	801	0
Total Emissions	948,847	1,086,277	727,099	633,399

NOTES:

a. units in MTCO₂e = metric tons of carbon dioxide equivalent

Greenhouse Gas Emissions Targets and Goals

The City of Oxnard selected GHG emissions targets and goals for the CAAP that represent the City's commitment to doing its fair share and meeting its requirements to help California achieve its ambitious statewide GHG targets, as summarized in **Table 3, State of California Greenhouse Gas Targets**.

TABLE 3
STATE OF CALIFORNIA GREENHOUSE GAS TARGETS

Target Year	GHG Emissions Target	Corresponding Legislation
2020	1990 levels	Assembly Bill 32, the California Global Warming Solutions Act (2006)
2030	40% below 1990 levels	Senate Bill 32, the Global Warming Solutions Act (2006)
2045	Carbon neutrality	Executive Order B-55-18 (2018)
2050	80% below 1990 levels	Executive Order S-3-05 (2005)

NOTES:

GHG = greenhouse gas

- a. *Carbon neutrality* means “net zero” emissions of GHGs. In other words, it means that GHG emissions generated by sources such as transportation, power plants, and industrial processes must be less than or equal to the amount of carbon dioxide that is stored, both in natural sinks and through mechanical sequestration.

The CAAP's 2030 target of 499,894 MTCO₂e per year was selected based on guidance provided in the 2017 Scoping Plan Update for local land use development to contribute their "fair share" of emissions reductions to the statewide GHG target for 2030, and was developed to demonstrate consistency with the statewide 2030 target shown in Table 3. The CAAP's 2030 target is 50 percent below 2010 baseline levels, which is approximately equivalent to 40 percent below the City's emissions in 1990. As explained above, the City is not using the Executive Order reduction goals for 2045 and 2050 as a threshold of significance because they do not represent adopted GHG reduction plans within the meaning of CEQA Guidelines Section 15064.4(b)(2) and because the City's role in achieving this target is uncertain and likely small. In addition, CARB's currently adopted Scoping Plan Update focuses on meeting the 2030 reduction target, as directed in SB 32. Therefore, the CAAP aligns with the state in proposing measures to meet the 2030 target and puts the City on a path to achieving deeper reductions consistent with the long-term goals represented by Governor's Orders S-3-05 and B-55-18.

Greenhouse Gas Reduction Strategies and Actions

The CAAP relies on continued implementation of state mandates, as well as local actions for achieving the 2030 target. The Adjusted BAU forecast accounts for implementation of state regulations and standards, as discussed above. Based on the City's 2018 inventory as shown in Table 2, and accounting for the Adjusted BAU forecast shown in Table 3, achieving the City's 2030 target of 499,894 MTCO₂e per year would require reductions of at least 210,615 MT CO₂e per year from local actions by the year 2030 to achieve the 2030 target.

Local actions in the CAAP are organized into the following seven categories containing one to five strategies each.

- Clean Energy (E)
- Green Buildings (B)
- Transportation (T)
- Land Use (L)
- Water Conservation and Reuse (W)
- Waste Reduction and Recycling (R)
- Nature-Based Solutions (N)

The strategies and actions in the CAAP are summarized in **Table 4** below. Additional details for the GHG reduction and actions are provided in the CAAP. Chapter 3 of the CAAP provides a detailed description of each strategy, along with one or more performance objectives, and multiple implementing actions. Information is also provided regarding the co-benefits of implementing the strategy and each strategy's alignment with relevant state and regional initiatives. Implementing actions include new ordinances, policies, resolutions, programs, incentives, and outreach and education activities, which together would achieve the GHG

reductions needed to achieve the 2030 target. Chapter 5 provides an implementation framework, including tracking metrics for each strategy, and a table of implantation details for each action that identifies a general timeline (short-term, medium-term, and long-term), a lead City department, potential implementation partners, and funding sources.

The nine strategies included in the CAAP that would result in GHG reductions by 2030 are listed here in order of their contribution:

- **Strategy E1: Procure Zero-Carbon Electricity:** The City will partner with Clean Power Alliance (CPA), or equivalent, to maintain at least 95 percent community participation in a 100 Percent renewable electricity offering through 2030. This strategy would reduce citywide emissions by approximately 109,983 MTCO₂e per year by 2030.
- **Strategy R1: Recycling and Organic Waste Diversion:** The City will increase diversion of recyclable materials from landfills through ordinances, service improvements, education and outreach, and promoting product stewardship and markets for material reuse. This strategy would reduce citywide emissions by approximately 55,637 MTCO₂e per year by 2030.
- **Strategy B1: Improve Efficiency of Existing Buildings:** The City will partner with interested stakeholders and existing agencies such as CPA, 3C-REN, SoCalREN, and/or the Ventura County Regional Energy Alliance (VCREA) to promote and take advantage of local programs for improving the energy efficiency of existing community and municipal buildings, especially older buildings that are the least efficient and present the biggest opportunity for improvement. This strategy would reduce citywide emissions by approximately 28,518 MTCO₂e per year by 2030.
- **Strategy T1: Expand Zero-Emissions-Vehicle (ZEV) Charging and Fueling Infrastructure:** The City will develop a citywide ZEV Master Plan with a goal to increase the number of publicly-accessible EV charging stations throughout the city to 1,500 by 2030. The City will also look for opportunities to expand its hydrogen fueling infrastructure, in partnership with the Port of Hueneme and others, as the need for green alternatives to diesel-powered trucking increases. This strategy would reduce citywide emissions by approximately 8,389 MTCO₂e per year by 2030.
- **Strategy L1: Support Transit-Oriented and Mixed-Use Development:** The City will implement the 2021–2029 Oxnard Housing Element, and through the forthcoming General Plan update, identify areas within the city where development should be focused to increase density and diversity of land use to achieve reductions in vehicle miles traveled (VMT). In addition, this strategy will be supported through the development of vehicle miles traveled (VMT) metrics and thresholds related to compliance with SB 743. This strategy would reduce citywide emissions by approximately 6,669 MTCO₂e per year by 2030.
- **Strategy W1: Increase Water Conservation and Reuse:** The City will support water conservation by promoting the use of recycled water or graywater for agricultural and for irrigation at all large new developments, and to create the necessary infrastructure to utilize 100 percent of output from the City’s Advanced Water Purification Facility (AWPF). The City will also update the existing City Landscaping Standards to list a selection of pre-approved native, drought-tolerant, and California-friendly plant species and trees to be used for City landscaping projects. This strategy would reduce citywide emissions by approximately 1,404 MTCO₂e per year by 2030.

- **Strategy T2: Transition City Fleet to Greener Alternatives:** The City will replace all remaining diesel trucks in the City's Environmental Resource Division to alternative fuel vehicles by 2030. The City will also develop a ZEV Master Plan for the City fleet that evaluates costs, budget needs and infrastructure needs for the short and long term, including optimal EV charging locations, funding opportunities, and opportunities for public-private partnerships. This strategy would reduce citywide emissions by approximately 240 MTCO₂e per year by 2030.
- **Strategy T5: Expand Car and Bike Sharing:** Through implementation of the forthcoming Sustainable Transportation Plan (STP), the City will identify support for and/or ways to expand access to e-bikeshare and neighborhood EVs, to ultimately enable their use in the public right-of-way. In addition, the City may introduce an e-bikeshare, and/or EV carshare program that incentivizes third-party providers to locate in Oxnard, and consider updates to the TDM Ordinance to require the development of TDM plans for all major developments or facility expansions to encourage ridesharing and other shared mobility improvements, thereby reducing vehicle trips. This strategy would reduce citywide emissions by approximately 238 MTCO₂e per year by 2030.
- **Strategy T3: Expand Infrastructure for Pedestrians, Bikes, and Micro-mobility Solutions:** The City will adopt the forthcoming Sustainable Transportation Plan (STP), which will include projects that expand the reach of the pedestrian and bicycle network throughout the city and provide comfortable opportunities to use active transportation. This strategy would reduce citywide emissions by approximately 121 MTCO₂e per year by 2030.

TABLE 4
GREENHOUSE GAS REDUCTION STRATEGIES

CAAP Strategies	Implementing Actions
Clean Energy (E)	
E1: Procure Zero-Carbon Electricity	E1.1 – Invest City staff time and financial resources in maintaining a minimum 95 percent community participation rate in CPA's 100 Percent Green option, or equivalent, through the year 2030 E1.2 – Work with the CPA to develop an educational campaign targeted to businesses and residents on the importance of subscribing to the CPA's 100 Percent Green level E1.3 – Partner with CPA to promote Power Share, which provides disadvantaged communities residents with a 20 percent discount and 100 percent renewable energy E1.4 – Request a rate analysis from CPA at least annually and compare to SCE rates, to determine the financial impact of returning all municipal accounts currently enrolled with CPA to 100 Percent Green option E1.5 – Chart and annually revise an implementation plan for returning municipal accounts to CPA's 100 Percent Green option or equivalent
E2: Increase Local Solar Energy Generation	E2.1 – Partner with interested developers to create Community Solar projects in the CPA program, or equivalent Community Renewables program offered by SCE E2.2 – Partner with CPA and community-based organizations to promote CPA customer awareness and enrollment in the Community Solar program, or equivalent Community Renewables program offered by SCE E2.3 – Partner with CPA and/or electric utility to develop and distribute information to residents interested in rooftop solar to take advantage of programs like CPA's Solar Marketplace, which provides access to quotes from multiple, pre-screened local installers E2.4 – Incentivize CPA customers with existing rooftop solar to register for CPA's Net Energy Metering (NEM) Program, which pays customers for net energy production on an annual basis E2.5 – Through meetings and coordination, facilitate partnerships and information sharing between local construction/roofing contractors and solar companies that increase consumer choice as well as business referrals E2.6 – Increase local participation in SCE's Community Renewables Program, which connects customers with solar developers so that they can purchase renewable electricity from certified community solar projects E2.7 – Identify existing municipal facilities, city-owned public spaces, and associated parking lots with potential for rooftop solar installation and/or solar canopies; identify potential solar PV projects with consideration to fiscal resources, and Capital Improvement Plan timeframes and feasibility E2.8 – Assess solar PV procurement financial models to reduce up-front capital costs and increase long-term savings (e.g., State and Federal Incentives, Power Purchase Agreement, Net Metering, etc.) and adopt financing plan E2.9 – Secure funding, cost and bid solar PV projects; Interconnect and install solar projects
E3: Develop Energy Storage/ Microgrids	E3.1 – Partner with CPA to develop their Power Response Program, which offers incentives to commercial and residential customers for the installation of energy storage to enable load-shifting during times of peak demand E3.2 – Promote enrollment in SCE's Smart Energy Program, Summer Discount Plan, and SCE-advertised third-party demand response programs E3.3 – Identify potential partnerships, funding, or financing sources for installing storage and microgrids in the community E3.4 – Develop a community energy map that identifies opportunities for deploying distributed energy resources and microgrids to improve energy security and resiliency in the community E3.5 – Partner with CPA to perform feasibility assessment to determine the potential of microgrid projects on City buildings E3.6 – Partner with CPA and develop municipal facility microgrid project scoping to include: goal of the project, background information, site selection, assessment of opportunities and risks, community involvement and feedback, partnerships, project team development, performance requirements, and ownership

TABLE 4 (CONTINUED)
GREENHOUSE GAS REDUCTION STRATEGIES

CAAP Strategies	Implementing Actions
	E3.7 – Meet with Regional Energy Network (REN) to determine the availability of technical services and/or funding for municipal facility energy storage and microgrids E3.8 – Meet with CPA to determine the availability of incentives and/or funding for municipal facility energy storage and microgrid projects E3.9 – Perform conceptual design and cost estimates of municipal energy storage and microgrid projects E3.10 – Secure funding, cost and bid on municipal energy storage and microgrid projects; Build projects
Green Buildings (B)	
B1: Improve Efficiency of Existing Buildings	B1.1 – Partner with existing agencies such as CPA, 3C-REN, SoCalREN, and/or the Ventura County Regional Energy Alliance (VCREA) to promote and take advantage of local programs; meet with these agencies on a quarterly basis B1.2 – Launch educational campaign targeted at City residents and businesses to let them know what energy efficiency improvement offerings are available B1.3 – Launch educational campaign for multifamily building owners and managers on the programs and incentives offered by the RENs and the local utilities B1.4 – Engage local school districts to participate in the CalSHAPE (AB 841) program to improve plumbing and ventilation in schools; set up an introduction to a service provider to assist schools with program applications B1.5 – Engage local school districts to enroll in (if not already enrolled) and participate in SoCalREN; set up introductory meetings to a service provider to assist schools with program enrollment and technical services B1.6 – Perform periodic energy audits and feasibility studies (e.g., every 5 years) to assess facility performance and identification of potential energy efficient projects for municipal facilities; actively engage SoCalREN to support this effort B1.7 – When doing municipal facility renovations, assess potential for energy efficiency improvements and adding solar PV (e.g., when reroofing occurs, design support system to withstand rooftop solar PV loads) B1.8 – Implement energy efficiency projects for municipal facilities at selected locations to achieve energy reduction goals and support decreased electric load on the grid
B2: Electrify Buildings	B2.1 – Partner with existing agencies such as CPA, 3C-REN, and/or VCREA to promote and take advantage of local programs, including rebates and financing options for building and appliance electrification; meet with these organizations on a quarterly basis B2.2 – Meet with SCE (and/or other providers) on a regular basis to strategize promoting electrification offerings to residents and businesses, while keeping energy resilience needs in mind B2.3 – Work with electric utility to create an educational campaign for building owners on the health, climate, and cost benefits of electric-powered kitchen equipment, and distribute information about available products and installation services B2.4 – As part of the CIP process, conduct a feasibility study to identify opportunities for electrification of city facilities and determine cost and financial impacts, utilizing the quarterly meetings with the RENs and utilities to identify offerings B2.5 – Secure funding, cost estimates, and bids for municipal electrification projects
Transportation (T)	
T1: Expand Zero-Emissions-Vehicle (ZEV) Charging and Fueling Infrastructure	T1.1 – Develop a citywide ZEV Master Plan that evaluates near-term and long-term needs for EV charging and hydrogen-fueling infrastructure, including home EV charging, and identifies optimal EV charging locations and gaps in public accessibility (especially for disadvantaged communities) T1.2 – Meet with the Building and Engineering Services to develop possible code requirements to encourage or require preferential EV parking and EV charging stations, beyond what is required by Title 24 T1.3 – Track and apply for CALeVIP funding for sites that have already been identified for EV charging before funding is exhausted; utilize SCE's Charge Ready program to build out infrastructure for public charging stations

TABLE 4 (CONTINUED)
GREENHOUSE GAS REDUCTION STRATEGIES

CAAP Strategies	Implementing Actions
	T1.4 – Meet with utilities and state agencies quarterly to track and coordinate the promotion of offerings to Oxnard residents and businesses; in City communications, promote EV charging incentive programs offered through CPA and SCE and through federal or state funding T1.5 – Coordinate with the Port of Hueneme, Gold Coast Transit District (GCTD), and other regional stakeholders on infrastructure planning for electric and hydrogen powered vehicles T1.6 – Based on public EV charging needs (as identified in citywide ZEV Master Plan or elsewhere), apply for CALeVIP funds through the South Central Coast Incentive Project, or equivalent T1.7– Secure funding, cost and bid installation of public charging locations T1.8– Install public charging locations as funding becomes available
T2: Transition City Fleet to Greener Alternatives	T2.1 –Develop a ZEV Master Plan for the City fleet that evaluates costs, budget needs and infrastructure needs for the short and long term, including optimal EV charging locations, funding opportunities, and opportunities for public-private partnerships. T2.2 – Pass a resolution that supports City fleet vehicle purchases (or at minimum, utility and truck purchases) to be ZEVs in alignment with the CARB's proposed regulation to require public fleets to purchase 100 percent zero-emissions trucks by the year 2027 T2.3 – Meet with CPA, SCE, and other administrators of incentive and rebate programs quarterly to determine what offerings can be utilized to build out fleet charging stations T2.4 – Secure funding and build out municipal fleet EV charging and/or hydrogen fueling infrastructure as needed to support ZEV Master Plan for city fleet
T3: Expand Infrastructure for Pedestrians, Bikes, and Micro-mobility Solutions	T3.1 – Adopt the forthcoming STP, which will include projects that expand the reach of the pedestrian and bicycle network throughout the city and provide comfortable opportunities to use active transportation T3.2 – Through the implementation of the forthcoming STP, potentially introduce an e-scooter program that incentivizes third-party providers to locate in Oxnard T3.3 – Where feasible in new roadway designs, accommodate micro-mobility solutions such as electric bikes, scooters, and neighborhood EVs T3.4 – In new roadway designs, provide safe and convenient pathways and infrastructure for electric bikes and scooters, including publicly accessible charging locations
T4: Improve Transit Effectiveness and Accessibility	T4.1 – Partner with GCTD and VCTC to assess current transit routes and identify opportunities for improvement geared towards Oxnard residents T4.2 – Partner with GCTD and VCTC to upgrade transit stops with weather protection, security measures, increased comfort and accessibility, and access to accurate information on transit routes, schedules, fares, connections, and destinations T4.3 – Support GCTD's Late-Night Safe Rides Pilot, including continued partnership to evaluate whether there is opportunity to expand the program to cover additional service hours and zones T4.4 – Partner with GCTD and VCTC to improve access to real-time transit vehicle arrival information in multiple languages T4.5 – Partner with GCTD and VCTC to enhance multi-modal connections to transit facilities by implementing pedestrian and bicycle improvements near transit stops and mobility hubs, as identified in the STP T4.6 – For the City's Dial-a-Ride (paratransit) program, create a subsidized fare program for the elderly, or those with qualifying low income T4.7 – Support Dial-a-Ride or other paratransit systems for the senior and disabled members of the community
T5: Expand Car and Bike Sharing	T5.1 – Consider updates to the TDM Ordinance to require the development of TDM plans for all major developments or facility expansions to encourage ridesharing and other shared mobility improvements, thereby reducing vehicle trips T5.2 – Through the implementation of the forthcoming STP, potentially introduce an e-bikeshare, and/or EV carshare program that incentivizes third-party providers to locate in Oxnard; offer reduced parking requirements for new development projects that

TABLE 4 (CONTINUED)
GREENHOUSE GAS REDUCTION STRATEGIES

CAAP Strategies	Implementing Actions
	provide dedicated carshare facilities T5.3 – Through implementation of the STP, identify support for and/or ways to expand access to e-bikeshare and neighborhood EVs, to ultimately enable their use in the public right-of-way
Land Use (L)	
L1: Support Transit-Oriented and Mixed-Use Development	L1.1 – Through the forthcoming General Plan update, identify areas within the city where development should be focused to increase density and diversity of land use to achieve reductions in VMT L1.2 – Incentivize mixed-use development projects to include land uses representing common destinations, such as grocery stores, pharmacies, and restaurants L1.3 – Encourage mixed-use development by reducing parking requirements where justified by shared parking when uses with different peaking characteristics (such as offices and apartments) are combined L1.4 – Research and adopt other appropriate “smart growth” policies in addition to those identified above to incentivize density and diversity of land use L1.5 – Continue to implement the City’s Traffic Impact Fee and the Mobility Fee to better align with and encourage VMT reduction (Municipal Code Ordinance Nos. 2258, 2979).
Water Conservation and Reuse (W)	
W1: Increase Water Conservation and Reuse	W1.1 – Maximize the use of recycled water or graywater for agricultural and for irrigation at all large new developments W1.2 – Where feasible, install additional recycled water pipeline infrastructure; update the existing landscape ordinance to facilitate implementation of AB 1668 W1.3 – Create the necessary infrastructure to utilize 100 percent of AWPf output W1.4 – Evaluate the feasibility of developing a municipal landscaping policy that limits the use of potable water for municipal irrigation W1.5 – Update the existing City Landscaping Standards to list a selection of pre-approved native, drought-tolerant, and California-friendly plant species and trees to be used for City landscaping projects W1.6 – Replace flush and flow fixtures in municipal facilities to improve water efficiency
Waste Reduction and Recycling (R)	
R1: Recycling and Organic Waste Diversion	R1.1 – Participate in regional efforts to increase or establish local organics processing and capacity R1.2 – Establish a system to track waste disposal and diversion activities, ideally categorized by both land use (residential, commercial, municipal) and management type (landfilled, recycled, anaerobically digested, composted) R1.3 – Adopt a Polystyrene Ordinance to regulate the production and use of the material within city limits, to encourage the use of more recyclable or compostable materials in its place R1.4 – Maximize placement of recycling and organic waste receptacles in municipal facilities and in public spaces R1.5 – Adopt a Green Purchasing Plan with a goal of conserving natural resources by purchasing products that are environmentally friendly whenever feasible
Nature-Based Solutions (N)	
N1: Increase Local Carbon Sequestration	N1.1 – Maintain and expand the urban tree canopy using available grant programs N1.2 – Specify options for future tree planting with drought-resistant tree species that can survive changes to the local climate, and consider long term maintenance to improve the canopy. N1.3 – Prioritize investment in neighborhoods with limited green space and elevated air pollution, and in areas where green infrastructure, including trees and other types of vegetated buffers, can effectively address stormwater management issues N1.4 – Coordinate with the County of Ventura on their Tree Planting program, which

TABLE 4 (CONTINUED)
GREENHOUSE GAS REDUCTION STRATEGIES

CAAP Strategies	Implementing Actions
	aims to plant two million trees throughout the county by 2040 N1.5 – Seek funding to implement a green infrastructure program for the City's parks, streets, and public spaces to improve stormwater management, support biodiversity, reduce air pollution exposure, and increase access to natural spaces, including trees N1.6 – Continue implementation of the Oxnard Green Alleys Plan to transform existing alleyways within disadvantaged neighborhoods into multifunctional green spaces with tree canopy, green infrastructure elements, and active transportation access.

Climate Change Vulnerabilities and Adaptation Strategies

One of the CAAP's key objectives is to enhance the community's resilience to a changing climate by addressing the vulnerabilities and risks that are expected to occur as a result of those impacts. Resilience, as defined by the State of California's Adaptation Planning Guide, is the "capacity of any entity—an individual, a community, an organization, or a natural system—to prepare for disruptions, to recover from shocks and stresses, and to adapt and grow from a disruptive experience." Climate adaptation is defined by this same source as "actions that address the projected impacts on all aspects of community function that may result from climate change. This can include impacts related to hazard events (flood, wildfire, drought, and severe storms for example), as well as slow changes that affect agricultural, forestry, and fisheries productivity; ecosystem structure and function; and public health." (California OES, 2020)

Like other communities in California, Oxnard is likely to face serious economic, social, and environmental challenges in the coming decades due to rising temperatures, sea level rise, extreme storms, wind events, more severe droughts, and diminishing air quality that is expected to occur because of climate change. These impacts present significant threats to community health and wellbeing, which will not affect everyone equally. Vulnerable groups, such as the elderly, low-income families, farmworkers/agricultural workers, undocumented immigrants, communities of color, and individuals already suffering from chronic diseases, will be disproportionately impacted by these changes.

Chapter 4 of the CAAP includes an assessment of the City's social and physical vulnerabilities that considers the range of expected climate change impacts facing the City, using publicly available data from sources that include but are not limited to Cal-Adapt, Healthy Places Index (HPI), FEMA, and the City of Oxnard Sea Level Rise Atlas. To address the identified vulnerabilities, the CAAP describes potential strategies for protecting vulnerable populations and increasing the resilience of the City's emergency response capabilities as well as its critical infrastructure for transportation, energy, water supply, and stormwater management. These adaptation strategies are grouped into six different categories as summarized in **Table 5** below. Note that the CAAP does not include strategies or actions addressing sea level rise because the City is undergoing a separate planning process for sea level rise through its Local Coastal Program (LCP) Update project.

Similar to the CAAP's GHG reduction strategies, Chapter 5 provides an implementation framework for the adaptation strategies, including a table of implantation details that identifies a general timeline (short-term, medium-term, and long-term), a lead City department, potential implementation partners, and funding sources.

TABLE 5
CLIMATE ADAPTATION STRATEGIES

CAAP Strategies	Description/Potential Measures
Community Preparedness (CP)	
CP1: Develop a public education campaign to inform community of climate hazards and impacts	This strategy involves collaborating with local and regional agencies, including farmworkers associations, senior organizations, schools, transportation agencies, and other community groups, to create a campaign for increasing community education and awareness of climate hazards, vulnerabilities, and adaptation strategies. Informational materials should be provided through various platforms and in a multilingual capacity. Materials may also be used in schools and by community organizations to reach more groups in Oxnard.
CP2: Ensure early warning systems are adequate for extreme events related to climate change	Early warning systems can provide timely information and resources for local hazards, including events related to extreme heat, flooding, extreme winds, poor air quality, and wildfire smoke. The City currently coordinates emergency responses with the County of Ventura and other regional actors through the varied channels of EOC networks. For maximum reach, early warning systems should employ various modes of communication to ensure greater access (webpage, cellular alerts, social media blasts, radio, emails, automated community signage, bus stop signs, etc.) and convey the appropriate safety response for community members. The community should receive education and awareness of hazards that would warrant notification through the early warning system, and how future hazards are likely to be very different from what the community has historically known and experienced.
CP3: Invest in backup power systems and energy storage at emergency centers and cooling centers	This strategy involves building local community resilience through energy systems. The City can explore options to invest in sustainable backup power sources and energy storage to provide redundancy and continued services for critical facilities during emergencies, especially cooling centers and emergency shelters. This will help provide reliable support in the case of power outages and during periods of high electricity demand. The City should develop a list of critical facilities that currently do not have backup power systems in order to prioritize future projects. The City should also investigate whether a standard duration of backup power should be developed.
CP4: Expand community resilience services and infrastructure	Existing emergency response centers, evacuation routes, and cooling centers should be assessed to ensure they are effective, safe, and accessible in the case of a climate hazard event, and be able to serve the needs of vulnerable populations. The City should further ensure that these facilities and infrastructure are resilient to various climate impacts. New emergency response facilities, such as a resilience hub, can be developed in collaboration with local and regional agencies to provide relief from multiple hazards and provide services (e.g., hydration, cooling, masks and filters, and hazard notifications). Where electricity storage is not available or feasible, natural gas should be considered as a back-up energy source for heating water and cooking food during power outages.
CP5: Periodically review public infrastructure standards	The City's public infrastructure standards should be reviewed periodically to make sure that infrastructure is built to withstand future impacts from climate change hazards including flooding, sea level rise and extreme heat events.

TABLE 5 (CONTINUED)
CLIMATE ADAPTATION STRATEGIES

CAAP Strategies	Description/Potential Measures
Extreme Heat (EH)	
EH1: Ensure access to cooling centers, parks and shoreline	The City has designated cooling centers, as well as parks and beaches, which also serve as a refuge from extreme heat. The City can expand accessibility to these locations, particularly for the most vulnerable groups (e.g., outdoor workers and low-income communities) with active transportation pathways, including bike paths and pedestrian routes. The City can also enhance community awareness of accessible cooling centers and the benefits provided by natural cooling amenities in Oxnard, and ensure that access routes are well-maintained and clearly marked. Having access to these centers, including public transportation options, can be critical during extreme heat events and power outages, particularly for lower-income households that lack cooling and for individuals lacking access to a private vehicle. The City should coordinate with cooling facilities and transportation providers to ensure that these facilities continue to operate during power outages.
EH2: Seek funding for energy improvements for low-income households	Various households in Oxnard lack working heat pumps, adequate insulation, air conditioning, and HVAC systems. This strategy is focused on accessing funding for low-income households to install heat pumps and make other necessary retrofits that will help address extreme heat in their homes.
EH3: Promote enforcement of Cal/OSHA standards that protect against extreme heat	Existing local and state policies and standards protect individuals from heat-related impacts. Ensuring enforcement of Cal/OSHA standards for City workers and encouraging local businesses to do the same, along with distributing training informational materials to local workers, can prevent health-related heat impacts, such as heat cramps, heat stress, heat exhaustion, and heat stroke. Increasing awareness of heat-related illnesses to community members, especially outdoor workers, can further protect against serious impacts to health.
EH4: Give higher priority to urban greening and shading along active transportation routes and commuting services	Urban greening can provide natural cooling benefits and help reduce the urban heat island effect. This strategy involves identifying active transportation routes, bus stops, and walking paths where urban greening and shading can be added and increased to benefit users. Priority locations should include places that serve outdoor workers and schools, bus stops, and bike and pedestrian paths
EH5: Support and expand the citywide tree program, report, and plan	Tree canopy provides shading and natural cooling from extreme heat, adds beautification, and supports mental health. The City can continue to expand its Tree Program to include an updated tree inventory, identify vulnerable and heat-sensitive species, strengthen tree protection policies, prioritize tree canopy projects for vulnerable groups and in areas with high population density and low levels of tree canopy, and pursue funding for tree planting projects. This strategy provides the framework for a comprehensive urban forest management plan that guides sustainable management for a resilient urban forest.
EH6: Give higher priority to urban greening in communities that are most vulnerable	Oxnard's outdoor workers, elderly, youth, and active transportation users are among those at higher risk from extreme heat impacts. Urban greening and tree plantings should be prioritized to benefit these groups, at their workplaces, in residential areas (especially residentially areas with high population density and low levels of existing tree canopy of greenery), and along active transportation routes. To increase the success of these projects, the City can collaborate with the County of Ventura on the countywide Tree Planting Program and target disadvantaged community areas.
Extreme Drought (ED)	
ED1: Expand and protect the City's diversity of water supply	The City should continue to work collaboratively with regional partners and water suppliers to participate in regional water supply planning and identify ways to increase the resiliency of the City's water supply in the future. The City conducts promotional activities through the existing Groundwater Recovery Enhancement and Treatment (GREAT) program. These efforts can be expanded to further educate and encourage residents to adopt water saving techniques in their homes and gardens. Outreach activities should utilize a variety of formats, including educational videos and materials,

TABLE 5 (CONTINUED)
CLIMATE ADAPTATION STRATEGIES

CAAP Strategies	Description/Potential Measures
	community presentations, public tours, and special events.
ED2: Continue to expand community water recycling programs	The City continues to maintain the existing GREAT program for improved water recycling, reuse, storage, and recovery. The City can further support expansion of recycled water infrastructure to serve existing municipal parks and facilities, as well as multifamily, commercial, and industrial development and redevelopment projects. Distribution of informational materials to encourage the use of gray water and rainwater catchment systems for businesses and residents can also enhance the effectiveness of community water recycling programs.
ED3: Use drought-tolerant, native plants and alternative irrigation at City facilities	The City should continue to encourage the planting of drought-tolerant and California native plants, and expand the use of alternative irrigation techniques to reduce water consumption. This can be implemented in public facilities, residences and businesses, and maintain community aesthetics while reducing water use.
ED4: Partner with the County to provide information on climate resilient crops	Although there is little to no agriculture within Oxnard city limits, the region's agricultural sector is a significant part of the local and state economy and employs many local residents. A reliable water supply is critical for maintaining the region's agriculture. With worsening drought conditions and decreasing water allocations, Oxnard can partner with local and regional agencies, such as the County of Ventura and agricultural associations, to provide information and resources for growers considering a shift to other, less-water-intensive crops. This can provide support to farmers and organizations in learning about water use and impacts related to crop species, and economic feasibility of shifting to different crops. As a part of this effort, the City should work with regional partners to identify potential new agricultural pests and identify potential adaptation strategies for regional agricultural operations.
ED5: Create and/or participate in programs to address food insecurity	Drought conditions can increase costs for water and food, and disproportionately impact lower-income households, unemployed individuals, and larger-family households. To address food insecurities, the City can collaborate with schools and local organizations to develop new farm-to-community programs and expand existing public programs for vulnerable populations. The City operates the senior meal program and three community gardens (Camino del Sol Community Garden, Wilson Senior Center community garden, and Pleasant Valley Road/Fire Station 2 community garden) that play important roles in combating local food insecurity. These can be expanded to maximize access and output to community members.
ED6: Consider Expanding Project Assist	Evaluate the potential to expand Project Assist which provides a month credit on utility bills for qualifying individuals and families. Evaluate whether program outreach and advertisement should be expanded and targeted toward vulnerable groups. This strategy is focused on providing relief for households in the event that water and food prices rise due to increasing drought.
Wildfire Smoke and Air Pollution (AP)	
AP 1: Promote existing hazard alert and warning system for workers	In Oxnard, outdoor workers are among those at highest risk from worsening air pollution. The City should increase awareness of the alert and warning systems by targeting outdoor workers, farmers, and farmworkers associations and working with those stakeholders to improve alert systems. The City may also consider ways to improve the effectiveness of alert systems by using text messages or by using delivery methods that are accessible for people without access to cell service. The City may collaborate with local and regional organizations, including the County of Ventura, to expand the reach and capacity of the hazard alert and warning system.
AP2: Ensure Cal OSHA rules are known and enforced	The City should work with local agricultural business partners to improve business and worker awareness of Cal/OSHA standards related to heat stress and to improve the enforcement of standards. Improving the enforcement of these standards may prevent short- and long-term illnesses due to extended exposure to poor air quality.
AP3: Improve access to air filters,	Shelters should be publicly accessible to all community members and provide

TABLE 5 (CONTINUED)
CLIMATE ADAPTATION STRATEGIES

CAAP Strategies	Description/Potential Measures
shelters with filtered air, or air masks	relief from poor air quality with air filters, filtered air locations, or air masks. The City can work with existing shelters to disseminate information and ensure that vulnerable populations are aware of their locations and are able to access them with ease. The City can also identify and provide new shelter locations near vulnerable communities such as outdoor workers, and/or disseminate air masks to outdoor workers.
AP4: Develop programs to promote EVs and reduce vehicle-miles traveled (VMT)	Local agencies can contribute to emissions reductions from vehicles by promoting and implementing programs that allow for flexible work, expanding access to transit, and encouraging the transition to electric vehicles. These include work-from-home policies, flexible and alternate schedules, telework and telemedicine, and local work hubs. This strategy is supported by greenhouse gas reduction strategies identified in Chapter 3 (Strategies T1 through T5).
AP5: Support retrofits to public facilities and housing to improve indoor air quality	Older buildings and households may be in need of new or replacement equipment to protect against smoke and air pollution. The City can identify housing and facilities that are in need of retrofits or replacements, promote programs that provide AC units, air filters, and HVAC systems, and encourage a shift from indoor gas appliances. Retrofits can be prioritized for lower-income households, older buildings, families with health conditions exacerbated by air pollution, and households with children.
Extreme Storms and Stormwater Flooding (SF)	
SF1: Give higher priority to low-impact development (LID) stormwater practices in new development projects	Low-impact development (LID) utilizes natural processes for stormwater management. The City should evaluate where LID practices are feasible and appropriate in the City of Oxnard. The City can encourage and prioritize LID practices to help with stormwater runoff, water infiltration, and water capture and reuse. These may include bioswales, green roofs, rain gardens, pervious surfaces, and more.
SF2: Elevate, relocate, or renovate buildings or critical infrastructure	Evaluate the City stormwater drainage system in order to identify portions of the city stormwater drainage system that are insufficient or that require updates or retrofitting to meet existing or future capacity. Consider prioritizing updates to the existing stormwater drainage in areas that experience the most severe flooding or in areas near vulnerable populations. Critical infrastructure located within areas of flood risk may benefit from being elevated, relocated, or renovated to reduce the risks from impacts, especially if they are older in construction or design. The City should consider identifying and prioritizing threatened facilities for a long-term solution to protect against flooding impacts.
SF3: Create a flood impacts monitoring program	A Flood Impacts Monitoring Program can help monitor conditions and future risk of flooding events. Creation of this program should focus on monitoring rainfall and water/flooding levels, points or areas flooded and the areas prone to consistent flooding, and hazardous conditions as a result of flooding. This program would be helpful in facilitating future adaptation against flooding hazards.
SF4: Encourage advanced coordination between transit operators to facilitate evacuations during inland flooding events	This strategy is focused on communication for ensuring safe evacuations during flood events. The City should consider coordinating with local and regional transit providers to ensure that transit remains operational during flood events and can quickly and safely conduct evacuations. Other agencies to coordinate with include the County of Ventura, emergency response facilities, school districts, and outdoor workers/farmworkers associations. The City may also develop public education materials to inform the public about sheltering options during flood events and how to respond to emergency evacuations. Other agencies to coordinate with include the County of Ventura, emergency response facilities, school districts, and outdoor workers/farmworkers associations.
SF5: Consider Implementing green infrastructure in areas that are most vulnerable to stormwater flooding	Green infrastructure practices include tree plantings, green roofs, rain gardens, green alleys, and wetland restorations. Green infrastructure elements can be incorporated into community areas to help with water efficiency and water resources management. The City should study the feasibility of implementing green infrastructure projects in areas that are

TABLE 5 (CONTINUED)
CLIMATE ADAPTATION STRATEGIES

CAAP Strategies	Description/Potential Measures
	vulnerable to stormwater flooding. In Oxnard, green infrastructure can be prioritized in the southern, western, and eastern areas of the city where there is higher risk from stormwater flooding. Consider finding implementation partners to facilitate the construction and maintenance of green infrastructure projects.
SF6: Remedy areas with stagnant water prone to mosquito breeding	Areas of stagnant water that could increase the spread of vector-borne diseases should be identified and remedied. Public education materials about vector-borne diseases should be created and disseminated as a part of this strategy to inform the public about the risks of vector-borne diseases and how to identify and remedy areas of stagnant water that may occur within gardens etc.
SF7: Initiate flood study based on 2030 SLR high tide and 3-day atmospheric river event	Initiate a flood study which evaluates potential flooding from 2030 sea level rise, high tide scenarios as well as a 3-day atmospheric event of extreme precipitation. This study should include modeling that takes into account the potential for City and County flood control channels being unable to drain into Channel Islands Harbor or the ocean at high tide with storm surge and the resulting storm drain backup throughout the City.

F. Qualified Greenhouse Gas Emissions Reduction Plan

CEQA Guidelines Section 15183.5(b) stipulates that project-specific environmental documents can find that project-level GHG emissions would not be cumulatively considerable if the project complies with the requirements of a qualified GHG emissions reduction plan. The project-specific environmental document must identify those requirements in the GHG emissions reduction plan that applies to the project, and if they are not otherwise enforceable, must incorporate those requirements as project-specific mitigation measures. To meet the requirements of CEQA Guidelines Section 15183.5(b), a qualified GHG emissions reduction plan must do the following:

1. Quantify existing and projected GHG emissions resulting from activities within a defined geographic area.
2. Establish a level, based on substantial evidence, below which the contribution to GHG emissions from activities covered by the plan would not be cumulatively considerable.
3. Identify and analyze sector-specific GHG emissions within the plan's geographic area.
4. Specify measures or a group of measures, including performance standards, that if implemented at the project-by-project basis, would collectively achieve the specified emissions level.
5. Establish a mechanism to monitor the plan's progress toward achieving the GHG emissions level and to require amendment if the plan is not achieving specified levels.
6. Be adopted in a public process following environmental review.

Projects in the City can demonstrate consistency with the CAAP (as a qualified GHG emissions reduction plan) if they are consistent with the CAAP's future growth projections, with the land use designations of the City's 2030 General Plan, and with the CAAP's GHG emissions reduction measures. Any project that is consistent with a qualified GHG emissions reduction plan, and that

conforms to specific performance standards applicable to new development identified in the plan, would not require additional GHG emissions analysis or mitigation under CEQA Guidelines Section 15183.5(b)(2).

A project's incremental contribution to a cumulative impact may not be cumulatively considerable if the project would comply with the requirements in a previously approved plan or mitigation program (including plans or regulations for the reduction of GHG emissions) that provides specific requirements that would avoid or substantially lessen the cumulative problem within the geographic area in which the project is proposed (CEQA Guidelines Sections 15064[h][3] and 15064.4[b]). Once final, the CAAP would represent City of Oxnard's approved emissions reduction program for new development within the City.

The City has developed the CAAP Consistency Review Checklist to assist with determining the consistency of projects with the CAAP. This is included as Appendix G to the CAAP. The CAAP Consistency Review Checklist provides individual projects the opportunity to demonstrate that they are reducing GHG emissions; it also ensures that future projects would achieve their proportion of emissions reductions consistent with the assumptions used in the CAAP. A project would demonstrate consistency with the CAAP by incorporating the GHG emissions reduction measures included in the CAAP that apply to new projects. The CAAP Consistency Review Checklist provides a mechanism for development projects to specifically identify "those requirements specified in the plan that apply to the project, and, if those requirements are not otherwise binding and enforceable, incorporate those requirements as mitigation measures applicable to the project" per CEQA Guidelines Section 15183.5(b)(2).

Because it is a qualified climate action plan pursuant to CEQA Guidelines Section 15183.5, the CAAP would be used as the basis for future assessments of consistency with this plan in lieu of a project-specific GHG CEQA analysis for future projects, by using the CAAP Consistency Review Checklist. Future discretionary projects—both projects proposed by private developers and public projects—would be reviewed to determine whether they meet certain screening criteria included in the CAAP Consistency Review Checklist:

- If a project would be consistent with the land use designations in Land Use Element of the 2030 General Plan and in the 2021–2029 Oxnard Housing Element *and* demonstrates consistency with the CAAP by completing the CAAP Consistency Review Checklist, then the project would be considered consistent with the CAAP and would be eligible for CEQA streamlining of its project-level GHG analysis.
- If a project would not be consistent with the General Plan land use or zoning designations, but the project would result in fewer GHG emissions per service population than the future no-project development based on existing land use designations at the project site, then the project can still demonstrate consistency with the CAAP by completing the CAAP Consistency Review Checklist; the project would then be considered consistent with the CAAP and would be eligible for CEQA streamlining of its project-level GHG analysis.
- Also, if a project would achieve net-zero GHG emissions compared to existing on-site development at the project site, provided that existing on-site development is similar to the

proposed project and that GHG emissions from existing on-site development are not substantially larger than emissions from the proposed project, the project would be considered consistent with the 2045 CAP and would be eligible for CEQA streamlining of its project-level GHG analysis.

- If a project could not demonstrate consistency with the CAP by completing the CAAP Consistency Review Checklist or by implementing equivalent replacement strategies as provided for in the CAAP Consistency Review Checklist, then a project-specific GHG analysis would be required.

Consistency with General Plan Land Use Assumptions.

Projects consistent with the demographic forecasts and land use assumptions used in the CAAP can use the CAAP Consistency Review Checklist to demonstrate consistency with the CAAP. If consistent, these projects could rely on the programmatic environmental review contained in the Addendum to the PEIR for the 2030 General Plan.

If a project would not be consistent with the General Plan's land use designations, then it would not be eligible for streamlining by using the CAAP Consistency Review Checklist. Projects inconsistent with the General Plan's land use designations would prepare a project-specific analysis of GHG emissions. Such an analysis would quantify existing and projected GHG emissions for the project and incorporate applicable items from the CAAP Consistency Review Checklist to the maximum extent feasible, along with any identified project-specific mitigation measures.⁶

G. CAAP Monitoring and Reporting

To ensure that the CAAP remains qualified for use with later activities under CEQA Guidelines Section 15183.5(b)(2) and that the CAAP Consistency Review Checklist remains valid, Chapter 5 of the CAAP describes the following monitoring and reporting responsibilities, which would be administered by the City:

- City staff will annually present updates to the City Manager and the City Council that summarize CAAP implementation progress. Annual updates will be undertaken in conjunction with the Housing Element Annual Progress Report and General Plan Progress Report. The CAAP Annual Report will evaluate the successes and challenges in meeting the performance objectives for each strategy, as listed in Chapter 3 and Table 5 2, and summarize progress toward the City's 2030 GHG reduction target. The report will provide the status of implementation (e.g., initiated, ongoing, completed) for each action, assess the effectiveness of the strategies and programs included in the Plan against the established performance objectives, and recommend adjustments to programs or tactics as needed. The annual report will also assess whether the City's actual growth and development is consistent with the forecasts made in the CAAP. Tracking the 2030 performance goals for each GHG reduction strategy on a periodic basis will inform the City and community over time as to how the

⁶ As noted above, projects not consistent with the General Plan's land use designations can still demonstrate consistency with the CAAP if the project results in fewer GHG emissions per service population than the future no-project development based on existing land use designations at the project site. This emissions level must be documented using project-specific GHG emissions modeling. See Appendix G to the CAAP for more information.

CAAP implementation strategies are working towards achieving GHG reduction targets, and will help the City prioritize actions in future CAAP updates.

- The City will conduct an update of the community GHG inventory at least every five years to monitor progress of GHG reductions against the 2030 target.
- City staff will evaluate the CAAP and the CAAP Consistency Review Checklist every five years (at minimum), or when the General Plan undergoes a significant update, to determine whether CAAP updates are necessary.

IV. General Plan and PEIR

As indicated above, the PEIR analyzed the adoption of the 2030 Oxnard General Plan Update (General Plan). The General Plan Update is a comprehensive update of the 2020 General Plan, and is a long-range plan for the physical development of the City. The General Plan is intended to address changes in the City since preparation of the current 2020 General Plan. The 2030 General Plan establishes a planning framework and goals and policies through the year 2030 and replaces the existing 2020 General Plan in its entirety. The General Plan is intended to address key issues such as population growth, minimizing the loss of agricultural land, providing affordable housing, providing a better use of land, reducing incompatible development, addressing environmental issues such as GHGs, water supply, and alternative energy sources.

The General Plan Update is comprised of the following components:

- Chapter 2, Sustainable Community, was created in response to the emergence of global warming, climate change, and renewable and alternative energy production and conservation as critical issues related to long-term sustainable development. This chapter includes background information as these topics were not anticipated when the 2006 Background Report was prepared.
- Chapter 3, Community Development, establishes goals and policies for the distribution and intensity of land use types. The focus of this element is on revitalization of existing neighborhoods and new development within the community, and continued greenbelt and agriculture uses within the surrounding Planning Area.
- Chapter 4, Infrastructure and Community Services, sets goals and policies for traffic and circulation, long-term water supply, parks, public safety, schools, and other public and semi-public facilities and services.
- Chapter 5, Environmental Resources, addresses the conservation, development, and use of natural resources, and also explores the managed production of resources, significant buildings and historic sites, water resources, biological, and agricultural resources.
- Chapter 6, Safety and Hazards, addresses seismic and geologic hazards, flooding, tsunamis, hazardous materials and wastes, emergency preparedness, and other hazards.
- Chapter 7, Military Compatibility, is a State-recommended element focused on the City's geographic and functional relationship to the NBVC facilities and operations.
- Chapter 8, Housing Element, is a stand-alone document that is separately required by the State Department of Housing and Community Development. To meet mandated State

requirements and timelines, the Housing Element was prepared for adoption by the City Council on a separate schedule. The City Council adopted the 2021-2029 6th Cycle Housing Element on October 5, 2021.

- Chapter 9, Implementation, assigns the policies to various City departments for implementation. This chapter includes a procedure for determining consistency with the 2030 General Plan.

The PEIR analyzes the environmental impacts related to implementation of the General Plan Update. As no specific developments were proposed as part of the General Plan Update, the PEIR was prepared on a programmatic level.

The issue areas evaluated under the PEIR include the following, based on the CEQA Guidelines and Appendix G that was in effect at the time:

- | | |
|---------------------------------------|--|
| • Aesthetics | • Natural Hazards |
| • Agriculture and Soil Resources | • Mineral Resources |
| • Air Quality and Climate Change | • Noise |
| • Biological Resources | • Energy Resources and Conservation |
| • Cultural Resources | • Public Facilities Services |
| • Geologic, Seismic, and Soil Hazards | • Parks and Recreation |
| • Hazardous Materials and Uses | • Circulation, Traffic, and Transportation |
| • Land Use | • Utilities |

The PEIR determined the General Plan Update would cause significant and unavoidable impacts to transportation (level of service), climate change, agriculture (conversion of farmland) air quality (criteria air pollutants) and noise (noise and vibration). All other resources areas were determined to have impacts that were either less than significant or less than significant with mitigation. Mitigation measures adopted by the City take the form of new or modified policies in the 2030 General Plan.

V. Comparative Analysis of Impacts

As indicated above, Section 15162 of the CEQA Guidelines states that one of the conditions that would warrant preparation of a Subsequent EIR is if substantial changes are proposed in the project which would require major revisions of the EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. An analysis was conducted to compare the impacts of the CAAP with the impacts analyzed in the PEIR for the General Plan, using Appendix G of the 2022 CEQA Guidelines.⁷ As shown below in **Table 6, Comparison of the CAAP Relative to the PEIR**, the CAAP would not result in new significant impacts or substantially more severe significant project or cumulative impacts than those previously identified in the PEIR.

Since no new or substantially more severe significant impacts would occur as a result of the CAAP, a Subsequent EIR would not be required to evaluate the CAAP pursuant to Section 15162 of the CEQA Guidelines.

⁷ Note that Appendix G has undergone several changes since the PEIR was certified, and this Addendum uses the 2022 version of Appendix G in its analysis, as presented in Table 6.

