

## AGENDA

Thursday, March 23, 2023

### CITY OF CITRUS HEIGHTS CITY COUNCIL

4:30 PM SPECIAL MEETING

6:00 PM REGULAR MEETING

City Hall Council Chambers

6360 Fountain Square Drive, Citrus Heights, CA

### HOW TO PARTICIPATE:

The City of Citrus Heights welcomes your interest and involvement in the City's legislative process. The Council may take up any agenda item at any time, regardless of the order listed. The City Council has established a procedure for addressing the Council. If you wish to address the Council during the meeting, please fill out a Speaker Identification Sheet and give it to the City Clerk, if participating via webcast you may use the Zoom hand raise function (or \*9 if you join the webinar via telephone) and the host will unmute you when it is time to speak. When you are called upon to speak, step forward to the podium and state your name for the record. Normally speakers are limited to five minutes each with 30 minutes being allowed for all comments. Any public comments beyond the initial 30 minutes may be heard at the conclusion of the agenda. The Mayor has the discretion to lengthen or shorten the allotted times. Alternatively, you may submit your comment by 4:00 p.m. on the meeting day to by completion of an online Speaker Card at <https://www.citrusheights.net/FormCenter/City-Council-Meetings-Speaker-Card-30>. Written public comments shall be limited to 250 words or less. Each comment will be read aloud by the City Clerk.

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**Regular Meeting 6:00 p.m. Zoom Meeting –Webinar link: <https://zoom.us/j/93110849074>**

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March 23, 2023 City Council Agenda Packet (PDF)

Documents:

[3-23-23 SPECIAL REGULAR COUNCIL AGENDA PACKET.PDF](#)

CALL SPECIAL MEETING TO ORDER

1. Roll Call: Council Members: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer

PUBLIC COMMENT

CLOSED SESSION

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Pursuant to California Government Code Section 54957

Title: City Manager

REPORT OUT OF CLOSED SESSION

ADJOURNMENT

CALL REGULAR MEETING TO ORDER

1. Flag Salute
2. Roll Call: Council Members: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer
3. Video Statement

APPROVAL OF AGENDA

PUBLIC COMMENT

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

CONSENT CALENDAR

It is recommended that all consent items be acted on simultaneously unless separate discussion and/or action are requested by a Council Member.

4. SUBJECT: Approval Of Minutes  
RECOMMENDATION: Approve the Minutes of the Meeting of March 3, 2023 and March 9, 2023
5. SUBJECT: Neighborhood Improvement Partnership Grant Program – Guidelines Modification  
STAFF REPORT: M. Huber / C. Riddle  
RECOMMENDATION: Adopt Resolution No. 2023-\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California, Approving Neighborhood Improvement Partnership Grant Program Guidelines

PUBLIC HEARINGS

6. SUBJECT: Consolidated Annual Performance Evaluation Report To The U.S. Department Of Housing And Urban Development For Program Year 2022 Community Development Block Grant Funds  
STAFF REPORT: C. Kempenaar / N. Piva  
RECOMMENDATION: Adopt Resolution No. 2023-\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California, Approving the Consolidated Annual Performance Evaluation Report for Program Year 2022 and Direct Staff to Submit, with

Minor Modifications as Necessary, the Caper Report to the U.S. Department of Housing and Urban Development (HUD)

#### REGULAR CALENDAR

7. SUBJECT: Consideration Of Forming A Citrus Heights Education Committee  
STAFF REPORT: A. Feeney / A. Van

RECOMMENDATION: Staff recommends the City Council discuss and provide direction on the formation of a Citrus Heights Education Advisory Committee

8. SUBJECT: Resolution To Approve A Memorandum Of Understanding For Sayonara Drive Replacement Housing Project

STAFF REPORT: C. Kempenaar / A. Bermudez / N. Piva

RECOMMENDATION: Adopt Resolution No. 2023-\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Enter Into a Memorandum of Understanding with Habitat for Humanity of Greater Sacramento for the Sayonara Drive Replacement Housing Project

9. SUBJECT: Citrus Heights Business Attraction Incentive Program Approval

STAFF REPORT: M. Huber

RECOMMENDATION: Adopt Resolution No. 2023-\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California, Approving the Citrus Heights Business Attraction Incentive Program Guidelines and Allocating \$1,000,000 in American Rescue Plan Act Funds to Administer the Program Through June 30, 2024

10. SUBJECT: Municipal Code Chapter 42 – FLOODS City Ordinance Update

STAFF REPORT: R. Cave / L. Blomquist / D. Kehrer

RECOMMENDATION: Introduce for a First Reading, read by title only and waive the full reading of Ordinance No. 2023-\_\_\_ An Ordinance of the City Council of the City of Citrus Heights Amending Chapter 42 “Floods” of the Citrus Heights Municipal Code

11. SUBJECT: Senate Bill 316: Prevent Serial Theft – Request For Letter Of Support

STAFF REPORT: A. Feeney / A. Van

RECOMMENDATION: Staff recommends the City Council consider the request for a letter of support of SB 316.

#### DEPARTMENT REPORTS

12. SUBJECT: Proposed CA Bill AB 742, Law Enforcement: Police Canines

DEPARTMENT: Police Department

#### CITY MANAGER ITEMS

#### ITEMS REQUESTED BY COUNCIL MEMBERS / FUTURE AGENDA ITEMS

#### CLOSED SESSION

13. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 7137 Auburn Blvd., Citrus Heights, CA (APN 211-0020-025-0000)

Agency Negotiator: City Manager Ashley J. Feeney and City Attorney Ryan Jones

Negotiating Parties: Woodside Homes

Under Negotiation: Both price and terms of payment

REPORT OUT OF CLOSED SESSION

ADJOURNMENT

**CITY OF CITRUS HEIGHTS  
CITY COUNCIL**  
**Special / Regular Meeting of Thursday, March 23, 2023**  
**City Hall Council Chambers, 6360 Fountain Square Dr., Citrus Heights, CA**  
**Special Meeting 4:30 p.m.**  
**Regular Meeting 6:00 p.m.**

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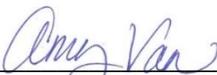
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March 17, 2023

  
\_\_\_\_\_  
Amy Van, City Clerk

**SPECIAL CITY COUNCIL MEETING  
4:30 PM**

**CALL SPECIAL MEETING TO ORDER**

- 1. Roll Call: Council Members: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer

**PUBLIC COMMENT**

**CLOSED SESSION**

- 2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Pursuant to California Government Code Section 54957  
Title: City Manager

**REPORT OUT OF CLOSED SESSION**

**ADJOURNMENT**

**REGULAR CITY COUNCIL MEETING  
6:00 PM**

**CALL REGULAR MEETING TO ORDER**

- 1. Flag Salute
- 2. Roll Call: Council Members: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer
- 3. Video Statement

**APPROVAL OF AGENDA**

**PUBLIC COMMENT**

**COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES**

**CONSENT CALENDAR**

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**STAFF REPORT:** M. Huber / C. Riddle  
**RECOMMENDATION:** Adopt Resolution No. 2023-\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California, Approving Neighborhood Improvement Partnership Grant Program Guidelines

**PUBLIC HEARING**

6. **SUBJECT:** Consolidated Annual Performance Evaluation Report to the U.S. Department of Housing and Urban Development for Program Year 2022 Community Development Block Grant Funds  
**STAFF REPORT:** C. Kempenaar / N. Piva  
**RECOMMENDATION:** Adopt Resolution No. 2023-\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California, Approving the Consolidated Annual Performance Evaluation Report for Program Year 2022 and Direct Staff to Submit, with Minor Modifications as Necessary, the Caper Report to the U.S. Department of Housing and Urban Development (HUD)

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7. **SUBJECT:** Consideration of Forming a Citrus Heights Education Committee  
**STAFF REPORT:** A. Feeney / A. Van  
**RECOMMENDATION:** Staff recommends the City Council discuss and provide direction on the formation of a Citrus Heights Education Advisory Committee
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**STAFF REPORT:** M. Huber  
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**STAFF REPORT:** R. Cave / L. Blomquist / D. Kehrer  
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**STAFF REPORT:** A. Feeney / A. Van  
**RECOMMENDATION:** Staff recommends the City Council consider the request for a letter of support of SB 316.

**DEPARTMENT REPORTS**

12.     **SUBJECT:** Proposed CA Bill AB 742, Law Enforcement: Police Canines  
          **DEPARTMENT:** Police Department

**CITY MANAGER ITEMS**

**ITEMS REQUESTED BY COUNCIL MEMBERS/ FUTURE AGENDA ITEMS**

**CLOSED SESSION**

13.     CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
          Pursuant to Government Code Section 54956.8  
          Property: 7137 Auburn Blvd., Citrus Heights, CA (APN 211-0020-025-0000)  
          Agency Negotiator: City Manager Ashley J. Feeney and City Attorney Ryan Jones  
          Negotiating Parties: Woodside Homes  
          Under Negotiation: Both price and terms of payment

**REPORT OUT OF CLOSED SESSION**

**ADJOURNMENT**

**CITY OF CITRUS HEIGHTS  
CITY COUNCIL  
MINUTES  
Special Meeting of Friday, March 3, 2023  
City Hall Council Chambers  
6360 Fountain Square Drive, Citrus Heights, CA**

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**CALL SPECIAL MEETING TO ORDER**

The special meeting was called to order at 2:00 p.m. by Mayor Schaefer.

- |    |            |                                 |   |
|----|------------|---------------------------------|---|
| 1. | Roll Call: | Council Members present:        | Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer |
|    |            | Council Members absent:         | None  |
|    |            | Staff present at the roll call: | Jones and Van   |

**PUBLIC COMMENT**

None

**CLOSED SESSION**

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Pursuant to California Government Code Section 54957  
Title: City Manager

The City Council and City Attorney participated in the closed session.

**REPORT OUT OF CLOSED SESSION**

There was no reportable action from closed session.

**ADJOURNMENT**

Mayor Schaefer adjourned the special meeting at 2:33 p.m.

Respectfully submitted,

\_\_\_\_\_  
Amy Van, City Clerk

**CITY OF CITRUS HEIGHTS  
CITY COUNCIL  
MINUTES  
Regular Meeting of Thursday, March 9, 2023  
City Hall Council Chambers  
6360 Fountain Square Drive, Citrus Heights, CA**

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**CALL REGULAR MEETING TO ORDER**

The regular meeting was called to order at 6:02 p.m. by Vice Mayor Daniels.

1. The Flag Salute was led by Vice Mayor Daniels.
2. Roll Call: Council Members present: Karpinski-Costa, Lopez-Taff, Daniels  
Council Members absent: Middleton, Schaefer  
Staff present: Feeney, Jones, Talwar, Van and department directors.
3. The video statement was read by City Clerk Van.

**APPROVAL OF AGENDA**

**ACTION:** On a motion by Council Member Karpinski-Costa, seconded by Council Member Lopez-Taff, the City Council approved the agenda.

AYES: Karpinski-Costa, Lopez-Taff, Daniels  
NOES: None  
ABSENT: Middleton, Schaefer

**PUBLIC COMMENT**

City Clerk Van read the following written comments submitted by Cynthia Fagan, "Thank you to Tiffany Campbell of Animal Services for reaching out to work towards a solution regarding dumping of pets in parks. I have volunteered the past 9 years at 2 local shelters and for a rescue group. Pet abandonment is intertwined with many social issues but that does not make it acceptable. Animal Control Officers have told me they've gone to homes to collect pets, only to see CPS or APS along with Code Enforcement Officers at the same home. Civic agencies and leaders of Citrus Heights should inform citizens of all ages through social media and outreach that abuse, neglect, and dumping of pets is not only illegal but simply wrong. Further actions might include building a Citrus Heights Animal Shelter that can be small in space and staff but big on volunteers, rescue, fostering, and adopting. Collaborating with a non-profit like Red Rover is one of many options. They offer a humane education program for youth and another program to keep domestic violence survivors together with their pets in transitional housing. For catching and rehoming the park rabbits, Only Sunshine Sanctuary has been most active recently, but Friends of Unwanted Rabbits, All Ears, as well as Leaps and Bounds, are local rescues that have rescued park rabbits in the past."

City Clerk Van read the following written comments submitted by Peter Ho, "I am Peter Ho. I addressed the council on Jan 26 regarding my home. On Mar 1, the Receiver Mr. Eric Beatty, motioned for the sale of my home and the Court granted. I responded Feb 17, 2023 emphasizing the perjury of the Improper Service, that was true and wrong. The Court / Judge did not want to acknowledge, recognize, and correct this judicial error. Perjury is a serious felony crime, submitted by the City Lw firm Jones Mayer, and it as key in setng Receivership into motion. I also emphasized how the Receivership was allowed without meeting code

requirement of reasonable time to abate and repair. I was only giving 3 days for a vague and long list created by Code Enforcement. Again,, the Court / Judge did not want to recognize this major error and unjust unlawful violation against me, and correct this error. I am being charged around \$325,000, the full value of my home, due to runup of charges, and will lose both my retirement savings and the only modest home I have. I have been mistreated and severely wronged. I am struggling to deal with the internal pain from this injustice. I ask to City council and leaders to compensate me for this excessive and unreasonable action, loss of my home, and retirement savings, in some way and extent. Or, maybe you can ask to court or Receiver to stop, and not sale my home.”

## **PRESENTATIONS**

### 4. Proclamation of the City of Citrus Heights Proclaiming March 2023 as Women’s History Month

Council Member Lopez-Taff read and presented the proclamation for Women’s History Month to Janet Harry with the Soroptimist International of Citrus Heights.

### 5. Proclamation of the City of Citrus Heights Proclaiming March 2023 as Red Cross Month

Council Member Karpinski-Costa read and presented the proclamation for Red Cross Month to Patricia Davis with the American Red Cross.

## **COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES**

Council Member Lopez-Taff attended the Sacramento Police Officers Association Retirement dinner. She attended the Citrus Heights Women’s Club Tea Party. She was invited to be a speech contest judge for the District Lions Scholarship Speech Contest. She had a briefing with the Sacramento Homeless Policy Commission CEO on their efforts.

Council Member Karpinski-Costa attended a City Council Finance Committee meeting. She provided a report from the Sacramento Area Sewer District Board meeting and the Sacramento Transportation Authority Board meeting.

Vice Mayor Daniels thanked staff for responding to recent homeless encampments near Sylvan Library.

## **CONSENT CALENDAR**

6. Pulled for discussion.

7. **SUBJECT:** Quarterly Treasurer’s Report  
**STAFF REPORT:** S. Talwar / A. Preciado  
**RECOMMENDATION:** Staff recommends the City Council receive and file the Quarterly Treasurer’s Report for the quarter ending December 31, 2022.

8. **SUBJECT:** Approval of Investment Policy for Fiscal Year 2022-23  
**STAFF REPORT:** S. Talwar  
**RECOMMENDATION:** Adopt Resolution No. 2023-019 A Resolution of the City Council of the City of Citrus Heights Approving the Investment Policy and Delegating Authority to the Administrative Services Director to Invest Funds in Accordance with the Investment Policy

9.     **SUBJECT:** Annual Comprehensive Financial Report  
**STAFF REPORT:** S. Talwar / A. Preciado  
**RECOMMENDATION:** Staff recommends the City Council accept and file the City of Citrus Heights Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2022.
10.    **SUBJECT:** 2022 General Plan Annual Progress Report  
**STAFF REPORT:** C. Kempenaar / E. Singer  
**RECOMMENDATION:** Adopt Resolution No. 2023-020 A Resolution of the City Council of the City of Citrus Heights, California, Accepting the 2022 General Plan Annual Progress Report
11.    **SUBJECT:** Second Reading – Proposed Ordinance Prohibiting Commercial Vehicle Parking on Public Streets in the City; and Resolution to Approve Fine  
**STAFF REPORT:** A. Turcotte / R. Jones  
**RECOMMENDATION:** the following is recommended:
- a.    Adopt Ordinance No. 2023-001 An Ordinance of the City Council of the City of Citrus Heights Adding Section 94-281 to Article IV Division I of the Citrus Heights Municipal Code Relating to Prohibiting Commercial Vehicle Parking on Public Streets in the City
  - b.    Adopt Resolution No. 2023-021 A Resolution of the City Council of the City of Citrus Heights, California, Updating the Citrus Heights Parking Violation Fine Schedule

**ACTION:** On a motion by Council Member Karpinski-Costa, seconded by Council Member Lopez-Taff, the City Council adopted Consent Calendar Items 7, 8, 9, 10 and 11.

AYES:           Karpinski-Costa, Lopez-Taff, Daniels  
NOES:           None  
ABSENT:         Middleton, Schaefer

**CONSENT CALENDAR ITEMS PULLED FOR DISCUSSION**

6.     **SUBJECT:** Approval of Minutes  
**RECOMMENDATION:** Approve the Minutes of the Meeting of February 23, 2023

Council Member Karpinski-Costa requested to amend the minutes to reflect that the City Clerk was only present to open the special meeting and only the City Council and City Attorney were present in the closed session. She also requested to note that Council Member Middleton participated in the special meeting remotely.

**ACTION:** On a motion by Council Member Karpinski-Costa, seconded by Vice Mayor Daniels, the City Council adopted Consent Calendar Item 6, as amended.

AYES:           Karpinski-Costa, Lopez-Taff, Daniels  
NOES:           None  
ABSENT:         Middleton, Schaefer

**PUBLIC HEARING**

12. **SUBJECT:** Zoning Code Updates  
**STAFF REPORT:** C. Kempenaar / A. Bermudez / E. Singer  
**RECOMMENDATION:** Continued to the March 23, 2023 City Council Meeting

Vice Mayor Daniels opened the public hearing at 6:28 p.m., hearing no speakers he closed the public hearing.

**ACTION:** On a motion by Council Member Lopez-Taff, seconded by Council Member Karpinski-Costa, the City Council continued the Zoning Code Updates to the April 27, 2023 City Council meeting.

AYES: Karpinski-Costa, Lopez-Taff, Daniels  
 NOES: None  
 ABSENT: Middleton, Schaefer

**REGULAR CALENDAR**

13. **SUBJECT:** Fiscal Year 2022-23 Mid-Year Budget Adjustment and Financial Forecast Update  
**STAFF REPORT:** S. Talwar / T. Nossardi  
**RECOMMENDATION:** Adopt Resolution No. 2023-022 A Resolution of the City Council of the City of Citrus Heights Approving Amendments to the Fiscal Year 2022-23 Budget

Administrative Services Director Talwar provided an update on the status of the Fiscal Year 2022-23 Budget. Staff is recommending some adjustments to the FY 22-23 adopted budget. Staff is projecting about a \$1.58 million increase in revenue adjustments and about a \$200,000 increase in expenditures adjustments. She also provided an overview of the American Rescue Plan Act funding to date.

Council questions and comments followed.

Administrative Services Director Talwar and City Manager Feeney responded to questions.

**ACTION:** On a motion by Council Member Lopez-Taff, seconded by Council Member Karpinski-Costa, the City Council adopted Resolution No. 2023-022 A Resolution of the City Council of the City of Citrus Heights Approving Amendments to the Fiscal Year 2022-23 Budget.

AYES: Karpinski-Costa, Lopez-Taff, Daniels  
 NOES: None  
 ABSENT: Middleton, Schaefer

**DEPARTMENT REPORTS**

None

**CITY MANAGER ITEMS**

City Manager Feeney announced Citrus Heights Police Officer recruit Jared Bracket graduated from the Sacramento County Sheriff's Department Police Academy. He also announced that the Police Department has

been working on bringing back daily police incident logs that are now available on their website. He also described the ways that the public can report concerns to the City.

**ITEMS REQUESTED BY COUNCIL MEMBERS/ FUTURE AGENDA ITEMS**

Vice Mayor Daniels requested a future agenda item to consider opposing an assembly bill that would ban youth tackle football. Council Member Karpinski-Costa stated she would need more information and supported a future agenda item to hear a presentation on both sides of the proposed bill.

**ADJOURNMENT**

Vice Mayor Daniels adjourned the regular meeting at 6:54 p.m.

Respectfully submitted,

\_\_\_\_\_  
Amy Van, City Clerk



# CITY OF CITRUS HEIGHTS

## CITY COUNCIL STAFF REPORT MEMORANDUM

**DATE:** March 23, 2023

**TO:** Mayor and City Council Members  
Ashley J. Feeney, City Manager

**FROM:** Meghan Huber, Economic Development &  
Community Engagement Director  
Courtney Riddle, Management Analyst

**SUBJECT:** **Neighborhood Improvement Partnership Grant Program –  
Guidelines modification**

### **Summary and Recommendation**

In November 2001, City Council approved the Neighborhood Improvement Partnership funding program. The program provides funding for neighborhood associations for neighborhood improvement projects in their neighborhoods. Modifications have been made to the guidelines over the life of the program, most recently in Fiscal Year 2017/2018.

As part of the creation of the Economic Development & Community Engagement Department (EDCE), staff have visited Resident Empowerment Association of Citrus Heights (REACH) and all active Neighborhood Associations (NAs) to learn about needs, engage in dialogue and receive feedback. A consistent point of feedback heard is that the current Neighborhood Improvement Project grant program guidelines make it difficult to utilize the program due to application deadline and project timeline restrictions. Program utilization rates have waned over time, confirming this feedback.

Staff have modified the program guidelines to make them more nimble, responsive and usable with a goal to increase program subscription. Staff recommends City Council approve Resolution No. 2023-\_\_\_ a resolution approving the proposed Neighborhood Improvement Partnership Grant Program Guidelines.

### **City Council Strategic Goal/Objective**

This staff report aligns with the following Citrus Heights City Council Strategic Plan Goal:  
Enhance community vibrancy and engagement

**Subject: Neighborhood Improvement Project Funding Program – Guidelines modification**

**Date: March 23, 2023**

**Page 2 of 3**

### **Fiscal Impact**

This recommendation has no fiscal impact. However, it is staff’s goal that by loosening restrictions, REACH and NAs will be able to more fully utilize the existing grant funding opportunity. A breakdown of Resident Empowerment Association (REACH) and Neighborhood Improvement Project funding for Fiscal Year 22/23 is provided below:

<b>REACH/Neighborhood Area Community Support FY 22/23</b>	<b>Budgeted</b>	<b>Allocated</b>	<b>Remaining</b>
REACH Admin Fees	\$11,000	\$9,000	\$2,000
Neighborhood Improvement Projects	\$15,000	-	\$15,000

### **Background and Analysis**

In December 2001, the City Council approved a pilot program for funding neighborhood improvement projects. By Resolution No. 2017-047, City Council established a funding process where the Finance Committee would make an annual recommendation for funding levels for operational expenses and neighborhood improvement projects for REACH and the neighborhood associations.

Following is a synopsis of changes and enhancements made in the proposed guidelines:

- Including new program criteria that supports applications that “create community connection and build neighborhood association awareness and engagement”;
- Removing the requirement “Applications must be submitted to City staff by December 31st for the following fiscal year with the exception of Fiscal Year 17/18.”;
- Changing the program to operate on a first come, first serve basis;
- Removing the requirement that a capital project involving another public agency “must be matched with 100% funds or resources from the public agency”;
- The following language was added for transparency about NIP funding availability:
  - “The program will be managed as a zero-based budget. Any funds not used during the fiscal year will be returned to the General Fund and a new allocation will be made. Unused funds will not roll over from year-to-year.
- A modified approvals process to ensure the program is nimble and responsive and consistent with a first come, first serve application process:
  - “Each application will be reviewed and evaluated per the funding criteria by Community Engagement staff. If an application requests a micro grant of \$500 or less the application may be approved or denied at the City Manager’s discretion. City Council will be notified of any award. If an application requests \$501 or more the application will be reviewed by the City Council Quality of Life Committee. The Quality of Life Committee will make recommendations to the City Council for funding approval which will be considered at a public meeting.”

**Subject: Neighborhood Improvement Project Funding Program – Guidelines modification**

**Date: March 23, 2023**

**Page 3 of 3**

**Attachments**

1. Resolution No. 2023-\_\_\_ a resolution approving Neighborhood Improvement Partnership Grant Program Guidelines
  - a. Neighborhood Improvement Partnership Grant Program Guidelines

**RESOLUTION NO. 2023- \_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, APPROVING NEIGHBORHOOD IMPROVEMENT PARTNERSHIP GRANT PROGRAM GUIDELINES**

**WHEREAS**, the City of Citrus Heights has a strategic goal to “Enhance Community Vibrancy and Engagement”;

**WHEREAS**, In November 2001, City Council approved the Neighborhood Improvement Partnership funding program. The program provides funding for neighborhood associations for neighborhood improvement projects in their neighborhoods. Modifications have been made to the guidelines over the life of the program, most recently in Fiscal Year 2017/2018;

**WHEREAS**, program utilization rates have waned over time and feedback the current Neighborhood Improvement Project grant program guidelines make it difficult to utilize the program due to application deadline and project timeline restrictions;

**WHEREAS**, staff have modified the program guidelines to make them more nimble, responsive and usable with a goal to increase program subscription; and

**NOW THEREFORE BE IT RESOLVED AND ORDERED** the City Council hereby approves the Neighborhood Improvement Partnership Program Guidelines.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

**PASSED AND ADOPTED** by the City Council of the City of Citrus Heights, California, this 23rd day of March 2023 by the following vote, to wit:

**AYES: Council Members:**  
**NOES: Council Members:**  
**ABSTAIN: Council Members:**  
**ABSENT: Council Members:**

\_\_\_\_\_  
**Tim Schaefer, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Amy Van, City Clerk**

**Exhibit**

- A. Neighborhood Improvement Partnership Grant Program Guidelines



## City of Citrus Heights Neighborhood Improvement Partnership Grant Guidelines

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*The City provides funding annually for neighborhood projects to be completed by Neighborhood Associations. Below is a description of the partnership between the City of Citrus Heights, REACH and the individual Neighborhood Associations and the types of projects that can be funded.*

The proposed project must meet at least one of the following criteria:

- Reduce potential property damage or heighten security of a neighborhood;
- Promote safety or improve safety in a neighborhood;
- Enhance the neighborhood aesthetic or quality of life; or
- Create community connection and build neighborhood association awareness and engagement.

The proposed project must be structured so the majority of benefit is to the public – not an individual. The project must also have the support of the residents that are directly impacted by the proposal. Depending on the project, the area of “direct impact” will be different. Applicants are encouraged to work with REACH and staff to make the determination before gathering support for their proposal. If necessary, support or nonsupport may be shown by testimonials, a written survey, or something similar. In addition, the project must have a project coordinator who is responsible to ensure project is completed per approved application, including a final report to REACH and/or the City Council.

There are two types of projects within the Neighborhood Improvement Partnership (“NIP”) – “Capital Projects” and “Programs”.

- **Capital Projects**

- Eligibility -- Capital projects are eligible if they are primarily infrastructure related (as opposed to a program or maintenance and operations). Examples of eligible projects include play equipment or a public art project at a park, school or other public entity, street light, sidewalk or path installation, frontage improvements, landscape improvements, tree plantings, community garden start up, etc. An important requirement for use of these funds is that the project must primarily occur on public property for the benefit of the public. Therefore, a capital project to improve a residential property would not be eligible.
- Partnering with Another Public Agency -- If the project involves improvements to property owned by another public agency, the following criteria must be met:
  - Project must contribute to the neighborhood’s quality of life; The development of and/or impact of the project promotes community involvement; and NIP funds may not be used to replace the public agency’s funds that should already be designated for Citrus Heights.
- Application -- Complete “NIP - Capital Projects Application Form”. Applications will be accepted and reviewed on a first-come, first-served basis, and at any time. The program will be managed



as a zero-based budget. Any funds not used during the fiscal year will be returned to the General Fund and a new allocation will be made. Unused funds will not roll over from year-to-year.

- Review & Approval –
  - The first step is to discuss and review the capital project idea with City staff and receive advisement on agency approvals and other permissions that may be needed.
  - After reviewing the project path for completion with the City, the Neighborhood Association then submits the application.
  - Each application will be reviewed and evaluated per the funding criteria by Community Engagement staff. If an application requests a micro grant of \$500 or less the application may be approved or denied at the City Manager’s discretion. City Council will be notified of any award. If an application requests \$501 or more the application will be reviewed by the City Council Quality of Life Committee. The Quality of Life Committee will make recommendations to the City Council for funding approval which will be considered at a public meeting.
- **Program**
  - Eligibility -- A service or project designed to meet a community need or enhance a neighborhood that is programmatic in nature. A program would entail a non-capital effort that may range such as a community clean up event or other community-building or improvement activity. Refer to the Neighborhood Tool Kit for program ideas.
  - Application -- Complete “NIP -- Program Application Form”. Applications will be accepted and reviewed on a first-come, first-served basis, and at any time. The program will be managed as a zero-based budget. Any funds not used during the fiscal year will be returned to the General Fund and a new allocation will be made. Unused funds will not roll over from year-to-year. Funds will then be disbursed to the neighborhood association on a reimbursement basis.
  - Review & Approval -- Each application will be reviewed and evaluated per the funding criteria by Community Engagement staff. If an application requests a micro grant of \$500 or less the application may be approved or denied at the City Manager’s discretion. City Council will be notified of any award. If an application requests \$501 or more the application will be reviewed by the Finance Committee. The Quality of Life Committee will make recommendations to the City Council for funding approval which will be considered at a public meeting.
  - Non-affiliation – Although the City is partnering with REACH and Neighborhood Associations on potential projects, the City is a separate entity and not affiliated with these organizations.

###

For questions or further information,  
 please contact the City’s REACH Coordinator  
 at 725-2448 or [REACHCoordinator@citrusheights.net](mailto:REACHCoordinator@citrusheights.net)



# CITY OF CITRUS HEIGHTS

## CITY COUNCIL STAFF REPORT MEMORANDUM

**DATE:** March 23, 2023

**TO:** Mayor and City Council Members  
Ashley J. Feeney, City Manager

**FROM:** Casey Kempenaar, Community Development Director  
Nicole Piva, Housing & Human Services Program Coordinator

**SUBJECT:** **Consolidated Annual Performance Evaluation Report to the U.S. Department of Housing and Urban Development for Program Year 2022 Community Development Block Grant Funds**

### **Summary and Recommendation**

As a function of receiving Community Development Block Grant (CDBG) funding, the U.S. Department of Housing and Urban Development (HUD) requires the development of a Consolidated Annual Performance Evaluation Report (CAPER). The CAPER serves as an annual evaluation of the progress and implementation of programs and activities under the CDBG program. The CAPER also describes the City's progress in meeting its five-year goals and priorities set forth in the City's 2020-2024 Consolidated Plan, which was adopted October 24, 2019.

Staff recommends the City Council:

- (1) Conduct a public hearing to review the City's Consolidated Annual Performance and Evaluation Report (CAPER) for the Community Development Block Grant (CDBG) program year 2022; and
- (2) Adopt Resolution No. 2023-\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California, Approving the Consolidated Annual Performance Evaluation Report for Program Year 2022 and Direct Staff to submit, with Minor Modifications as Necessary, the CAPER report to the U.S. Department of Housing and Urban Development (HUD).

### **City Council Strategic Goal/Objective**

This staff report aligns with the following Citrus Heights City Council Strategic Plan Objective:

Goal: Enhance Community Vibrancy and Engagement

**Subject: Consolidated Annual Performance Evaluation Report for Program Year 2022**

**Date: March 23, 2023**

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### **Fiscal Impact**

There is no fiscal impact associated with this action.

### **Background and Analysis**

During the 2022 program year, the City received a total of \$624,851 in entitlement CDBG grant funds from HUD. The grant allows the City to carry out a number of housing and community development programs that are targeted primarily to low income households. Funded activities included youth services, meals for seniors, emergency food bank, homeless prevention services, landlord/tenant and fair housing counseling, case management, and public infrastructure projects.

CDBG regulations require the City to place a public notice in *The Citrus Heights Messenger* 14-days in advance of a 15-day period to review and provide comments on the draft CAPER prior to approval by the City Council. A public notice announcing the availability of the CAPER was published in *The Citrus Heights Messenger* February 21, 2023. The public comment period began on March 7, 2023, and will conclude on March 23, 2023. Copies of the CAPER were made available for public review at designated locations and on the City's website. Staff has not received any public comment since the notice has been published in *The Citrus Heights Messenger*. Any written comments or questions are responded to during the public hearing or in writing by staff and are included in the CAPER when it is submitted to HUD.

The City worked collectively with a variety of nonprofit agencies to fulfill unmet needs within the community. The highlights of the report include:

- Sacramento Self-Help Housing provided housing counseling and navigation services with additional counseling, dispute resolution and fair housing services to residents via calls and internet based Renters Helpline.
- Campus Life Connection provided an after-school youth program at the Sayonara Center.
- Sunrise Christian Food Ministry distributed a variety of fresh and canned food including household items.
- Meals on Wheels by ACC provided meals to seniors who are homebound as well as an All Seasons Café where meals are made available for seniors to pick-up curbside.
- Home Repair Loan Program supported four low income homeowners with health and safety improvements to their home using the City's Revolving Loan Fund (RLF).
- Residential Street Resurfacing Project and the Greenback Complete Streets Project, which added sidewalks and curb ramps primarily in low income neighborhoods and other high traffic intersection to increase pedestrian safety, walkability, and meet Americans with Disability Acts requirement.

With the availability of CDBG Coronavirus (CDBG-CV) funds to be used to prevent, prepare for, and respond to COVID-19, staff was also able to work with nonprofits in providing essential services to vulnerable populations impacted by the COVID-19 public health emergency. Funded CDBG-CV projects included:

**Subject: Consolidated Annual Performance Evaluation Report for Program Year 2022**

**Date: March 23, 2023**

**Page 3 of 3**

- Sunrise Christian Food Ministry expanded their emergency food and household distribution and address food insecurity.
- Meals on Wheels by ACC expanded home delivered and emergency meal delivery service to seniors.
- PRIDE Industries provided a youth workforce development program.
- Campus Life Connection supports providing meals to children and families in addition, offering a food closet to families.
- Supplemental Navigator Program provided essential resources to the Citrus Heights Navigator for unhoused clients in order to assist in obtaining permanent housing.
- Sacramento Self-Help Housing updated the Renters Helpline website to better assist tenants and landlords who were experiencing impacts due to COVID-19.
- Critical Home Repair Grant Program provided six grants to low income mobilehome homeowners impacted by COVID-19, with the goal of preventing homelessness.

The City continues to use CDBG funding primarily to assist low income households, especially seniors, youth, people experiencing homelessness, and with disabilities. Overall, the City used its CDBG funds to make substantial investments in the community and maintained commitment to the City's unhoused community and low income population. See Attachment 3 the funding table that outlines the activities provided, funding allocations, and funding spent to-date.

### **Attachments**

- (1) Resolution No. 2023 \_\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California, Approving the Consolidated Annual Performance Evaluation Report for Program Year 2022 and Direct Staff to Submit, with Minor Modifications as Necessary, the CAPER report to the U.S. Department of Housing and Urban Development (HUD).
- (2) Consolidated Annual Performance Evaluation Report for Program Year 2022
- (3) Funding Table for Program Year 2022

**RESOLUTION NO. 2023- \_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, APPROVING THE CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT FOR PROGRAM YEAR 2022 AND DIRECT STAFF TO SUBMIT, WITH MINOR MODIFICATIONS AS NECESSARY, THE CAPER REPORT TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)**

**WHEREAS**, the City of Citrus Heights has applied for and received Community Development Block Grant (CDBG) funds as an entitlement jurisdiction from the Government of the United States under Title I of the Housing and Community Development Act of 1974;

**WHEREAS**, the U.S. Department of Housing and Urban Development (HUD) is the federal agency designated to regulate and oversee the administration of the CDBG program;

**WHEREAS**, HUD requires entitlement jurisdictions to complete an annual evaluation of their grant programs through a report known as the Consolidated Annual Performance and Evaluation Report (CAPER);

**WHEREAS**, a public notice was published on February 21, 2023 in the *Citrus Heights Messenger*, 14 days in advance of a 15-day period to review and provide comments on the draft CAPER prior to holding the required Public Hearing and ultimate approval by the City Council on March 23, 2023;

**WHEREAS**, approval of the CAPER is not subject to the California Environmental Quality Act (CEQA), pursuant to Section 15060(c) (2), as its approval will not result in a direct or reasonably foreseeable indirect physical change in the environment.

**NOW THEREFORE BE IT RESOLVED AND ORDERED** that the City of Citrus Heights does hereby:

- (1) Approve the Consolidated Annual Evaluation Report (CAPER) for PY 2022,
- (2) Authorize the City Manager or their designee to submit the CAPER to the U.S. Department of Housing and Urban Development (HUD), and
- (3) Allow staff to make minor technical modifications and/or necessary corrections to the CAPER as required by HUD.

**PASSED AND ADOPTED** by the City Council of the City of Citrus Heights, California, this 23<sup>rd</sup> day of March 2023.

**AYES:** Council Members:  
**NOES:** Council Members:  
**ABSTAIN:** Council Members:  
**ABSENT:** Council Members:

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**Tim Schaefer, Mayor**

**ATTEST:**

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**Amy Van, City Clerk**

## **CR-05 - Goals and Outcomes**

### **Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)**

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The City completed several activities in Program Year (PY) 2022, including the following (not limited to):

The City partnered with a number of unique nonprofit organizations in PY 2022 to implement programs and critical public services such as meal delivery to Citrus Heights seniors, supporting an emergency food closet and an afterschool program. Additionally, housing counseling and navigation services were provided to over 200 households through Sacramento Self-Help Housing with additional counseling, dispute resolution and fair housing services provided to over 300 residents via calls and internet based Renters Helpline.

The City also utilized CDBG and other state and local funds to complete the Residential Street Resurfacing Project and Greenback Complete Streets Project, which added sidewalks and curb ramps primarily in low income neighborhoods and other high traffic intersections to increase pedestrian safety, walkability, and meet Americans with Disability Acts requirements.

The City continues to support low income homeowners make health and safety improvements to their home through the City's Revolving Loan Fund (RLF). Four homeowners received assistance in PY 2022.

CDBG-CV funds continue to be used to prevent, prepare for, and respond to the COVID-19 by addressing food insecurity and providing resources to unhoused individuals. CDBG-CV funds are also used to support the Critical Home Repair Grant Program which provides grants to low income mobilehome homeowners impacted by COVID-19, with the goal of preventing homelessness. The City has currently spent \$789,587.95 of its CDBG-CV funds and is on track to meet all associated expenditures deadlines.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee’s program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Strategic Plan 2020-2021	Actual Strategic Plan 2020-2021	Percent Complete	Expected PY 2022	Actual PY 2022	Percent Complete
Affirmatively furthering fair housing <i>Renters Helpline</i>	Affordable Housing	CDBG: \$23,403	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	835	580	69%	425	305	72%
Construct/upgrade public facilities	Non-Housing Community Development	\$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1,000	3,515	352%	0	0	0%

Foster affordable housing <i>Sunrise Pointe Apartments Project</i>	Affordable Housing	HOME: \$3.8M	Rental units constructed	Household Housing Unit	46	0	0%	46	0	0%
Foster affordable housing <i>Critical Home Repair Grant Program</i> <i>Housing Repair Loan Program</i>	Affordable Housing	CDBG-CV: \$96,445 CDBG (RLF): \$300,000	Homeowner Housing Rehabilitated	Household Housing Unit	30	13	43%	6	6	100%
Foster affordable housing <i>First-Time Homebuyer Program</i>	Affordable Housing	\$0	Direct Financial Assistance to Homebuyers	Households Assisted	0	0	0%	0	0	0%

<p>Improve accessibility</p> <p><i>Greenback Complete Streets Project</i></p> <p><i>Residential Street Resurfacing Project</i></p>	<p>Non-Housing Community Development</p>	<p>CDBG: \$663,000</p>	<p>Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit</p>	<p>Persons Assisted</p>	<p>15,000</p>	<p>22,680</p>	<p>151%</p>	<p>13,430</p>	<p>14,920</p>	<p>111%</p>
<p>Provide public services responsive to current need</p> <p><i>Sunrise Christian Food Ministry</i></p>	<p>Non-Homeless Special Needs</p>	<p>CDBG: \$20,342</p> <p>CDBG-CV: \$30,000</p> <p>General Fund FY 22-23: \$2,450</p>	<p>Public service activities other than Low/Moderate Income Housing Benefit</p>	<p>Persons Assisted</p>	<p>16,000</p>	<p>10,197</p>	<p>64%</p>	<p>7,000</p>	<p>6,211</p>	<p>89%</p>
<p>Services for people experiencing homelessness</p> <p><i>Housing Counseling Services</i></p>	<p>Homeless</p>	<p>CDBG: \$16,000</p> <p>PLHA: \$78,000</p>	<p>Public service activities other than Low/Moderate Income Housing Benefit</p>	<p>Persons Assisted</p>	<p>536</p>	<p>399</p>	<p>74%</p>	<p>112</p>	<p>202</p>	<p>180%</p>

Services for people experiencing homelessness  <i>Supplemental Navigator Program</i>	Homeless	CDBG-CV: \$313,000	Homelessness Prevention	Persons Assisted	536	399	74%	112	202	180%
Services for seniors and youth  <i>Meals on Wheels</i>  <i>Sayonara After-School Program</i>	Non-Homeless Special Needs	CDBG: \$33,983  General Fund FY 22-23: \$109,500	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1,272	1,186	93%	389	339	87%

**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

As part of the Consolidated Plan effort, the City selected two key priorities:

- Build healthy communities; and
- Expand economic opportunities.

The goals align closely with three of the City Council three-year goals, which include maintain fiscal stability, diversify for a changing economy, and improve streets and infrastructure.

- Foster affordable housing;
- Services for people experiencing homelessness;
- Services for seniors and youth;
- Provide public services responsive to current need;
- Construct/upgrade public facilities;
- Improve accessibility;
- Affirmatively further fair housing;
- Effectively administer CDBG program.