TABLE 6
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
Aesthetics		
a) Scenic vista	Less than significant. Construction of future projects that could be facilitated by the General Plan could result in short term, temporary changes to local visual conditions that would be considered less than significant. Additionally, policies identified in the General Plan are designed to promote enhancement of the City's visual quality through preservation of existing open space, preservation of historic resources and neighborhoods and the incorporation of design features. While build out of the General Plan could result in changes to existing views, impacts are considered to be less than significant .	Implementation of the CAAP could result in short term construction impacts that would be temporary, minor and of relatively short duration. Implementation of the CAAP could result in minor, long-term adjustments to scenic vistas due to the construction of infrastructure such as ZEV charging stations or the installation of PV panels which could be visible from scenic vistas. Many of the CAAP strategies and implementing actions would result in beneficial impacts due to planting of tree and protecting open spaces. Some CAAP actions could result in long-term changes that could result in visual changes such as the construction of community solar projects or expansion of ZEV charging stations, or adjust existing roadway designs to include bike paths etc. Projects implementing the CAAP would be required to comply with design requirements policies presented in the General Plan to protect scenic vistas, and would not result in impacts that are more severe than those identified in the PEIR.
b) Scenic resources	Less than significant. While there are no officially designated state scenic routes within the Planning Area; however, both Highway 101 and State Route 1 are eligible to be scenic routes and the City and County have selected multiple routes for the City's Scenic Highway System. The General Plan includes goals and policies required to protect scenic resources including scenic routes and future development associated with the Project would be required to implement the community character goals and policies in the General Plan and would be subject to design review. Impacts are considered to be less than significant.	Strategies and implementing actions in the CAAP would not damage or affect scenic resources or scenic routes. While some actions included in the CAAP could result in short-term construction impacts that may be visible from scenic routes, such impacts would be no worse than those identified in the PEIR. Additionally, all projects implementing CAAP actions would be required to comply with the goals and policies in the General Plan designed to protect community character and scenic resources. Implementation of the CAAP would not result in impacts that are more severe than those identified in the PEIR.
c) Conflict with zoning and other regulations governing scenic quality	Not evaluated in the PEIR	Projects implementing the CAAP would be required to be consistent with General Plan policies intended to protect scenic quality. Therefore, implementation of the CAAP would not result in any new impacts with respect to this criterion.
d) Light and glare	Less than significant Build out of the General Plan would increase the amount of light and glare in areas that currently have no existing sources of development related light and glare. The General Plan also includes several policies designed to minimize light and glare impacts the application of which would reduce impacts to a less than significant level.	Implementation of the CAAP could result in some small adjustments to existing development, such as building retrofits or rooftop solar PV projects which could create minor sources of light and glare. Solar PV panels are constituted of multiple solar cells which are designed to capture solar energy in order to convert it into usable energy. Therefore, solar panels are designed to be as absorptive as possible in order to maximize the efficiency of energy production. Additionally, PV panels typically are covered with a tempered glass layer that is treated with an anti-reflective coating that further reduces the reflectivity of the panels. When compared to common reflective surfaces, solar panels without an anti-reflective coating are found to produce around the same amount of reflectivity as water, which is about half the amount of reflectivity as

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
		standard glass that is commonly used in residential or commercial applications (Shields 2010). Additionally, the solar projects that would be facilitated by the CAAP are likely to be small projects located on rooftops or in parking lots and would not include large arrays of panels. Rooftop solar projects would be required to comply with the City of Oxnard's requirements and standards for rooftop solar projects which are contained in Article 24 of the Municipal Code. Furthermore, all projects would be required to comply with the policies identified in the General Plan that are intended to minimize impacts from light and glare. Impacts would not be greater than what was disclosed in the PEIR. Thus, similar to the PEIR, implementation of the CAAP would have a <i>less-than-significant</i> impact.
Agriculture and Forestry Resources (Agriculture and Soil Resources in PEIR)		
a) Prime Farmland, Unique Farmland, or Farmland of Statewide Importance	Significant and Unavoidable. Implementation of the General Plan would convert up to 2,000 acres of important farmland due to future development. The General Plan does include policies intended to preserve farmland and agricultural resources. However, even with implementation of these policies, impacts would remain significant and unavoidable.	The CAAP does not include any policies that would result in development that could convert agricultural land. Additionally, the CAAP includes strategies to preserve agricultural land and open space and to encourage the City to work with partners to prepare the agricultural industry for the impacts of climate change. Therefore, implementation of the CAAP would have beneficial impacts to important farmland and would not result in impacts that are more severe than those identified in the PEIR.
b) Zoning for agricultural use or Williamson Act contract	Less than Significant. Implementation of the General Plan could result in the conversion of up to 300 acres of land under Williamson Act contract. The General Plan also includes policies intended to protect agricultural resources. Therefore, impacts of the General Plan on Williamson Act contracts are considered less than significant.	Implementation of the CAAP would involve projects that would be located within the urbanized areas of the City, such as retrofits of existing buildings, new EV charging stations, and new or expanded bike routes etc. Projects that would be facilitated by the CAAP are expected to be located within areas used for agricultural operations or within areas that are under Williamson Act contract; implementation of the CAAP is not expected to result in conflicts with parcels under Williamson Act contracts, and would not result in impacts that are more severe than those identified in the PEIR.
c) Conversion of Farmland or forest land to non-agricultural/forest land use	Less than Significant. Implementation of the General Plan could result in indirect "edge effects" that could impact agricultural resources such as noise dust, odors etc. However, policies and implementation programs that are included as a part of the General Plan would reduce the potential for these impacts to a less than significant level.	The CAAP does not change the land use designations in the General Plan. As described above, implementation of the CAAP would involve projects that would be located within the urbanized areas of the City, such as retrofits of existing buildings, new EV charging stations, and new or expanded bike routes etc. Such projects are not expected to involve major construction that could result in indirect impacts to agricultural land uses. Implementation of the CAAP would not result in impacts that are more severe than those identified in the PEIR.
d) result in substantial erosion or loss of topsoil	Less than Significant. Some locations within the Planning Area of the General Plan are identified as areas with a High to Very High susceptibility to erosion although most areas within the Planning Area have a moderate susceptibility to erosion. Development within the planning area could result in an increase in erosion due to an increase in impervious surfaces and short-term construction	Implementation of the CAAP is not likely to result in an increase in impervious surfaces that in turn could result in an increase in erosion. Conversely, the CAAP includes strategies (e.g., SF-1 and SF-5) to reduce stormwater runoff and flooding through low-impact development and more green infrastructure (e.g., bioswales, green roofs, rain gardens, pervious surfaces, etc.), which in turn will

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
	activities. Policies included in the General Plan would require the City to minimize erosion impacts through the protection of open space and agricultural lands. Additionally, projects resulting from the General Plan would be required to comply with local and state requirements for erosion control and grading. Therefore, impacts are less than significant.	reduce erosion and loss of topsoil. While implementation of the CAAP could result in some construction of projects, construction is expected to be minor, and impacts would not be greater than what was disclosed in the PEIR. Additionally, projects implementing the CAAP would be required to comply with state and local requirements including General Plan policies for erosion prevention which would ensure impacts are less than significant. Therefore, as with the PEIR, impacts would be less than significant.
e) result in coastal wave or beach erosion	Less than Significant. Coastal erosion is caused by wave action from high winds or tides and can be exacerbated by human activities such as building sea walls and jetties. Rising sea levels are accelerating coastal erosion. Buildout of the General Plan would introduce very little development along the coastline. Additionally, the General Plan includes policies that would minimize development impacts in areas subject to beach erosion and includes other goals and policies related to the preservation of coastal areas. Therefore, impacts would be less than significant.	Implementation of the strategies included in the CAAP is not likely to result in development projects along the coastline that could worsen coastal erosion. Additionally, coastal erosion is worsened by rising sea levels which are caused by rising global temperatures. The CAAP includes strategies to reduce GHG emissions, which is needed at a global scale to slow global warming along, which contributes to rising sea levels and worsening coastal erosion. Additionally, while the CAAP does not include specific strategies or policies to address sea level rise, the Community Vulnerability and Adaptation chapter of the CAAP identifies strategies to increase the resilience of the Oxnard community and infrastructure to climate change impacts such as increased erosion (see Table 5). Therefore, the CAAP would result in beneficial impacts and would not result in impacts that are more severe than those identified in the PEIR.
Air Quality		
a) Conflict with air quality plan	Less than significant. The Ventura County Air Pollution Control District Air Quality Management Plan uses population forecasts from the Southern California Association of Governments (SCAG) which are incorporated into the Regional Transportation Improvement Program (RTIP). The population growth assumptions used in the General Plan project a population in 2030 that is less than that forecasted by SCAG. Therefore, implementation of the General Plan would not result in conflicts with an air quality plan and impacts would be less than significant.	The CAAP uses updated population forecasts from SCAG that are lower than the population forecasts used in the General Plan. The CAAP would not generate population growth that could create conflicts with the population assumptions used in the VCAPCD AQMD. Additionally, while the goal of the CAAP is to reduce GHG emissions through strategies such as reductions in VMT, increases in energy efficiency and the use of renewable energy these changes would also result in beneficial impacts to air quality. While implementation of the CAAP could result in the construction of small infrastructure projects, construction of these projects is not expected to result in conflicts with the AQMP, and would not result in impacts that are more severe than those identified in the PEIR. Therefore, similar to the PEIR, the CAAP would result in less than significant impacts.
b) Criteria air pollutants	Significant and Unavoidable. The General Plan would facilitate future population growth that could result in additional local and regional vehicle emissions that could contribute to the VCAPCD's nonattainment status. While policies included in the General Plan would reduce pollution impacts from development and population growth, impacts would remain significant and unavoidable.	Implementation of the CAAP could result in the construction of new infrastructure such as EV charging stations, rooftop solar PV, bike paths, and pedestrian pathways. These types of projects are not likely to require significant construction that would result in criteria air pollutants that would exceed the SCAMQD's project-level significance thresholds. Their construction would not result in impacts that are more severe than those identified in the PEIR. The CAAP is designed to reduce GHG emissions generated within the city by

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
		increasing the use of zero emissions vehicles, reducing VMT, using renewable energy, increasing energy efficiency, planting trees, increasing urban greening, etc. While these measures would reduce GHGs, they would also improve overall air quality in VCAPCD by reducing the emissions of criteria air pollutants. Therefore, CAAP implementation would not result in impacts that are more severe than those identified in the PEIR.
c) Sensitive receptors	Less than significant. Construction of projects implementing the General Plan could cause temporary, short-term emissions of various air pollutants including reactive organic gases (ROG), nitrous oxides (NOx), and particulate matter (PM10 and PM 2.5) that could expose sensitive receptors to pollutants. However, the General Plan also includes a number of policies that are intended to reduce the impacts of pollution on sensitive receptors and ensuring that future development includes compatible land uses or mitigation to lessen the impacts of pollution on sensitive receptors. Incorporation of policies included in the General Plan that are designed to reduce construction related emissions would reduce the potential for sensitive receptors to be impacted by air pollution. Therefore, impacts would be less than significant.	Implementation of the CAAP could result in the construction of new infrastructure such as EV charging stations, rooftop solar PV, bike routes, pedestrian pathways, and recycled water pipeline infrastructure. Construction of these types of projects is expected to be minor and is not likely to require significant construction that could expose sensitive receptors to substantial toxic air contaminant emissions. Additionally, the construction of projects to implement the CAAP would be required to comply with the policies outlined in the General Plan to reduce air pollution impacts. Construction would not result in impacts that are more severe than those identified in the PEIR. The CAAP also includes strategies to prioritize urban greening near vulnerable communities and sensitive receptors in order to reduce the impacts of air pollution which would result in a beneficial impact under this criterion. The CAAP is intended to reduce GHG emissions generated within the city by increasing the use of zero emissions vehicles, reducing VMT, using renewable energy, increasing energy efficiency, planting trees, and increasing urban greening. While these measures would reduce GHGs, they would also improve overall air quality in VCAPCD and reduce air pollution near sensitive receptors. Therefore, impacts would be no more severe than those identified in the PEIR.
d) Objectionable odors	Less than significant. Buildout of the General Plan could result in construction activity that would require the operation of equipment which may generate exhaust from gasoline or diesel fuel. Additionally, construction of new buildings may require paint and the paving of roads could generate odors. However, these odors are expected to be temporary, short-term, and minor. Future residential and commercial development could result in minor, odor-generating activities such as the use of barbecues and garden equipment. However, these types of odors are typical and the City has a number of policies which would address nuisance odors. Therefore, impacts are less than significant.	Construction associated with implementation of the CAAP is expected to be minor and would not result in significant odors or to long-term increases in odors. With regards to potential operational odors, the CAAP includes strategies to increase composting and address waste management within the City. However, these projects would also be subject to city policies governing nuisance odors which would reduce impacts to a less than significant level. Further, these projects would be subject to SMAQMD rules for controlling nuisance emissions, such as those leading to odors, from community sources, including SCAQMD Rule 402, 410, 1138, and 1133. CAAP implementation would not result in impacts that are more severe than those identified in the PEIR.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
Biological Resources		
a) Special status species	Less than Significant. A majority of the Planning Area consists of agricultural and urban land uses; however riparian habitat is present near the Santa Clara River and Marine Coastal Scrub, and Saline Emergent Wetland habitats can be found along the western or coastal portion of the planning area. Sensitive plant species are known to occur in these habitats. Implementation of the Project could result in some development in these areas which could have a significant effect on sensitive habitats and special status species due to 1) the conversion of sensitive habitats to development sites, 2) increased interaction between wildlife and humans, and 3) habitat fragmentation. However, the General Plan also includes the designation of habitat areas in order to protect habitat and includes policies and measures created to protect and preserve biological resources. Generally, the buildout of the General Plan would focus development away from sensitive habitat areas and would implement a number of comprehensive policies designed to minimize biological resource impacts. Impacts would be less than significant.	Construction associated with implementation of the CAAP would likely be located in the developed areas of the City and not in areas of the City that contains habitat supporting special-status species. Additionally, the CAAP contains strategies and implementing actions that would encourage the preservation of agricultural lands, open space, and wetlands, which would result in habitat preservation and would support biodiversity within Oxnard (Strategy N1 and implementing actions). Therefore, implementation of the CAAP would have long-term beneficial impacts for special status species. CAAP implementation would not result in impacts that are more severe than those identified in the PEIR.
b) Riparian habitat or other sensitive natural community	Less than Significant. Areas along the Santa Clara River contain Valley Foothill Riparian, Annual Grassland, Marine, and other sensitive natural communities and habitats. The coastal area of the Planning Area, specifically the southwestern portion, contain Saline Emergent Wetland and Marine habitats. Policies and implementation measures included as part of the General Plan would minimize impacts to these sensitive natural communities or habitats. Specifically, the General Plan includes policies to protect preserve and enhance wetland and lagoon habitats, protect the coastline, and habitat along the Santa Clara River. Therefore, because the General Plan would focus future development away from sensitive habitat and would include policies to protect sensitive habitats, the Project would have a less than significant impact.	The CAAP does not change the land use designations of the 2030 General Plan, and does not include strategies or implementation actions that encourage development in areas of the City that contain riparian habitat or sensitive natural communities. Construction associated with implementation of the CAAP would likely be located in the developed areas of the City and not in areas of the City that contains habitat supporting special-status species. Additionally, the CAAP includes strategies and implementation actions to protect habitats and green spaces in order to increase carbon sequestration (Strategy N1 and associated implementation actions). No new impacts are identified With CAAP implementation. Therefore, as with the PEIR, the CAAP would have a less than significant impact.
c) Federally protected wetlands	Less than significant. Development resulting from build out of the General Plan could result in indirect and direct adverse impacts to saline emergent wetland and marine habitats in the Planning Area. There are a number of policies and implementation measures included in the General Plan that would minimize these impact including policies to encourage preservation of Ormond Beach Mugu Lagoon, the Santa Clara River, and McGrath Lake as well as other policies to reduce encroachment on sensitive habitats and require mitigation to avoid impacts to sensitive habitat areas. Therefore, impacts would be less than significant.	The CAAP does not change the land use designations of the 2030 General Plan, and implementation of the CAAP would not involve development or construction in wetland areas. Additionally, the CAAP includes strategies and implementation actions to protect habitat areas such as wetlands in order to increase carbon sequestration (Strategy N1 and associated implementation actions). No new impacts are identified With CAAP implementation. Therefore, as with the PEIR, the CAAP would have a less than significant impact.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
d) Movement of any native resident or migratory fish or wildlife species	Less than Significant. Several areas within the Planning Area (in particular the Santa Clara River and the riparian areas that border it) are used as migration corridors for wildlife. Development resulting from build out of the General Plan has the potential to cause an increase in vehicular traffic levels and nighttime light levels near sensitive habitat areas which could deter wildlife movement in the area. However, policies and implementation measure that would be included as part of the General Plan would minimize the impact of development on wildlife migration corridors. Impacts would be less than significant.	Projects implementing the CAAP would not increase vehicular traffic or noise near sensitive habitats or wildlife migration corridors. Additionally, the CAAP is not likely to encourage projects that would be built near wildlife migration corridors and could have indirect impacts on wildlife movement. Finally, the CAAP includes strategies and measures that encourage the preservation of open space, green ways, and habitat which has the potential to have long-term beneficial impacts on the movement of wildlife. No new impacts are identified With CAAP implementation. Therefore, as with the PEIR, the CAAP would have a less than significant impact.
e) Local policies or ordinances protecting biological resources	Less than significant. The General Plan has been developed to include policies designed to protect a variety of biological resources including trees. Future projects resulting from the General Plan would be required to comply with all relevant policies and ordinances relating to tree preservation and the preservation of biological resources. The General Plan is consistent with the Local Coastal Plan and the Coastal Zoning Code. As the General Plan includes a number of policies and implementation actions intended to protect biological resources, buildout of the General Plan would not conflict with local policies or ordinances protecting biological resources and impacts would be less than significant.	The CAAP is not expected to result in large development projects that could create a conflict with policies intended to protect biological resources. Additionally, any projects that result from the CAAP would be required to comply with the policies included in the General Plan that are intended to protect biological resources, and would not result in impacts that are more severe than those identified in the PEIR. No new impacts are identified With CAAP implementation. Therefore, as with the PEIR, the CAAP would have a less than significant impact.
f) An adopted Habitat Conservation Plan	No impact. Neither an HCP nor an NCCP has been prepared for a jurisdiction that would apply to the Oxnard Planning Area. As such, no conflict between the policies and goals of the General Plan and the policies of an adopted HCP or NCCP exist. Consequently, there is no impact.	There are no designated HCPs or NCCPs within the City of Oxnard. Therefore, implementation of the CAAP would not result in a conflict with a designated HCP or NCCP. There would be no impact.
Cultural Resources		
a) Historical resource	Less than significant. There are 31 recorded previously recorded historic resources within the Planning Area. Development and infill activities have the potential to threaten historic resources. A key goal of the General Plan is to preserve cultural resources. In particular, the Community Development Chapter includes policies designed to protect historic qualities of the City and the City's unique historic and traditional neighborhood. The General Plan includes a policy that requires infill development to respect historic structures and be of a comparable scale and character to surrounding historic areas. As a result, with implementation of policies intended to protect historic resources, impacts would be less than significant.	Implementation actions included in the CAAP are not likely to result in large development projects that could impact historic resources. While implementation of the CAAP could result in the construction of EV charging stations, retrofitting of buildings to improve energy efficiency, or the construction of bike lanes or other transit improvements, these types of developments are expected to require minor construction and are not expected to create inconsistencies in neighborhood character. Additionally, any projects resulting from the CAAP would be required to be consistent with the policies presented in the General Plan to protect historic resources. Implementation of the CAAP would not result in impacts that are more severe than those identified in the PEIR. Therefore, as with the PEIR, the CAAP would have a less than significant impact.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
b) Archaeological resources c) Human remains	Less than significant. The Planning Area contains number prehistoric cultural resources including 12 prehistoric sites and 7 isolates. It is possible that archaeological deposits could be encountered in the Planning Area. However, due to the fact that the Planning Area is a flat, alluvial plain, the probabilities for prehistoric sites would be low in the area south of the Santa Clara River. Regardless archaeological resources and/or human remains could be damaged or inadvertently unearthed during ground-disturbing activities. The General Plan includes policies that establish protocols for the identification of archaeological resources, identify resource discovery measures and require development applicants to conduct records searches. In order to reduce potentially significant impacts to archaeological resources to a less than significant level additional mitigation measures in the form of additionally General Plan policies are required. Modified Policy ER-12.6 requires that grading and construction work on project sites be suspended if archaeological features are found until the significance of the feature can be determined by a qualified archaeologist or paleontologist. Modified Policy ER-12.9 requires that the city consult with Native American representatives regarding cultural resources in order to identify locations of importance to Native Americans, including archaeological sites and traditional cultural properties. Coordination with the Native American Heritage Commission should begin at the onset of a particular project.	Implementation of the CAAP is not expected to result in projects that would require significant earthwork outside of previously disturbed areas. Implementing projects are likely to be located in developed areas of the City that have been previously disturbed and where the potential for disturbance of a prehistoric resource or human remains is not as high. Additionally, the incorporation of modified General Plan policies ER-12.6 and ER-12.9 would ensure that tribal and archaeological experts are consulted in the event that an archaeological resource is discovered during earth work on a project site. Implementation of the CAAP would not result in impacts that are more severe than those identified in the PEIR. Therefore, as with the PEIR, the CAAP would have a less than significant impact.
Energy		
a) Energy consumption b) Plan for renewable energy or energy efficiency	Less than significant. New development anticipated with buildout of the Project would be the primary contributor to increased energy use within the Planning Area. New development could place increased demand on regional energy generation, transmission, and distribution facilities. Development has the potential to require the construction of new energy generation facilities. As no energy generation facilities are proposed as part of the General Plan, the environmental impacts of such facilities will be evaluated on a project-by-project basis. The General Plan includes policies that are intended to reduce energy consumption and increase the use of renewable energy. These include policies to increase the use of solar and wind generation and increase the use of waste conversion to energy facilities. The General Plan also includes policies to increase energy efficiency higher than Title 24 requirements and to encourage green building design, and encourage land uses and projects that reduce VMT. With implementation of these policies, impacts would be less than significant.	A primary objective of the CAAP is to reduce GHG emissions to 40 percent below 1990 levels by 2030. Some of the key strategies in the CAAP to reduce GHG emissions include procuring zero carbon electricity, increasing solar energy generation, developing microgrids and energy storage, improving the energy efficiency of buildings, supporting the expansion of ZEV infrastructure, transitioning city fleets to greener alternatives, and supporting transit in order to reduce VMT. Together these strategies will result in significant long-term reductions in energy consumption and will reduce the City's reliance on fossil fuels. While the construction of projects to implement these strategies may require short-term increases in energy consumption, that increase will be outweighed by the long-term reductions in operational energy consumption. Additionally, by reducing the City's reliance on grid-supplied energy, increasing local renewable energy production, and increasing the energy efficiency of buildings within the City, the CAAP would support state, regional, and local plans for renewable energy and energy efficiency. The CAAP would have beneficial impacts with regard to these criteria and would have no adverse impact on either energy consumption or any plan for renewable energy or energy efficiency.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
Geology and Soils		
a) Exposure to potential substantial adverse effects from rupture of a known earthquake fault, seismic groundshaking, seismic ground failure, or landslides	Less than significant. Most of the Planning Area is susceptible to earthquake related risks as well as liquefaction due to underlying alluvial deposits and high groundwater levels. The General Plan includes a number of policies and implementation measures would minimize the impact of these geologic hazards. The policies include the preparation of soil, geologic, or structural evaluation reports, requiring that new construction adhere to the Uniform Building Code, and that the City avoid development in areas of the City with known geologic hazards. With the implementation of these policies, impacts would be less than significant	Implementation of the CAAP could result in the development of structures such as EV charging stations and bike paths that do not expose people to potential seismic hazards. Other potential projects, such as resilience hubs, and retrofits of existing buildings with more efficient energy and water systems, would involve construction that would have to be done in compliance with the City's building code and requirements regarding soil, geologic, or structural evaluation. Additionally, any projects implementing the CAAP would be required to comply with the policies identified in the General Plan to reduce exposure to seismic risks as well as state law intended to reduce exposure to seismic risks, including the Uniform Building Code. They would not result in impacts that are more severe than those identified in the PEIR. Therefore, similar to the PEIR, impacts would be less than significant.
b) Substantial soil erosion	Evaluated under Agriculture and Soil Resources	Evaluated under Agriculture and Soil Resources
c) Geologic unit or soil that is unstable	Less than Significant. The Planning Area is not located within or bisected by a delineated Alquist-Priolo Earthquake Fault Zone; however, seismic-related hazards exist because of the proximity to active faults. Other geologic characteristics found in the Planning Area increase the likelihood for subsidence, liquefaction, and lateral spreading. The Planning Area is primarily level and has not been identified as being within a zone requiring investigation for earthquake-induced landslide Portions of the Planning Area near Hueneme Road and Rice Avenue are subject to subsidence and seismic ground shaking which can induce further subsidence. The General Plan includes a number of policies which address the issue of subsidence. Additionally, policies in the General Plan require soil, geologic, or structural evaluation reports to be prepared as part of the approval process of new structures and the General Plan includes policy to avoid new construction in areas with known geologic hazards. With the incorporation of these measures, impacts would be less than significant.	Implementation of the CAAP could result in the development of some structures such as EV charging stations, resilience hubs, or the retrofitting of existing buildings with more efficient energy and water systems. Such projects would be required to comply with the policies identified in the General Plan to reduce exposure to seismic risks as well as state law intended to reduce exposure to seismic risks. Compliance with these regulations and policies would ensure that any structures are located outside of areas with known geologic hazards and that they are constructed using methods to reduce the impacts of unstable geology. Construction of these projects would not result in impacts that are more severe than those identified in the PEIR. Therefore, similar to the PEIR, impacts would be less than significant.
d) Expansive soil	Less than Significant. Expansive soils are found throughout Ventura County but are concentrated in a few places including portions of the Ojai valley, the Camarillo Hills, and areas around the City of Moorpark. Potential impacts associated with expansive soils are considered to be minimal as soils and engineering reports which consider expansive soils are required as part of the development approval process. These reports identify whether expansive soils are present and whether engineering solutions are possible to minimize damage from expansive soils. Additionally, the General Plan includes additional policies developed to reduce the risk of impacts from geologic hazards and soil hazards. Therefore, with implementation of these measures, impacts would be less than significant.	Implementation of the CAAP has the potential to result in projects that could be located in areas with expansive soils. While the CAAP would not result in large developments, small projects such as resilience hubs could be located on expansive soils. An evaluation of expansive soils would be required through the development approval process which would reduce the potential for projects implementing the CAAP to be impacted by expansive soils. Additionally, projects implementing the CAAP would be required to comply with policies in the General Plan intended to reduce impacts of geologic hazards. Construction of these projects would not result in impacts that are more severe than those identified in the PEIR. Therefore, similar to the PEIR, impacts of the CAAP would be less than significant.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
e) Soils incapable of supporting septic tanks or alternative waste water disposal systems	Not evaluated in the PEIR.	Implementation of the CAAP is not expected to result in projects that require septic tanks or alternative waste water disposal systems. In the event that wastewater services are required for a project implementing the CAAP (such as a new resilience hub), sewer services would be provided by the City of Oxnard. No new impacts associated with this criterion are identified with implementation of the CAAP.
f) Destroy a unique paleontological resource or geological feature	Less than Significant, with mitigation. Policies within General Plan establish protocols to address archaeological resources including preproject activities and resource discovery measures, as well as policies that require development applicants to conduct records searches, and that require compliance with CEQA guidelines if human remains of possible Native American origin are discovered during project construction. In addition, the PEIR includes a mitigation measure that requires that grading and construction work on the project site be suspended until the significance of the features can be determined by a qualified archaeologist/paleontologist in the event that archaeological/paleontological resources are discovered during site excavation. With implementation of this mitigation measure, impacts would be less than significant.	Any project resulting from Implementation of the CAAP would have to follow the same General Plan policies and mitigations, and would not result in impacts that are more severe than those identified in the PEIR.
Greenhouse Gas Emissions (Air Quality and Climate Change in PEIR)		
a) GHG emissions b) Plan to reduce GHG emissions	Significant and Unavoidable. Buildout of the General Plan would result in population growth and would result in both stationary and mobile sources of GHG emissions as a result. Construction of projects would result in short-term emissions of CO₂ from construction equipment during grading and excavation and other building activities. Actual significance of construction emissions would be determined on a project level basis. Operational impacts would result from local and regional vehicle emissions generated from future population growth associated with buildout of the proposed Project. Direct emissions from project vehicle traffic could result in an additional 10,736 metric tons of CO₂ per year. This estimate does not include indirect emissions from electricity usage. The Project could conflict with state AB 32 goals to reduce greenhouse gas emissions. In order to reduce impacts to the greatest extent feasible, the following new policies and implementation measures are proposed. - Policy SC-1.4: Support Climate Action Team Emission Reduction Strategies. The City will continue to monitor the activities of the Climate Action Team (CAT) as they continue to develop a recommended list of emission reduction strategies. As appropriate, the City will evaluate each new project under the updated General Plan to determine its consistency with the CAT emission reduction strategies. - Policy SC-1.5: Support Offsite Measures to Reduce Greenhouse Gas Emissions. The City will support and encourage the use of off-site	As described in the Project Description, above, the CAAP is intended to implement General Plan Policy SC-1.3 to develop a Climate Action and Adaptation Plan that supports the region's Sustainable Communities Strategy. The CAAP establishes a target to reduce GHG emissions in the City to 40 percent below 1990 levels by 2030. This target is consistent with the statewide GHG target mandated by SB 32. The CAAP includes strategies and actions to reduce emissions and demonstrates how the City will achieve the 2030 target. The CAAP is also closely aligned with the Regional Transportation Plan and Sustainable Communities Strategy for Southern California, the Oxnard General Plan, the Oxnard Energy Action Plan, the Bicycle and Pedestrian Facilities Master Plan and other regional and local plans to reduce GHG emissions. The CAAP will reduce GHG emissions within the City of Oxnard and it is consistent with state and regional plans to reduce GHG emissions. While a minor amount of temporary emissions may result from construction of some CAAP projects, implementation of the CAAP will result in long term cumulative reductions in GHG emissions in the City of Oxnard. The CAAP would have beneficial impacts with regard to GHG emissions and thus would have no adverse impact.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
	measures or the purchase of carbon offsets to reduce greenhouse gas emissions. Implementation Measure 55.0: The City shall develop and maintain a Climate Change Action and Adaptation Plan (CCAAP). The CCAAP shall include the following elements: an emissions inventory, emission reduction targets, applicable greenhouse gas control measures, and monitoring and report plan. However, even with implementation of these policies, impacts would be significant and unavoidable.	
Hazards and Hazardous Materials		
a) Routine transport, use, disposal, or b) release of hazardous materials	Less than significant. Hazardous materials are regularly used, transported, and disposed of in the City of Oxnard. The development of additional residential, commercial, and industrial uses would increase the amount of hazardous materials transported, used, or disposed of in the City. The General Plan includes many policies and implementation measures developed to reduce exposure to hazardous materials. Policies include requirements to prevent hazardous materials accidents, the designation of truck routes for hazardous materials, requirements for proper handling, and disposal or recycling of hazardous materials, land use considerations and land use compatibility and reporting requirements. Therefore, with the implementation of these policies and measures, impacts are considered less than significant.	Implementation of the CAAP could involve the construction of EV charging or hydrogen fueling infrastructure, the installation of PV panels, and other projects that could involve the use and transport of hazardous materials during Project construction. Projects implementing the CAAP would be required to comply with state requirements that regulate the use and transport of hazardous materials as well as the policies and implementation measures established in the General Plan. The implementation of these policies and measures would ensure that CAAP implementation would not result in impacts that are more severe than those identified in the PEIR.
c) Hazardous materials within 0.25 mile of a school	Less than significant. Buildout of the General Plan would result in population growth and could necessitate the construction of new schools. The location of new schools would be evaluated based on their proximity and potential exposure to hazardous materials and would be required to comply with state requirements regarding the siting of schools near areas with potential exposure to hazardous materials and natural hazards. Additionally, policies included as part of the General Plan would minimize impacts including policies that require that hazardous land uses and industrial land uses be located away from sensitive land uses. With the implementation of these policies impacts would be less than significant.	Implementation of the CAAP would not result projects that would routinely emit hazardous emissions or handle hazardous materials. The development of energy or transportation infrastructure could require the use of hazardous materials during construction. However, these projects would be required to comply with General Plan policies regarding the use of hazardous materials near sensitive uses and the separation of incompatible land uses such as industrial land uses and sensitive receptors. Compliance with these policies as well as state regulations would ensure that CAAP implementation would not result in impacts that are more severe than those identified in the PEIR.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
d) Locate development on a hazardous waste site	Less than significant. The Planning Area contains numerous hazardous sites including LUST sites, ASTs, and solid waste collection sites. Most of these sites are undergoing cleanup while others are being assessed for cleanup. It is possible that additional uncatalogued hazardous waste sites exist such as dry cleaners, gas stations, and railroad rights-of-way. The General Plan includes several policies and implementation measures that have been developed to address hazardous materials sites including creating an inventory of hazardous waste sites, regulating the use and generation of hazardous waste sites, and required compliance with federal, state, and local regulations regarding hazardous materials. Implementation of these measures would ensure that impacts are less than significant.	Projects implementing the CAAP would be required to comply with policies in the General Plan intended to protect the public from hazardous waste, ensure compatibility of land use, and prevent hazardous waste accidents as well as federal, state, and local regulations that govern the use of hazardous materials and siting of sensitive land uses near hazardous waste sites. Compliance with these policies and regulations would ensure CAAP implementation would not result in impacts that are more severe than those identified in the PEIR.
e) Hazards related to a public airport or private airstrip	Not included in the PEIR.	The implementation of the CAAP would not result in new or relocated residential land uses, other types of noise-sensitive receptors, or new places of permanent employment where residents or workers could be exposed to a safety hazard or excessive noise. Therefore, the CAAP would not expose residents or workers to a safety hazard or excessive noise levels. No impact would occur.
f) Interfere with an adopted emergency response plan	Less than Significant. Buildout of the Project would result in an increase in traffic that could interfere with response times at intersections with less than LOS C service. These impacted intersections are a part of the Intelligent Transportation System (ITS) and their signals controlled by the City Traffic Engineer who will have the ability to set signals for emergency vehicle routing. Additionally, the General Plan includes a number of policies that require the adequate provisions of emergency services and routes and policies regarding emergency coordination between agencies and emergency response providers and policies to improve traffic circulation and impacts to City roadways.	In order to achieve GHG reduction goals and reduce VMT, the CAAP includes strategies to increase bike lanes and improve access to local transit services. Additionally, the CAAP includes community preparedness strategies (see Table 5) to improve emergency communications as well as emergency response and evacuation procedures. By encouraging the use of transit, improving access to transit, and improving emergency evacuation communications and procedures, implementation of the CAAP would result in beneficial impacts to emergency plans.
g) Expose people or structures to a significant risk of loss, injury or death involving wildland fires?	Evaluated in Wildfires	Evaluated in Wildfires
Hydrology and Water Quality		
a) Water quality standards or waste discharge requirements b) Decrease groundwater supplies or interfere with groundwater recharge to impede sustainable	Less than Significant. The City has a comprehensive Water Management Program that outlines the City plans to provide adequate water supply to meet forecasted demands while protecting the health of the groundwater aquifer. The City is also working with groundwater managers on groundwater management programs. Continued implementation of existing groundwater management programs (including groundwater recharge through the Freeman Diversion project and the Las Posas Aquifer Storage Project) and the City's planned water recycling effort through it's GREAT and Augmented M&I Supplemental Water	The CAAP would not result in an increase in water demand and would not increase pressure on groundwater resources. The CAAP includes strategies to reduce water consumption through water conservation and increases in water recycling which may reduce local pressure on groundwater resources. Projects implementing the CAAP are not expected to result in direct pollutant releases. While construction of projects would be necessary and could result in minor releases of pollutants from construction, the impact is expected to be minor. Projects implementing the CAAP would be required to comply with state

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
groundwater management e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	Programs will help to ensure that the City will be able to meet long term water demands and ensure sufficient groundwater recharge. The General Plan includes policies that address water supply and groundwater issues such as encouraging the City to continue water conservation and a policy that calls for adherence to the Ventura County Regional Water Quality Planning Program's recommendations regarding groundwater quality and extractions. Additionally, the City in 2009 implemented a policy that requires CEQA discretionary projects to be water neutral to the City's water system. Therefore, with the implementation of these policies, impacts would be less than significant. Buildout of the General Plan could impact the quality of runoff and pollutant loadings to receiving waters. The City must comply with provisions of the Clean Water Act including federal water quality, waste discharge, and total maximum daily load standards. Policies in the General Plan would reduce impacts such as policies to ensure sufficient stormwater drainage capacity, as well as continued compliance with state and federal standards. With implementation of these policies, impacts would be less than significant	and local requirements regarding water quality and waste discharge. Additionally, the CAAP includes strategies to reduce urban runoff and increase stormwater drainage capacity, as well as other strategies to reduce urban flooding (See Table 5). With respect to these criteria, no new impacts are identified in association with CAAP implementation. Impacts would remain less than significant.
c) Alter drainage pattern such that substantial erosion or siltation occurs; flooding on- or off site occurs; or additional sources of polluted runoff occur; Alter drainage such that it impedes or redirects flood flows	Less than significant. Development of the Project would involve construction and grading activities that could result in altered drainage patterns and, as a result, an increase in erosion and downstream sedimentation of Planning Area drainages and waterways. Sediment and other associated pollutants entering receiving waters would result in adverse changes to water quality. The General Plan includes policies that would reduce impacts such as policies to expand stormwater drainage infrastructure, require continued compliance with federal water protection standards, and a number of measures to reduce sedimentation and erosion. With implementation of these policies, impacts would be less than significant.	Implementation of the CAAP could result in construction for EV charging stations, bike paths, solar PV systems and other similar infrastructure. Construction is anticipated to be temporary and minor and would not be expected to significantly alter drainage patterns onsite or increase erosion. Nonetheless, projects implementing the CAAP would be required to comply with policies in the General Plan intended to reduce erosion, sedimentation and alteration to drainage patterns, and would not result in impacts that are more severe than those identified in the PEIR.
d) Located in flood hazard, tsunami, or seiche zones, increasing risk release of pollutants due to project inundation	Less than significant. Some areas within the Planning Area are designated 100-year flood plains including areas along the Santa Clara River and areas along the coastline. Development resulting from buildout of the Project could expose housing and other developments to flooding hazards. Additionally, structures placed within floodplains also have the potential to alter the historic cause of flood waters that could exacerbate flooding hazards downstream. The General Plan includes policies which require the City to avoid development in areas with known flood hazards. Other policies include requiring participation in the National Flood Insurance Program. The General Plan also includes policies to improve emergency planning and emergency response services with regard to flood risk as well as policies to ensure development is protected from flooding impacts and to ensure that natural drainages are not impacted by development. Therefore, with implementation of these policies, impacts would be less than significant. There are a number of dams located near the Planning Area that, could inundate	The CAAP does not propose new housing or structures that would expose inhabitants to flooding. Additionally, projects implementing the CAAP would be required to comply with policies set forth in the General Plan to reduce the impacts of flood hazards. The CAAP includes strategies for increasing the City's resilience to flood hazards (See Table 5). These strategies include developing a flood impacts monitoring program, prioritizing low-impact development stormwater practices in new development projects, implementing green infrastructure projects, and updating portions of the stormwater drainage system that are outdated or not functioning properly. Therefore, the CAAP includes strategies that would improve conditions with regard to flooding. CAAP implementation would not result in impacts that are more severe than those identified in the PEIR.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
	the Planning Area if the dam were to fail. State and federal requirements regarding dam safety and dam inspection reduce the potential for flooding from dam failure, impacts are considered less than significant.	
Land Use and Planning		
a) Divide an established community	Less than significant. Development permitted by the General Plan includes a number of roadway improvements that extend roadways throughout the Planning Area. The expansion of roadways has the potential to divide a community. However, growth generated by the General Plan is intended to occur in a manner that preserves community character and connections within communities. Overall, new development is intended to represent a continuation of the existing urban area of the City. Additionally, the General Plan includes policies that would reduce the potential for development to divide communities including policies that address connectivity issues and establish the groundwork for cooperative transportation planning. Therefore, with the implementation of these policies, impacts would be less than significant.	The CAAP includes strategies to encourage the improvement of bike lanes and transit infrastructure as well as the creation of parks and greenspace all of which have the potential to have beneficial impacts with regard to this criterion. While the CAAP may result in the construction of some infrastructure projects and improvements, these projects would be required to be consistent with policies in the General Plan which encourage development patterns that create compatible land uses and avoid disruptions to communities. CAAP implementation would not result in impacts that are more severe than those identified in the PEIR.
b) Consistency with applicable land use plan, policy or regulation	Less than significant with Mitigation. There are no Habitat Conservation Plans or Natural Community Conservation Plans in the Planning Area. The General Plan was determined to be consistent with the Local Coastal Plan. In order to maintain consistency with the Ventura County Airport Land Use Compatibility Plan the General Plan included a required policy to remove the designation of an area within the Airport's Traffic Pattern Zone as a school designation. With the adoption of this policy, impacts are less than significant.	As described in the Project Description above, the CAAP is consistent with the Oxnard General Plan and implements a policy from the General Plan. Additionally, the CAAP is consistent with the Local Coastal Plan Update. The CAAP would not conflict with any local plan or policy, and its implementation would not result in impacts that are more severe than those identified in the PEIR.
Mineral Resources		
a) Known mineral resource or b) locally important mineral resource recovery site	Less than significant. Large portions of the Planning Area are designated as containing significant mineral resources; however, development has already occurred within these areas and the General Plan does not propose to place new development in areas designated as potentially containing mineral deposits. The General Plan includes policies designed to minimize the location of incompatible land uses and to regulated resource extraction activities. Therefore, impacts would be less than significant with the implementation of these policies	Most CAAP actions would not involve ground work or soil disturbance and; therefore, would not have the potential to disturb mineral resources. Projects implementing the CAAP that could disturb mineral resources due to groundwork or excavation would be located in areas of the City that are already urbanized and developed. As such, the implementation of projects that could involve groundwork would not result in the loss of mineral resource sites. No new impacts are identified in association with CAAP implementation.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
Noise and Vibration		
a) Exposure to noise levels in excess of standards	Significant and unavoidable. Build out of the General Plan would result in construction related noise that has the potential to result in an exceedance of “normally acceptable” noise ranges for a given land use. Build out of the proposed Project would also result in additional noise from traffic. Noise modeling shows that several roadway segments in the Planning Area would experience a significant increase in traffic noise. While policies included in the General Plan may reduce this impact, impacts would still be significant and unavoidable.	Implementation of the CAAP could result in projects that require construction; however, these projects would be relatively small and would not create a significant amount of construction noise. Additionally, the CAAP is expected to reduce total vehicle miles traveled (VMT) in the City, and reduce traffic noise as well, as fossil fueled vehicles are replaced with quieter electric vehicles over time. The projects that would be constructed as a result of implementation of the CAAP are not expected to result in significant amounts of operational noise. CAAP implementation would not result in impacts that are more severe than those identified in the PEIR.
b) Groundborne vibration	Significant and Unavoidable. Buildout of the General Plan could place new residential or employment densities near sources of vibration such as industrial land uses, airports, railroads etc which could result in a significant impact. While the General Plan includes policies to address groundbourne vibration, even with adoption of implementation measures, impacts would be significant and unavoidable.	The CAAP does not change the land use designations in the General Plan. Therefore, implementation of the CAAP would not result in impacts that are more severe than those identified in the PEIR.
Population and Housing		
a) Induce unplanned population growth b) Displace existing people or housing	Not evaluated in the PEIR.	The CAAP would not propose the construction of new housing nor would implementation of the CAAP displace existing housing or people. The CAAP would be consistent with the City's adopted 2021–2029 Oxnard Housing Element and would help in its implementation. Impacts would be less than significant.
Public Services		
a) Need for new public services or associated impacts related to fire protection, police protection, schools, parks, other public facilities	Less than Significant. Buildout of the General Plan will result in population growth and will increase demand for fire protection, police protection, schools, parks, and libraries. However, the cost for the expansion of each of these services would be covered by the increase in revenue from development and from developer fees resulting from buildout of the General Plan. The General Plan includes standards for the provision of public services and future projects for the expansion of public services will be reviewed on an individual basis. Impacts are considered less than significant.	The CAAP would not induce population growth and, as a result, would not increase demands for new or altered governmental facilities or additional public services. The CAAP includes strategies intended to improve the resilience of emergency response and preparedness infrastructure in the City, and to protect existing open space and green spaces (see Table 5), both of which would result in beneficial impacts with regard to this criterion. Implementation of the CAAP would not result in impacts that are more severe than those identified in the PEIR.
Recreation		
a) Deterioration of parks or other recreational facilities which would increase the	Less than Significant. Implementation of the General Plan would increase demands on parks services in the City. New parks will be required for future growth which will be reviewed on an individual basis by the City. The General	The CAAP would not increase population growth and, as a result, would not increase demands on public parks. The CAAP includes strategies to protect existing open space and green spaces which would have beneficial impacts with

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
need for or use of parks and recreational facilities	Plan includes policies that address standards for community park and recreation standards, identify additional parklands, and require the City to ensure that recreation facilities are sited to minimize negative impacts. With the implementation of these policies impacts would be less than significant.	regard to this criterion. Implementation of the CAAP would not result in impacts that are more severe than those identified in the PEIR.
Transportation		
a) Conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities	Less than Significant. The General Plan includes policies to promote increased transit services throughout the City which is intended to accommodate future transit demand and generate new transit riders through enhanced and improved service. The Circulation Diagram, prepared as part of the General Plan also includes a substantial increase in bicycle facilities throughout the City. Therefore, the General Plan would result in less than significant effects.	The CAAP includes strategies to improve transit effectiveness and accessibility (Strategy T4) and to expand infrastructure for pedestrians and bikes (Strategy T3). Therefore, implementation of the CAAP would result in beneficial impacts with respect to this criterion and would have no adverse impacts.
b) Conflict or be inconsistent with CEQA Guidelines section 15064.3 (vehicle miles traveled)	Not evaluated in the PEIR	The CAAP includes strategies to reduce VMT as a method for reducing GHG emissions. This includes strategies to expand infrastructure for pedestrians, bikes, and micro-mobility solutions (T3), increase transit effectiveness (T4), and expand car and bike sharing (T5). Therefore, the CAAP would have a beneficial impact with regard to this criterion and would have no adverse impact.
c) Hazards due to a design feature or incompatible uses	Not evaluated in the PEIR	Projects implementing the CAAP would not alter existing land uses in the City and would not result in an incompatible use. No new impacts are identified in association with CAAP implementation.
d) Inadequate emergency access	Not evaluated in the PEIR	As discussed in the Hazards and Hazardous Materials section, the CAAP includes strategies to improve emergency warning systems, response planning, and evacuation routes to ensure that systems are resilient to climate change impacts (see Table 5) which have the potential to improve emergency access. Additionally, projects implementing the CAAP would be required to comply with policies included in the General Plan that require that projects avoid impacts to emergency access. Therefore, the CAAP would have a beneficial impact with regard to this criterion and would have no adverse impact.
Tribal Cultural Resources		
a) Tribal cultural resource as recognized by State of California or lead agency	Not evaluated in the PEIR	AB 52 (2015) requires CEQA lead agencies to analyze the impacts of projects on tribal and cultural separately from impacts on archaeological resources (PRC Sections 21074 and 21083.09) because archaeological resources may also have cultural values beyond their ability to yield data important to prehistory or history and may qualify as tribal and cultural resources. The provisions of AB 52 apply to projects for which an NOP notice of preparation or a notice of negative declaration/mitigated negative declaration was filed on or after July 1, 2015. Because the NOP for the PEIR was issued prior to 2015, AB 52 does not apply to the PEIR, and assessment of impacts to tribal and cultural impacts is not

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
		required.
Utilities and Services Systems		
a) Require construction or relocation of new infrastructure for water, wastewater, storm water, energy or telecommunications	Regarding these infrastructure items, only water and stormwater were evaluated in the PEIR: Less than significant. Development of the Project could increase peak drainage flow rates, erosion, and downstream sedimentation in and around new development. Such increases would reduce the capacity of drainages and could result in flood flows that exceed existing downstream channel and stormwater system capacities. Additionally, the General Plan includes policies to reduce such impacts such as policies to increase stormwater drainage infrastructure and a requirement that the City maintain a stormwater drainage infrastructure master plan. With implementation of the above policies, impacts to stormwater infrastructure would be less than significant. Less than significant. Development of the Project could increase demand for water. As noted under Hydrology and Water Quality, the City has a comprehensive Water Management Program and the General Plan includes policies that address water supply and groundwater issues such as encouraging the City to continue water conservation and a policy that calls for adherence to the Ventura County Regional Water Quality Planning Program's recommendations regarding groundwater quality and extractions. Additionally, the City in 2009 implemented a policy that requires CEQA discretionary projects to be water neutral to the City's water system. With implementation of the above policies the impacts would be less than significant.	Regarding stormwater infrastructure, the CAAP is not expected to result in construction that could result in significant changes to stormwater drainage. Projects implementing the CAAP would be required to comply with federal, state, and local requirements regarding stormwater runoff. Additionally, the CAAP includes strategies to improve stormwater drainage infrastructure by updating aging infrastructure, using low impact development techniques, and encouraging green infrastructure (See Table 5). Therefore, the CAAP would have a beneficial impact with regard to this criterion and would have no adverse impact. The CAAP would not result in an increase in water demand and would not increase the need for water or wastewater infrastructure. The CAAP includes strategies to reduce water consumption through water conservation and increases in water recycling which may reduce local pressure on groundwater resources. Therefore, the CAAP would have a beneficial impact with regard to this criterion and would have no adverse impact. Implementation of the CAAP could result in the construction of new energy infrastructure such as EV charging stations, rooftop solar PV systems, and energy storage facilities, but these projects would be relatively small and they would be required to comply with the City's building code and with the policies outlined in the General Plan that reduce environmental impacts and ensure that Infrastructure improvements are consistent with City infrastructure master plans. As such, these projects would not result in impacts that are more severe than those identified in the PEIR.
b) Served by sufficient water supplies	Less than significant. The General Plan PEIR conducted an analysis of projected water demand and water supply and concluded that with implementation of the General Plan, the City will have adequate water supply to meet projected demands under all scenarios through 2030. The General Plan also includes policies intended to address water supply issues including policies to encourage water conservation, require water supply assessments for all projects, and a policy to update water, wastewater, and drainage infrastructure master plans. Therefore, with implementation of the policies mentioned above, impacts would be less than significant.	The CAAP includes strategies to increase the conservation and reuse of water within the City through building upgrades and retrofits, low-water landscaping requirements, and infrastructure improvements to increase the use of recycled water. The CAAP has a goal to reduce community and municipal per capita water use by 10 percent by the year 2030. Therefore, the implementation of the CAAP would result in beneficial impacts to this criterion by reducing City water demand. Impacts would remain less than significant.

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
c) Wastewater treatment requirements	Less than significant. The Oxnard Wastewater Treatment Plant (OWTP) has a current capacity of 31.7 million gallons per day (mgd) with average daily flows of approximately 24.0 mgd. The City anticipates expansion of the plant to 39.7 mgd by 2020. Thus, it is anticipated that sufficient capacity exists to accommodate wastewater generated by the Project. However, it is anticipated that a variety of wastewater conveyance (including sewer lines and lift stations) would need to be increased in order to accommodate wastewater flows associated with the Project. The General Plan includes policies regarding maintaining wastewater treatment service levels as well as policies to encourage water recycling in industrial developments in order to reduce sewer flows. Additionally, the General Plan includes a policy which requires the City to update its water, wastewater, and drainage infrastructure master plans in order to meet the needs of the City. Therefore, with the implementation of the policies identified above, impacts would be less than significant.	The CAAP would not result in developments that would significantly increase the wastewater treatment demands in the City. No new impacts are identified in association with CAAP implementation.
d) Solid waste and landfill capacity	Less than significant. Project development could increase the amount of solid waste generated in the Planning Area beyond existing or planned capacity or the ability of the City to expand capacity. The General Plan includes policies to address increased waste generation such as a waste reduction policy which calls for the City to continue implementing and participating in source reduction and recycling programs to meet mandated waste reduction levels and a policy which requires developers to employ a variety of practices which reduce waste generation. Therefore, with the implementation of the above policies impact would be less than significant,	The CAAP includes waste reduction and recycling strategies with the goal of achieving a 75% diversion of community solid waste and a 75% diversion of organics from landfills by 2030. Therefore, implementation of the CAAP would result in long-term beneficial impacts with respect to this criterion. Impacts would remain less than significant.
e) Comply with statutes and regulations related to solid waste	Not evaluated in the EIR.	The Project would comply with applicable federal, state, and local statutes and regulations related to solid waste and recycling. As such, the Project would be consistent with the assumptions set forth in the certified PEIR. No new impacts associated with CAAP implementation are anticipated.
Wildfire		
a) Located in a very high fire hazard severity zone	Not evaluated in the Certified PEIR. The Certified PEIR identifies that Oxnard is the largest urban community in the County and has limited exposure to the threat of wildfire hazards.	The Planning Area is urbanized and is in a low-risk area for wildfire hazards. The CAAP would not result in development that would place residents at risk of the spread of wildfire and would not result in development that could increase the risk of the spread of wildfire locally. The CAAP includes strategy L1, which supports transit-oriented and mixed-use development consistent with the 2021–2029 Oxnard Housing Element, and therefore projects facilitated by the CAAP that would include housing would likely be built in urban infill areas and are not likely to exacerbate wildfire risks. The CAAP includes strategies to improve early warning systems and emergency preparedness and evacuation systems in the event of a local wildfire or poor air quality from wildfires (see Table 5). Additionally, the CAAP includes strategies to improve access to air filtration and masks in the event of poor air quality from local or regional wildfires. Therefore,

TABLE 6 (CONTINUED)
COMPARISON OF THE CAAP RELATIVE TO THE PEIR

Environmental Issues	PEIR Impacts	CAAP Impacts
		implementation of the CAAP would result in beneficial impacts with respect to this topic. The CAAP would have no adverse impact.

VI. Changed Circumstances

Section 15162 of the CEQA Guidelines states that a Subsequent EIR would be required if substantial changes regarding the circumstances under which the project is undertaken would require major revisions of the certified PEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Section 15162 also states that a Subsequent EIR should be prepared if new information of substantial importance which was not known or could not have been known at the time the certified PEIR was adopted indicates that either 1) the Project would have new or substantially more severe significant impacts; or 2) mitigation measures or alternatives previously considered infeasible or that are considerably different would substantially reduce the significant impacts of the project, and the project proponents decline to adopt the new measures.

No substantial changes to the environmental setting of the Planning Area of the General Plan have been identified since the preparation of the certified PEIR. The analysis contained in this Addendum is to evaluate the potential impacts that could occur from the implementation of the Project relative to those impacts that were identified in the prior CEQA documentation for the General Plan.

As described in Section I under the subsection entitled Introduction and Background, a program-level EIR was certified for the buildout within the General Plan Planning Area. Mitigation measures were adopted as new General Plan policies in order to reduce potentially significant impacts in the following areas: cultural resources, land use, and greenhouse gases. The certified PEIR for the Project concluded that with the implementation of additional or modified General Plan policies, impacts would be reduced for all issues to a less than significant level with the exception of air quality, greenhouse gases, transportation, and noise, which while reduced would remain significant and unavoidable. The analysis contained in this Addendum concludes that with the incorporation of applicable new or modified General Plan policies, no potential significant impacts would result from the CAAP; thus, there are no new mitigation measures recommended.

Table 6, *Comparison of the Certified PEIR Relative to the Project*, provides a brief summary of the analysis and the conclusions in the Certified PEIR compared with the potential environmental impacts of the Project. The General Plan PEIR was certified in 2011; however, the analysis in Table 6 is structured using Appendix G from the 2022 CEQA Guidelines, to ensure that all necessary issues are addressed consistent with the current guidelines. In some cases, the revisions to the Guidelines were enough to clarify the potential impact question. In addition, some sections were added to the Guidelines, such as energy (which was evaluated in the certified PEIR) and wildfires. These new Appendix G topics are included in Table 6. With regard to transportation, as of July 1, 2020, LOS-based metrics to evaluate automobile congestion are no longer considered valid methodologies for analyzing traffic impacts under CEQA. Rather, CEQA requires transportation analysis to focus on vehicle miles traveled (VMT). Accordingly, Table 6 examines VMT as a potential impact.

Overall, the changes in circumstances that have occurred since preparation of the certified PEIR would not result in new significant impacts or substantial increases in the severity of previously identified significant impacts. No other additional information of substantial importance was found that would require major revisions to earlier analyses or a Subsequent EIR pursuant to Section 15162 of the CEQA Guidelines.