The 2020-2024 Consolidated Plan identifies the following housing goals:

- Enhance the quality of safety of the existing housing stock, and
- Provide programs that assist first-time homebuyers in order to stabilize homeownership rates and to increase the level of resident investment in neighborhoods.

All projects funded during 2022 addressed one or more of the priorities included in the Consolidated Plan. The City has made progress towards addressing homelessness prevention, supported nonprofits while offering a wide range of social services, and assisted with an accessibility and drainage improvement project within the City’s primarily low- and moderate income neighborhoods.

**CR-10 - Racial and Ethnic composition of families assisted**

Describe the families assisted (including the racial and ethnic status of families assisted).

**91.520(a)**

	<b>CDBG</b>
White	9,982
Black or African American	670
Asian	218
American Indian or American Native	102
Native Hawaiian or Other Pacific Islander	142
Other multi-racial	2,796
<b>Total</b>	<b>13,910</b>
Hispanic	2,148
Not Hispanic	11,885

**Table 2 – Table of assistance to racial and ethnic populations by source of funds**

*Table Note: This table does not provide all "race" categories available in IDIS. Therefore, the number shown in the table is lower than the actual number reported in IDIS. Also, total includes populations reported served by CDBG and CDBG-CV funds during the program year.*

**Narrative**

The race and ethnicity of persons assisted through CDBG and CDBG-CV funds generally reflects the diversity of Citrus Heights residents. Each Subrecipient is required to gather demographics for each client and/or household. The City strives to make all CDBG funded programs available to eligible low- and moderate-income persons or households.

**CR-15 - Resources and Investments 91.520(a)****Identify the resources made available**

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG-EN	public - federal	1,518,036.25	\$1,119,510.59
General Fund FY 22/23	public - local	\$111,950.00	\$55,975.00
Program Income	public - federal	\$117,572.50	\$250,239.17

**Table 3 - Resources Made Available**

*Table Note: This table includes CDBG funds drawn during PY 22. It does not include CDBG-CV funds expended.*

*Table Note: The City received a total of \$117,572.50 in program income for PY 2022. The amount of program income expended is higher than received because prior year program income was used to fund the City's Housing Repair Loan Program.*

**Narrative**

In PY 22, the City expended a total of \$1,119,510.59 CDBG funds and \$789,587.95 in CDBG-CV funds. In addition, in FY 22/23 the City invested \$111,950 in General Fund monies in support of community activities, including many offered by CDBG-eligible nonprofits. Sunrise Christian Food Ministry, Campus Life Connection, and Meals on Wheels by ACC were all beneficiaries of these local funds.

The City continues to support low income homeowners make health and safety improvements to their home through the City's Revolving Loan Fund (RLF). Four homeowners received assistance in PY 2022. These funds are received through loan repayments which are funneled back into the CDBG program to issue new loans for housing repair.

The Sacramento Housing Redevelopment Agency is the lead agency in the Sacramento HOME Consortium. The City of Citrus Heights, City of Rancho Cordova, and Sacramento Housing Redevelopment Agency receive HOME funds, SHRA is the lead agency in the HOME Consortium and is responsible for managing the City's annual HOME allocation and related program income.

In January 2020, the City Council approved a 47-unit multi-family affordable housing development, Sunrise Pointe Apartments, this project will provide affordable permanent supportive housing for persons and families. The City Council allocated \$3.58 million from the Citrus Heights HOME Investment Partnership fund to the Sunrise Pointe Apartment project, in coordination with the developer Jamboree and service provider Hope Cooperative. The project is a qualified "affordable" project under the State Government Code. To qualify as an affordable housing development, the project must set aside a certain number of units to households whose income is considered low to very low.

Sunrise Pointe is a 100 percent affordable development, meaning all 46 units will be for residents whose income ranges all within or below the income limits and one unit will be used for an on-site property manager.

The developer has agreed to execute 55-year affordability covenants on the property in exchange for the HOME funds. The Sunrise Pointe development is made up of two residential buildings totaling 46 rental units and one manager apartment. This project was awarded federal tax credits and is in the process of obtaining building permits. This project is under construction and expected to be open for occupancy April 2023.

**Identify the geographic distribution and location of investments**

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description

**Table 4 – Identify the geographic distribution and location of investments**

Table Note: Not applicable. The City did not designate any target areas, choosing to make funds available to qualifying projects citywide.

**Narrative**

The City’s CDBG-funded projects took place at various locations throughout Citrus Heights – primarily in low- and moderate-income US Census block group areas, including the 2022 Residential Street Resurfacing Project and the Greenback Complete Street Project. Most programs the City offered, including the Critical Home Repair Grant Program and the Housing Repair Loan Program, and public services were available to eligible low-income individuals and households citywide.

**Leveraging**

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

There is no federal requirement for the City to match CDBG funds with other non-federal program resources. In FY 22/23 the City allocated \$111,950 in General Fund monies to nonprofits providing a community service in Citrus Heights. With respect to public services, the City requires all Subrecipients to identify other resources that will be leveraged during the program year to operate and implement CDBG supportive activities. It is the city's intent to ensure adequate non-federal and private funds are available, thus minimizing the dependence on federal funds.

The City did not use any publicly-owned property in PY 22 to address the needs identified in the Consolidated Plan, although the City is expecting the approved 47-unit multi-family affordable housing development, Sunrise Pointe to meet the housing needs of lower-income households. This project is currently under construction and expected to open for occupancy April 2023.

**CR-20 - Affordable Housing 91.520(b)**

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	<b>One-Year Goal</b>	<b>Actual</b>
Number of Homeless households to be provided affordable housing units	46	0
Number of Non-Homeless households to be provided affordable housing units	0	0
Number of Special-Needs households to be provided affordable housing units	0	0
<b>Total</b>	<b>46</b>	<b>0</b>

**Table 11 – Number of Households**

	<b>One-Year Goal</b>	<b>Actual</b>
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	10	10
Number of households supported through Acquisition of Existing Units	0	0
<b>Total</b>	<b>10</b>	<b>10</b>

**Table 12 – Number of Households Supported**

Table Note: Households supported through rehab of existing units include 4 single family home repairs and 6 critical home repairs.

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals.**

The City of Citrus Heights is 98% built out so there is little land available for new housing developments. Additionally, this means the City does not have substantial development fees with which to fund these efforts. Furthermore, due to the City's revenue neutrality agreement with the county, Citrus Heights did not receive property tax revenue for twenty-five years, since the city incorporated in 1997. January 2023 is the first year Citrus Heights received property tax revenue. Also, the elimination of Redevelopment funding at the state level makes the development of affordable housing increasingly challenging.

Despite these challenges, the City has taken steps towards meeting its affordable housing goals. In January 2020, the City Council approved a 47 unit multi-family affordable housing development, named Sunrise Pointe. In addition, the City Council approved the allocation of \$3.58 million from the Citrus Heights HOME Investment Partnerships Fund. The Sunrise Pointe developer is Jamboree Housing Corporation and the service provider is TLCS, Incorporated. Sunrise Pointe will provide permanent affordable housing for persons and families identified through the coordinated access entry system. The Sunrise Pointe development is made up of two residential buildings totaling 46 rental units and one manager apartment. This project was awarded federal tax credits and is in the process of obtaining building permits. This project is under construction and expected to be open for occupancy April 2023.

**Discuss how these outcomes will impact future annual action plans.**

Additionally, the City continued partnership with Rebuilding Together Sacramento and Michael Baker International, Inc. made it possible for income-qualified residents to receive health and safety repairs to their homes. This housing repair program contributes toward continued preservation of the existing housing stock and priorities identified in the 2020-2024 Consolidated Plan. The two programs combined, successfully repaired 10 homes citywide.

In future years, the City anticipates continuing to allocate resources to creating new housing opportunities for lower-income households, including people experiencing homelessness, and helping low-income household maintain their housing.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

<b>Number of Households Served</b>	<b>CDBG Actual</b>
Extremely Low-income	674
Low-income	627
Moderate-income	12,686
<b>Total</b>	<b>13,987</b>

**Table 13 – Number of Households Served**

### **Narrative Information**

This table represents households assisted through the Critical Home Repair Grant Program and the Home Repair Loan Program. The City provided 6 mobilehome homeowners with grants to make critical repairs to their homes. The City provided 4 single family homeowners with a loan to make health and safety repairs to their homes. The home repair programs assists in maintaining affordable housing and improves the overall condition of the City's housing stock for future generations.

**CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

**Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

In PY 22, the City continued to fund a full-time and part-time homeless navigator through Sacramento Self-Help Housing (SSHH). The Navigators are employees of SSHH who collaborate and work directly under the Citrus Heights Police Department to locate and assist people experiencing homelessness. The Navigator's goal is to remove the barriers to accessing housing including connecting individuals to available services and transporting clients to appointments. The Navigators interacts with unhoused people in a positive way by building relationships and assisting clients with overcoming barriers that keep them from obtaining and maintaining permanent and stable housing.

For many years the City has provided CDBG funding to SSHH, which delivers an ongoing service to an increasing number of households each year. SSHH continues to provide housing counseling services to homeless persons as well as those at-risk of becoming homeless. The SSHH housing counselor meets with the clients to help connect them to low-cost housing options, when available. The housing counselor provides housing information and other referrals based on the household's intake assessment. Each household is provided with information regarding housing availability and rental criteria. In addition, clients may receive assistance in completing housing-related paperwork such as rental applications, and receive housing interview tips. The housing counselor serves as the household's advocate and maintains regular contact through routine follow-up.

**Addressing the emergency shelter and transitional housing needs of homeless persons**

City staff participates in the Homeless Assistance Resource Team (HART), a group of agencies, nonprofits, faith based organizations, members of the business community and interested individuals dedicated to addressing Citrus Heights homeless issue. The goal of HART is to provide homeless individuals with resources so they may better access housing options. The Navigators also provide referrals and resources. The Citrus Heights HART operates an annual Winter Sanctuary Program that provides overnight shelter and services from December to February for up to 25 individuals per night.

City staff also participates in outreach efforts to the unsheltered homeless. Police officers who are in contact with people experiencing homelessness in Citrus Heights connect with the Navigator to conduct outreach along the trails, creeks and other known encampments. The Navigators also connect clients to Sacramento Steps Forward, the HUD-designated Continuum of Care (CoC) for the Sacramento Region.

The City maintains strong involvement with Sacramento Steps Forward as it coordinates the regional homeless response system. The City's Housing and Human Services Program Coordinator, Nicole Piva currently serves on the Continuum of Care Advisory Board. The Continuum of Care Board is responsible for advising the Sacramento Steps Forward Board of Directors on policy around the issue of homelessness. The goal of the Advisory Board is to ensure Sacramento Steps Forward retains a broad representation of the constituents in the community, allowing the organization to establish a more efficient method of community planning and evaluation.

As mentioned, the City contracts with SSHH who offers housing counseling to those who are at-risk of homelessness or who are currently experiencing homelessness along with the Navigator who reaches out to unhoused people in partnership with the Citrus Heights Police Department. Additionally, the City of Citrus Heights is an active participant in regional efforts to address the needs of people experiencing homelessness. The City continues to work with the CoC to implement and monitor the regionally-funded programs within Sacramento County and improve the efficiency and effectiveness of the countywide homeless response system through a Coordinated Access System pilot project.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The City provides funding to SSHH, which offers housing counseling to households who are at-risk of becoming homeless. SSHH collaborates with a variety of nonprofits to reach a greater number of clients who many need assistance locating stable housing options and accepts referrals from agency who work with at-risk clients. In addition, a viable tool SSHH provides to at-risk is a searchable database of low-income housing options on their website.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The City coordinates and participates in the Homeless Assistance Resource Team (HART), a group of agencies, nonprofits, faith-based organizations, and interested individuals dedicated to addressing Citrus Heights homeless issues. The goal of HART members is to provide homeless individuals with resources in order to access housing.

The City also participates in outreach efforts to unsheltered homeless with the Citrus Heights Navigator and the Citrus Heights Police Department, resources provided upon contact of someone experiencing homelessness or at-risk of homelessness.

The City is one of the funders of the regional Renter's Helpline Program, which provides resources and housing counseling services to low-income renters who are in danger of becoming homeless. The Renter's Helpline provides assistance filling out notices and mediating between the tenant and landlord to maintain the tenant's current housing.

The City also collaborates with the Sacramento Continuum of Care and Sacramento County to develop additional connections between regional agencies in order to prevent homelessness among low-income individuals being discharged from local institutions and those receiving other public assistance.

**CR-30 - Public Housing 91.220(h); 91.320(j)****Actions taken to address the needs of public housing**

The Sacramento Housing and Redevelopment Agency (SHRA) is the public housing agency serving the City of Citrus Heights. SHRA is independent of Citrus Heights, and the City retains no control over their funding or implementation of programs. However, we coordinate with SHRA when possible. Refer to the SHRA Public Housing Authority Annual Action Plan for information on the ways that SHRA addresses public housing needs.

**Actions taken to encourage public housing residents to become more involved in management and participate in homeownership**

SHRA encourages public housing residents to participate in policy, procedure, and program implementation of development through its Resident Advisory Board. In addition, the Housing Authority recognizes Resident Committees throughout the Sacramento Region; the residents are elected bodies representing residents in their respective complexes. SHRA also distributes a quarterly newsletter to all residents, contains relevant news, information on training and employment opportunities, and other community resources available to public housing residents. Public housing residents also participate in the development of SHRA's five-year annual plan. The Resident Services Division distributes a survey to prioritize resident needs, and short- and long- term improvements.

**Actions taken to provide assistance to troubled PHAs**

SHRA is not designated as "troubled".

**CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)**

A continued supply of housing to all household's income levels is essential to meet the needs of the residents of the City. Citrus Heights is largely "built-out" and the supply is dependent not only on production, but on the preservation of existing affordable housing. To assure the continuing production of affordable housing, the city has examined possible constraints and barriers. Constraints to affordable housing are both governmental and non-governmental. Governmental constraints include land use controls, entitlement processing, fees, and building codes.

Land uses controls are necessary to ensure orderly and appropriate development and growth in the City. Fees, land dedication and public improvements are usually required as part of land development and entitlement processing to ensure an adequate supply of infrastructure, parks, and schools to serve the development. The City may consider waiving appropriate development fees to facilitate development of affordable housing. Building and housing codes are implemented to ensure the safety of the community (housing residents, specifically).

**Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

Some obstacles to meeting underserved needs are:

- Available funding is not sufficient to address the community's needs. CDBG funding was available to public service agencies and the City provided \$111,950 in local funding for Fiscal Year (FY) 22/23. The City continues to encourage nonprofits to identify other public or private funding sources.
- Although most the region's service providers are in Sacramento, Citrus Heights is home to services such as food banks, youth programs, and domestic violence service providers. Citrus Heights offers public transportation to the Sacramento area, but residents are sometimes reluctant or unable to travel outside of their community to receive services.

**Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

The City will provide lead-abatement assistance for residential units through the Housing Rehabilitation Program. The City contracts with a third-party firm to administer its housing repair program. This firm contracts with qualified lead abatement contractors to conduct lead-based paint identification, assessment, and clearance services to reduce lead hazard. The program will comply with the Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) and subsequent changes in September 1999. The procedure regarding lead-based paint in all repair's programs will include notification and identification.

**Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

The City's anti-poverty strategy focuses on providing a range of employment opportunities and supportive services aimed at enabling those in poverty to move into the workforce, as well as supporting activities that preserve and expand the supply of housing affordable to target-income households.

- Meals on Wheels by ACC offered homebound seniors who meet eligibility requirements were provided home delivered meals, either in a box of five frozen meals once per week, or a hot meal delivered five times per week, Monday-Friday.
- Meals on Wheels by ACC offered mobile senior's nutritious meals and social interactions for those who could participate in a drive-thru meal pickup Monday-Friday at Rusch Park café site. Although the café site was closed in 2022 due to COVID-19, café participants had the option to receive meal deliveries or drive-thru pickup at Rusch Park.
- Sacramento Self-Help Housing provided counseling and social services to homeless individuals or those at risk of becoming homeless, including drop-in counseling/office hours and case management services.
- As a result of CDBG-CV funding, the city created a Supplemental Navigator Fund to provide emergency housing assistance; including temporary housing, security deposits, food, essential supplies, and necessary support for people experiencing homelessness while they receive outreach services from the city's Homeless Navigator.
- Sunrise Christian Food Ministry operates an emergency food closet available to low-income persons.
- The City also provides code enforcement services and a rental housing inspection program to ensure lower-income households have a safe and decent place to live. This is not a CDBG funded activity.

Citrus Heights residents also have access to anti-poverty services provided by the County Department of Human Assistance. The County provides many programs designed to provide temporary assistance to families in need, and coordinates the County's welfare-to-work programs, with an emphasis on creating employment connections and increasing the income of the program's participants. Overall, the goal of all agencies' programs is economic self-sufficiency.

**Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

To eliminate gaps in institutional structures, the City remains actively involved with neighboring jurisdictions and regional governmental entities. The City coordinates with Sacramento Housing and Redevelopment Agency (SHRA) to address affordable housing needs related to public housing activities. In addition, the City collaborated with SHRA to allocate the city's HOME funds to the Sunrise Pointe Affordable Apartment Project.

In addition, the City continues to collaborate with the City of Sacramento, Elk Grove and Rancho Cordova, the two other small entitlement jurisdictions in Sacramento County, and continues to look for opportunities to increase and enhance services citywide to residents.

**Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

The City continues to work with neighboring jurisdictions, including the City of Rancho Cordova, City of Elk Grove, City of Folsom, County and City of Sacramento and the Sacramento Housing and Redevelopment Agency, to address the regional issues that affect the needs of low-income persons as well as special need programs, shared Subrecipient monitoring and research into issues of interest such as the Affirmatively Furthering Fair Housing final rule. The City also continues to work with many of the local nonprofits that provide a range of services to low-income residents.

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

HUD provides specific requirements that entitlement grantees certify that they will affirmatively further fair housing in their jurisdiction. Fair Housing objectives are broad, and include requirements to promote fair housing choice for all persons and to foster compliance with nondiscrimination provisions of the Fair Housing Act. These requirements are satisfied, in part, by analyzing impediments to fair housing choice within the jurisdiction and taking appropriate action to overcome the effects of identified impediments.

In 2020 the City completed an Analysis of Impediments to Fair Housing Choice (AI) and was adopted by the City Council. In recognition that fair housing issues are not confined by jurisdictional boundaries, the city partnered to work with Sacramento Housing and Redevelopment Agency (SHRA), Rancho Cordova, Elk Grove, and other jurisdictions in the region to create a comprehensive AI that covers the issues facing the region.

The AI evaluated the needs and goals around housing and provided residents with perspectives through community engagement. A copy of the AI can be found on the city's website at <http://ca-citrusheights.civicplus.com/380/Community-Development-Block-Grant>.

The AI identified the following barriers to affordable housing:

- Segregation, disproportionate housing needs and difference in economic opportunity;
- Affordable rental options in the region are limited due to the growth in the region;
- Constraints on affordable housing development and preservation, ranging from lack of funding, cost of development or preservation, public policies and processes, and lack of adequate infrastructure for infill redevelopment, all constrain the affordable rental market;
- Suburban areas in the Sacramento Valley are rarely competitive for state or federal affordable housing development;
- Residents participating in the Housing Choice or other housing voucher programs, there are too few private landlords who accept vouchers; and an increase in strict rental policies;
- Residents with disabilities lack access to affordable, accessible housing; as public transportation has not kept up with growth.

Outside the completion of the AI, the City's approach to fair housing was focused on education.

- Housing Sacramento Self-Help Housing provided the Renter's Helpline to offer information on landlord/tenant law and fair housing matters. They also provided landlord/tenant mediation. SSHH also works with Legal Services of Northern California, and Project Sentinel to provide education and investigate complaints.
- City staff participates in a series of meetings with other regional jurisdictions, including the County of Sacramento, SHRA, Rancho Cordova, Folsom, and Elk Grove on strategies for better cooperating regionally to address fair housing issues. Since 2016, the local jurisdictions have been partnering to allocate funding for the Renters Helpline. In 2022, Citrus Heights continues to partner with the local jurisdictions in a cost sharing agreement by contributing its share based on its percentage of the County's rental units.

In addition, on August 18, 2021, Citrus Heights adopted the 2021-2029 Housing Element. The Housing Element includes an analysis of vacant and underused land in the City that can be developed into housing for low-, moderate-, and above moderate-income housing. It also outlines an analysis of potential government and nongovernmental constraints to housing development in the City.

**CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

The City uses a monitoring system to ensure that CDBG-funded activities are in compliance of applicable laws, regulations, policies, sound management, and account practices. The primary objective of the City's monitoring efforts include:

- To ensure the Subrecipient has the capacity to carry out their responsibility and to do so in a timely manner.
- To ensure the Subrecipient is carrying out the project as described in their agreement, complying with applicable laws and regulations. To ensure the project is operating in a manner that minimizes the opportunity for fraud, waste, and mismanagement.