A. Conclusion Regarding Addendum as an Appropriate Mechanism

Section 15162 of the CEQA Guidelines provides direction on when a Subsequent EIR is necessary. Section 15162(a)(1) and (2) state that a Subsequent EIR would be required if: 1) substantial changes are proposed in the project or 2) substantial changes occur with respect to the circumstances under which the project is undertaken, either of which would require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. In addition, Section 15162(a)(3) states that a Subsequent EIR should be prepared if mitigation measures or alternatives previously considered infeasible, or that are considerably different, would substantially reduce the significant impacts of the project, and if the project proponents declined to adopt the new measures.

As described in detail herein, this analysis confirms that no major revisions to the prior CEQA documents completed for the General Plan Planning Area are required as the CAAP would not result in any new significant environmental impacts or substantially more severe significant impacts when compared to the impacts previously disclosed in the certified PEIR.

This Addendum also evaluates whether changes in circumstances surrounding the Project or new information of substantial importance would cause new significant environmental effects or a substantial increase in the severity of such effects beyond what was identified in the earlier CEQA documents. The evaluation of changes in circumstances and new information is focused on whether changes of substantial importance have occurred to environmental conditions on the site and in the area, or to applicable plans, policies or regulations, which result in new significant environmental impacts. No substantial changes to the environmental setting of the Planning Area have been identified since the preparation of the certified PEIR. The built-out nature of the Planning Area remains generally as described in the General Plan PEIR. No other additional information of substantial importance, which would require major revisions to earlier analyses that would warrant preparation of a Subsequent EIR pursuant to Section 15162 of the CEQA Guidelines, has been found.

As shown in this Addendum, the CAAP would not result in new significant impacts or substantially more severe significant project or cumulative impacts for any of the environmental topics addressed by the Certified EIR. Accordingly, a Subsequent EIR would not be required to address these changes to the General Plan pursuant to Section 15162 of the CEQA Guidelines and

pursuant to Sections 15162 and 15164 of the CEQA Guidelines. Therefore, this Addendum is the appropriate document under CEQA for addressing the impacts of the CAAP.

The support for this finding is provided in **Table 6, Comparison of the CAAP Relative to the Certified PEIR**. Table 6 covers the issues in Appendix G of the CEQA Guidelines to ensure that a thorough analysis consistent with the Certified PEIR is provided. The Certified PEIR Impacts column in Table 6 summarizes the analysis contained in the Certified PEIR that was prepared for the 2030 General Plan buildout. The CAAP Impacts column contains the analysis of the potential impacts that could occur from the implementation of the CAAP.

VI. References Cited

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CITY COUNCIL AGENDA REPORT
REPORTS
AGENDA ITEM NO. N.2

DATE: March 30, 2021
TO: City Council
FROM: Vyto Adomaitis, Community Development Director, (805) 385-7868, vyto.adomaitis@oxnard.org
SUBJECT: Update on the Preparation of the Climate Action and Adaptation Plan. (0/5/10)

RECOMMENDATION

That the City Council receive an update on work to prepare and engage the community in the preparation of the City's Climate Action and Adaptation Plan (CAAP).

(This item did not originate in Committee.)

Please click the following link to view the required Measure M pre-recorded presentation

video: <https://youtu.be/1ALqwXWcJro>

BACKGROUND

EXECUTIVE SUMMARY

The purpose of this report is to provide the City Council with an update on the City's CAAP work efforts. This includes a detailed summary of what creates climate impacts in the City, an analysis of the City's compliance with emission targets, and identification of what the City can do to reduce these climate change activities. The report is intended to set the stage for community engagement following the City's extensive work securing, and analyzing the City's emission inventories. The report provides Council with information on the next steps, including the steps to secure robust and inclusive community engagement. A more detailed identification and analysis of municipal and community climate change contributors is contained in the report attachments, with summaries provided within the body of the staff report. Finally, while no decisions will be made during this meeting, the report provides concepts such as reduction targets and a proposed CAAP mission and vision statements which will be presented to the community and the Council Committee in the near future. Recommendations from these two bodies will be provided to the City Council, with the goal of establishing 2030 CAAP emission targets, strategies to achieve these targets, and the creation of the desired CAAP mission and vision statements.

BACKGROUND

In March 2020, the City entered into a contract with Environmental Science Associates (ESA), Inc. for the preparation of the City's CAAP. The CAAP is necessary to help Oxnard meet California's goals for reducing emissions of greenhouse gases (GHG) emissions as legally mandated, and adapt to the anticipated effects of climate change. The CAAP is a plan for reducing the GHGs that contribute to global climate change, and for adapting to the anticipated effects of climate change.

The CAAP will have two primary objectives:

1. To reduce GHG emissions through the implementation of reduction measures to meet or exceed reduction targets

- mandated by the State of California; and
2. To enhance the community's resilience to a changing climate by addressing the vulnerabilities and risks that are expected to occur as a result of those impacts.

Resilience, as defined by the State of California's Adaptation Planning Guide, is the "capacity of any entity—an individual, a community, an organization, or a natural system—to prepare for disruptions, to recover from shocks and stresses, and to adapt and grow from a disruptive experience." Climate adaptation is defined by this same source as "actions that address the projected impacts on all aspects of community function that may result from climate change. This can include impacts related to hazard events (flood, wildfire, drought, and severe storms for example), as well as slow changes that affect agricultural, forestry, and fisheries productivity; ecosystem structure and function; and public health."

Recognizing that GHG reduction is only part of the solution to addressing climate change, the other component is the "adaptation" needed to ensure preparedness and build resilience to expected vulnerabilities and risks that threaten the quality of life in Oxnard. Like other communities in California, Oxnard is likely to face serious economic, social, and environmental challenges in the coming decades due to rising temperatures, sea level rise, extreme storms, wind events, more severe droughts, and diminishing air quality that is expected to occur because of climate change. These impacts present significant threats to community health and wellbeing, which will not affect everyone equally. Vulnerable groups, such as the elderly, low-income families, farmworkers/agricultural workers, undocumented immigrants, communities of color, and individuals already suffering from chronic diseases, will be disproportionately impacted by these changes.

The CAAP consulting team is currently developing a climate change vulnerability assessment that considers the broad range of expected impacts and how they will affect the physical and social make-up of the City. The assessment will then be used to develop strategies that protect vulnerable populations and increase the resilience of the City's critical infrastructure for transportation, energy, water supply, and stormwater management. This component along with environmental justice will also be addressed in the CAAP.

Examples of climate change impacts facing Oxnard include, but are not limited to, rising sea levels, increased number of extreme heat days, smoke from the increased frequency of regional wildfires, wind events and degradation due to these occurrences, and increased risk of local flooding from severe storms and extreme high tides. Adaptation measures will be included in the CAAP to proactively prepare for these impacts, with a particular emphasis on the disadvantaged communities within the City that are most vulnerable.

The CAAP will also draw upon and support the community's goals and policies identified in the City's 2030 General Plan. It will feature health equity and climate justice consistent with the City's Sustainable Community (SC) Element of the General Plan (Chapter 2), SC-1.3 and all other relevant General Plan climate policies.

Legislative Mandates

The City's CAAP will reflect the statewide GHG reduction goal outlined in Senate Bill 32 (SB 32), also known as the Global Warming Solutions Act of 2016, which is an update of the original Global Warming Solutions Act of 2006, known as Assembly Bill 32 (AB 32). SB 32 calls for a statewide reduction of GHG emissions to 40 percent below 1990 levels by 2030. The legislation requires that the California Air Resources Board (CARB) prepare a Scoping Plan that describes the approach California will take to reduce GHGs to achieve the goal of SB 32. The latest Scoping Plan for SB 32, developed and implemented by the California Air Resources Board (CARB) in 2017, identifies specific measures to achieve these reductions and recommends that local governments establish GHG reduction targets for both their municipal operations and the community that are consistent with those of the State.

The State of California has also set a longer-term goal of reducing statewide emissions to 80 percent below 1990 levels by 2050, as expressed by AB 32 and the Governor's Executive Order S-03-05.

DISCUSSION

City of Oxnard GHG Inventories, Baseline and Projections

The starting point for addressing climate change mitigation, which is a key component of the CAAP, is an understanding of the sources of the current GHG inventories in the City. These sources include the GHG emissions that the City has direct control over (Municipal GHG Inventory) and those that result from community activities (Community GHG Inventory), which are directly and indirectly impacted by local government programs, implementation of State mandates, planning, and development decisions.

Since April of 2020, the City has been working with ESA and the CAAP team to conduct an analysis of the Municipal and Community GHG Inventories.

These Municipal and Community GHG inventories have been developed using well-recognized protocols published by International Council for Local Environmental Initiatives (ICLEI) and adhere to national standards. The Community inventory utilizes the methodology prescribed by the “U.S. Community Protocol for Accounting and Reporting of Greenhouse Gas Emissions”, whereas the Municipal inventory, which comprises a subset of community emissions, utilizes ICLEI’s “Local Government Operations Protocol”. Consistent with national and international agreements, California uses 1990 as the baseline year for tracking and reducing GHG emissions. However, most local jurisdictions select an appropriate baseline year determined by the availability of data. Accordingly, the City has chosen 2010 as its baseline year, consistent with available records and the City Council approved Energy Action Plan (April 2013), which also used 2010 as the City’s baseline.

Following an extensive inventory procurement and analysis process, which included creating a GHG-emission inventory of sources specific to Oxnard, various key sectors (categories of emissions that are defined by the end use that causes them) were identified as the major contributors of GHG in the City. Those sectors, along with the percentage of total GHG contributions in 2018 (most recent inventory) are noted below. These sectors are the areas which directly result in GHG in the City of Oxnard and their percentage contribution to overall City GHG are as follows:

- On-Road Transportation (31%) - Emissions from cars and trucks that travel local roads and highways;
- Electricity (31%) - Emissions from the generation of electricity that is used by the community;
- Natural Gas (25%) - Emissions from the combustion of natural gas used by buildings and industry;
- Solid Waste (7%) - Emissions from the decomposition of waste sent to landfills;
- Off-Road Sources (5%) - Emissions from operation of construction and other off-road equipment;
- Water and Wastewater (1%) - Includes emissions from the electricity used to pump water and wastewater, as well as direct emissions resulting from wastewater treatment processes and local septic tanks; and
- Other (<1%) - emissions from passenger rail (Amtrak and MetroLink)

Based on these community-specific sources, GHG-reduction measures will be developed in the CAAP to achieve compliance with statutory emission-reduction targets and timelines. A more detailed summary of the above GHG emissions can be found in Attachment A (see Table 1 and Figure 4).

Recognizing that addressing GHG-reduction is only half of the solution to addressing climate change, the other component is the “adaptation” needed to ensure preparedness and build resilience to expected vulnerabilities and risks that threaten the City. The CAAP will address the future challenges the City will have in addressing climate change and will recommend adaptation measures to ensure the City is ready and able in the future to handle flooding, extreme heat days, degraded air quality, and severe storms.

GHG Target Considerations

A fundamental component of CAAP development is setting future GHG emissions targets. Cities are expected to do their part in helping the State achieve its emissions reduction goals, and many local governments including the County of Ventura and nearby Thousand Oaks are following CARB’s recommendation to establish a GHG reduction target that is

consistent with the State’s target (set by SB 32) to achieve 40 percent below 1990 levels by 2030 and to establish a pathway for reducing emissions in line with the State’s longer term goal of 80 percent below 1990 levels by 2050.

For Oxnard, like most communities, accurately quantifying 1990 emissions is not possible due to the lack of historical data. Thus, deriving a state-aligned target for 2030 (40 percent below 1990 levels) requires making an adjustment for emissions growth that has occurred between 1990 and the City’s baseline inventory, which as stated has been determined to be 2010.

Following CARB guidance from its Scoping Plan, local governments with baseline inventories occurring during the years 2005 to 2010 typically set their 2030 targets at approximately 50 percent below baseline. For the City of Oxnard, this equates to limiting community-wide emissions in 2030 to approximately 388,000 metric tons of carbon dioxide equivalents (MTCO₂e).

To determine the reductions needed to reach this target, a forecast of the City’s emissions to 2030 has been made to represent “business as usual” (BAU) conditions that would occur in the absence of policies and programs to reduce emissions. Basically, a BAU forecast is a projection of emissions which would occur if the City did nothing to change activities or programs from 2010 to the year 2030.

Figure 1 in Attachment A shows this BAU emissions forecast out to the years 2030 and 2050. Figure 2 illustrates the “Adjusted BAU Forecast” that accounts for the effect that state energy and transportation policies (e.g., renewable energy and vehicle fuel efficiency standards) will have on future emissions. Reductions from these state measures are expected to occur due to legislative mandates regardless of whether Oxnard takes local action to reduce emissions.

Figure 3 in Attachment A illustrates a potential community emissions target for 2030 that is aligned with the State target, which equates to a reduction of 50 percent below the 2010 baseline. The Adjusted BAU Forecast in the figure indicates the City would be about halfway to meeting a state-aligned 2030 target without contributions from local reduction measures.

Next Step: Developing Local GHG Reduction Measures

The next step in developing the CAAP is to analyze the potential of local measures to reduce GHG emissions and assess the overall potential of the City to reduce emissions in line with the State’s 2030 target and to make substantial progress towards meeting the State’s longer-term 2050 goal. Over the next several weeks, the CAAP consulting team will be evaluating the possible GHG reduction strategies. The process going forward will involve a community survey, community engagement and conversations with key stakeholders seeking input on a range of methods to reduce GHGs.

As indicated by the City’s 2030 emissions forecast (see Table 3 and Figure 5 in Attachment A) the sectors with the greatest potential for local emissions reduction are on-road transportation, electricity, natural gas, and solid waste. Combined, these sectors represent nearly 94 percent of the City’s expected emissions in 2030.

Measures to reduce GHGs will be communicated through the engagement process, with engagement helping to prioritize reduction options. For the City, achieving GHG emissions reductions in alignment with the State’s 2030 target of 40 percent below 1990 levels will require examination of the following sector-specific strategies (for more detailed explanations of these strategies see Attachment B). Additional strategies will be explored through the engagement and Council/committee discussion process:

- **Green the electricity supply:** This strategy reduces emissions from electricity used by buildings, lighting, and water delivery by increasing the percentage of power being supplied by renewable (i.e., zero-emissions) electricity. More than two-thirds of the reductions needed to reach the 2030 target could be accomplished by procuring 100% carbon-free electricity for all of the City’s customers.
- **Electrify buildings:** This strategy reduces emissions from the consumption of natural gas, by shifting the energy use to electricity, which has a lower carbon footprint, particularly when paired with the use of low- or zero-

carbon electricity.

- **Electrify transportation:** This strategy reduces emissions from on-road vehicles, the second-biggest contributor to the City's 2030 emissions forecast, by supporting the transition to plug-in electric (PEV) and hydrogen-powered vehicles. Potential actions include installation of PEV charging and hydrogen fueling stations, preferential parking for PEVs, and continued purchases of PEVs by the City government.
- **Improve energy efficiency of existing buildings:** With new buildings generally expected to be highly energy efficient due to increasingly stringent building codes (e.g., Title 24), this strategy focuses on existing buildings and reduces emissions from electricity and natural gas used by reducing the energy needed for heating, lighting, and operating electric-powered equipment and machinery.
- **Reduce vehicle miles traveled (VMT):** This strategy reduces emissions from on-road vehicles through land-use planning that emphasizes access to transit and reduces the need for vehicular travel through density increases, support for a mix of uses, and safe and convenient pedestrian and bicycle infrastructure. Other potential strategies to help reduce VMT include more restrictive parking policies, support for employer transportation demand management (TDM) programs, and support for programs that increase car sharing, bike sharing, and ride sharing.
- **Strive for zero waste:** This strategy reduces emissions from landfill decomposition of organic waste by reducing the amount of waste sent to the landfill.
- **Conserve water:** This strategy reduces emissions associated with the energy needed to treat and deliver water to the City's end consumers by reducing the amount of water consumed in the City.

Next Steps and Schedule, and Community Engagement

In October 2020, the City initiated a Climate Action Plan Logo Contest. The contest was promoted through a variety of social media platforms. A total of eight (8) submissions were received. The City's CAAP logo design committee selected the winning logo which was prepared by a local artist, Manny Bernal (see Attachment C - Final Approval Logo). Manny Bernal is an Oxnard resident and Manny's logo design will be featured when distributing information regarding the CAAP, and ultimately will be utilized on the cover of the Final CAAP. Manny's artistic resume is attached (see Attachment C).

The CAAP development team is currently preparing public engagement activities that are designed to accomplish the following objectives:

- Share information about Oxnard's GHG emissions and forecasts and the reductions that are needed to align with State targets.
- Gather community input on potential GHG reduction strategies.
- Share information about potential climate change impacts on Oxnard and planning approaches for reducing and avoiding impacts.
- Gather community input on climate change vulnerabilities, as well as priorities for taking action and developing strategies to avoid or reduce the risk of impacts.
- Partner with community leaders and community organizations to learn more about community needs and perspectives and to disseminate information about community involvement opportunities.
- Effectively involve residents, business owners, and other Oxnard stakeholders across Oxnard's multicultural and multilingual communities.

The community will also be asked to weigh in on a mission and vision statement (see Attachment D).

As indicated by the City's 2030 emissions forecast (see Table 3 and Figure 5 in Attachment A) the sectors with the greatest potential for local emissions reduction are on-road transportation, electricity, natural gas, and solid waste. Combined, these sectors represent nearly 94 percent of the City's expected emissions in 2030. The opportunity for GHG reductions are directly linked to land use, and policy decisions. Therefore, the analysis and conclusions outlined in the CAAP will directly impact the City's update to the 2030 General Plan. The CAAP will be completed prior to the

upcoming 2045 General Plan (the update to the City's 2030 General Plan), a three-year effort that will begin in mid-2022. Further, due to changing State regulations and policies it is recommended that once adopted the CAAP be updated every five years to ensure compliance with GHG reduction targets and to ensure the document reflects the City's on-going CAAP mission and vision. Ultimately, staff envisions a "refresh" of the 2021 adopted CAAP will occur through the comprehensive 2045 General Plan update (goal for adoption by 2025).

Over the next four months community engagement will kick off through a community wide survey, meetings and workshops with targeted groups with interest and connection to the environment, social and community activism, education and health care, utility agencies, and business and agriculture ("focus groups"). The CAAP survey will be promoted through social media, the CAAP website, through free media spots, and through targeted outreach. The survey will be available in both English and Spanish (see Attachment E). Additionally, two community meetings will be conducted with the general public with the goal of engaging all segments of the community. Input from disadvantaged communities will be a focus of these outreach activities, to ensure that measures taken to reduce emissions are equitable in terms of their costs and benefits to these communities. Distribution of a community-wide survey, and multiple public workshops, and focus group meetings will occur throughout the Spring and early Summer. Spanish interpretation will be provided and community meetings will be recorded and will be posted to the Climate Action Plan website - see: <https://www.oxnard.org/climate-action-plan/>

Key schedule milestones for the coming year are summarized below:

- Mid-April = CAAP community survey closes.
- Early Spring = Engagement through focus groups and community meetings/public workshops.
- Spring/Summer = Updates to Planning Commission, Council Committee, and City Council on CAAP survey results and community input.
- Fall/Winter adoption of the Final CAAP.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

General Plan Maintenance Fee (GPMF) funds in the amount of \$350,000 were appropriated in January 2019 to the Climate Action Plan project (Project #19IN03). The cost of the agreement with ESA is \$411,490 over a two-year period, which includes the base agreement cost of \$349,490 and \$62,000 in optional tasks which may be funded by future grants. There is sufficient budget to cover the base agreement cost.

COMMITTEE OUTCOME

This item did not originate in Committee. This is a report to City Council with no policy decisions or recommendations being requested at this time.

Prepared by: Kathleen Mallory, Planning & Sustainability Manager

ATTACHMENTS

1. Attachment A - Community and Municipal GHG Inventories and Analysis
2. Attachment B - Local GHG Reduction Strategies
3. Attachment C - CAP Logo Design
4. Attachment D - Draft CAAP Mission and Vision Statements
5. Attachment E - Final CAAP Survey Questions March 7, 2021
6. Presentation - Update on the Preparation of the Climate Action and Adaptation Plan



COMMUNITY SERVICES, PUBLIC SAFETY, HOUSING & DEVELOPMENT COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.2

DATE: January 25, 2022

TO: Community Services, Public Safety, Housing & Development Committee

FROM: Vyto Adomaitis, Community Development Director, (805) 385-7882, vyto.adomaitis@oxnard.org

SUBJECT: Update on the City's Climate Action and Adaptation Plan (CAAP). (0/5/5)

RECOMMENDATION

That the Community Services, Public Safety, Housing & Development Committee ("Committee") receive an update on the CAAP efforts and information on the Greenhouse Gas (GHG) emission reduction strategies that will guide the development of the City's CAAP.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/7KRdiXoJ28o>

BACKGROUND

EXECUTIVE SUMMARY

As summarized in the March 30, 2021 staff report, the CAAP had two primary objectives:

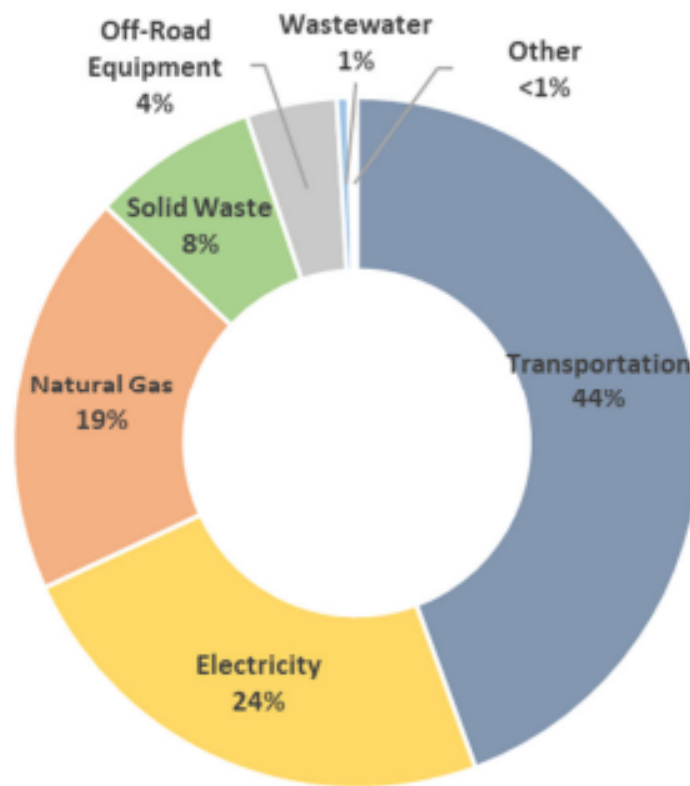
1. To reduce GHG emissions through the implementation of reduction measures to meet or exceed reduction targets mandated by the State of California via Senate Bill 32 (SB 32), which calls for a statewide reduction of GHG emissions to 40 percent below 1990 levels by 2030; and
2. To enhance the community's resilience to a changing climate by addressing the vulnerabilities and risks that are expected to occur as a result of those impacts.

The primary purpose of this report is to summarize GHG reduction actions which were presented to the Committee in March 2021, update the Committee on stakeholder and community input, and review high level GHG emission reduction actions which will be developed further in the CAAP. These actions will result in the greatest GHG reductions at the least cost to the City. Nevertheless, many strategies will require additional staff resources and funding, which will be identified in the implementation chapter of the CAAP.

BACKGROUND

The March 30, 2021 City Council staff report (Attachment A) provides detail on the City's community and municipal operations emissions inventories and forecasts, as well as graphs showing how the City's emissions compared with State-aligned GHG reduction targets. The inventory presented in the March 30th staff report has been updated to reflect updated transportation emissions estimates based on new traffic modeling data. Based

on updated modeling data, the City’s 2018 GHG inventory (the most recent year with accurate available data) is as follows:



Transportation emissions make up a bigger percentage of total community GHG emissions than what was reported in the March 30th staff report (44 percent compared to 31 percent). Municipal operations contributed approximately 3 percent of the total community emissions in 2018, with the biggest sources being electricity use, the municipal vehicle fleet, and wastewater treatment. The sectors contributing the most emissions (on-road transportation, electricity, natural gas, and solid waste), represent more than 90 percent of the City’s total (community and municipal) emissions.

As discussed in the March 2021 report, the CAAP is being developed to align with California’s statewide target mandated by SB 32, which requires the State of California to reduce GHG emissions 40 percent below 1990 levels by 2030. Cities are expected to do their fair share to reach this target. And, in preparing the scope of work and contract budget for the CAAP, the City agreed to reduce the Oxnard GHG emissions to 40 percent below Oxnard 1990 levels by 2030. By adopting this target the City will develop a “qualified CAP/CAAP”, which is an important term, that is consistent with California Environmental Quality Act (CEQA) Guidelines (Section 15183.5(b)). When a City has a qualified CAP/CAAP it can be used to facilitate CEQA clearance of the City’s future development projects with respect to GHG emissions. Developing a qualified CAP is proving to be the most effective and legally defensible way to plan for growth that does not create a significant impact with respect to GHG emissions.

The March 2021 report explained that achieving a target in alignment with SB 32 will require examination of the following sector-specific strategies:

- a. **Green the electricity supply:** This strategy reduces emissions from electricity used by buildings, lighting, and water delivery by increasing the percentage of power being supplied by renewable (i.e., zero-emissions) electricity.

- b. **Electrify buildings:** This strategy reduces emissions from the consumption of natural gas, by shifting the energy use to electricity, which has a lower carbon footprint, particularly when paired with the use of low- or zero-carbon electricity.
- c. **Electrify transportation:** This strategy reduces emissions from on-road vehicles, the biggest contributor to the City's emissions, by supporting the transition to plug-in electric (PEV) and hydrogen-powered vehicles.
- d. **Improve energy efficiency of buildings:** This strategy reduces emissions from electricity and natural gas by reducing the energy needed for heating, cooling and lighting. While new buildings will generally be highly energy efficient due to increasingly stringent building codes (e.g., Title 24), many existing buildings can be greatly improved with respect to energy efficiency.
- e. **Reduce vehicle miles traveled (VMT):** This strategy reduces emissions from on-road vehicles through land-use planning that emphasizes access to transit and reduces the need for vehicular travel through density increases, support for a mix of uses, and safe and convenient pedestrian and bicycle infrastructure.
- f. **Strive for zero waste:** This strategy reduces emissions from landfill decomposition of organic waste by reducing the amount of waste sent to the landfill.
- g. **Conserve water:** This strategy reduces emissions associated with the energy needed to treat and deliver water to the City's end consumers by reducing the amount of water consumed in the City.

It is important to acknowledge that the City has been active in developing programs and initiatives that fall under the strategies listed above:

- **Green the electricity supply:** In 2018, the City joined the Clean Power Alliance (CPA), making 100 percent renewable electricity available to all and streamlined the permitting process for installing residential rooftop solar systems.
- **Improve energy efficiency of buildings:** In 2013, the City adopted an Energy Action Plan that includes policies to increase building energy efficiency and to support local solar PV installations as well as electric vehicle infrastructure.
- **Reduce VMT:** The City is developing a Sustainable Transportation Plan (due to be completed in 2022) which will look at measures to promote walking and reduce driving, improve alternative modes of transportation, and evaluate the roadway network, to name a few elements of the Plan.
- **Strive for zero waste:** The City is also developing a Resource Management Plan to increase recycling, and is planning a new facility to sustainably process organic waste.

However, implementing these initiatives will still be insufficient for the City to achieve its 2030 target, as will relying on the many economy-wide GHG reduction programs and policies being administered by the State with regards to energy and transportation. The City must take additional local action to reduce community GHG emissions enough to be consistent with the State's 2030 GHG reduction target.

COMMUNITY ENGAGEMENT

In May 2021, a series of community and stakeholder outreach activities were conducted to seek input on the strategies presented above as well as other questions pertaining to concerns about climate change and GHG reduction recommendations. Six stakeholder group meetings were held with a focus on specific topic areas. Two public workshops (conducted in both English and Spanish) were also held with a total of 60 participants over two days. The community was also surveyed regarding climate change through a public survey (in both English and Spanish) and resulted in 133 responses received.

In general, these community engagement efforts demonstrate a strong interest in strategies and solutions that are equitable, with the benefits distributed fairly and in a manner that does not put vulnerable communities at

further risk. Participants expressed interest in strategies that target particularly vulnerable populations such as renters and residents in older housing stock, and farmworkers. Across all community engagement activities (community survey, public workshops and stakeholder group meetings) the three climate change impacts of greatest concern to the participants were extreme heat, drought, and air pollution (wildfire smoke in particular). Participants expressed concern about climate change affecting the most vulnerable populations in the community who have higher sensitivity to climate change and have less capacity and fewer resources to cope with, adapt to, or recover from climate impacts.

Community members and stakeholders were given opportunities to provide input and ideas and express their priorities for how best to reduce GHG emissions in the community. Attachment B provides a summary of input received from these outreach activities, including stakeholder group meetings, community meetings and an online survey. Community engagement indicated support for all of the strategies presented above, with the greatest level of support for the following five strategies:

- **Reduce VMT:** Locate and design new development to promote walking and reduce driving, provide safer routes and paths for cyclists and pedestrians, improve the transit system in the City, and encourage housing development along transit corridors. (identified as “extremely effective” by more than 90% of survey respondents)
- **Improve energy efficiency of buildings/electrify buildings:** Require higher energy efficiency in new construction and existing buildings; transition away from natural gas in buildings (efficiency improvements identified as “extremely effective” for new buildings by 68% of survey respondents, building electrification identified as “extremely effective” by 81% of survey respondents).
- **Electrify transportation:** Support electric vehicles by expanding charging options, and electrify the City fleet (identified as “extremely effective” by 78% of survey respondents).
- **Green the electricity supply:** Use more renewable electricity; install more rooftop solar power systems throughout the community and on municipal buildings (identified as “extremely effective” by 85% of survey respondents).
- **Strive for zero waste:** Increase recycling. (identified as “extremely effective” by 83% of survey respondents).

ANALYSIS/DISCUSSION

Many of the GHG reduction strategies put forth in both the March 2021 and January 25, 2022 staff reports require a commitment of City resources and funds to implement them. Other strategies pertain to municipal reductions, which make up a small fraction of total GHG emissions (approximately 3 percent).

In June 2021, the CAAP development team conducted a series of interviews with City staff to determine which strategies should be brought forth for serious consideration in the CAAP, based on community input and known opportunities and constraints. Through this process it was determined that planning for VMT reduction was already being accomplished through the Sustainable Transportation Plan as well as the upcoming General Plan Update, and that planning for progress towards zero waste and reducing solid waste emissions were already being accomplished through the City’s Resource Management Plan. With respect to building electrification, California building code (Title 24) is gradually requiring higher efficiencies and more electrification of new buildings, therefore City staff agreed that additional action is not needed to supplement the State requirements in this area to achieve further GHG reductions. Nevertheless, because there was strong support from the community for this strategy, the Consultant team will explore in the CAAP the actions that the City can take to promote building electrification beyond what Title 24 requires.

Based on stakeholder input, and community engagement, as well as input from City staff members, on the sector-specific strategies presented to the Council in March 2021, the CAAP is being developed to include

the following strategies and key GHG reduction opportunities:

Electrify Transportation

Transportation represents approximately 44 percent of Oxnard's community GHG emissions, and accelerating the transition from fossil-fueled vehicles to electric vehicles is crucial to meeting the City's 2030 target and supporting the state's long term GHG reduction goal of carbon neutrality by 2045. In addition to reducing GHG emissions, electric vehicles can help solve the inequality of air pollution exposure, which tends to disproportionately affect minority populations and low-income groups. The CAAP consultant estimates this strategy could reduce the City's transportation emissions by 18 percent by the year 2030 if community EV adoption aligns with the statewide goal to have 5 million EVs on the roads by 2030. However, Oxnard currently has one of the lowest rates of EV ownership in California at approximately 1 percent, compared to 2 percent statewide. This is likely due to the relatively high cost of EVs compared to conventional vehicles and a lack of extensive EV charging infrastructure. However, the price of some types of EV is coming down and a wider range of EV car and truck models become available each year. Meanwhile, studies show that expansion of EV charging infrastructure is highly correlated with increased EV ownership. Through the State's emphasis in funding for disadvantaged communities, there will be funding for EV infrastructure in these communities. Importantly, prioritizing investments in disadvantaged communities is in line with State environmental justice laws, to help stimulate the economy, while improving the environment and access to opportunities. This strategy would commit City staff time and financial resources into expanding EV charging infrastructure, with priority going to disadvantaged communities, through public-private partnerships and pursuit of grant funding.

Potential actions associated with this strategy include:

- Completing a city-wide plan for expanding EV infrastructure, including identifying optimal EV charging locations, with consideration to where there are gaps in publicly accessible stations (especially for disadvantaged communities), and consider the feasibility of changes to the local building code to encourage preferential EV parking and EV charging stations.
- Tracking and pursuing funding opportunities for expanding EV charging infrastructure and EV grants for disadvantaged City areas;
- Consider measures for expanding and supporting EV including:
 - Installing EV charging and hydrogen fueling stations, as well as preferential parking for EVs;
 - Implementing EV car sharing programs as an opportunity to improve accessibility, and the environment. Applying for EV grants, and program administration will take staff resources and time.
- Considering a fleet replacement plan or policy for City vehicles that includes EVs.

Green the Electricity Supply

Electricity makes up 24 percent of our community baseline emissions. Since this is the second largest source of emissions, many strategies are being developed that focus on this sector. The City's CAAP consultant estimates that more than half of the reductions needed to reach the 2030 emissions target could be accomplished by maintaining a minimum 95 percent community-wide participation in the CPA 100 percent "Green" (renewable) electricity option. Already, as of November 2021, approximately 96 percent of residents and 92 percent of businesses were purchasing 100 percent renewable electricity, relying entirely on wind and solar power procured by the CPA (see Attachment C).

Potential actions associated with purchasing green electricity include:

- Investing City staff time and financial resources to support maintaining a minimum 95 percent community participation rate in CPA's 100 percent Green through the year 2030 will result in

significant GHG reductions. This can be achieved by supplying the community's power needs with green (i.e., zero-carbon or low-carbon) electricity since this is one of the most effective strategies for meeting the City's GHG reduction targets;

- Creating an educational campaign targeted to businesses and residents on the importance of subscribing to the CPA 100 percent renewable (green) level;
- Partnering with CPA on outreach to low-income customers who have opted down to a lower renewables tier to make them aware of assistance programs (e.g., CPA's Powershare program, which offers income-qualified customers in under-resourced communities with discounted 100 percent renewable energy); and
- Subsidizing low-income communities to enable them to subscribe to the CPA 100 percent level, over and above the assistance that CPA already provides.

Although the community can reduce its electricity emissions by purchasing green electricity from CPA, increasing local generation and storage of solar power has important community benefits. Community Solar programs can bring economic development to underinvested communities and reduce the cost of green electricity to low-income customers. Local energy storage increases the opportunities for electricity customers to reduce their energy bills (and their GHG emissions) by enrolling in the utility's "demand response" program, while energy storage at essential facilities helps ensure community resilience to power outages.

Potential actions associated with increasing local generation and storage of solar power include:

- Partnering with CPA to identify local sites for implementation of their Community Solar program, which aims to develop 3.13 MW of solar projects in disadvantaged communities within its service territory. Customers enrolled in the program will receive 100 percent renewable energy at a 20 percent discount on their total electricity bill. Public or nonprofit sponsors of the Community Solar projects will also receive a 20 percent bill discount;
- Partnering with CPA and community-based organizations to promote CPA customer awareness and enrollment in the Community Solar program; and
- Partnering with CPA to develop their Demand Response Program, which will offer incentives to commercial and non-residential customers for the installation of energy storage to enable load-shifting during times of peak demand.

Improve Energy Efficiency of Buildings/Electrify Buildings

Energy (electricity and natural gas) used by buildings represents approximately 43 percent of community GHG emissions. Reducing natural gas is challenging, as it requires more energy efficient buildings and/or transitioning away from natural gas to all-electric buildings (known as building electrification).

For new construction and major renovations California building code (Title 24) is gradually requiring higher efficiencies and more electrification of new buildings, therefore City action is not needed to supplement the State requirements in this area. However, to reduce natural gas from existing buildings requires more local action.

A cost effective strategy for improving energy efficiency and reducing reliance on natural gas includes the City dedicating staff resources to proactively partner with agencies such as CPA, Tri-County Regional Energy Network (3C-REN), and/or the Ventura County Regional Energy Alliance (VCREA) to take advantage of local programs.

Potential actions associated with this partnering strategy include:

- Marketing local utility rebates and incentives;
- Promoting programs that help residents and businesses swap out gas appliances for electric ones (e.g., space and water heaters); and
- Promoting technical support services to improve energy efficiency of existing buildings and building electrification.

In addition, to reduce Municipal Emissions, which make-up 3 percent of the City's total emissions, potential actions in support of this strategy to improve energy efficiency of city facilities will be explored in the CAAP with consideration to fiscal resources, and Capital Improvement Plan (CIP) timeframes and feasibility.

The CAAP will identify specific actions the City can take over the next 3 to 10 years to implement GHG reduction strategies and will help inform the City's Capital Improvement Program (CIP).

NEXT STEPS

Another round of stakeholder group meetings is scheduled to occur on January 26th and 27th, to present the findings of a community-wide climate change vulnerability assessment and solicit input on strategies for increasing resilience to identified hazards. The CAAP consultant will then finalize the Community Vulnerability Assessment and develop CAAP strategies and priority actions for increasing community resilience to climate change, particularly for anticipated impacts related to higher temperatures, drought, and smoke/air quality.

A virtual CAAP community engagement meeting will take place on April 30th, in both English and Spanish to summarize input received in May 2021, and to secure additional input on Community Vulnerability Assessments and recommendations.

The Draft CAAP with strategies and actions for reducing GHG emissions and adapting to climate change will be released for public comment in Spring 2022. The Final CAAP is anticipated to be adopted by the City Council in Summer/early Fall 2022.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promote safe neighborhoods, encourage community engagement, and support our residents in their efforts to improve their quality of life.

This agenda item supports Public Safety strategy. The purpose of the Public Safety strategy is to restore and modernize the delivery of public safety services to provide for the safety of our neighborhoods and health of our community.

FINANCIAL IMPACT

The City recognizes that for the CAAP to be successful, the City must set up a governance structure that both facilitates implementation of the CAAP and demonstrates leadership by integrating climate action into its

operations, culture, public engagement, and financial decision-making processes. The City will need to align its expenditures with CAAP strategies and actions and ultimately the City's CIP process.

Details on cost and fiscal implications for each strategy are not known at this time. A CAAP, similar to a General Plan, will not have costs associated with each strategy or policy. The Final CAAP, to be presented to the City Council in Summer/Fall 2022, will contain an implementation plan, which will include actions to be funded, potential funding sources, and a timeline for the implementing actions on a year-by-year basis. A near term action upon adoption of the CAAP will be the preparation of a conceptual fiscal/cost estimate and funding strategy that identifies the costs associated with each strategy and details the City's approach to integrating CAAP strategies and actions in the allocation of existing funds and when seeking and securing new funding sources. This effort will include securing funding for both the staff needed to successfully implement the CAAP and funding to advance CAAP strategies and actions. Actions identified in this report will require staff resources and funding for support of sustainability initiatives.

The fiscal/cost estimate and funding strategy will help guide future decision making with respect to annual Capital Improvement Plan (CIP) work and municipal budgeting. More specifically, Staff will recommend that City actions around funding focus on identifying opportunities to align the annual city budget, CIP, and other expenditures with near term (year 1 - 3) community and municipal CAAP strategies. Implementation of recommendations contained in the Final CAAP will be included with various Department budget requests.

Prepared by: Kathleen Mallory, Planning & Sustainability Manager

ATTACHMENTS

1. Attachment A
2. Attachment B
3. Attachment C
4. Presentation - Climate Action and Adaptation Plan

**PLANNING COMMISSION
STAFF REPORT**

TO: Planning Commission

FROM: Kathleen Mallory, Planning and Sustainability Manager

DATE: July 7, 2022

SUBJECT: STUDY SESSION ON CITY OF OXNARD CLIMATE ACTION AND ADAPTATION PLAN (CAAP)

1) **Recommendation:** That the Planning Commission:

- a) Receive a presentation from the City's CAAP consultant on the Draft CAAP document;
- b) Receive public comments on the Draft CAAP document; and
- c) Provide feedback on the Draft CAAP document.

2) **Applicant:** City of Oxnard, Long Range Planning & Sustainability Division

3) **Background Information:** In March 2020, the City entered into a contract with Environmental Science Associates (ESA), Inc. for the preparation of the City's CAAP. The CAAP is a plan for reducing the GreenHouse Gasses (GHGs) that contribute to global climate change, and for adapting to the anticipated effects of climate change.

The CAAP has two primary objectives:

- 1. To reduce GHG emissions through the implementation of reduction measures to meet reduction targets mandated by the State of California via Senate Bill 32 (SB 32), which calls for a statewide reduction of GHG emissions to 40 percent below 1990 levels by 2030; and
- 2. To enhance the community's resilience to a changing climate by addressing the vulnerabilities and risks that are expected to occur as a result of those impacts.

Resilience, as defined by the State of California's Adaptation Planning Guide, is the "capacity of any entity—an individual, a community, an organization, or a natural system—to prepare for disruptions, to recover from shocks and stresses, and to adapt and grow from a disruptive experience." Climate adaptation is defined by this same source as "actions that address the

projected impacts on all aspects of community function that may result from climate change. This can include impacts related to hazard events (flood, wildfire, drought, and severe storms for example), as well as slow changes that affect agricultural, forestry, and fisheries productivity; ecosystem structure and function; and public health.”

Recognizing that GHG reduction is only part of the solution to addressing climate change, the other component is the “adaptation” needed to ensure preparedness and build resilience to expected vulnerabilities and risks that threaten the quality of life in Oxnard. Like other communities in California, Oxnard is likely to face serious economic, social, and environmental challenges in the coming decades due to rising temperatures, sea level rise, extreme storms, wind events, more severe droughts, and diminishing air quality that is expected to occur because of climate change. These impacts present significant threats to community health and wellbeing, which will not affect everyone equally. Vulnerable groups, such as the elderly, low-income families, farmworkers/agricultural workers, undocumented immigrants, communities of color, and individuals already suffering from chronic diseases, will be disproportionately impacted by these changes.

The CAAP draws upon and supports the community’s goals and policies identified in the City’s 2030 General Plan (adopted in 2011, from background data from 2006). Chapter 2, the Sustainable Community (SC) Element of the General Plan draws from SB32 and SB375 and identifies goals and policies to support these measures:

- SC-1.2 – Support Statewide Global Warming and Climate Change Mitigation: Continue to monitor and support the efforts of the California Air Resources Board and other agencies as they formulate Global Warming and Climate Change adaptation and mitigation strategies and programs.
- SC-1.3 – Develop a Climate Action and Adaptation Plan (CAAP) That Supports the Regional SB 375 Sustainable Communities Strategy: Develop a Climate Action and Adaptation Plan that implements requirements adopted by the California Air Resources Board and/or the Ventura County APCD that establishes a GHG emissions qualitative and quantitative threshold of significance, establishes GHG reduction targets, and supports the regional SB 375 Sustainable Communities Strategy. See - <https://www.oxnard.org/wp-content/uploads/2017/06/Oxnard-2030-General-Plan-Amend-06.2017-SM.pdf> (page 44 of pdf - Page 2-11 of 2030 General Plan document)

The City recognizes the need to reevaluate these policies and will do so as part of the City’s comprehensive General Plan update which will kick off in 2023 (see Next Steps portion of this staff report).

Structure of the Draft CAAP

The Draft CAAP can be downloaded here: <https://www.oxnard.org/climate-action-plan/>. Consistent with the City's sustainability goals and initiatives, the document is being electronically attached to this staff report (Attachment A) and is not being printed and appended to this report.

The Draft CAAP contains an executive summary and five Chapters, as well as Appendices A through G, which provide additional detail on topics covered in the Draft CAAP:

- Executive Summary — The executive summary includes a synopsis of the Draft CAAP, including the plan's organization and a summary of the City's GHG emissions inventory and target, and the CAAP's strategies for reducing emissions and adapting to climate change.
- Chapter 1— Introduction and Background: This Chapter provides an overview of the document, the purpose and scope of the CAAP, the basic science behind climate change, and the importance of considering equity when taking action. In addition, Chapter 1 provides a brief explanation of potential impacts of climate change in the City of Oxnard, the community benefits of taking action, the process for engaging with the community and stakeholders, and a discussion of the state and local actions to reduce GHG emissions.
- Chapter 2— Understanding Oxnard's Greenhouse Gas Emissions: This Chapter presents a summary of GHG emissions being generated by the community and by municipal operations. It provides an understanding of where GHG emissions are originating from, including trends and forecasts, and what can be done to reduce them. Finally, Chapter 2 establishes Oxnard's GHG reduction target.
- Chapter 3— Reducing Greenhouse Gas Emissions: This Chapter describes the GHG reduction strategies and actions the City will implement at the local level regarding energy use, transportation and land use, solid waste management, and water consumption. Chapter 3 addresses each of these sectors, summarizing their contribution to total citywide emissions and describing the strategies and actions that will be implemented to reduce emissions from each category over time.
- Chapter 4— Community Resilience and Adaptation: This Chapter presents an overview of the impacts the City of Oxnard is expected to experience due to projected changes in the climate, and what the City can do to begin preparing for them. It describes expected local impacts and vulnerabilities, and potential adaptation planning strategies.
- Chapter 5— Implementation and Monitoring: This Chapter outlines recommended steps for implementing the GHG-reduction strategies described in Chapters 3 and 4, and for monitoring the progress of implementation. It identifies funding sources and assigns implementation and monitoring responsibility to specific City departments, presenting a schedule for implementation.
- Appendices — The document contains Appendices A - G to document work on the CAAP to support CAAP implementation; including Appendix A— Community and Stakeholder Engagement Reports; Appendix B— Major Climate Policies and

Regulations in California as of 2022: Appendix C— Greenhouse Gas Quantification Methods; Appendix D— City of Oxnard Social Vulnerability Index; Appendix E— Partnering Organizations; Appendix F—Funding Sources; and Appendix G—CAAP Consistency Review Checklist.

4) Environmental Determination: As identified in the March 30, 2021, City Council staff report, the CAAP is being developed to align with California’s statewide target mandated by SB 32, which requires the State of California to reduce GHG emissions 40 percent below 1990 levels by 2030. Cities are expected to do their fair share to reach this target. And, in preparing the scope of work and contract budget for the CAAP, the City structured the document to reduce Oxnard’s GHG emissions to 40 percent below the City’s 1990 levels by 2030. By adopting this target and demonstrating through the CAAP how the City will achieve the target, the City will have a “qualified CAP/CAAP” that is consistent with California Environmental Quality Act (CEQA) Guidelines (Section 15183.5(b)). This is important because when a City has a qualified CAP/CAAP, it can be used to facilitate CEQA clearance of the City’s future development projects with respect to GHG emissions. Developing a qualified CAP/CAAP is proving to be the most effective and legally defensible way to plan for growth that does not create a significant impact with respect to GHG emissions.

5.) Discussion:

a.) General Discussion

The following provides more detailed information related to the key components of the CAAP as a basis for discussion. This includes details related to how the GHG inventory was developed and the main sources of emissions in the City; a summary of the GHG reduction strategies for achieving the City’s GHG reduction goals; a summary of adaptation strategies to prepare and build community resilience; and a summary of the CAAP’s implementation framework. Importantly, following the summary of strategies is a list of implementing actions most impactful in achieving GHG reduction goals (see Attachment B). The Planning Commission may be particularly interested in these implementing actions. Additionally, this discussion concludes with a summary of the community engagement process, the community input received on the Draft CAAP, and next steps leading up to the adoption of the CAAP by City Council which will occur in early Fall 2022.

b.) GHG Inventory

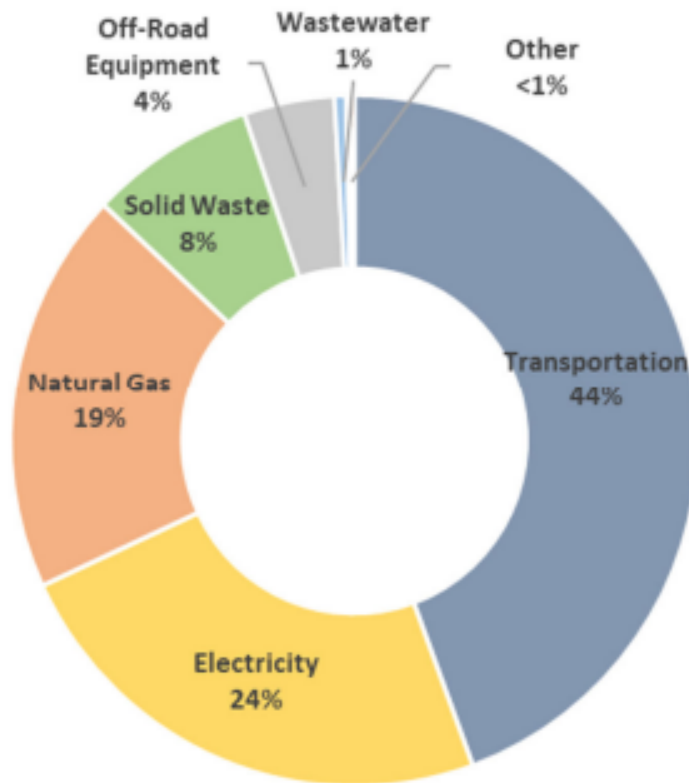
The starting point for addressing climate change mitigation, which is a key component of the CAAP, is an understanding of the sources of the current GHG inventories in the City. These sources include the GHG emissions that the City has direct control over (Municipal GHG

Inventory) and those that result from community activities (Community GHG Inventory), which are directly and indirectly impacted by local government programs, implementation of State mandates, planning, and development decisions.

Since April of 2020, the City has been working with the City's CAAP consultant/ESA and the CAAP team to conduct an analysis of the Municipal and Community GHG Inventories.

These Municipal and Community GHG inventories have been developed using well-recognized protocols published by International Council for Local Environmental Initiatives (ICLEI) and adhere to national standards. The Community inventory utilizes the methodology prescribed by the "U.S. Community Protocol for Accounting and Reporting of Greenhouse Gas Emissions", whereas the Municipal inventory, which comprises a subset of community emissions, utilizes ICLEI's "Local Government Operations Protocol". Consistent with national and international agreements, California uses 1990 as the baseline year for tracking and reducing GHG emissions. However, most local jurisdictions select an appropriate baseline year determined by the availability of data. Accordingly, the City has chosen 2010 as its baseline year, consistent with available records and the City Council approved Energy Action Plan (April 2013 - <https://www.oxnard.org/city-department/community-development/planning/energy-action/>), which also used 2010 as the City's baseline.

Following an extensive inventory procurement and analysis process, which included creating a GHG-emission inventory of sources specific to Oxnard, various key sectors (categories of emissions that are defined by the end use that causes them) were identified as the major contributors of GHG in the City. Those sectors, along with the percentage of total GHG contributions in 2018 (most recent inventory) are noted below. These sectors are the areas which directly result in GHG in the City of Oxnard and their percentage contribution to overall City GHG are as follows:



The sectors contributing the most emissions (on-road transportation, electricity, natural gas, and solid waste), represent more than 90 percent of the City's total (Community and Municipal) emissions.

c.) GHG Reduction Strategies

In developing the CAAP for achieving a target in alignment with SB 32, the consultant evaluated and incorporated the following sector-specific strategies:

- a. **Green the electricity supply:** This strategy reduces emissions from electricity used by buildings, lighting, and water delivery by increasing the percentage of power being supplied by renewable (i.e., zero-emissions) electricity.
- b. **Electrify buildings:** This strategy reduces emissions from the consumption of natural gas, by shifting the energy use to electricity, which has a lower carbon footprint, particularly when paired with the use of low- or zero-carbon electricity.

c. **Electrify transportation:** This strategy reduces emissions from on-road vehicles, the biggest contributor to the City's emissions, by supporting the transition to plug-in electric (PEV) and hydrogen-powered vehicles.

d. **Improve energy efficiency of buildings:** This strategy reduces emissions from electricity and natural gas by reducing the energy needed for heating, cooling and lighting. While new buildings will generally be highly energy efficient due to increasingly stringent building codes (e.g., Title 24), many existing buildings can be greatly improved with respect to energy efficiency.

e. **Reduce vehicle miles traveled (VMT):** This strategy reduces emissions from on-road vehicles through land-use planning that emphasizes access to transit and reduces the need for vehicular travel through density increases, support for a mix of uses, and safe and convenient pedestrian and bicycle infrastructure.

f. **Strive for zero waste:** This strategy reduces emissions from landfill decomposition of organic waste by reducing the amount of waste sent to the landfill.

g. **Conserve water:** This strategy reduces emissions associated with the energy needed to treat and deliver water to the City's end consumers by reducing the amount of water consumed in the City.

It is important to acknowledge that the City has been active in developing programs and initiatives that fall under the strategies listed above:

- **Green the electricity supply:** In 2018, the City joined the Clean Power Alliance (CPA), making 100 percent renewable electricity available to all land uses and streamlined the permitting process for installing residential rooftop solar systems.
- **Improve energy efficiency of buildings:** In 2013, the City adopted an Energy Action Plan (EAP) that includes policies to increase building energy efficiency and to support local solar Photovoltaic (PV) installations as well as electric vehicle infrastructure.
- **Reduce VMT:** The City is developing a Sustainable Transportation Plan (due to be completed in 2022) which will look at measures to promote walking and reduce driving, improve alternative modes of transportation, and evaluate the roadway network, to name a few elements of the Plan.
- **Strive for zero waste:** The City is also developing a Resource Management Plan to increase recycling, and is planning a new facility to sustainably process organic waste.

The CAAP incorporates these initiatives, and accounts for the many economy-wide GHG reduction programs and policies being administered by the State with regards to energy,

transportation and solid waste. Still, as the Draft CAAP demonstrates, the City must take additional local action to reduce community GHG emissions enough to be consistent with the State's 2030 GHG reduction target.

Implementing these initiatives will still be insufficient for the City to achieve its 2030 CAAP target, as will relying on the many economy-wide GHG reduction programs and policies being administered by the State with regards to energy and transportation also be insufficient. The City must take additional local action to reduce Community GHG emissions further to be consistent with the State's 2030 GHG reduction target.

d.) Resilience and Adaptation

Recognizing that addressing GHG-reduction is only half of the solution to addressing climate change, the other component is the "adaptation" needed to ensure preparedness and build resilience to expected vulnerabilities and risks that threaten the City. Certain communities in Oxnard, including in the eastern, southern, and central areas, have a higher concentration of populations considered more vulnerable to the impacts of climate change. This is due to multiple social, economic, and demographic indicators of vulnerability such as existing health burdens, poverty, and working conditions. Similarly, certain critical facilities and infrastructure are also at greater risk from climate hazards especially if they are not built to withstand future climate events.

The CAAP will address the future challenges the City will have in addressing climate change and will recommend adaptation measures to ensure the City is ready and able in the future to handle flooding, extreme heat days, degraded air quality, and severe storms as summarized below:

- a. **Extreme Heat:** Strategies to adapt to extreme heat include improving community accessibility to cooling facilities and amenities, providing cooling for households and public facilities, improving community infrastructure to combat heat, and providing support for vulnerable populations to stay safe from extreme heat hazards.
- b. **Extreme Drought:** Strategies to adapt to extreme drought include expanding education and awareness of water conservation and water reuse practices, increasing the city's use of reclaimed water across various facilities and services, and collaborating with local organizations to build capacity for vulnerable groups to respond to drought conditions.
- c. **Smoke and Air Pollution:** Strategies to improve local air quality include reducing mobile pollution sources, increasing access to air filtration, improving indoor air quality, and making hazard alert systems and worker protections more effective for those who are most vulnerable to poor air quality.

- d. **Sea Level Rise (SLR):** Strategies to adapt to SLR are addressed in the City's Local Coastal Plan, and include strategies that decrease hazard risk, relocate or remove development out of hazard areas, and rely on a combination of natural and manmade infrastructure to protect coastal development.
- e. **Extreme Storms and Stormwater Flooding:** Strategies to adapt to extreme storm events include prioritizing low-impact development, improving critical infrastructure, monitoring flood impacts, coordinating evacuation procedures, implementing green infrastructure, and remediating areas with stagnant water.

As part of the City's General Plan update, the City will also simultaneously update the City's Local Coastal Plan (LCP). Following the LCP update the City's Local Coastal Implementing Plan (LIP, Chapter 17 of the Oxnard City Code) will be updated. In preparation for work to update the City's LCP, the City prepared an Adaptation Report for consideration in developing the City's SLR Adaptation Strategy for application in the LCP. This report will assist in developing the approach and process for coastal permitting, SLR adaptation planning, and related regulatory processes. See - <https://www.oxnard.org/wp-content/uploads/2021/04/Sea-Level-Rise-Adaptation-Strategy-Report-Summary.pdf>. This report and recommended strategies was utilized as part of the Draft CAAP document. The LCP update will utilize this information and may consider options to these SLR protocols. The City will be initiating the LCP update with the City's 2050 General Plan update, which is anticipated to kick off in 2023 and is anticipated to take three (3) to four (4) years to complete. The CAAP should be updated every five (5) years; with LCP related work, adaptation strategies will be reviewed, and evaluated as part of the City's SLR policy approach.

e.) Implementation and Monitoring - This Chapter outlines recommended steps for implementing the GHG-reduction strategies described in Chapters 3 and 4, and for monitoring the progress of implementation as well as resilience and adaptation strategies. It identifies funding sources and identifies implementation and monitoring responsibility to specific City departments, and presents a schedule for implementation.

For GHG Reduction Actions: The Draft CAAP document identifies near term (Fiscal Years (FY) 2022-2025), mid term (FY 2025 to 2027), and long term (FY 2027-2030) implementation measures in order to realize GHG reduction goals. The long term actions are important for staying on track to achieve the deeper reductions needed throughout the State to reach carbon neutrality by 2045 (as called for in Governor's Executive Order B-55-18).

The City's Capital Improvement Program (CIP: FY 2022-2027) was adopted earlier this year, and represents a multi-year CIP. Projects from the CIP are presented to the City Council for funding approval in two-year increments; earlier this year the City Council approved projects for FY 2022-2024. Projects from the CIP will be presented to the City Council for funding in 2024 for FY 2024-2026. Since near term CIP projects have already been approved through 2024, the

soonest near term efforts that could occur would begin in FY 2024-2025. The Draft CAAP identifies a number of near term efforts and based upon the two-year CIP approval time frames, the City would have limited time to execute these projects due to the City's two-year CIP project adoption time frames. City Council prioritization will need to occur as part of the City's yearly budgeting and CIP approval process.

For Resilience and Adaptation Strategies: Due to the inherent uncertainty of how future climate hazards will develop and the range of time frames in which the community will experience impacts, the time frames indicated for resilience and adaptation strategies differ from those used for the GHG Reduction Actions and are not proposed to change between the Draft CAAP and Final CAAP.

Staff in collaboration with the Public Works Department is recommending that the Draft CAAP timeframe change. Shifting near and mid-term efforts will not impact the City's ability to achieve GHG reductions within prescribed time frames.

These recommended changes to the Draft CAAP time frames are as follows:

For GHG Reduction Actions	
Draft CAAP Chapter 5 Time frames	Staff Recommended Final CAAP Chapter 5 Time frames
Near Term 2022–2025	Now 2022-2026
Mid Term 2025–2027	Now 2026-2030
Long Term 2027– 2030*	Now 2030-2035
*Currently there are no strategies identified for the Long-Term measures; however, that could change with future updates to the CAAP	

f.) Policy Considerations Regarding GHG Reduction Strategies

A few of the strategies and actions in Chapter 5 are considered policy level items which have been highlighted in Attachment B. These policy items pertain to procuring clean energy, green building infrastructure, waste reduction and recycling, transportation, land use, and water conservation. These particular strategies and actions may have significant cost to the City, are essential to achieving GHG reduction goals, and will impact City budgets and operations. City Council will be alerted to these items when considering the Final CAAP in early Fall 2022.

g.) Community Engagement

In early 2021 staff assembled a Stakeholder Group to help guide in the development and visioning of the CAAP document. The roughly 125 member stakeholder group was focused on the following topic/issue areas: Environmental, Businesses, Utilities & Franchisees/Agency Representatives, Community Organizations, Education and Health Care, and City Staff. Over the past two years, this group has been consulted and engaged to secure feedback and input. Due to the pandemic outreach measures, approaches, and protocols had to be adjusted. The following summarizes meeting dates and outcomes, which is also summarized in Appendix A of the CAAP document:

- March 30, 2021 - City Council update regarding preparation of the CAAP document, including a detailed summary of what created climate impacts in the City, and an analysis of the City's compliance with emission targets, and identification of what the City can do to reduce these climate change activities. The staff report established that the CAAP was being developed to align with California's statewide target mandate by SB32; this requires the State to reduce GHG emissions 40 percent below 1990 levels by 2030. As supported by the City Council, the City's CAAP programs and policies were crafted to meet that reduction criteria.
- May 1 - 31, 2021 - Release of CAAP public survey (available in both English and Spanish) regarding key CAAP questions. The City received 133 survey responses.
- May 3rd and 10th, 2021 - Round 1 Virtual Stakeholder meetings with participants to discuss global climate change concerns, including vulnerable communities, and actions to consider for reducing GHGs in Oxnard. Six stakeholder group meetings were held during this time frame.
- May 17 and 22, 2021 - Virtual Public Workshops (conducted in both English and Spanish, including translation of PowerPoints) were conducted asking a series of questions regarding the CAAP. Approximately 60 members of the public participated during these two public workshops. The purpose of these engagement efforts was to identify the climate change impacts of most concern to the community and to gather ideas about the best ways to reduce GHGs in the community. These engagement efforts helped identify climate impacts of concern in the Community Vulnerability Assessment, and to identify effective CAAP strategies and actions for improving community resilience and

reducing greenhouse gas emissions.

- January 25, 2022 - Community Services, Public Safety, Housing & Development Committee (“Committee”) report on the City’s CAAP including identification of a reduction percentage in compliance with State law. The report summarizes GHG reduction strategies, and provides the Committee with an update on stakeholder and community input.
- January 26th and 27th 2022 - Round 2 Virtual Stakeholder meetings with between 40 and 50 participants to: (1) Gather input on community vulnerabilities to climate change and potential strategies to address vulnerability; and (2) improve the understanding of community experience with climate change hazards and social vulnerability and equity. Five stakeholder group meetings were held during this time.
- April 26, 2022 - The Draft CAAP was posted on the City’s CAAP website, with distribution to the City’s CAAP Stakeholder Group. Comments on the Draft CAAP were requested by June 1, 2022. As of this staff report preparation (June 1st) the City has received nine (9) comment letters (see Attachment C, which includes the comment letters and the City’s response to these comments).
- May 5, 2022 - The City conducted a Virtual Public Workshop where the Draft CAAP was reviewed. Members of the City’s CAAP Stakeholder group provided verbal comments on the document along with written comments. The City has prepared a response to comments document on the Draft CAAP which are contained in Attachment D.
- May 9, 2022 - The City conducted virtual drop in office hours from 4 - 6 p.m. (English and Spanish translation available), where community members were encouraged to “drop by” at any time to receive information and ask questions; no members of the public “dropped by” despite social media promotion measures and working with the City’s stakeholders group to promote the virtual hours.
- May 14, 2022 - Community members participated in the City’s virtual community workshop where the Draft CAAP was presented and participants were able to provide input. English and Spanish translation and interpretation were provided, along with a translated powerpoint. The event was posted on the City’s CAAP website, promoted via the City’s stakeholder group, and promoted on social media platforms. Approximately five (5) members of the public participated. A summary of the input is contained at the end of Attachments B and D.

h.) Community Input on Draft CAAP:

During the 43-day review period, the City received nine (9) comment letters (see Attachment C). Staff has summarized the comments, and provided detailed responses to these comments. Further, Attachment D provides input on how the comments were addressed and identifies where the comment resulted in changes to the CAAP document. In many instances input resulted in additional language refinement, and clarification.

In reviewing comments, the comments generally pertain to the following topic areas; *staff’s response to the themes follows in italics:*

- The City should exceed the California Building Energy Efficiency Standards Mandate for Full Electrification Sooner than State Requirements - A number of commenters expressed support for electrification in new construction earlier than mandated by California code requirements. *The City's current strategy regarding building electrification is to enforce the requirements of California's building energy efficiency standards (Title 24, Part 6), which are updated every 3 years and will require new home construction to be 'electric ready' effective January 1, 2023. Future updates are expected to have even more prescriptive building electrification requirements. While the City recognizes that building electrification is beneficial from a GHG reduction perspective, it also sees the need to retain natural gas as a reliable energy source for times when the electricity grid is disrupted, at least for the foreseeable future until adequate local energy storage capacity is developed. Meanwhile, the Draft CAAP demonstrates that the City can achieve its 2030 GHG target without instituting an electrification reach code. Additionally, the City of Oxnard's population is considered an at risk population, where power redundancy and energy security is needed for the City's population. Redundancy is necessary in the event of an emergency, power shut offs, and/or brownouts, and to ensure that the City's population is not put at risk. Insufficient or non-existent energy sources results in facilitates being inhabitable which puts the City's population at risk and strains emergency response resources. The City supports climate change resiliency by having redundant energy sources and the City supports clean energy efforts. The City's population and community would be served by securing infrastructure redundancy grants which would be implemented with electrification conversion; thus, still ensuring clean energy while providing redundancy.*
- Details on the Cost and Precise Timing Associated with Programs and Measures should be provided - The City should know the fiscal ramifications associated with various strategies and actions. *A detailed fiscal impact analysis is an expensive undertaking. Further, conducting this analysis prior to Council's consideration of the various strategies and actions is not prudent. A fiscal impact analysis is impacted by market conditions and economics. Therefore, it is recommended that it occur on near term projects to ensure estimates are realistic and align with the City's two-year CIP process.*
- The City should set more ambitious GHG emission targets and stronger greenhouse gas reduction goals such as 50-60% reduction by 2030 and carbon neutrality by 2035. *While state measures are critical to meet the City of Oxnard's (City's) emission reduction goals, they are not likely to be all that is needed. Local policies and programs—and choices made by the City's residents and businesses—will determine the City's ability to achieve its emissions-reduction target for 2030. Through implementation of the strategies and actions in the CAAP, the City anticipates, at minimum, annual emissions reductions of 210,959 MTCO₂e by the year 2030, as shown in Table 3-1. Combined with state measures, local actions will enable the City to reduce its total community GHG emissions to approximately 499,311 MTCO₂e in the year 2030, as indicated in Table 3-2. This is just enough to achieve the City's stated target. Figure 2-4 in the Draft CAAP also indicates that the reductions expected from state standards and regulations are not enough to achieve the target, and additional local actions are needed. As indicated by the adjusted Business as Usual (BAU) forecast, the sectors with the greatest need for additional emissions reduction are on-road transportation, natural gas, electricity, and solid waste.*

- The CAAP should contain more information regarding measures to improve pedestrian, bikes, transportation, and micro-mobility solutions. The pedestrian, bicycle, and transportation network should be improved and options for getting folks out of cars should be more robustly considered and evaluated. *The Draft CAAP referenced a number of programs, grants, and projects the City is working on. The City's Sustainable Transportation Planning (STP) Grant will produce a plan incorporating complete streets design, safe routes to school, vision zero, and first/last mile planning in tandem with land use opportunities, plans, and existing conditions. This project is collaborative in nature, focusing on inclusive community engagement to ensure that the needs of each community, age group and socioeconomic status are represented. Development of the STP will include idea generation and prioritization, establishment of the sustainable transportation framework, catalog of enhanced streetscape elements, conceptual design alternatives, identification of funding sources, implementation steps, and a final STP for adoption by the City Council. The City's Bicycle Facilities Master Plan along with the Santa Clara River Master Plan is referenced through strategies and actions to improve alternative forms of transportation. The City also recognizes that through the 2050 General Plan update which will kick off in 2023, land use patterns and alternatives will be robustly evaluated.*
- Policy Level Comments from the Public - The public provided input on the Draft CAAP and raised policy level questions. Generally these pertained to energy usage/general, transportation, coordination/programming, heat use, energy/electrification, building/energy, resilience/SLR, and CAAP implementation. These are also summarized in Attachment B, "Public Comment", with responses detailed in the CAAP stakeholder community response to comment document, Attachment D. These will be highlighted when the Final CAAP is presented to the City Council in Fall 2022. meeting, along with the overall policy level items.

i.) Next Steps:

The purpose of the July 7th Planning Commission meeting is to conduct a study session on the Draft CAAP. As identified in Attachment D, Staff is aware of edits necessary and recommended to the CAAP document. On July 21st the Planning Commission will be asked to adopt a resolution recommending City Council approval of the Final CAAP. Due to publication deadlines and to conserve fiscal resources, the Final CAAP will consist of the Draft CAAP and Addendum No. 1 to the Draft CAAP which will comprise Attachment D and any other recommended CAAP edits. The Final CAAP will include a preamble from the Mayor, and cover page with City renewable resources.

These documents will be transmitted to the City Council for approval, along with the Planning Commission resolution of approval in early Fall 2022.

Attachments:

- A. Draft CAAP Document - see link: <https://www.oxnard.org/climate-action-plan/>
- B. Strategies/Policy Document

STUDY SESSION ON CITY OF OXNARD CLIMATE ACTION AND ADAPTATION PLAN (CAAP)
Planning Commission Meeting Date: July 7, 2022
Page 15 of 15

- C. Comment Letters on Draft CAAP as of June 1, 2022
- D. CAAP Stakeholder and Community Comment Letters (9 letters/emails) and City Response within matrix

Attachment A

Draft CAAP Document - see link: <https://www.oxnard.org/climate-action-plan/>

Removed to avoid duplication

Attachment B

Strategies/Policy Document

Removed to avoid duplication

Attachment C

Comment Letters on Draft CAAP as of June 1, 2022

Attachment C

Date	Name	Contact info	Stakeholder Organization or Public	Comment Number & Document
5/7/2022	Chris Tull	ctull@gmail.com	Climate Hub	<u>1 - 5</u>
5/9/2022	Clay Downing	clay.downing@ventura.org	County of Ventura	<u>6 - 7 & 41 - 50</u>
5/12/2022	Jim Danza	danzajm@outlook.com	Public	<u>9 - 34</u>
5/14/2022		oneilpedal4@gmail.com	Public	<u>8</u>
5/20/2022	Clay Downing	clay.downing@ventura.org	County of Ventura- County Executive Office	<u>41-50</u>
5/20/2022	James Danza (Chair)	danzajm@outlook.com	Friends of Santa Clara River (FSCR)	
6/1/2022	Nicole Collazo	nicole@vcapcd.org	Ventura County Air Pollution District	<u>51-61</u>
6/1/2022	Micheal Chiacos (Chair)	mchiacos@cecmail.org	Community Environmental Council	<u>62-73</u>
6/2/2022	Isadora Nogueira	isadora.nogueira@trackingcalifornia.org	Tracking California	<u>74-81</u>



Letters #1 - #4

Ramirez, Rosheil <rosheil.ramirez@oxnard.org>

CAAP Feedback

Chris Tull <ctull17@gmail.com>
To: OxnardCAAP@oxnard.org

Sat, May 7, 2022 at 3:47 PM

Hello,

Thank you for putting together this comprehensive document! Please see my comments below.

E3.3

I strongly support action E3.3 – "Identify potential partnerships, funding, or financing sources for installing storage and microgrids in the community".

The city's GHG strategy relies heavily on a decarbonizing electric grid, and an electricity mix that is heavy on renewable energy. However, energy storage appears to be falling far short of the levels needed to support rapidly scaling levels of intermittent renewable energy, making this a potential bottleneck in the city's strategy.

The city could identify potential development sites for additional grid-scale energy storage projects comparable to the [100MW Saticoy Energy Storage Site](#).

As an added benefit, pursuing additional local energy storage projects would increase the city's resilience during extreme heat and/or wind events that could disrupt the electric grid and therefore ability of residents to cool themselves.

B2

As an additional action under section B2, the city should adopt a ["REACH" building code requiring new construction to be all-electric](#).

T2

The performance objectives for T3 list increasing the mileage of Class I–Class III bike lanes, but neglect to mention Class IV bike lanes. [Class IV bike lanes represent on-street bike lanes that are protected from traffic by a vertical element or barrier](#). This section should be amended to include class IV bike lanes.

T4

- Section T4 should mention Metrolink and Amtrak, and their importance as regional providers of rail transit. Regional rail can provide an important piece of a low-carbon transportation future, especially when paired with bike and car-sharing, EV chargers, etc.
- Section T4 should mention actions that the city can take to directly speed up bus routes such as creating dedicated bus lanes or giving priority to buses and cyclists at traffic lights.

Thank you,
Chris

--
Christopher Tull
Oxnard, CA 93036



Simpkins, Matthew <matthew.simpkins@oxnard.org>

Fwd: CAAP Feedback

Mallory, Kathleen <kathleen.mallory@oxnard.org>
To: Matthew Simpkins <matthew.simpkins@oxnard.org>

Mon, May 9, 2022 at 12:12 PM

Mat - please add this to the CAAP Input table. And my response.

Thanks,
Regards,

Kathleen Mallory, Planning & Sustainability Manager
AICP, MA, LEED GA
Community Development Department
214 S C Street | Oxnard, CA 93030
O: 805-385-8370 | F: 805-385-7417
www.oxnard.org



The Community Development service counter is open to the public from 8:00 a.m. to 4:00 p.m., Monday through Thursday and 9:00 a.m.-4:00 p.m. on alternating Fridays.

----- Forwarded message -----

From: **Mallory, Kathleen** <kathleen.mallory@oxnard.org>
Date: Mon, May 9, 2022 at 12:11 PM
Subject: Re: CAAP Feedback
To: Chris Tull <ctull17@gmail.com>

Hi Chris -

Thanks for the follow up. In terms of housing sites, this is covered under the Housing Element. We did rely on the outcome and finding of this study within the CAAP document. So we have this covered.

In terms of the sustainable transportation implementation efforts, we specifically DID NOT include these measures in the document because we are still working on this plan. The CAAP makes reference to this grant knowing the outcomes will be developed and implemented.

Do you have any other questions?

Regards,

Kathleen Mallory, Planning & Sustainability Manager
AICP, MA, LEED GA
Community Development Department
214 S C Street | Oxnard, CA 93030
O: 805-385-8370 | F: 805-385-7417
www.oxnard.org



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On Mon, May 9, 2022 at 10:04 AM Chris Tull <ctull17@gmail.com> wrote:

No problem, Kathleen! Thanks for your hard work on this plan. I feel like this city and the consultant did a good job, especially given the limited number of levers that cities have with respect to decarbonizing electricity and natural gas.

The one spot I would have loved to see more discussion of is sustainable transportation which is a key lever where the city has lots of control, but I understand the logic of pushing that into a separate planning process with dedicated funding. I also feel like this plan could have proposed more specific actions on the housing side with respect to zoning changes, etc. but I didn't have any specific recommendations to provide there.

#5

Thanks again,
Chris

On Mon, May 9, 2022 at 9:29 AM Mallory, Kathleen <kathleen.mallory@oxnard.org> wrote:

Hi Chris - Thank you for your thoughtful comments. We'll keep these for the records and utilize for consideration of amendments to the CAAP.

Thank you again, for your continued engagement on this exciting effort!

[Quoted text hidden]

[Quoted text hidden]

[Quoted text hidden]



Simpkins, Matthew <matthew.simpkins@oxnard.org>

CAAP Input During Chat for May 5th Stakeholder Meeting

1 message

Mallory, Kathleen <kathleen.mallory@oxnard.org>
 To: Matthew Simpkins <matthew.simpkins@oxnard.org>

Mon, May 9, 2022 at 3:15 PM

Mat - please add this also to the summary of input on the CAAP.

Clay Downing - do we have a Qualified CAAP?

One of the items that I have been thinking about with the County's strategy and that is pretty top of mind (haven't checked in your CAAP yet) is whether or not development standards for project-level GHG emissions standards need to be adopted in our initial study assessment guidelines. Some regional cities and counties have them....but we don't and it feels like a missed opportunity for influencing development and financing local GHG measures through mitigation. I don't want to go into that in this meeting, but its something that's on my mind on actionable CAP mechanisms right now.

#6

Water / Gray Water Comment - We should have Gray Water Use

Laura, please look at strategy W1 and Strategy ED-1. As Jeff mentioned, if you have additional thoughts or comments about those strategies please provide them in comments. Thanks!

#7

N/A
 internal
 comment

Regards,

Kathleen Mallory, Planning & Sustainability Manager
AICP, MA, LEED GA
Community Development Department
 214 S C Street | Oxnard, CA 93030
 O: 805-385-8370 | F: 805-385-7417
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Ramirez, Rosheil <rosheil.ramirez@oxnard.org>

We need safe bike and walking

1 message

oneilpedal4@gmail.com <oneilpedal4@gmail.com>

Sat, May 14, 2022 at 1:43 PM

To: OxnardCAAP@oxnard.org

Sirs;

I suggest that we create a bike/walking trail system on the banks of the Santa Clara River.

This would help my family and neighbors to travel in a less polluting fashion.

I bike path from Saticoy area to the Ventura Harbor would assist us to travel safely to the Harbor and Downtown Oxnard and Ventura.

Thanks

Sent from my iPhone

} #8

To: City of Oxnard

From: Jim Danza, AICP

Date: May 12, 2022

Subject: Comments on City of Oxnard Climate Action and Adaptation Plan

As a professor of geography and environmental science at Oxnard College and a bicycle commuter through the city, I am happy to provide the following comments to strengthen this important plan. Climate science, and environmental/climate justice are part of campus academics and community service efforts. I am encouraged that collaboration will grow as our community acts on this plan. The following are my comments as a subject matter expert and community stakeholder; however, they are not intended to represent the official position of the Oxnard College.

The Plan provides a good framework and actionable changes to help reach GHG reductions. More emphasis is needed on the existential threat of the climate crisis to ensure actions are taken immediately.

Terms like “educate” and “promote” are used for implementation actions. Although these are altruistic and are important part of the plan, experience shows they have limited results. More emphasis is needed on what drives change such as:

- Connecting people’s experiences with climate change, such as the cause of water shortages, higher food and insurance rates.
- Economic incentives such as rebates, pricing to encourage conservation (for water use and permits), prizes/rebates for non-auto use

Here are specific comments by page/section:

ES-3 The case for dramatic action on climate needs to be made. The report opens with soft language about potential impacts. Consider that the overall societal response is currently tepid. The report should come across as borderline “alarmist”, as it should paint a realistic picture of current and predicted climate change impacts. The urgency of the crisis can be brought to the forefront using information for trusted sources such as the IPCC and NOAA.

Language such as “Chapter 1 provides a brief explanation of potential impacts of climate change in the City of Oxnard” makes it seem like climate change is a “potential” problem, rather than the problem we now observe. Climate change is a true crisis and this plan should be written as such.

The reports states on page 1-2 “In recent years, Oxnard has experienced heat waves and wildfire smoke that have impacted the health of the local community, particularly farmworkers and other vulnerable groups.” and “IPCC has reported that “human-induced climate change,

#9

#10

#11

including more frequent and intense extreme events, has caused widespread adverse impacts and related losses and damages to nature and people, beyond natural climate change variability". This report should reflect the true crisis in its opening statement.

#11

The concept of "tipping point" should be explained where IPCC and others explain that drastic action is needed now to avoid point of no return for warming and other tipping points for sea level rise and ecology.

Pg 1-7 Youth Voices need to be heard, however a consistent theme among college students is that students are often not aware of the severity or precise consequences of climate change. The CAAP should acknowledge this and emphasize the impacts of climate being experienced and the necessary actions that citizens can take. Citizen action should be facilitated by the city wherever possible.

#12

Pg 1-15 Bicycle and Pedestrian Facilities Master Plan is relied upon to help meet climate goals. No mention is made here that disadvantage communities and high fuel costs can be a main driver to increase bicycle and pedestrian facilities. These will not only reduce GHG but are an equitable means toward environmental and climate justice.

#13

Pg 3-5 Table 3-1:

Overall comment: Assumptions and calculation are not shown for annual reductions.

- #14

For T1: Expand Zero Emission Vehicle (ZEV) Charging and Fueling Infrastructure. I don't see how 2030 ANNUAL REDUCTIONS (MTCO₂e/YEAR) is calculated. In fact, the act of providing charging itself doesn't result GHG emission reduction, but the elimination of fossil fuel auto use does. Therefore, the table should be modified and list the reduction of fossil fueled-highway miles driven due to increased charger access.

#15

T3: Expand Infrastructure for Pedestrians, Bikes, and Micro- mobility Solutions has a 121 MTCO₂e/YEAR which seems quite small. The transportation sector is 389,079 MTCO₂e/YEAR so ridership increase due to better bicycle facilities amounts to 0.03% reduction. Either the calculation is not realistic or bicycle planning is not aggressive enough.

#16

Oxnard is well situated become a well-connected active transportation city:

- Many areas of Oxnard are high density with proximity to neighborhood services. High street activity is seen through Oxnard Neighborhoods.
- Many residents already walk and bike and would do so more often and in higher numbers given the opportunity to do it safely.
- Many residents drive because of the safety issues even through car ownership and fuel have a high impact on their finances.

While there are challenges in dealing with the built environment, the city should make it a high priority and take extreme measures now for active transportation. Suggestions in the plan can go beyond what is in past and current plans like the Sustainable Transportation Plan.

#17

Here are some examples:

- Add protected bike lanes everywhere possible. Reconsider every street. Remove unnecessary lanes. If lanes are marginally needed, keep lanes only at intersections for the queue and higher flows on greenlights with most of the road length redesigned to include Class 1 and 4 bike lanes.
- Reconfigure and add sidewalks and shade to allow safe walking and biking.
- Climate change impacts will have an increasingly large impact on the city. Therefore, much more drastic measures should be taken now.

#17

T5: Expand Car and Bike Sharing is a great concept that should be tested to see if it is workable in the community. Its success will also depend on T3 above.

#18

Pg 1-15 Bicycle and Pedestrian Facilities Master Plan. Should also reference and give priority regional bicycle and active transportation plans, such as the Santa Clara River Bicycle Master Plan and Ventura County ATP.

#19

Pg 3-17 B2: Electrify Buildings section should consider an ordinance requiring residential electrification.

#20

Pg 3-20 T1: Expand Zero-Emissions-Vehicle (ZEV) Charging and Fueling Infrastructure Indicates 57 charging stations. It appears overstated considering that the various types of plugs and amps/volts. For example, a Nissan LEAF only 9 public chargers are available that are unrestricted.

If residential is counted, then the goal of 1,500 is low. It may be better to separate public charging from residential to get a more realistic picture of charging capability. Also quantity does not speak to usage when considering types of output/connections, access restrictions and costs.

#21

For Municipal Operations, actions should consider cost of charging at public stations. More families will likely purchase electric cars if charges are readily available and affordable.

Pg 3.24 T3: Expand Infrastructure for Pedestrians, Bikes, and Micro-Mobility Solutions

The first paragraph discussion on "share of people" who currently walk and bike should include citation of studies that indicate that the creation of a safe bike network increases walking and riding many times over, such as:

- [National Association of City Transportation Officials](#) "More people ride when cities build protected bike lanes. Studies from cities across North America show that adding protected bike lanes significantly increases bike ridership on those streets, with rates ranging from 21% to 171%."

#22

- Safer Cycling BICYCLE RIDERSHIP AND SAFETY IN NEW YORK CITY

"More New Yorkers than ever before are embracing cycling as a convenient and affordable way to get around—in the last decade alone, annual bicycle trips rose 150%."

#22

T4: Improve Transit Effectiveness and Accessibility should include municipal measures for transit for employees and city events where public transportation is provided or recommended, and that events should encourage or incentivize walking or bicycle riding to events.

#23

3.29 Land Use A more relevant photo should be used that shows residential units with business and services in the same building, like the new development near Wagon Wheel.

#24

3-34 W1: Increase Water Conservation and Reuse Actions should specifically include a statement that discourages use of artificial turf which tends to radiate heat worsening the urban heat island, increases carbon and pollution footprint due to production of plastics, no GHG absorption, and disposal issues at the end of its life. This will help encourage the use of native plants and trees, which have a cooling effect, absorb GHG, provides urban ecology, and are very low water use.

#25

Pg 3-38 Nature-Based Solutions Discussion should emphasize avoiding use of artificial turf. Actions should include ordinance against its use except for specific circumstances, such as sports fields or where live plants are not practical.

#26

Pg 3-39 N1: Increase Local Carbon Sequestration should include working with non-profit community and environmental organizations to meet these goals. The city should have a coordinator to help with implementation. Expansion of the City Corps to meet these climate goals should be considered.

#27

Pg 4-1 Community Vulnerability and Adaptation

Wording should emphasize impacts already being experienced, such as "The changing climate is already impacting Oxnard which is experience more-extreme heat events, worsening air quality due to smoke events, and severe droughts that will strain already constrained water supplies." Each of these facts can be verified and cited as needed.

#28

The concept of using light colors (low albedo surfaces) to reduce the urban heat island effect should be included. Some municipalities encourage light colored roofs, pavements and other surfaces to reduce solar absorption.

4-14 POTENTIAL STRATEGIES FOR ADAPTING TO EXTREME HEAT (EH) section should have an actions section for implementation.

#29

Pg 4-15 Statements like: "EH4: Prioritize urban greening and shading along active transportation routes and commuting services" should be reworded to say: "Give higher priority to..." to encourage climate change as a high priority among the priorities in the city.

#30

Pg 4-25 For: "...sea levels are increasing globally at a rate of about 3.2mm/year." ignores the fact that the rate-of-rise is accelerating exponentially, meaning the rate since 2010 is faster than previous decades and the increase will rise at a faster rate in future decades.

#31

The potential costs of resilience and losses should be estimated as an argument to ensure implementation of the actions throughout the report. The plan indicates, "Certainty is High" and therefore the actions in this report must be implemented to reduce future impacts.

Pg 5-2 The plan states: "It is important to acknowledge the critical role of behavior change in reducing community GHG reductions. Community involvement has been important to the development of the CAAP, and will continue to be an essential component of the implementation process, as many strategies depend", however, legal, financial, and other incentives are required to get the massive change that is needed. Education and involvement is important but is not enough.

#32

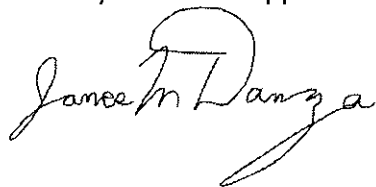
Regarding active participation by residents and businesses best to state: "Residents, workers, and business owners in Oxnard all have a critical role to play in helping the City attain its GHG reduction and climate resiliency goal".

#33

Regarding implementation, the plan should recommend that relevant portions are inserted into the internal city operations. For example, the actions related to streets, landscape, tree canopy, walk/bicycling, must be included in city employee daily tasks. This will ensure that decision makers, management, and employees are implementing the actions included in this plan.

#34

Thank you for the opportunity to comment on this important plan.



James M. Danza, AICP
Professor of Geography and Environmental Science
Oxnard College*

*Comments are not intended to represent the official position of Oxnard College



COUNTY of VENTURA

County Executive Office Sustainability Division

Friday, May 20th, 2022

Attn: Ms. Kathleen Mallory, AICP, MA, LEED GA
Planning & Sustainability Manager
City of Oxnard, Community Development Department
214 S. C Street, Oxnard, CA 93030

Subject: Comments on the City of Oxnard's Public Review Draft Climate Action and Adaptation Plan (CAAP) from County of Ventura Sustainability Division

On behalf of County of Ventura's Sustainability Division, we are writing to express our support for City of Oxnard's Climate Action and Adaptation Plan (CAAP). Below are comments from our Division regarding the Public Review Draft CAAP published in April 2022.

On September 20, 2020, the Ventura County Board of Supervisors adopted the *Ventura County 2040 General Plan* which includes an integrated Climate Action Plan (CAP). On November 6, 2021, the Ventura County Board of Supervisors received a *Budget and Staffing Plan for Climate Action Plan Implementation* and designated the County's Sustainability Division as the Project Manager for CAP implementation. As such, these comments reflect a desire to share best practices from the Sustainability Division's experiences and align the goals, policies, and programs of the County's CAP with the future policies and actions of Oxnard's CAAP.

Recommendation	Comments on Recommendation
Clean Energy – Strategy E1. Procure Clean Energy Recommend New Measure to Require That Lessees of City-Owned Property Use 100 Percent Renewably Generated Electricity if Available	On January 25, 2022, the Ventura County Board of Supervisors adopted a policy to require that lessees of County-owned property use 100 percent renewably generated electricity if available. It is recommended that the City consider a commensurate action in support of attaining clean energy goals of the CAAP. Rationale: The City has a high level of control over City-owned leases and the presence of the Clean Power Alliance's (CPA) <i>100 Percent Green</i> tier will be a readily available option for lessees.
Clean Energy - Strategy E2. Increase Local Solar Energy Generation Recommend New Measure to Adopt Ordinance Amendments to Streamline and/or Provide Fee Waiver for CAAP Compliant Development	In addition to Key Implementing Actions listed under Strategy E2, it is recommended that actions be taken to include project-level streamlining and/or inducement of projects that are consistent with the City's CAAP such as ordinance amendments to streamline development review and project approval including but not limited to exemption, expedited approval, ministerial approval, and/or fee waivers for specified projects that are compliant with the goals and objectives of the City's CAAP such as installation of rooftop, ground-mounted, and parking lot photovoltaics; installation of electric vehicle charging stations and related on-site improvements; and other projects as determined appropriate. Rationale: Streamlining and/or fee waivers for specific projects that comply with the goals of the City's CAAP will accelerate community GHG reductions and may lower administrative burdens for projects that are consistent with the City's CAAP and other land use planning documents.

#41

#42

Recommendation	Comments on Recommendation
	This recommendation aligns with California legislation including Assembly Bill (AB) 2188, AB 1236, and AB 970. - AB 2188 (2014) requires local governments in California to adopt a solar ordinance by September 30, 2015, creating a streamlined permitting process that conforms to best practices for expeditious and efficient permitting of small residential rooftop solar systems. - AB 1236 (2015) and AB970 (2021) require cities and counties to adopt streamlined permitting procedures for electric vehicle charging stations, including a streamlining ordinance and checklist. Therefore, such an action would support CAAP goal attainment and compliance with existing statewide regulations.
Transportation – Strategy T1. Expand Zero-Emissions-Vehicle (ZEV) Charging and Fueling Infrastructure Recommend New Measure to Adopt Ordinance Amendments to Streamline and/or Provide Fee Waiver for CAAP Compliant Development	In addition to the Key Implementing Actions listed under strategy T1, it is recommended that actions be taken to include project-level streamlining and/or inducement of projects that are consistent with the City's CAAP such as ordinance amendments to streamline development review and project approval including but not limited to exemption, expedited approval, ministerial approval, and/or fee waivers for specified projects that are compliant with the goals and objectives of the City's CAAP such as installation of rooftop, ground-mounted, and parking lot photovoltaics; installation of electric vehicle charging stations and related on-site improvements; and other projects as determined appropriate. Rationale: Streamlining and/or fee waivers for specific projects that comply with the goals of the City's CAAP will accelerate community GHG reductions and may lower administrative burdens for projects that are consistent with the City's CAAP and other land use planning documents. This recommendation aligns with California legislation including Assembly Bill (AB) 2188, AB 1236, and AB 970. - AB 2188 (2014) requires local governments in California to adopt a solar ordinance by September 30, 2015, creating a streamlined permitting process that conforms to best practices for expeditious and efficient permitting of small residential rooftop solar systems. - AB 1236 (2015) and AB970 (2021) require cities and counties to adopt streamlined permitting procedures for electric vehicle charging stations, including a streamlining ordinance and checklist. Therefore, such an action would support CAAP goal attainment and compliance with existing statewide regulations.
Transportation – Strategy T3. Expand Infrastructure for Pedestrians, Bikes, and Micro-Mobility Solutions Coordinate with Regional Partners for Sustainable Transportation Plan Development	In support of Key Implementation Action T3.1, it is recommended that the City coordinate with County of Ventura's Public Works Agency in development of the City's Sustainable Transportation Plan and consider use of the Ventura County Transportation Commission's <i>Bicycle Wayfinding Plan</i> in its active transportation planning efforts. Rationale: The County's Public Works Agency is leading the <i>Ventura County Active Transportation Plan</i> project with project completion anticipated in early 2023. Coordination between City and County in active transportation planning efforts will ensure that the plans' tactics align to provide effective active transportation infrastructure that best serves the

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Recommendation	Comments on Recommendation
	public on neighborhood, local, and regional levels. Further, the County's General Plan includes policies and programs that direct County staff to participate in implementation of the Ventura County Transportation Commission's <i>Bicycle Wayfinding Plan</i>. Therefore, the County encourages the City participate in implementation of this regional <i>Bicycle Wayfinding Plan</i> as well.
Sea Level Rise Create Measure to Participate in Regional Sea Level Rise Monitoring and Resilience Planning	It is recommended that a new measure be added to the CAAP which encourages the City to participate in regional sea level rise monitoring and resilience planning efforts. Rationale: County agencies are involved in monitoring the projected impacts of climate change and natural disasters in order to make adaptive improvements and upgrades to public facilities and services. Existing efforts such as the City's <i>Vulnerability Assessment (2019)</i>, <i>City of Oxnard Sea Level Rise Adaptation Strategy Report (2019)</i>, and the County's <i>VC Resilient Coastal Adaptation Project</i> provide a foundation for future collaboration on coastal adaptation projects.
Implementation and Monitoring Consider Recommended Best Practices to Ensure Robust Implementation of the CAAP	Based on the County of Ventura's experience implementing CAP-related portions of the <i>Ventura County 2040 General Plan</i>, the following best practices are recommended to aid the City in robust implementation of its CAAP. • Consider designating a lead agency or department as the Project Manager for overall monitoring, tracking, and reporting of CAAP implementation. • Consider creation an interdepartmental Climate Action & Adaptation Plan Task Force to support the designated Project Manager and assure departmental participation in CAAP implementation. • Consider integration of the CAAP as part of the City's annual budgeting process. Rationale: County staff shares these recommendations, which are currently in use at County of Ventura, to facilitate robust implementation of the City's CAAP. Further, these recommendations seek to ensure that CAAP implementation is not siloed to a single department. Each recommendation is derived from County of Ventura's existing and ongoing processes for implementation of the CAP-related portions of the <i>Ventura County 2040 General Plan</i>. In 2021, the County assigned the County Executive Office's Sustainability Division as the overall Project Manager for CAP implementation, created an interagency "CAP Team" composed of staff from each agency responsible for CAP-related implementation programs, and presented the <i>FY2021-22 Budget and Staffing Plan for Climate Action Plan Implementation</i> to the Ventura County Board of Supervisors as a bridge into the County's annual budgeting process.
Implementation and Monitoring Add County of Ventura Sustainability Division as Potential Partner	It is recommended that <i>Table 5-2. GHG Reduction Strategies and Action – Implementation Details</i> be revised to add "County of Ventura" as a <i>Potential Partner</i> for the following measures: • T3.1, • N1.4, and • Sea Level Rise (SLR).

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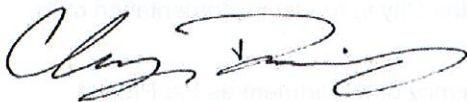
Recommendation	Comments on Recommendation
	Rationale: The <i>Ventura County 2040 General Plan</i> directs County staff to coordinate implementation and maintenance of its CAP with the cities in the county, the Air Pollution Control District, and other organizations to promote countywide collaboration on addressing climate change. Therefore, the County looks forward to working with the City as it works toward implementation of its CAAP in the measures listed in this recommendation as well as other measures where the County is already noted as a potential partner.

#50

As the most populace city in Ventura County, the City of Oxnard has a meaningful role in climate action and adaptation. Our Division applauds the ongoing efforts of the City in its CAAP project and looks forward to collaborating with the City as a partner in the future.

For clarification or assistance with these comments, please contact Clay Downing (Program Administrator) at clay.downing@ventura.org.

Sincerely,



Clay Downing, MPPA
Program Administrator – CAP Programs
County of Ventura | Sustainability Division
800 S. Victoria Ave., Ventura, CA 93009
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**VENTURA COUNTY
AIR POLLUTION CONTROL DISTRICT**
Memorandum

TO: Kathleen Mallory, City of Oxnard

DATE: June 1, 2022

FROM: Nicole Collazo, Air Quality Specialist, VCAPCD Planning Division 

SUBJECT: City of Oxnard Climate Action and Adaptation Plan, APCD Public Comment

Air Pollution Control District (APCD) staff has reviewed the draft Climate Action and Adaptation Plan (CAAP) for the City of Oxnard. The CAAP is the City's standalone planning document to reduce greenhouse gas (GHG) emissions 40 percent below 1990 levels by 2030. The CAAP also includes a GHG emissions inventory and presents strategies and actions to achieve its 2030 target year.

APCD has the following comments regarding the City of Oxnard Draft CAAP.

1) *Page 2-5.* Table 2-3 indicates the socioeconomic data was taken from the VCTM and interpolated from 2012 and 2040. However, the text states the City used SCAG's RTP/SCS for its socioeconomic data (DCAAP, Page 1-11). Furthermore, it appears the data from Table 2-3 is from SCAG's 2016 RTP/SCS. We suggest, in addition to confirming where the data is coming from, using the 2020 RTP/SCS otherwise known as SCAG Connect SoCal to obtain up-to-date socioeconomic data. #51

2) *Page 3-16.* Measure B.1.6 would put the energy audit completion date to 2028. This timeline may be too tight to confirm if the energy measures proposed and what has been implemented to-date will achieve the 2030 target, given additional actions needed such as review and presentation to the City Council. We recommend changing the audit to 2025, or less than 5 years from 2022. #52

3) *Page 3-18.* Measure B.2.4. We suggest adding a year to when the feasibility study will be performed. #53

4) *Page 3-21.* Measure T.1.1. We suggest specifying when the ZEV Master Plan will be completed. #54

5) *Page 3.21.* Measure T.1.2. In addition to developing code requirements, it is highly suggested adding a similar measure to the Land Use section for planning decisions to also be updated to align with the 2030 CAAP. This will doubly ensure applicable measures are being attained as new land use development is approved by the City. #55

6) We would like the City to be aware of APCD's Incentives Program as a potential Transportation Measure and for consideration in the City's proposed ZEV Master Plan. The two types of programs, Incentive Programs and Transportation Outreach Program, have a co-benefit in indirectly reducing GHG emissions as older, dirtier equipment and vehicles are traded in for newer engines that have stricter air quality emission standards or as Vehicle Miles Travelled (VMT) are reduced due to an increase in alternative modes of transportation. More information can be found [here](#) on our District Incentive Programs Website Page and [here](#) on the Transportation Outreach Program. Some of our incentive programs include Lower Emission School Bus Program, EV Charging Stations Funding, and Funding Agricultural Replacement Measures for Emission Reductions (FARMER).

#56

7) Page 3-22. Measure T.2.1. We suggest specifying what year the ZEV Master Plan will be completed.

#57

8) Page 3-23. Measure T.2.2. We recommend adding the additional proposed requirement by CARB's Advanced Clean Fleets Regulation for 50% of a city's fleet to be ZEV starting in 2024 (source [here](#)).

#58

9) Page 3-30. We would like to advise the City regarding Program 33 that this must be implemented concurrently with state guidance to not site sensitive land uses within 500 feet of a freeway, unless the toxic impacts are mitigated during environmental review of a project. According to CARB, air pollution studies indicate that living close to high traffic and the associated emissions may lead to adverse health effects beyond those associated with regional air pollution in urban areas. Many of these epidemiological studies have focused on children. A number of studies identify an association between adverse non-cancer health effects and living or attending school near heavily traveled roadways. These studies have reported associations between residential proximity to high traffic roadways and a variety of respiratory symptoms, asthma exacerbations, and decreases in lung function in children. According to the CDC, a growing body of evidence demonstrates that minority populations and persons of lower socioeconomic status experience higher residential exposure to traffic and traffic-related air pollution than non-minorities and persons of higher socioeconomic status (CDC, Residential Proximity to Major Highways 2010). In addition to the respiratory health effects in children, proximity to freeways increases potential cancer risk and contributes to total particulate matter exposure. There are three carcinogenic toxic air contaminants that constitute the majority of the known health risk from motor vehicle traffic – diesel particulate matter (diesel PM) from trucks, and benzene and 1,3-butadiene from passenger vehicles. On a typical urban freeway (truck traffic of 10,000-20,000/day), diesel PM represents about 70 percent of the potential cancer risk from the vehicle traffic. Diesel particulate emissions are also of special concern because health studies show an association between particulate matter and premature mortality in those with existing cardiovascular disease.

#59

If the cancer risks exceed the state thresholds, mitigation such as locating air intakes away from the freeway, weather proofing windows, and installing vegetative barriers to buffer air pollutants travelling from the freeway to residents are recommended.

10) *Figure 4-3*. The cooling centers (blue stars) are not visible in the figure. According to the text, there are two cooling centers in the City of Oxnard (DCAAP, Page 4-7).] #60

11) *Page 5-23*. Recommend performing a GHG emissions inventory and potential revision to the 2030 CAAP less than 5 years from 2022 as the CAAP suggests in order to have ample time for review, presentation to City council members and other staff, and readjust plan to meet the 2030 target, such as 2025.] #61

Thank you for the opportunity to comment on the City's Draft CAAP. If you have any questions, you may contact me at nicole@vcapcd.org.

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June 1st, 2022

City of Oxnard
300 West 3rd St
Oxnard, CA 93030

Re: City of Oxnard's Climate Action and Adaption Draft Plan: Preliminary Public Review

The Community Environmental Council (CEC) is pleased to submit the following comments on the City of Oxnard's Draft Climate Action and Adaptation Plan. Since 1970, CEC has incubated and innovated real life environmental solutions that directly affect the California Central Coast. CEC's mission is to advance rapid and equitable solutions to the climate crisis by building zero carbon communities, promoting nature-based solutions to draw down legacy emissions, and protecting communities against unavoidable climate change impacts.

Some of CEC's work in Ventura County includes developing the Ventura County Electric Vehicle Blueprint with Ventura County Regional Energy Alliance and starting the ElectricDrive805 coalition to make it easier to adopt electric vehicles across the tri-counties with the Air Pollution Control Districts of Ventura, Santa Barbara, and San Luis Obispo counties. CEC has also offered our Solarize Nonprofit and Solarize Ventura County programs and developed Energy Action Plans for the Cities of Ventura, Thousand Oaks, and Moorpark. In partnership with BikeVentura, CEC helped develop an Oxnard Clean Mobility Options Community Transportation Needs Assessment. CEC is also working with the Port of Hueneme to electrify trucks, the Ventura County Workforce Development Board on clean/green jobs and with Limoneira to quantify carbon sequestration in citrus orchards, amongst other projects.

CEC believes that this Climate Action and Adaptation Plan is an important opportunity for the City to display leadership in adopting equitable, bold measures to reduce and mitigate GHG emissions and to build resilience in the City, especially in communities that have been and will be most burdened by climate change. CEC has reviewed the Climate Action Plan as well as the individual corresponding policies. We support strong, ambitious policies and programs that not only mitigate and limit climate change impacts throughout Oxnard but that also protect our most vulnerable frontline communities – those that have been harmed by environmental injustice and who are likely to be hurt first and worst by the impacts of climate change and ensuring that these communities will benefit first and foremost from climate action. "The city ranks in the top 20% of the most environmentally burdened communities in the state, with some parts ranking within the top 10%,

according to the California Environmental Protection Agency.”¹ Given the historical and present context of the City, and future threats of climate change, CEC encourages the City to:

- **Set a more ambitious GHG emission target and stronger greenhouse gas reduction goals such as 50-60% reductions by 2030 and carbon neutrality by 2035.** #62
- **Start action now on near-term strategies of an all-electric ordinance for new construction and an Electric Vehicle Action Plan.**
- **Facilitate stronger resilience and adaptation strategies.**
- **Clearly define Oxnard as an underserved city and identify its environmental justice communities. Oxnard should more clearly define its engagement processes to ensure equitable participation and access for all community members is continued throughout the implementation of policies and programs outlined in the CAAP.**

After examining the projected community vulnerabilities, as outlined in Chapter 4 of the Climate Action and Adaptation Plan, such as but not limited to extreme heat, extreme drought, smoke and air pollution, sea level rise, and extreme storms and stormwater flooding, we urge the City to adopt stronger GHG emissions reduction targets, as well as more aggressive GHG mitigation and climate adaptation and resilience measures. Detailed policy and program specific recommendations follow.

Finally, Attachment A describes a suggested electric vehicle adoption plan informed from the Ventura County Electric Vehicle Ready Blueprint that can help guide policy T1.2, the development a citywide Zero Emission Vehicle (ZEV) Master Plan. Attachment B identifies Bike Ventura and CEC's Oxnard Community Transportation Needs Assessment that can help guide policy T.3, expanding multimodal transportation in Oxnard. Attachment C is CEC's Community Resilience Roundtable report that can offer an example of inclusive planning and priority climate adaptation policies.