At the beginning of 2022, City staff provided a workshop for each CDBG Subrecipient, the workshops were provided via Zoom. The workshop was formatted to review federal requirements unique to CDBG, the subrecipient agreement, introduced CDBG reporting forms and answered questions. Therefore, all Subrecipients are informed of their obligations to collect the required information on income, household composition, race, and ethnicity. City staff also provides information to each Subrecipient that outlines the agreement terms and CDBG policies such as data collection and financial management. In addition, staff recommends each Subrecipient read the "Playing by the Rules" guide produced by HUD.

Monthly, staff reviews the progress the Subrecipient has been making toward achieving performance goals. City staff places a strong emphasis on its Subrecipients to provide accurate information on the persons or households served, and regularly reporting of progress with each invoice.

Each Subrecipient agreement contains provisions for reduction or termination in the event goals are not accomplished or when past performance issues have not been resolved. Onsite monitoring of Subrecipients is conducted based on an annual desk assessment performed by City staff.

**Citizen Participation Plan 91.105(d); 91.115(d)**

**Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

The City of Citrus Heights Housing and Grants Division, under the Community Development Department, serves as the lead agency for the administration of the City's CDBG funds.

Direct questions relating to this report to:

City of Citrus Heights  
6360 Fountain Square Drive  
Citrus Heights, CA 95621

Housing Division  
Nicole Piva, Housing & Human Services Program Coordinator  
916-727-4752  
[npiva@citrusheights.net](mailto:npiva@citrusheights.net)

This report will be available for public comment review during a 15-day public comment period from March 7, 2023 to March 23, 2023. A public notice announcing its availability was published in the Sacramento Bee on February 20, 2023. A public hearing on this report will be held March 23, 2023 during the Citrus Heights City Council meeting. Any public comments received will be summarized and attached to this report prior to final submission to HUD.

**CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

At this point, the City does not anticipate making changes to its program objectives.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

**CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

At this point, the City does not anticipate making changes to its program objectives.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

**CR-58 – Section 3**

**Identify the number of individuals assisted and the types of assistance provided**

<b>Total Labor Hours</b>	<b>CDBG</b>
Total Number of Activities	2
Total Labor Hours	0
Total Section 3 Worker Hours	0
Total Targeted Section 3 Worker Hours	0

**Table 15 – Total Labor Hours**

<b>Qualitative Efforts - Number of Activities by Program</b>	<b>CDBG</b>
Outreach efforts to generate job applicants who are Public Housing Targeted Workers	0
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.	0
Direct, on-the job training (including apprenticeships).	0
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.	0
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).	0
Outreach efforts to identify and secure bids from Section 3 business concerns.	2
Technical assistance to help Section 3 business concerns understand and bid on contracts.	0
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.	0
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.	0
Held one or more job fairs.	0
Provided or connected residents with supportive services that can provide direct services or referrals.	0
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.	0

Assisted residents with finding child care.	0
Assisted residents to apply for, or attend community college or a four year educational institution.	0
Assisted residents to apply for, or attend vocational/technical training.	0
Assisted residents to obtain financial literacy training and/or coaching.	0
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.	0
Provided or connected residents with training on computer use or online technologies.	0
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.	0
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.	0
Other.	

**Table 16 – Qualitative Efforts - Number of Activities by Program**

**Narrative**

Section 3 of Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992 (Section 3) was enacted “to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development program shall, to the greatest extent feasible, be directed towards low- and very low-income persons, particularly those who are recipients of government assistance for housing.

Section 3 applies to housing rehabilitation, housing construction, and other public construction projects that are fully or partially funded with HUD financial assistance. Projects that are financed with state, local or private matching or leveraged funds used in conjunction with HUD funds are covered by Section 3 if the amount of HUD funding for the project exceeds the regulatory threshold of \$200,000.

Effective on November 30, 2020, the new Section 3 final rule (24 CFR Part 75) was designed to improve a focus on economic opportunity outcomes while simultaneously reducing the regulatory burden on those entities that receive those funds. Key changes in the rule and in HUD's implementation include:

- Focusing on key outcome metrics, such as the sustained employment of individuals in targeted populations.
- Crediting retention of low- and very low-income employees and successful sustained employment in the reporting metrics.
- Aligning Section 3 reporting with standards business practices and payroll tracking methods.
- Allowing for tailored outcome benchmarks for different geographies and/or different projects.
- Integrating Section 3 oversight into the work of the program offices who are in regular contact with the grantee.
- Promoting the newly created portal to connect low- and very low-income people, who need jobs most, with businesses who have Section 3 job opportunities in their area.

During program year 2022, the City completed the Greenback Complete Streets Project and the 2022 Residential Street Resurfacing Project. In addition, completed two housing rehabilitation programs including: the Home Repair Loan Program and the 2022 Critical Home Repair Grant Program.

Consolidated Annual Performance Evaluation Report for Program Year 2022  
**Attachment 3: Funding Table for Program Year 2022**

Activity	Activity Summary	Source of Funding	Approved Allocation	*Funding Spent
<b><i>CDBG-EN Funding Allocations</i></b>				
Sacramento Self-Help Housing, Housing Counseling and Navigator Services	Provide housing counseling services to households who are at-risk or are currently experiencing homelessness.	CDBG-EN	\$ 16,000.00	\$ 16,000.00
Sacramento Self-Help Housing, Renters Helpline	To provide a telephone and Internet-based "Renters Helpline" which provides counseling, dispute resolution, and fair housing services.	CDBG-EN	\$ 23,403.00	\$ 23,403.00
Campus Life Connection, Sayonara Center	Operate an after school center that provides youth with educational support, recreational activities, including mentoring, tutoring, and a daily nutritious meals.	CDBG-EN	\$ 17,343.00	\$ 17,343.00
Sunrise Christian Food Ministry	Provide ongoing emergency food and supplies to low-income persons.	CDBG-EN	\$ 20,342.00	\$ 20,342.00
Meals on Wheels, Senior Meals	Provide balanced, nutritious meals to seniors.	CDBG-EN	\$ 16,640.00	\$ 16,640.00
Revolving Loan Fund, Home Repair Loan Program	This activity is funded with program income generated from loan repayments. These funds are used to make home repair loans to low-income households.	CDBG-EN	\$ 306,692.95	\$ 306,692.95
Residential Street Resurfacing Project	Accessibility improvements to sidewalks, curb ramps, and street resurfacing primarily in low-income neighborhoods to increase pedestrian safety, walkability, and meet Americans with Disability Acts requirements.	CDBG-EN	\$ 406,153.00	\$ 406,153.00
Greenback Complete Streets Project	Accessibility improvements to public infrastructure, such as upgrades to signalized intersections and ADA-compliant sidewalk and crosswalk to increase pedestrian safety, walkability, and meet Americans with Disabilities Acts requirements.	CDBG-EN	\$ 287,303.00	\$ 287,303.00
<b><i>CDBG-CV Funding Allocations</i></b>				
Sunrise Christian Food Ministry	Operational support; purchase emergency food and household supplies for low-income residents.	CDBV-CV	\$ 48,582.00	\$ 37,397.99
Meals on Wheels	Senior meals delivered to eligible participants in Citrus Heights.	CDBG-CV	\$ 103,757.00	\$ 103,757.00
PRIDE Industries	Youth workforce development program.	CDBG-CV	\$ 61,611.00	\$ 16,798.50
Campus Life Connection, Sayonara Center	Operational support; purchase food and household supplies for community dinner distribution.	CDBG-CV	\$ 58,932.00	\$ 32,567.44
Supplemental Navigator Fund	Supplemental fund for the Homeless Navigator to help with housing deposits or motel vouchers for people experiencing homelessness who are high-risk or symptomatic and other essential services to homeless individuals sheltering in place.	CDBG-CV	\$ 313,117.40	\$ 303,858.06
Sacramento Self-Help Housing, Renter's Helpline	Increase temporary staffing and website updates to meet increased demand for services given increase in financial hardships.	CDBG-CV	\$ 16,929.00	\$ 16,929.00
Critical Home Repair Grant Program	Rebuilding Together Sacramento provided the Critical Home Repair Grant Program, housing repair and accessibility grants to low-income residents.	CDBG-CV	\$ 96,445.00	\$ 96,445.00

\*Funding Spent To-Date as of March 23, 2023



# CITY OF CITRUS HEIGHTS

## CITY COUNCIL STAFF REPORT MEMORANDUM

**DATE:** March 23, 2023

**TO:** Mayor and City Council Members

**FROM:** Ashley J. Feeney, City Manager  
Amy Van, City Clerk

**SUBJECT:** **Consideration of Forming a Citrus Heights Education Committee**

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### **Summary and Recommendation**

At the January 12, 2023 City Council meeting, during the Items Requested by Council Members portion of the meeting, Council discussed a future agenda item to consider forming a Citrus Heights Education Committee with the goal of examining the feasibility of a Citrus Heights school district.

Staff recommends the City Council discuss and provide direction on the formation of a Citrus Heights Education Advisory Committee. Items for consideration include:

1. Determining whether to form a committee;
2. Determining the composition and the selection process;
3. Determining the proposed work plan and timeframe;
4. Provide alternate direction to staff.

### **Background and Analysis**

Since incorporation, the City has utilized limited-term citizen advisory committees to help formulate policy recommendations to the City Council. Below is a summary of various types of advisory committees the City has formed.

#### **Previous Advisory Committees**

##### *Law Enforcement Citizens' Advisory Committee*

In 2004, the City Council established a Law Enforcement Citizens' Advisory Committee to review long-term service delivery options for law enforcement. The City received applications from 57 community members that were forwarded to the City Council for review. The Committee was comprised of 21 Council-appointed individuals and met twice a month over a period of approximately five months (nine committee meetings and two public workshops). The

**Subject: Consideration of a Citrus Heights Education Advisory Committee**

**Date: March 23, 2023**

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City retained a facilitator to assist with preparation and facilitation of meetings, and developing the Committee's report, which included the Committee's policy recommendation. The meetings were noticed pursuant to the Brown Act.

#### *Animal Care and Regulation Citizens' Advisory Committee*

In 2010, the City Council established an Animal Care and Regulation Citizens' Advisory Committee to formulate a recommendation concerning a long-term, cost-effective Animal Care and Regulation program for the City. The City received applications from 17 community members that were forwarded to the City Council for review. The Committee was comprised of 11 Council-appointed individuals and met once a month over a period of approximately 12 months. The meetings were facilitated by City staff and a consultant team. The meetings were noticed pursuant to the Brown Act.

#### *Education Committee*

In 2001, as an outcome to a *Spotlight on Schools* forum held in the City, an Education Committee was formed and led by former Council Member Bill Hughes and was comprised of approximately 15 members of the community that stepped forward to be involved in the process (parents, retired teachers, business persons, and staff from both the school district and City). The committee met on a monthly basis for one year to address four key areas: parent and community involvement, school and traffic safety, school facilities, and academics and curriculum. The findings of the committee were presented to Council at the July 24, 2002 City Council Meeting.

#### Brown Act

California Government Code § 54950, et seq., otherwise known as the "Ralph M. Brown Act" requires local government business to be conducted at open and public meetings, except in certain limited situations. The Brown Act applies to "legislative bodies" which are defined to include the City Council and any commission, committee, board or other body of the local agency, whether permanent or temporary, decision-making or advisory, that is created by formal action of the City Council. Therefore, if Council takes action to form an advisory committee the council-appointed committee would be subject to the Brown Act.

#### Determining the proposed Work Plan and Timeframe

The Law Enforcement Citizens' Advisory Committee example discussed earlier in this report met twice a month over a period of approximately five months (nine committee meetings and two public workshops). The City retained a facilitator to assist with preparation and facilitation of meetings, and developing the Committee's report, which included the Committee's policy recommendation. That could serve as a good model in consideration of forming a Citrus Heights Education Committee if the Council desires to move forward with formation. This would allow for the committee to complete specific tasks desired by City Council in examining formation of a school district and then report back to City Council with their findings and any further recommended actions. At that time, City Council could consider the committee recommendations and/or provide additional direction to the committee if future tasks are desired.

**Subject: Consideration of a Citrus Heights Education Advisory Committee**

**Date: March 23, 2023**

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The City Council could provide direction on the proposed work plan as part of the City Council meeting as an option. Alternatively, the City Council could assign development of a work plan to an existing committee such as the City Council Education & Community Programs 2x2 Committee, City Council Quality of Life 2x2 Committee, or appoint a 2x2 subcommittee for this specific assignment. Once the subcommittee develops the work plan for the Citrus Heights Education Committee, the work plan could then be brought back to City Council for discussion and consideration of adoption at a future City Council meeting.

### Next Steps

Should the City Council move forward with forming an advisory committee, Council may consider implementing the following process:

<b>DATE</b>	<b>ACTION</b>
June 1	Application released and posted on the City's website; conduct community outreach
June 30	Applications due to the City
July 3	Applications would be sent to Council for review
July 27 Council Mtg.	Committee members appointed by City Council
August – January 2024	Committee meetings to be held over a six-month period, or other schedule as determined by the City Council
February 2024	Committee policy recommendations presented to Council

### Fiscal Impact

The fiscal impact of a committee would involve staff time assisting to coordinate scheduling for meetings and other administrative support. The City Manager's office would seek to contract with a consultant to assist with the facilitation of the committee similar to what was done with the exploration of forming a city police department. Depending on the work plan that is ultimately adopted by City Council, there may be additional consultant and legal costs which could be considered as part of future actions associated with specific committee recommendations either at the conclusion of their examination process or considered during the course of the examination if necessary. The fiscal impacts associated with the examination task are unknown at this time and will depend on the work plan that is ultimately adopted. If there is a desire to move beyond the committee's examination assignment, projected costs associated with any future recommended actions (such as moving ahead with formation actions) should be identified and estimated as part of the report prepared by the committee.

### Attachments

1. Sample Law Enforcement Advisory Committee Application Process and Questionnaire



## CITY OF CITRUS HEIGHTS

### Application for Law Enforcement Citizens' Advisory Committee (CAC)

#### Background:

The chosen long-term service delivery option for law enforcement will have an impact on the City both operationally and financially (As an example, law enforcement is the City's single largest expense at approximately 60% of the City's General Fund expense). The CAC's recommendation will be influential in helping the Council to shape policy with regard to a long-term service delivery option for law enforcement for the City.

#### Statement of Purpose:

The City Council is creating a Law Enforcement CAC for the purpose of: 1) Reviewing current contract police services with the Sacramento County Sheriff's Department; 2) Reviewing all operational and budget analyses conducted to date with regard to the City's law enforcement program; 3) Studying innovative law enforcement service delivery models; 4) Receiving public testimony concerning law enforcement services in the City; 5) Formulating a recommendation to the City Council concerning a long-term service delivery option for police services.

#### Time Requirements:

It is anticipated that the CAC will be conducting its Work Program primarily between February and June 2005. The CAC will be meeting approximately twice per month; some of the meetings will be held on weeknight evenings and some meetings will be held on Saturdays.

#### Directions:

Please fill out the following information and answer the questions as completely as possible. If you have received this document electronically, you may e-mail your completed form by **Friday, January 7, 2005** to: [rsherman@ci.citrus-heights.ca.us](mailto:rsherman@ci.citrus-heights.ca.us), or you can deliver your application to the City Clerk, Rhonda Sherman.

#### Selection Process:

- Applications are due by Friday, January 7<sup>th</sup>, 5 PM.
- Council Members will review each application, and provide their individually ranked selections to City staff by Monday January 17<sup>th</sup> for inclusion in the February 9<sup>th</sup> Council packet.
- Council will hold a workshop on Wednesday, January 26<sup>th</sup> to finalize the CAC member selections (the Council "as a whole" will make the selections). The formal selection/appointment of CAC members will be placed on the Agenda as part of the January 26<sup>th</sup> Council meeting.

**Application for Law Enforcement Citizens' Advisory Committee (CAC)**

**Application Information**

**Questions** (Please limit your answers to the space provided)

**1. Have you ever worked or volunteered for the Sacramento Sheriff's Department? If so, please explain your professional and/or volunteer role and experience with the Department.**

**2. Please explain your reasons for your interest in participating on the CAC.**

**Application for Law Enforcement Citizens' Advisory Committee (CAC)**

**3. Describe your professional and/or personal background that you believe would be relevant for your participation on the CAC.**

**4. Have you ever had any direct or indirect experience with law enforcement services in Citrus Heights? If so, do you think your experience may influence your participation on the CAC? Please explain.**

**Application for Law Enforcement Citizens' Advisory Committee (CAC)**

5. As there are several key policy and program issues that the City is tackling, please rank all of following issues in your order of importance (priority). Please explain your ranking choices.

- A) City's Financial Conditions/Financial Health
- B) Land Use Issues
- C) Public Works Maintenance
- D) Law Enforcement
- E) Renovation/construction of new city facilities (e.g., buildings and/or items such as sidewalks)
- F) Municipal services (e.g., Garbage collection and Animal Control)

**Application for Law Enforcement Citizens' Advisory Committee (CAC)**

**5. Continued:**

**6. Is there any other information you would like to share that will assist the City Council to consider your application for selection to the CAC?**

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# CITY OF CITRUS HEIGHTS

## CITY COUNCIL STAFF REPORT MEMORANDUM

**DATE:** March 23, 2023

**TO:** Mayor and City Council Members  
Ashley J. Feeney, City Manager

**FROM:** Casey Kempenaar, Community Development Director  
Alison Bermudez, Senior Planner  
Nicole Piva, Housing and Human Services Program Coordinator

**SUBJECT:** **Resolution to Approve a Memorandum of Understanding for Sayonara Drive Replacement Housing Project**

### **Summary and Recommendation**

Staff recommends approval of a Memorandum of Understanding (MOU) to partner with Habitat for Humanity of Greater Sacramento (Habitat) in the development of 26 replacement housing units on Sayonara Drive. The 26 single-family units will meet the City's obligation to replace blighted housing units demolished between 2008 and 2010. The new for-sale housing units will be sold to qualifying low-income persons/families who participate in Habitat's program which provides affordable ownership opportunities.

Staff recommends the following motion:

**Motion:** Move to adopt Resolution No. 2023-\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California, authorizing the City Manager to enter into a Memorandum of Understanding with Habitat for Humanity of Greater Sacramento for the Sayonara Drive Replacement Housing Project.

### **City Council Strategic Goal/Objective**

This staff report supports strategies which will align with the following Citrus Heights City Council Strategic Plan Objectives which will be presented at a future meeting:

**Goal:** Maintain and Enhance Fiscal Stability

**Objective:** Present to the City Council a Purchase and Sale Agreement and Funding Plan for the redevelopment of the Sayonara Properties.

**Subject: Resolution to Approve a Memorandum of Understanding for Sayonara Drive Replacement Housing Project**

**Date: March 23, 2023**

**Page 2 of 6**

In addition to the alignment with the City Council’s strategic goals and objectives, the Sayonara Drive Replacement Housing Project is supported by a number of General Plan Goals related to housing and homeownership including Goal 27 listed below:

Goal 27: Conserve currently assisted units to ensure availability of housing for lower income households

Policy 27.1: Pursue all available strategies and procedures to preserve government - assisted units that are at risk of conversion to market rate.

*Action F: Continue to implement strategies to redevelop Sayonara Avenue (Sunrise to Lialana).*

**Fiscal Impact**

The City has an outstanding obligation to replace affordable housing units, demolished as part of the Sayonara Drive Improvement Strategy. The City has invested a significant amount of resources into the improvement of Sayonara Drive and has a longstanding commitment to satisfying its replacement obligation.

The City’s partnership with Habitat will fulfill the City’s replacement housing obligation by bringing 26 new single-family housing units<sup>1</sup> to Sayonara Drive. While the total anticipated project is approximately \$7.8 million, over 70% of the project costs will come from Habitat. The City’s primary role in the project is a financial contributor and Habitat will serve as the developer, contractor, and sales agent.

The MOU includes the City’s cash contribution to the project as \$1,911,585 and fee waivers of approximately \$370,000. There are no General Fund dollars allocated to the project as funding will be from a variety of housing related funding sources. The MOU also allows each vacant property to be transferred to Habitat for \$1.00 each.

The funding plan can be complex as each funding source has its own set of restrictions, reporting requirements, and expenditure deadlines. At the same time, in order for Habitat to be competitive for necessary grant funds, a formal MOU and funding plan is required. Table 1 shows the City’s and Habitat’s financial contributions.

**Table 1: Financial Contributions**

Habitat for Humanity of Greater Sacramento	\$5,447,810.00
City of Citrus Heights	\$2,281,019.00*
<b>Total Project Cost</b>	<b>\$7,728,829.00</b>

*\* Includes approximately \$370,000 fee waivers*

<sup>1</sup> The City’s initial replacement obligation was 35 units. The Sunrise Pointe project provided a credit of 23 units leaving a balance of 12 units to fulfill the replacement obligation.