CEC suggests the following recommendations and changes to the GHG Reduction Strategies

- **Adopt a more ambitious carbon reduction goal that goes further than the State's mandate in accordance with SB 32. The City has seen a 12% reduction in GHG emissions after taking the biggest step that a City can take for climate action, defaulting at 100% renewables through our Community Choice Energy provider, Clean Power Alliance. With this one decision, it has put the city more than halfway to the 2030 goal. Thus, the City has a unique opportunity to set a more ambitious GHG emissions reductions goal to help reach carbon neutrality at a faster rate. Other regional cities have set more ambitious goals including the City of Santa Barbara and the City of San Luis Obispo, with carbon neutrality goal by 2035. CEC** #63

¹ "Oxnard Residents Are Fighting Slag Heaps, Power Plants and Oil Fields That Mar the Town's Beaches." 2017. Los Angeles Times. July 9, 2017. <https://www.latimes.com/local/lanow/la-me-ln-oxnard-coast-20170605-story.html>.

encourages the City of Oxnard to also adopt a carbon neutrality goal by 2035 and an interim goal of a 50-60% reduction by 2030.

#63

- E.1 Procure Zero Carbon Electricity – The City Council took a large step forward when Council voted for the City of Oxnard to join Clean Power Alliance at the 100% renewable energy default. CEC supports the City's goal to maintain at least 95% participation in CPA's 100% green tier through 2030. CEC also sees a great benefit to the community if all municipal accounts had a near-term goal to switch back and to operate on the green tier. The City municipal accounts were brought down to a lower default tier out of financial necessity. However, CPA has built more reserves and green tier prices are now less expensive than SoCal Edison's base rate. The City should join most of the community in purchasing this low-cost 100% renewable electricity.
- B.2 Electrify Buildings – One CAAP goal is to increase the energy efficiency of existing buildings to reduce GHG emissions through coordination with other agencies such as 3C-REN. CEC agrees the transition of old building stock to higher energy efficiency as a vital step to reduce GHG emissions. CEC also sees the adoption of an all-electric building ordinance as one of the easiest steps a city can take to reduce GHG emissions and reduce our reliance on fossil fuels. There are many health, equity, and affordability benefits to adopting such an ordinance, particularly with the City already committed to 100% renewable electricity. Over 50 other jurisdictions in California have adopted such an ordinance including the Cities of Santa Barbara and Ojai, while the County of Ventura and County of Santa Barbara are developing theirs now. Electrifying new buildings will also help address the community vulnerabilities and concerns that were expressed such as extreme heat and poor air quality. This is because high-efficiency heat pumps also provide cooling, and stopping the combustion of natural gas in a building improves indoor air quality. CEC encourages the City to adopt an all-electric building ordinance as a near-term goal.
- T1.2 Develop a citywide Zero Emission Vehicle (ZEV) Plan – CEC fully supports a ZEV Master Plan for the community, with a special focus on the City fleet. CEC encourages the City to authorize or seek funding for dedicated sustainability staff to help procure different grant opportunities for electric vehicle planning and infrastructure. There are many State funding sources that the City of Oxnard can pursue. In addition, Oxnard has disadvantaged community census tracts and is eligible for many funding opportunities that are geared toward underserved communities, charging deserts, and multilingual outreach and education. CEC has a grant with the Los Angeles Clean Tech Incubator and part of this grant's scope is to help agencies source grant writing resources. CEC is ready to work with the City to build out staff capacity and win new grants.
- T.3 Expand Infrastructure for Pedestrians, Bikes, and Micro-Mobility Solutions – CEC recommends the city to adopt a Vision Zero Plan. Every year hundreds of California residents die in bicycle accidents. These often occur in underserved communities where lack of

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infrastructure makes it dangerous for bicyclists.² This cannot be overlooked. Planning to expand infrastructure for pedestrians, bikes, and micro-mobility solutions is an important step forward, but it also needs to put the safety of the community at the forefront of any policy. CEC recommends that the City adopts a Vision Zero Plan. Adopting a Vision Zero Plan is vital to the transition toward safer, multimodal transportation solutions, and CEC may be able to help find funding for active transportation project. BikeVentura, along with CEC as a sub-contractor, was awarded a voucher agreement by the California Air Resources Board (CARB) to conduct a Community Transportation Needs Assessment (CTNA) in the disadvantaged areas of Oxnard (Attachment B). The purpose of the project was to engage with Oxnard residents and hear from the community the barriers to mobility. This also occurred when Oxnard was seeing a dramatic rise in people killed while walking and biking. CEC believes this would be an important resource for the City to refer to as policies are brought forward to increase multimodal transportation solutions.

#67

CEC suggests the following recommendations and changes to the Waste Reduction and Recycling Strategies

- R1.2 – Establish a system to track waste disposal and diversion activities, ideally categorized by both land use (residential, commercial, municipal) and management type (landfilled, recycled, anaerobically digested, composted) -An identified near-term goal the City should take is to establish a tracking system for reporting data to CalRecycle for SB 1383. In doing so, tracking can be expedited and prioritized, and ensure that the City is meeting the record-keeping requirements that are part of SB 1383. In addition, setting up a tracking system in the near-term can help with tracking Oxnard's individual targets for waste reduction and disposal for SB 1383, as well as help with tracking composting.

#68

CEC suggests the following recommendations and changes to the Resilience and Adaptation Strategies

- CP1: Develop a public education campaign to inform community of climate hazards and impacts – CEC strongly supports developing an educational campaign to inform the community of climate hazards and impacts, and encourages the City to prioritize outreach to the city's most vulnerable populations as identified on page 4-2 and those with higher socioeconomic vulnerability as identified in the census tract figure 4-2 on page 4-4. CEC encourages clearer implementation strategies for keeping community voices engaged by making sure that accessibility is at the forefront of these educational campaigns.
- CP4: Expand community resilience services and infrastructure – The City should ensure that the development of new resilience hubs are placed strategically throughout the city with an

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²"Is 2022 the Year California Gets Serious about Traffic Violence?" 2022. CalBike. May 12, 2022. [Is 2022 the Year California Gets Serious About Traffic Violence? - CalBike](#)

emphasis on disadvantaged and most vulnerable communities as outlined on pages 4-2 and 4-4 with easier to read maps that display where each resilience hub is located. In addition, an overlooked factor that was not indicated is to ensure that population density is accounted for when deciding placement of these types of infrastructure in order to anticipate capacity restrictions.

#70

- The City should prioritize clearer implementation strategies that include meaningful and accessible involvement of community. CEC has identified a gap between a mechanism for community monitoring, feedback, or input in the evaluation and monitoring process. Despite mentioning a commitment to equity, designated feedback mechanisms from the community have not been noted, nor has an indication of an inclusive planning process that platforms community voice. CEC in 2019 conducted a series of Resilience Roundtables that can offer an example of this type of engagement (Attachment C).
- CEC encourages the City of Oxnard to look at adopting a similar plan as to the City of Oakland. The City of Oakland created a Racial Equity Impact Assessment (REIA) to provide City staff with clear guidelines for maximizing equitable outcomes as they implement each of the 2030 ECAP's 40 Actions that can lead to an equitable community engagement process and ensure that the final plan is an equitable strategy that is likely to help reduce disparities in Oakland. Such an assessment can help steer the City of Oxnard in producing equitable outcomes during the CAAP's 10-year implementation.

#71

#72

CEC recognizes that people who have been marginalized by deeply rooted systems of power, oppression, and inequality will be the most disproportionately burdened by climate change, are more sensitive to negative impacts, and have less access to the resources and institutional support needed to build more resilient communities. These groups traditionally have also had less voice in the decisions that shape our community.

By approaching the CAAP through an equity lens, with well-defined guidelines for advancing equitable outcomes, we can help ensure that our local climate solutions take into consideration the needs and wisdom of all groups in our society. This is the only path forward if we seek to build true community resilience and help mitigate the climate crisis. For these reasons, CEC encourages the City of Oxnard to set a more ambitious GHG emission target and stronger reduction strategies and facilitate stronger resilience and adaptation strategies. Oxnard, as an underserved city, should clearly define its environmental justice communities and seek special State funding that is carved out for Disadvantaged Communities. Oxnard should work during its engagement processes to ensure equitable participation and access for all community members is continued throughout the implementation process.

#73

Sincerely,

Alexis Rizo
Climate Policy Associate

Michael Chiacos
Director of Climate Policy

Attachment A

Electric Vehicle Accelerator Plan for the City of Oxnard

[City of Oxnard EV Accelerator Plan VC EV Ready Blueprint.pdf \(ventura.org\)](#)

In 2019, CEC, the Ventura County Regional Energy Alliance, and EV Alliance worked together to develop an Electric Vehicle Accelerator Plan for the City of Oxnard. This document gives a high-level view of the challenges and opportunities that face Oxnard as it assists the community transition to electric vehicles. The Plan provides a framework for a more in-depth EV Action Plan. CEC recommends the County of San Diego's EV Roadmap³ as a very comprehensive and well written, actionable plan to emulate.

Taken directly from the "Introduction and Context" section of the "Electric Vehicle Accelerator Plan for the City of Oxnard"

In Executive Order B-48-18, Governor Brown established a goal of 5 million Zero Emission Vehicles (ZEVs) on California's roads by 2030. The State also recognizes the many challenges to early EV adoption and has incentives and extensive programs and funding opportunities for all sectors. The State has developed new and innovative programs to surmount barriers to EV adoption. Prepared cities can win much of this first come, first served funding, in addition to supporting their residents in leveraging the multitude of benefits of EVs. It is also worth noting that cities like Oxnard with significant Disadvantaged Communities are eligible for special funding carve-outs through State of California programs. To bring the benefits of EVs to the City of Oxnard, this fleet transition plan addresses two critical nexuses of change:

- **Community Electrification:** Governor Brown set a goal of 5 million ZEVs on the road by 2030. This section explores EV uptake among residents and businesses of Oxnard, and how close the community of Oxnard is to meeting its portion of this goal. We also examine what level of growth and annual uptake in EV purchases will be required to meet this goal. Finally, this section explores what level of charging infrastructure will be required to support expected levels of EV adoption and how the City of Oxnard can support anticipated community demand for charging stations.
- **City of Oxnard Fleet Transition:** The second component of this plan explores opportunities for electrification within the City of Oxnard's fleet. The city has 850 vehicles and equipment and has made initial strides towards electrification with an investment in 38 hybrids and 20 plug-in electric vehicles. The fleet plan explores additional 'quick wins' for electrification, through which the city can take advantage of the cost savings of EVs without deviating from existing vehicle duty cycles. The plan also explores how the city could electrify one eighth of its fleet, in line with California's 2030 goal, given the availability of electric pickup trucks in

³ <https://www.sandiegocounty.gov/content/sdc/sustainability/ev-roadmap.html>

2020. Finally, this section explores what barriers would need to be overcome for 100 percent fleet electrification.⁴

Attachment B

Oxnard Community Transportation Needs Assessment

[Oxnard CMO - Final Report.pdf - Google Drive](#)

Taken directly from the Executive Summary of the “Oxnard Community Transportation Needs Assessment”

In November of 2020, BikeVentura, along with sub-contractor Community Environmental Council (CEC), was awarded a voucher agreement by the California Air Resources Board (CARB) to conduct a Community Transportation Needs Assessment (CTNA) in the disadvantaged areas of Oxnard, California. The purpose of the project was to engage with Oxnard residents and hear from the community about the barriers to mobility that they face. Oxnard was seeing a dramatic rise in people killed while walking or biking, and the CTNA presented an opportunity to do the community engagement needed to fund projects that could make active transportation safer there. The needs assessment also allowed us to expose community members to newer mobility technologies like e-bikes and scooters as well. CEC hopes that this report can be used to supplement the City’s multimodal transportation policies put forward by the CAAP.

The project area comprised six census tracts in the City of Oxnard, with some areas outside the city limits in unincorporated Ventura County, and a total population of 26,914. This included three tracts with historically disadvantaged areas near the city center: La Colonia, Rose Park, and Five Points Northeast. These three neighborhoods are over 90% Latinx/Hispanic and have a large population of unhoused persons that reside there. The multilane, high-speed arterials that make up the borders of the neighborhoods are some of the most dangerous streets in Oxnard for people biking and walking.

BikeVentura and CEC felt a sense of urgency to hear from the Oxnard community about transportation needs as we read about numerous bicycle and pedestrian fatalities in the city, an overwhelming majority of which were in the Latinx/Hispanic population. The goals of this project were:

- To engage with Oxnard residents about barriers to mobility
- To provide incentives to participate that would also increase safety for Oxnard residents: bike lights, bike helmets, and bike repair
- To share our findings and recommendations with City Staff and Gold Coast Transit District

⁴ “Electric Vehicle Accelerator Plan for the City of Oxnard.” Ventura County Regional Energy Alliance, Community Environmental Council, and EV Alliance, July 5, 2019
[City of Oxnard EV Accelerator Plan VC EV Ready Blueprint.pdf \(ventura.org\)](#)

- To expose residents, community leaders, agencies, and City staff to shared mobility options not currently used in Oxnard or Ventura County
- To produce a summary report that will be used by the City, GCTD, and CBOs to apply for grant funding.
- To identify potential solutions to increase access and lower the cost of various modes for the historically underserved communities of Oxnard

BikeVentura and CEC compiled a Transportation Access Data Analysis using data sources provided by technical assistance and conducting a resident survey. The data analysis focused on access to transportation options when no car was available, such as distance to transit stops, bike facilities, and walkability. The survey prioritized asking about current modes used, familiarity with modes not currently used in Oxnard (bikeshare, carshare, scootershare), significant barriers to mobility, where folks were having a hard time going, and the primary language.

The community's answers to these questions would inform the remainder of our engagement. Over 200 survey responses were collected in English, Spanish, and Mixteco. The community engagement portion involved three activities: interviews, a clean mobility options demonstration event, and an online zoom workshop. Language access was prioritized for all community engagement to ensure accessibility. BikeVentura and CEC staff collected feedback at each event and analyzed that along with results from the Transportation Access Data Analysis.

Key Findings

- Mixteco speakers that took our survey find it much more difficult to get to destinations than Spanish or English-speaking populations.
- The built environment presents enormous challenges and safety concerns for active transportation options in Oxnard, and the communities' perceptions of safety for these modes (biking, walking, scooters, etc.) reflects that.
- There is a lack of awareness about certain shared mobility devices or services among the communities of interest.
- The survey results showed that respondents found parks the easiest destination to get to among all the choices.

Recommendations

- Robust education and public awareness campaigns should be carried out in advance of any new mobility project. Language access must be a top priority in conducting these campaigns.
- New options must be very low cost or free for low-to-moderate-income residents.
- New options should not be dependent on smartphones or access to the internet.⁵
- Displacement is a concern, and anyone implementing new mobility options should be mindful that new amenities have the potential to raise property values.

⁵ "Oxnard Community Needs Transportation Assessment" BikeVentura, Community Environmental Council, November 9, 2021 Executive Summary. [Oxnard CMO - Final Report.pdf - Google Drive](#)

- To equitably serve Oxnard residents, successful clean mobility projects must be designed and implemented with the most underserved and vulnerable users in mind.
- To prepare the built environment for new mobility projects, the City of Oxnard must make streets safer, especially its arterial roads.

Attachment C

Community Environmental Council's Resilience Roundtables
[crr-wrapup-matrix-letter-v6.pdf \(squarespace.com\)](#)

Taken directly from the "About the Climate Resilience Roundtables" and "About the Resilience Opportunity Matrix"

Over the course of 15 months, the Community Environmental Council, guided by a steering committee of local climate leaders and community partners, held a series of Climate Resilience Roundtables that examined Santa Barbara County's climate threats and explored ways to protect and strengthen communities in the face of climate change. This report summarizes what we heard, learned, and gathered from all the roundtables on how we can achieve resilience. CEC considers the ideas and priorities that came out of the roundtables to be part of a community collective 'pool of actions' intended for any jurisdiction to pick up and run with. CEC sees this report as one that the City can replicate to ensure community engagement and accessible participation throughout the implementation process of resilience and adaptation policies put forward by the CAAP.

These roundtables were designed as community listening and idea generating sessions organized around the key climate threats to our region: increased wildfire, sea level rise, extreme heat, drought, more intense storms, and decreasing snowpack and water supply. Roundtable participants considered these threats through the lens of public and mental health, social justice, economic impacts, infrastructure vulnerabilities, and natural systems and working lands.

There were over 580 participants in the series who attended one or more of the roundtables. This diverse group of stakeholder participants were from government agencies, community-based organizations, social justice and environmental advocates, grass-roots leaders, elected officials, climate practitioners and frontline workers impacted by climate change.

The first two roundtables were in-person meetings, one in November 2019 focused on wildfire and smoke, and one in March 2020 on sea level rise and flooding. The third and fourth roundtables, held virtually in August and September 2020, explored the intersection of climate related disasters, health, and social and economic inequities that disproportionately impact our most vulnerable community members. Community Solutions to Protect Against Climate Change in March 2021 was the last roundtable of the series and the culmination of 15 months of community conversation and analysis.

A corresponding Resilience Opportunity Matrix was developed for each of the roundtables from the conversations, ideas, and suggestions we gathered and transferred verbatim into the matrices. Collectively these contain over 700 big bold ideas and solutions generated over the course of the roundtable series and are available for anyone to explore. This final report highlights the top ideas, themes and guiding principles that emerged from all these four roundtables.

Stories of Resilience

- Opportunity Matrix - <http://cec.pub/crr-sor>
- Vulnerability, Health & Equity Opportunity Matrix - <http://cec.pub/crr-vhe>
- Sea Level Rise & Flooding Opportunity Matrix - <http://cec.pub/crr-slr>
- Wildfire & Smoke Opportunity Matrix - <http://cec.pub/crr-ws>⁶

⁶ “Community Solutions for Climate Resilience An Equitable Path Forward for Santa Barbara County”, Community Environmental Council, 2021. [crr-wrapup-matrix-letter-v6.pdf \(squarespace.com\)](#)



Ramirez, Rosheil <rosheil.ramirez@oxnard.org>

CAAP Public comments

1 message

Isadora Nogueira <isadora.nogueira@trackingcalifornia.org>

Thu, Jun 2, 2022 at 9:08 AM

To: "OxnardCAAP@oxnard.org" <OxnardCAAP@oxnard.org>, Kathleen <kathleen.mallory@oxnard.org>

Hi,

Apologies for the delay in submitting comments. We are submitting the following comments as part of the "Achieving Resilient Communities Project." We hope to see some revisions to the CAAP to more explicitly include public health and farmworker health as part of adaptation. Read more about our project [here](#).

Climate change is a public health crisis and exacerbates existing health and economic inequities. While the Draft Oxnard Climate Adaptation and Action Plan includes public health considerations and co-benefits throughout, the Ventura County Public Health Department (VCPH) does not appear to have been consulted in the development of the plan or included in proposed implementation strategies. The VCPH is on the frontlines of responding to the health impacts of climate change and must be included as a partner in adaptation and resilience planning. We recommend that VCPH be included in all subsequent planning processes and be integrated into the following implementation strategies:

- Community Preparedness (CP) - VCPH should be included in all CP activities to ensure that public health impacts are elevated and adequately addressed. For example, CP2 - early warning systems - should include messaging related to potential health impacts, strategies to protect health, and public health resources for the community. Additionally, CP4 - community resilience services - should include VCPH to ensure that partners are investing in community resilience hubs and are offering supportive public health resources to those who may be displaced by climate impacts. #74
- Extreme Heat (EH) - VCPH should be involved in the planning and implementation of the extreme heat strategies that relate to protecting the health of vulnerable communities. For example, EH1 - access to cooling centers - VCPH should be included in planning, siting, and ensuring cooling centers are able to provide any necessary public health supports to residents. Additionally, for EH2 - funding for energy improvements in low-income households - VCPH can provide tools and resources to home health nurses, and community health workers to educate residents about low-income energy improvement/weatherization/household climate resilience strategies. #75
- Wildfire Smoke and Air Pollution (AP) - VCPH should be included AP1 - hazard alert and warning systems - to ensure that there is adequate messaging related to potential health impacts, strategies to protect health, and public health resources for the community. #76

More over we would to see a series of interventions specifically targeted at farmworkers including:

- Approximately 13% of workers in Oxnard are farmworkers. Many of whom have low literacy in Spanish or speak only auditory indigenous languages. Access to emergency audio alerts in Spanish, and ideally indigenous languages, will be crucial to protecting this population. #77
- We are particularly concerned about heat in agricultural greenhouses and hoop houses in Oxnard. Humidity and lack of ventilation in these spaces increase estimated feels like temperatures at least 15°F according to workers involved in the Achieving Resilient Communities Project. We would like to see a commitment on the part of the city to work with supervisors to improve working conditions specifically in these settings. #78

- Agricultural complaint reporting by workers in Ventura County is extremely low, yet complaint reporting is crucial to locate “bad actors” who are responsible for heat related illness. Our analysis found only 99 complaints were submitted to the Occupational Health and Safety Administration between 2015 and 2019 and only 35 of these complaints led to inspections. We would like to see the city partner with CBOs to ensure complaint reporting mechanisms are understood, accessible to workers, and utilized as part of adaptation measures.

#79

- While the plan says the city will make sure Cal/OSHA standards are known and “enforced” it is unclear how the city plans to intervene in enforcement. Expansion/clarification of the activities involved in this section is needed.

#80

- Greater transparency and equity around the implementation of the plan is needed. An environmental justice taskforce group with overseeing powers should be chosen to collaborate with local agencies.

#81

Isadora Nogueira

Research Associate

Tracking California

(she/her)

Connect with us: [website](#) : [newsletter](#) : [facebook](#) : [twitter](#)

TRACKING  CALIFORNIA

INFORMING ACTION FOR HEALTHIER COMMUNITIES



Friends of the Santa Clara River

PO Box 7719 Ventura, California 93006
www.fscr.org

(805) 628-2250

May 20, 2022

City of Oxnard
C/o Kathleen Mallory
OxnardCAAP@oxnard.org

RE: Comments on City of Oxnard Climate Action and Adaptation Plan

Friends of the Santa Clara River (FSCR) supports the actions in the CAAP to reduce the impacts of climate change. The river is an important factor in climate change, including flood frequency, droughts, and ecological impacts. The River is a place for solutions, such as restoration for absorption of GHG, a place for safe walking and bicycling, and education on all of these issues. We would be happy to partner with the city in the implementation of these mutual goals.

The climate crisis will cause severe impacts and therefore this plan should be much more aggressive to reduce climate change impacts. The plans should state the current climate change impacts we already see. Opening paragraphs to sections should plainly state the increased incidence of heat waves, wildfire smoke, and droughts that have impacted the health of the community and vulnerable groups. Timely action is critical as we approach the “tipping point” according to the Intergovernmental Panel on Climate Change (IPCC).

In general, more emphasis is needed on disadvantage communities and environmental justice regarding how increase bicycle and pedestrian facilities can help reduce impact. The Santa Clara River Trail as part of a bicycle network is a critical piece to planning.

82

T3: Expand Infrastructure for Pedestrians, Bikes, and Micro- mobility Solutions should be increase to include better bicycle facilities. Oxnard needs connected, safe, active transportation network. The Santa Clara River Bicycle Master Plan should be a priority. Communities that expand bike networks see up to a 150% increase in ridership.

83

W1: Increase Water Conservation and Reuse Actions should specifically include a statement to avoid use of artificial turf. FSCR.org website has detailed information on the perils of artificial turf and watershed friendly alternatives. FSCR would be happy to partner with a city on an education and incentive program to reduce landscape water use that promotes GHG capture and reduction of the urban heat island.

84

We are happy to play a role in the implementation of this plan. Thank you for the opportunity to comment.

Attachment D

CAAP Stakeholder and Community Comment Letters (9 letters/emails) and City Response within matrix

Removed to avoid duplication

Community Outreach Summary

- May 1st to 31st, 2021 - Release of CAAP public survey (available in both English and Spanish) regarding key CAAP questions. The City received 133 survey responses.
- May 3rd to 10th, 2021 - Round 1 Virtual Stakeholder meetings with participants to discuss global climate change concerns, including vulnerable communities, and actions to consider for reducing GHGs in Oxnard. Six stakeholder group meetings were held during this time frame.
- May 17 and 22, 2021 - Virtual Public Workshops (conducted in both English and Spanish, including translation of PowerPoints) were conducted asking a series of questions regarding the CAAP. Approximately 60 members of the public participated during these two public workshops. The purpose of these engagement efforts was to identify the climate change impacts of most concern to the community and to gather ideas about the best ways to reduce GHGs in the community. These engagement efforts helped identify climate impacts of concern in the Community Vulnerability Assessment, and to identify effective CAAP strategies and actions for improving community resilience and reducing GHG emissions.
- January 26th to 27th, 2022 - Round 2 Virtual Stakeholder meetings with between 40 and 50 participants to: (1) Gather input on community vulnerabilities to climate change and potential strategies to address vulnerably; and (2) improve the understanding of community experience with climate change hazards and social vulnerability and equity. Five stakeholder group meetings were held during this time.
- April 26, 2022 - The Draft CAAP was posted on the City's CAAP website, with distribution to the City's CAAP Stakeholder Group. The CAAP was made available to the public for initial review and comment between April 26, 2022 and June 1, 2022. During the 43-day review period, the City received nine (9) comment letters. The comments generally pertained to energy usage/general, transportation, coordination/programming, heat use, energy/electrification, building/energy, resilience/SLR, and CAAP implementation. (see Attachments C and D to the July 7, 2022 Planning Commission staff report in Attachment 5, which include the CAAP stakeholder and community comment letters and the City's response to these comments)
- May 5, 2022 - The City conducted a Virtual Stakeholder Group Meeting Public Workshop where the Draft CAAP was reviewed. Members of the City's CAAP Stakeholder group provided verbal comments on the document along with written comments.
- May 9, 2022 - The City conducted virtual drop in office hours from 4 - 6 p.m. (English and Spanish translation available), where community members were encouraged to "drop by" at any time to receive information and ask questions; no members of the public "dropped by"

despite social media promotion measures and working with the City's stakeholders group to promote the virtual hours.

- May 14, 2022 - Community members participated in a Virtual Public Workshop where the Draft CAAP was presented and participants were able to provide input. English and Spanish translation and interpretation were provided, along with a translated powerpoint. The event was posted on the City's CAAP website, promoted via the City's stakeholder group, and promoted on social media platforms. Approximately five (5) members of the public participated. The City included comments from the May 2022 workshops in the response to comments matrix which is contained in Attachment D in the July 7, 2022 Planning Commission staff report in Attachment 5.



COMMUNITY SERVICES, PUBLIC SAFETY, HOUSING & DEVELOPMENT COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.4

DATE: September 27, 2022

TO: Community Services, Public Safety, Housing & Development Committee

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

SUBJECT: Climate Action and Adaptation Plan and an Addendum to the 2030 General Plan Program Environmental Impact Report (PEIR; SCH # 2007041024). (15/10/10)

RECOMMENDATION

That the Community Services, Public Safety, Housing & Development Committee:

1. Receive a presentation on the City's Draft Climate Action and Adaptation Plan (CAAP);
2. Receive public comments on the Draft CAAP document;
3. Provide recommendations on Planning Commission and Staffs recommended edits; and
4. Provide feedback on the Draft CAAP document.

(Live presentation by Jeff Caton and Shannon Wages, Environmental Science Associates.)

BACKGROUND

EXECUTIVE SUMMARY

The City's Draft CAAP ("CAAP") builds on the City's successes of implementing the City's 2030 General Plan and recommits to furthering the City's sustainability goals and policies. The CAAP presents an inventory of GHG emissions originating from the City, and sets forth strategies and actions to reduce emissions and help the community adapt to a changing climate. Together with the community and partnering organizations, the City is leading a coordinated effort to build an equitable, sustainable and resilient community for current and future generations. The CAAP has two primary objectives:

1. To reduce GHG emissions through the implementation of reduction measures to meet reduction targets mandated by the State of California via Senate Bill 32 (SB 32), which calls for a statewide reduction of GHG emissions to 40 percent below 1990 levels by 2030; and
2. To enhance the community's resilience to a changing climate by addressing the vulnerabilities and risks, such as flooding, extreme heat, and degraded air quality, that are expected to occur as a result of those impacts.

The CAAP is intended to reduce GHG to meet established thresholds and to strengthen the City's resilience by addressing the vulnerabilities and risks that are expected to occur as a result of identified hazards. The CAAP also recommends adaptation strategies needed to ensure community preparedness and resilience.

The Planning Commission reviewed the Draft CAAP during two meetings. At the July 7th Planning Commission study session, the Commission reached consensus to revise the CAAP to address seven items. Seven additional topics were raised at the July 7th meeting for which there was no consensus. Upon further analysis by staff and a discussion at the Planning Commission's September 1, 2022 meeting, these seven items were scaled back and the Commission agreed with staff that the CAAP should be revised to address only three items (instead of seven). These recommended changes are memorialized in the Planning Commission's resolution of approval; see the analysis section of this report for that discussion.

The community, Planning Commission, Community Service, Public Safety, Housing and Development Committee, and City Council have all contributed to the Draft CAAP. Most recently the Planning Commission recommended approval (with slight modifications) of the Draft CAAP to the City Council.

The CAAP is expected to go to the full Council on October 18 (see Attachment 1 - CAAP-Public-draft-2022.pdf (oxnard.org)). With Council concurrence, the Planning Commission's recommendations and community input will result in slight changes to the Draft CAAP with added language to various chapters of the CAAP. A matrix summarizing these revisions ("CAAP Stakeholder and Community Comment Letters and City Response matrix) is provided in Attachment D to the September 1, 2022 Planning Commission staff report (see Attachment 2). After the October 18 Council meeting, edits will be incorporated to create the Final CAAP.

DISCUSSION

Like other communities in California, Oxnard is likely to face serious economic, social, and environmental challenges in the coming decades due to rising temperatures, sea level rise, extreme storms, wind events, more severe droughts, and diminishing air quality that is expected to occur because of climate change. These impacts present significant threats to community health and wellbeing, which will not affect everyone equally. Vulnerable groups, such as the elderly, low-income families, farmworkers/agricultural workers, undocumented immigrants, communities of color, and individuals already suffering from chronic diseases, will be disproportionately impacted by these changes.

Resilience, as defined by the State of California's Adaptation Planning Guide, is the "capacity of any entity—an individual, a community, an organization, or a natural system—to prepare for disruptions, to recover from shocks and stresses, and to adapt and grow from a disruptive experience." Climate adaptation is defined by this same source as "actions that address the projected impacts on all aspects of community function that may result from climate change. This can include impacts related to hazard events such as flooding and wildfire, as well as slow changes that affect agricultural, forestry, and fisheries productivity; ecosystem structure and function; and public health."

CAAP Structure

The CAAP contains an executive summary and five Chapters, as well as Appendices, which provide additional detail on topics covered in the CAAP (see Attachment 1 - <https://www.oxnard.org/climate-action-plan/>).

- **Executive Summary** — The executive summary includes a synopsis of the Draft CAAP, including the plan's organization and a summary of the City's GHG emissions inventory and target, and the CAAP's strategies for reducing emissions and adapting to climate change.
- **Chapter 1— Introduction and Background:** This Chapter provides an overview of the document, the purpose and scope of the CAAP, the basic science behind climate change, and the importance of considering equity when taking action. In addition, Chapter 1 provides a brief explanation of potential impacts of climate change in the City of Oxnard, the community benefits of taking action, the process

for engaging with the community and stakeholders, and a discussion of the state and local actions to reduce GHG emissions.

- Chapter 2— Understanding Oxnard’s Greenhouse Gas Emissions: This Chapter presents a summary of GHG emissions being generated by the community and by municipal operations. It provides an understanding of where GHG emissions are originating from, including trends and forecasts, and what can be done to reduce them. Finally, Chapter 2 establishes Oxnard’s GHG reduction target.
- Chapter 3— Reducing Greenhouse Gas Emissions: This Chapter describes the GHG reduction strategies and actions the City will implement at the local level regarding energy use, transportation and land use, solid waste management, and water consumption. Chapter 3 addresses each of these sectors, summarizing their contribution to total citywide emissions and describing the strategies and actions that will be implemented to reduce emissions from each category over time.
- Chapter 4— Community Resilience and Adaptation: This Chapter presents an overview of the impacts the City of Oxnard is expected to experience due to projected changes in the climate, and what the City can do to begin preparing for them. It describes expected local impacts and vulnerabilities, and potential adaptation planning strategies.
- Chapter 5— Implementation and Monitoring: This Chapter outlines recommended steps for implementing the GHG-reduction strategies described in Chapters 3 and 4, and for monitoring the progress of implementation. It identifies funding sources and assigns implementation and monitoring responsibility to specific City departments, presenting a schedule for implementation.
- Appendices — The CAAP document contains Appendices A - F to document work on the CAAP to support CAAP implementation; including Appendix A— Community and Stakeholder Engagement Reports; Appendix B— Major Climate Policies and Regulations in California as of 2022; Appendix C— Greenhouse Gas Quantification Methods; Appendix D— City of Oxnard Social Vulnerability Index; Appendix E— Partnering Organizations; and Appendix F—Funding Sources.

Timeframe for GHG Reduction Actions

The Draft CAAP document identifies near term (Fiscal Years (FY) 2022-2025), mid term (FY 2025 to 2027), and long term (FY 2027-2030) implementation measures in order to realize GHG reduction goals. The long term actions are important for staying on track to achieve the deeper reductions needed throughout the State to reach carbon neutrality by 2045 (as called for in Governor’s Executive Order B-55-18).

The City’s Capital Improvement Program (CIP: FYs 2022-2027) was adopted on May 3, 2022, with funding approved for projects in FYs 2022-2024. The Draft CAAP identifies a number of near-term (FY 2022-2025) GHG reduction actions. However, since CIP projects through 2024 are already approved, the City will have limited time to execute near-term CAAP strategies. City Council prioritization of GHG reduction actions will need to occur as part of the City’s yearly budgeting and CIP approval process. It is recommended in the Final CAAP that implementation timeframes for GHG reduction activities only change as follows:

For GHG Reduction Actions	
Draft CAAP Chapter 5 Time frames	Staff Recommended Final CAAP

	Chapter 5 Time frames
Near Term 2022–2025	Now 2022-2026
Mid Term 2025–2027	Now 2026-2030
Long Term 2027– 2030* <i>*Currently there are no GHG reduction strategies identified for the Long-Term measures; however, that could change with future updates to the CAAP</i>	Now 2030-2035

Timeframe for Resilience and Adaptation Actions

Due to the inherent uncertainty of how future climate hazards will develop and the range of time frames in which the community will experience impacts, the time frames indicated for resilience and adaptation strategies differ from those used for the GHG Reduction Actions.

City Council and Committee Input

On March 30, 2021 the City Council received a presentation regarding the preparation of the CAAP document, including a detailed summary of what creates climate impacts in the City, an analysis of the City's GHG emissions in relation to statewide targets, and identification of what the City can do to reduce its emissions (see Attachment 3). The staff report established that the CAAP was being developed to align with California's statewide target mandated by SB 32; this requires the State to reduce GHG emissions 40 percent below 1990 levels by 2030. As supported by the City Council at this meeting, the City's CAAP GHG strategies, programs and policies, and overall approach have been developed to align with Council direction which helps the City meet the City's GHG reduction objectives (see Analysis section of this staff report)..

The analysis in the March 30, 2021 staff report (with GHG emission information further refined in the January 25, 2022 Committee staff report; Attachment 4) provided detail on the City's community and municipal operations GHG emissions inventories and forecasts. By knowing where the City's GHG emission originate, GHG reduction strategies can be crafted. Updated transportation analysis using the City's 2018 inventory (the most recent year with accurate available data) showed that overall, City GHG emissions were comprised as follows:

- On-Road Transportation (44%) - Emissions from cars and trucks that travel local roads and highways;
- Electricity (24%) - Emissions from the generation of electricity that is used by the community;
- Natural Gas (19%) - Emissions from the combustion of natural gas used by buildings and industry;
- Solid Waste (8%) - Emissions from the decomposition of waste sent to landfills;
- Off-Road Sources (4%) - Emissions from operation of construction and other off-road equipment;

- **Water and Wastewater (1%)** - Includes emissions from the electricity used to pump water and wastewater, as well as direct emissions resulting from wastewater treatment processes and local septic tanks; and
- **Other (<1%)** - emissions from passenger rail (Amtrak and MetroLink).

The March 2021 staff report explained that achieving a GHG target in alignment with SB 32 will require examination of the following sector-specific strategies:

- **Green the electricity supply:** This strategy reduces emissions from electricity used by buildings, lighting, and water delivery by increasing the percentage of power being supplied by renewable (i.e., zero-emissions) electricity.
- **Electrify buildings:** This strategy reduces emissions from the consumption of natural gas by shifting the energy use to electricity, which has a lower carbon footprint, particularly when paired with the use of low- or zero-carbon electricity.
- **Electrify transportation:** This strategy reduces emissions from on-road vehicles, the biggest contributor to the City's emissions, by supporting the transition to plug-in electric (PEV) and hydrogen-powered vehicles.
- **Improve energy efficiency of buildings:** This strategy reduces emissions from electricity and natural gas by reducing the energy needed for heating, cooling and lighting. While new buildings will generally be highly energy efficient due to increasingly stringent building codes (e.g., Title 24), many existing buildings can be greatly improved with respect to energy efficiency.
- **Reduce vehicle miles traveled (VMT):** This strategy reduces emissions from on-road vehicles through land-use planning that emphasizes access to transit and reduces the need for vehicular travel through density increases, support for a mix of uses, and safe and convenient pedestrian and bicycle infrastructure.
- **Strive for zero waste:** This strategy reduces emissions from landfill decomposition of organic waste by reducing the amount of waste sent to the landfill.
- **Conserve water:** This strategy reduces emissions associated with the energy needed to treat and deliver water to the City's end consumers by reducing the amount of water consumed in the City.

On January 25, 2022, City Staff provided the Community Services, Public Safety, Housing & Development Committee ("Committee") with an update on the City's CAAP community engagement methods and recommendations and provided the Committee with information on the strategies and key GHG reduction opportunities available to the City (See Attachment 4). The Committee was supportive of staff's recommendations; no public comments were received.

In response to the feedback provided and concurrence achieved in this meeting regarding high level GHG reduction strategies, the Draft CAAP was further refined and developed with community input and opportunities for engagement and feedback.

ANALYSIS

GHG Reduction Strategies Included in the Draft CAAP

In March 2021 and January 2022, the City Council and Committee looked at GHG reduction actions to help the City achieve City Council supported reduction targets (GHG emission reductions - 40 percent below 1990 levels by 2030). The reports presented sector-specific strategies. These strategies were expanded through the development of the CAAP and presented to the stakeholders, community, and Planning Commission.

The CAAP identifies key actions and strategies to help the City achieve its 2030 GHG reduction strategies. These are highlighted below. It is important to note that some of these actions and strategies are already occurring in compliance with State laws (ex., recycling and waste diversion) but are important to achieving the City's GHG reduction goals:

CAAP Actions to Achieve GHG Reductions

***All Strategies and Actions can be found in Chapter 3 and Chapter 5 of the Climate Action and Adaptation Plan.**

<u>Category</u>	<u>CAAP Strategy</u>	<u>Strategy to Achieve GHG Reduction Goal</u>	<u>Key Implementing Actions</u>
Clean Energy (E)	E1: Procure Zero-Carbon Electricity	X	E1.1 – Invest City staff time and financial resources in maintaining a minimum 95 percent community participation rate in CPA's 100 Percent Green option, or equivalent, through the year 2030
	E2: Increase Local Solar Energy Generation		E2.1– Partner with interested developers to create Community Solar projects in the CPA program, or equivalent Community Renewables program offered by SCE
	E3: Develop Energy Storage/Microgrids		E3.1 – Partner with CPA to develop their Power Response Program, which offers incentives to commercial and residential customers for the installation of energy storage to enable load-shifting during times of peak demand E3.3 – Identify potential partnerships, funding, or financing sources for installing storage and microgrids in the community
Green Buildings (B)	B1: Improve Efficiency of Existing Buildings	X	B1.1 – Partner with existing agencies such as CPA, 3C-REN, SoCalREN, and/or the Ventura County Regional Energy Alliance (VCREA) to promote and take advantage of local energy programs; meet with these agencies on a quarterly basis
	B2: Electrify Buildings		B2.1 – Partner with existing agencies such as CPA, 3C-REN, and/or VCREA to promote and take advantage of local programs, including rebates and financing options for building and appliance electrification; meet with these organizations on a quarterly basis

			B2.3 – Work with electric utility to create an educational campaign for building owners on the health, climate, and cost benefits of electric-powered kitchen equipment, and distribute information about available products and installation services
Waste Reduction and Recycling (R)	R1: Recycling and Organic Waste Diversion	X	R.1 and R.2 - Continue to implement waste diversion mandates
Transportation (T)	T1: Expand Zero-Emission-Vehicle (ZEV) Charging and Fueling Infrastructure	X	T1.1 -Develop a citywide ZEV Master Plan that evaluates near-term and long-term needs for EV charging and hydrogen-fueling infrastructure, including home EV charging, and identifies optimal EV charging locations and gaps in publicly accessibility (especially for disadvantaged communities)
			T1.4 – Meet with utilities and state agencies quarterly to track and coordinate the promotion of funding offerings to Oxnard residents and businesses
	T2: Transition City Fleet to ZEVs	X	T2.1 – Develop a ZEV Master Plan for the City fleet that evaluates costs, budget needs and infrastructure needs for the short and long term, including optimal EV charging locations, funding opportunities, and opportunities for public-private partnerships.
			T2.2 - Pass a resolution that supports City fleet vehicle purchases (or at minimum, utility and truck purchases) to be ZEVs in alignment with the CARB's proposed regulation to require public fleets to purchase 100 percent zero-emissions trucks by the year 2027
	T3: Expand Infrastructure for Pedestrians, Bikes, and Micro-mobility Solutions	X	T3.1 – Adopt the forthcoming STP, which will include projects that expand the reach of the pedestrian and bicycle network throughout the city and provide comfortable opportunities to use active transportation
	T4: Improve Transit Effectiveness and		T4.1 – Partner with GCTD and VCTC to assess current transit routes and identify opportunities for improvement geared towards Oxnard residents

	Accessibility		T4.2 – Partner with GCTD and VCTC to upgrade transit stops with weather protection, security measures, increased comfort and accessibility, and access to accurate information on transit routes, schedules, fares, connections, and destinations
			T4.5 – Partner with GCTD and VCTC to enhance multi-modal connections to transit facilities by implementing pedestrian and bicycle improvements near transit stops and mobility hubs, as identified in the STP
	T5: Expand Car and Bike Sharing	X	T5.1 - Consider updates to the TDM Ordinance to require encourage the development of TDM plans for all major developments or facility expansions to encourage ridesharing and other shared mobility improvements, thereby reducing vehicle trips
			T5.2 – Through the implementation of the forthcoming STP, potentially introduce an e-bikeshare, and/or EV carshare program that incentivize third-party providers to locate in Oxnard; offer reduced parking requirements for new development projects that provide dedicated carshare facilities
			T5.3 – Through implementation of the STP, identify support for and/or ways to expand access to e-bikeshare and neighborhood EVs to ultimately enable their use in the public right-of-way
Water Conservation and Reuse (W)	W1: Increase Water Conservation and Reuse	X	W1.1 – Maximize the use of recycled water or graywater for agricultural and for irrigation at all large new developments
Land Use (L)	L1: Support Transit-Oriented and Mixed Use Development	X	L1.1 – Through the forthcoming General Plan update, identify areas within the city where development should be focused to increase density and diversity of land use to achieve reductions in VMT

Planning Commission Input

On July 7, 2022, the Planning Commission held a study session on the CAAP (see Attachment 5). During the meeting staff provided clarity on specific minor edits to the CAAP in response to community input on the Draft CAAP document and previous Planning Commission comments which are broadly summarized as follows. These edits will be incorporated into the Final CAAP.

The Planning Commission supported revising the CAAP to address the following topic areas:

1. Update Executive Summary (ES) to describe actions the community can take to advance the City’s climate goals:
 - a. Final CAAP language will add “What the Community Can Do To Help” section and point to existing detail in Chapter 5.
2. Add aspirational language/sense of urgency within the ES and the opening text; reduce jargon throughout the plan. Final CAAP language will:
 - a. Revise language in ES to make it more accessible to the layperson, and review CAAP for terms that need explanation or can be reworded.
3. In Chapter 4, refine language on page 4-18 to acknowledge that Oxnard is susceptible to wildland fires along the riverbed. Final CAAP language will:
 - a. Remove statement “While Oxnard is not directly threatened by wildland fires...”
4. In Chapter 4, emphasize severity of State’s current drought & water shortage; include rainwater harvesting as strategy:
 - a. Rainwater catchment systems already included as action under Extreme Drought Strategy Extreme Drought (ED) 2 on page 4-19.
 - b. Final CAAP language will strengthen Strategy ED3 (drought tolerant landscaping) to specify rainwater harvesting as an alternative irrigation option.
 - c. Final CAAP language will expand Water Conservation and Reuse Strategy W1 to encourage rainwater catchment systems.
5. In Chapter 4, add climate emergency planning components for residents; include educational support to help form household plans and create support networks. The Final CAAP will:
 - a. Expand the Community Preparedness (CP) Strategy CP1 re: public education, emergency preparedness fairs, and networking on page 4-9.
6. In Chapter 4, consider allowing the use of greywater in the City. The Final CAAP will modify page 4-16 to capture the following:
 - a. Extreme Drought Strategy ED2 (expand community water recycling) on page 4-19 encourages the use of greywater and rainwater catchment systems.
 - b. Final CAAP will expand Water Conservation and Reuse Strategy (W) W1 on page 4-19 will be revised to encourage the installation of greywater reuse systems.
7. In Chapter 3, update the discussion pertaining to public EV charging The Final CAAP will be revised:
 - a. Transportation Action T1.1 on page 3-21 calls for developing a citywide Zero Emission Vehicle (ZEV) Master Plan.

- b. Final CAAP language will be enhanced on page 3-21 to encourage EV systems that are solar infrastructure reliant; and placement at all feasible placement locations (e.g., street light pole placement and right of way considerations).

During the July 7, 2022 Planning Commission meeting there were also comments and seven topic areas which required further discussion and analysis. However, during this meeting consensus was not achieved as compared to the items above.

The September 1, 2022 Planning Commission meeting was focused on reviewing these seven topic areas where, at the July 7 Planning Commission meeting, there was no consensus (see Attachment 2, September 1, 2022 staff report), and adopting a resolution recommending City Council approval of the CAAP.

Ultimately, the Commission's seven recommendations were paired down on Sept. 1st and memorialized within Exhibit A to the Planning Commission Resolution (see Attachment 2 - September 1, 2022 staff report Attachment 3, Resolution No. 2022-32). Staff recommends three (3) minor revisions to the CAAP as a result of the Commission's seven recommendations; the Commission was agreeable to these edits. In four of the seven cases, staff does not support changes to the CAAP; the Commission was agreeable to omitting the items from the resolution recommending CAAP approval. Those seven items, the Planning Commission's recommendation and staff recommendations in response to the Planning Commission recommendations, are noted below. Should the City Council agree with the Planning Commission or staff's recommendations, the changes will be included in the Final CAAP (see next steps section of this report).

The Planning Commission recommends that the City Council consider the following modifications to the City's Draft Climate Action and Adaptation Plan (CAAP):

1. Exceed the State GHG emission reduction target of 40 percent below 1990 levels by 2030.

Planning Commission suggested that the City's CAAP Revision: The City's CAAP should be revised to increase the GHG emission reduction target of 60% below 1990 levels by 2030. Funding should be reallocated to evaluate and reconsider reduction targets and policy changes to achieve GHG emission reduction targets of 60% below 1990 levels by 2030.

Staff Recommended Draft CAAP Revision: Staff disagrees with this change as City Council identified the desired percentage in March 2021 and changing this percentage would result in an approximately two (2) year delay in presenting the Final CAAP to the City Council but supporting language is recommended. Therefore, the City's CAAP should continue to set targets at 40% below 1990 levels.

However, staff does suggest additional language to address Commission input and the recent passage of Assembly Bill (AB) 1227 - Page 2-10 should be revised to state that the City's CAAP has an aspirational GOAL to achieve carbon neutrality by 2045, and will revisit the feasibility of that goal during the next CAAP update, and after the California Air Resources Board (CARB) has adopted its next Scoping Plan update. It is also recommended that the section acknowledge that additional updates may be necessary to adjust this target goal in the next CAAP update due to the recent passage of AB 1227.

2. Require Project Labor Agreements (PLA) as a way to reduce Vehicle Miles Traveled (VMT).

Planning Commission Suggested Draft CAAP Revision: The description of Strategy L1 on Page 3-30 should be revised to include PLA's as a way to reduce VMT: The City should consider requiring PLAs on development projects as a way to reduce VMT.

Staff Recommended Draft CAAP Revisions: Staff disagrees with this change as VMT is largely driven by land

use policy (density, mix of land uses), transit and pedestrian opportunities, and commuter trips but is agreeable to augmented language. Additionally, PLA's will not result in a reduction in customer VMT, or commercial/industrial VMT. Although a PLA could reduce VMT there are many other implications to PLAs that are not related to the CAAP and furthermore City Council has not established a PLA policy.

However, staff does suggest additional language to address Commission and community input - Page 3-30, Strategy L1 should be revised to acknowledge the relationship between VMT and land use policy (density, mix of uses), transit and pedestrian opportunities, and commuter trips.

3. The CAAP Implementation Plan Should Include Yearly Budget Recommendations on Renewable Expenditures.

Planning Commission Suggested Draft CAAP Revisions: The description of Implementation Steps on pages 5-5 and 5-6 should be revised to include a recommendation that the City's Fiscal Year budget allocate a \$1Million annually to implement CAAP near term actions, especially with consideration to the City's two-year Capital Improvement Program (CIP) process.

Staff Recommended Draft CAAP Revisions: It is not recommended that a specific percentage or dollar figure be included given that costs are not known at this time and State and Federal renewable energy resource funding is increasing. Appendix F to the CAAP identifies potential Federal, State, Regional and private funding sources for implementing elements of the CAAP.

However, staff does suggest additional language to address Commission input - Page 5-6, (funding bullet) should be augmented with language to state that the City will consider the CAAP in yearly departmental budgeting and CIP activities and seek out Federal & State funding opportunities where funding aligns with Council priorities and the CAAP programs.

4. The goal of 80% to 100% renewable energy should be required on City project sites for which lease agreements are being secured.

Planning Commission Suggested Draft CAAP Revisions: Action E1.5 on Page 3-9 should be revised to require that on City project sites for which lease agreements are being considered, energy must be procured through 80% to 100% renewable energy sources.

Staff Recommended Draft CAAP Revisions: Alternative language is not provided as staff does not recommend including this requirement, since the City's new accounts with Clean Power Alliance (CPA) are automatically enrolled in the 100% renewable level by default.

5. Require Solar Panels and Battery Storage on New Development over a Certain Size (such as multifamily buildings).

Planning Commission Suggested Draft CAAP Revisions: Battery storage should be required for single family and multifamily housing construction beginning Jan. 2024. In the year following City Council approval of the CAAP, the City should develop a program to stipulate conditions for which battery storage is required on single family and multi-family residential projects with consideration to project size.

Staff Recommended Draft CAAP Revisions: Alternative language is not provided as staff does not recommend including this requirement, since starting January 2023, the State building code will require new single family and in certain scenarios multi family homes and non-residential buildings to have a solar PV system and a battery storage system.

6. Accelerate the requirement for electrification of buildings through the adoption of reach codes that ban natural gas in new construction now, instead of relying on the State building code that requires electric ready

(new) construction effective January 1, 2023.

Planning Commission Suggested Draft CAAP Revisions: Implementing actions under Strategy B2 on page 3-17 should be revised to require that effective January 2023, the City ban the allowance of natural gas in new construction.

Staff Recommended Draft CAAP Revisions: Alternative language is not provided as staff does not recommend including this additional language, since for the foreseeable future natural gas is needed to provide critical energy resilience, and starting in January 2023 the State building code will have increasingly progressive energy storage and building electrification requirements for new homes and non-residential buildings.

7. A program or policy should be included in the CAAP to transition existing buildings away from gas to all-electric infrastructure. The use of natural gas should be phased out of use in the City.

Planning Commission Suggested Draft CAAP Revisions: Implementing actions under Strategy B2 on page 3-17 should be revised to ban the allowance of natural gas in existing Buildings.

Staff Recommended Draft CAAP Revisions: Alternative language is not provided as staff does not recommend including this additional language, since for the foreseeable future natural gas is needed to provide critical energy resilience, and the process of converting an existing building from gas to electric is complex and expensive. In addition, Strategy B2 includes Actions B2.1, B2.2 and B2.3 to support electrification of existing buildings.

Next Steps

In order to save fiscal resources (production of Final Draft CAAP prior to presentation of the document to Committee and City Council), once the CAAP is reviewed and approved by City Council, the CAAP will be revised to produce a Final CAAP which will be comprised of the following:

- Introductory comments from Mayor John Zaragoza;
- Planning Commission recommended edits (Exhibit A, to Resolution No. 2022-32 in Attachment 3 to the September 1, 2022 Planning Commission staff report (Attachment 2)) as approved by City Council;
- Suggested edits to CAAP as agreed upon by staff, and minor typos identified by the CAAP consultant as reflected within the July 2022 summary document in Attachment 2 to the September 2022 Planning Commission staff report (Attachment 2);
- Update to Chapter 5 to implementation GHG reduction actions and the timeframes as identified within this staff report; Incorporation of May 14, 2022 powerpoint presentation to the community during review of CAAP;
- Updated City of Oxnard photos; and
- Include the City Council approved resolution of approval.

Community Input and Notice

In early 2021 staff assembled a Stakeholder Group to help guide in the development and visioning of the CAAP document. The roughly 125 member stakeholder group was focused on the following topic/issue areas: Environmental, Businesses, Utilities & Franchisees/Agency Representatives, Community Organizations, Education and Health Care, and City Staff. Over the past two years, this group has been consulted and engaged to secure feedback and input. Due to the pandemic, outreach measures, approaches, and protocols had to be adjusted. Appendix A of the CAAP document summarizes community / stakeholder meeting efforts, dates and outcomes. The Final CAAP will include presentation information from the May 2022 community meetings.

These documents were not available at the time of publication of the Draft CAAP. These engagement efforts helped identify climate impacts of concern in the Community Vulnerability Assessment, and to identify effective CAAP strategies and actions for improving community resilience and reducing GHG emissions.

The City of Oxnard's Draft CAAP was released in late April 2022 and notification was sent to the City's CAAP interested parties list for a Stakeholder meeting held on May 5. Social media outreach efforts to the public also began on May 3 with media posts highlighting the release of the CAAP on the City's website, scheduled virtual drop in hours for May 9, and a virtual public meeting on May 14. Subsequent posts were released on the City of Oxnard's Official Instagram account on May 6, May 8, and May 13.

No notice of public hearing was required to be published in the newspaper ahead of the Planning Commission Study Session Meeting scheduled on July 7. A notice was sent to the City's CAAP interested parties list and the City's Public Information Office posted on social media to engage the public ahead of the meeting on July 5. A summary of community engagement efforts is contained in Attachment 6.

In preparation for the Committee Meeting on September 27 and the City Council meeting on October 18, social media posts will be released using the City's Public Information Office channels and through the City's CAAP website -<https://www.oxnard.org/climate-action-plan/>.

ENVIRONMENTAL REVIEW

The City Council certified the General Plan Program Environmental Impact Report (PEIRSCH # 2007041024) in October 2011, and addenda environmental evaluations were prepared for subsequent General Plan revisions. Pursuant to the CEQA Section 15164, the City has prepared an Addendum (see Attachment 2, Planning Commission Resolution of Approval) affirming that the analysis contained in the 2030 General Plan PEIR adequately addresses the potential environmental impacts associated with implementation of the CAAP. The CAAP is an implementing action of the 2030 General Plan. The previously certified PEIR may be viewed on the City's website at City of Oxnard 2030 General Plan PEIR Volume I, Recirculated Draft.

As demonstrated in the environmental analysis of the Addendum, none of the conditions that had been analyzed in the 2030 General Plan PEIR would change with adoption and implementation of the CAAP. Furthermore, no new information of substantial importance meeting the criteria listed in State CEQA Guidelines Section 15162 have been identified. The City has determined that there is no legal or evidentiary basis for the preparation of a Subsequent or Supplemental EIR pursuant to State CEQA Guidelines Sections 15162 and 15163, and that an Addendum to the 2030 General Plan PEIR, as contemplated by State CEQA Guidelines Section 15164, is the appropriate environmental document for the proposed project. The General Plan Addendum has been prepared in compliance with Public Resources Code Section 21000 et seq., and Title 14, Chapter 3 of the California Administrative Code (State CEQA Guidelines).

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promote safe neighborhoods, encourage community engagement, and support our Planning Commission CAAP Staff Report September 1, 2022 residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

There is no fiscal impact associated with adoption of the CAAP document; however, strategies and actions contained in the CAAP will have a financial impact. Funding will be needed in the future to implement the GHG reduction strategies and Climate Change Resilience and Adaptation Strategies.

The GHG reduction strategies and actions in the CAAP were formulated with an understanding that the City has limited staff time and financial resources to implement them. The cost-benefit ratios presented in Chapter 3 of the CAAP are based on the anticipated impact to the city budget, including any upfront capital investment needed to implement a strategy, ongoing annual costs, and City staff time required. Fiscal impacts of implementing the CAAP will require funding from General Fund and may be requested through City's CIP process.

For many of the actions, detailed cost estimates will be needed to inform and guide the implementation process, and be refined over time with more-precise implementation level data. One of the first recommended CAAP implementation measures will be to develop a fiscal analysis associated with implementation of key near term objectives. This fiscal analysis will assist the City in developing CAAP related budget documents to implement the CAAP over the next five (5) years.

The City's costs for implementation may include the creation or promotion of voluntary programs, continuing administration of those programs, coordination and outreach with other government agencies and businesses, hiring staff to lead the actions and/or track and prepare grant applications, and—in some cases—exploration or study of potential regulatory mechanisms not yet codified. Some strategies require up-front capital expenditures by the City. The CAAP recognizes the value of leveraging partnerships, seeking grants, and evaluating funding sources. Further, the CAAP should be updated every five (5) years to evaluate the effectiveness of programs, changes in technologies, and to reflect new land use patterns - especially considering the City will embark upon an update to the City's General Plan which will kick off in early 2023 and will take approximately three (3) to four (4) years to completed.

Prepared by: Kathleen Mallory, Planning & Sustainability Manager

ATTACHMENTS

1. CAAP CAAP-Public-draft-2022.pdf (oxnard.org)
2. September 1, 2022 Planning Commission Staff Report (Attachment 1 removed due to duplication)
3. March 30, 2021 City Council Staff Report
4. January 25, 2022 Committee Staff Report
5. July 7, 2022 Planning Commission staff report (Attachment A, B, and D removed due to duplication)
6. Summary of Community Input



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. M.2

DATE: October 18, 2022

TO: City Council

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

SUBJECT: Options to Fill Council Vacancy. (10/15/20)

RECOMMENDATION

That the City Council receive a report regarding the vacancy in the District 6 City Council seat and take one of the following actions to fill the vacancy:

1. Call a special election for March 7, 2023 to fill the remainder of the District 6 City Council term (which runs until November 2024) by adopting the following resolutions:
 - a. A resolution calling and giving notice of a special election on March 7, 2023 to fill the remainder of the District 6 City Council term;
 - b. A resolution requesting the Ventura County Board of Supervisors authorize the Ventura County Elections Division to render specified services to conduct the March 7, 2023 special election; and
 - c. A resolution adopting regulations for candidates for elective office pertaining to candidate statements submitted to the voters at the special election to be held on March 7, 2023.

OR

2. Direct staff to: a) commence the process to appoint the District 6 Councilmember on or before November 29, 2022, with a term to run until November 7, 2023; and b) on or before November 29, 2022 return to the City Council for the appointment of the District 6 Councilmember and the adoption of a resolution calling and giving notice of holding a special election on November 7, 2023, to fill the remainder of the District 6 term, which runs until November 2024. (Any potential appointee or candidate must be a resident of District 6, at least 18 years of age, and a registered voter.)

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/rkE9o-FSC_w

BACKGROUND

Following the tragic death of Supervisor Carmen Ramirez, Governor Newsom appointed Councilmember Vianey Lopez to the Ventura County Board of Supervisors on September 23, 2022. On October 3, 2022, Councilmember Lopez, who represented City Council District 6, resigned from the Oxnard City Council to assume her new position on the Ventura County Board of Supervisors.

Government Code Section 36512 governs the process for filling a City Council vacancy. Section 36512(b) provides that the Council must, within 60 days from the date of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy. Oxnard City Code Section 2-3.1 (adopted by the Council in 2021 pursuant to Section 36512(c)(3)) requires that if the Council fills a Council vacancy by appointment, the appointee "shall hold office only until the date of a special election which shall immediately be called to fill the remainder of the term." Any potential

appointee must be a resident of District 6, at least 18 years of age, and a registered voter.

The County Registrar has a deadline of November 2, 2022 for the City to submit a resolution calling a special election to be held on March 7, 2023. (See attached Election Calendar.) To meet this deadline, the City Council would need to call for the election on or before November 1, 2022. If the Council calls for a special election after the November 1, 2022 deadline, then the election will be held on November 7, 2023.

Option 1

The Council may choose to call a special election to fill the Council vacancy. Government Code Section 36512(b)(1) requires the special election to “be held on the next regularly established election date not less than 114 days from the call of the special election” and the person elected to fill the vacancy would hold office for the remainder of the current District 6 term, which ends in November 2024.

Elections Code Section 1000 sets the “regularly established election” dates for 2023 as:

“(b) The first Tuesday after the first Monday in March of each odd-numbered year.

...

(e) The first Tuesday after the first Monday in November of each year.”

If the Council chooses Option 1, the special election to fill the District 6 vacancy would be held on March 7, 2023, pursuant to Elections Code Section 1000(b). The person elected on March 7, 2023, would serve on the Council until November 2024.

The County Registrar would have until April 6, 2023 to certify the results of the March 7, 2023 election.

Option 2

The Council may choose to fill the vacancy by appointment, and (at the same meeting that the appointment occurs) call for a special election to occur on November 7, 2023. At that special election, voters would elect a person to serve the remainder of the term of the District 6 councilmember – until November 2024.

Oxnard City Code Section 2-3.1 provides that the special election may be held on a date permitted by Government Code Section 36512(c)(3). That section provides that the special election be “held on the date of the next regularly established election or regularly scheduled municipal election to be held throughout the city not less than 114 days from the call of the special election.” Because of the time needed to conduct the application and appointment process under this option, the special election to fill the remainder of the District 6 term would occur on November 7, 2023 pursuant to Elections Code Section 1000(e).

If the Council selects this option, the Council would direct staff to commence an extensive application process after which the Council would appoint an applicant within 60 days after the vacancy arose (i.e., no later than December 1, 2022). At that same meeting, the Council would call a special election to be held on November 7, 2023, where voters will elect a candidate to fill the District 6 vacancy until November 2024.

Time Constraints for Appointment by November 1, 2022

As indicated in the prior section, the time needed for the process to fill a Council vacancy by appointment is significant. The process used for the District 2 vacancy appointment in 2021 included: (i) a two week period for the filing of applications; (ii) a two week period for public and Council review of submitted applications; (iii) a special Council meeting to conduct public interviews of the applicants; and (iv) the Council appointment and the calling of a special election to be held in November 2021. Using those same time periods for applications to be submitted and reviewed, there is insufficient time to complete the appointment process before the County Registrar’s November 2, 2022 deadline to submit a Council resolution requesting a March 7, 2023 special election. As such, staff does not recommend that the City Council attempt to appoint an interim councilmember for District 6 on or before November 1, 2022.

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

As of the date this agenda is posted, the City does not have an estimated cost to run a special election in 2023 to fill the vacancy from the County Registrar of Voters. However, the cost to run the District 2 special election in 2021 was \$119,778.40. If necessary, staff would request a mid-year budget appropriation to pay the cost of a 2023 special election at a later date.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Stephen Fischer, City Attorney, Jason Zaragoza, Deputy City Attorney, Kenneth Rozell, Chief Assistant City Attorney

ATTACHMENTS

1. 2022 City Council Vacancy Timeline_FINAL
2. Resolution Calling Special Election to Fill District 6 Vacancy
3. Resolution Requesting BOS re Special Election Services
4. Request for Specified Election Services - Candidates
5. Resolution Adopting Candidate Regulations for Special Election_ March 2023
6. March 2023 Election Calendar



City Council Vacancy

OPTIONS AND TIMELINES

October 18, 2022

Choices for filling the District 6 vacancy:

1

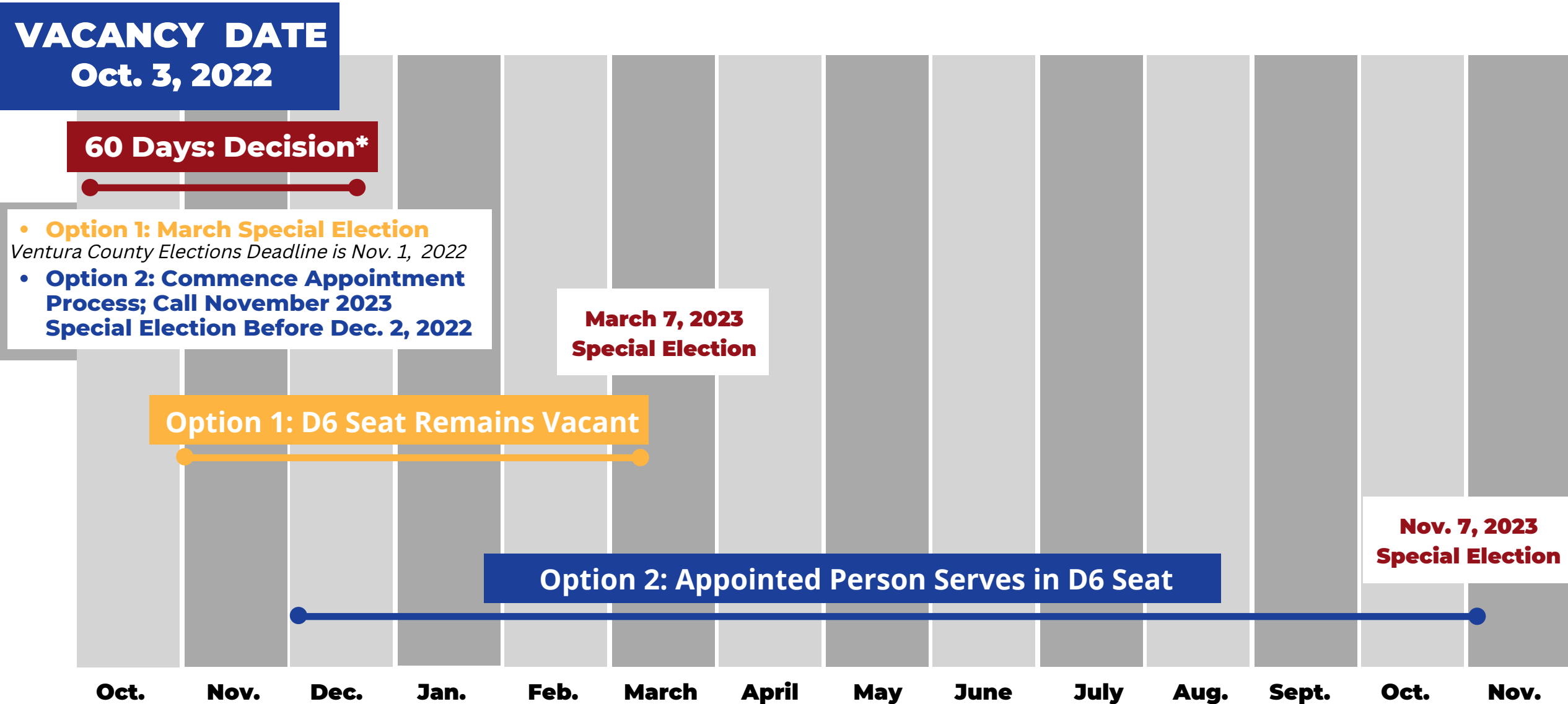
Adopt a resolution calling and giving notice of holding a special election on March 7, 2023

OR

2

Direct staff to commence the process to appoint the District 6 Councilmember on or before November 29, and calling and giving notice of holding a special election on November 7, 2023 on or before November 29

CITY COUNCIL VACANCY TIMELINE



**City Council must act by December 2, 2022*

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD CALLING AND GIVING NOTICE OF HOLDING A SPECIAL ELECTION ON TUESDAY, MARCH 7, 2023 FOR THE ELECTION OF ONE COUNCILMEMBER TO FILL A VACANCY IN COUNCIL DISTRICT 6 AS REQUIRED BY GOVERNMENT CODE SECTION 36512

WHEREAS, on October 3, 2022, Councilmember Vianey Lopez resigned from the Oxnard City Council, and was sworn in as the District 5 Supervisor for the Ventura County Board of Supervisors, resulting in a vacancy in the District 6 City Council office; and

WHEREAS, the term of the District 6 vacant office ends November, 2024; and

WHEREAS, Government Code Section 36512(b) requires the City Council to, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy; and

WHEREAS, on October 18, 2022, the City Council approved a recommended action to call and give notice of a special election to be held on March 7, 2023 to elect a candidate to fill the remainder of the District 6 term.

NOW, THEREFORE, the City Council of the City of Oxnard resolves:

SECTION 1. Pursuant to the laws relating to General Law cities and the requirements of the Oxnard City Code, Chapter 2, there is called and ordered to be held in the City of Oxnard, California on Tuesday, March 7, 2023, a Special Election for the purpose of election of a District 6 City Councilmember for the term of office which ends November, 2024, in which the vacancy was created by the appointment of Councilmember Vianey Lopez to the Ventura County Board of Supervisors.

SECTION 2. Ballots to be used at the election shall be in a form and content as required by law.

SECTION 3. The City Clerk is authorized, instructed, and directed to coordinate with the Ventura County Clerk to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 4. Polls for the election shall be open at seven o' clock a. m. the day of the election and shall remain open continuously from that time until eight o' clock p. m. of the same day when polls shall be closed, pursuant to California Elections Code Section 10242, except as provided in California Elections Code Section 14401.

SECTION 5. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding Municipal Elections.

SECTION 6. Notice of time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of election, in time, form and manner as required by law.

SECTION 7. The sections, paragraphs, sentences, clauses and phrases of this Resolution are severable, and if any phrase, clause, sentence, paragraph or section of this Resolution shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Resolution.

PASSED AND ADOPTED THIS 18th day of October, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

John C. Zaragoza, Mayor

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
REQUESTING THE VENTURA COUNTY BOARD OF SUPERVISORS
AUTHORIZE THE VENTURA COUNTY ELECTIONS DIVISION TO RENDER
SPECIFIED SERVICES TO CONDUCT A SPECIAL ELECTION TO BE HELD
TUESDAY, MARCH 7, 2023

WHEREAS, the City Council of the City of Oxnard called a Special Election to be held March 7, 2023 to fill a vacancy in the office of City Council District 6 that was created with the appointment of Councilmember Vianey Lopez to the Ventura County Board of Supervisors on October 3, 2022, with an unexpired term of office ending November, 2024; and

WHEREAS, in the course of conduct of the election it is necessary for the City to request services of the County; and

WHEREAS, all necessary expenses in performing these services shall be paid by the City of Oxnard.

NOW, THEREFORE, the City Council of the City of Oxnard resolves:

SECTION 1. That pursuant to the provision of California Elections Code Section 10002, this City Council requests the Ventura County Board of Supervisors to permit the Ventura County Elections Division to conduct a Special Election for the City of Oxnard on Tuesday, March 7, 2023, for the purpose of election of a District 6 City Councilmember to fill a vacancy for an unexpired term of office ending November 2024 and that the precincts, polling places and election officers be established.

SECTION 2. The Ventura County Elections Division is authorized to canvass the returns of the Special Election and only one form of ballot shall be used.

SECTION 3. The Ventura County Board of Supervisors is requested to issue instructions to the Ventura County Elections Division to take any and all steps necessary for the holding of this Special Election.

SECTION 4. The City of Oxnard recognizes costs will be incurred by the County by reason of this Special Election and agrees to reimburse the County for any associated election costs when the work is completed and upon presentation of a properly approved bill.

SECTION 5. City Clerk is hereby directed to file a certified copy of this Resolution with the Ventura County Board of Supervisors and the Ventura County Elections Division.

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PASSED AND ADOPTED THIS 18th day of October, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

John C. Zaragoza, Mayor

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

VENTURA COUNTY REQUEST FOR SPECIFIED ELECTION SERVICES CANDIDATES

V. Chasarro
Signature of Authorization

DATE: March 7, 2023

CANDIDATE STATEMENT – Maximum number of words permitted for the Candidate's Statement will be 200 words. The City will be billed the cost of handling and printing the Candidate Statements. Pursuant to Elections Code Section 10002, the City agrees to reimburse the Ventura County Elections Division in full for the services performed upon presentation of a bill.

ELECTION DAY VOTER INFORMATION – A USB of registered voters and a list of Vote Centers will be provided.

SPANISH TRANSLATIONS – Ventura County Elections Division will arrange for all translations pursuant to Elections Code Section 13307.

PRINTING OF COUNTY VOTER INFORMATION GUIDE – Ventura County Elections Division will arrange for printing Candidates' Statements in the County Voter Information Guide for each election.

VOTE BY MAIL BALLOTS – Ventura County Elections Division will process all Vote By Mail ballots.

VOTE CENTERS/PRECINCTS ASSIGNMENTS – Ventura County Elections Division will determine the number of Vote Centers.

The undersigned requests the above election services to be performed by the Ventura County Elections Official and pursuant to Elections Code Section 10002, agrees to reimburse the County in full for services requested upon presentation of a bill.

Name of City: City of Oxnard

Signature & Title: *B. Chaparro, City Clerk*

Date: October 6, 2022

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE
PERTAINING TO CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS
AT A SPECIAL ELECTION TO BE HELD ON TUESDAY, MARCH 7, 2023

WHEREAS, California Elections Code Section 13307 provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement.

NOW, THEREFORE, the City Council of the City of Oxnard resolves:

SECTION 1. General Provisions.

Pursuant to California Elections Code Section 13307, each candidate for elective office to be voted for at a Special Election to be held in the City of Oxnard on Tuesday, March 7, 2023 may prepare a candidate's statement on an appropriate form provided by the City Clerk.

The statement may include the name, age and occupation of the candidate and a brief description of no more than 200 words of candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed in typewritten form in the City Clerk Department at the time the candidate's nomination papers are filed. As requested by the County of Ventura Elections Division, the candidate shall also provide an electronic copy of the statement on CD when the hard copy is filed with the City Clerk. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p. m. of the next working day after the close of the nomination period.

SECTION 2. Foreign Language Policy.

Pursuant to the Federal Voting Rights Act, candidate's statements will be translated into all languages required. The County of Ventura is required to translate candidate's statements into the following language: Spanish.

The County will print and mail separate sample ballots and candidate's statements in Spanish to only those voters who are on the County voter file as having requested a sample ballot in Spanish. The County will provide the sample ballots and candidate's statements in Spanish at all polling places, on the County's website, and in the Election Official's Office.

SECTION 3. Payment.

A Candidate shall be required to pay for the cost of translating and printing the candidate's statement into any required foreign language as specified above pursuant to Federal and/ or State

The estimate is just an approximation of actual cost that varies from one election to another and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the City Clerk is not bound by the estimate and may, on a pro rata basis, bill candidates for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the City Clerk shall require the candidate to pay the balance of the cost incurred. In the event of overpayment, the City Clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election or upon receipt of County billing.

No candidate will be permitted to include additional materials in the sample ballot package.

SECTION 6. All previous Resolutions establishing Council policy on payment for candidate's statements are repealed.

[illegible]

SECTION 7. This Resolution shall apply only to the election to be held March 7, 2023 and shall then be repealed.

PASSED AND ADOPTED THIS 18th day of October, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John C. Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

Election Calendar

Special Election – March 7, 2023

November 2, 2022

Deadline to submit resolution requesting election.

November 10, 2022

Publish Notice of Election

November 14, 2022 - December 9, 2022

Nomination period - documents may be obtained from the county Elections Division office and filed with the county elections official.

December 15, 2022

Random Alpha Drawing

December 29, 2022

Death of filed Candidate

Last day death of a filed candidate may cause name to be omitted from ballot.

January 9, 2023 - February 21, 2023

Write-In Nomination Period

January 26, 2023 - February 14, 2023

County Voter Information Guide Mailing

February 6, 2023

No later than this date, county elections officials shall begin mailing each registered voter a vote-by-mail ballot.

March 7, 2023

Election Day

March 9, 2023

Begin Canvass of Election Returns

April 6, 2023

Election Certification Deadline



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. M.3

DATE: October 18, 2022

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Proposed Speed Hump Program. (0/15/15)

RECOMMENDATION

That the City Council:

1. Approve the proposed speed hump program as outlined in this staff report; and
2. Direct the City Manager or his designee to implement procedures to effectuate the Program as outlined in the staff report.

(Public Works and Transportation Committee approved 3-0 at a Special Meeting on September 17, 2022)

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/n0-Fpo_MouA

BACKGROUND

The City receives numerous inquiries about speeding on public streets. These inquiries are usually accompanied by requests for stop signs and/or speed humps. Staff analyzes each request for stop signs and more often than not, the criteria set forth by the State of California Manual on Uniform Traffic Control Devices (CMUTCD) are not satisfied. Studies have shown that stop signs do not reduce speeds between intersections. In fact, CMUTCD strongly recommends against the use of stop signs to control speed and urges their use only as a tool to assign right-of-way at intersections. The interest in speed humps has increased in the past five years due to their increased use by agencies in the State and the exposure given to these speed humps by the media. The overwhelming majority of requests involve residential streets. The City of Oxnard does not currently have a program which addresses the use and installation of speed humps. A program will help define the issue, provide a systematic and engineering approach for review, establish priorities and funding needs, and provide a means for installation of speed humps.

The City received roughly 200 speeding complaints, mainly on residential streets, in a five-year period (from August 1, 2017 to July 31, 2022). When complaints of speeding are reported on a street, staff attempt to address the issue by conventional engineering means (i.e., additional signing and/or roadway striping). If these methods fail to mitigate the issue, or if these methods cannot be applied, selective speed enforcement is requested and conducted by the Oxnard Police Department.

It should be noted that a speed hump program was in place in Oxnard as early as 2005, based upon research performed by current staff. It is unclear of the overall program goals, procedures, or objectives because of the lack of information archived for the current staff to review. Old documents indicate that several speed humps were installed as a result of that program. Furthermore, archived documents indicate that staff understood that the program was halted in 2012 due to concerns with emergency response times expressed by the Fire Department. Additionally, documentation was found that a program was presented to the Transportation Policy Committee in 2017 and 2018 but it was never adopted by the City

Council.

This proposed program was reviewed at a special meeting on the Public Works and Transportation Committee (PWTC) on September 17, 2022. The public comments from and the written comments received for this meeting are attached. Additional information has been added to this staff report to address a common theme presented by the public at the PWTC meeting, namely other traffic calming options besides speed humps. Please see the attached flow chart for a general overview and the education, enforcement, or engineering comments below.

DISCUSSION

Currently, the City responds to neighborhood traffic concerns using the “three E’s”, education, enforcement, or engineering.

Education provides neighbors with information about how they as motorists can help to ease traffic impacts in their community through changes in behavior and attitudes, and informs them about neighborhood traffic management activities and opportunities. Following are some of the education tools:

- Neighborhood council newsletters
- Radar speed display signs
- Neighborhood programs (e.g. Pace Setting programs)
- Signage per Manual on Uniform Traffic Control Devices where appropriate
- Signage per Manual on Uniform Traffic Control Devices where appropriate

Enforcement enlists the assistance of the Police Department to focus enforcement efforts in key areas.

Engineering techniques may include physical changes such as:

- Pavement markings
- Roadway narrowing
- Raised intersections
- Traffic circles
- Signage
- Partial road closures
- Median islands, and others
- Other vertical or horizontal offsets

It should be noted that speed humps are typically one of the last options that are explored with regards traffic calming devices. While speed humps have merit in specific circumstances, there are disadvantages to them as noted in the staff report below. There are several other traffic calming opportunities, noted above in the Engineering techniques, which staff considers before exploring speed humps as an option.

Speed Humps vs. Speed Bumps:

Speed humps are suitable for streets and are typically shaped as parabolic, sinusoidal or circular and are 3 to 4 inches high. Humps create a gentle vehicle rocking motion that may cause some driver discomfort, which results in drivers slowing to approximately 15 MPH at the hump. If traversed at higher speeds, humps cause a jarring effect on the vehicle and its occupants. The primary purpose of speed humps is to lower speeds on residential streets.

Speed bumps, on the other hand, are commonly found in parking lots on private property and are typically abrupt and up to 6 inches high. Bumps cause significant discomfort at typical residential speeds. At speeds above 25 mph, bumps have less effect on vehicles with non-rigid vehicle suspensions which absorb the impact before the rest of the vehicle can react. For vehicles with rigid suspensions, such as trucks, buses, emergency vehicles (fire engines, ambulances, police cars) and motorcycles, bicycles, etc. the risk of damage and/or injury increases with bumps.

The Institute of Transportation Engineers (ITE) report and experience of other agencies determined that when properly designed and applied, speed humps have been found to be safe, effective devices when all other means have failed. It should be stressed that speed humps should only be considered when more conventional methods have failed to reduce speeds and increase safety (i.e., 3-Es: Education, Engineering, Enforcement).

Furthermore, advancements in technology have developed speed cushions and speed tables, which are specialized speed humps. The configuration of the speed cushions allow for emergency vehicles, such as fire apparatus with wide-axle set-ups, to straddle the vertical portions of a speed hump (see attached image). The speed cushion configuration results in less delay to emergency vehicles. Furthermore, in the correct situation, speed tables are a tool that can be deployed that allows for emergency vehicles to transition without a major reduction in speed (see attached image).

Effectiveness of Speed Humps:

Speed humps have been shown to reduce the travel speed of vehicles on residential streets. According to data provided by the ITE, studies indicate that the “85th Percentile Speed” decreased by six (6) to seven (7) miles per hour after speed humps were installed. However, travel speeds may also increase up to one (1) mile per hour between the speed humps.

Advantages of Speed Humps:

- Reduced vehicular speeds
- Reduced certain type of collisions
- Possible reduction in cut-through traffic

Disadvantages of Speed Humps:

- Increased emergency response time*
- Increased noise
- Impact to private vehicles (maintenance cost increase)
- Impact to public vehicles like trash trucks and fire trucks (maintenance cost increase)
- Increased speed between speed humps
- Impact to parking, drainage, and street sweeping
- Impacts to users of vehicles with disabilities (e.g. spine related disabilities)
- Reports of increased air emissions and increased gas consumption
- High capital cost
- Requires long term funding for routine maintenance
- Residents living on the block will be the ones driving over the speed humps most frequently
- Installation may require placement of the speed hump and/or warning signs in front of someone’s home

*Input from the Fire Marshall: there are response delay concerns. Namely, (1) modern fire growth curve doubles every 60 seconds; (2) the survival rate for cardiac arrest is estimated to be around 50% when CPR is administered within 3–5 min. However, this survival decreases by 7–10% with each minute that defibrillation is delayed; and (3) speed cushions could be used to help minimize delays with large fire vehicles but not with ambulances or smaller response vehicles.

*Input from the Police Department (PD): there is potential delay in emergency response, however anticipate minimal impact with police vehicles. PD is supportive of speed humps as effective traffic calming devices, where data supports their installation. PD believes that a systematic process to request speed humps will reduce complaints coming to PD to assist with analysis. Also, PD believes that speed humps would reduce time spent doing directed enforcement at the problem location, allowing police resources to focus on other areas.

PROPOSED SPEED HUMP PROGRAM

Request Process:

- a. Applications for speed humps will be accepted from any resident, neighborhood council, school, or other entity whose property is abutting the requested street segment.
- b. If the street meets the minimum eligibility criteria, the Traffic Engineering Division will perform an in-depth traffic study of the area in question prior to making a determination. This process can take approximately two (2) months to complete. Once a determination is made by the traffic engineering division, the Applicant will be notified of the outcome by mail.
- c. If approved to proceed, a map showing the proposed speed hump location will be mailed to the applicant along with Petition forms to be signed by designated area residents indicating support or opposition of the speed hump. It is the responsibility of the Applicant to collect the signatures by the date indicated on the response from the City.
- d. Once the required signatures have been collected, a minimum of 67% (two thirds) of the designated residents (either owner or tenant), the Applicant shall then return the collected Petition Forms to the City for review and verification.
- e. Completed applications will be reviewed and ranked according to the Criteria and Ranking System listed below.

Eligibility Criteria:

Traffic Engineering staff will conduct the necessary traffic engineering studies and determine the street's eligibility for speed hump installation based on the following criteria:

Minimum Criteria:

- a. The street must be designated as a local road or a “residence district” as defined in the California Vehicle Code and may not be designated as a Major Arterial, an Arterial, a Minor Arterial, or a Collector.
- b. The street may not be designated an emergency service travel route or otherwise deemed ineligible by the Fire Department.
- c. The street may not be designated as a bus or commercial vehicle truck route.
- d. The minimum length of the street or street segment under consideration for speed humps shall not be less than one thousand (1,000) feet, which is uninterrupted by stop signs or any other traffic control device. Speed humps will not be considered for installation on cul-de-sacs unless they have an uninterrupted street length of 1,000 feet or more.
- e. The local street or residence district must have a paved width of forty-four (44) feet or less and have no more than two (2) traffic lanes.
- f. The street must have an established speed zone of either twenty-five (25) or thirty (30) MPH; any street with an established speed zone of thirty-five (35) MPH or greater will not be considered. Established speed zones of thirty-five (35) MPH or greater serve as a Collector designation and will not be considered.

Analysis Criteria:

- g. The sum of traffic volumes on the local street or residence district for both directions must be more than five hundred (500), but less than two thousand (2,000) vehicles per day.
- h. The measured 85th percentile from the twenty-four (24) hour speed profile must exceed the established posted speed limit by nine (9) miles per hour or more; OR there must be five (5) or more reported speed-related traffic collisions within the subject street segment during the last twelve (12) months of recorded data.

Ranking Criteria:

The City proposes to utilize a ranking system to determine priority based on need and resources available. The ranking will be separated into the six City Council Districts. Meaning, each Council District will have its own ranked list. The table below provides the breakdown of the scoring system. A street segment’s prioritization score is determined by summing the following factors:

Item	Points
------	--------

1. Traffic Speed	Percentage of vehicles traveling at or more than ten (10) mph over the posted speed limit on the proposed project street divided by two (2).
2. Traffic Volume	Average daily traffic volume on the proposed project street divided by one hundred (100).
3. Traffic Collisions	Two (2) points per collision that likely could have been resolved by the speed hump, based on collision records for the past three (3) consecutive years.
4. Schools	Five (5) points for each private or public elementary, middle, or high school within the area benefited by the proposed speed hump.
5. Other	a) Five (5) points if a street has a sidewalk on only one side. b) Twenty (20) points if a street does not have a sidewalk on either side. c). Three (3) points for each pedestrian generator or attractor (such as a public park, public swimming pool, publicly accessible green way, etc.) within the area benefited by the proposed speed hump. d) One (1) point for each bus stop within the area. e) Five (5) points for each designated school crossing within the area. f) Ten (10) points for each yearly funding cycle period that a project remains on the prioritized list without being ranked high enough for funding (max of three funding cycles).

The street segment with the higher-ranking score will be considered to have the higher priority, by Council District. The street with the earliest application date will have the higher priority among streets with the same ranking score.

Once a request is complete, fully processed, and placed on the list to be funded, locations that do not receive funding in the initial fiscal year, will automatically be considered in the subsequent funding cycles, for a maximum of three (3) additional fiscal years (three funding cycles). As noted above, additional points are added to completed requests should they not receive funding right away. If the funding is still not approved after the three (3) year reconsideration period, the request will expire. A new written application may be submitted subject to the steps in the speed hump program in effect at the time of the application. Each application requires a separate and independent evidence of support petition.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

The estimated cost for a speed study per location is \$500. Estimated cost of design and installation of speed hump is approximately \$25,000 (assuming 3-humps per segment). Maintenance cost is estimated at \$500 per year per location for signs and markings.

No funding has been established for a speed hump program for Fiscal Year 2022-23. However, staff does anticipate that if the City Council approves the proposed speed hump program, staff will be requesting \$50,000 per City Council District (for a total of \$300,000 each year) each new fiscal year. This will allow for the installation of speed humps at the top two ranked locations in each Council District each Fiscal Year.

Please note that some agencies allow private funding for speed humps but City staff is not recommending that process for Oxnard.

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on September 17, 2022 to approve the staff recommendation and to forward the item for Council approval. The Committee asked to include the following elements to the Council Staff report: 1) Other strategies that staff consider in place of speed humps and 2) Written comments received and summary of residents who spoke at the Committee meeting.

Prepared by: Tatiana Arnaout, City Engineer

ATTACHMENTS

1. Example of Speed Table
2. Example of Speed Cushion
3. Key Steps-Speed Hump Program (flow chart)
4. Summary of Public Comments at 9/17/22 PWTC Meeting
5. Written Comments Received from Public on Speed Hump Program
6. Presentation

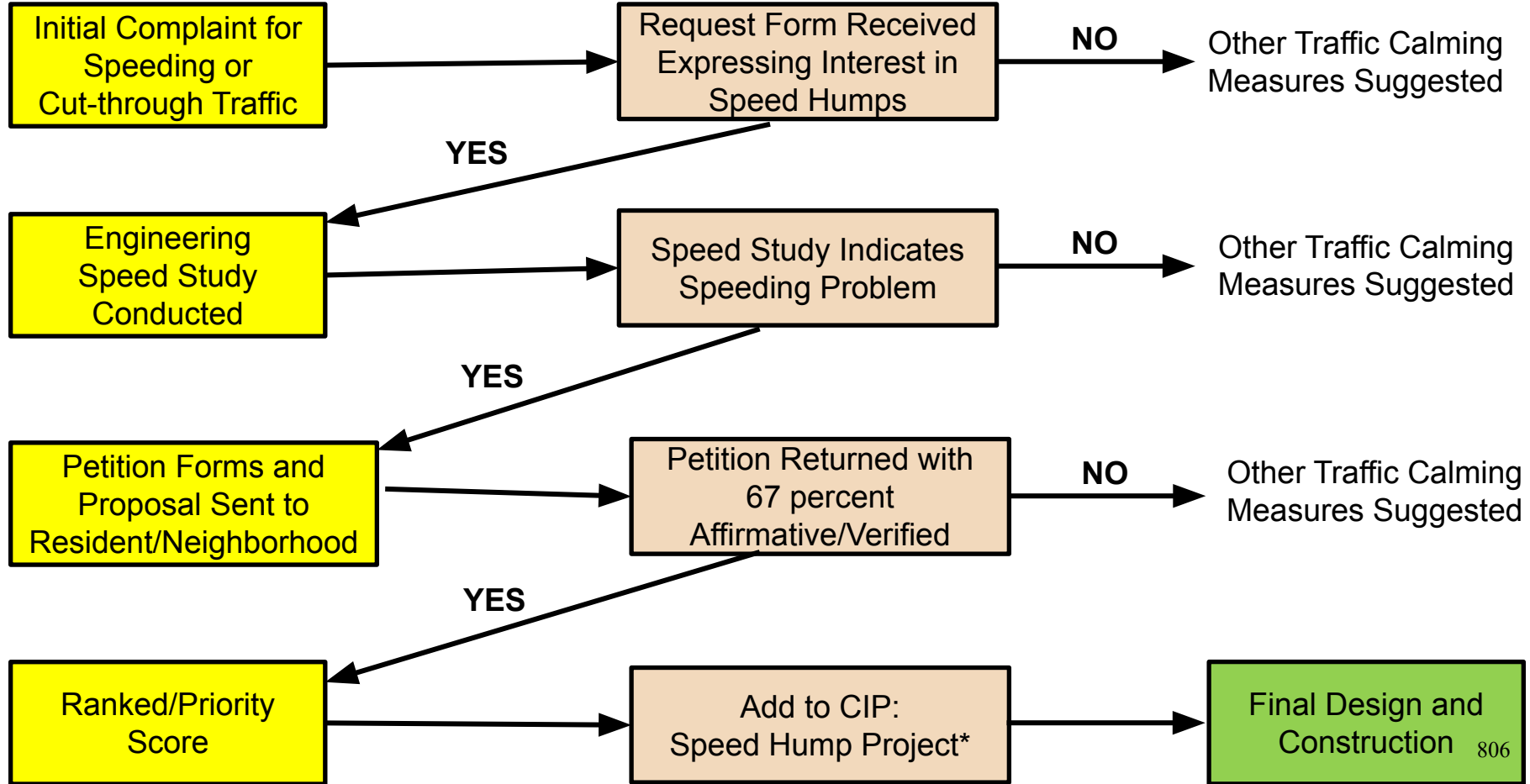
SPEED TABLE



SPEED CUSHION



Speed Hump Program Key Steps



Summary of Public Comments

from September 17, 2022 Public Works and Transportation Committee Meeting

1. Sandy Dias, Vanderbilt Drive & Villanova Avenue:

With a neutral stance, Ms. Dias was doubtful this would be the right solution. Maybe other technology or roundabouts could be a better solution. (She mentioned off topic that people ignore stop signs and that one of the problems are the drivers themselves)

2. Cindy Hoekstra, Glenwood Neighborhood:

Ms. Hoekstra had a mostly positive response appreciating the detail of the presentation. She would like alternative options to be explored and simply wants safety. (She mentioned off topic that she wanted to hear other traffic calming options)

3. Miguel Fernandez, Strawberry Fields Neighborhood:

Mr. Fernandez is positive about the implementation of speed humps. He believes his neighborhood is a good candidate for speed humps due to constant speeding drivers and had the idea to implement Speed humps mid-block where fire hydrants are located.

4. Steve Nash, Downtown:

Mr. Nash had a somewhat positive response regarding speed humps. He believes that beyond speed humps, the downtown area should have signals at all intersections & RRFB crosswalks.

5. Raylene Ontiveros, Ironbark Drive:

Positive reception with speed humps given the proximity to a school and near misses she has witnessed in her neighborhood. She believes that this will help curb speeding drivers. She would like to have the speed humps located on specific streets with high volume school traffic.

6. Tony Hernandez, Fournier Street:

Mr. Hernandez welcomes speed humps in his neighborhood. He requested that 5 be placed evenly spaced in his street given the excessive speeders that have persisted over the years.

Subject: Bump

From: Felipe Castillo <eagle_pulpo@hotmail.com>

To: "cityclerk@oxnard.org" <cityclerk@oxnard.org>

Date Sent: Saturday, September 17, 2022 9:13:53 PM GMT-07:00

Date Received: Saturday, September 17, 2022 9:13:58 PM GMT-07:00

Creo que un lugar donde tener en cuenta poner bumps, o 4 stop es la esquina de bryce canyon y A st, muchos coches cruzan muy recio, siempre hay accidentes en sus salidas, hay muchos carros abandonados por los apartamentos que impiden el parking para muchos

Subject: Speed Bump Residential Streets

From: Rachel Brown <moragaststrong1107@gmail.com>

To: cityclerk@oxnard.org

Date Sent: Saturday, September 17, 2022 9:55:43 AM GMT-07:00

Date Received: Saturday, September 17, 2022 10:10:58 AM GMT-07:00

Hello, I am working today and cannot attend but I live on south 3000 block of A St. We have a lot of close calls with speeding cars. We have pick up trucks and speeding cars every day. This street acts like a short cut from C street and saviers up to Channel Islands Blvd. If we can have a traffic survey I am sure you will see the hazards on this street. Maybe a traffic pattern change. The cars coming thru here are not the residents who live here. I have almost gotten run over many times as well as the kids on our block. Safety is a big issue. Paying our property taxes I feel that I should come home to a safe area and instead I am taking extra precaution because of these speeding cars. Something simple as a traffic barrier as this will help keeping out non residents barreling down our streets. Please take a look at this area. I am sure you will be astonished on how many speeding cars run our street. Exact address is 3051 S A St. It is a matter of time before someone is hurt or even killed on this street.

Thank you

Rachel Brown

Sent from my iPhone

Subject: Public comment - 9/17/2022 Sp. PW and Transportation Committee Meeting
From: liana campos <camposliana@hotmail.com>
To: "cityclerk@oxnard.org" <cityclerk@oxnard.org>
Date Sent: Friday, September 16, 2022 3:08:39 PM GMT-07:00
Date Received: Friday, September 16, 2022 3:08:44 PM GMT-07:00

City Clerk-

Below are comments for the Public comment - 9/17/2022 Sp. PW and Transportation Committee Meeting

Mayor, and Members of the City Council -

I would like to speak in support of additional speed humps within the City. The addition of speed humps is only a small piece of a solution that addresses the pedestrian safety issue within the City. There are other issues within the City that need analyzing such as the painting of red curbs and street lighting to increase visibility for drivers. Additionally the safe placement of bus stops for pedestrian access should be evaluated.

In the staff report or within the Police or Fire pros/cons I did not see the consideration of tsunami inundation zones. A portion of the City is located within these zones and should be considered with additional determinations.

Liana Campos

Subject: Speed Hump Program
From: 'Laura Araujo' via City Clerk <cityclerk@oxnard.org>
To: cityclerk@oxnard.org
Date Sent: Thursday, September 15, 2022 4:25:51 PM GMT-07:00
Date Received: Thursday, September 15, 2022 4:25:57 PM GMT-07:00

To whom it may concern:

I write this email as a resident of the city of Oxnard but most importantly I write this as a concerned parent of two small children.

I reside on the stretch of East Elm Street near two churches, Church of the Nazarene and Embrace Church, also near Elm Elementary School.

There is a stop sign in front of Embrace Church and another stop sign in front of 311 East Elm Street. These stop signs are mostly respected but truly are only treated as a suggestion by drivers traveling through this street. Also the whole stretch of road, E Elm St, up until you reach the traffic light connecting it to Saviers Road is treated like a drag-race track.

Nearly six years ago there was a very unfortunate accident in which a truck ran into and apartment complex on E Elm St and Gisler Ave. Ever since such event there is police presence at that T-intersection. Very rarely will police presence be posted at the T-intersection of Montrose St and E Elm St. When police is available at or near the stop signs, that is the only time drivers will fully respect these stop signs.

I fear one of these days any child including my own or just any person in general crossing this street will be hurt due to drivers speeding. Therefore I believe this street will greatly benefit from having a few speed humps installed. I understand police presence cannot always be available to deter irresponsible drivers but can only hope if these speed humps are installed, conditions will improve. We cannot take the chance at waiting for someone to get hurt by drivers speeding down this street. We must act now.

Thank you for your time.
Laura

Subject: Speed hump program
From: "faviola.fraire via City Clerk" <cityclerk@oxnard.org>
To: cityclerk@oxnard.org
Date Sent: Thursday, September 15, 2022 8:54:44 AM GMT-07:00
Date Received: Thursday, September 15, 2022 8:54:51 AM GMT-07:00

Hello,

Thank you for putting on this important meeting. I live on J street northbound between Bard rd and Yucca st. This is a one way street with a stop sign at Bard rd and a stop sign at Yucca st.

The distance between both stop signs is far too much which gives cars ample time to speed all the way through. Cars definitely take advantage of the distance to drive at excessive speed limits through this residential area. I have lived on this street for 8 years now and the issue has just gotten far worse. I do not feel safe being outside with my kids knowing drivers always go above the speed limit.

I truly feel that a speed bump is very much needed on this street to reduce the speed of cars driving by. People should not be driving by like it's a freeway. We must keep our kids safe. I am looking forward to listening to the meeting and I hope change is implemented. Thank you for your time.

Best ,
Faviola Navarro

Subject: Speed Humps
From: Marcus Weise <marcus@digitalhidef.com>
To: cityclerk@oxnard.org
Date Sent: Monday, September 12, 2022 1:02:42 PM GMT-07:00
Date Received: Monday, September 12, 2022 1:02:58 PM GMT-07:00

Marcus Weise
5246 Driftwood St. #11
Oxnard CA 93035

Ladies and Gentlemen:

Please add me to the list of those in favor of installi9ng speed humps on local streets.

Thank you

Marcus Weise

Marcus Weise

Subject: Speed Humps
From: D S <wah_2010@hotmail.com>
To: "cityclerk@oxnard.org" <cityclerk@oxnard.org>
Date Sent: Monday, September 12, 2022 12:08:42 PM GMT-07:00
Date Received: Monday, September 12, 2022 12:08:45 PM GMT-07:00

City Council Members:

We are writing in support of speed humps at the corner of Ironbark and Lantana near Sierra Linda Park and School.

It is becoming even more evident these are needed, as anyone can see the tire marks left from cars doing "donuts" in the intersections.

Thankyou for your consideration,
Residents,
Debbie S
Alice T

Subject: Speed hump
From: MJ C <littlemonster805mj@gmail.com>
To: cityclerk@oxnard.org
Date Sent: Monday, September 12, 2022 9:28:55 AM GMT-07:00
Date Received: Monday, September 12, 2022 9:29:11 AM GMT-07:00

How can I request to add a proposal for speed bump on Ash St Oxnard CA 93033 cars pass by here so fast and have crashed several times here is highly dangerous. They use this street like a short cut to avoid 5 points and cross to Oxnard Blvd they speed through here

Subject: Concerned neighbor
From: christian willis <caydenchrish@gmail.com>
To: cityclerk@oxnard.org
Date Sent: Sunday, September 11, 2022 9:03:06 AM GMT-07:00
Date Received: Sunday, September 11, 2022 9:03:22 AM GMT-07:00

Good morning I hope this email finds you well,I reside in the area of Indigo Place at Lantana St.close to the 4 way stop sign.I can sit on my porch and watch as the majority of the cars do not stop on a daily basis,a.lot of neighbors know when crossing to be extra careful due to this reason.Police will sit in plain view and they have no choice but to stop,but once there not in site its back to normal,no stopping.The lighting is not its best and certain stop signs are harder to view.We have also started to have a recent problem where people come to do burnouts in the same intersection day and night.They also tend to open up there engines down Indigo.Im all for speedbumps in the neighborhood,aswell as better lighting at the intersection of Indigo at Lantana 4 way stop,or solar powered blinking stop signs,just as the city of Port Hueneme has them.Thank you for considering.

Subject: Speed Bump Program
From: 'Diana Cortez' via City Clerk <cityclerk@oxnard.org>
To: "cityclerk@oxnard.org" <cityclerk@oxnard.org>
Date Sent: Friday, September 9, 2022 10:22:54 PM GMT-07:00
Date Received: Friday, September 9, 2022 10:23:04 PM GMT-07:00

Hello,

I have been waiting for residential speed bumps in neighborhoods of Oxnard for quite some time now and I'm excited to see/hear of it finally happening. I propose speed bumps to be placed on Yucca Street, either between C Street and Saviors Road or between Saviors Road and J Street. The reason why I feel some are needed here is because this neighborhood/street is in the vicinity of a school. Therefore, there are many children of all ages that walk these streets. When cars are going 40 mph and up it does not feel safe.

It is a constant occurrence having driver's speeding on this street. Since there is a light signal on Yucca and Saviors driver's speed up to try and make the green light. It doesn't matter what time of day it is, they always speed up to get to the light signal. In placing speed bumps on this street I feel it would deter driver's from driving fast and the possibility of causing harm to others.

Thank you.

Subject: Sierra Linda Neighborhood / Humps

From: 'Sergio Garcia' via City Clerk <cityclerk@oxnard.org>

To: "cityclerk@oxnard.org" <cityclerk@oxnard.org>, Gabe Teran <gabe.teran@oxnard.org>

Cc: Art Padilla <ap9919@yahoo.com>, "D. G." <la_ladi58@yahoo.com>, James Rosier <cowboyjimrosier@hotmail.com>, GRUMPY SEGOVIA Manuel <19grumpy51@gmail.com>, Herbert Smith <hismith1946@gmail.com>, Federico Rodriguez <iztac@juno.com>, A T <alicet2012@gmail.com>, Debbie Skupien <wah_2010@hotmail.com>, Shirley Brown <brownoze@aol.com>, Dan Lechleiter <lechlite@roadrunner.com>, Robert Valenzuela <robert.valenzuela@oxnardpd.org>, Abel / Lupe Tallez <lupetellez29@yahoo.com>, Edward Ramon <shocknawe@gmail.com>, mike Oakley <mike.s.oakley@gmail.com>, Gabe Teran <gabeteran805@gmail.com>

Date Sent: Thursday, September 8, 2022 4:46:25 PM GMT-07:00

Date Received: Thursday, September 8, 2022 4:47:24 PM GMT-07:00

Sierra Linda Neighborhood

2114 Ironbark Dr.
Oxnard, Ca, 93036
(805) 415-6648
garciash2301@yahoo.com

8th September 2022

Oxnard City Clerk

Rose Chaparro
300 w. Third st.
Oxnard

Speed Hump Program,

Sierra Linda neighborhood welcomes the Idea of Speed humps in our community. This has been a topic for decades in our neighborhood meetings. The Sierra Linda elementary school is the biggest concern located in our neighborhood at the corner of Ironbark Dr. and Gladiola st.

Lantana st. and Ironbark dr. are the main longest streets where vehicles speed beyond the limit of 25mp because they stretch at least ¼ mile before any stop sign. Any neighborhood that has a City Park or an Elementary School in their neighborhood should have speed humps to protect the public and slow down speeders 24/7

Sincerely,

Sergio Garcia Sr.

Sierra Linda Chair

Subject: Public comment
From: Chris Holden <chris.holden@oxnardunion.org>
To: cityclerk@oxnard.org
Date Sent: Tuesday, September 6, 2022 6:49:05 PM GMT-07:00
Date Received: Tuesday, September 6, 2022 6:49:17 PM GMT-07:00

I did not realize I needed to get permission to call in. I would like the opportunity to address the dangerous speeds I witness on Glenwood Drive between F street and C street along with the 4 way stop on C street and Glenwood intersection.