**Subject: Resolution to Approve a Memorandum of Understanding for Sayonara Drive Replacement Housing Project**

**Date: March 23, 2023**

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### Habitat for Humanity of Greater Sacramento Financial Contribution

Habitat will contribute approximately \$5.5 million to the project. Habitat anticipates funding this project using a variety of funding sources, including: CalHome and sponsorships. A large portion of funding will come from a grant application Habitat recently submitted to the California Department of Housing and Community Development (HCD) which will support homeownership aimed at lower and very low income households. If Habitat does not receive CalHome funding from HCD, the project may be delayed and the funding plan will need to be adjusted accordingly. The City's contribution is capped at \$1,911,585, regardless of outcome of Habitat's CalHome funding.

### City of Citrus Heights Financial Contribution

The City will contribute approximately \$2.2 million to the project, which includes the waived permit fees, impact fees and financial contribution of \$1,911,585. The City anticipates funding this project using a variety of non-general fund sources, including: Permanent Local Housing Allocation (PLHA), Prohousing Incentive Program (PIP), and Affordable Housing Impact Fees (AHIF). These funding sources have expenditure deadlines as early as April 2024. As noted above, if Habitat does not receive CalHome funds the funding plan may need to be updated accordingly.

### **Background and Analysis**

Soon after the City's incorporation, improving the quality of life on Sayonara Drive became a priority for the City. Sayonara Drive was experiencing record number of calls for service, resident turnover was extremely high, the housing stock was in disrepair, and eventually causing a number of units to be boarded up and declared uninhabitable. In 2008, the City's Redevelopment Agency began to purchase/demolish blighted properties on Sayonara Drive as part of a Five Year Implementation Plan to reduce blight. With the demolition of dilapidated units, capital investments such as street lighting, a community center, and a park the quality of life on Sayonara Drive drastically improved. Attachment 3 outlines the timeline of the City's involvement in Sayonara Drive.

In 2010, the City adopted the Replacement Housing Plan for properties located on Sayonara Drive to comply with California Redevelopment Law, which required the demolished units be replaced (bedroom for bedroom replacement).

Since the adoption of the Replacement Housing Plan, finding a development partner has been challenging, in particular for ownership housing. Staff has met with a variety of housing developers (non-profit and for profit) and have had limited interest in the sites due to a variety of factors. These factors include:

- Small/odd shaped parcels

**Subject: Resolution to Approve a Memorandum of Understanding for Sayonara Drive Replacement Housing Project****Date: March 23, 2023****Page 4 of 6**

- Limited number of units (preference given to projects that result in larger number of units)
- Challenges with Surplus Land Act requirements
- Challenges with City's preference for ownership housing

In 2021, staff began discussions with Habitat on a potential partnership. Habitat, a well-known non-profit housing builder, constructs and sells homes to persons/families with limited income who would typically not have a path to affordable homeownership. More information on Habitat's mission can be found at [www.habitatgreatersac.org](http://www.habitatgreatersac.org).

City Council Study Session March 22, 2022

During the study session, staff introduced the Habitat partnership and a number of housing options of varying densities. Ultimately, City Council supported the concept consistent with the 2010 Replacement Housing Plan, which would develop each of the vacant lots with two single-family units, providing 26 affordable homeownership units when the project is completed.

While not a focus of the March 2022 workshop, staff identified varying sources of non-general fund monies that may be available for the project. The contribution necessary for the project was estimated to be \$1.4 million, or \$117,000 per unit at the lowest proposed density (12 units). As noted earlier, the council supported a concept of two single-family units per parcel, increasing the density to a total of 26 units.

Recognizing the City would be unable to maintain a financial contribution of \$117,000 per unit with the increase to 26 units, staff began to assemble/confirm availability of a variety of funding sources to support the increased project cost. As discussed in the fiscal section of the report, staff has identified non-general fund monies that would contribute approximately \$73,000 towards each unit for a total contribution of \$1.9 million or \$500,000 more than originally estimated.

Surplus Lands Act

In May 2022, the City Council declared the subject properties as "exempt surplus property" as required by the Surplus Land Act (Government Code §54220 *et seq.*). Under the Act, land must be declared "either 'surplus land' or 'exempt surplus land,' as supported by written findings, before a local agency may take any action to dispose of it consistent with an agency's policies or procedures." The findings listed in the resolution adopted by the City Council, declared the subject properties on Sayonara Drive as "exempt surplus land" under Government Code Section 54221(f)(1)(A) related to affordable housing.

During this time frame, the City was approached by Citrus Heights Water District (District) who expressed interest in the construction of a future groundwater well utilizing three of the properties on Sayonara Drive. The City and the District entered into a purchase and sale agreement which would have sold the three properties to the District and reduced the number of lots available for the

**Subject: Resolution to Approve a Memorandum of Understanding for Sayonara Drive Replacement Housing Project****Date: March 23, 2023****Page 5 of 6**

Project. During the feasibility period, the District determined that the properties would not meet their needs therefore, escrow was canceled and the three properties remain as part of the Project.

**Memorandum of Understanding for the Sayonara Drive Replacement Housing Project**

Staff is recommending approval of a resolution and MOU to formalize the partnership between the City and Habitat. Exhibit A: Draft Memorandum of Understanding for the Sayonara Drive Replacement Housing Project describes the responsibilities between the City and Habitat. Below, are some key points.

City Responsibilities

- At the time of development, each of the 12 vacant parcels will be sold to Habitat for \$1 each
- The City will financially contribute \$1.9 million in funding towards the \$7.7 million dollar project as outlined in the MOU (non-General Fund Funding Sources)
- At the time of development, associated fees under the control of the City will be waived (entitlement, building permit, impact)
- Partner in marketing efforts to attract current Citrus Heights as future residents

Habitat Responsibilities

- Contribute balance of funds necessary to complete the project (over \$5.4 million)
- Manage the construction of 26 new for-sale single-family units over a 3-year period
- Sell all 26 units to qualified low-income persons/families. Refer to Attachment 4 for current income qualifications
- Provide long-term oversight to ensure compliance with affordable housing restrictions

Proposed Replacement Housing Design

The MOU does not “preapprove” any particular design. Habitat will be required to submit the necessary development applications for the project, including design review and CEQA compliance. The preparation of the architectural and site plans will be initiated once all funding sources have been secured. A preliminary design concept for the project is provided as Attachment 2.

**Environmental Determination**

The proposed MOU is exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3), also known as the “general rule” exemption, CEQA exempts activities that can be seen with certainty to have no possibility for causing a significant effect on the environment. In addition a future development project on the site is anticipated to be consistent with Section 15332 related to infill development.

**Subject: Resolution to Approve a Memorandum of Understanding for Sayonara Drive Replacement Housing Project**

**Date: March 23, 2023**

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**Attachments**

1. Resolution No. 2023 \_\_\_\_\_ - A Resolution of the City Council of the City of Citrus Heights, California, authorizing the City Manager to enter into a Memorandum of Understanding with Habitat for Humanity of Greater Sacramento for the Sayonara Drive Replacement Housing Project  
Exhibit A: Draft Memorandum of Understanding for Sayonara Drive Replacement Housing Project
2. Preliminary Design of Sayonara Drive Replacement Housing
3. Timeline of Sayonara Drive History
4. Income Limits

**RESOLUTION NO. 2023 - \_\_\_\_****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,  
CALIFORNIA, AUTHORIZING THE CITY MANAGER TO ENTER INTO A  
MEMORANDUM OF UNDERSTANDING WITH HABITAT FOR HUMANITY OF  
GREATER SACRAMENTO FOR THE SAYONARA DRIVE REPLACEMENT  
HOUSING PROJECT**

**WHEREAS**, The City of Citrus Heights (City) has invested a significant amount of resources into the improvement of Sayonara Drive;

**WHEREAS**, the City demolished blighted housing units over a period to time beginning in 2008, as part of the Sayonara Drive Improvement Strategy;

**WHEREAS**, the City has an obligation under Redevelopment Law to replace the demolished units;

**WHEREAS**, since that time the City has sought a developer to provide affordable housing on Sayonara Drive that would meet the City's replacement housing obligation;

**WHEREAS**, the City and Habitat for Humanity of Greater Sacramento (Habitat) have developed a partnership plan to construct 26 new single-family for-sale units to be sold to qualified low-income persons/families on Sayonara Drive;

**WHEREAS**, the City will enter into a Memorandum of Understanding ("MOU") with Habitat with the goal of ensuring the Property is developed in compliance with the City's replacement housing obligation;

**WHEREAS**, the partnership acknowledges the Project cost is approximately \$7,728,829 and the MOU outlines the variety of funding sources necessary to complete the Project;

**WHEREAS**, the terms in MOU outline the roles and responsibilities between the City and Habitat and the MOU provides Habitat with the necessary written support needed for grant funding applications;

**WHEREAS**, the MOU commits that the City will contribute funds and services in-kind as listed in the MOU; and

**WHEREAS**, the City Manager is granted authority to amend the funding sources outlined in Exhibit A, as needed to fulfill the City's contributions.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** that the City Council of the City of Citrus Heights does hereby declare, find, determine and order as follows:

- A) The Recitals set forth above are true and correct and incorporated herein by this reference.
- B) The City Council supports the development of 26 for-sale single-family affordable housing units on Sayonara Drive.
- C) The City Council gives authority to the City Manager to execute the MOU attached hereto as Exhibit A and execute a Purchase and Sale Agreement for each said lot.
- D) The City Council gives authority to City staff to apply for any available grant funding which would support the Project.
- E) The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.
- F) This resolution shall take effect immediately.

**PASSED AND ADOPTED** by the City Council of the City of Citrus Heights, California, this 23<sup>rd</sup> day of March 2023, by the following vote, to wit:

**AYES:**           **Council Members:**  
**NOES:**          **Council Members:**  
**ABSTAIN:**    **Council Members:**  
**ABSENT:**     **CouncilMembers:**

\_\_\_\_\_  
**Tim Schaefer, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Amy Van, City Clerk**

**Exhibit A: Memorandum of Understanding for Sayonara Drive Replacement Housing Project**





We build strength, stability,  
self-reliance and shelter.

## Habitat for Humanity of Greater Sacramento and the City of Citrus Heights Sayonara Drive Project Memorandum of Understanding

This is a Memorandum of Understanding (“MOU”), dated as of [redacted], 2023, between Habitat for Humanity of Greater Sacramento (“Habitat”), a California nonprofit corporation, and the City of Citrus Heights (“Citrus Heights”), an incorporated city in the County of Sacramento.

### Background

Habitat is a nonprofit organization whose mission is to build, rehabilitate, and repair homes to create and improve affordable homeownership opportunities in the greater Sacramento region. The City of Citrus Heights has approached Habitat about providing 26 common-interest for-sale units on city owned exempt surplus property. Thirteen structures (26 units) would be constructed on twelve properties (1 property would be subdivided) and sold to future income qualified Habitat for Humanity homeowners.

### 1. Partnership

#### 1.1 Partnership Plan

Habitat and Citrus Heights have discussed and agreed to the details as described in the form provided under Exhibit A. References to “Plan” in the balance of this MOU shall be in reference to the specific details, timeline, and responsible parties outlined in Exhibit A. If either Habitat or Citrus Heights believes the Plan should be adjusted in any respect, it will so advise the other of the proposed changes. Habitat and Citrus Heights will discuss the proposed adjustment and, if they agree on an adjustment, confirm and document the adjustment as an amendment to Exhibit A.

#### 1.2 Objectives and Activities

Partnership objectives, activities, and timeline, and Habitat’s and Citrus Heights’s respective Partnership responsibilities, are set out in the Plan. Habitat and Citrus Heights will each carry out its responsibilities with due care and in accordance with this MOU.

#### 1.3 Funding

Funding responsibilities are outlined in Exhibit B - Sources & Uses. Citrus Heights may alter the funding sources, if needed. However, the total dollar amount of support shall not be altered unless agreed upon by Citrus Heights and Habitat.

Unless otherwise stated in the Plan, neither Habitat nor Citrus Heights will pay fees or other compensation to the other in connection with the Partnership, and each will be responsible for acquiring and maintaining funding for their respective Partnership activities.

#### 1.4 Site Safety

Habitat and Citrus Heights will ensure that all activities which take place at the Property are safe, adequate, and appropriate based on CalOSHA and local jurisdiction expectations and requirements.

## **2. Insurance, Liability, and Indemnification**

Citrus Heights will provide Habitat with its insurance requirements for this Project. Habitat will secure the required coverage and provide Citrus Heights with a Certificate of Insurance naming Citrus Heights as additional insureds.

## **3. Termination**

### **3.1 Mutual Agreement**

This MOU may be terminated in writing signed by both Habitat and Citrus Heights that states their intent to terminate this MOU and the date upon which such termination will take effect.

### **3.2 Termination for Breach**

If either party breaches any of its obligations under this MOU, the non-breaching party may provide the breaching party with written notice of the breach. If the breaching party fails to cure the breach within fifteen (15) days after receipt of such notice, the non-breaching party may terminate this MOU upon delivery to the breaching party of a written notice to that effect, with the termination effective upon receipt of such notice by the breaching party. The non-breaching party may in its reasonable discretion determine whether the breach has been cured.

### **3.3 Termination for Conduct or Institutional Concerns**

Habitat may immediately terminate this MOU by giving written notice to Citrus Heights if: (a) Citrus Heights has engaged or is alleged to have engaged in conduct in violation of Sections 1.8 and 1.9 or (b) Habitat obtains information it reasonably believes is credible, and was not known to the public or Habitat at the time this MOU is signed, that leads Habitat to conclude that a continued relationship with Citrus Heights could damage Habitat's reputation or be inconsistent with its values or responsibilities as a charitable organization. Such a termination will be effective upon delivery of the notice by Habitat.

### **3.4 Citrus Heights' Right to Extend the Agreement if Grant Funding Delayed**

Habitat's goal is to obtain grant funding for this Project from the California Department of Housing and Community Development (HCD) CalHome Program. If Habitat does not receive the grant from HCD, the City has the unilateral authority to extend this MOU for Habitat to procure the funding. If Habitat is unsuccessful after two rounds of grant applications, the City can determine whether to let the MOU expire or extend it for another round of grant application.

## **4. General Provisions**

### **4.1 Entire Agreement**

This MOU, together with Exhibit A and Exhibit B, expresses Habitat's and Citrus Heights's final, complete, and exclusive agreement, and supersedes any and all prior or contemporaneous written and oral agreements, negotiations, communications, or course of dealing between Habitat and Citrus Heights relating to its subject matter. If there are any inconsistencies between the Plan and the text of this MOU, the text will control.

### **4.2 Amendment**

This MOU may be amended only as stated and by a writing signed by both Habitat and Citrus Heights which recites that it is an amendment to this MOU.

#### **4.3 Severability and Waiver**

If any provision of this MOU is held illegal, invalid, or unenforceable, all other provisions of this MOU will nevertheless be effective, and the illegal, invalid, or unenforceable provision will be considered modified such that it is valid to the maximum extent permitted by law. Any waiver of the provisions of this MOU must be in writing and signed by the party granting the waiver. Waiver of any breach or provision of this MOU will not be considered a waiver of any later breach or of the right to enforce any provision of this MOU.

#### **4.4 Assignment**

Citrus Heights may not, directly or indirectly, assign its rights or delegate its duties under this MOU to anyone else without the prior written consent of Habitat, except that Citrus Heights may assign all of its rights and obligations under this MOU without Habitat's prior written consent in connection with a merger, reorganization, or transfer of substantially all of its assets, or other operation of law.

#### **4.5 Third-Party Beneficiaries**

This MOU is for the exclusive benefit of Citrus Heights and Habitat and not for the benefit of any third party, including, without limitation, any employee, affiliate, subcontractor, member, or vendor of Citrus Heights or Habitat except as where identified in Plan.

#### **4.6 Independence**

Habitat and Citrus Heights are and will remain independent contracting parties. The arrangements contemplated by this MOU do not create a formal business partnership, joint venture, employment, fiduciary, or similar relationship for any purpose. Neither Habitat nor Citrus Heights has the power or authority to bind or obligate the other to a third party or commitment in any manner. Any use of the term "Partner" or comparable term in any communication is solely for convenience.

#### **4.7 Attorneys' Fees**

In the event any proceeding or action is brought in connection with the enforcement of this MOU, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs, including those on appeal.

#### **4.7 Compliance with Applicable Laws**

Habitat and any subcontractors shall comply with all laws applicable to the performance of the work hereunder. The City does not take a position on whether Prevailing Wage is required for this project. Habitat shall to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates as determined by the California Department of Industrial Relations. Habitat assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by any worker, governmental agency or other third party with regard thereto.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

HABITAT:

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Leah Miller  
President and CEO

Date: \_\_\_\_\_

CITRUS HEIGHTS:

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Ashley J. Feeney  
City Manager

Date: \_\_\_\_\_

**EXHIBIT A – PARTNERSHIP PLAN****Habitat data and contact person(s)****Habitat name:** Habitat for Humanity of Greater Sacramento**Habitat address:** 819 N. 10<sup>th</sup> Street, Sacramento CA 95811**Habitat contact person(s):**

**Construction:** Michael Gordon  
 Director of Construction  
[MGordon@habitatgreatersac.org](mailto:MGordon@habitatgreatersac.org)  
 (916) 715-9171

**Project Coordinator:** Anne Gambino  
 Accounts Manager  
[agambino@habitatgreatersac.org](mailto:agambino@habitatgreatersac.org)  
 916-956-2267

**Marketing/Media:** Laine Himmelmann  
 Chief Development Officer  
[LHimmelmann@habitatgreatersac.org](mailto:LHimmelmann@habitatgreatersac.org)  
 (916) 502-3248

**Finance:** Farrah Shields  
 Controller  
[fshields@habitatgreatersac.org](mailto:fshields@habitatgreatersac.org)  
 (916) 440-1215 X 1113

**Citrus Heights data and contact person(s)****Citrus Heights name:** City of Citrus Heights**Citrus Heights address:** 6360 Fountain Square Drive, Citrus Heights, Ca 95621**Citrus Heights contact person(s):**

**Project Manager:** Alison Bermudez  
 Senior Planner  
[abermudez@citrusheights.net](mailto:abermudez@citrusheights.net)  
 916-727-4741

**Funding Manager:** Nicole Piva  
 Housing & Human Services Program Coordinator  
[npiva@citrusheights.net](mailto:npiva@citrusheights.net)  
 916-727-4752

**Marketing/Media:** Meghan Huber  
 Economic Development and Community Engagement Director  
[mhuber@citrusheights.net](mailto:mhuber@citrusheights.net)  
 916-727-4745

**Partnership objectives and activities**

- Project name:** Sayonara Drive Development
- Project objective:** Complete the construction of 26 common-interest units on 13 properties provided to Habitat by the City of Citrus Heights. The 26 units will be sold to qualified low-income families selected by application and approved by the Habitat board of directors.
- Project period:** Units to be constructed in three stages of eight to 10 units each, each stage taking approximately twelve months to complete.
- Project beneficiaries:** Qualified low-income Habitat partner families to be selected by application and approved by the Habitat board of directors as of [REDACTED] Habitat will use its best efforts to communicate these homeownership opportunities to the low income families already living in Citrus Heights, but due to HUD restrictions on selection cannot guarantee that the families that apply will qualify or be selected.

**Habitat responsibilities**

In addition to the agreements specified above in the details of this MOU, Habitat agrees to:

**Predevelopment:**

- 1) Submit development entitlement plans to the City of Citrus Heights Planning Division as necessary for development of the Project (Parcel Map, Design Review Permit, etc.).

**Post entitlement:**

- 2) Submit necessary documents and plans to the City of Citrus Heights Building Division as necessary for the construction of the Project.
- 3) Manage the construction of 26 common-interest units within the agreed project period.
- 4) Manage all sub-contractors engaged to assist Habitat in the construction of units and make sure they are all licensed, bonded and insured.
- 5) Select and manage future homeowner partner relationships and requirements including sweat equity scheduling and skills training.
- 6) Habitat shall include in their Owner's Agreement that for a period of not less than 45-years, the selected homeowners shall have an income that is at or below eighty percent (80%) of the Area Median Income at the time of selection of that prospective purchaser. This shall also apply to all subsequent purchasers.
- 7) Recruit, manage, schedule and train volunteers as needed with particular recruitment outreach efforts to Citrus Heights residents, businesses and religious groups.
- 8) Maintain its general liability, workers compensation, volunteer liability, property and vehicle insurance coverage policies.
- 9) Have its Marketing and Media contact regularly communicate with Citrus Heights's Marketing and Media contact to coordinate their respective activities.
- 10) In exchange for the Sayonara lots and funding resources provided by Citrus Heights, Habitat will provide the following benefits:
  - Citrus Heights Banner prominently posted throughout the Project Period
  - Special planned media days around the Project including Citrus Heights Volunteer Day and Home Dedication events

- Opportunity for Citrus Heights representative to present the keys at dedication events and speak
- Recognition award at the 202 Habitat Hammy Awards
- Prominent social media mentions throughout Project Period
- Prominently highlighted in all Habitat collateral around home dedication events and Project communications (social media, e-newsletter)
- Permission to use Habitat logo in all Citrus Heights marketing for up to 1 year
- Listed on Habitat website
- Video of project produced by Habitat team including interview with Citrus Heights spokesperson (video will be taken at key points during the build including demo day, Citrus Heights volunteer day, and the dedication)

### **Citrus Heights Responsibilities**

In addition to the agreements specified above in the details of this MOU, Citrus Heights agrees to:

#### **Predevelopment:**

- 1) Sell the properties listed in Exhibit A-1 (12 lots) to Habitat at the cost of \$1 per lot.
- 2) A separate Purchase and Sale Agreement will address the date of conveyance for each lot.
- 3) Contribute \$1,911,585.00 in funding towards the project as outlined in Exhibit B. The funding contribution will be dispersed as required by the funding source.
- 4) Request for funds which are provided on a reimbursement basis will be processed in an expeditious manner.
- 5) Process the entitlement applications in a timely and expeditious manner.
- 6) Waive fees associated with processing the entitlement applications.
- 7) Present the entitlement applications to the required hearing bodies as necessary.