Looking forward to hearing from you

Christopher Holden

This is a staff email account managed by Oxnard Union High School District. This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the sender.

Subject: Speed hump program comment
From: Heather D'Anna <hdanna823@gmail.com>
To: cityclerk@oxnard.org
Date Sent: Tuesday, September 6, 2022 5:51:49 PM GMT-07:00
Date Received: Tuesday, September 6, 2022 5:54:04 PM GMT-07:00

Hi

I highly support the speed hump program. I am really excited to see this program being proposed. I hope that the large speed humps 8-12" tall and narrow are installed. Cars must really go slow over these. Traditional speed humps such as those in Silver Strand still allow cars to drive over them at a decent speed and are only slightly effective.

Thank you
Heather

Subject: speed hump program workshop
From: Chris Holden <chris.holden@oxnardunion.org>
To: cityclerk@oxnard.org
Date Sent: Tuesday, September 6, 2022 3:21:38 PM GMT-07:00
Date Received: Tuesday, September 6, 2022 3:21:50 PM GMT-07:00

Hello, I am a lifetime citizen of Oxnard and I currently reside at 417 Glenwood Drive in oxnard. I have been in contact with my city for the past several months because I feel there is a major traffic issue with cars speeding down Glenwood Drive between F street and C street.

I honestly feel the only way that this problem can be mitigated is by installing speed humps on Glenwood. This street is long, straight, and wide and people drive upwards of 40-45 miles an hour on this residential road all day and night.

I am unable to attend the in person meeting on these issues at city hall but I hope that my input will be heard. I am scared that one of the many young children that now live on Glenwood will be injured one day by one of these speeding cars.

Thank you for your time and consideration.

Christopher Holden

This is a staff email account managed by Oxnard Union High School District. This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the sender.

Subject: Speed bump
From: PS <pattylsalazar@gmail.com>
To: cityclerk@oxnard.org
Date Sent: Sunday, September 4, 2022 12:10:16 AM GMT-07:00
Date Received: Sunday, September 4, 2022 12:10:31 AM GMT-07:00

I live at a corner house of F Street next to curren school. I see the traffic passing though there should be a speed bump or a stop sign.

Subject: Public Comment: Speed Hump Program
From: Eric <eric@henrylevyhouse.com>
To: cityclerk@oxnard.org
Date Sent: Friday, September 2, 2022 8:36:44 AM GMT-07:00
Date Received: Friday, September 2, 2022 8:37:16 AM GMT-07:00

Hi,

Just wanted to add my 2 cents to the speed hump program. We moved here from L.A. last year. Our last neighborhood was horrible with speeders, so I first asked for more stop signs and the City refused. I then applied for and got speed humps. What a nightmare.

1. The speed humps did not stop people from speeding, once they were installed, the cars just flew over the top of them making loud impact noises. Trucks loaded with equipment were even worse. We had a speed hump adjacent to our house and when trucks would go over it at high speeds, it made our whole house shake like an earthquake. I have video of the cars speeding right over the tops of the humps if you need to see it.
2. I don't know what height Oxnard has approved for speed humps, but the ones L.A. puts in are not high enough to deter speeders. They also were not marked clearly enough with paint on the street and with enough signs on the road to warn people that they were there.
3. **You need to consider American's with Disabilities problems.** People with many disabilities including spinal column issues, have a real problem with speed humps. Even normal back issues are problematic for people going over speed humps sometimes. Speed humps also can cause delays for ambulances, police and fire trucks. Response times are increased 10-15 seconds per hump.
4. Speed humps have been know to damage cars especially cars like Corvettes.
5. Speed humps often lower the speed limit to less than the posted neighborhood speed. If a neighborhood is rated for 25 mph, why is it necessary to slow them down to 15 mph over a speed hump?

After the speed humps were installed and we proved they didn't stop speeders, the City of L.A. THEN decided to change the stop signs, which was a bigger deterrent to the speeding. Sure, people still run stop signs, but we found that more people at least approximated a stop than slowed down for a speed hump. I'm enclosing an article below with more information.

Speed humps don't really work. What scientifically WORKS are roundabouts, but when I wrote in and asked about that option, Oxnard shot me down.

Eric Andrist
155 S G Street

Why Municipalities are Moving Away from Speed Humps as a Traffic Calming Solution

TRAFFIC-CALMING TRENDS: Antiquated, Knee-Jerk Response to Speeding Drivers Now Being Rejected Around the World

Every day, municipalities, HOAs and school districts across the nation face problems with speeding drivers. For decades, speed humps were the only traffic-calming solution available. Today, the antiquated speed hump—a traditionally popular solution to speeding drivers—has become a controversial lightning rod in conversations involving traffic-calming solutions [coast-to-coast](#) and [around the world](#).



Contemporary wisdom now recognizes the shortcomings of and frustrations associated with speed humps. Media report that speed humps:

- Are expensive to install and expensive to maintain—Speed humps can cost \$4,500 to \$7,500. [Source: The Washington Post, Sept. 9, 2008]
- Interfere with response times of emergency vehicles—Each speed hump costs fire trucks ten seconds in response time. [Source: ABC Orlando/WFTV, Jan. 28, 2010; and Fire Capt. Jeffrey Martin, St. Petersburg Times, Feb. 2, 2008; and the Tampa Tribune, Sept. 20, 2008]
- Reduce property values—Prospective homebuyers reject home sites near speed humps. [Source: Tampa Bay Online, Sept. 30, 2009]
- Increase noise levels—Speed humps usher in a constant barrage of scraping cars and engines revving over the humps. [Source: Tampa Bay Online, Aug. 12, 2009]
- Increase wear and tear on residential and commercial vehicles—Speed humps are a source of excessive wear on tires, brakes, suspension systems, shock absorbers and rattle dashboards. [Source: The Natchez Democrat, Oct. 28, 2009]
- Expensive to remove—Municipalities, under pressure by citizens and enforced by the courts, have been forced to remove speed humps at great expense to tax payers. [Source: Tampa Bay Online, Sept. 30, 2009]
- Increase air pollution—On roads with speed humps, carbon monoxide emissions increase by 82 percent, carbon dioxide emissions double and nitrogen oxide increases by 37 percent. [Source: BBC.com, April 22, 2009]
- Reduce fuel efficiency and increase gas consumption—By forcing drivers to brake and accelerate repeatedly, speed humps will cause a car that normally that gets 58.15 mpg travelling at a steady 30mph to deliver only 30.85 mpg. [Source: BBC.com, April 22, 2009]

Additionally, some have observed that speed humps do not change driver behavior and encourage other dangerous driving behaviors, such as going “off road” to avoid the humps.

Situation Analysis:

In 2008, in Hillsborough County, Florida some of the Carrollwood community faced significant traffic-calming dilemmas. Dangerous driver speeds had caused the roads to become unsafe for pedestrians, cyclists and other drivers. In response, the county invested \$2 million in hundreds of speed humps, cushions and other devices. Within a short period of time, complaints about the speed humps began to pour in from residents, tourists and emergency responders who demanded a better solution.

As documented in the final “Neighborhood Traffic Calming Arbitration” report, Carrollwood Village residents expressed specific concerns and requests related to the speed humps:

- *“Traffic calming could have been better controlled in a more cost-effective manner through the use of speed limit flashing signs that note the speed in which the car is approaching. The speed bumps are excessive; promote unnecessary cost for continued maintenance and, over time, cause wear and tear on car alignment and shocks.” T.B.*
- *“... (the speed hump) creates an unacceptable delay in emergency response...” K.K.*
- *“Speed humps cause damage to automobiles and increased noise from.” M.F.*
- *“Safety, fire hazards—Noise pollution. Horrendous disfigurement of the neighborhood. Get rid of all of them. Use electronic feedback signs.” N.K.*
- *“My brother’s death could have been the result of four speed bumps.” W.C.*
- *“Speed bumps are irritating and upsetting and painful. It’s the same as going over chuck holes. Speed bumps make traffic speed unpredictable as some vehicles don’t slow down.” D.C.*
- *“Numerous speed humps and tables slow down response time to emergency vehicles[and subject automobiles to]obstacles which contribute the excessive wear and tear to my vehicles.” L.B.*

The controversy was settled legally in 2009 when arbitrators ruled that about one-third of the newly installed speed humps should be removed. The result: Hillsborough county has spent at least \$200,000 to remove the speed humps in Carrollwood Village alone.

Resolution:

Time and technology have eclipsed the traditional fix. Residents and community leaders—armed with online access to information and vendors—expect and demand an improved solution that could accommodate a broad range of needs.

In addition to speed hump removal, the arbitration report also recommended the installation of additional driver feedback signs—a solution that had been part of the original plan but delayed due to the controversy. With some 40 driver feedback signs to be installed within a beautiful residential setting, cost and aesthetic appeal became primary considerations. Local community leaders Libbie Jae and Jennifer Fritch spearheaded the search for a cost-effective and attractive solution.

“Driver feedback signs are subtle but very effective reminders to drivers without all the noise and disruption of speed humps, which have been quite divisive,” says Libbie Jae. “Radarsign offers a great solution that answered all of our needs: Not only are the signs silent and attractive, they are also very affordable and the solar

power option makes them a green solution. I just see Radarsign as a win-win all the way around.”

Related Stories:

- [April 2010, Columbia News Service: Millburn Township in New Jersey is forced to remove five of eight speed humps.](#) Taxpayers estimated to foot the loss of \$8,000 in installation costs plus removal fees.

<https://www.radarsign.com/why-municipalities-are-moving-away-from-speed-humps/>

Speed Humps Face a Roadblock

BY CHRISTIAN YARNELL

April 13, 2010

After a 19-year-old died last October in a single-car crash in the wealthy suburban township of Millburn, N.J., many of the town’s 20,000 residents demanded action to reduce speeding on local roads. A few weeks after the accident, the township’s public safety committee met and quickly decided on a solution. Traffic-slowing speed humps were installed at eight different intersections around town, including on Glen Avenue, home to Millburn’s busy train station, which is where many commuters to New York City begin their trip.

While town officials claim the decision was in the works for a while, it seemed meant to satisfy residents alarmed by the accident. But it also triggered vocal opposition, leading to a tense public debate about traffic problems.

Around the country, cities and towns worried about pedestrian safety and fed up with speeding cars on residential streets have increasingly turned to speed humps. Speed humps are like speed bumps at malls and in parking lots, but they are lower and therefore have a little less oomph. They are raised areas of pavement typically 12 to 14 feet in length and 3 to 4 inches high.

The humps are just one type of traffic-calming measure, which include traffic circles and electronic signs that display the speed of passing cars. Studies show that the humps do help lower traffic speeds. “We don’t have anything else as effective,” said Scott Batson, an engineer for the city of Portland, Ore., which has some 1,100 humps.

But as much as the humps please safety advocates, many residents in towns where they have been installed are equally frustrated by their unintended consequences, which range from inconvenience to increased noise to slowing the response time of fire trucks and ambulances.

Studies show that speed humps lower car speeds by 20 to 25 percent, according to the Institute of Transportation Engineers. The ITE also says that streets where speed humps have been added experience 13 percent fewer collisions and an average of 18 percent less traffic, depending on the alternative routes available. While research shows that lowering speeds generally reduces traffic fatalities, said Lisa Fontana Tierney, traffic engineering senior director at the ITE, there is no good evidence that speed humps actually save lives, because they are used on local roads, not highways, where fatalities are more common.

But advocates argue that the humps are ideal for local roads near highways, where there is a need to get drivers to slow down. "Speed humps are a great way to take people out of the highway mode that they're in," said Wiley Norvell, a spokesman for Transportation Alternatives, an organization in New York City that advocates for pedestrians and cyclists.

Local officials from places as disparate as New York City and Cobb County, Ga., have used speed humps to control traffic. Some cities, like Modesto, Calif., have a formal speed hump policy that allows residents to request humps by collecting a certain number of signatures. Paying for installation and upkeep can sometimes be a challenge. Memphis, Tenn., announced in December that it would allow neighborhoods that want speed humps to pay for them themselves because the city does not have enough money to keep up with demand.

But in many places, there has been a strong backlash against the installation of the humps. "It is an issue with emergency responders," said H. Gene Hawkins, a professor of civil engineering at Texas A&M University and an expert on traffic control devices. The ITE estimates that each hump costs fire trucks up to 5 seconds, and ambulances up to 10 seconds. Hawkins said that manufacturers were trying to create specialized speed humps with grooves that would allow wider-wheeled emergency vehicles, but not cars, to avoid the hump's impact.

Some residents also complain that speed humps increase noise and are just plain ugly. Craig Ott, 63, who has lived in Millburn for 28 years, said he was concerned about speeding cars near his house but thought putting in speed humps was the wrong solution. He has campaigned against them and believes that electronic radar signs would make more sense. "You come down that road at night, and it

looks like you're pulling into a hazardous waste place with all the warnings and colors," he said.

Lezette Proud, 82, who has lived in part of Millburn Township since 1955, said the noise bothered her. "When you're lying in your bed at night and the cars go over them, they go 'kathunk,'" Proud said.

And of course many drivers do not like speed humps because they do precisely what is intended: force cars to slow down. Driving over them too fast can damage vehicles. Avoiding them lengthens drives and is inconvenient.

"Generally, we're opposed to traffic calming measures," said James Baxter, president of the National Motorists Association, which advocates for drivers and got its start in the 1980s in the fight against the 55-mph national speed limit. Baxter complained that drivers most affected by speed humps are often the least organized, since they frequently do not live in the communities where the humps are installed. "It's a case where the squeaky wheel gets the grease," he said. And too often, community residents are effectively just "trying to divert traffic to someone else's street," he added.

Opponents have pushed back in many communities. Bowling Green, Ky., decided in December to stop building speed humps in the wake of the public outcry against them. Officials in Hillsborough County, Fla., had to bring in an independent arbitrator last year to referee the argument between pro-hump and anti-hump residents in a Tampa suburb. An editorial in the St. Petersburg Times in December argued against the growing use of traffic calming measures, saying, "Our public streets, built to provide access and easy movement of traffic, are being turned into obstacle courses."

Experts agree that speed humps are not a panacea and need to be designed by experts to be effective. "Where you get someone who's not a traffic engineer saying, 'Let's put in something that will slow the traffic down,' that's when you get into trouble," said Hawkins, the Texas A&M professor.

In fact, local residents are usually the driving force behind the installation of speed humps. "These are always reactive kinds of projects," said Batson, the Portland engineer. While some residents push for the humps, a minority is usually opposed, Batson said. Portland addresses the potential conflict by requiring residents to vote before they are installed.

Such a vote might have saved Millburn a lot of trouble and expense. On March 16, after much public opposition to the humps and an investigation that found they

violated the state's design recommendations, Millburn's township committee decided to remove five of the eight new humps. The \$8,000 installation cost was lost.

"There needs to be community input beforehand," said Timothy Gordon, Millburn's business administrator, when asked what advice he would give to other towns considering speed humps. "If we made one mistake, that was probably it."

<https://www.radarsign.com/wp-content/uploads/2017/09/4-13-2010.Speed-Humps-Face-a-Roadblock.Columbia-News-Service.RS-1.pdf>

Proposed Speed Hump Program

City Council
October 18, 2022

Tatiana Arnaout, P.E.
City Engineer

That the City Council:

1. Approve the proposed speed hump program as outlined in this staff report; and
2. Direct the City Manager or his designee to implement procedures to effectuate the Program as outlined in the staff report.

Why consider a Speed Hump Program?

- Speeding and/or cut-through traffic on residential streets
- One of many traffic calming tools
- Significant amount of requests (Roughly 200 over 5-year period)
- Define an engineering approach for implementation
- Establish priorities
- Part of the traditional three E's for traffic calming

- **Enforcement (examples):**
 - Traditional Enforcement: City Police officer
 - Automated Enforcement (Radar and Photo)
- **Education (examples):**
 - Speed Trailers and Speed Feedback Signs
 - Public Awareness Programs
 - Neighborhood programs
 - Pace setting programs
- **Engineering (examples):**
 - Signs and pavement markings
 - Vertical/horizontal Deflections
 - Street Width Reduction

- **Speed Humps**

- Used on public streets in residential areas
- Typically 12 feet wide and between 3 to 4 inches high
- A set of speed humps (usually 3) are installed to get better reduction in speeding

- **Speed Bumps**

- FHWA/ITE do not recommend them on public streets
- Typically abrupt and up to 6 inches high
- Usually found in shopping centers, apartment complexes, and other private properties



Speed Bump



Speed Hump

Considered only after other options (enforcement and other traffic calming tools) have been reviewed and implemented

What can they do?

- Act as devices in reducing speeding in residential neighborhoods
- Modify cut-through traffic patterns

What can't they do?

- Should not be placed on high volume roads (arterial, collectors)
- Humps have to be used as set (usually 3) to be effective
- Humps should not be installed on streets where there are known drainage/flooding issues

Previous City Efforts:

- Speed hump program was in place as early as 2005
- Unclear of the program goals and objectives due lack of information archived
- Archived information indicates, program was halted due to the concerns in emergency vehicle response times expressed by the Fire Department
- Documentation was found that a program was presented to the Transportation Policy Committee in 2017 and 2018 but it was never adopted by the City Council



PROS:

- Reduced vehicular speeds
- Reduced certain type of collisions
- Reduction in cut-through traffic

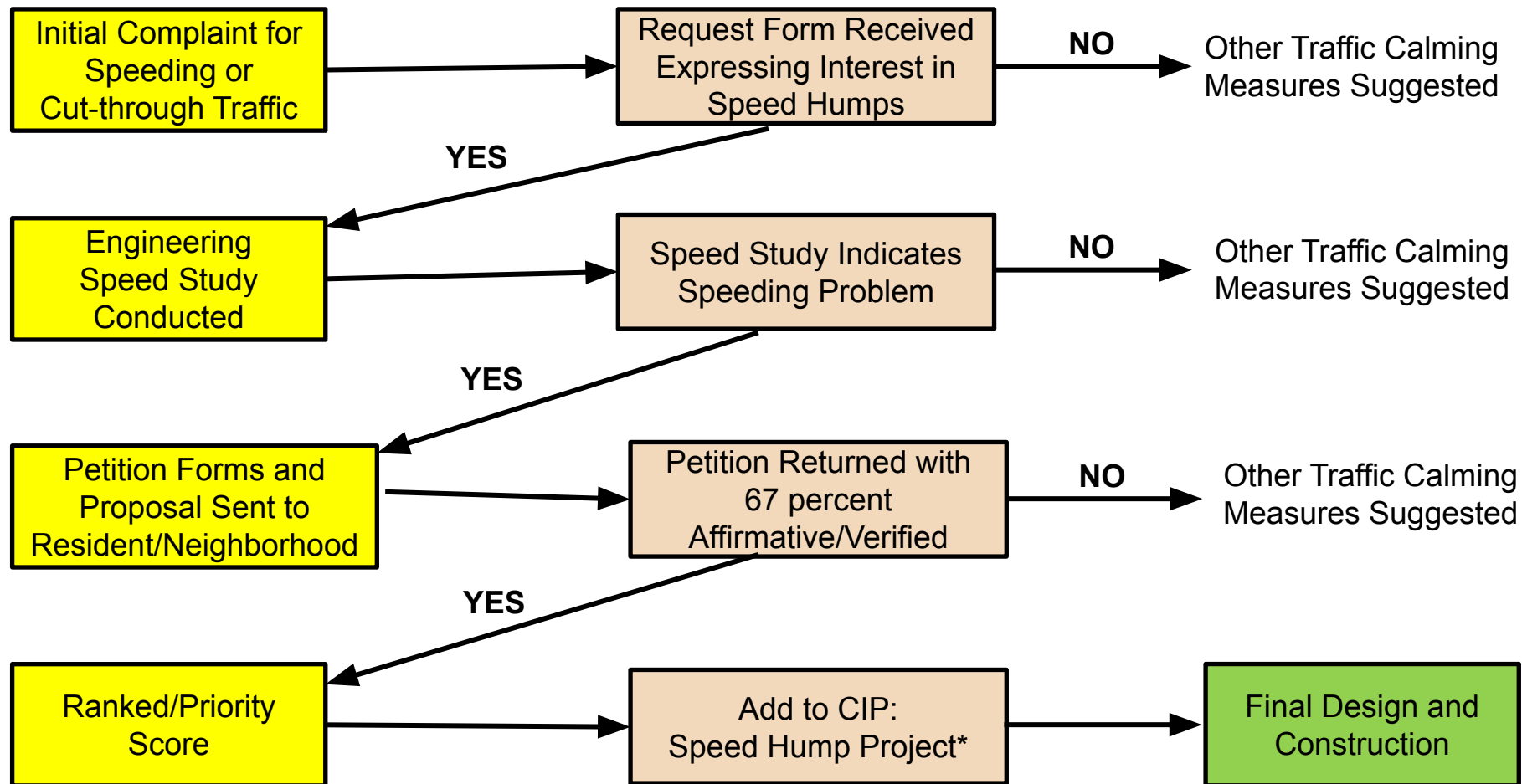
CONS

- Increased emergency response time
- Increased noise
- Increased speed between humps
- Increase \$ for maintenance public/private vehicles
- Impact to drainage, parking, and street sweeping
- Residents living on the block will be the ones driving over the speed humps most frequently
- May require placement of the speed hump and/or warning signs in front of someone's home
- Social/economic - fuel consumption; ADA impacts
- May move the “problem” elsewhere
- High cost for installation
- Long term and routine maintenance \$

- **Process** - City staff and neighborhoods
- **Eligibility Criteria** -
 - Minimum:**
 - Traffic volume between 500 and 2,000 vehicles per day
 - Residential street with posted speed limit of 25 mph or 30 mph
 - Street shall be a minimum of 1,000 ft in length.
 - Analysis**
 - 85% Speed must be 9 mph over the posted speed limit or 5 or more collisions resulted from vehicular speeds in a 12-month period
- **Review/Approval by Fire/PD**

Continued:

- **Neighborhood Petition Signed by 2/3rds**
 - Designated residents (owners or tenant)
- **Ranking/Prioritization**
 - Council Districts
 - Valid for three years
 - Will be consider in three funding cycles
 - Ranking points added each cycle not funded
 - Will expire after three funding cycles
 - Require new written application/petition



*timing shall be based on available funding and overall prioritization

Item	Points
1. Traffic Speed	Percentage of vehicles traveling at or more than ten (10) mph over the posted speed limit on the proposed project street divided by two (2). [40 points maximum]
2. Traffic Volume	Average daily traffic volume on the proposed project street divided by one hundred (100). [twenty (20) points maximum]
3. Traffic Collisions	Two (2) points per collision that likely could have been resolved by the speed hump, based on collision records for the past three (3) consecutive years. [20 points maximum]

Item	Points
4. Schools	Five (5) points for each private or public elementary, middle, or high school within the area benefited by the proposed speed hump.
5. Other	a) Five (5) points if a street has a sidewalk on only one side. b) Twenty (20) points if a street does not have a sidewalk on either side. - c). Three (3) points for each pedestrian generator or attractor (such as a public park, public swimming pool, publicly accessible green way, etc.) within the area benefited by the proposed speed hump. d) One (1) point for each bus stop within the area. e) Five (5) points for each designated school crossing within the area. f) Ten (10) points for each yearly funding cycle period that a project remains on the prioritized list without being selected for funding.

Estimated Cost:

- Speed Studies: \$500* per location
- Design and Construction: \$25,000* including signs/markings
 - 3 speed humps per segment on average
- Maintenance: \$500*/year/location

General Fund:

- Fund by Council District (\$50,000* per District)
- One or two locations per District per year
- \$300,000*

Private Funding (not recommended by Staff):

- Exists in other agencies
- Can create equity issues

*2022 Costs

- **City Departments**
 - Police
 - Fire
 - Streets Maintenance
 - Environmental Resources
 - City Attorney's Office
- **Public Works and Transportation Committee**
 - September 17, 2022
 - Approved the staff recommendation (3-0) and forwarded the item for City Council approval
- **City Council Meeting**
 - October 18, 2022

Fire Department:

- Response delay concerns
- Modern fire growth curve doubles every 60 seconds
- The survival rate for cardiac arrest is estimated to be around 50% when CPR is administered within 3–5 min. However, this survival decreases by 7–10% with each minute that defibrillation is delayed
- Speed cushions could be used to help minimize delays with large fire vehicles but not with ambulances or smaller response vehicles

Police Department:

- Potential delay in emergency response, however anticipate minimal impact with police vehicles
- Support speed humps as effective traffic calming devices where data supports their installation
- The systematic process to request speed humps reduces complaints coming to PD to assist with analysis
- Speed humps would reduce time spent doing directed enforcement at the problem location, allowing police resources to focus on other areas



QUESTIONS



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. M.4

DATE: October 18, 2022

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Consideration of Naming a Sports Field at Durley Park the "Helen Lopez Field". (0/10/10)

RECOMMENDATION

That the City Council:

1. Review and consider the request from the Sunset Little League, along with the recommendation from the Parks, Recreation, and Community Services Commission, to name a sports field at Durley Park the "Helen Lopez Field"; and
2. Direct staff to install appropriate signage to effectuate the naming, should it be approved, taking into consideration upcoming park improvements.

(Public Works and Transportation Committee approved 3-0.)

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/vbE4ZGRgcKo>

BACKGROUND

In April of 1977, the City Council established the procedures for naming City parks and other facilities in Resolution No. 12,991 (Resolution) (Attachment 1).

Currently, there is one baseball field at Durley Park (Attachment 2) that was named posthumously, as well as one softball field at Beck Park (Attachment 3) and two softball fields at Community Center Park (Attachment 4) that were named after Police Officers who died in the line of duty. There are no parks, recreation facilities, or other public facilities that are named after a person who is living. However, the Bedford Pinkard SkatePark at College Park was named while he was still alive.

On May 25, 2022, the Parks, Recreation, and Community Services Commission (Commission) received a presentation from the Sunset Little League (League) requesting to name the minor field at Durley Park "Helen Lopez Field". For nearly four decades, Helen has been an active and essential part of the League at Durley Park. Beginning as a volunteer 38 years ago, Helen rose to the rank of President of the League and held that position for decades. She consistently recruited and mentored managers, coaches, umpires, snack bar servers, and field maintenance personnel. Among her contributions to the non-profit organization was the inclusion of girls in the Sunset Little League.

On June 22, 2022, the Commission approved a recommendation to the City Council to name a field at Durley Park "Helen Lopez Field".

DISCUSSION

The Resolution for naming City parks and other public facilities contains 9 steps. Steps 1-3 have been completed with the

Request by the League and the Recommendation to the City Council by the Commission. Steps 4, 5, and 9 are not applicable as these address other facilities, proposed alternate names, and a repeal of section F-6 from the Administrative Manual.

Step 6 states that “City Council, at its discretion, will select the name for the park, recreation facility, or other public facility.”

Step 7 states: “Although exceptional, in appropriate circumstances as determined by the City Council, a park, recreation facility, or other public facility may be named after a person, whether living or deceased.” Staff interprets this as the original intent of the Resolution to only name facilities posthumously with exceptions for appropriate circumstances as approved by City Council. Furthermore, Step 8 requires that if the person is deceased, then “a minimum of five years shall have elapsed since the person’s death before his or her name may be considered by City Council”.

Recently, the City was awarded a \$7 million grant to renovate Durley Park. The renovation project includes turning the ball fields to centralize all of the backstops to the concession and restroom building. Therefore, due to the pending construction, any new amenities, including permanent plaques or signs, are not recommended at this time. However, if the naming is approved, a temporary sign could be placed until such time as the park renovation would incorporate a permanent item (e.g. plaque or sign).

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no financial impact for the naming of the field. However, there may be future costs associated with signs or plaques acknowledging the field name. These costs may be paid through donations.

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on September 27, 2022 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Steve Howlett, Assistant Public Works Director

ATTACHMENTS

1. Resolution 12991 Naming of City Facilities
2. Map of Durley Park
3. Map of Beck Park
4. Map of Community Center Park

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. 12,991

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
ESTABLISHING PROCEDURES FOR NAMING CITY PARKS AND OTHER
PUBLIC FACILITIES.

WHEREAS, the City Council adopted a policy in April, 1977 establishing procedures and guidelines for naming City facilities in honor of local residents; and

WHEREAS, the City Council desires to update and revise this policy.

NOW, THEREFORE, the City Council of the City of Oxnard resolves:

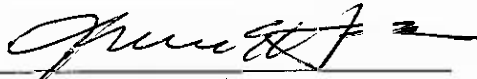
1. Any person, entity, or organization, including a City employee, may request that a park, recreation facility or other public facility be identified in a specific manner.
2. Any such request shall be filed with the City Clerk or designee.
3. If the request concerns a park or recreation facility, the name will be reviewed by the Parks and Recreation Commission ("Commission"). The Commission shall then recommend a name for the park or recreation facility to the City Council.
4. If the request concerns a public facility other than a park or recreation facility, the name will be reviewed by the City Council.
5. The City Council or Commission will consider such requests at a public meeting. At the meeting any person, entity or organization may propose another name for the park, recreation facility or other public facility.
6. After thoroughly evaluating all of the names submitted and any recommendation of the Commission, the City Council, at its discretion, will select the name for the park, recreation facility or other public facility.
7. Although exceptional, in appropriate circumstances as determined by the City Council, a park, recreation facility or other public facility may be named after a person, whether living or deceased.
8. If the name of a deceased person is submitted as the name of park, recreation facility or other public facility, a minimum of five years shall have elapsed since the person's death before his or her name may be considered by City Council.
9. Administrative Manual Section F-6 is hereby repealed.

PASSED AND ADOPTED this 10th day of January 2006 by the following vote:

AYES: Councilmembers Herrera, Holden, Maulhardt, Zaragoza and Flynn.

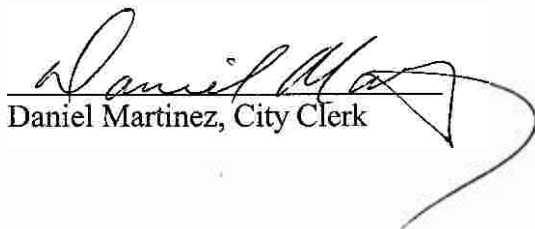
NOES: None.

ABSENT: None.



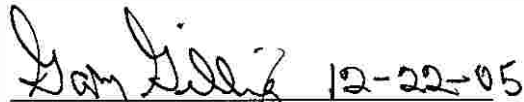
Dr. Thomas E. Holden, Mayor

ATTEST:



Daniel Martinez, City Clerk

APPROVED AS TO FORM:



Gary L. Gillig, City Attorney



Lopez Field?

City of Oxnard
Pre-School

Boll Field

Durley Park

SJ St

Hill St

Hill St

W Cedar Ct

853



W Kamala St

W Kamala St

W Kamala St

SE St

School

SE St

Rudolph Beck
Memorial Park

O'Brien Field

SE St

W Laurel St

W Laurel St

St Anthony's School

W Laurel St

h St

Clark Field



Adair Field



Oxnard
Community
Park West

Kingfisher Way

Ninth St

Ninth St

855



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. M.5

DATE: October 18, 2022

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Professional Services Agreement A-8500 with Tetra Tech, Inc. for Oxnard Conduit Replacement and Rehabilitation Project PW 22-105. (0/5/5)

RECOMMENDATION

That the City Council approve and authorize the following for a total of \$2,497,312 in Project funds for the Oxnard Conduit Replacement and Rehabilitation Project, Specification No. PW 22-105 (Project No. 226501):

1. The Mayor to execute Professional Services Agreement A-8500 with Tetra Tech, Inc. in the amount of \$2,270,284 for the Project;
2. A Project contingency amount of \$227,028 for the Project; and
3. Authorize the Finance Director or designee to approve a budget appropriation in the amount of \$1,027,312 from the available fund balance from the Water Operating Fund (601) for use in this Project.

This item did not originate in Committee as this is a capital improvement project specifically listed in the City's Capital Improvement Program budget, which was previously approved by the City Council.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/tE9mX9OhwJU>

BACKGROUND

The Oxnard Conduit can serve as much as 50% of the City's water supply and is the only State Water Connection between the City and Calleguas Municipal Water District. This is a critical infrastructure, which is over 50 years old, in poor physical condition, and beyond its service life.

The project involves preparing a preliminary engineering study, design drawings, specifications, and bid documents for the design and construction phase engineering services of a new water main that parallels with the existing Oxnard Conduit from the Springville Reservoir in Camarillo to the City's Blending Station #3 (Phase 1) and the design and construction phase engineering services for the rehabilitation of the existing Oxnard Conduit (Phase 2). The existing Oxnard Conduit was built in 1968 and consists of 3,755 linear feet of 30-inch steel pipe, 15,793 LF of 36-inch steel pipe, and 19,818 LF of 45-inch steel pipe.

Capital Improvement Program (CIP) Reference:

Project No. **226501** – Oxnard Conduit Replacement and Rehabilitation Project, Specification No. PW 22-105 - CIP 2022-2027 - Adopted May 3, 2022 – Page 123.

DISCUSSION

The specific work for this project includes the preliminary engineering study, design plans, and bid and construction phases engineering services for the replacement and rehabilitation of the existing Oxnard Conduit. The consultant is tasked with the following:

- Develop a comprehensive preliminary design report (PDR) outlining the pipeline alignment alternatives, pipe material selection, trenchless construction technology selection for the new pipeline, and existing pipeline rehabilitation engineering.
- Provide a complete set of design drawings, specifications, and bid documents that incorporate the results of the PDR.
- Provide a bid item list with a construction cost estimate to be used for budgetary purposes by the City.
- Provide bid and construction phase services and support.
- Develop record drawings representing the final installation.

The request for proposals (RFP) for the Project was published on May 9, 2022, and all proposals were due on June 17, 2022. The City received two (2) proposals and were reviewed by two (2) staff members consisting of the Water Operations Manager and Senior Civil Engineer.

Tetra Tech was selected as the most qualified firm to complete the design for the Oxnard Conduit Replacement and Rehabilitation Project. The selection was based upon the firm's dedication to the field of large diameter pipelines, significant experience, and proposed approach to the project. Thus, staff recommends that the City Council award the contract for this project to Tetra Tech. Staff has confirmed that Tetra Tech meets all required City contractual provisions including possession of a City business tax certificate, insurance certificates and corporate filing with the California Secretary of State.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

The cost for this agreement with Tetra Tech, Inc. shall not exceed \$2,497,312 for the design and construction phase engineering support of the Conduit Replacement and Rehabilitation Project. The Oxnard Conduit Replacement and Rehabilitation Project No. 226501 is being funded from the Water Operating Fund (601) and Water Bonds Fund (609) which has an available project balance of approximately \$1,470,000 for Fiscal Year 2022-23. Due to the project being ahead of schedule an additional budget appropriation of \$1,027,312 from the Water Operating Fund (601) is needed to provide sufficient funds to award the contract. These additional appropriations were originally anticipated in FY 2023-24 per the City Council approved CIP budget.

Project	Fund Number	Funds Name	Current Available Project Budget	Additional Budget Appropriations	New Available Project Budget
226501 - CMWD TRANSMISSION MAIN	601	Water Operating Fund	\$170,000	\$1,027,312	\$1,197,312
	609	Water Bonds Fund	\$1,300,000	\$0	\$1,300,000

Total	\$1,470,000	\$1,027,312	\$2,497,312
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COMMITTEE OUTCOME

This item did not originate in Committee as this is a capital improvement project specifically listed in the Capital Improvement Program budget, which was previously approved by the City Council.

Prepared by: Tatiana Arnaout, City Engineer

ATTACHMENTS

1. Professional Services Agreement A-8500 Tetra Tech, Inc.
2. Budget Appropriation
3. Presentation

**AGREEMENT FOR PROFESSIONAL SERVICES
COVER PAGE**

- (1) Agreement Start Date: October 18, 2022
- (2) Consultant: Tetra Tech, Inc.
- (3) Services: Professional Engineering Services for the Conduit Replacement and Rehabilitation Project
- (4) Schedule of Services: See Schedule of Services Exhibit, which is attached hereto and incorporated herein
- (5) Agreement Ending Date: June 30, 2026
- (6) Total Agreement Amount: \$2,270,284
- (7) City's Project Manager: Susan Pan, P.E., Senior Civil Engineer
- (8) Consultant's Project Manager: Mark Bush, P.E., Project Manager
- (9) Insurance Coverage: INS-A
- (10) Addresses for Notice:

*FOR CONSULTANT:***Tetra Tech, Inc.**

17885 Von Karman, Suite 500

Irvine, CA 92614

Attn: Mark Bush, P.E., Project Manager

*FOR CITY:***City of Oxnard**305 West Third St, East Wing, 2nd Floor

Oxnard, CA 93030

Attn: Susan Pan, P.E., Sr. Civil Engineer

- (11) Contact Emails:

*CONSULTANT'S PROJECT
MANAGER:*mark.bush@tetrattech.com*CITY'S PROJECT MANAGER:*susan.pan@oxnard.org

The Agreement for Professional Services is attached hereto and incorporated herein by this reference. The following exhibits are also attached hereto and incorporated herein by this reference into the Agreement:

- ☒ Scope of Services Exhibit
- ☒ Rates and Costs Exhibit
- ☒ Schedule of Services Exhibit
- ☒ Insurance Exhibit (INS-A)
- ☒ Prevailing Wage Exhibit
- ☒ Iran Contracting Act Certification

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is entered into in Ventura County, California, on the date that is written as "(1) Agreement Start Date" on the Cover Page, which is attached hereto and incorporated herein by this reference. This Agreement is entered by and between the City of Oxnard ("City") and the person or entity listed as "(2) Consultant" on the Cover Page, subject to the following terms and conditions:

1. Scope of Services. Consultant shall provide to City the services listed as "(3) Services" on the Cover Page (the "Services"). Consultant shall provide the Services during the term of this Agreement, as set forth below, according to the schedule written as "(4) Schedule of Services" on the Cover Page, and as further explained in the Scope of Services Exhibit, which is attached hereto and incorporated herein by this reference. In the event of any conflict between the terms of this Agreement and any incorporated document(s), the terms of this Agreement shall control.
2. Standard of Performance. Consultant shall undertake and complete the Services to conclusion using the standard of care, skill and diligence normally provided by a professional person in the performance of similar consulting services.
3. Correction of Errors. Consultant shall correct, at its expense, all errors which may be disclosed during review of the Services. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be paid by Consultant.
4. Term. This Agreement shall begin on the date that is written as "(1) Agreement Start Date" on the Cover Page and shall end on the date that is written as "(5) Agreement Ending Date" on the Cover Page. Time is of the essence in this Agreement.
5. Compensation. For the Services performed during the term of this Agreement, City shall pay Consultant an amount not to exceed the amount that is listed as "(6) Total Agreement Amount" on the Cover Page, at the rates listed in Rates and Costs Exhibit, attached hereto and incorporated herein by this reference. The rates in Rates and Costs Exhibit shall be in effect through the end of this Agreement. Except as otherwise expressly provided in this Agreement, City shall not be responsible for expenses incurred by Consultant in performing the Services.
6. Invoices. Consultant shall submit a payment request to City by the end of each calendar month listing the Services provided, costs of those Services, and total amount due for the month. Each invoice must also list the current balance on the Agreement, including that invoice, as well as the months remaining on the term of the Agreement. Invoices may be emailed to: pwinvoices@oxnard.org.
7. Acceptance of Payment. Consultant's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant for anything completed, finished or relating to the Services. City's payment shall not constitute nor be deemed a release of the responsibility and liability of Consultant for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Consultant and its employees, agents and subcontractors. Consultant shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Consultant or materials or products provided to City by Consultant, Consultant shall pay the sales tax. City shall not reimburse Consultant for sales taxes paid by Consultant.
8. Non-Appropriation of Funds. Payments to be made to Consultant by City for the 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 the Services beyond the current fiscal year, this Agreement shall cover payment for the Services only up to the conclusion of the last fiscal year in which City appropriated sufficient funds and shall automatically terminate at that fiscal year's conclusion.

9. Coordination of Services. The Services shall be coordinated with the person in the position listed in “(7) City’s Project Manager” on the Cover Page, subject to the direction of the City Manager and Department Director. Consultant hereby designates the person in the position listed in “(8) Consultant’s Project Manager” on the Cover Page as the person responsible for the Services who shall coordinate with City’s Project Manager in making binding decisions in line with this Agreement on behalf of Consultant.

10. Personnel. Consultant represents that it has, or shall secure at its own expense, all personnel required to perform the Services. Any person who performs engineering services pursuant to this Agreement shall be licensed as a Civil Engineer by the State of California and in good standing. Consultant shall make reasonable efforts to maintain the continuity of Consultant’s staff who are assigned to perform the Services. Consultant may associate with or employ associates or subcontractors in the performance of the Services, but at all times shall Vendor be responsible for its associates and subcontractors’ labor, advice or materials provided in furtherance of providing the Services. Should any of Consultant’s employees, assigns or subcontractors not conduct him- or herself appropriately, as determined by the City’s Project Manager, in the process of providing the Services or any portion thereof, the City’s Project Manager may notify the Consultant’s Project Manager, who shall immediately handle the problem, as determined appropriate by him or her, such that the problem does not persist.

11. Additional Work. City may request additional specified work under this Agreement. The City’s Project Manager must authorize all such work in writing before commencement. Consultant shall perform such work, and City shall pay for such additional work, in accordance with Rates and Costs Exhibit. Should the work not fall under any such listed rate or cost, Consultant shall submit a quote for all additional work, which the City’s Project Manager must approve in writing by before any such work may commence. The City shall compensate Consultant for any work that does not fall under a rate or cost listed in the Rates and Costs Exhibit, and for which Consultant did not obtain the City’s Project Manager’s written approval before work commenced, as determined by the City’s Project Manager in his or her sole discretion.

12. Audit. City shall have the option of inspecting, auditing and/or reproducing all records and other written materials used by Consultant in preparing its billings to City as a condition precedent to any payment to Consultant. Consultant will promptly furnish all documents requested by City. Additionally, if this Agreement is in excess of \$10,000, the State Auditor may examine and audit Consultant for a period of 3 years after final payment under the Agreement. Regardless of whether a State audit is permitted, Consultant shall maintain and preserve all such records for a period of at least 3 years after final payment under the Agreement. Consultant shall include a copy of this Section 12 in all contracts with its subcontractors, and Consultant shall be responsible for immediately obtaining those records or other written material from its subcontractors upon a request by the State Auditor and/or City.

13. Termination. City may terminate this Agreement at any time, with or without cause and without penalty, upon 15 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice. Consultant may terminate this Agreement at any time, with or without cause and without penalty, upon 30 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice and only if all assignments accepted by Consultant have been completed before the date of termination. In the event of termination of this Agreement by either party due to no fault or failure of performance by Consultant, City shall pay Consultant compensation for all Services satisfactorily completed in accordance with all of the terms and provisions of this Agreement, as determined by the City, before the effective date of termination; provided, in no event shall the Consultant receive an amount exceeding that which would have been paid to Consultant for the full performance of the Services.

14. Hold Harmless, Defense and Indemnity.

If Consultant provides any architectural, landscape architectural, engineering or land surveying (“design professional”) services, to the maximum extent permitted by law, Consultant shall hold harmless, defend, and indemnify City, its legislative and advisory bodies, and the City’s officials, directors, officers, employees, and agents (collectively, “Indemnitees”) from and against any and all claims, demands, causes of action, damages,

injuries, liabilities, losses, penalties, fines, judgments, costs or expenses, including reimbursement of attorneys' fees, court costs and costs of alternative dispute resolution, including but not limited to those relating to death or injury to any person and injury to any property (collectively, "Claims"), to the extent that the Claims arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant or of any of its officers, employees, subcontractors or agents in the performance of the Agreement or in the failure to comply with any of the obligations contained in this Agreement. Consultant's obligation to defend is a separate and distinct obligation from Consultant's duty to indemnify and applies through final judgment, including exhaustion of any appeals. Consultant shall be obligated to defend Indemnitees in all legal, equitable, administrative, or special proceedings, with counsel approved by the City Attorney, to the extent required herein immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding. The defense obligation includes the obligation to provide independent defense counsel if Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of any of the Indemnitees.

If Consultant provides no design professional services, to the maximum extent permitted by law, Consultant shall hold harmless, defend and indemnify the Indemnitees from and against any and all Claims, which arise out of, pertain to, or relate to the performance of this Agreement, or the failure to comply with any of the obligations contained in this Agreement, by Consultant or of any of its officials, directors, officers, employees, subcontractors, or agents. Consultant's obligation to defend is a separate and distinct obligation from Consultant's duty to indemnify and applies through final judgment, including exhaustion of any appeals. Consultant shall be obligated to defend Indemnitees in all legal, equitable, administrative, or special proceedings, with counsel approved by the City Attorney, immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding. The defense obligation includes the obligation to provide independent defense counsel if Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of any of the Indemnitees.

a. The review, acceptance or approval of Consultant's work or work product by any of the Indemnitees shall not affect, relieve or reduce Consultant's indemnification or defense obligations. This Section 14 shall survive completion of the Services or termination of this Agreement. The provisions of this Section 14 shall not be restricted by and does not affect the provisions of this Agreement relating to insurance.

15. Insurance. Consultant shall obtain and maintain during the performance of any services under this Agreement the insurance coverages listed within the insurance document stated in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit, which is attached hereto and incorporated herein by this reference, unless the City's Risk Manager waives, in writing, the requirement that Consultant obtain and maintain such insurance coverages. Consultant shall, before performance of any Services, file with the City's Risk Manager evidence of insurance coverage as specified in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit. Maintenance of insurance coverages by Consultant is a material element of this Agreement. Consultant's failure to maintain or renew insurance coverages or to provide renewal evidence, and any lapse in insurance coverage, may be considered a material breach of this Agreement.

16. Documents and Materials.

a. All final computations, exhibits, files, plans, correspondence, reports, drawings, designs, data, photographs, specifications, information, images, video files, media, or other deliverables prepared, created, drawn, calculated, photographed or developed by Consultant pursuant to this Agreement ("Documents and Materials") shall be the City's property without restriction or limitation upon its use, duplication or dissemination. All Documents and Materials shall be considered "works made for hire," and all Documents and Materials and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of the City without restriction or limitation upon their use, duplication or dissemination by the City. Consultant shall not obtain or attempt to obtain copyright protection as to any Documents and Materials. Consultant hereby assigns to the City all ownership and any and all intellectual property rights to the Documents and Materials that are not otherwise vested in the City pursuant to this Section 16.

b. Consultant shall deliver all Documents and Materials to City's Project Manager upon completion of the Services or termination of this Agreement without additional cost or expense to the City. Additionally,

anytime at City's request, City shall be entitled to possession of, and Consultant shall furnish to City's Project Manager within 10 calendar days, any or all of the Documents and Materials without additional cost or expense to the City. In both situations, if Consultant prepares Documents and Materials on a computer, Consultant shall provide City with said Documents and Materials both in a printed format and in an electronic format that is acceptable to the City. Consultant may retain copies of these Documents and Materials but must request permission from the City before use, duplication or dissemination of these Documents and Materials for any purpose other than for the Services provided to the City pursuant to this Agreement.

c. Any substantive modification of the Documents and Materials by City staff or any use of the completed Documents and Materials for other City projects, or any use of incomplete Documents and Materials, without the written consent of Consultant, shall be at City's sole risk and without liability or legal exposure to Consultant.

d. Consultant warrants and represents that it has secured all necessary licenses, consents or approvals to use any instrumentality, thing or component as to which any intellectual property right exists, including computer software, used in the rendering of the Services and the production of all Documents and Materials, and that the City has full legal title to and the right to use, duplicate or disseminate the Documents and Materials. Consultant shall defend, indemnify and hold Indemnitees harmless from any loss, claim or liability in any way related to a claim that City's use of any of the Documents and Materials is violating federal, state or local laws, any contractual provisions, or any laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and/or interests in products or inventions. Consultant shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the services and Documents and Materials. In the event the use of any of the Documents and Materials by the City is held to constitute an infringement and the use of any of the same is enjoined, Consultant, at its own expense, shall: secure for City the right to continue using the Documents and Materials by suspension of any injunction, or by procuring a license or licenses for City; or modify the Documents and Materials so that they become non-infringing while remaining in compliance with the requirements of this Agreement.

e. This Section 16 shall survive the termination of this Agreement.

17. Confidentiality of Information.

a. For the purposes of this Agreement, "Confidential Information" means all information, in whatever form transmitted, relating to the past, present or future business affairs of the City, including without limitation, (i) technical information, including patent, copyright, trade secret, and other proprietary information, techniques, sketches, drawings, models, inventions, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulas; or (ii) non-technical information, including without limitation finances, financial and accounting data and information, suppliers, customers, customer lists, purchasing data and any other information belonging to the City or to a third party whose information is in the City's possession or control under obligations of confidentiality, and which is disclosed to Consultant or is developed by Consultant in whole or in part at the City's expense.

b. All Documents and Materials shall be considered Confidential Information and shall not be reproduced, transmitted, disclosed or used by the Consultant without the written consent of the City, except as may be necessary for Consultant to fulfill its obligations to the City.

c. Notwithstanding the above, these limitations shall not apply to information that (i) is already known to Consultant at the time of that information's disclosure or becomes publicly known through no wrongful act or omission of Consultant, (ii) is communicated to a third party with the express written consent of City and is not subject to restrictions on further use or disclosure, (iii) is independently developed by Consultant and has no relation to this Agreement, or (iv) is required by law, court order, court-issued subpoena or other legal process to be disclosed; provided, however, that before making such disclosure, Consultant shall immediately provide City with written notice and a reasonable opportunity for City to object to the disclosure or to take action to maintain the confidentiality of the information, unless such prior disclosure is legally impermissible.

d. Consultant shall use reasonable care to protect the Confidential Information. In the event of a breach or threatened breach of this Agreement, City shall be entitled to obtain an injunction prohibiting any such breach, the costs of which shall be paid by Consultant. Any relief granted shall be in addition to and not in lieu of any other legal or equitable relief, including money damages. The parties acknowledge that Confidential Information is valuable and unique and that disclosure of the Confidential Information in breach of this Agreement may result in irreparable injury to the City.

e. Other than an obligation upon the City to deal in good faith, the City makes no warranties and shall bear no liability or responsibility for errors or omissions in any Confidential Information disclosed under this Agreement or for any business decisions made by Consultant in reliance on any Confidential Information disclosed under this Agreement.

f. This Section 17 shall survive the termination of this Agreement.

18. Independent Contractor. Consultant is and shall at all times remain, as to City, a wholly independent contractor. Neither City nor any of its employees or agents shall have control over the conduct of Consultant or any of its employees, except as stated in this Agreement. Consultant has and shall retain the right to exercise full control over the employment, direction, means of performance, location, compensation and discharge of all persons assisting Consultant, and it is free to dispose of all portions of its time which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations as Consultant wishes except as expressly provided in this Agreement. This Agreement shall not be interpreted to prevent or preclude Consultant from rendering any services for Consultant's own account or to any other person or entity as Consultant in its sole discretion shall determine; provided, however, that performing such services shall not materially interfere with the Services Consultant shall perform for the City. Except as City's Project Manager specifies in writing, Consultant and its employees and agents have no authority, express or implied, to act on behalf of City in any capacity, to incur any debt, obligation or liability on behalf of City, bind City in any manner, or otherwise act on behalf of City as an agent. Consultant and its employees are not employees of City. Consultant 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, and health, life, dental, long-term disability and workers' compensation insurance benefits. Consultant shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Consultant's subcontractors, material suppliers, directors, officers, employees, agents and representatives, including compliance with social security requirements, federal and State income tax withholding, and all other regulations governing employer-employee relations, as applicable. City shall have the right to offset against the amount of any compensation due to Consultant under this Agreement any amount due to City from Consultant as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section 18.

19. Nondiscriminatory Employment. Consultant shall not unlawfully discriminate against any individual based on race, color, religion or religious creed, national origin, ancestry, ethnic group identification, primary language, physical disability, mental disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, sex, sexual orientation, age, immigration status, citizenship or military and veteran status. Consultant understands and agrees that it is bound by and will comply with all legal nondiscrimination mandates. For every subcontractor who will perform Services, Consultant shall be responsible for such subcontractor's compliance with this Section 19.

20. Consultant's Representations. Consultant represents, covenants and guarantees that: a) Consultant is licensed, qualified, and capable of furnishing the labor, materials, and expertise necessary to perform the Services in accordance with the terms and conditions set forth in this Agreement; b) there are no obligations, commitments, or impediments of any kind that will limit or prevent Consultant's full performance under this Agreement; c) to the extent required by the standard of practice, Consultant has investigated and considered the scope of Services performed, has carefully considered how the Services should be performed, and understands the facilities, difficulties and restrictions attending performance of the Services under this Agreement.