#### **Post entitlement**

- 8) Review and process construction permits in a timely and expeditious manner.
- 9) Assist Habitat for Humanity as needed to assist in the processing of any required applications with agency partners.
- 10) Assist Habitat for Humanity in obtaining any fee waivers/grants/fee reductions for the Project from outside agencies.
- 11) Waive permit and impact fees which are under the control of the City (plan check, building permit, multimodal, park facility, encroachment permit, final map review).
- 12) Assign a Citrus Heights person who will be responsible for communicating with Habitat on a weekly basis to provide project updates and delays, and alert Habitat as to project issues or concerns as they arise.
- 13) Provide Habitat with a list of local neighborhood association and business partner contacts for Habitat's use in its outreach activities for volunteers and families.

**EXHIBIT A-1 – LIST OF PROPERTIES**

This MOU applies to the following assessor parcel numbers:

APN #'s	Street Address
243-0276-002-0000	7794 Sayonara Dr
243-0275-013-0000	7795 Sayonara Dr
243-0276-003-0000	7800 Sayonara Dr
243-0275-003-0000	7801 Sayonara Dr
243-0276-004-0000	7804 Sayonara Dr
243-0281-021-0000	7805 Sayonara Dr
243-0276-005-0000	7808 Sayonara Dr
243-0281-020-0000	7809 Sayonara Dr
243-0281-019-0000	7813 Sayonara Dr
243-0281-016-0000	7817 Sayonara Dr
243-0281-015-0000	7821 Sayonara Dr
243-0282-004-0000	7824 Sayonara Dr

**EXHIBIT B – SOURCES & USES SUMMARY  
26 Two-Story Common Interest Units  
36-Month Construction Period**

Expected Total Project Cost:		\$7,728,829
City of Citrus Heights		
	Financial Contribution	\$1,911,585.00 (see distribution of funds)
	*Subsidies	\$ 369,434.00
	Total	\$2,281,019.00
Habitat for Humanity of Greater Sacramento		
	^CalHome Mortgage Grant	\$2,600,000
	Home Sponsorships	\$1,950,000
	^Gap funds from operations	\$ 897,810
	Total	\$5,447,810

*\*Subsidies (fee waivers) are an estimate. Final amount will be based upon current fees at the time of development.*

*^Habitat's funding is based upon the award of the CalHome grant. Habitat is responsible for filling the funding gap.*

Funds will be provided in order of funding expenditure deadlines and funds will be disbursed in accordance with the funding program.

The City will be utilizing a variety of funding sources to fulfill its funding contribution. Below is chart of the anticipated funds and the funds disbursement process and expenditure date.

Funding	Type of Disbursement	Process	Expenditure Date
PLHA	Reimbursement	These funds are held at the City and Habitat for Humanity may request reimbursement on an as needed basis through the submission of invoices. Payments are made within 14 days of request. Note: 80% of the year's allocation must be spent prior to the release of the next year's allocation.	April of each funding year starting in 2024
PIP	Reimbursement	Funds are held at the State level and reimbursements are issued quarterly. Habitat shall submit reimbursement requests to the City for the quarterly processing. Once the City receives reimbursement, the funds will be issued to Habitat	June 30, 2025
AHIF	Reimbursement	These funds are held at the City and Habitat for Humanity may request reimbursement on an as needed basis through the submission of invoices. Payments are made within 14 days of request.	-
Other Funds	Reimbursement	These funds are held at the City and Habitat for Humanity may request reimbursement on an as needed basis through the submission of invoices. Payments are made within 14 days of request.	-



looking northeast



looking northwest

2 | massing study



1 | elevations - sample streetscape - looking north

scale: 1/8" = 1'-0"



Sayonara Drive  
Redevelopment Project  
Timeline

<b>2008</b>	
August	Council appropriated a total of \$3.3 million in Redevelopment Housing funds for purchasing deteriorated fourplexes on Sayonara
	Traffic calming, cross walks, new road surface and limited landscaping installed with CDBG
September	Council appropriates \$1.75 million in RDA funds for property purchases
	City has purchased 10 properties on Sayonara Drive and has two properties in escrow. \$2.4 million has been spent to date.
<b>2009</b>	
April	Council appropriates \$500K in RDA funds for property purchases
	Council reviews draft concepts and goals for the Sayonara Redevelopment Strategy
May	Council appropriates \$1 million in RDA funds (loan in future increments) for property purchases
	Council Study Session: Council directs staff to continue to purchase properties and return further direction when more purchases are complete. Council decision to not use General Funds for redevelopment
	Staff begins environmental assessment
June	Council approves application for \$1.05 million in stimulus funds (NSP I) for relocation, demolition and possible park
July	Council approves \$1.6 million application for stimulus funds for Sayonara (\$600K) and city wide foreclosures (\$1 million)
August	City receives award of \$1 million in NSP funds
September	Study Session (9/24/09): Council reviews demolition and relocation plan
	Council adopts the Sayonara Redevelopment Strategy
	Authorize staff to work with Sunrise Recreation and Park District to develop a small park concept, including a financial feasibility plan
December	Council approves additional RDA funds allocation of \$700K for property purchases and delays payment of RDA fund loan for five years
<b>2010</b>	
January	Council approves tenant relocation plan and discuss demolition of all City owned properties.
April	Phase I demo begins
	Tenant relocation completed around April 30 <sup>th</sup>
May	Phase II demo begins with completion
August	CDBG funded minor streetscape improvements completed
September	Demolition complete
<b>2012</b>	
February	Redevelopment agencies dissolved

Sayonara Drive-Redevelopment Project  
Last Updated: February 2023

July	Citrus Heights Children and Youth Center Ribbon Cutting
September	Department of Finance approved Sayonara properties as housing assets
December	Sayonara Neighborhood Park Project complete
<b>2016</b>	
December	At December 8 study session, Council directs staff to move forward with a request for proposals to gain interest on the possible development of the properties
<b>2018</b>	
February	City Council extended replacement requirement for another five years, until September 2022.
<b>2020</b>	
February	<p>The State of California’s Department of Housing and Community Development (HCD) released a Notice of Funding Availability pursuant to Senate Bill (SB) 2 from the \$75 recording fee implemented as part of the 2017 CA Housing Legislation Package.</p> <p>Monies collected and deposited into a Fund, beginning in calendar year 2019, to local governments for eligible housing activities. This grant funding will provide a permanent, on-going source of funding for local communities.</p>
July	<p>City Council authorized the submittal of the grant application to the State of California’s Permanent Local Housing Allocation Program. City will receive an estimated \$1,876,554 over a five-year period (2019 – 2023) for eligible housing projects. Council approved \$390,948 towards the Sayonara Redevelopment Project.</p> <p>Funds may be expended for predevelopment, development, acquisition, rehabilitation, and preservation of affordable housing.</p>
<b>2022</b>	
March	<p>Staff held a study session March 10 to discuss with City Council the City’s obligation for replacement housing on Sayonara.</p> <p>In addition, over the last several years staff has been seeking a development partner. Staff has met with Habitat for Humanity of Greater Sacramento on a potential partnership, a non-profit housing builder focused on affordable homeownership.</p>
<b>2023</b>	
January	<p>City Council approved the five-year spending plan (2019-2023) Amendment No. 1 pursuant to the City’s Permanent Local Housing Allocation Plan and approved and estimated \$1.1 million towards the Sayonara Redevelopment Project.</p>

**Commented [FA1]:** Please double check this date for accuracy.

Sayonara Drive-Redevelopment Project  
 Last Updated: February 2023

## Income Levels for Development of Sayonara Properties

Income Categories	2022 Income Limits*	Number Units in Project
Annual Median Family Income	\$102,200	-
Income level considered “very low” Household Size - 4	\$50,650	6
Income level considered “low income” Household Size - 4	\$81,050	20

\*Income limits are established by HUD. Currently using 2022 income limits, as HUD has not yet released the 2023 income limits. According to indeed.com the average teacher pay in the San Juan Unified School District is \$51,855.



# CITY OF CITRUS HEIGHTS

## CITY COUNCIL STAFF REPORT MEMORANDUM

**DATE:** March 23, 2023

**TO:** Mayor and City Council Members  
Ashley J. Feeney, City Manager

**FROM:** Meghan Huber, Economic Development & Community Engagement  
Director

**SUBJECT:** Citrus Heights Business Attraction Incentive Program approval

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### Summary and Recommendation

Since incorporation, Citrus Heights has practiced strategic planning to prioritize its policies, programs and services for the coming year. In the most recent two planning cycles (May 2022 and October 2022) this process has been enhanced by the addition of a Focus Area Work Plan (“Work Plan”). The Work Plan looks past the standard six-month strategic objective-setting increments to set direction for advancing key community priorities through March 2024. The Work Plan was adopted via resolution by City Council in May 2022 and its recommendations are informed by extensive community engagement, discussions, and data. This engagement that showed the Citrus Heights community has four key priority areas: Community Image, Economic Development, Community Connection and Infrastructure. The document details staff recommendations for policies, initiatives and projects that advance goals in these priority areas. This process has allowed for clarity of mission and effective future planning as we have emerged from pandemic circumstances. Additionally, the guidance of the Work Plan guarantees effective stewardship of one-time American Rescue Plan Act dollars directly into the community and advancement of shared goals.

Economic Development has been represented in Citrus Heights’s strategic planning goals since incorporation. With the unique opportunity to utilize American Rescue Plan Act (ARPA) funding as a resource, there is exciting potential to greatly advance the City’s Economic Development strategic goals. The Focus Area Work Plan laid out nine economic development strategic objective recommendations focusing on projects and programs that advance the strategic goal to diversify for a resilient economy. One of the Economic Development strategic objective recommendations was to *“Present to City Council program guidelines and recommendations to develop a grant program utilizing ARPA funding that advances economic development goals of effectively attracting and retaining target businesses and industries.”* This recommendation was selected and codified by City Council as a strategic objective for

**Subject: Citrus Heights Business Attraction Incentive Program approval**

**Date: March 23, 2023**

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completion at the most recent City Council Strategic Planning Retreat on October 25, 2022 with a due date of February 23, 2023.

Staff recommends the City Council adopt Resolution No. 2022-\_\_\_ A Resolution of the City Council of the City of Citrus Heights, California approving the Citrus Heights Business Attraction Incentive Program Guidelines and allocating \$1,000,000 in American Rescue Plan Act funds to administer the program through June 30, 2024.

**City Council Strategic Goal/Objective**

This staff report aligns with the following Citrus Heights City Council Strategic Plan Objectives:

Goal: Diversify for a resilient economy

Objective: Present to City Council program guidelines and recommendations to develop a grant program utilizing ARPA funding that advances economic development goals of effectively attracting and retaining target businesses and industries.

**Fiscal Impact**

Staff recommends allocating \$1,000,000 in American Rescue Plan Act funds to activate the program available through June 2024. If the program is adequately subscribed and/or oversubscribed, staff will bring back recommendations for additional funding and program term extension. Staff also recommends up to 3% of the allocation can be used for administration costs of the program including marketing and promotion.

The table below provides a history of ARPA allocations to date along with the remaining balance that is to be allocated by December 2024 with expenditures occurring by December 2026:

<b>ARPA FUNDING ALLOCATION SUMMARY</b>		
<b>Total City Allocation</b>		<b>\$15,676,972</b>
6/24/2021	Rehire public safety to pre-pandemic levels FY 2021/22	(\$1,570,105)
6/24/2021	Rehire public safety to pre-pandemic levels FY 2022/23	(\$2,811,775)
1/13/2022	Small Business COVID Recovery Grant	(\$281,111)
6/23/2022	Beautification Crew Pilot Program	(\$875,000)
6/23/2022	Community Block Party Trailer – Community Engagement	(\$50,000)
6/23/2022	Police Fleet Vehicles and Equipment	(\$1,400,000)
6/23/2022	Police Department Communications Center Critical Needs	(\$600,000)
9/22/2022	Community Projects Grant Program**	(\$50,000)
10/27/2022	ERP System and Technology Updates	(\$1,198,350)
12/8/2022	Infrastructure Financing Strategies for Sunrise Tomorrow	(\$40,000)
12/8/2022	REAP 2.0 Higher Impact Transformative Allocation*	(\$1,000,000)
1/26/2023	Patriotic Event	(\$80,000)
2/23/2023	Citrus Heights Cares Campaign – Beautification	(\$47,000)
2/23/2023	Business Attraction Incentive Program**	(\$1,000,000)
<b>Total Allocation Remaining</b>		<b>\$4,673,631</b>

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\*dependent on successful award of grant

\*\* dependent on program subscriptions

Staff recommends a program expiration date on June 30, 2024. If the program is oversubscribed within that time, staff will assess and potentially bring an additional funding allocation and/or extension to City Council for consideration. If the funding is undersubscribed, program termination at the end of June 2024 will allow for analysis and recommendation for reallocation of remaining funding before the ARPA requirement of final allocation by December 31, 2024.

### **Background and Analysis**

Although the strategic objective language references “attraction and retention of target businesses”, the intention of the program as recommended in Focus Area Work Plan is attracting new businesses and the proposed guidelines were designed with that mission in mind. As noted in the body of the Focus Area Work Plan, an effective business attraction grant would be used to target and successfully recruit businesses within target industries of the city whose needs are conducive with the current available real estate. While companies largely decide to locate based on factors like available real estate, demographics, and available workforce, local jurisdictions are ensuring successful business attraction by offering incentives to potential locates.

Other tools currently exist for effective retention of Citrus Heights businesses, including:

- **Economic Development Support Fund – Part 1:** Provide sponsorships and grants up to \$25,000 that promote the City of Citrus Heights’ commerce and increase business activity to help increase job and/or tax base, promote commercial areas, place making and more.
- **Economic Development Support Fund – Part 2**
  - Design Assistance Program: complimentary assistance for business and property owners of existing commercial and office buildings in redeveloping property or enhancing concepts for buildings
  - Sign Support Program; 50% match grant up to \$5,000 (\$10,000 total project) for signage improvements
- **Activate Auburn Program:** design assistance and 50% grant match up to \$20,000 (\$40,000 total project) for sign and façade improvements
- **History and Arts Grant:** up to \$10,000 available to residents and businesses to seed arts and culture initiatives. This program could potentially be leveraged by new and or/existing businesses in history and arts related spaces including art, live theater, music, etc.
- **Established partnerships with Small Business Administration, Sacramento Valley Small Business Development Center and SCORE (Service Corps of Retired Executives):** ready referrals to no-cost general business assistance and financial counseling

In addition to the above existing programs, City Council has also set a strategic objective to “Present to City Council program guidelines and recommendations to establish a fund that would be designated for low-interest loans for existing businesses.” This program will be the next step

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**Date: March 23, 2023**

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as bandwidth allows and once the Business Attraction program has been created and achieved saturation in marketing and promotion.

### **Program Scope**

The proposed Business Attraction Incentive Program (“Program”) goal is to enhance the City’s competitiveness in attracting target industry businesses that create community vibrancy. The proposed incentive program will help identify, attract and invest in new businesses in target industries that contribute to commercial area vitality, utilize existing vacant real estate, and increase quality of life for residents, workers and visitors.

Staff recommend the following target industry categories:

- *Restaurants* – restaurants, bars, coffee, and tea shops (*national chains do not qualify*)
- *Breweries and other craft beverage businesses* – includes artisan manufacturing operations, tasting rooms and brewpubs
- *Entertainment* – includes bowling alleys, movie theaters, and entertainment venues
- Businesses that serve to diversify the City’s economic base and/or enhance community quality of life by providing *unique or underrepresented services/goods*

These categories encompass the most frequent and passionate requests from our residents that they would like to see in Citrus Heights. Business attraction in these industry segments also offer key advantages to the Citrus Heights local economy, including:

1. Ability to utilize the types of vacant real estate currently available i.e. full service restaurants, large and small retail space, small office, etc.
2. Ability to increase foot traffic in existing commercial centers and capture regional commute traffic patterns
3. Ability to diversify Citrus Heights economy

### **Value of Incentives**

Eligible businesses may receive a grant on terms to be negotiated to be used for some combination of relocation, operating, equipment, payment of fees and regulatory costs, or other legitimate and customary start up business costs. The value of incentives identified above will be within the discretion of the City and will depend upon the unique attributes of each project and the benefits that will accrue to the City and to the community.

### **Application and Review Process**

To be considered for a Business Attraction Incentive, a business owner or representative submits a request including details on the proposed project and how it will benefit the community along with supporting documentation.

Upon receipt of the request, Economic Development & Community Engagement Department staff will review the application for completeness and complete a fiscal and community impact

**Subject: Citrus Heights Business Attraction Incentive Program approval**

**Date: March 23, 2023**

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analysis to determine incentive feasibility. Based on the analysis, EDCE staff will prepare a proposed incentive package and agreement for City Manager and City Attorney review.

Incentive packages valued at less than \$5,000 may be reviewed by the City Manager. For any incentive package valued \$5,000 or more over life of the agreement, staff will bring to City Council for review during a public meeting.

### **Program Promotion**

Once approved, staff will create program promotion materials and a multi-channel communications and marketing plan for business recruitment and attraction, including:

- Direct outreach and prospecting to local targeted businesses
- Outreach to property managers, brokers and owners to generate referrals
- Project webpage
- Social media
- Local media
- Regional media
- Applicable trade shows
- Partnerships with Citrus Heights Chamber of Commerce and Sunrise MarketPlace

### **Attachments**

1. Resolution approving the Citrus Heights Business Attraction Incentive Program Guidelines and allocating \$1,000,000 in American Rescue Plan Act funds to administer the program through June 30, 2024
  - a. Citrus Heights Business Attraction Incentive Program Guidelines

**RESOLUTION NO. 2023- \_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, APPROVING THE CITRUS HEIGHTS BUSINESS ATTRACTION INCENTIVE PROGRAM GUIDELINES AND ALLOCATING \$1,000,000 IN AMERICAN RESCUE PLAN ACT FUNDS TO ADMINISTER THE PROGRAM THROUGH JUNE 30, 2024**

**WHEREAS**, the City of Citrus Heights has a strategic goal to “Diversify for a resilient economy”;

**WHEREAS**, Citrus Heights City Council set a strategic objective to “Present to City Council program guidelines and recommendations to develop a grant program utilizing ARPA funding that advances economic development goals of effectively attracting and retaining target businesses and industries”;

**WHEREAS**, an effective business attraction grant would be used to target and successfully recruit businesses within target industries of the city whose needs are conducive with the current available real estate; and

**WHEREAS**, the proposed incentive program will help identify, attract and invest in new businesses in target industries that contribute to commercial area vitality, utilize existing vacant real estate, and increase quality of life for residents, workers and visitors.

**NOW THEREFORE BE IT RESOLVED AND ORDERED** the City Council hereby approves the Citrus Heights Business Attraction Incentive Program Guidelines and allocating \$1,000,000 in American Rescue Plan Act funds to administer the program through June 30, 2024 with up to 3% of the allocation able to be used for marketing and promotion of the program.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

**PASSED AND ADOPTED** by the City Council of the City of Citrus Heights, California, this 23rd day of March 2023 by the following vote, to wit:

**AYES: Council Members:**  
**NOES: Council Members:**  
**ABSTAIN: Council Members:**  
**ABSENT: Council Members:**

\_\_\_\_\_  
**Tim Schaefer, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Amy Van, City Clerk**

**Exhibit**

- A. Citrus Heights Business Attraction Incentive Program Guidelines

## CITRUS HEIGHTS BUSINESS ATTRACTION INCENTIVE PROGRAM GUIDELINES

### PROGRAM OVERVIEW

The Citrus Heights Business Attraction Incentive Program (“Program”) is established to enhance the City’s competitiveness in attracting designated target industry businesses that create community vibrancy.

### PROGRAM GUIDELINES

The overriding goal of the Program is to identify, attract and invest in new businesses that contribute to commercial area vitality and increase quality of life for residents, workers and visitors.

#### Eligibility:

- Businesses that fall within one or more of the following business attraction target industry sectors:
  - *Restaurants* – restaurants, bars, coffee, and tea shops (*national chains do not qualify*)
  - *Breweries and other craft beverage businesses* – includes artisan manufacturing operations, tasting rooms and brewpubs
  - *Entertainment* – includes bowling alleys, movie theaters, performing arts, and entertainment venues
  - Businesses that serve to diversify the City’s economic base and/or enhance community quality of life by providing *unique or underrepresented services/goods*
- Have or be prepared to hire at least five employees, which can include founders and owners.
- Has less than 100 employees, has less than \$50 million of annual revenue, and is valued at less than \$500 million. Often, companies assisted through this Program will be much smaller than these thresholds.
- Application must show how business is a neighborhood service or destination amenity that contributes to community vibrancy

The City may also consider incentive for businesses that do not meet a portion of the above criteria if they are locating into an existing building or tenant space that has been vacant for more than five years.

- The building/space must have been previously occupied by another business at some point
- New construction building for a target industry user would be considered in existing commercial centers (example; outbuilding in surplus parking lot) if there are no available current properties that meet the proposed business’s needs
  - Timing of payment would coincide with a deliverable such as certificate of occupancy

Ineligible business categories: Businesses will be ineligible for this incentive program if they do not satisfy the intent of this program which is to enhance the City's competitiveness in attraction of businesses that contribute to economic diversification and impact, community vibrancy, and/or and quality of life.

### **Value of Incentives:**

Eligible businesses may receive a grant on terms to be negotiated to be used for some combination of relocation, operating, equipment, or other legitimate and customary start up or business costs. The value of incentives identified above will be within the discretion of the City and will depend upon the unique attributes of each project and the benefits that will accrue to the City and to the community.

After reviewing an application for Business Attraction incentives, the City's Economic Development Department will perform an analysis of proposed or requested incentives to determine the fiscal implications of any particular incentive or combination of incentives. The City Manager or his/her designee will work with the applicant to determine an incentive package that is beneficial to the applicant while furthering the goals and objectives of the City. The value of the package may take into account financial benefits to the City as well as enhancement of the community's quality of life. The City Council may consider other criteria in determining the final incentive package that will be offered.

Please note that not all applicants may receive an offer of incentives. Incentives offered will depend upon the benefits of each project as well as availability of City funds. Grant Incentives may, at the City's sole discretion, be paid up front to assist with start-up costs or as a reimbursement for accrued costs. Regardless of the timing of payments, an accounting and proof of use of the funds in a manner consistent with the application will be required. The timing of payments and the amount of incentives will be determined on a case-by-case basis at the City's sole discretion.

### **Application Requirements, Selection Criteria and Procedure**

To be considered, a business owner or representative must submit the following minimum information:

1. A general description of the proposed project, including:
  - a. Type of business, location, and description of operations
  - b. Projected number, types and annual median wage of jobs
  - c. Projected sales and/or TOT revenue generation (if applicable)
  - d. Any other criteria the City may use to evaluate the benefits of the proposed project. This may include financial benefits as well as enhancements to the overall community's quality of life and diversification of the City's economic base;

2. A detailed request of monetary incentives including a description of how the funds will be used. Also include a description of other funds that are being leveraged for the project and how they will be used (bank loan, private investment, etc.)
3. Include a business pro forma cash flow analysis that details financial projections for at least five (5) years.
4. For startup businesses or those that have been in business for less than two (2) years, a copy of the business plan will be required. Businesses open for more than two years are not required to submit this unless the City asks to review a business plan before awarding incentives.
5. Businesses may be required to provide a signed letter of intent with a landlord or property owner as well as a copy of the proposed lease or sales agreement.

**Application Review & Approval Process:**

1. Upon receipt of the request, the City's Economic Development & Community Engagement Department will review the request and verify applicable requirements have been met. The Department will also complete a fiscal impact and community benefit analysis to determine whether an incentive package is feasible for the City.
2. Based on the analysis, the Economic Development & Community Engagement Department will prepare a proposed incentive package and draft an Economic Development Incentive Agreement ("Agreement") for City Manager and City Attorney review and approval.
3. Incentive packages valued at less than \$5,000 may be approved by the City Manager. For any incentive package valued \$5,000 or more over the life of the agreement, staff will make a recommendation and present it to City Council for approval.
4. If approved by the City Manager or by City Council, as applicable, the Agreement will be returned to applicant for signature.
5. If required by the Agreement, the City may engage in post-award monitoring to ensure the anticipated jobs and/or tax revenue are generated. This may include reviewing sales data, employment records, or other information. The specific type and length of any monitoring shall be identified within the Agreement.
6. All startup businesses or those open for less than one (1) year that are approved for an incentive will be required to receive (5) hours of business counseling from Sacramento Valley Small Business Development Center (SBDC) or take a minimum of two (2) classes offered by SBDC.

For more information on the program, contact:

Meghan Huber

Economic Development & Community Engagement Director

916-727-4745

[mhuber@citrusheights.net](mailto:mhuber@citrusheights.net)



CITY OF CITRUS HEIGHTS
CITY COUNCIL STAFF REPORT
MEMORANDUM

DATE: March 23, 2023
TO: Mayor and City Council Members
Ashley J. Feeney, City Manager
FROM: Regina Cave, General Services Director
Leslie Blomquist, City Engineer
Daniel Kehrer, Senior Civil Engineer
SUBJECT: Municipal Code Chapter 42 – FLOODS City Ordinance Update

Summary and Recommendation

Recently, code changes to the National Flood Insurance Program (NFIP) were adopted. To maintain eligibility for inclusion in the NFIP, and to be consistent with the NFIP code, updates to Chapter 42 of the City’s Municipal Code is required.

Staff recommends the City Council introduce for first reading, read by title only and waive the full reading of Ordinance No. 2023-\_\_\_\_\_, an Ordinance of the City Council of the City of Citrus Heights amending Chapter 42 “Floods” of the Citrus Heights Municipal Code.

Fiscal Impact

There is no direct fiscal impact resulting from revisions to the Ordinance. Revisions are consistent with City’s current approach to floodplain management and development within and near floodways.

Background and Analysis

On October 15, 1997 the City of Citrus Heights joined the NFIP, a program that makes federally-backed flood insurance available to residents if the City adopts and enforces floodplain management ordinances to reduce future flood damage. Currently, there are 225 active NFIP policies in Citrus Heights.

As a part of the NFIP membership, on-going coordination with the Federal Emergency Management Agency (FEMA) and State Floodplain Managers (Department of Water Resources (DWR) in California) is required to discuss current policies, status of claims, and possible violations/non-compliance items on private flood insurance and claims within the City.

**Subject: Chapter 42 – FLOODS City Ordinance Update**

**Date: March 23, 2023**

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On December 8, 2022, a meeting was held between FEMA, DWR, and City Staff where the group reviewed recent code changes to the NFIP including additional definition of terms, updated references to recently revised FEMA Flood Insurance Rate Maps, and requirements for developments that occur within/near floodways consistent with the City's current drainage and development policy and procedures.

In addition, the City is pursuing participation in FEMA's Community Rating System (CRS); a voluntary incentive program that recognizes and encourages community floodplain management practices that exceed the minimum requirements of the NFIP. In CRS communities, property owners are able to obtain flood insurance premiums at a discounted rate to reflect the reduced flood risk. The proposed Ordinance updates are required as one part of the eligibility requirements to become a CRS community.

The attached Ordinance amends Chapter 42 of the Citrus Heights Municipal Code to be consistent with the recent code changes to the NFIP. Adoption of the amended Ordinance prior to August 31, 2023 is required for the City to continue its membership in the NFIP.

### **Attachments**

1. Ordinance No. 2023-\_\_\_\_\_ An Ordinance of the City Council of the City of Citrus Heights, California, Amending Chapter 42 "Floods" of the Citrus Heights Municipal Code.

**ORDINANCE NO. 2023-\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS  
AMENDING CHAPTER 42 “FLOODS” OF THE CITRUS HEIGHTS  
MUNICIPAL CODE**

The City Council of the City of Citrus Heights does ordain as follows:

The provisions of Chapter 42 of the City of Citrus Heights Code are amended, as follows:

**SECTION 1. Amendment.** Section 42-4 of the Citrus Heights Code is hereby amended to read as set forth below:

**Sec. 42-4. Definitions.**

Unless specifically defined in this section, words or phrases used in this chapter shall be interpreted so as to give them the meaning they have in common usage and to give this chapter its most reasonable application. The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Accessory use* means a use which is incidental and subordinate to the principal use of the parcel of land on which it is located.

*Adversely affects* means that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will increase the water surface elevation of the base flood more than one foot at any point.

*Alluvial fan* means a geomorphologic feature characterized by a cone- or fan-shaped deposit of boulders, gravel, and fine sediments that have been eroded from mountain slopes, transported by flood flows, and then deposited on the valley floors, and which is subject to flash flooding, high velocity flows, debris flows, erosion, sediment movement and deposition, and channel migration.

*Apex* means the point of highest elevation on an alluvial fan, which on undisturbed fans is generally the point where the major stream that formed the fan emerges from the mountain front.

*Appeal* means a request for a review of the floodplain administrator's interpretation of any section of this chapter or a request for a variance.

*Area of shallow flooding* means a designated AO or AH zone on the flood insurance rate map (FIRM). The base flood depths range from one to three feet, a clearly defined channel does not exist, the path of flooding is unpredictable and indeterminate, and velocity flow may be evident. Such flooding is characterized by ponding or sheet flow.

*Area of special flood hazard.* See *Special flood hazard area*.

*Area of special flood-related erosion hazard* means the land within a community that is not likely to be subject to severe flood-related erosion losses. The area may be designated as zone E on the flood insurance rate map (FIRM).

*Area of special mudslide (i.e., mudflows) hazard* means the area subject to severe mudslides (i.e., mudflows). The area is designated as zone M on the flood insurance rate map (FIRM).

*Backfill* means the placement of fill material within a specified depression, hole or excavation pit below the surrounding adjacent ground level as a means of improving floodwater conveyance or to restore the land to the natural contours existing prior to excavation.

*Base flood* means the flood having a one-percent chance of being equaled or exceeded in any given year; also called the 100-year flood.

*Basement* means any area of the building having its floor subgrade (below ground level) on all sides.

*Building. See Structure.*

*Building Code* means California Code of Regulations Title 24, the California Building Standards Code, the family of building codes specifically adopted by the State of California and composed of: (1) Part 2, applicable to buildings and structures other than dwellings within the scope of this part; (2) Part 2.5, applicable to one and two family dwellings and townhouses not more than three stories, and accessory structures; (3) Part 10, applicable to existing buildings (as defined in that code); and (4) Other specified codes.

*Critical feature* means an integral and readily identifiable part of a flood protection system, without which the flood protection provided by the entire system would be compromised.

*Curvilinear line* means the border on either a flood hazard boundary map or flood insurance rate map that delineates the special flood, mudslide (i.e., mudflow) and/or flood-related erosion hazard areas and consists of a curved or contour line that follows the topography.

*Development* means any manmade change to improved or unimproved real estate, including but not limited to buildings or other structures, mining, dredging, filling, grading, paving, excavation or drilling operations or storage of equipment or materials.

*Encroachment* means the advance or infringement of uses, plant growth, fill, excavation, buildings, permanent structures or development into a floodplain that may impede or alter the flow capacity of a floodplain.

*Erosion* means the process of the gradual wearing away of land masses. This peril is not per se covered under the National Flood Insurance Program.

*Existing manufactured home park or subdivision* means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed, including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads, is completed before the effective date of the floodplain management regulations adopted by a community.

*Expansion to an existing manufactured home park or subdivision* means the preparation of additional sites by the construction of facilities for servicing the lots on

which the manufactured homes are to be affixed, including the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads.

*Fill* means the placement of fill material at a specified location to bring the ground surface up to a desired elevation.

*Fill material* can be natural sand, dirt, soil or rock. For the purposes of floodplain management, fill material may include concrete, cement, soil cement, brick or similar material as approved on a case-by-case basis.

*Flood, flooding and floodwater* mean:

- (1) A general and temporary condition of partial or complete inundation of normally dry land areas from:
  - a. The overflow of inland or tidal waters;
  - b. The unusual and rapid accumulation or runoff of surface waters from any source; and/or
  - c. Mudslides (i.e., mudflows) which are proximately caused by flooding, as defined in subsection (2) of this definition, and are akin to a river of liquid and flowing mud on the surfaces of normally dry land areas, as which earth is carried by a current of water and deposited along the path of the current; and
- (2) The collapse or subsidence of land along the shore of a lake or other body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels or suddenly caused by an unusually high water level in a natural body of water, accompanied by a severe storm, or by an unanticipated force of nature, such as flash flood or an abnormal tidal surge, or by some similarly unusual and unforeseeable event which results in flooding as defined in subsection (1) of this definition.

*Flood control project* means a dam or barrier design and constructed to keep water away from or out of a specified area, including but not limited to levees, floodwalls, and channelization.

*Flood elevation determination* means a determination by the administrator of the water surface elevations of the base flood, that is, the flood level that has a one-percent or greater chance of occurrence in any given year.

*Flood elevation study* means an examination, evaluation and determination of flood hazards and, if appropriate, corresponding water surface elevations, or an examination, evaluation and determination of mudslide (i.e., mudflow) and/or flood-related erosion hazards.

~~*Flood hazard boundary map (FHBM)* means the official map on which the Federal Emergency Management Agency or Federal Insurance Administration has delineated the areas of flood hazards.~~

*Flood insurance rate map (FIRM)* means the official map on which the Federal Emergency Management Agency or Federal Insurance Administration has delineated both the areas of special flood hazards and the risk premium zones applicable to the community.

*Flood insurance study* means the official report provided by the Federal Insurance Administration that includes flood profiles, the flood insurance rate map, the flood boundary and floodway map, and the water surface elevation of the base flood.

*Floodplain* and *floodprone area* mean any land area susceptible to being inundated by water from any source. See the definition of *Flood*.

*Floodplain administrator* means the individual appointed to administer and enforce the floodplain management regulations.

*Floodplain management* means the operation of an overall program of corrective and preventive measures for reducing flood damage, including but not limited to emergency preparedness plans, flood control works and floodplain management regulations.

*Floodplain management regulations* means zoning ordinances, subdivision regulations, building codes, health regulations and special purpose ordinances such as floodplain management regulations.

*Floodproofing* means any combination of structural and nonstructural additions, changes, or adjustments to structures that reduce or eliminate flood damage to real estate or improved real property, water and sanitary facilities, structures, and their contents.

*Flood protection system* means those physical structural works for which funds have been authorized, appropriated, and expended and which have been constructed specifically to modify flooding in order to reduce the extent of the area within a community subject to a special flood hazard and the extent of the depths of associated flooding. Such a system typically includes hurricane tidal barriers, dams, reservoirs, levees, or dikes. These specialized flood-modifying works are those constructed to conform to sound engineering standards.

*Flood-related erosion* means the collapse or subsidence of land along the shore of a lake or other body of water as a result of undermining caused by waves or currents of water exceeding anticipated cyclical levels or suddenly caused by an unusually high water level in a natural body of water, accompanied by a severe storm, or by an unanticipated force of nature, such as a flash flood or an abnormal tidal surge, or by some similarly unusual and unforeseeable event which results in flooding.

*Flood-related erosion area* and *flood-related erosion-prone area* mean a land area adjoining the shore of a lake or other body of water which, due to the composition of the shoreline or bank and high water levels or wind-driven currents, is likely to suffer flood-related erosion damage.

*Flood-related erosion area management* means the operation of an overall program of corrective and preventive measures for reducing flood-related erosion damage, including but not limited to emergency preparedness plans, flood-related erosion control works, and floodplain management regulations.

*Floodway* means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than one foot; also referred to as "regulatory floodway."

*Floodway encroachment lines* means the lines marking the limits of floodways on federal, state, and local floodplain maps.

*Floodway fringe* means the area of a floodplain on either side of the designated floodway where encroachment may be permitted.

*Fraud and victimization*, related to sections 42-23—42-25, means that the variance granted must not cause fraud on or victimization of the public. In examining this requirement, the variance board will consider the fact that every newly constructed building adds to government responsibilities and remains a part of the community for 50 to 100 years. Buildings that are permitted to be constructed below the base flood elevation are subject during all those years to increased risk of damage from floods, while future owners of the property and the community as a whole are subject to all the costs, inconvenience, danger, and suffering that those increased flood damages bring. In addition, future owners may purchase the property, unaware that it is subject to potential flood damage, and can be insured only at very high flood insurance rates.

*Freeboard* means a factor of safety usually expressed in feet above a flood level for purposes of floodplain management. Freeboard tends to compensate for the many unknown factors that could contribute to flood heights greater than the height calculated for a selected size flood and floodway conditions, such as wave action, bridge openings, and the hydrological effect of urbanization of the watershed.

*Functionally dependent use* means a use that cannot perform its intended purpose unless it is located or carried out in close proximity to water. The term includes only docking facilities, port facilities that are necessary for the loading and unloading of cargo or passengers, and shipbuilding and ship repair facilities, but does not include longterm storage or related manufacturing facilities.

*Hardship*, related to sections 42-23—42-25, means the hardship that would result from a failure to grant the requested variance. The variance board requires that the variance be exceptional, unusual, and peculiar to the property involved. Mere economic or financial hardship alone is not exceptional. Inconvenience, aesthetic considerations, physical handicaps, personal preferences, or the disapproval of one's neighbors likewise cannot, as a rule, qualify as exceptional hardships. All of these problems can be resolved through other means, without granting a variance. This is so even if the alternative means are more expensive or complicated than building with a variance, or if they require the property owner to put the parcel to a different use than originally intended, or to build elsewhere.

*Highest adjacent grade* means the highest natural elevation of the ground surface prior to construction next to the proposed walls of a structure.

*Historic structure* means any structure that is:

- (1) Listed individually in the National Register of Historic Places (a listing maintained by the Department of the Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;
- (2) Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district registered historic district;

- (3) Individually listed on a state inventory of historic places in states with historic preservation programs which have been approved by the Secretary of the Interior; or
- (4) Individually listed on a local inventory of historic places in communities with historic preservation programs that have been certified either:
  - a. By an approved state program as determined by the Secretary of the Interior; or
  - b. By the Secretary of the Interior directly in states with approved programs.

*Landfill* means a permitted location for the disposal, placement or dumping of garbage, trash, debris, junk, or waste material.

*Letter of Map Change (LOMC)* means an official determination issued by FEMA that amends or revises an effective Flood Insurance Rate Map or Flood Insurance Study. Letters of Map Change include: (1) Listed individually in the National Register of Historic Places (a listing maintained by the Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register; (2) Letter of Map Revision (LOMR): A revision based on technical data that may show changes to flood zones, flood elevations, special flood hazard area boundaries and floodway delineations, and other planimetric features; (3) Letter of Map Revision Based on Fill (LOMR-F): A determination that a structure or parcel of land has been elevated by fill above the base flood elevation and is, therefore, no longer located within the special flood hazard area. In order to qualify for this determination, the fill must have been permitted and placed in accordance with the community's floodplain management regulations; and (4) Conditional Letter of Map Revision (CLOMR): A formal review and comment as to whether a proposed flood protection project or other project complies with the minimum NFIP requirements for such projects with respect to delineation of special flood hazard areas. A CLOMR does not revise the effective Flood Insurance Rate Map or Flood Insurance Study; upon submission and approval of certified as-built documentation, a Letter of Map Revision may be issued by FEMA to revise the effective FIRM.

*Levee* means a manmade structure, usually an earthen embankment, designed and constructed in accordance with sound engineering practices to contain, control, or divert the flow of water so as to provide protection from temporary flooding.

*Levee system* means a flood protection system that consists of a levee and associated structures, such as closure and drainage devices, which are constructed and operated in accordance with sound engineering practices.

*Lowest floor* means the lowest floor of any lowest enclosed area, including basement. An unfinished or flood-resistant enclosure, usable solely for parking of vehicles, building access or storage in an area other than a basement area is not considered a building's lowest floor; provided that such enclosure is not built so as to render the structure in violation of the applicable nonelevation design requirements of this chapter.

*Manufactured home* means a structure, transportable in one or more sections, which is built on a permanent chassis and is designed for use with or without a permanent foundation when attached to the required utilities. The term "manufactured home" does not include a recreational vehicle.

*Manufactured home park or subdivision* means a parcel or contiguous parcels of land divided into two or more manufactured home lots for rent or sale.

*Map* means the flood hazard boundary map (FHBM) or the flood insurance rate map (FIRM) for a community, issued by the Flood Insurance Administration of the Federal Emergency Management Agency.

*Market Value* means the price at which a property will change hands between a willing buyer and a willing seller, neither party being under compulsion to buy or sell and both having reasonable knowledge of relevant facts. As used in these regulations, the term refers to the market value of buildings and structures, excluding the land and other improvements on the parcel. Market value may be established by one of the following methods: (1) Actual Cash Value (replacement cost depreciated for age and quality of construction); (2) tax assessment value adjusted to approximate market value by a factor provided by the Property Appraiser; or (3) a qualified independent appraiser.