21. Compliance with Laws. In performing the Services under this Agreement, Consultant shall comply with all applicable laws, ordinances and regulations. Before providing any Services under this Agreement, Consultant shall, at its own expense, obtain and maintain all required certificates, licenses and permits, including a City business tax certificate.
22. Conflict of Interest. If, in performing the Services set forth in this Agreement, Consultant makes, or participates in, a "governmental decision" as described in Title 2, Section 18704 of the California Code of Regulations, or performs the same or substantially all the same duties for City that would otherwise be performed by a City employee holding a position specified in City's conflict of interest code, Consultant shall be subject to City's conflict of interest code, the requirements of which include the filing of one or more statements of economic interests disclosing the relevant financial interests of Consultant's personnel providing the Services set forth in this Agreement. Furthermore, Consultant shall not to accept any employment or representation during the term of this Agreement or within 12 months after completion of the Services which is or may likely make Consultant "financially interested," as provided in California Government Code Sections 1090 and 87100, in any decisions made by City on any matter in connection with which Consultant has been retained pursuant to this Agreement.
23. Fictitious Name. If Consultant has a fictitious name, Consultant shall submit to City a new Fictitious Business Name Statement approved by any California county before Consultant's prior Fictitious Business Name Statement expires if such expiration may occur during the term of this Agreement, including any term amendment.
24. Non-Assignability. This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's personnel's unique competence, experience and specialized personal knowledge. Consultant shall not assign or transfer any interest in this Agreement or any part thereof, whether by assignment or novation, without City's prior written consent, which may be withheld for any reason or for no reason at all. Any purported assignment without written consent shall be null, void, and of no effect, and Consultant shall hold harmless, defend and indemnify Indemnitees from and against all Claims arising from or relating to any unauthorized assignment.
25. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Consultant.
26. Applicable Law; Venue. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to the Agreement shall be in the Ventura County Superior Court.
27. Titles. The titles used in this Agreement are for convenience only and shall in no way define, limit or describe the scope or intent of this Agreement or any part of it.
28. Force Majeure. Neither City nor Consultant shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include but are not be limited to acts of God, riots, acts of war, epidemics, fire, earthquakes, or other disasters.
29. Authority. Any person executing this Agreement on behalf of Consultant warrants and represents that s/he has the authority to execute this Agreement on behalf of Consultant and to bind it to the performance of these obligations.
30. Binding Agreement. The parties do not intend this Agreement to be binding upon them and shall not be held liable to its terms until it is fully executed by all required signers.
31. Integration; Amendment. This Agreement, including any other documents incorporated herein by specific reference, constitutes the entire and integrated agreement of City and Consultant regarding the subject matter described herein. This Agreement supersedes all prior oral or written communications, negotiations, representations, agreements and promises. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing, signed by both parties, that expressly refers to this Agreement.

32. Construction. In the event of any asserted ambiguity in or dispute regarding the interpretation of any matter herein, the interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or who drafted the Agreement in whole or in part.

33. No Waiver. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by City of any payment to Consultant constitute or be construed as a waiver by City of any breach of covenant, or any default that may then exist on the part of Consultant, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

34. Attorneys' Fees. The prevailing party shall be entitled to recover reasonable costs, attorneys' fees (including the reasonable value of the services rendered by the City Attorney's Office) and expenses, including investigation fees and expert witness fees, in addition to any other relief to which that party may be entitled, in any legal action or other proceeding, including an action for declaratory relief, for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with this Agreement.

35. Notice. 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 (a) the day of delivery if delivered by hand or overnight courier service during City's regular business hours or (b) the third business day following deposit in the United States mail, postage prepaid—to the addresses listed as "(10) Addresses for Notice" on the Cover Page or at such other address as one party may notify the other in writing.

36. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be 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 to Project Managers' emails listed in "(11) Contact Emails" on the Cover Page 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.

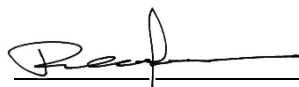
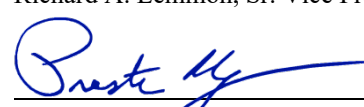
37. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date that is written as “(1) Agreement Start Date” on the Cover Page.

CITY OF OXNARD**TETRA TECH, INC.**

☒ John C. Zaragoza, Mayor¹ _____ Date
☐ Alexander Nguyen, City Manager
☐ Jennifer Yates, Purchasing Manager
☐ [name], Buyer

 _____ 9/21/2022
 Richard A. Lemmon, Sr. Vice President² _____ Date
 _____ 9/21/2022
 Preston Hopson, Secretary _____ Date

ATTEST:

 Rose Chaparro, City _____ Date
 Clerk (only if Mayor signs)

APPROVED AS TO FORM:

 Stephen M. Fischer, City _____ Date
 Attorney (always required)

¹ The City Council must authorize and the Mayor must sign any agreement over \$200,000 annually. The City Manager may authorize and sign any agreement over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign any agreement up to \$100,000 annually. A Buyer may authorize and sign any agreement up to \$25,000 annually.

² The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC; or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company 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 your company.

SCOPE OF SERVICES EXHIBIT

TASK 1: PROGRAM MANAGEMENT

1. Project Management. Consultant shall coordinate all efforts of the Project Team including representatives from the City of Oxnard Public Works (City). The Consultant shall facilitate regular Project progress meetings and provide monthly written updates on the Project status, schedule, and budget.
2. Project Kick-off Meeting. At the commencement of the Project, the Consultant shall facilitate a “kick-off” meeting with the City’s engineering and operations staff to discuss the scope and parameters of the Project. The Consultant shall prepare and distribute a draft agenda in advance of the meeting for review and comment by the City. The Consultant shall prepare and distribute meeting minutes within three (3) business days of the meeting.
3. Progress Meetings. Consultant shall attend monthly meetings at the City for the duration of the project. As part of the effort, the Consultant is responsible for developing meeting information and agenda prior to the meeting and meeting minutes within three (3) business days following the meeting with a complete action tracking log.
4. Project Schedule. Consultant shall develop a project schedule at the beginning of the project that covers preliminary design, recommendations, design drawings, specifications, construction cost estimate, bid documents, bid/award support services, and construction phase engineering services. Project schedule shall be submitted with the proposal and shall be updated for the kickoff meeting and the subsequent monthly progress meetings.
5. Project Communication. Consultant shall develop a communications protocol to be followed by all team members to be submitted within one (1) week of starting the project. Communication protocol will include standard project communication as well as emergency communication protocols. All communication through bid and construction phase services shall be conducted through the City and not directly with the bidders/contractor.
6. Project Coordination. Consultant shall coordinate all of the services of sub-consultants including site visits, site inspections, and shall ensure coordination with the City operations and engineering staff and other interested parties as outlined by the City.
7. Quality Assurance and Quality Control (QA/QC). The Consultant shall develop a QA/QC plan, to be followed for all submittals, within two (2) weeks of starting the project. The plan shall include the staff who are responsible for reviewing design and documentation as well as the means for integrating and addressing review comments from the City.
8. Monthly Invoicing. The Consultant shall submit invoices on a monthly basis with all supporting documentation in a format acceptable to the City. Invoices requiring amendment shall be dated according to when the revised invoice is delivered to the City. Invoices shall be delivered electronically to the Project Manager and to PWInvoices@Oxnard.org.

Based on information provided in the RFP, we have assumed Tetra Tech will conduct 22 meetings with the City, including the Kick-off Meeting, 30% Preliminary Design Report (PDR) Review Meeting,

75% Design Submittal Review Meeting; 95% Design Submittal Review Meeting, and 18 monthly progress meetings.

TASK 2: DATA GATHERING, SITE VISIT, AND PRELIMINARY DESIGN REPORT

The Consultant shall develop a preliminary design report (PDR) equivalent to the 30% design level, for the project, which includes various components such as design criteria, alternatives evaluation, hydraulic analysis, pipe size and material selection, structural, mechanical, electrical, and instrumentation control design, and construction cost estimates. The PDR shall include a summary of design assumptions and design criteria. The Consultant shall review existing record drawings, reports,

easements, and condition assessments to further understand the existing conditions. In addition the Consultant shall interview Operation's staff on the current operation of Oxnard Conduit. The Consultant shall undertake a field visit to collect information required to produce a PDR. Specific project scope elements, which are to be evaluated in the PDR and ultimately incorporated into the final design and bid documents, include the following:

1. Site Survey: The Consultant shall include an allowance in its proposal to perform topographic and/or aerial surveys along the pipelines to be replaced. Aerial photography shall be at a minimum of 1-foot intervals to be used on a 1" = 40' scale plan and profile drawings. Survey information shall include, at a minimum, elevations, northings and eastings of existing street infrastructure and all appurtenances (i.e. sidewalks, curb and gutter, utility boxes, catch basins, utility covers, manholes, fences, driveways, medians, trees, vegetation, etc.) A benchmark and line of bearing shall be established and shall be tied to existing survey control. Electronic CAD files (.DWG) of each topographic survey shall be transmitted to the City and provided as a base map for the project.

We have assumed the following:

- a. **Alignment shown in the presentation at the pre-proposal meeting for an approximate length of 4.2 miles.**
 - b. **We have included an additional 8,100 feet of aerial topography in case the new alignment diverts from the existing pipeline alignment.**
 - c. **The mapping corridor will be approximately 175 to 200 feet wide.**
 - d. **Boundary work will focus on the retracement of Calleguas Municipal Water District existing easements (to be provided by the City). Resolving the Caltrans right-of-way or boundary problems such as conflicting descriptions and misclosures are beyond the scope of our proposal.**
 - e. **All fees will be paid by the City.**
 - f. **We have assumed no traffic control plans nor traffic control is required to perform this work.**
 - g. **The City will coordinate and provide access within City jurisdiction. Consultant will obtain any permit and access required to perform work outside of City of Oxnard jurisdiction.**
2. Geotechnical Borings and Investigation Report: The Consultant shall engage a geotechnical service firm to take bore log samples to a minimum depth of 10 feet and at reasonable intervals of approximately 1,000 feet for a total of about 40 borings to determine the characteristics of the geological/soil formation. A geotechnical analysis and investigation report shall be completed by the Consultant and include the determination and recommendations of needing imported backfill material, removal of unsuitable soil, trench shoring requirements, and trench details.

We have assumed the following:

- a. **Perform 40 hollow stem auger borings.**
 - **8 borings at potential shaft locations to a depth of 50 to 80 feet**
 - **32 borings along the conduit alignment at a depth of 10 feet**
- b. **Encroachment Permit will be issued at "no-fee".**
- c. **Field exploration can be performed during normal weekdays (Monday through Friday) between 7 am and 5 pm.**
- d. **Traffic control will be per CA MUTCD/WATCH manual. An additional fee will be incurred if the City of Oxnard, the City of Camarillo or Caltrans require site-specific traffic control plans.**
- e. **The borings can be backfilled with soil cuttings and patched with cold asphalt where asphalt is penetrated.**
- f. **We will request USA to use chalk-based paint that is supposedly degradable. Removal of USA marking is not part of our scope and not included in our fee.**

- g. **We have assumed materials are not hazardous. If hazardous materials are encountered, we will immediately notify the City and provide a proposal for handling such materials.**
- 3. Potholing: The Consultant shall include an allowance in its proposal to perform exploratory excavations i.e. “potholing” at reasonable spacing locations at reasonable depth for utility exploration.

Tetra Tech has retained the services of C-Below to perform potholing services, allowing for 50 potholes. Tetra Tech will prepare a pothole plan for the City’s review and approval and request the City to confirm traffic control and pavement requirements. Potholing will begin after all parties have agreed on number of potholes and budget.

We have assumed the following:

- a. **50 potholes (a standard pothole is 12-inch by 12-inch approximately performed to the top of pipe or encasement with sand backfill and a permanent surface patch).**
 - 1.25 potholes from 0 to 5 feet deep
 - 2.15 potholes from 5 to 10 feet deep
 - 3.10 potholes from 10 to 15 feet deep
 - b. **Encroachment Permit will be issued at “no-fee”.**
 - c. **Standard traffic control assuming one lane closure per WATCH/MUTCD. If extensive traffic control (multiple lane closures, arrow boards, signage requirements, flagger, etc.) or site specific traffic control is required, we will immediately notify the City and provide a proposal for these services.**
 - d. **Pothole repair will be accomplished by use of a cold patch. Hot patch repair is not included in our fee.**
 - e. **Standard pothole pricing assumes up to a 6-inch thick asphalt surface. Additional fees will apply if the asphalt surface is over 6-inch thick or the proposed pothole located has a concrete surface.**
 - f. **Field exploration can be performed during normal weekdays (Monday through Friday) between 8 am and 5 pm.**
- 4. Utilities Search and Coordination: The Consultant shall provide services for the search of existing utilities and coordinate with utilities when relocation is required for conflicts with the construction of the new water main.
 - 5. Right-of-Way and Easement: The Consultant shall provide services for right-of-way and easement acquisition for the construction of the new water main as required.

We have assumed six (6) easement legal descriptions and accompanying exhibits will be required for the project. We have also included obtaining six (6) Preliminary Title Reports for the two parcels. The existing alignment is understood to occupy north of the 101 Freeway (assessor parcel number

157-0-020-185 and the open space parcel north of Corte Sol, as well as the four parcels immediately adjacent to the north and west). Our scope does not include any execution, deed preparation, coordination, and/or recording. We have also assumed that any execution, deed preparation, coordination, and recording will be handled by the City.

- 6. Environmental Determination and Documentation: The Consultant shall provide services for the preparation of environmental documentation through initial scoping, environmental impact analysis and determination, mitigation measures, public hearing, and final adoption.

Based on the project components, Tetra Tech has assumed that an Initial Study (IS) and Mitigated Negative Declaration (MND) will be the appropriate level of environmental documentation. Tetra Tech

will prepare the IS, analyzing the environmental impacts, biological resources, and cultural resources associated with the project. We will document potentially significant impacts that can be reduced by implementing mitigation measures in a MND. Tetra Tech will prepare and distribute draft IS and MND documents and a Notice of Intent to adopt the final forms. Following a 30-day public review period, Tetra Tech will prepare responses to public comments and a final MND.

We have assumed the following:

- a. Per the response to the question provided by the City, our proposal includes the preparation of an Initial Study (IS) and a Mitigated Negative Declaration (MND) as the appropriate level of CEQA documentation.
- b. Technical studies to be prepared by Tetra Tech included:
 1. Air Quality
 2. Cultural Resources
 3. Greenhouse Gas Emissions
 4. Noise and Vibration Technical Studies
- c. Other IS resource issues will be based on previously prepared documentation and information provided by the City. Other IS resource issues include:
 1. Agriculture and Forestry Resources
 2. Aesthetics
 3. Biological Resources
 4. Geology/Soils
 5. Hazards and Hazardous Materials
 6. Hydrology/Water Quality
 7. Land Use/Planning
 8. Mineral Resources
 9. Population and Housing
 10. Public Services
 11. Recreation
 12. Utilities/Service Systems
 13. Wildfire
- d. Air Quality Report
 1. A detailed supplemental technical report will not be included.
 2. Dispersion modeling or health risk assessment is not part of the scope.
 3. Assumed one review of the air modeling by the City.
 4. No meetings are assumed.
- e. Biological Resources
 1. Tetra Tech will assess the impacts on biological resources. A biologist will research readily available information and the assessment will be based on a desktop study.
 2. A pedestrian survey will not be required.
 3. A formal jurisdictional delineation or protocol plan and wildlife surveys are not required.
 4. One review of the biological resources section by the City.
 5. No agency meetings are assumed.
- f. Cultural Resources
 1. Tetra Tech will conduct a literature and records review at 0.25 mile radius around the project site.
 2. The record search will be conducted via the South Central Coastal Information Center (SCCIC), California State University, Fullerton.
 3. Tetra Tech will conduct a Sacred Lands File search for the project through the Native American Heritage Commission. The City, as the lead CEQA agency is responsible for

government to government consultation. Tetra Tech will aid the City with AB 52 consultation with Native America Tribes.

4. Tetra Tech will provide one confidential memorandum report of finding and recommendations meeting the standards of CEQA.
5. This project requires CEQA compliance only and does not include the cost associated with requirements under the National Environmental Policy Act and Section 106 of the National Historic Preservation Act.
6. We have assumed the SCCIC fee will not exceed \$2,000. If additional fees above and beyond that assumption are required, Tetra Tech will notify the City.
7. Meeting, if required, will be conducted by conference calls.
8. The scope does not include an archeological survey.
9. Assumed that no more than 20 tribes or tribal individuals will require a hard copy tribal letter.
10. Scope of work does not include Native American/tribal site visits.
11. Scope of work does not include subsurface archeological testing or excavation.
12. We have assumed one review of the Cultural Resources Section and Confidential Cultural Resources Memorandum by the City.
- g. Draft Initial Study - We have assumed one review by the City.
- h. Public Review of Draft MND
 1. Assumed no more than 15 CDs or flash drives are to be sent to the mailing list provided by the City.
 2. One hard copy of the IS/MND and the NOI will be sent to the City.
 3. One hard copy of the IS/MND and the NOI will be sent to the Oxnard Public Library.
 4. No agency or City meetings are assumed.
- i. Final MND
 1. We have assumed preparation of responses to a maximum of five (5) individual comments.
 2. Assume no agency or City meetings.
 3. Deliverable is one electronic copy of the administrative final IS/MND including the MMRP, one copy of the MS Word and .pdf formats of the public final IS/MND, MMRP and NOD.
- j. Meetings - We have assumed the following meetings.
 1. Three meetings with the City via conference call discussing findings of the IS and/or strategize regarding response to comments. Each meeting shall last no more than 2 hours.
 2. Assume one in-person or virtual public hearing lasting no more than 4 hours.

7. Preliminary Design Report & 30% design plans: The Consultant shall develop a 30% design for the new water main including pipe sizing, pipe material selection, water main alignment analysis, construction method; and rehabilitation design of the existing water main including evaluation and recommendation of pipe rehabilitation technologies such as fiberglass lining of the existing pipe or slip lining a new pipe inside of the existing pipe.

Tetra Tech will provide draft and final versions of the PDR and 30% design plans. The PDR will consider alternative alignments, tunnel layouts, steel pipe design, connections to the existing conduit, general design parameters, constructability concerns, construction phasing, traffic impacts, and general disruption to the community. The PDR will also consider rehabilitation alternatives for the existing Oxnard Conduit.

We have assumed the following sheet count for the PDR:

- a. Plan and Profile - 24 Sheets
- b. Turn Out Facility Site Plan
- c. Turn Out Facility Mechanical Plan and Section

- d. **Turn Out Facility Structural Foundation Plan**
- e. **Turn Out Facility Structural Roof Plan**
- f. **Turn Out Facility Electrical Site Plan**
- g. **Turn Out Facility Electrical Plan**
- h. **Turn Out Facility P&ID**
- i. **Existing Pipe Rehab Access Point Overall Plan**

We have also included efforts to assist the City with coordination with the development occurring north of the 101 Freeway and the location of the new pipeline and turn-out facilities.

- 8. List of Drawings and Specifications: The preliminary design submittal shall include a list of anticipated technical specifications and drawings for all aspects of the facilities construction including civil, structural, mechanical, electrical, and instrumentation control, and demolition.
- 9. Preliminary Project Schedule: The Consultant shall include a preliminary project schedule including construction phase indicating the proposed sequence of work, durations, critical milestones, and critical path. The Consultant shall provide a proposed construction sequencing that will support an optimum construction schedule and limit the amount of downtime for the water distribution system.
- 10. Preliminary Construction Cost Estimate: The Consultant shall provide a preliminary construction cost estimate.

Deliverables:

Draft and Final Deliverables include Geotechnical Report, Easement Documents, Environmental Document, Preliminary Design Report and 30% Design Plans: The deliverables shall be organized in accordance with the above sections. Each section or subsection shall fully document the options considered, analysis performed, references used, assumptions made, basis of design assumptions, Consultant's recommendations, and basis of the recommendations. Each section and subsection of the deliverable documents shall be presented in the format of a narrative report with figures, tables, flow diagrams, and other exhibits and to sufficient detail to allow the City to fully understand the design intent and long-term operational requirements. The deliverables shall be submitted in an editable electronic version of the draft documents and PDF files of 30% design plans and reports, preliminary project schedule, and preliminary construction cost estimate for the City's review. City staff will provide comments on the draft documents before the documents are finalized. The final documents shall include the digital files in software they were created such as Word, AutoCAD, Project, Excel and PDF files.

TASK 3: PERMITTING AND COORDINATION WITH OTHER AGENCIES

The Consultant shall provide permitting and coordination services to include and not limited to the following permits:

- 1. Caltrans Encroachment Permit
- 2. City of Camarillo Encroachment Permit
- 3. County of Ventura Water Course Encroachment Permit
- 4. Calleguas Municipal Water District (State Water Connection)
- 5. Southern Pacific Railroad Encroachment Permit

This project will require encroachment permits from multiple agencies, as outlined in the RFP. Tetra Tech will initiate contact with each agency to discuss requirements for work within their right-of-way (work hours, paving requirements, etc.), permit submittal requirements, and permit review times. We will submit an initial permit package to each agency, to receive comments on the design, followed by

a final permit package, including incorporated comments from the agency. Permit fees are not included in our scope of work.

After the final signed plans have been issued and awarded to a contractor, the contractor will be required to submit their insurance certifications and additional documentation requested to each agency to procure the encroachment permits.

All permitting and review fees will be paid by the City.

- a. Four (4) meetings with Caltrans.**
- b. Two (2) meetings with the City of Camarillo.**
- c. Two (2) meetings with the County of Ventura.**
- d. Three (3) meetings with Calleguas Municipal Water District.**
- e. No permitting required with Southern Pacific Railroad.**

TASK 4: 75% DESIGN SERVICES

The Consultant shall create a design, equivalent to the 75% design level, incorporating the approved basis of design and recommendations presented in the PDR. The Consultant shall produce the following 75% design deliverables:

- 1. Title Sheet
 - a. Vicinity and location maps with contacts.
 - b. Drawing index, general notes, symbols, abbreviations, and legends.
 - c. Referenced Standards and Specifications.
- 2. Pipeline Plan and Profile
 - a. The Consultant shall prepare plan and profile drawings to the 75% design level.

Our proposal is based on four trenchless (tunneled) crossings.

- b. Pipeline and utility key map.
 - c. Details: Consultant shall design connection details.
 - d. Backfill: Consultant shall provide design mix for all backfill material per geotechnical Report recommendation.
- 3. Civil and Structural Plans and Details
 - a. The vault design for interconnection of the new water main to the existing Calleguas MWD water main and flow control valve assembly.
 - b. Welded steel pipe details.
 - c. Tunneling and boring under the Caltrans Highway 101, Southern Pacific Railroad, Beardsley Wash, and other structures.
 - d. Connection and anchoring details.
- 4. Mechanical, Electrical and Instrumentation Control Plans and Details
 - a. Flow control valve assembly, meters, valves, and actuators.

We have assumed the following level of effort:

- a. A cast in place underground vault containing the mechanical equipment.**
- b. Access into the vault via hatch and ladder.**
- c. Electrical power supply is relatively close to the facility location (within 500 feet).**
- d. Electrical controls will be placed aboveground in cabinets near the vault.**
- e. Minimal site improvements are required.**
- f. The City will assist with the power company, submit all paperwork requesting power and any fees.**

- b. Coordination with structural, electrical, and SCADA instrumentation controls.
- c. The low flow management plan layout.
- d. Equipment specifications.
- 5. Street Paving and Site Restoration Plans and Details
 - a. Develop trenching, shoring, backfill, paving, and resurfacing details.
 - b. Striping plan.

Tetra Tech will utilize existing as-builts for the original street striping and add these plans to appendix of the Contract Documents. Notes will be added to the plans to restore the striping per the original design plans. Preparation of striping plans is not included in our scope or fee.

- c. Provide a standard design pavement section that adheres to the City Standards. The design shall consider and include limits of replacement.
- 6. Traffic Control Plans
 - a. Stipulate traffic control requirements per the City of standards and permitting. requirements. Include requirements as a line item on the bid documents for the Contractor to complete.

The Contractor will be responsible for preparing traffic control plans. Tetra Tech will meet with the Cities and prepare contract language describing the traffic control requirements in the project specifications that the Contractor shall comply with as part of the preparation of their drawings.

- 7. Technical Specifications
 - a. Preliminary technical specification with draft text in all sections.
- 8. Construction Cost Estimate
 - a. The Consultant shall prepare an estimate of probable construction cost for the 75% design package. The cost estimate shall be transmitted along with the 75% design package.

Deliverable

75% design package shall include three (3) hardcopies of 22' x 34" plans and specifications along with electronic versions in AutoCAD and PDF.

TASK 5: FINAL DESIGN SERVICES

1. 95% Design: Drawings and specifications from the preliminary design phase shall be modified to account for any remaining design changes as a result of the 75% design review. At the end of the 95% design phase, drawings and specifications shall be complete. The following tasks are to be completed.
 - Pipeline drawings and details
 - Civil and structural drawings and details
 - Mechanical, electrical, and instrumentation control drawings and details
 - Street Paving plans and details
 - Traffic control plans
 - Technical Specifications
 - The bid item list, measurements and payment for the front-end contract document
 - Construction cost estimate
 - Construction schedule

Tetra Tech will provide final design services as described in the RFP. We will incorporate review comments from the 75% design submittal into a 95% submittal for City review, at which time the drawings and specifications will be complete. We will incorporate minor comments from the

95% submittal into the final bid submittal, considered the bid set, which is not reviewed by the City. We have assumed the following sheet count as our basis of effort this proposal:

New Oxnard Conduit (66 total sheets)

- 1. Title Sheet**
- 2. Sheet Index**
- 3. General Notes**
- 4. Abbreviations, Vicinity Map, and Location Map**
- 5. Key Map**
- 6. Horizontal Control 01 (200 scale)**
- 7. Horizontal Control 02 (200 scale)**
- 8. Horizontal Control 03 (200 scale)**
- 9. Horizontal Control 04 (200 scale)**
- 10. Plan and Profile (40 scale) - 24 sheets**
- 11. Steel Pipe Details 01**
- 12. Steel Pipe Details 02**
- 13. Air Valve Structure Details**
- 14. BO Structure Details**
- 15. Tunneling Details (2 sheets)**
- 16. Trench Details**
- 17. Misc. Pipeline Details**
- 18. Pipeline Connection Details**
- 19. CMWD Interconnection Vault Site Plan**
- 20. CMWD Interconnection Vault Mech. Plan View**
- 21. CMWD Interconnection Vault Mech. Section View**
- 22. Mech Details 01**
- 23. Mech Details 02**
- 24. General Structural Notes**
- 25. CMWD Interconnection Vault Foundation Plan**
- 26. CMWD Interconnection Vault Roof Plan**
- 27. CMWD Interconnection Vault Section 01**
- 28. CMWD Interconnection Vault Section 02**
- 29. Structural Details 01**
- 30. Structural Details 02**
- 31. Cathodic Protection Sheets (5 sheets)**
- 32. Electrical General Notes**
- 33. Rectifier Power (Assume 2 locations)**
- 34. CMWD Interconnection Vault Elec. Site Plan**
- 35. CMWD Interconnection Vault Power and Control Plan**
- 36. CMWD Interconnection Vault Single Line Diagram**
- 37. Conduit Schedules**
- 38. I/O Diagram**
- 39. Panel Layout and Wiring Diagram**
- 40. Electrical Details**
- 41. P&ID General Notes**
- 42. P&ID Sheet**

Existing Conduit Rehab (33 total sheets)

1. Title Sheet
2. Sheet index
3. General Notes
4. Abbreviations, Vicinity Map, and Location Map
5. Key Map
6. Plan and Profile (40 scale) - 24 sheets
7. Air Valve Structure Details
8. BO Structure Details
9. Trench Details
10. Misc. Pipeline Details

DELIVERABLES

Tetra Tech will provide one full-size bond set 22-inch x 34-inch plans and one bond specifications and their PDF files for each as the deliverable. Bid set reproduction for plan set holders will be provided by the City.

Deliverable

95% design package shall include three (3) hardcopies of 22" x 34" plans and specifications along with electronic versions in AutoCAD and PDF.

2. Final Design Submittal: During the final design phase, final comments from the 95% design submittal shall be incorporated into the drawings and specifications. This final submittal will not be reviewed by the City and will be considered the bid set. Tasks include:
 - Production of final engineering drawings
 - Production of final engineering specifications
 - The Consultant shall prepare an estimate of probable construction cost for the 100% design package. The cost estimate shall be transmitted along with the final 100% design package.

Deliverable

Final drawings shall be signed and sealed by a professional civil engineer registered by the State of California. The Consultant shall provide three (3) sets of 11" x 17" drawings, three (3) sets of 22" x 34" (D Size) drawings, four (4) sets of specifications, one (1) electronic copy in PDF format of the final design package for bid purposes, and one (1) electronic copy in AutoCAD and Word files for project filing. All drawings shall be prepared using a version of AutoCAD 2018 or later and dwg files be delivered to the City as part of the final submittal.

TASK 6: BID PHASE SERVICES

The Consultant shall provide assistance to the City during the project advertisement and award period. Bid phase assistance shall include, at a minimum, the following:

1. Response to requests for information (RFIs) and requests for clarification (RFCs) received during the bid period. Consultant shall provide a written response to questions within two (2) business days of questions received during the bidding period. The responses shall be provided in short memorandum format with the question and response shown.
2. Attendance and participation in the mandatory pre-bid meeting.
3. The Consultant shall prepare revisions to contract plans and specifications for all addenda as required.
4. The Consultant shall incorporate all addenda issued during the Bid Period into a conformed set of contract documents.

DELIVERABLES

Tetra Tech assumes we will prepare four addenda in response to RFIs and RFCs received during the bidding process.

TASK 7: CONSTRUCTION PHASE SERVICES

Engineering services during construction (ESDC) shall include, at a minimum, the following:

1. Preconstruction Meeting: Attendance and participation in the Pre-Construction Meeting.
2. Project Progress Meetings: Attendance and participation in the biweekly Project Progress Meetings with the City, the Construction Manager, and Construction Contractor to discuss the status of the Project and potential Project issues. The Consultant shall budget for the duration for the construction phase.

Project Meetings: Tetra Tech has assumed attendance and participation in the preconstruction meeting and bi-weekly construction meetings. We have assumed 40 meetings for the new conduit construction and 14 meetings for the rehabilitation project.

3. Submittal Review: Consultant shall review all shop drawing and material submittals transmitted by the Construction Manager and submitted by Construction Contractor. Consultant shall provide review comments within five business days.

Submittal Review: Tetra Tech has assumed 30 submittals for the conduit project and 40 submittals for the rehabilitation project.

4. Request for Information: Consultant shall review all requests for information (RFI) transmitted by Construction Manager and submitted by the Construction Contractor. Consultant shall review each request and make a formal response to RFI within five business days.

Requests for Information: Tetra Tech has assumed 50 RFI responses for the new conduit and 20 responses for the rehabilitation project.

5. Change Order Review: Consultant shall review all change order requests transmitted by Construction Manager and submitted by the Construction Contractor. Consultant shall review each request and make a formal statement regarding entitlement and the merit of the contractor's request within five business days. Consultant shall prepare the plan and specs revision exhibits as part of the change order document.

Change Order Review: Tetra Tech has assumed eight change order reviews for the new conduit and three change orders for the rehabilitation project.

6. Project Close-out: Consultant shall assist in the development of Project punch lists and coordinate the delivery of all Project-related documentation.
7. Record Drawings and Standard Operating Procedures: The Consultant shall prepare a record drawing set based on the red-line drawings submitted by the construction contractor. The record drawings shall be prepared using a version of AutoCAD 2018 or later and shall be transmitted to the City within 30 calendar days of receipt of the contractor's red-line drawings. Electronic copies of the record drawings shall be submitted to the City in both AutoCAD and PDF formats. In addition, the Consultant shall submit three (3) hard copies of the record drawings on 22" x 34" bond paper. The standard operating procedures (SOP) developed as part of the preliminary design shall be revised and confirmed. The finalized SOPs shall be delivered to the City with the record drawings.

Record Drawings: Tetra Tech will prepare record drawings based on the contractor's markups. The drawings will be revised to show only the as-built conditions provided to Tetra Tech. We have budgeted for two reviews of the record drawings.

OPTIONAL SCOPE OF WORK

We are also proposing the following Optional Scope of Work Items to be considered by the City:

Prepare Traffic Control Sheets (assumed 40 sheets). Tetra Tech will prepare signed and sealed traffic control drawings. It may be advantageous for the City to have this optional item as it has been our experience that some permitting agencies, especially Caltrans, will require traffic control as part of the permit review requirements. We will work with the City to discuss the pros and cons regarding the development of traffic control as part of the design or to place the requirement on the Contractor.

There are a lot of advantages to the Contractor preparing the traffic control plans both in terms of cost and schedule and including the traffic control requirements described in the project specifications.

Prepare Geotechnical Baseline Report (GBR). Projects involving subsurface construction present many risks, which must be assumed by both the City and the Contractor. The greatest risks are associated with encountered ground conditions and ground behavior during excavation and installation of support systems. The GBR provides interpretation of ground conditions and anticipated ground behavior during construction and provides contractual baseline statements for the evaluation of differing site conditions. It establishes a contractual understanding (interpretation) of the subsurface site conditions presented factually in the Geotechnical Data Report. Thus, the GBR is a mechanism to allocate risk between the City and the successful bidder.

Brierley Associates strives to provide GBRs that accurately portray anticipated ground conditions, but also reasonably represent the Owner's tolerance for risk and contingencies, while balancing various competing risk factors. When 100 percent of the work will be in the subsurface, but only widely spaced geotechnical investigations with a small sampling of actual subsurface conditions are possible, surprises can and likely will occur. Minimizing those surprises and creating realistic expectations, while realistically planning for contingencies for the "known unknowns" about the subsurface, will result in identifying ground appropriate means and methods to increase production, reduce delays and the potential for construction claims.

Development of the GBR requires open and honest communication between the design team and the City with respect to risk identification and allocation. The Tetra Tech / Brierley team will collaboratively review with the City the subsurface characteristics and how they are expected to behave during construction activities. We will emphasize how these elements can be mitigated through the GBR and design leveraging our risk matrix; and discuss potential third party impacts. We will develop the outline of the GBR during the 75% design phase. Development of a full GBR is best deferred to 95% design when the project is more fully developed and final project risks can be allocated appropriately.

Construction Observation (Tunneling). Brierley staff will perform part time on-site construction observation specifically for trenchless construction. This optional task is available to the City if this level of support is desired.

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881

RATES AND COSTS EXHIBIT

Price Proposal										Labor Plan																	Price Summary / Totals						
Oxnard Conduit Replacement and Rehabilitation										17 Resource																	Task Pricing Totals		2,073,134				
																											Specify Add'l Fees on Setup		0				
																											Technology Use Fee						
Submitted to: City of Oxnard																											Total Price (w/o Optional Services)				2,073,134		
Contract Type: T&M																											Pricing by Resource						
Project Phases / Tasks		Schedule			Week Days Off	Week Days	Total Labor Hrs																		Labor Rate Est.	Labor	Subs	Travel	Mat'l's & Equip	ODCs	Task Pricing Totals		
		From	Thru	Months																													
Totals		10/02/22	10/24/25	36.1			7,661	524	82	1,088	628	646	1,398	1,684	206	84	202	182	258	96	192	338	216	37	1,294,310	744,727	19,608	-	14,490	2,073,134			
OPTIONAL SERVICES							520	-	-	-	-	-	-	200	-	-	320	-	-	-	-	-	-	-	91,400	105,749	-	-	-	197,149			
A. Prepare Traffic Control Plans (40 sheets)		05/15/23	02/02/24	8.5	19	169	520																		91,400				91,400				
B. Preapre Geotechnical Baseline Report		05/15/23	02/02/24	8.5	19	169	-																			62,100			62,100				
C. Construction Observation (Tunneling)		05/09/25	10/24/25	5.4	12	108	-																			43,649			43,649				
Total with Optional Services		10/02/22	10/24/25	36.1			8,181	524	82	1,088	628	646	1,398	1,684	206	84	522	182	258	96	192	338	216	37	1,385,710	850,476	19,608	-	14,490	2,270,284			

RATES AND COSTS EXHIBIT

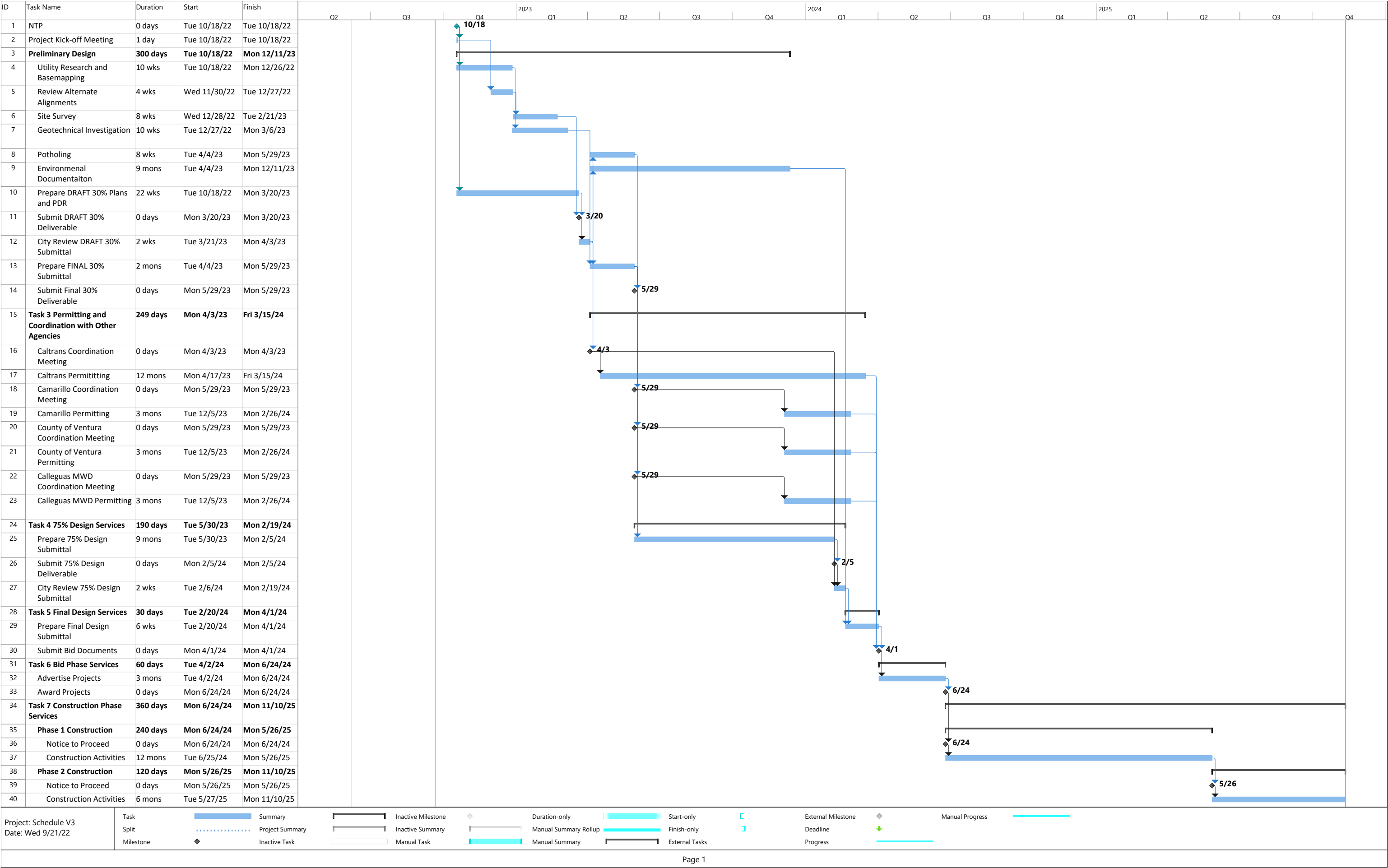
List of Sub-Consultants

Name under which Sub-consultant is Licensed and Registered	DIR Registration Number	City of Oxnard Business Tax Certification Number	Address and Phone Number	Type of Work
Leighton Consultants	1000007443	23-097934	17781 Cowan, Irvine 92614	Geotechnical Consultant
Brierley Associates	1000036448	pending	6355 Topanga Cyn #502, Woodland Hills 91367	General Engineering
Encompass Consultant Group	1000037899	23-115272	333 Lantana St. #287, Camarillo 93012	Survey
C Below	1000003150	pending	14280 Euclid Ave., Chino 91710	Potholing
RF Yeager Engineering	1000020466	pending	1016 Broadway #A, El Cajon 92021	Corrosion Consultant
Henry Bardakjian	N/A	pending	1331 N. Maryland Ave., Glendale 91207	Steel Pipe Consultant

Sub-Consultants Phone Number

Leighton Consultants 949-681-4267
 Brierley Associates 818-835-9554
 Encompass Consultant 805-322-4443
 C Below 888-902-3569
 RF Yeager Engineering 619-312-0195
 Henry Bardakjian 818-502-0676

SCHEDULE OF SERVICES EXHIBIT



Insurance Exhibit (INS-A)**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. _____
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@cbix.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)

PRODUCER

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

COMPANIES AFFORDING INSURANCE COVERAGE

INSURED

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

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS**CERTIFICATE HOLDER****CITY OF OXNARD****Attn: Insurance Compliance****Reference No. _____****P.O. Box 100085 – OX****Duluth, GA 30096****Via Email: cityofoxnard@ebix.com****Via Fax: 678-259-1007****CANCELLATION**

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.

AUTHORIZED REPRESENTATIVE

888

889

PREVAILING WAGE EXHIBIT

1. The Project defined in the Agreement between City and Contractor is a “public work” as defined in Division 2, Part 7, Chapter 1 of the California Labor Code (“Chapter 1”), and this Agreement is subject to Chapter 1 and the rules and regulations established by the Director of Industrial Relations (“DIR”) implementing such statutes. Contractor shall perform the Project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in Chapter 1 and the DIR’s rules and regulations as though set forth in full herein.
2. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file with the Project Coordinator at City Hall and will be made available to any interested party on request. They are also available at <http://www.dir.ca.gov/Public-Works/Prevailing-Wage.html>. Contractor shall post such rates at each job site covered by this Agreement.
3. Contractor is required to post job site notices, as prescribed by regulation. *See* Labor Code Section 1771.4(a)(2).
4. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. Contractor shall, as a penalty to City, forfeit not more than \$200 for each calendar day or portion thereof for each worker paid less than the DIR’s determined prevailing rates for the work or craft in which the worker is employed pursuant to this Agreement by Contractor or any subcontractor. The Labor Commissioner shall determine the amount of the penalty as described in Section 1775.
5. Contractor shall comply with Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, (2) certify and make such payroll records available for inspection, and (3) inform City of the location of the records.
6. Contractor shall comply with Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code Title 8, Section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Before commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within 60 days of the Agreement Ending Date listed in (6) of the Cover Page or the conclusion of the Project, whichever happens later, Contractor and each of its subcontractors shall submit to City a verified statement of the journeyman and apprentice hours performed under this Agreement.
7. Contractor shall not be debarred or suspended throughout the duration of this Agreement pursuant to Labor Code Section 1777.1 or 1777.7. If Contractor becomes debarred or suspended throughout the duration of the Agreement, Contractor shall immediately notify City.
8. Contractor is not qualified to bid on, be listed in a Bid, or engage in the performance of any contract for public work, as defined in LC Sections 1720 through 1861, unless currently registered and qualified to perform public work pursuant to LC Section 1725.5. Contractor shall continue without interruption to stay registered and qualified to perform public work pursuant to Section 1725.5 for the duration of the Agreement’s term. This provision does not apply to construction, alteration, demolition, installation or repair work of \$25,000 or less or to maintenance work of \$15,000 or less.
9. Contractor acknowledges that 8 hours labor constitutes a legal day’s work. Contractor shall comply with and be bound by Labor Code Section 1810.
10. Contractor shall comply with and be bound by Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to City, forfeit \$25 for each worker employed in the performance of this Agreement by Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code Section 1815, work performed by Contractor’s employees in excess of 8 hours per day and 40 hours per week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1½ times the basic rate of pay.
11. The Project listed in the Agreement is subject to compliance monitoring and enforcement by the DIR.
12. Contractor shall be responsible for each and every one of its subcontractors’ compliance with Chapter

- 1, the DIR's rules and regulations, and Labor Code Sections 1860 and 3700. Contractor shall include in the written contract between it and each subcontractor a copy of, and a requirement that each subcontractor shall comply with, those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractors' compliance, including without limitation, conducting a periodic review of the certified payroll records of each subcontractor, and upon becoming aware of the failure of the subcontractor to pay its workers the specified prevailing rate of wages, Contractor shall diligently take corrective action to halt or rectify any failure.
13. To the maximum extent, Contractor shall hold harmless, defend (with counsel approved by the City Attorney) and indemnify City, its legislative bodies, and its officials, officers, employees, agents, successors and assigns from any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all attorneys' fees and other related costs. All duties of Contractor under this Section shall survive Agreement termination.

IRAN CONTRACTING ACT CERTIFICATION
(TO BE EXECUTED AND SUBMITTED WITH THE AGREEMENT)
Public Contract Code Sections 2202-2208

Pursuant to Public Contract Code 2204.(a) A public entity shall require a person that is submits a bid or proposal to, or otherwise proposes to enter into or renew a contract with, a public entity with respect to a contract for goods or services of one million dollars (\$1,000,000) or more to certify, at the time an Agreement is signed or renewed, that the person is not identified on a list created pursuant to subdivision (b) of Section 2203 as a person engaging in investment activities in Iran described in subdivision (a) of Section 2202.5 or as a person described in subdivision 9b) of Section 2202.5, as applicable.

To comply with this requirement, please insert your company/entity and Federal ID number (if available) and complete **one** of the options below. Please note, California law established penalties for providing false certifications, including civil penalties equal to the greater of \$250,000 or twice the amount of the contract for which the false certification was made, contract termination and three-year ineligibility to bid on contract in accordance with Public Contract Code section 2205.

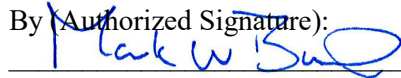
OPTION No.1 – CERTIFICATION

I, the official named below, certify I am duly authorized to execute this certification on behalf of the company/entity identified below, and the company/entity identified below is not on the current list of persons engaged in investment activities in Iran created by DGS and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person or entity, for 45 days or more, if that other person or company/entity will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS in accordance with subdivision (b) of Public Contract Code 2203.

Company Name/Financial Institution (printed):
Tetra Tech, Inc.

Federal ID Number (or n/a):
95-4148514

By (Authorized Signature):



Printed Name & Title of Person Signing:

Date Executed

Mark Bush, P.E., Vice President
Executed in the County of Orange

9/22/2022
in the State of California

OPTION No.2 – EXEMPTION

Pursuant to Public Contract Code sections 2203(c) and (d), a public entity may permit a vendor/financial institution engaged in investment activities in Iran, on a case-by-case basis, to be eligible for, or to bid on, submit a proposal for, or enters into or renews, a contract for goods and services. If you have obtained an exemption from the certification requirement under the Iran Contracting Act, please fill out the information below and attach documentation demonstrating the exemption approval.

Company Name/Financial Institution (printed):

Federal ID Number (or n/a):

By (Authorized Signature):

Printed Name & Title of Person Signing:

Date Executed

Executed in the County of _____

in the State of _____

REQUEST FOR BUDGET APPROPRIATION

Department: Public Works/Engineering

Date: October 18, 2022

Project/Program

Manager: Tim Beaman

Phone: x8141

Reason for Appropriation:

Budget appropriation to fund Agreement A-8500 with Tetra-Tech, Inc. for the Oxnard Conduit Replacement and Rehabilitation Project, Specification No. PW 22-105. Project No. 226501.

Accounts and Descriptions

AMOUNT

Fund: 601 WATER OPERATING FUND

Expenditures/Transfers Out

CMWD TRANSMISSION MAIN (PROJECT 226501)

601-6551-821.82-09 SVCS - TOHER PROFESSIONAL 1,027,312

Sub-total Expenditures 1,027,312

Net Change to Fund Balance (1,027,312)

Net Appropriation Change 1,027,312

Approvals

Department Director _____

Chief Financial Officer _____

City Manager _____

REQUIRES CITY COUNCIL AUTHORIZATION

BA# (Finance Use Only) _____

BA Doc# (Finance Use Only) _____

Revised : 2/23/2012

Professional Services Agreement A-8500 with Tetra Tech, Inc. for Oxnard Conduit Replacement and Rehabilitation Project PW 22-105

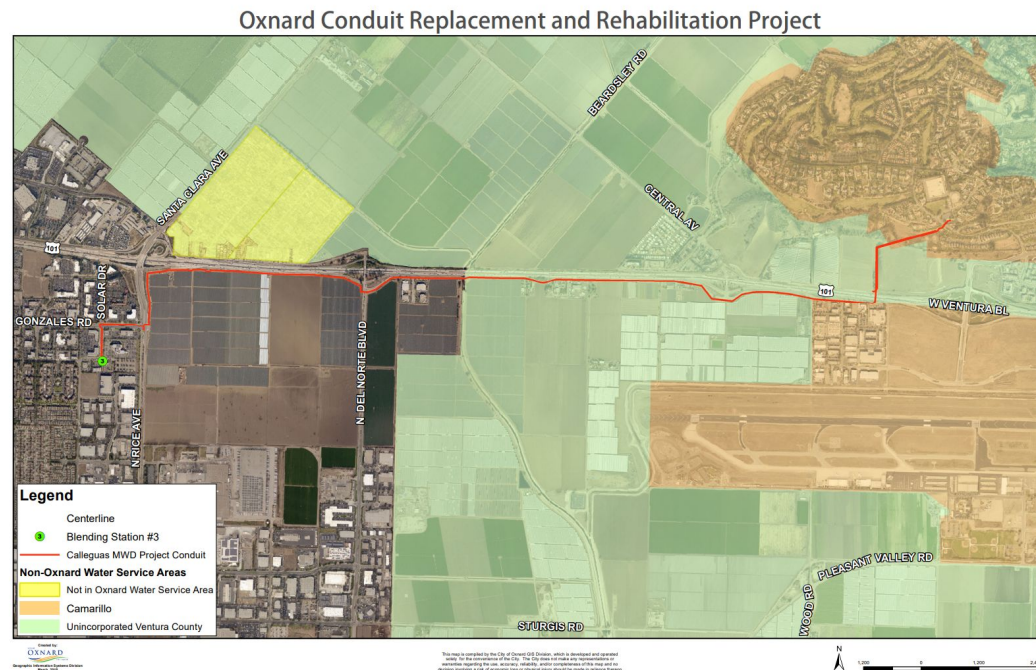
City Council
October 18, 2022

Tatiana Arnaout, PE
City Engineer

That the City Council approve and authorize the following for a total of \$2,497,312 in Project funds for the Oxnard Conduit Replacement and Rehabilitation Project, Specification No. PW 22-105 (Project No. 226501):

1. The Mayor to execute Professional Services Agreement A-8500 with Tetra Tech, Inc. in the amount of \$2,270,284 for the Project;
2. A Project contingency amount of \$227,028 for the Project; and
3. Authorize the Finance Director or designee to approve a budget appropriation in the amount of \$1,027,312 from the available fund balance from the Water Operating Fund (601) for use in this Project.

- The Oxnard Conduit is a critical infrastructure; serves as the only connection to the State Water Project and can serve as much as 50% of the City's water supply.
- The existing Oxnard Conduit was built in 1968 and connects Calleguas Municipal Water District's Springville Reservoir with City's distribution system
- The section scoped in this project includes 4.2 miles of 45-inch, 36-inch, and 30-inch steel pipes.



- The infrastructure is over 50 years old
- Deteriorated and in poor physical condition
- Is beyond its service life and becomes unreliable.



The primary objectives of the project include:

- Replacement of aging and critical infrastructure
- Provide redundancy and reliability to the water distribution system.
- Provide planning and design services.
- Obtain appropriate permits.
- Prepare bid ready plans and specifications.
- Manage project cost, schedule, and timely completion of project.
 - Establish construction cost estimates for funding and budgeting
- Coordinate with neighboring municipalities
 - Calleguas MWD, City of Ventura, & County of Ventura

- Request for Proposal was issued on May 9, 2022.
- Proposals were due on June 17, 2022.
- Two proposals were received and reviewed by City staff.
- Two consulting firms were interviewed by City staff.
- Tetra Tech was selected as the most qualified firm based on experience, capabilities, and project approach.
- Consultant services contract was negotiated and reached agreement.

AGREEMENT A-8500	
Tetra Tech	\$2,270,284
Project Contingency (10%)	\$227,028
Total Project Cost:	\$2,497,312

- The Oxnard Conduit Replacement and Rehabilitation Project is being funded from the Water Operating Fund (601) which has an available project balance of approximately \$1,470,000
- Due to the project being ahead of schedule an additional budget appropriation of \$1,027,312 from the Water Operating Fund (601) is needed to fund this agreement. These additional appropriations were originally anticipated in FY 2023-24.



QUESTIONS