*Mean sea level* means, for purposes of the National Flood Insurance Program, the National Geodetic Vertical Datum (NGVD) of 1929 or other datum, to which base flood elevations shown on a community's flood insurance rate map are referenced.

*Minimum necessary*, related to sections 42-23—42-25, means the minimum necessary to afford relief to the applicant of a variance with a minimum deviation from the requirements of this chapter. For variances to an elevation requirement, this means the variance board need not grant permission for the applicant to build at grade, for example, or even to whatever elevation the applicant proposes, but only that level the board believes will both provide relief and preserve the integrity of the local ordinance.

*Mudslide (i.e., mudflow)* describes a condition where there is a river, flow or inundation of liquid mud down a hillside usually as a result of a dual condition of loss of brush cover, and the subsequent accumulation of water on the ground preceded by a period of unusually heavy or sustained rain.

*Mudslide-prone area (i.e., mudflow-prone)* means an area with land surfaces and slopes of unconsolidated material where the history, geology, and climate indicate a potential for mudflow.

*New construction* means structures for which the start of construction commenced on or after the effective date of a floodplain management regulation adopted by a community and includes any subsequent improvements to such structures.

*New manufactured home park or subdivision* means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed, including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads, is completed on or after the effective date of floodplain management regulations adopted by a community.

*Obstruction* includes but is not limited to any dam, wall, wharf, embankment, levee, dike, pile, abutment, protection, excavation, channelization, bridge, conduit, culvert, building, wire, fence, rock, gravel, refuse, fill, structure, vegetation or other material in, along, across or projecting into any watercourse which may alter, impede, retard or change the direction and/or velocity of the flow of water, or, due to its location, its propensity to

snare or collect debris carried by the flow of water or its likelihood of being carried downstream.

*One-hundred year flood* means a flood which has a one-percent annual probability of being equaled or exceeded. It is identical to the "base flood," which will be the term used throughout this chapter.

*Principal structure* means a structure used for the principal use of the property as distinguished from an accessory use.

*Public safety and nuisances*, related to sections 42-23 through 42-25, mean the granting of a variance must not result in additional threats to public safety or create nuisances. This chapter is intended to help protect the health, safety, well-being, and property of the local citizens. This is a long-range community effort made up of a combination of approaches such as adequate drainage systems, warning and evacuation plans, and keeping new property above the flood levels. These longterm goals can only be met if exceptions to the requirements of this chapter are kept to a bare minimum.

*Recreational vehicle* means a vehicle that is:

- (1) Built on a single chassis;
- (2) Four hundred square feet or fewer when measured at the largest horizontal projection;
- (3) Designed to be self-propelled or permanently towable by a light-duty truck; and
- (4) Designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.

*Regulatory floodway* means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

*Riverine* means relating to, formed by, or resembling a river, including tributaries; stream; brook; etc.

*Sheet flow area*. See *Area of shallow flooding*.

*Special flood hazard area (SFHA)* means an area having special flood or flood-related erosion hazards, and shown on ~~an FFBM or the~~ FIRM as zone A, AE, AO, A1—A30, AE, A99, or AH.

*Start of construction* includes substantial improvement and other proposed new development and means the date the building permit was issued, provided the actual start of construction, repair, reconstruction, rehabilitation, addition, placement, or other improvement was within 180 days from the date of the permit. The actual start means either the first placement of permanent construction of a structure on a site, such as the pouring of slab or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation, or the placement of a manufactured home on a foundation. Permanent construction does not include land preparation, such as clearing, grading and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footings, piers, or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as

garages or sheds not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.

*Structure* means a walled and roofed building, including a gas or liquid storage tank, that is principally above ground, as well as a manufactured home.

*Substantial damage* means damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred.

*Substantial improvement* means any reconstruction, rehabilitation, addition, or other proposed new development of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before the start of construction of the improvement. This term includes structures that have incurred substantial damage, regardless of the actual repair work performed. The term does not, however, include either:

- (1) Any project for improvement of a structure to correct existing violations or state or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to ensure safe living conditions; or
- (2) Any alteration of a historic structure, provided that the alteration will not preclude the structure's continued designation as a historic structure.

*Variance* means a grant of relief from the requirements of this chapter that permits construction in a manner that would otherwise be prohibited by this chapter.

*Water surface elevation* means the height, in relation to the National Geodetic Vertical Datum (NGVD) of 1929 or other datum, where specified, of floods of various magnitudes and frequencies in the floodplain of coastal or riverine areas.

*Watercourse* means a lake, river, creek, stream, wash, arroyo, channel or other topographic feature on, or over which, waters flow at least periodically. The term "watercourse" includes specifically designated areas in which substantial flood damage may occur.

**SECTION 2. Amendment.** Section 42-7 of the Citrus Heights Code is hereby amended to read as set forth below:

**Sec. 42-7. Establishment of areas of special flood hazard.**

The areas of special flood hazard identified by the Federal Insurance Administration (FIA) of the Federal Emergency Management Agency (FEMA) in the flood insurance study for Sacramento County, California and Incorporated Areas dated ~~August 19, 1991~~ August 16, 2012, and the accompanying Flood Insurance Rate Maps (FIRM), ~~dated August 19, 1991~~, and all subsequent amendments and/or revisions thereto, are hereby adopted by reference and declared to be a part of this chapter. The flood insurance study and attendant mapping is the minimum area of applicability of this chapter and may be supplemented by studies for other areas which allow implementation of this chapter and which are

recommended to the city council by the floodplain administrator. The study and flood insurance rate maps (FIRMs) are on file in the office of the city engineer, City Hall, ~~6237~~ 6360 Fountain Square Drive, Citrus Heights, CA 95621.

**SECTION 3. Amendment.** Section 42-12 of the Citrus Heights Code is hereby amended to read as set forth below:

**Sec. 42-12. Development permit.**

- (a) A development permit shall be obtained before any construction or other development begins within any area of special flood hazard, area of flood-related erosion hazard or area of mudslide (i.e., mudflow) established in section 42-7.
- (b) Application for a development permit shall be made on forms furnished by the floodplain administrator and may include but not be limited to plans in duplicate drawn to scale showing the nature, location, dimensions, and elevation of the area in question, existing or proposed structures, fill, storage of materials, drainage facilities, and the location of such.
- (c) Specifically, the following information is required in the application:
  - (1) Proposed elevation, in relation to mean sea level, of the lowest floor, including basement, of all structures; in zone AO; ~~the elevation of the highest adjacent grade and proposed elevation of the lowest floor of all structures;~~
  - (2) Proposed elevation, in relation to mean sea level, of the lowest floor, including basement, of all structures; in zones A1-30, AE and AH;
  - ~~(23)~~ Proposed elevation in relation to mean sea level to which any structure will be floodproof;
  - ~~(34)~~ All appropriate certifications listed in section 42-14(4); and
  - ~~(45)~~ Description of the extent to which any watercourse will be altered or relocated as a result of proposed development.

**SECTION 4. Amendment.** Section 42-14 of the Citrus Heights Code is hereby amended to read as set forth below:

**Sec. 42-14. Floodplain administrator's duties and responsibilities.**

The duties and responsibilities of the floodplain administrator shall include but not be limited to the following:

- (1) Review all development permits to determine that:
  - a. The permit requirements of this chapter have been satisfied;
  - b. All other required state and federal permits have been obtained;
  - c. The site is reasonably safe from flooding; and

- d. The proposed development does not adversely affect the carrying capacity of areas where base flood elevations have been determined but a floodway has not been designated.
- (2) Obtain, review, and reasonably utilize any base flood elevation and floodway data available from a federal or state agency, or other source, in order to administer sections 42-15—42-22 when base flood elevation data has not been provided in accordance with section 42-7. Any such information shall be submitted to the city council for adoption.
- (3) Whenever a watercourse is to be altered or relocated:
- a. Notify adjacent communities and the state department of water resources prior to such alternation or relocation of a watercourse and submit evidence of such notification to the Federal Insurance Administration of the Federal Emergency Management Agency.
  - b. Require that the flood-carrying capacity of the altered or relocated portion of the watercourse is maintained.
  - c. Require applicants who submit hydrologic and hydraulic engineering analyses to support permit applications to submit to FEMA the data and information necessary to maintain the Flood Insurance Rate Maps when the analyses indicate changes in base flood elevations, flood hazard area boundaries, or floodway designations; such submissions shall be made within 6 months of such data becoming available.
  - d. Require applicants who propose alteration of a watercourse to notify adjacent communities and the NFIP State Coordinating Agency, and to submit copies of such notifications to the Federal Emergency Management Agency (FEMA).
- (4) Obtain and maintain for public inspection and make available as needed the following:
- a. The certification required by section 42-15(3)a, which pertains to floor elevations.
  - b. The certification required by section 42-15(3)b, which pertains to elevations in areas of shallow flooding.
  - c. The certification required by section 42-15(3)c, which pertains to elevation or floodproofing of nonresidential structures.
  - d. The certification required by section 42-15(3)c.1 or (3)c.2, which pertains to wet floodproofing standard.
  - e. The certification of elevation required by section 42-17(b), which pertains to subdivision standards.
  - f. The certification required by section 42-20(1), which pertains to floodway encroachments.
  - g. The reports required by section 42-21(d), which pertains to mudflow standards.
- (5) Make interpretations, where needed, as to the exact location of the boundaries of the areas of special flood hazards, areas of flood-related erosion hazards or areas of mudslide (i.e., mudflow). For example, where there appears to be a conflict between a

mapped boundary and actual field conditions. The person contesting the location of the boundary shall be given a reasonable opportunity to appeal the interpretation as provided in section 42-24.

- (6) Take action to remedy violations of this chapter as specified in section 42-8.

**SECTION 5. Amendment.** Section 42-15 of the Citrus Heights Code is hereby amended to read as set forth below:

**Sec. 42-15. Standards for construction.**

In all areas of special flood hazards, the following standards are required:

- (1) *Anchoring.* Standards for anchoring shall be as follows:
- a. All new construction, substantial improvements, and other proposed new development shall be adequately anchored to prevent flotation, collapse or lateral movement of the structure resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy.
  - b. All manufactured homes shall meet the anchoring standards of section 42-18.
- (2) *Construction materials and methods.* Standards for construction materials and methods shall be as follows:
- a. All new construction, substantial improvement and other proposed new development shall be constructed with materials and utility equipment resistant to flood damage.
  - b. All new construction, substantial improvement and other proposed new development shall be constructed using methods and practices that minimize flood damage.
  - c. All new construction, substantial improvement and other proposed new development shall be constructed with electrical, heating, ventilation, plumbing and air conditioning equipment and other service facilities that are designed and/or located to prevent water from entering or accumulating within the components during conditions of flooding.
  - d. Require within zone AH or AO that adequate drainage paths around structures on slopes guide floodwaters around and away from proposed structures.
- (3) *Elevation and floodproofing.* Standards for elevation and floodproofing shall be as follows:
- a. ~~All N~~All Nnew construction, substantial improvement and other proposed new development within zones AE, and AH shall comply with the applicable requirements of the building code and have the lowest floor, including basement, elevated ~~to or~~ two-feet above the base flood elevation. Nonresidential structures may meet the standards in subsection (3)c of this section. Upon the completion of the structure, the elevation of the lowest floor, including basement, shall be certified by a registered professional engineer or surveyor or verified to be

properly elevated by the community building inspector. Such certification or verification shall be provided to the floodplain administrator.

- b. New construction, substantial improvement, and other proposed new development in zone AO shall have the lowest floor, including basement, elevated above the highest adjacent grade at least as high as the depth number specified in feet on the FIRM or at least two feet above base flood elevation if no depth number is specified. Nonresidential structures may meet the standards in subsection (3)c of this section. Upon the completion of the structure, the elevation of the lowest floor, including basement, shall be certified by a registered professional engineer or surveyor or verified to be properly elevated by the community building inspector. Such certification or verification shall be provided to the floodplain administrator.
- c. Nonresidential construction shall either be elevated to conform with subsection (3)a or (3)b of this section or, together with attendant utility and sanitary facilities, shall:
  1. Be floodproofed so that, below the base flood level, the structure is watertight with walls substantially impermeable to the passage of water;
  2. Have structural components capable of resisting hydrostatic and hydrodynamic loads and effects of buoyancy; and
  3. Be certified by a registered professional engineer or architect that the standards of this subsection are satisfied. Such certifications shall be provided to the floodplain administrator.
- d. Require, for all new construction, substantial improvement and other proposed new development, that fully enclosed areas below the lowest floor that are usable solely for parking of vehicles, building access or storage in an area other than a basement and which are subject to flooding shall be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwater. Designs for meeting this requirement must either be certified by a registered professional engineer or architect or meet or exceed the following minimum criteria:
  1. Either a minimum of two openings having a total net area of not less than one square inch for every square foot of enclosed area subject to flooding shall be provided, the bottom of all openings shall be no higher than one foot above grade (openings may be equipped with screens, louvers, valves or other coverings or devices, provided that they permit the automatic entry and exit of floodwater); or
  2. Certification to comply with a local floodproofing standard approved by the Federal Insurance Administration of the Federal Emergency Management Agency.
- e. Manufactured homes shall also meet the standards in section 42-18.

**SECTION 6. Amendment.** Section 42-18 of the Citrus Heights Code is hereby amended to read as set forth below:

**Sec. 42-18. Standards for manufactured homes.**

- (a) All manufactured homes that are placed or substantially improved within a special flood hazard area on the community's flood insurance rate map outside of a manufactured home park or subdivision, in a new manufactured home park or subdivision, in an expansion to an existing manufactured home park or subdivision, or in an existing manufactured home park or subdivision on which a manufactured home has incurred substantial damage as the result of a flood will be elevated on a permanent foundation such that the lowest floor of the manufactured home is elevated ~~two-feet to or~~ above the base flood elevation and shall be secured to an adequately anchored foundation system to resist flotation collapse and lateral movement.
- (b) All manufactured homes to be placed or substantially improved on sites in an existing manufactured home park or subdivision on the community's flood insurance rate map that are not subject to subsection (a) of this section will be elevated so that either:
  - (1) The lowest floor of the manufactured home is at, or above, the base flood elevation; or
  - (2) The manufactured home chassis is supported by reinforced piers or other foundation elements of at least equivalent strength that are no less than 36 inches in height above grade and shall be secured to an adequately anchored foundation system to resist flotation, collapse, and lateral movement.

**SECTION 7. Amendment.** Section 42-21 of the Citrus Heights Code is hereby amended to read as set forth below:

**Sec. 42-21. Mudslide-prone areas.**

- (a) The floodplain administrator shall review permits for proposed construction of other development to determine if it is proposed within a mudslide area.
- (b) Permits shall be reviewed to determine that the proposed development is reasonably safe from mudslide hazards. Factors to be considered in making this determination include but are not limited to the following:
  - (1) The type and quality of soils;
  - (2) Evidence of groundwater or surface water problems;
  - (3) The depth and quality of any fill;
  - (4) The overall slope of the site; and
  - (5) The weight that any proposed development will impose on the slope.
- (c) Within areas which have mudslide hazards, the following requirements apply:
  - (1) A site investigation and further review shall be made by persons qualified in geology and soils engineering;

- (2) The proposed grading, excavation, new construction, substantial improvement and other proposed new development shall be adequately designed and protected against mudslide damages;
  - (3) The proposed grading, excavation, new construction, substantial improvement and other proposed new development do not aggravate the existing hazard by creating either on-site or off-site disturbances; and
  - (4) Drainage, planting, watering, and maintenance shall not endanger slope stability.
- (d) Within zone M on the flood insurance rate map, the city shall adopt a drainage ordinance which at least complies with the standards of sections 7001 through 7006 and sections 7008 through 7015 of the most recent amendment of the ~~1973~~ Uniform Building Code:
- (1) The location of foundation and utility systems of new construction, substantial improvement and other proposed new development;
  - (2) The location, drainage and maintenance of all excavations, cuts and fills and planted slopes;
  - (3) Protective measures, including but not limited to retaining walls, buttress fills, subdrains, diverter terraces, benchings, etc.; and
  - (4) Engineering drawings and specifications to be submitted for all corrective measures, accompanied by supporting soils engineering and geology reports.

**SECTION 8. Severability.** If any section, subdivision, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

**SECTION 9. Effective Date and Notice.** This ordinance shall take effect thirty (30) days after its adoption, provided it is published in full or in summary within fifteen (15) days of its adoption, in a newspaper of general circulation published and circulated in the City of Citrus Heights.

**PASSED AND ADOPTED** by the City Council of the City of Citrus Heights this \_\_\_\_\_ day of \_\_\_\_\_ 2023 by the following vote:

**AYES:**            **Council Members:**  
**NOES:**           **Council Members:**  
**ABSENT:**       **Council Members:**  
**ABSTAIN:**      **Council Members:**

\_\_\_\_\_  
**Tim Schaefer, Mayor**

**ATTEST:**

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**Amy Van, City Clerk**



**CITY OF CITRUS HEIGHTS**  
**CITY COUNCIL STAFF REPORT**  
**MEMORANDUM**

**DATE:** March 23, 2023

**TO:** Mayor and City Council Members

**FROM:** Ashley J. Feeney, City Manager  
Amy Van, City Clerk

**SUBJECT:** **Senate Bill 316: Prevent Serial Theft – Request for Letter of Support**

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**Summary and Recommendation**

On March 17, 2023, the City received a request from Senator Roger Niello’s office seeking Citrus Heights City Council support of Senate Bill 316 Prevent Serial Theft. SB 316, as introduced by Senator Niello, would charge a serial thief with a felony if they have three or more prior theft-related convictions and are convicted again of petty theft. SB 316 is scheduled to be heard before the Senate Public Safety Committee on March 28, 2023.

Staff recommends the City Council consider the request for a letter of support of SB 316.

**Fiscal Impact**

There is no fiscal impact associated with this action.

**Attachments**

1. SB 316 Fact Sheet
2. Sample Support Letter for SB 316



# California State Senate

SENATOR  
**ROGER NIELLO**  
SIXTH SENATE DISTRICT

## SB 316 Prevent Serial Theft

### **SUMMARY**

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SB 316 would charge a serial thief with a felony if they have three or more prior theft-related convictions and are convicted again of petty theft.

### **EXISTING LAW**

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Existing law, enacted by Proposition 47, makes the theft of property that does not exceed \$950 in value, petty theft, and makes the crime punishable as a misdemeanor, with exceptions.

Existing law states that any act of shoplifting must be charged as such, and that a person charged with shoplifting cannot also be charged with burglary or theft of the same property.

Existing law punishes shoplifting as a misdemeanor, except where a person has a prior "super strike" or a registrable sex conviction, in which case the offense is punished as a felony by imprisonment in the county jail pursuant to realignment.

### **PROBLEM**

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Since the implementation of Proposition 47, property crime has continued to increase, as seen by the surge in shoplifting and organized smash and grabs hitting retailers and small businesses across the state. According to a February 2022 Berkley Institute of Governmental Studies, two-thirds of California voters supported changing Proposition 47.

While most of the recent "smash and grab" thefts are already punishable as felonies, lack of sufficient penalties to deter serial theft are a problem with repeat offenders who commit multiple petty theft violations. In a 2019 survey conducted by the California Chamber of Commerce, 74% of participants stated that they supported "adding a felony for serial theft."

Voters approved Proposition 47 in 2014 to ensure that our criminal justice system focused on violent and serious offenses. Instead, it led to dangerous unintended consequences, opening up businesses and individuals to increased economic and psychological damage.

### **SOLUTION**

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This bill would reinstate petty theft with a prior, as it existed prior to the passage of Proposition 47, and extend those enhanced penalties for repeat theft to the new crime of shoplifting created by Proposition 47. Generally, a person convicted of petty theft is subject to misdemeanor penalties. This bill would increase those penalties to a felony if the person has three prior theft-related convictions.

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### **For more information:**

Contact:  
Hayley Fernandes  
(916) 651-4006  
Hayley.fernandes@sen.ca.gov

Senator Niello  
1021 O St., Suite 7110  
Sacramento, CA 95814

**Re: SUPPORT** Senate Bill 316 – Prevent Serial Theft

Dear Senator Niello,

Please accept this letter of support for **SB 316** from [Enter ORGANIZATION here]. This bill will ask voters to reinstate a previous provision of law that required an individual who has been convicted three or more times of petty theft, grand theft or other specified crimes and who is subsequently convicted of petty theft, to be subject to imprisonment in a county jail not exceeding one year or in a county jail for 16 months or 2 or 3 years.

Since Proposition 47’s enactment, there has been an increase in property crime, especially through shoplifting and smash and grabs. As the law currently stands, the lack of sufficient penalties to deter thieves has allowed for repeat offenders to become the norm.

SB 316 will allow for serial thieves to be charged with a felony if convicted after three prior theft-related convictions, instead of a misdemeanor. This bill will help increase community safety by moving dangerous criminals off of our streets.

[Enter ORGANIZATION here] is in support of **SB 316** because of the reasons stated above [or personalize a message that fits your organizations reasons for supporting].

Sincerely,

NAME

ORGANIZATION

EMAIL